Register No.46353 File No.30822

MINUTES OF THE ORDINARY SHAREHOLDERS' MEETING

ITALIAN REPUBLIC

This twentieth day of June two thousand and twenty-four

(20 June 2024)

In Forli, in my office in via Mentana 4

I, Mr. Marco Maltoni, Notary Public in Forlì, registered with the College of Notaries of the United Districts of Forlì and Rimini, proceed pursuant to Article 2375 of the Civil Code, at the request of the company, and on its behalf of the Chairman of the Board of Directors Meloni Stefano (born in Rome on 9 January 1949, domiciled for the purpose of office at the registered office of the aforementioned company), to prepare at a subsequent time the minutes of the Shareholders' Meeting of the company:

"UNIEURO S.P.A.", with registered office in Forlì (FC), Via Piero Maroncelli No. 10 at Palazzo Hercolani, with a share capital of Euro 4,139,724.20 (four million one hundred and thirty-nine thousand seven hundred and twenty-four point twenty), divided into 20,698,621 shares without par value, fully paid-in and existing, tax code and registration number in the Companies Register of the Chamber of Commerce of ROMAGNA FORLI'-CESENA and RIMINI: 00876320409 and registered with the R.E.A. under No. 177115;

shareholders' Meeting held in Forli, in my office at via Mentana No. 4, date and place at which the said Shareholders' Meeting was convened, in single call, for 12.00.

Therefore, having been requested, I the Notary Public was physically present at my office on the stated day and time to attend and take the minutes of the Shareholders' Meeting specified above. To this end, I acknowledge the following.

At 12.01, Board of Directors Chairman Meloni Stefano, physically present at the place of convocation, extends a cordial welcome to all those present, also on behalf of his colleagues on the Board of Directors, Board of Statutory Auditors, and company staff.

He states that he assumes the chairmanship of the Shareholders' Meeting in accordance with Article 10 of the By-Laws and Article 7 of the current Shareholders' Meeting Regulation.

No opposition is expressed.

The Chairman pursuant to Article 7 of the Shareholders' Meeting Regulation, calls the undersigned Notary Public to take the minutes of the Shareholders' Meeting by public record, noting that the undersigned will serve as Secretary of the Shareholders' Meeting.

He acknowledges that, as permitted by Article 106(4) of Decree-Law No. 17 of March 2020 No. 18, converted with amendments by Law No. 27 of 24 April 2020, and whose application was last extended by Law No. 21 of 5 March 2024:

- the Shareholders' Meeting shall be held, for the persons admitted, also by means of telecommunications that ensure the identification of the participants and their participation, without it being required in any case that the Chairman of the Shareholders' Meeting and the person in charge of the minutes being in the same place;
- as specified in the call notice, attendance at the Shareholders' Meeting by those entitled to vote is permitted exclusively through the designated proxy holder pursuant to Article 135-*undecies* and 135-*novies* of Legislative Decree No. 58 of 24 February 1998 ("TUF");
- the company has appointed the Company MONTE TITOLI S.P.A. as the designated proxy holder for the granting of proxies and related voting instructions pursuant to Article 135-*undecies* and 135-*novies* of the TUF, and has made available on its website the forms for granting proxies to the designated proxy holder.

The Chairman declares that, for the Board of Directors, in addition to himself, the Chief Executive Officer Giancarlo Nicosanti Monterastelli and the General Manager and Executive Director Maria Bruna Olivieri are physically present at the place of convocation;

via video link through the Microsoft Teams platform, the Directors, Messrs: Alessandra Bucci, Paola Elisabetta Galbiati, Daniele Pelli, Alessandra Stabilini and Giuseppe Nisticò are present;

the following directors excused their absence: Pietro Caliceti, Laura Cavatrota and Benedetto Levi;

for the Board of Statutory Auditors, via video link through the Microsoft Teams platform, the Directors, Messrs: Giuseppina Manzo, Chairperson, Stefano Antonini and Paolo Costantini, Statutory Auditors are present.

The Chairman acknowledges that the Shareholders' Meeting is being held in accordance with current applicable regulations and the By-Laws.

He acknowledges that the Shareholders' Meeting has been duly convened here for today, 20 June 2024, at 12.00, in a single call, in accordance with the law and By-Laws, by means of a call notice published on 20 May 2024, on the company's website, as well as on the "EMARKET STORAGE" storage mechanism and, in excerpt, in the "QN QUOTIDIANO NAZIONALE" newspaper, which was announced by means of a press release, with the following:

AGENDA

1. Separate Financial Statements for the fiscal year ended 29 February 2024; resolutions thereon:

1.1. Approval of the Financial Statements as at 29 February 2024, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm.

Presentation of the Consolidated Financial Statements as at 29 February 2024 and the Consolidated Non-Financial Statement drawn up pursuant to Legislative Decree No. 254/2016.
1.2. Allocation of the result for the year.
2. Proposal for the distribution of a dividend from the Extraordinary Reserve. Resolutions thereon.
3. Report concerning the policy for remuneration and recompense paid:
3.1. Approval of the first section of the report pursuant to article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;
3.2. Resolutions on the second section of the report pursuant to article 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.
4. Authorisation for the buy back and disposal of treasury shares, upon revocation of the previous authorisation resolved on at the Ordinary Shareholders' Meeting held on 22 June 2023. Resolutions thereon.
5. Granting of the new legally-required audit engagement for the fiscal years from 1 March 2025 to 28 February 2034 and establishment of the respective fee. Resolutions thereon.
The Chairman acknowledges that the designated proxy holder MONTE TITOLI S.P.A., in the person of Ms. Claudia Ambrosini (born in Schio on 3 April 1978, domiciled for the purpose at the registered office of MONTE TITOLI S.P.A.) is present by telecommunication means and invites the designated proxy holder to make any declarations required by law.
The designated proxy holder, in the person of Claudia Ambrosini, takes the floor and states:
by the legal deadline, the following were received from those entitled:
- 15 proxies pursuant to Article 135-*undecies* of the TUF, totalling 4,361,994 shares, representing 21.456% of the voting share capital;
- 1 sub-proxy pursuant to Article 135-*novies* of the TUF, for a total of 2,367,099 shares, representing 11.643% of the voting share capital;
for a total of 6,729,093 shares, representing 33.1% of the voting share capital.
The Chairman resumes the floor and informs that, pursuant to the aforementioned Article 135-*undecies*, paragraph 3, of the TUF, shares for which proxies, even partial, have been granted to the designated proxy holder are counted for the purpose of duly constituting the Shareholders' Meeting. While shares in relation to which voting instructions have not been given on Agenda proposals will not be counted for the purpose of calculating the majority and capital share required for approval of the relative resolutions.
He also recalls that MONTE TITOLI S.P.A. has expressly declared its intention not to cast a vote differing from that

indicated in the instructions.
The Chairman declares that since 71 entitled persons, representing 6,729,093 ordinary shares, equal to 33.1% of the 20,329,845 voting shares, were present by proxy to the designated proxy holder, the Shareholders' Meeting, duly convened, is validly constituted in a single call in accordance with the law and By-Laws and can validly deliberate on the items on the Agenda.
The Chairperson informs attendees that the communications of the intermediaries for the purposes of attendance by entitled persons at this Shareholders' Meeting were provided to the Issuer in accordance with the terms and means established by the applicable legal provisions.
He announces that no proxy solicitation pursuant to Article 136 and subsequent of the TUF has been promoted in connection with today's Shareholders' Meeting.
He states that questions were asked of the company prior to today's Shareholders' Meeting, and that these questions were answered by the company through publication on its website at "unieurospa.com/corporate governance/shareholders' Meetings/Shareholders' Meeting 2024" on 11 June 2024.
He states that, in accordance with Article 11 of the By-Laws, Article 4 of the Shareholders' Meeting Regulation and the relative applicable provisions, the right to attend and vote at the Shareholders' Meeting was declared and, in particular, compliance with the applicable legislation and the By-Laws of the proxies brought by the designated proxy holder was verified.
He informs that, in accordance with EU Regulation 2016/679 and the current domestic personal data protection legislation, the data of Shareholders' Meeting participants are collected and processed by the company exclusively for the purpose of carrying out the mandatory Shareholders' Meeting and corporate obligations. He also informs that the video recording of the Shareholders' Meeting is made for the sole purpose of facilitating the taking of the minutes of the meeting and documenting that transcribed in the minutes, as specified in the special notice pursuant to Article 13 of the aforementioned European Regulations. This recording will not be communicated or disseminated and all data, with the exception of the audio supports which shall be destroyed, shall be maintained, together with the documents produced during the Shareholders' Meeting, at the registered office of Unieuro s.p.a..
The Chairman declares that:
- the subscribed and paid-in share capital as of the record date is Euro 4,139,724.20 (four million one hundred and thirty-nine thousand seven hundred and twenty-four point twenty) represented by 20,698,621 (twenty million six hundred and ninety-eight thousand six hundred and twenty-

one) shares with no par value;
- the company holds 368,776 treasury shares, representing 1.78% of the company's share capital;
- the company's shares are admitted to trading at Euronext Star Milan organised and managed by Borsa Italiana S.p.A. - Exm Star Segment.

The Chairman informs that the company qualifies as an SME under Article 1(1)(w-quater.1) of the TUF, as it falls within the parameters stipulated in this regulation.
He therefore informs that, as of today, the individuals who directly or indirectly hold 5% or more of the subscribed share capital of Unieuro S.p.A., represented by shares with voting rights, according to the entries in the shareholder register, supplemented by notices received pursuant to Article 120 of the TUF and the other information made available to the issuer, are as follows:

SHAREHOLDER	DIRECT SHAREHOLDER	NUMBER OF ORDINARY SHARES	% OF ORDINARY SHARE CAPITAL
Xavier Niel	. Iliad Holding S.p.A. . Iliad S.A.	2,520,374	12.177%
Giuseppe Silvestrini	. Victor S.r.l. . Giuseppe Silvestrini	1,275,395	6.162%
Amundi Asset Management	Amundi SGR S.p.A. Amundi Asset Management	1,199,708	5.796%

The Chairman reminds the meeting that voting rights may not be exercised with regards to shares for which the communication obligations have not been fulfilled.
- as per Article 120 of the TUF concerning holdings of 5% or more;
- as per Article 122, paragraph one of the TUF, concerning shareholder agreements.

Finally, he recalls that the designated proxy holder has stated that she will exercise votes based on the instructions provided by the principals.

He discloses that the company is not aware of the existence of any shareholder agreements.
He then notes that, with regards to the matters on the Agenda, the requirements as per the applicable laws and regulations have been fulfilled.
Specifically, the following documents have been filed at the registered office, as well as made available on the website www.unieurospa.com and on the EMARKET STORAGE mechanism:
on 20 May 2024:
- the Shareholders' Meeting call notice;
- the Explanatory Reports on the items on the Agenda, prepared in accordance with Article 125-*ter* of the TUF;
- the Report on Corporate Governance and Proprietary Shareholdings prepared pursuant to Article 123-*bis* of the TUF;
- the Report concerning the policy for remuneration and recompense paid, prepared pursuant to Article 123-*ter of the* TUF;
- the Annual Financial Report for the year ended 28 February 2024 - including the Consolidated Financial Statements and the Separate Financial Statements as of 28 February 2024, with the related Management Report and the Certification referred to in Article 154-*bis*, paragraph 5 of Legislative Decree No. 58/1998 - together with the consolidated non-financial statement prepared pursuant to Legislative Decree No. 254/2016, the Report of the external Auditing Firm and the Board of Statutory Auditors' Report;
on 29 May 2024:
- the Report concerning the policy for remuneration and recompense paid prepared pursuant to Article 123-*ter* of the TUF has been re-filed in order to provide more detail on certain items in the second section.
Finally, the Chairman communicates that the following documents shall be annexed to the minutes of the Shareholders' Meeting as an integral and substantial part thereof, and shall be made available to those with voting rights:
° the list of attendees at the Shareholders' Meeting, by proxy to the designated proxy holder, together with all details required by CONSOB, with indication of the number of shares for which the communication by the intermediary to the Issuer in accordance with Article 83-*sexies* of the TUF was made;
° the list of parties expressing votes in favour, against or abstaining or not voting with the relative number of shares represented by proxy.
In view of the fact that the company has made the documents prepared for this Shareholders' Meeting available to the public within the legal deadlines, in the absence of opposition, the Chairman omits the reading of all documents

related to the items on the Agenda, limiting the reading to only the proposed resolutions of today's Shareholders' Meeting.

The Chairman informs that, in order to meet the technical and organisational needs of the work, a number of company employees have been admitted to the Shareholders' Meeting, who will assist him during the Shareholders' Meeting.

Specifically, present at the Shareholders' Meeting venue are attorney Filippo Fonzi, Ms. Elisa Petroni of the Legal Department, and Gianna La Rana, as Investor Relations Director; Marco Deotto, Chief Financial Officer, attends by video-link.

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The Chairman, before moving on to the first item on the Agenda, makes a brief contribution reiterating a number of concepts already expressed in the letter to the shareholders and states the following.

The 2023/2024 fiscal year was particularly significant in that the Board outlined our new strategic path for the next five years and made the biggest acquisition in the Group's history. The Strategic Plan seeks to strengthen Unieuro’s distinctive omnichannel positioning and focus firmly on the “beyond trade” category, particularly in terms of services, building on the solid relationship with customers and an ability to anticipate their needs. The strategic guidelines will be pursued through constant product and process innovation focused on creating value for all stakeholders, continuing to foster the integration of long-term sustainability actions into business activities, the organisation and corporate culture.

The acquisition of Covercare is a crucial step on the “beyond trade” growth path and for the company’s strategic development. It puts Unieuro in a position to seize new business opportunities in the world of services, allows us to enrich the customer journey, diversify the profit mix and strengthen our competitive positioning. It also has interesting sustainability implications, thanks to a business model that naturally leans towards the circular economy and achieving energy savings, which, taken together, strengthen the Group's ESG profile.

The annual results that the Board submits for the approval of shareholders reflect the achievement of the operating and financial targets we set for ourselves, achieved against a market backdrop that was affected by geopolitical conflicts, continuing high inflation and purchasing power under pressure, and which contracted for the second year in a row in the consumer electronics sector. In this challenging situation, managerial action has been particularly effective in protecting profitability, through streamlining and efficiency measures, while always maintaining the focus on

service and customers, who have continued to reward Unieuro as a market leader. The results we have achieved enable us to continue to remunerate shareholders through the distribution of a dividend in line with company policy.
We will continue to invest significantly to ensure the Group is more and more competitive, agile, and ready to face any new market challenges and we shall continue the constant work of analysing any external growth opportunities.
On behalf of the Board of Directors, I would like to thank the company's management and staff for their commitment to achieving these goals and the shareholders for their trust.

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He then moves on to the discussion of the first and second Agenda items.
He declares that in view of the similarity of the topics under the first and second items on the Agenda, for the efficiency of the Shareholders' Meeting proceedings, the discussion shall be merged, keeping the votes on the first and second items on the Agenda separate and distinct:
1. Separate Financial Statements for the fiscal year ended 29 February 2024; resolutions thereon:
1.1. Approval of the Financial Statements as at 29 February 2024, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm. Presentation of the Consolidated Financial Statements as at 29 February 2024 and the Consolidated Non-Financial Statement drawn up pursuant to Legislative Decree No. 254/2016.
1.2. Allocation of the result for the year.
2. Proposal for the distribution of a dividend from the Extraordinary Reserve. Resolutions thereon.
Before proceeding to outline the financial statements, he reports that the external auditing firm KPMG S.P.A. has issued an unqualified opinion on both the financial statements as of 29 February 2024, and the consolidated financial statements as of the same date of Unieuro, as well as an opinion on the consistency with the financial statements and compliance with law of the Directors' Report and the information referred to in Article 123-*bis*, paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b), TUF, presented in the Report on Corporate Governance and Proprietary Shareholdings. The Auditors' Report also verified that the information set forth in Paragraph 2 (a), (c), (d), and (d-*bis*) of Article 123-*bis* of Legislative Decree No. 58 of 1998, as well as the Board of Directors' approval on 10 May 2024, of the non-financial statement pursuant to Legislative Decree No. 254 of 30 December 2016, as reflected in the Reports issued on 20 May 2024, had been provided.
Finally, the same external auditing firm KPMG issued the compliance statement on the non-financial statement on 20 May

2024.
Pursuant to the Issuers' Regulations, attached to the Separate Financial Statements of Unieuro s.p.a. and the Consolidated Financial Statements is a schedule of fees charged for the year to the external Auditing Firm and the companies belonging to its network for services respectively provided to Unieuro s.p.a. and its subsidiaries.
In view of the fact that the company has made the documents prepared for this Shareholders' Meeting available to the public within the legal deadlines, in the absence of opposition, the reading of all documents related to the items on the Agenda is omitted, limiting the reading to only the proposed resolutions of today's Shareholders' Meeting.
He then invites the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, to give a brief explanation of the financial statements and results for the year.
The Chief Executive Officer Giancarlo Nicosanti Monterastelli took the floor and thanked the Chairman, greeting those present, and stated the following.
In the fiscal year just ended, against a challenging geopolitical and macroeconomic backdrop and faced with a further slowdown in the consumer electronics market, we worked to achieve dual objectives: to preserve the Group's profitability in the short term and to accelerate our medium to long-term growth trajectory.
The resilience of the results we have achieved, meeting the guidance communicated to the market, demonstrates the validity of our approach. Of particular note, we adopted a policy to manage margins which focuses on strategic product categories and higher-margin sales channels, and launched a cost streamlining and efficiency plan, which at times was difficult and painful, and which affected every operational level. These results are even more significant in that they were achieved while maintaining industry leadership and a virtually unchanged market share. Furthermore, the Customer Satisfaction index (NPS) showed further progress, demonstrating the effectiveness of direct investments in improving our customers' shopping experience as part of the omnichannel strategy.
A year ago we prepared a new growth plan to 2028 with a strategy to balance profitability between "trade" and "beyond trade" through a path to develop the business proposition. Our strategy is built around the consumer, with the goal of offering complete and integrated solutions to respond to every technological need - before, during and after purchase.
Just a few months later, and fully in line with our "beyond trade" expansion goals, we completed the services-based acquisition of Covercare, a transformative and crucial transaction for us that will enrich the customer journey and boost Group profitability. The acquisition represents the

most strategically and financially significant transaction in our history and marks the resumption of Unieuro's acquisition-led growth and strengthening. We are already working on the integration of Covercare, starting with the strategic, organisational and cultural aspects, in order to make the most of the complementary nature of the two business models and generate business synergies over the medium term with the objective of strengthening both enterprises.
Also in execution of the new strategic plan, we have introduced further development initiatives, including partnerships. These include further expansion of the range of private label products and the signing of an electricity price agreement to reduce the exposure to market volatility, in a period of persistent global geopolitical tensions.
In a market environment that continues to be unstable, we remain confident of the Group's prospects and focused on continuing to execute our strategic plan, bolstered by the contribution of the newly-acquired Covercare, to create value for the benefit of all our stakeholders.
Chairman Meloni resumed the floor and thanked the Company's Chief Executive Officer for his contribution. He yielded the floor to the Chairperson of the Board of Statutory Auditors and invited her, recalling that previously agreed regarding the omission of the full reading of the documents, to make a brief statement regarding the conclusions of the Board of Statutory Auditors' Report on the Annual Financial Statements.
The Chairperson of the Board of Statutory Auditors Giuseppina Manzo takes the floor and introduces herself and states the following.
She outlines that the Board of Statutory Auditors, based on that presented in its Report (to which reference should be made), in summary of the supervisory activities carried out during the year, has no observations to make, pursuant to Article 153 of Legislative Decree No. 58/1998, on that within its remit regarding the financial statements as of 29 February 2024, and unanimously considers, in view also of the fact that, on 20 May 2024, the external Auditing Firm KPMG S.P.A. issued its reports without any remarks, that there are no reasons to prevent your approval of the same, as per the draft prepared and approved at the Board of Directors' meeting of 10 May 2024.
Chairman Meloni resumed the floor and thanks Ms. Manzo for her speech.
Please note that the Consolidated Financial Statements as of 29 February 2024, which present a consolidated loss for the year as per the consolidated income statement in the amount of Euro 17,395 thousand, are brought to your attention but are not subject to approval by the Company's Shareholders' Meeting.

He invites the designated proxy holder, before proceeding to vote on the Agenda items, to state whether she has been instructed to make contributions or statements.
The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.
The Chairman reminds that voting will be held separately and distinctly firstly on the first item (and specifically first on item 1.1. and then on item 1.2), and then on the second item on the Agenda.
The Chairman with reference to the first Agenda item submits the following proposed resolution on Agenda item 1.1 in accordance with that contained in the Board of Directors' Report to the Shareholders' Meeting:
"The Shareholders' Meeting of Unieuro S.p.A., by virtue of the foregoing:
• having reviewed the Management Report of the Board of Directors;
• having noted the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm KPMG S.p.A.;
• having noted the Consolidated Financial Statements as at 29 February 2024, which present a consolidated loss for the year as per the consolidated income statement in the amount of Euro 17,395 thousand;
• having noted the Consolidated Non-Financial Statement as prepared by the Board of Directors;
• having examined the financial statements for the year ended 29 February 2024, in the draft form presented by the Board of Directors, which closed with a loss for the year as per the income statement in the financial statements of Euro 15,770 thousand;

resolves

to approve, both as a whole and in its individual items, the financial statements as at 29 February 2024."
The Chairman, pursuant to Article 135-*undecies* of the TUF, asks the designated proxy holder, for the purpose of calculating majorities, whether in relation to Item 1.1 that she has voting instructions for all the shares for which the proxy has been granted and whether she also wishes to indicate the number of shares of those who, if any, have expressed an intention not to contribute to the basis for calculating the majority.
The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.
The Chairman at 12.37 then puts the proposed resolution, which he has previously read out, to a vote, and invites for the votes to be cast.
The designated proxy holder declares with regards to Agenda Item 1.1:

- votes in favour: 6,729,093 shares, equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- votes against: none.

The Chairman closed the vote and declared that the proposed resolution was unanimously approved.

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The Chairman with reference to the first Agenda item submits the following proposed resolution on Agenda item 1.2 in accordance with that contained in the Board of Directors' Report to the Shareholders' Meeting:

"The Shareholders' Meeting of Unieuro S.p.A.,

- having reviewed the financial statements as at 29 February 2024;
- having examined the proposal of the Board of Directors,

resolves

to fully cover the net loss of Euro 15,770 thousand, through the use of the “Extraordinary Reserve” profit reserve”.

The Chairman, pursuant to Article 135-*undecies* of the TUF, asks the designated proxy holder, for the purpose of calculating majorities, whether in relation to Item 1.2 that she has voting instructions for all the shares for which the proxy has been granted and whether she also wishes to indicate the number of shares of those who, if any, have expressed an intention not to contribute to the basis for calculating the majority.

The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.

The Chairman at 12.38 then puts the proposed resolution, which he has previously read out, to a vote, and invites for the votes to be cast.

The designated proxy holder declares on Agenda Item 1.2:

- votes in favour: 6,729,093 shares, equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- votes against: none.

The Chairman closed the vote and declared that the proposed resolution was unanimously approved.

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The Chairman with reference to the second Agenda item submits the following proposed resolution in accordance with that contained in the Board of Directors' Report to the Shareholders' Meeting:

"The Shareholders' Meeting of Unieuro S.p.A.,

- having examined the financial statements as at 29 February 2024, in the draft presented by the Board of Directors and having considered the existence of available reserves in an appropriate amount;
- having reviewed the Explanatory Report of the Board of

Directors;

resolves

a) to distribute to each ordinary share with voting rights, from the "Extraordinary Reserve" profit reserve, a unitary dividend, of Euro 0.46 gross, for a total amount, on the basis of the ordinary shares currently outstanding and the treasury shares currently in portfolio, of Euro 9,352 thousand, subject to any changes in the total amount resulting from the final number of shares entitled to the payment of the dividend on the record date, subject in any case to the unitary dividend as indicated above;

b) to grant the Board of Directors, and, on its behalf, the Chairman of the Board of Directors and the pro-tempore Chief Executive Officer in office, severally, with the power to sub-delegate, to ascertain, in due course, in relation to the final number of shares entitled to dividend payment on the record date, the amount to be distributed from the "Extraordinary Reserve".

c) to pay the above dividend from 26 June 2024, with record date of 25 June 2024 and ex-dividend date of coupon No. 7 on 24 June 2024."

The Chairman, pursuant to Article 135-*undecies* of the TUF, asks the designated proxy holder, for the purpose of calculating majorities, whether in relation to Item 2 that she has voting instructions for all the shares for which the proxy has been granted and whether she also wishes to indicate the number of shares of those who, if any, have expressed an intention not to contribute to the basis for calculating the majority.

The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.

The Chairman at 12.41 then puts the proposed resolution, which he has previously read out, to a vote, and invites for the votes to be cast.

The designated proxy holder declares on Agenda Item 2:

- votes in favour: 6,515,093 shares, equal to 96.820% of the share capital present and entitled to vote;
- votes against: 214,000 shares, equal to 3.18% of the share capital present and entitled to vote;
- votes against: none.

The Chairman closed the vote and declared that the proposed resolution was approved by a majority.

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The Chairman moves on to discuss the third item on the Agenda:

3. Report concerning the policy for remuneration and recompense paid:

3.1. Approval of the first section of the report pursuant to article 123-ter paragraphs 3-bis and 3-ter of Legislative

Decree of 24 February 1998 No. 58;

3.2. Resolutions on the second section of the report pursuant to article 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

The Chairman outlines that the Report concerning the policy for remuneration and recompense paid (the "Report"), prepared by the Board of Directors, pursuant to Article 123-*ter* of Legislative Decree No. 58 of 24 February 1998 (the "TUF") and Article 84-*quater* of Consob Regulation No. 11971/1999, according to Schedule 7-bis of Annex 3A of the same Regulation, and approved by the same on 10 May 2024, was made available to the public in the manner and according to the terms provided by the applicable regulations.

He states that on 29 May 2024 the Report concerning the policy for remuneration and recompense paid prepared pursuant to Article 123-*ter* of the TUF has been re-filed in order to provide more detail on certain items in the second section.

In particular, the Report:

- in the first section outlines the remuneration policy to be adopted for the fiscal year 2024/2025 for Directors, General Managers, Statutory Auditors and Senior Executives of the Company, as well as the procedures used for the adoption and implementation of this policy.
- The second section presents the compensation for the year ending 29 February 2024 of Directors, General Manager, Statutory Auditors, and Senior Executives of the company.

The Chairman invites the designated proxy holder, before proceeding to vote on the Agenda item, to state whether she has been instructed to make contributions or statements.

The designated proxy holder declares that she has no contribution or statement to make in relation to the Agenda item.

The Chairman submits the following proposed resolution on Agenda item 3.1 in accordance with that contained in the Board of Directors' Report to the Shareholders' Meeting:

"The Shareholders' Meeting of Unieuro S.p.A.

• having reviewed the first section of the Report concerning the policy for remuneration and recompense paid pursuant to Article 123-*ter* of Legislative Decree No. 58 of 24 February 1998, and Article 84-*quater* of the Issuers' Regulation adopted by Consob Resolution No. 11971/1999;

• considering that, pursuant to Article 123-*ter*, paragraphs 3-*bis* and 3-*ter* of Legislative Decree No. 58 of 24 February 1998, the Shareholders' Meeting is required to cast a binding vote on the first section of the Report concerning the policy for remuneration and recompense paid;

resolves

to approve the first section of the Report concerning the policy for remuneration and recompense paid prepared pursuant to Article 123-*ter* of Legislative Decree No. 58 of 24

February 1998, and Article 84-*quater* of the Issuers' Regulations adopted by Consob Resolution No. 11971/1999".
The Chairman, pursuant to Article 135-*undecies* of the TUF, asks the designated proxy holder, for the purpose of calculating majorities, whether in relation to Item 3.1 that she has voting instructions for all the shares for which the proxy has been granted and whether she also wishes to indicate the number of shares of those who, if any, have expressed an intention not to contribute to the basis for calculating the majority.
The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.
The Chairman at 12.46 then puts the proposed resolution, which he has previously read out, to a vote, and invites for the votes to be cast.
The designated proxy holder declares on Agenda Item 3.1:
- votes in favour: 6,629,948 shares, equal to 98.527% of the share capital present and entitled to vote;
- votes against: 99,145 shares, equal to 1.473% of the share capital present and entitled to vote;
- votes against: none.
The Chairman closed the vote and declared that the proposed resolution was approved by a majority.

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The Chairman with reference to Agenda item 3.2 submits the following proposed resolution in accordance with that contained in the Board of Directors' Report to the Shareholders' Meeting:
"The Shareholders' Meeting of Unieuro S.p.A.,
• having reviewed the second section of the Report concerning the policy for remuneration and recompense paid pursuant to Article 123-ter of Legislative Decree No. 58 of 24 February 1998, and Article 84-quater of the Issuers' Regulation adopted by Consob Resolution No. 11971/1999;
• considering that, pursuant to Article 123-*ter*, paragraph 6 of Legislative Decree No. 58 of 24 February 1998, the Shareholders' Meeting is required to cast a non-binding vote on the second section of the Report concerning the policy for remuneration and recompense paid;

resolves

favourably on the second section of the Report concerning the policy for remuneration and recompense paid prepared pursuant to Article 123-*ter* of Legislative Decree No. 58 of 24 February 1998, and Article 84-quater of the Issuers' Regulations adopted by Consob Resolution No. 11971/1999".
The Chairman, pursuant to Article 135-*undecies* of the TUF, asks the designated proxy holder, for the purpose of calculating majorities, whether in relation to Item 3.2 that she has voting instructions for all the shares for which the

proxy has been granted and whether she also wishes to indicate the number of shares of those who, if any, have expressed an intention not to contribute to the basis for calculating the majority.
The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.
The Chairman at 12.49 then puts the proposed resolution, which he has previously read out, to a vote, and invites for the votes to be cast.
The designated proxy holder declares on Agenda Item 3.2:
- votes in favour: 6,629,948 shares, equal to 98.527% of the share capital present and entitled to vote;
- votes against: 99,145 shares, equal to 1.473% of the share capital present and entitled to vote;
- votes against: none.
The Chairman closed the vote and declared that the proposed resolution was approved by a majority.

***

The Chairman therefore moves on to discussion of the fourth item on the Agenda:
4. Authorisation for the buy back and disposal of treasury shares, upon revocation of the previous authorisation resolved on at the Ordinary Shareholders' Meeting held on 22 June 2023. Resolutions thereon.
The Chairman informs that the Shareholders' Meeting held on 22 June 2023 granted the Board of Directors authorisation to purchase treasury shares for a period of eighteen months from the date of the shareholders' meeting resolution. The authorisation to purchase treasury shares will therefore expire on 22 December 2024, while the authorisation to dispose of the shares was granted without time limit.
In view of the expiration of the aforementioned authorisation resolution for the purchase of treasury shares, in order that Unieuro retains the right to purchase treasury shares and dispose of such, the Board of Directors deems it appropriate to propose to today's Shareholders' Meeting that a new authorisation be issued under the terms and conditions outlined in the Board of Directors' Explanatory Report on the Agenda item, subject to the revocation, for the period still outstanding, of the authorisation resolved by the Shareholders' Meeting of 22 June 2023, which has remained unfulfilled to date.
In particular, he reminds that the Board of Directors intends to submit to today's Shareholders' Meeting for review and approval the authorisation to purchase and dispose, on one or more occasions, of a maximum number of 2,000,000 ordinary shares of the company, it being understood that the number of ordinary shares held at any given time in the portfolio by the Company and its subsidiaries may not in any case exceed

(in compliance, therefore, with the limits of Article 2357, third paragraph, of the Civil Code) 10% of the Company's *pro tempore* share capital. The authorisation includes the power to subsequently dispose of the shares in portfolio, in whole or in part, and even on several occasions, even before the maximum amount of shares that can be purchased has been exhausted, it being understood that the company will no longer be able to make purchases once such have in total reached the limit of 2,000,000 Unieuro ordinary shares, i.e. the absolute maximum limit to purchases, which is therefore intended to remain unchanged even in the event of the sale or use of treasury shares in portfolio.
In this regard, we inform you that the subscribed and paid-in share capital as of 10 May 2024 was Euro 4,139,724.20 (four million one hundred and thirty-nine thousand seven hundred and twenty-four.20), represented by 20,698,621 (twenty million six hundred and ninety-eight thousand six hundred and twenty-one) ordinary shares with no par value.
He also recalls that the subscribed and paid-in share capital as of today's date is Euro 4,139,724.20 (four million one hundred thirty-nine thousand seven hundred twenty-four point twenty), represented by 20,698,621 (twenty million six hundred ninety-eight thousand six hundred twenty-one) ordinary shares with no par value.
The Chairman invites the designated proxy holder, before proceeding to vote on the Agenda item, to state whether she has been instructed to make contributions or statements.
The designated proxy holder declares that she has no contribution or statement to make in relation to the Agenda item.
The Chairman submits the following proposed resolution on Agenda item 4 in accordance with that contained in the Board of Directors' Report to the Shareholders' Meeting:
"The Shareholders' Meeting of Unieuro s.p.a., meeting in ordinary session:
• having reviewed the Explanatory Report of the Board of Directors prepared pursuant to Article 125-*ter* of Legislative Decree No. 58 of 24 February 1998 ("TUF"), as well as Article 73 of the regulations adopted by Consob Resolution No. 11971 of 14 May 1999 ("Issuers' Regulations") and in accordance with Annex 3A - Schedule 4 to said Issuers' Regulations;
• considering the financial statements for the year ended 29 February 2024 approved by today's Shareholders' Meeting;
• noting the opportunity to authorise the purchase and disposal of treasury shares for the purposes and in accordance with the procedures indicated in the Report of the Board of Directors;
• having considered the provisions of Articles 2357 and 2357-*ter* of the Civil Code and Article 132 of the TUF;
• considering the provisions of Articles 2357 and subsequent

of the Civil Code, Article 132 of the TUF and Article 144-*bis* of the Issuers' Regulation, the provisions of Market Abuse Regulation (EU) No. 596 of 16 April 2014 ("MAR"), Delegated Regulation (EU) No. 1052 of 8 March 2016 ("Delegated Regulation"), and accepted current market practices;

resolves

1. to revoke, as of the date of this resolution, the authorisation to purchase and dispose of treasury shares granted by the Shareholders' Meeting of Unieuro s.p.a. on 22 June 2023;

2. to authorise the Board of Directors, pursuant to and in accordance with Article 2357 of the Civil Code and the combined provisions of Article 132 of the TUF and Article 144-*bis* of the Issuers' Regulations, to purchase, on one or more occasions, a maximum number of Unieuro ordinary shares of 2,000,000, it being understood that

(i) the purchases will conclude once such have in total reached the limit of 2,000,000 Unieuro ordinary shares, i.e. the absolute maximum limit to purchases, which is therefore intended to remain unchanged even in the event of the sale or use of treasury shares in portfolio; and however

(ii) the number of ordinary shares held at any given time in portfolio by the Company and its subsidiaries may in no case exceed, in accordance with the provisions of Article 2357, third paragraph, of the Civil Code, 10% of the Company's *pro tempore* share capital;

for the pursuit of the purposes set forth in the Board of Directors' Report and under the following terms and conditions:

a) the purchase may be made in any manner envisaged by the combined provisions of art. 132 TUF and art. 144-bis Issuers' Regulation, taking into account the specific exemption provided for by para. 3 of art. 132 TUF and, in any case, in any other manner permitted by the legal and regulatory provisions in force from time to time. Said authorisation was also required to take into account the procedures and operating limits of the MAR, including market practices permitted pursuant to art. 13 MAR, of the Delegated Regulation and the applicable general and sector legislation (including the provisions referred to in Regulation (EU) 2019/2115 or provided for by Consob or ESMA, on one or more occasions within 18 (eighteen) months from the date of this resolution;

(b) treasury share purchases must be made within the limits of distributable profits and available reserves as shown in the latest duly approved financial statements at the time the transaction is carried out;

c) the shares' purchase unit price was to be for consideration not lower than a minimum of 10% and not higher than a maximum of 10% of the share reference price recorded in the trading session on the stock exchange of the day preceding each individual transaction or in the trading session on the day preceding the date of announcement of the transaction, depending on the technical modalities identified by the Board of Directors. any such buy back was to be in compliance with applicable EU law and accepted applicable market practices from time to time; and

(d) in any case, the purchase price of the shares, where purchases are made with orders on the regulated market, shall be in accordance with the provisions of Article 3, second paragraph, of the Delegated Regulations, i.e., as of the date of this Report, not higher than the higher of the price of the last independent trade and the then highest current independent purchase bid on the trading venue where the purchase is carried out or in conformity with the regulations in force from time to time.

3. pursuant to Article 2357-*ter* of the Civil Code, to authorise acts of disposals, on one or more occasions, in full or in part, of the treasury shares acquired and those held in the company's portfolio, in accordance with applicable legal and regulatory provisions, for the purposes pursuant to the Report of the Board of Directors and in accordance with the following terms and conditions:

a) the shares may be disposed of or transferred at any time without time limit;

b) the acts of disposal, and in particular the sale of treasury shares, where executed in cash, shall be carried out at a price per share to be established on the basis of the criteria set forth in the applicable regulations and/or the accepted market practices in force at any given time or, in any case, may not be carried out at a price 10% lower than the reference price recorded on the Euronext Milan market organised and managed by BORSA ITALIANA S.P.A. in the trading session preceding each individual transaction, it being understood that this price limit may be waived in the case of the sale of shares in execution of incentive programmes, and in any case of plans pursuant to Article 114-*bis* TUF or as part of corporate transactions;

c) where the shares are used as part of corporate transactions, including but not limited to exchange, contribution or in the service of capital transactions or other corporate and/or financial transactions and/or other transactions of an extraordinary nature, or in any case for any other act of non-cash disposition, the financial terms of the transaction shall be determined by the Board of Directors on the basis of the nature and characteristics of the transaction, also taking into account the market performance of the Unieuro s.p.a. share;

d) the shares serving the equity incentive plans will be granted to the recipients of the plans in the manner and on

the terms specified by the regulations of the plans;
and, in any case, in compliance with the terms, conditions and requirements set forth in applicable regulations as well as, where applicable, in the accepted market practices in force at any given time, particularly where the shares are used for the purpose of carrying out the activity of supporting market liquidity;

4. to confer upon the Board of Directors the powers to:

• identify reserves to be used for the purchase of treasury shares;

• establish the methods, timing and executive and accessory terms of purchases and acts of disposition of treasury shares, provided that they comply with the conditions and limits set forth in this resolution and the *pro tempore* regulations in force, even where they differ from those currently in force;

• empower the Chairman of the Board of Directors and the Chief Executive Officer *pro tempore* in office, severally between them and with the power to sub-delegate for individual acts or categories of acts, including to third parties outside the Board:

o in order to make any necessary and/or appropriate accounting entries, in relation to treasury share transactions, in compliance with the applicable legal provisions and applicable accounting standards;

o for the purpose of entering into any act or document or performing any formality, including with respect to third parties, that is deemed necessary or otherwise appropriate in connection with the execution of this resolution and the executive resolutions of the Board of Directors;

o for the execution of the programme for the purchase and disposition of treasury shares, including through authorised intermediaries and approving any and all executive dispositions of the purchase programme, and also to ensure the provision of market disclosure as permitted by the applicable regulations and accepted market practices in force at any given time"

The Chairman, pursuant to Article 135-*undecies* of the TUF, asks the designated proxy holder, for the purpose of calculating majorities, whether in relation to Item 3.2 that she has voting instructions for all the shares for which the proxy has been granted and whether she also wishes to indicate the number of shares of those who, if any, have expressed an intention not to contribute to the basis for calculating the majority.

The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.

The Chairman at 13.03 then puts the proposed resolution, which he has previously read out, to a vote, and invites for

the votes to be cast.
The designated proxy holder declares on Agenda Item 4:
- votes in favour: 6,728,538 shares, equal to 99.992% of the share capital present and entitled to vote;
- votes against: 555 shares, equal to 99.992% of the share capital present and entitled to vote;
- votes against: none.
The Chairman closed the vote and declared that the proposed resolution was approved by a majority.
***
The Chairman therefore moves on to discussion of the fifth item on the Agenda:
5. Granting of the new legally-required audit engagement for the fiscal years from 1 March 2025 to 28 February 2034 and establishment of the respective fee. Resolutions thereon.
The Chairman recalls that the topic is covered in the Board of Directors' Report containing the reasoned recommendation made by the Board of Statutory Auditors, published in the terms and manner prescribed by law, to which he refers.
He recalls that, with the approval of the financial statements as of 28 February 2025, the engagement of KPMG S.p.A. as the independent audit firm by Shareholders' Meeting resolution on 12 December 2016 for the fiscal years 1 March 2016 to 28 February 2025 will conclude.
As is now common practice among listed companies, Unieuro’s Board of Statutory Auditors, in its capacity as the “Internal Control and Audit Committee" (ICAC) pursuant to art. 19 of Legislative Decree No. 39/2010 and in agreement with the competent company departments, has deemed it appropriate to begin the procedure to select the Group’s new Independent Audit Firm for the financial years 1 March 2025 to 28 February 2034 one year early. In addition to compliance with the cooling-in period rule established by art. 5 of European Regulation No. 537/2014 (the "European Regulation”) to safeguard the independence of the incoming auditor, bringing this procedure forward allows for a more efficient handover between the outgoing and incoming firm and for an auditor to be appointed for the Unieuro Group’s subsidiary companies.
It should be noted that in order to ensure greater efficiency of the auditing process, the company has opted for a single Group audit firm, with the request including also the subsidiaries. The most qualified independent audit firms took part in the selection process, and an assessment of the most significant technical and economic parameters was carried out for each bid submitted.
The Shareholders' Meeting is also called upon to decide on the remuneration of the independent audit firm, as well as on any criteria for adjusting the fees, again subject to the reasoned recommendation of the Board of Statutory Auditors.
Therefore, the Chairman invited the Chairperson of the Board

of Statutory Auditors, Ms. Giuseppina Manzo, to read the concluding part of the Board of Statutory Auditors' recommendation on the proposal for the company's new legally-required audit engagement for the fiscal years 1 March 2025 to 28 February 2034 to the Shareholders' Meeting.
Ms. Giuseppina Manzo takes the floor and reads the document.
"Dear Shareholders,
The Board of Statutory Auditors, in relation to the assignment of the legally-required audit of UNIEURO S.P.A. for the nine-year period 2025/2026-2033/2034, based on the selection procedure, the bids received, the assessments carried out and the outcomes of such, considering that art. 16 of European Regulation No. 537/2014 requires that the reasoned proposal to the Shareholders' Meeting contain at least two possible alternatives for the appointment and requires the expression of a duly justified preference for one of them,
submits to the Shareholders' Meeting of UNIEURO S.P.A., pursuant to Article 16, paragraph 2, of the aforementioned European Regulation No. 537/2014, in addition to Articles 13 and 17 of Legislative Decree No. 39/2010, alternatively, the two proposals relating to the mandate for the legally-required audit of UNIEURO S.P.A. for the nine-year period from 2025/2026 to 2033/2034, drawn up by PRICEWATERHOUSECOOPERS S.P.A. and DELOITTE S.P.A, the economic components of which were summarised in its reasoned recommendation pursuant to Article 16 of the aforementioned European Regulations, issued on May 3, 2024 and attached to the Board of Directors' Report, to which reference is made in full.
Expressing unanimously its preference for the company PRICEWATERHOUSECOOPERS S.P.A., as it achieved a higher score in terms of quality and was more economically advantageous for the Group. Reference should be made to the above recommendation for a description of the key elements within the bid that justified the preference for this bidder.
In compliance with Article 16, paragraph 2 of European Regulation 537/2014, the Board of Statutory Auditors declares that the above recommendation has not been influenced by third parties and that none of the type of clauses referred to in paragraph 6 of the aforementioned Article 16 of the Regulation have been applied.
The Board therefore invites the Unieuro Shareholders' Meeting to approve the proposal to entrust PRICEWATERHOUSECOOPERS S.P.A. with the assignment of the Company's "legally-required audit services", for the financial years 2025/2026-2033/2034. This assignment shall be in accordance with the content, terms - including the criteria for adjustment of fees - and procedures described in the above recommendation, for an annual fee (net of ISTAT increases, out-of-pocket

expenses, VAT and supervisory fee) of Euro 510.0 thousand for 5,600 hours of work in the first year (Euro 504.0 thousand, for 5,530 hours of work in subsequent years), composed as follows:

• Euro 440.0 thousand for the consolidated and separate financial statements of Unieuro and other professional services relating to this audit engagement (including the non-financial statement and other matters), for a total 4,800 hours of work;

• Euro 56.0 thousand to audit the subsidiary companies' separate financial statements, for a total 640 hours of work;

• Euro 14.0 thousand for other additional services (i.e. AUP), for a total 160 hours of work (Euro 8.0 thousand for 90 hours of work from the second year).

Should this proposal not obtain the votes required for its approval, a vote will be taken on the proposal to grant the same assignment to DELOITTE S.P.A., for fees for the first year of Euro 750 thousand for a total 7,700 hours of work (decreasing in the second and third years).

The Chairman resumes the floor and states that considering the above, and taking into account the reasoned recommendation of the Board of Statutory Auditors, the proposal to appoint the company PRICEWATERHOUSECOOPERS S.P.A. as the external audit firm for the nine-year period 1 March 2025 to 28 February 2034 will be put to a vote first. Only where this proposal does not obtain the votes required for approval, the proposal to appoint the company DELOITTE TOUCHE S.P.A. to the same position will be put to a vote.

The Chairman invites the designated proxy holder, before proceeding to vote on the Agenda item, to state whether she has been instructed to make contributions or statements.

The designated proxy holder declares that she has no contribution or statement to make in relation to the Agenda item.

The Chairman submits the following proposed resolution on Agenda item 5 in accordance with that contained in the Board of Directors' Report to the Shareholders' Meeting - section A.1:

"The Shareholders' Meeting of Unieuro s.p.a., by virtue of the foregoing:

• having reviewed the Board of Directors' Explanatory Report,

• having noted the reasoned recommendation made by the Board of Statutory Auditors regarding the appointment of the external auditor of UNIEURO S.P.A. for the financial years 2026-2034, pursuant to art. 13 of Legislative Decree No. 39/2010 and art. 16 of European Regulation No. 537/2014,

resolves

1. to appoint as external Auditing Firm the company PRICEWATERHOUSECOOPERS S.P.A., for the financial years from 1 March 2025 to 28 February 2034, according to the conditions

set forth in the offer made by said external Auditing Firm and attached to the reasoned recommendation of the Board of Statutory Auditors;

2. to grant the Chairman of the Board of Directors and the Chief Executive Officer the power to carry out, jointly and severally, with the power to delegate to third parties, any action required, necessary or useful to execute the above resolution, and to perform the related formalities necessary with the competent bodies and/or offices. They shall also have the power to make any non-substantial amendments that may be required for the purpose, and in general to carry out any action necessary to fully implement this Shareholders' Meeting resolution, with any and all powers necessary and appropriate, in compliance with the applicable regulatory provisions”.

The Chairman, pursuant to Article 135-*undecies* of the TUF, asks the designated proxy holder, for the purpose of calculating majorities, whether in relation to Item 3.2 that she has voting instructions for all the shares for which the proxy has been granted and whether she also wishes to indicate the number of shares of those who, if any, have expressed an intention not to contribute to the basis for calculating the majority.

The designated proxy holder declares that she has received voting instructions for all shares for which the proxy has been given.

The Chairman at 13.15 then puts the proposed resolution, which he has previously read out, to a vote, and invites for the votes to be cast.

The designated proxy holder declares on Agenda Item 4:

- votes in favour: 6,729,093 shares, equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- votes against: none.

The Chairman closed the vote and declared that the proposed resolution was unanimously approved.

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The Chairman, there being no further business to be conducted and as no one requests the floor, thanks the attendees and declares the meeting closed at 13.16.

The following Annexes are attached to these minutes:

A. List of attendees at time of Shareholders' Meeting opening; communication of constituent quorum;

B. Annual Financial Report 2023/2024;

C. Consolidated non-financial statement;

D. Explanatory Report of the Board of Directors on item 1 on the Agenda;

E. Explanatory Report of the Board of Directors on item 2 on the Agenda;

F. Explanatory Report of the Board of Directors on item 3 on

the Agenda;
G. Report concerning the policy for remuneration and recompense paid;
H. Explanatory Report of the Board of Directors on item 4 on the Agenda;
I. Explanatory Report of the Board of Directors on item 5 on the Agenda;
L. Report on Corporate Governance and Proprietary Shareholdings
M. Voting Results:
M.1: Voting results with list of names voting in favour, against, abstaining and not voting on Item 1.1 on the Agenda;
M.1.2: Voting results with list of names voting in favour, against, abstaining and not voting on Item 1.2 on the Agenda;
M.2 Voting results with list of names voting in favour, against, abstaining and not voting on Item 2 on the Agenda;
M.3.1: Voting results with list of names voting in favour, against, abstaining and not voting on the first part of Item 3.1 on the Agenda;
M.3.2: Voting results with list of names voting in favour, against, abstaining and not voting on the first part of Item 3.2 on the Agenda;
M.4 Voting results with list of names voting in favour, against, abstaining and not voting on Item 4 on the Agenda;
M.5.1 Voting results with list of names voting in favour, against, abstaining and not voting on Item 5 on the Agenda.
The costs of this deed shall be borne by the Company.
I the Notary have received this deed, typewritten by person I trust and by me notary completed by hand.
This deed consists of twenty-six full pages and part of the present, of seven sheets, signed by me the Notary at 16.00.
Signed: Marco Maltoni Notary

Annex A

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

COMMUNICATION OF THE PRESIDENT

Present are no.	**71**	entitled to vote		
representing no.	**6.729.093**	ordinary shares		
equal to	**32,510%**	of no.	**20.698.621**	ordinar
a total of	**6.729.093**	votes		
equal to	**33,100%**	of no.	**20.329.845**	total vc

ANNUAL FINANCIAL REPORT FY 2023/24

Unieuro S.p.A.

Palazzo Hercolani – Via Piero Maroncelli, 10 – 47121 Forlì (FC) - Italy

Companies Register of Forlì-Cesena, REA registration No. 177115

Country of registration - Italy

Tax and VAT No. 00876320409

Description of the nature of the activity: Retail and wholesale trade, import and export distribution of household appliances and consumer electronic goods through physical outlets and through e-commerce. Installation and maintenance of all commercially available equipment. Organisation and management, including indirectly, of serving food and beverages to the public within the outlets.

Parent company name - Unieuro S.p.A..

CONTENTS

Directors' Report

DIRECTORS' REPORT

Letter to the Shareholders from the Chairperson of the Board of Directors

Dear Shareholders,

The 2023/2024 fiscal year was particularly significant in that we outlined our new strategic path for the next five years and made the biggest acquisition in the Group's history. The Strategic Plan seeks to strengthen Unieuro's distinctive omnichannel positioning and focus firmly on the "Beyond Trade" category, particularly in terms of services, building on the solid relationship with customers and an ability to anticipate their needs. The strategic guidelines will be pursued through constant product and process innovation focused on creating value for all stakeholders, continuing to foster the integration of long-term sustainability actions into business activities, the organisation and corporate culture.

The acquisition of Covercare is a crucial step on the "Beyond Trade" growth path and for our strategic development. It puts Unieuro in a position to seize new business opportunities in the world of services, allows us to enrich the customer journey, diversify the profit mix and strengthen our competitive positioning. It also has interesting sustainability implications, thanks to a business model that naturally leans towards the circular economy and achieving energy savings, which, taken together, strengthen the Group's ESG profile.

The annual results that we submit for your approval reflect the achievement of the operating and financial targets we set for ourselves, achieved against a market backdrop that was affected by geopolitical conflicts, continuing high inflation and purchasing power under pressure, and which contracted for the second year in a row in the consumer electronics sector. In this challenging situation, managerial action has been particularly effective in protecting profitability, through streamlining and efficiency measures, while always maintaining the focus on service and customers, who have continued to reward Unieuro as a market leader. The results we have achieved enable us to continue to remunerate shareholders through the distribution of a dividend in line with company policy.

We will continue to invest significantly to ensure the Group is more and more competitive, agile, and ready to face any new market challenges. We will also continue the constant work of analysing acquisition-led growth opportunities.

On behalf of the Board of Directors, I would like to thank the Company's Management and Staff for their commitment to achieving these goals and you, the Shareholders, for your trust.

May 10, 2024

Stefano Meloni
Chairperson of the Board of Directors

CEO’s letter to the Shareholders

Dear Shareholders

In the fiscal year just ended, against a challenging geopolitical and macroeconomic backdrop and faced with a further slowdown in the consumer electronics market, we worked to achieve dual objectives: to preserve the Group's profitability in the short term and to accelerate our medium to long-term growth trajectory.

The resilience of the results we have achieved, meeting the guidance communicated to the market, demonstrates the validity of our approach. Of particular note, we adopted a policy to manage margins which focuses on strategic product categories and higher-margin sales channels, and launched a cost streamlining and efficiency plan, which at times was difficult and painful, and which affected every operational level. These results are even more significant in that they were achieved while maintaining industry leadership and a virtually unchanged market share. Furthermore, the customer satisfaction index (NPS) showed further progress, demonstrating the effectiveness of direct investments in improving our customers' shopping experience as part of the omnichannel strategy.

A year ago we prepared a new growth plan to 2028 with a strategy to balance profitability between "Trade" and "Beyond Trade" through a path to develop the business proposition. Our strategy is built around the consumer, with the goal of offering complete and integrated solutions to respond to every technological need - before, during and after purchase.

Just a few months later, and fully in line with our "Beyond Trade” expansion goals, we completed the services-based acquisition of Covercare, a transformative and crucial transaction for us that will enrich the customer journey and boost Group profitability. The acquisition represents the most strategically and financially significant transaction in our history and marks the resumption of Unieuro’s acquisition-led growth and strengthening. We are already working on the integration of Covercare, starting with the strategic, organisational and cultural aspects, in order to make the most of the complementary nature of the two business models and generate business synergies over the medium term with the objective of strengthening both enterprises.

Also in execution of the new Strategic Plan, we have introduced further development initiatives, including partnerships. These include further expansion of the range of private label products and the signing of an electricity price agreement to reduce the exposure to market volatility, in a period of persistent global geopolitical tensions.

In a market environment that continues to be unstable, we remain confident of the Group’s prospects and focused on continuing to execute our Strategic Plan, bolstered by the contribution of the newly-acquired Covercare, to create value for the benefit of all our stakeholders.

May 10, 2024

Giancarlo Nicosanti Monterastelli

Chief Executive Officer

1. Introduction

The Unieuro Group (hereinafter also the "Group" or the "Unieuro Group") consists of the companies Unieuro S.p.A. and Covercare S.p.A., along with its subsidiaries Covercare Center S.r.l. and Cybercare S.r.l. (hereinafter also the "Covercare Group"), consolidated as of December 4, 2023, and Monclick S.r.l. in liquidation.

Unieuro S.p.A. (hereinafter also referred to as the "Company" or "Unieuro" or "UE") is a company under Italian law based in Forlì, Italy at 10 Via Piero Maroncelli, founded in the late 1930s by Vittorio Silvestrini. Unieuro is now the leading distributor of consumer electronics and domestic appliances in Italy and operates as an integrated omnichannel distributor in four main product segments: Grey (telephony and computer), White (large and small domestic appliances), Brown (consumer electronics), Other products (consoles, video games, bicycles), offering in parallel a wide range of services such as delivery and installation, extended warranty and consumer financing.

Covercare S.p.A. (hereinafter also referred to as "Covercare"), a wholly-owned subsidiary of Unieuro, is an Italian-registered company based in Legnano (MI), Corso Italia, 25. Covercare Center S.r.l., 70% owned by Covercare, and Cybercare S.r.l., 60% owned by Covercare, are Italian-registered companies based in Legnano (MI), Corso Italia 25/A. The Covercare Group is an Italian leader in repair services for mobile phones, other portable devices and large domestic appliances. It also operates in the field of air conditioning installation services and boiler installation and maintenance, and in the installation of photovoltaic systems. Finally, it markets mobile electronic products, IT and accessories to professional customers, mainly overseas.

Monclick S.r.l. in liquidation (hereinafter also referred to as "Monclick" or "MK"), a wholly-owned subsidiary of Unieuro, is an Italian-registered company based in Milan, Via Marghera 28. It was placed in liquidation as of November 3, 2023, as part of a process to streamline the corporate structure. Monclick, formerly engaged in the online sale of IT, electronics, telephony and domestic appliance products in Italy through the website www.monclick.it, suffered a worsening of its operating, equity and financial situation in recent years as a result of the performance of its target markets, exacerbated by its digital pure player business model.

The Group's mission is to accompany customers at all stages of their purchasing journey, placing them at the centre of an integrated ecosystem of product and service offerings that sees accessibility, proximity and closeness as the pillars of its strategic approach.

Unieuro's shares have been listed on the EURONEXT STAR MILAN since April 2017.

The Company is features an extensive and fragmented shareholder base, and thus is structured like a public company. The table below displays the percentage of Unieuro ordinary shares held either directly or indirectly by shareholders or individuals at the top of the equity chain who have declared that they exceed the relevant shareholding threshold per Article 120 of the Consolidated Finance Act and Consob Issuers' Regulation. The percentage shown in the table is accurate at the time of writing this Statement but may be subject to updates based on the information available to the Company:

SHAREHOLDER	DIRECT SHAREHOLDERS	NUMBER OF SHARES	% OF TOTAL SHARES COMPRISING THE SHARE CAPITAL
XAVIER NIEL	• ILIAD HOLDING S.P.A. • ILIAD SA	2,520,374	**12.177%**
GIUSEPPE SILVESTRINI	• VICTOR S.R.L. • GIUSEPPE SILVESTRINI	1,275,395	**6.162%**
AMUNDI ASSET MANAGEMENT	• AMUNDI SOCIETÀ DI GESTIONE DEL RISPARMIO S.P.A. • AMUNDI ASSET MANAGEMENT	1,199,708	**5.796%**

2. Methodological note

The following Directors' Report provides information on the consolidated revenues, consolidated profitability, consolidated cash flows, and consolidated financial position of the Unieuro Group at February 29, 2024, compared to the figures in the latest approved financial statements at February 28, 2023.

Unless otherwise indicated, all values are in millions of Euros. Amounts and percentages have been calculated on values in thousands of Euro, and therefore any differences found in some tables are due to rounding.

In application of IFRS 10, the operating result and balance sheet figures at February 29, 2024 include the contribution of the Covercare Group from the date of initial consolidation (December 1, 2023). The financial statements of the subsidiary Covercare S.p.A. and its subsidiaries Covercare Centre S.r.l. and Cybercare S.r.l. have been included in the consolidated financial statements as of December 1, 2023. The Directors have assessed that there are no significant changes in the fair value of the acquired assets between the date Unieuro took control (December 4, 2023) and the date of initial consolidation (December 1, 2023).

The acquisition of control of the Covercare Group is considered a business combination and fell within the scope of IFRS 3. It should be noted that Unieuro, on undertaking the acquisition, availed of the option under IFRS 3 to make a provisional allocation of the cost of the business combinations to the fair values of the assets acquired and liabilities and contingent liabilities assumed. Where new information obtained within one year of the acquisition date, relating to facts and circumstances in existence at the acquisition date, results in adjustments to the amounts presented or to any additional provision in existence at the acquisition date, the acquisition accounting shall be revised. No significant changes are expected from those already recognised.

As a result of the initiation of the liquidation of the subsidiary Monclick S.r.l. in liquidation, which was approved by the subsidiary's Shareholders' Meeting on October 24, 2023, the operating, equity and cash flow indicators at February 29, 2024 do not include the contribution of Monclick S.r.l. in liquidation, in accordance with IFRS 5. Where applicable, the comparative figures for the previous period have been restated.

Therefore, in accordance with IFRS 5, the asset and liability items of the subsidiary Monclick S.r.l. in liquidation have been reclassified to "Assets/Liabilities from discontinued operations" and the income statement items to the “Result from discontinued operations”.

The accounting standards used by the Group are the International Financial Reporting Standards, endorsed by the European Union (“IFRS”) and in application of Legislative Decree No. 38/2005 and the other CONSOB financial statements provisions.

3. Accounting policies

This Annual Financial Report as of February 29, 2024 was prepared in accordance with Article 154-ter, paragraph 5 of Legislative Decree No. 58/98 - C.F.A. - as amended and supplemented, and in compliance with Article 2.2.3 of the "Borsa Italiana" Stock Exchange Regulations.

The accounting standards used by the Group are the International Financial Reporting Standards, endorsed by the European Union ("IFRS") and in application of Legislative Decree No. 38/2005 and the other CONSOB financial statements provisions.

In order to facilitate understanding of the Group's operating and financial performance, a number of Alternative Performance Indicators ("API's") have been identified. For a correct interpretation of these API's, the following should be noted: (i) these indicators are constructed exclusively from the Group's historical data and are not indicative of future performance, (ii) the API's are not required by IFRS and, although derived from the Consolidated Financial Statements, they are not audited, (iii) the API's should not be considered as substitutes for the indicators provided by the applicable accounting standards (IFRS), (iv) these API's should be read in conjunction with the Group's financial disclosure in the Consolidated Financial Statements; (v) the definitions and criteria adopted for the determination of the indicators used by the Group, insofar as they are not derived from the applicable accounting standards, may not be homogeneous with those adopted by other companies or groups and, therefore, may not be comparable with those that may be presented by such entities; and (vi) the API's used by the Group are prepared in continuity and homogeneity of definition and representation for all periods for which financial information is included in the Consolidated Financial Statements.

The API's presented (Consolidated Adjusted EBITDA, Consolidated Adjusted EBIT, Consolidated Adjusted EBIT Margin, Consolidated Adjusted Profit/(loss) for the Year, Net Working Capital, Consolidated Adjusted Free Cash Flow and (Net Financial Debt) / Net Cash - Former IAS 17) are not identified as accounting measures under IFRS and, therefore, as stated above, should not be considered as alternative measures to those provided by the Group's consolidated financial statements for assessing their operating performance and relative financial position.

Certain indicators defined as "Adjusted" are presented in order to represent the Group's operating and financial performance, net of non-recurring events, non-core operations events, and events related to corporate transactions, as identified by the Group. The Adjusted indicators reported concern: *Consolidated Adjusted EBIT, Consolidated Adjusted EBIT margin, Adjusted Consolidated Profit/(loss) for the year and Consolidated Adjusted Free Cash Flow and (Net Financial Debt) / Net cash - Pursuant to IAS 17.* These indicators reflect the main operating and financial aggregates adjusted for non-recurring income and expenses not closely related to the core business and operations and the effect resulting from the change in the business model for extended warranty services (as better described below in the "Consolidated Adjusted EBIT" API) and thus allow for a more homogeneous analysis of the Group's performance over the periods presented in the Directors' Report.

We note that, in view of the initiation of the liquidation of the subsidiary Monclick S.r.l. in liquidation, which was approved by the company's Shareholders' Meeting on October 24, 2023, the adjusted figures for the years ended February 29, 2024 and February 28, 2023 do not include the contribution of Monclick S.r.l. in liquidation, reclassified to the "Result from discontinued operations" as per IFRS 5. The capital contribution to February 29, 2024 has been reclassified to "Net Invested Capital of Discontinued Operations" and "(Net Debt)/Net Cash of Discontinued Operations."

Key financial performance indicators[1]

(in millions of Euro)	Year ended	
	February 29, 2024	February 28, 2023[2]
Operating indicators		
Consolidated revenues	2,634.9	2,811.2
Consolidated Adjusted EBIT[3]	34.8	37.0
Consolidated Adjusted EBIT margin[4]	1.3%	1.3%
Consolidated Adjusted Profit/(loss) for the Year[5]	18.7	20.9
Consolidated Profit/(loss) for the year	(17.4)	10.2
Cash flows		
Consolidated Adjusted Free Cash Flow[6]	10.6	23.1
Investments for the period[7]	(40.2)	(39.2)

(in millions of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Indicators from statement of financial position		
Net working capital	(350.6)	(339.9)
(Net financial debt) / Net cash - Pursuant to IAS 17[8]	44.5	124.4
(Net financial debt) / Net cash	(366.9)	(323.1)

1 Adjusted indicators are not identified as an accounting measure under IFRS and, therefore, should not be considered an alternative measure for assessing Group performance. Since the composition of these indicators is not regulated by the applicable accounting standards, the Group's applied determination criterion may not be homogeneous both with that adopted by other companies and with that which may be adopted in the future by the Group, or realised by it, and therefore not comparable.

2 The operating indicators for the year ended February 28, 2023 have been restated, in application of IFRS 5, for comparative purposes only, by reclassifying the contribution of the subsidiary Monclick S.r.l. in liquidation to the “Result from discontinued operations”.

3 Consolidated Adjusted EBIT is Consolidated EBIT adjusted for (i) non-recurring expenses/(income), (ii) the effects of adjusting extended warranty service revenues net of the related estimated future service costs as a result of the change in the business model for directly operated service support services, (iii) non-recurring amortisation, depreciation and write-downs, and (iv) amortisation, depreciation and write-downs deriving from the Purchase Price Allocation. Consolidated Adjusted EBIT is adjusted for net charges related to the liquidation of the subsidiary Monclick S.r.l., reclassified in accordance with IFRS 5. Please refer to Section 6.2 for further details.

4 Consolidated Adjusted EBIT Margin is the ratio of Consolidated Adjusted EBIT to Consolidated Revenues.

5 Consolidated Adjusted Profit/(loss) for the Year is calculated as Consolidated Adjusted Profit/(loss) for the Year adjusted for (i) the adjustments incorporated in Consolidated Adjusted EBITDA, (ii) adjustments to non-recurring amortisation, depreciation and write-downs, (iii) adjustments to amortisation, depreciation and write-downs deriving from the Purchase Price Allocation, (iv) adjustments of non-recurring financial expenses/(income), and (v) the theoretical tax impact of these adjustments. Consolidated Adjusted Profit/(loss) for the Year is restated for net charges related to the liquidation of the subsidiary Monclick S.r.l., reclassified in accordance with IFRS 5. Please refer to Section 6.4 for additional details.

6 Consolidated Adjusted Free Cash Flow is the consolidated cash flow generated/absorbed by operating activities, including cash flows deriving from IFRS 16 leasing, and investing activities, including financial expenses. Consolidated Adjusted Free Cash Flow is adjusted for non-recurring operating and investment cash flows, and includes adjustments for non-recurring expenses (income), their non-cash component, and the related tax effects. Please refer to Section 6.5 for further details.

7 "Investments for the period" include cash flows from payments for investments in plant, machinery, equipment and other assets and intangible assets with finite useful lives

8 The (Net financial debt) / Net cash - Pursuant to IAS 17 is the consolidated (Net financial debt) / Net cash without incorporating the effects related to the application of IFRS 16. Please refer to Section 7 for additional details.

	Year ended	
	February 29, 2024	February 28, 2023
Operating indicators for the year		
Like-for-like growth [9]	(7.1%)	(3.2%)
Direct points of sale (number)	271	278
of which Pick-Up Points [10]	270	274
Affiliated points of sale (number)	254	255
of which Pick-Up Points	211	210
Total area of direct outlets (in square metres)	approximately 397,000	approximately 404,000
Sales density [11] (Euro per square metre)	4,975	5,335
Full-time-equivalent employees [12] (number)	4,670	4,921
Unieuro Net Promoter Score [13]	53.1	51.9

9 Like-for-like revenue growth: the method for comparing sales for the year ended February 29, 2024 with those for the year ended February 28, 2023 based on a homogeneous business scope, by retail and travel stores that have been in operation for at least one full fiscal year as of the reporting date, net of stores affected by significant operational discontinuity (e.g., temporary closures and major refurbishments), as well as the entire online channel.

10 Physical pick-up points for customer orders from the online channel.

11 This indicator is obtained from the ratio of annual sales generated by direct points of sale to the total surface area of all direct points of sale.

12 Average annual number of full-time-equivalent employees refers to Unieuro S.p.A. and Monclick S.r.l. in liquidation only

13 The Net Promoter Score (NPS) measures customer experience and predicts business growth; it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

4. Strategy and Execution of the “Beyond Omni-Journey” Strategic Plan

In May 2023, Unieuro unveiled its new 2024-2028 Strategic Plan "Beyond Omni-Journey”. This is based on the two pillars of further strengthening the offerings of "Omnichannel Trade" and expanding into "Beyond Trade" through an ambitious transformation plan.

Through developing the "Omnichannel Trade" pillar, Unieuro seeks to consolidate its sector leadership, building its omnichannel proposition to offer a fully integrated cross-channel experience. This will be achieved by building the business proposition through the use of data and an evolution of the role of physical stores, including by revising the format. In addition, Unieuro seeks to review the planning, demand forecasting and operation models, supported by an evolution of the distribution model, including through an overhaul of the logistics network to get closer to the end customer.

To respond to all consumer technology needs, through the expansion of the "Beyond Trade”, Unieuro intends to invest in strengthening its consumer-centric "ecosystem" by offering comprehensive, integrated and customised solutions that go beyond pure product sales, such as repair services, used-product pickup and sale, technology consulting, and private label and exclusive brand development. This strategic approach will lead Unieuro to an extensive transformation which will be supported by a process of developing skills, technologies and the proposition also through strategic partnerships.

The strategic guidelines will be pursued through responsible innovation focused on creating value for all stakeholders, reinforcing the integration of sustainability into business activities, the organisation and its culture. In particular, the focus remains on the four pillars underlying the Sustainability Plan:

- Sustainable innovation directed at improving environmental performance, promoting a sustainable supply chain, strengthening the customer experience;
- ESG culture/governance, investing in sustainability governance;
- Talents to develop "human capital”;
- Community, through additional initiatives of social value related to relations with the surrounding communities and territory.

Significant investments in technology transformation and the organisation support the plan, which will ensure the development of the "Beyond Omni-Journey" strategy. In addition, Unieuro plans to focus on process optimisation to ensure greater efficiency and free up resources to support the path to growth and value creation.

During the fiscal year, major initiatives were introduced to execute the 2024-2028 "Beyond Omni-Journey" Plan.

4.1 Beyond Trade: Acquisition of Covercare

In line with the "Beyond Omni-Journey" Plan and specifically the growth strategy in the service area, Unieuro acquired the entire share capital of Covercare S.p.A. on December 4, 2023.

Founded in 2011, the Covercare Group is an Italian leader in repair services for mobile phones, other portable devices and large domestic appliances. Over the years, thanks to its significant capacity for innovation and expertise, it has successfully extended operations into air conditioning installation services and boiler installation and maintenance, while most recently entering the photovoltaic system installation sector. In addition, Covercare has developed Home Assistance services, which complement the offer to the home segment end customer.

Covercare offers its services throughout the country to leaders in the Retail, Telco and Multi-Utility sectors. Covercare has over 160 employees, between its headquarters, and the production and logistics units, and has a solid organisational and managerial structure with proven expertise and experience. All higher added value technical activities are carried out at the hub located in Legnano. Specifically, configuration, customisation and repair of smartphones and other portable devices of all brands are carried out on site by a team of trained technicians. In addition, Covercare makes use of an extensive network of tradespeople and technical partners for service work on domestic appliances, in addition to air conditioning and boiler installations and plumbing, electrical works etc., provided by the home assistance services.

The acquisition extends Unieuro's control over the value chain to segments with higher profitability, with significant growth potential and more synergetic with its core business market segments. Unieuro is therefore able to strengthen its market leadership through an even more comprehensive and integrated offer of products and services, accompanying customers before, during and after purchase. At the same time, Unieuro can consolidate its sustainability profile, thanks to the extension of the product life cycle and the benefits of installing more energy-efficient devices.

Through this Transaction, significant value creation is expected for Unieuro over the medium term, partly as a result of the expected generation of business synergies, including - but not limited to - the marketing of new services and products to Unieuro's customers.

4.2 Omnichannel Trade

Unieuro has remained focused on executing its omni-channel strategy through major direct investment in improving the customer buying experience, which saw the company in fact rewarded by an increase in the satisfaction level (NPS) of more than 53 points. The initiatives included, as part of the Sales & Operating Planning, the initiation of the adoption of the new forecasting system. Advanced predictive analytical models for promotions were completed in the year and the Cloud adoption project was launched. The store network digitalisation programme also continued, together with the launch of the SAP retail project. In terms of compliance, Unieuro promptly undertook actions to comply with the rules set out under the new prices directive, which came into effect on July 1, 2023.

In terms of the development of private labels, the Electroline brand range (the large and small domestic appliance and air conditioning line) was further extended in the year. The Company in addition launched the new technology product line under the new brand Ioplee, and completely overhauled the range of telephony accessory products. Additional initiatives included the launch of brand pages dedicated to the Electroline and Joia Home brands on the website www.unieuro.it.

5. Market performance[14]

Like the previous year, FY 2023/24 saw a number of macroeconomic factors affect the demand for consumer electronics products. Economic, social, and climate uncertainty, together with reduced consumer purchasing power, combined with specific dynamics in the Consumer Electronics market, most notably the termination of significant government incentives to purchase certain product categories and the contraction of demand for those products, which had seen record growth during the pandemic period and the immediate aftermath.

Against this challenging backdrop, the Consumer Electronics market in Italy contracted by 6.9%, though its overall value remains higher than pre-pandemic levels. As in other major European countries, there was also a decline in the value brokered by the digital channel for the first time.

The specific dynamics for each commodity macrocategory are shown below:

- **Brown (-26%):** despite gradual improvement over the fiscal year, volumes in this segment still contracted significantly as a result of the sharp decline in demand in the TV category following the switch-off of TV frequencies. Consumer dynamics featured renewed demand for larger TV sets and a rising average price.

- **White (unchanged)**: while sales in this category slowed from the second half of the year, the Large Domestic Appliances segment reported an increase of 2%, offsetting the negative performance of the air treatment category (Home comfort - 6%), which was affected by the end of tax incentives to purchase heat pumps. The trend in the Small Domestic Appliance ("SDA") sector remained largely stable, thanks to positive results in the online channel (+1.9%), which offset the decline reported in the traditional channel.

- **Grey (-6%)**: all category segments contracted. The Information Technology segment continues to decline - although at a slower pace than the previous year as the products acquired during the pandemic have begun to be replaced - contracting 8% in the year. Despite still higher average prices due to the significant proportion of premium range smartphones, the telephony segment - following two years of demand-driven growth - saw a decrease in value terms (4%).

The slowdown in demand has affected every operator in the segment. Specifically, the **Technical Super Store** segment (TSS, -8%) - which includes all the major consumer electronics retailers - leaves behind the record growth seen in preceding years, while however remaining the market's main contributor to sales in terms of both values and volumes. The higher average price, simultaneously reflecting inflation and the shift towards the premium end of the market for certain product categories, partially offsets the reduction in sales volumes.

The **Mass Merchandiser** channel - concerning the online Pure Players - saw a 3% contraction, offset (though only partially) by the improvement for small domestic appliances, thanks to double-digit growth for Kitchen products and above all Homecare. The **Specialists** (-10%) were impacted mainly by the decline in smartphone demand, the channel's main product category, becoming the main negative contributor to the overall market contraction.

Finally, **Electrical Specialists** - a channel made up of mainly small consumer electronics stores - saw a more contained decline than other areas of the industry (-3%), benefitting from a comparative result that was less challenging than the previous year (the Electrical Specialist trend in the previous year compared to 2021/22 was -12%).

[14] Market data compiled by Group management based on GFK data available as of February 2024.

Against a significantly contracting market backdrop, the Unieuro Group adopted a strategy designed to protect margins on the one hand and safeguard its competitive position on the other. The Group has therefore worked to maintain market share, focusing on high-margin product categories - White categories - and those that encourage in-store traffic, such as Grey products (Telephony and IT). This allowed the Group to preserve its profitability, while maintaining an overall sales performance in line with that of its main competitors (Unieuro Group -8%, compared to -8% in the TSS segment).

6. Group operating and financial results

6.1 Consolidated revenues

In the fiscal year ended February 29, 2024, the Unieuro Group reports revenues of Euro 2,634.9 million, compared to Euro 2,811.2 million in the previous year, confirming the sector leadership position and a substantially unchanged market share. Consolidated revenues in FY 2023/24 include the Covercare Group's contribution from the date of initial consolidation (December 1, 2023).

The market environment in FY 2023/24 saw a decline in demand (-6.9%)[15], attributable to a combination of macroeconomic factors - including the international geopolitical situation and consumer concerns about the cost of living - and industry-specific factors, such as the contraction in demand for some product categories, which are partly related to the end of tax incentives.

The Unieuro Group's revenues in fiscal year 2023/24 were influenced by the performance of the consumer electronics market, which contracted 6.3% compared to the previous year. This was mainly due to declining sales volumes in the Brown category, linked to the strong growth in previous years related to the switch off of TV frequencies, and settling demand in the Grey category.

The Electroline brand range (the large and small domestic appliance and air conditioning line) was further extended in the year. The Parent Company has also been working on the launch of a new line of technology products under the new IOPLEE brand. Private label revenues in FY 2023/24, across various product categories, amounted to Euro 110.4 million, up 8.1% on the previous year.

Like-for-like revenues - comparing sales with the previous year on the basis of the same scope of activity - were down 7.1%.

6.1.1 Consolidated revenues by channel

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023[16]	%	Δ	%
Retail	1,845.7	70.1%	1,966.2	69.9%	(120.5)	(6.1%)
Online	434.3	16.5%	501.6	17.8%	(67.2)	(13.4%)
Indirect	235.7	9.0%	243.7	8.7%	(8.0)	(3.3%)
B2B	119.2	4.5%	99.7	3.6%	19.5	19.5%
Total consolidated revenues by channel	**2,634.9**	**100.0%**	**2,811.2**	**100.0%**	**(176.2)**	**(6.3%)**

The Retail channel (70.1% of total revenues) - which at February 29, 2024 comprised 271 direct sales points, including the “Unieuro by Iper” shop-in-shops and the sales points located at major public transport hubs such as airports, railway

[15] Market data compiled by Group management based on GFK data as of February 2024.

[16] Consolidated revenues for the year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the “Result from discontinued operations”.

stations and metro stations - saw sales of Euro 1,845.7 million, decreasing 6.1% on the previous year (Euro 1,966.2 million in the year ended February 28, 2023). The channel's performance in FY 2023/24 reflects the consumer electronics market, impacted by the contraction in demand for Brown and Information Technology category products, partially offset by the strong entertainment, large domestic appliance and telecom segment performance.

The Online channel (16.5% of total revenues) - which includes the unieuro.it platform - generated revenues of Euro 434.3 million in FY 2023/24, down 13.4% on the previous year (Euro 501.6 million in the fiscal year ended February 28, 2023). The decrease in online channel revenues compared to the previous year mainly relates to a decline in demand for the Brown and Grey categories, reflecting the Group's business strategy and market trends.

The Indirect channel (9.0% of total revenues) - which includes sales made to the network of affiliated stores comprising a total of 254 sales points at February 29, 2024 - reports revenues of Euro 235.7 million, contracting 3.3% on the previous year (Euro 243.7 million in the year ended February 28, 2023). The decline in Consumer Electronics more than offset the good performance of all other product categories.

The B2B channel (4.5% of total revenues) - which caters to professional customers (including overseas) operating in sectors other than Unieuro's, such as hotel chains and banks, in addition to those purchasing electronic products to distribute to regular customers or employees for point collections, prize contests or incentive plans (B2B2C segment) - reported revenues of Euro 119.2 million in FY 2023/24, up 19.5% on the previous year (Euro 99.7 million in FY 2022/23), thanks to greater product availability and the contribution of sales revenues from the Covercare Group, included in the consolidation scope as of December 1, 2023.

6.1.2 Consolidated revenues by category

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023[17]	%	Δ	%
Grey	1,290.8	49.0%	1,342.3	47.7%	(51.5)	(3.8%)
White	767.5	29.1%	767.9	27.3%	(0.5)	(0.1%)
Brown	274.6	10.4%	414.5	14.7%	(139.8)	(33.7%)
Other products	147.0	5.6%	135.9	4.8%	11.1	8.2%
Services	155.0	5.9%	150.6	5.4%	4.4	2.9%
Total consolidated revenues by category	**2,634.9**	**100.0%**	**2,811.2**	**100.0%**	**(176.2)**	**(6.3%)**

The Group offers to customers through its distribution channels a broad range of products - in particular domestic appliances and consumer electronics, in addition to accessory services. Sales are broken down by category according to the product classifications adopted by the leading sector experts. The classification of revenues by category is therefore periodically reviewed to ensure the comparability of Group and market data.

The Grey category (49.0% of total revenues) - i.e. telephones, tablets, information technology, phone accessories, cameras, in addition to all wearable products - generated revenues of Euro 1,290.8 million, down 3.8% on FY 2022/23 (Euro 1,342.3 million in the fiscal year ended February 28, 2023).

[17] Consolidated revenues for the year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the "Result from discontinued operations".

Performance in the Grey category in FY 2023/24 was affected by the settling of consumption in the Information Technology segment, due to the contraction in demand following the pandemic and, to a lesser extent, the decline in the telephony segment, after years of steady growth.

The White category (29.1% of total revenues) - comprising major domestic appliances (MDA), such as washing machines, dryers, refrigerators or freezers and stoves, small domestic appliances (SDA), such as vacuum cleaners, food processors and coffee machines, in addition to the air conditioning segment, reports revenues of Euro 767.5 million, in line with the previous year (Euro 767.9 million in the fiscal year ended February 28, 2023). Sales in fiscal year 2023/24 saw growth in the large domestic appliance segment, which offset the decline in the small domestic appliances and home comfort segments.

The Brown category (10.4% of revenues) - including televisions and related accessories, audio devices, smart TV devices, car accessories and data storage systems - reported revenues of Euro 274.6 million, a contraction of 33.7% on the previous fiscal year (Euro 414.5 million in FY 2022/23). The contraction in FY 2023/24 is in line with the market trend, which reflects extraordinary sales related to the TV frequency switch-off and the introduction of the TV Bonus in previous years.

The Other Products category (5.6% of total revenues) - which includes sales of both the entertainment sector and other products not included in the consumer technology market, such as electric scooters or bicycles - reported revenues of Euro 147.0 million in FY 2023/24, increasing 8.2% on the previous year (Euro 135.9 million in the fiscal year ended February 28, 2023). The entertainment segment saw strong growth in the year thanks to gaming console sales.

The Services category (5.9% of total revenues) - which includes, among others, sales of extended warranties, installation services, home deliveries, repair services and consumer credit services - reported revenues of Euro 155.0 million, up 2.9% on FY 2022/23 (Euro 150.6 million), thanks to the strong consumer credit services sales which offset the drop in installation services.

6.2 Consolidated operating profit

The income statement tables presented below in the Directors' Report have been reclassified according to the presentation methods considered by management to best represent the Unieuro Group's operating profitability in the year. For more representative cost and revenue accounts, the following were reclassified by type in the income statement: (i) non-recurring income and charges and (ii) the effects from the adjustment of revenues from extended warranty services, net of the related estimated future costs for the provision of the after-sales service, as a result of the altered business model for directly-managed after-sales services. The results for FY 2023/24 include the contribution of Covercare Group companies as of the date of initial consolidation (December 1, 2023).

(in millions and as a percentage of revenues)	Year ended						Changes	
	February 29, 2024			February 28, 2023 [18]				
	Adjusted amounts	%	*Adjustments*	Adjusted amounts	%	*Adjustments*	Δ	%
Revenues	2,634.9		-	2,811.2		-	(176.2)	(6.3%)
Sales revenues	**2,634.9**		**-**	**2,811.2**		**-**	**(176.2)**	**(6.3%)**
Purchase of goods and Change in inventories	(2,078.9)	(78.9%)	3.8	(2,223.2)	(79.1%)	-	144.3	(6.5%)
Marketing costs	(36.2)	(1.4%)	-	(43.6)	(1.5%)	0.2	7.3	(16.8%)
Logistics costs	(80.6)	(3.1%)	0.5	(85.4)	(3.0%)	0.2	4.8	(5.6%)
Other costs	(94.2)	(3.6%)	3.2	(112.8)	(4.0%)	2.2	18.5	(16.5%)
Personnel costs	(204.5)	(7.8%)	0.2	(204.8)	(7.3%)	0.6	0.4	(0.2%)
Other operating income and costs	(5.0)	(0.2%)	0.1	(4.2)	(0.2%)	0.6	(0.7)	17.5%
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services	8.3	0.3%	8.3	5.4	0.2%	5.4	2.9	54.1%
Consolidated Adjusted EBITDA [19]	**143.9**	**5.5%**	**16.2**	**142.6**	**5.1%**	**9.2**	**1.3**	**0.9%**
Amortisation, depreciation and write-downs of fixed assets	(109.0)	(4.1%)	0.6	(105.6)	(3.8%)	0.2	(3.4)	3.2%
Consolidated Adjusted EBIT	**34.8**	**1.3%**	**16.8**	**37.0**	**1.3%**	**9.5**	**(2.2)**	**(5.9%)**

Consolidated Adjusted EBIT in FY 2023/24 totalled Euro 34.8 million, down 5.9% on the previous year (Euro 37.0 million in FY 2022/23), against a 6.3% reduction in sales revenue and the effects of a careful margin management policy and a cost streamlining plan.

The gross profit [20] decreased Euro 29.0 million on the previous year, mainly due to a reduction in sales volumes, chiefly in the Brown category, and a less favourable brand/product mix. The gross profit margin was 21.4% in FY 2023/24, an

[18] Operating results for the fiscal year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the "Result from discontinued operations".

[19] Consolidated Adjusted EBITDA is the Consolidated gross operating profit adjusted for (i) non-recurring expenses/(income) and (ii) the effects of adjusting extended warranty service revenues net of the related estimated future service costs as a result of the change in the business model for directly operated service support services. Consolidated Adjusted EBITDA is adjusted for net charges related to the liquidation of the subsidiary Monclick S.r.l., reclassified in accordance with IFRS 5. Please refer to Section 6.2 for further details.

[20] Gross profit is calculated as the sum of "Revenues from sales", "Revenues from extended warranty services net of the related estimated future service costs," and "Purchase of goods and Change in inventories".

improvement on 21.1% in the previous fiscal year due to the focus on higher-margin sales channels and product categories.

Marketing costs in fiscal year 2023/24 totalled Euro 36.2 million, decreasing Euro 7.3 million on the fiscal year ended February 28, 2023 (Euro 43.6 million), accounting for 1.4% of revenues (1.5% in fiscal year 2022/23). This decrease is mainly due to close cost management and an altered mix of marketing initiatives.

Logistics costs in fiscal year 2023/24 totalled Euro 80.6 million and report a decrease of Euro 4.8 million (Euro 85.4 million in fiscal year 2022/23), constituting 3.1% of consolidated revenues (3.0% in fiscal year 2022/23). This reduction relates to the lower volumes handled due to lower sales in the year under review and a different product mix.

Other costs totalled Euro 94.2 million in FY 2023/24, decreasing 16.5% on the previous fiscal year (Euro 112.8 million), accounting for 3.6% of consolidated revenues (4.0% in FY 2022/23). In FY 2023/24, the cost of electricity reduced significantly due to a drop in the average market price of energy compared to the previous year, in addition to a reduction in consumption as a result of energy efficiency actions. Variable rents and sales commissions also decreased as a result of the lower volumes in the fiscal year.

Personnel costs of Euro 204.5 million in FY 2023/24 decreased Euro 0.4 million on the previous fiscal year (Euro 204.8 million in FY 2022/23). They accounted for 7.8% of consolidated revenues in FY 2023/24, an increase compared to 7.3% in the previous year, due to the reduction in sales volumes. The account reflects the optimisation of sales network personnel costs, partially offset by the increase from the inclusion of the Covercare Group.

Other operating income and costs totalled Euro 5.0 in FY 2023/24, an increase of Euro 0.7 million on the previous fiscal year (Euro 4.2 million), accounting for a similar percentage of consolidated revenues (0.2%). The item mainly includes business-related charges such as the waste disposal fee and advertising charges.

Amortisation, depreciation and write-downs amounted to Euro 109.0 million (Euro 105.6 million in the fiscal year ended February 28, 2023). The increase in amortisation and depreciation of Euro 3.4 million concerns mainly amortisation, in view of the information technology investments made in previous years and other costs related to the implementation of new IT systems on the sales network.

A reconciliation between Consolidated Adjusted EBIT and the Consolidated Net Operating Profit is reported in the Consolidated Financial Statements.

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023 [21]	%	Δ	%
Consolidated Adjusted EBIT [22]	**34.8**	**1.3%**	**37.0**	**1.3%**	**(2.2)**	**(5.9%)**
Non-recurring (expenses)/income	(7.8)	(0.3%)	(3.8)	(0.1%)	(4.0)	104.5%
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services [23]	(8.3)	(0.3%)	(5.4)	(0.2%)	(2.9)	54.1%
Non-recurring depreciation, amortisation and write-downs of fixed assets	-	-	(0.2)	(0.0%)	0.2	100.0%
Amortisation, depreciation and write-downs of the Purchase Price Allocation	(0.6)	(0.0%)	-	-	(0.6)	(100.0%)
Net Operating Result	**18.0**	**0.7%**	**27.5**	**1.0%**	**(9.5)**	**(34.6%)**

Non-recurring expenses/(income) amounted to Euro 7.8 million in FY 2023/24, increasing Euro 4.0 million on FY 2022/23, as outlined in paragraph 6.3 below.

The adjustment for extended warranty services increased by Euro 2.9 million compared to the previous year due to the consolidation of Covercare within the Unieuro Group, offset by the gradual implementation of the business model of the outlets acquired in previous years.

[21] Operating results for the fiscal year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the "Result from discontinued operations".

[22] See the note in the "Key financial and operating indicators" section.

[23] The adjustment concerns the deferral of revenues for extended warranty services already collected, net of the related estimated future costs to provide assistance costs. From the year ended February 29, 2012 for White products sold by Unieuro, from the year ended February 28, 2015 for all extended warranty services sold by Unieuro S.r.l. (hereinafter "Former Unieuro") from the fiscal year ended February 29, 2024 for telephony and peripherals and from the year of acquisition for all extended warranty services sold by sales points acquired, Unieuro has changed its business model for the management of extended warranty services, bringing in-house the management of services sold by the former Unieuro and Unieuro which were previously assigned to third parties and extending this model to the sales points acquired (the "Change in Business Model"). As a result of the Change in the Business Model, on the sale of the extended warranty services, Unieuro suspends the revenue, in order to recognise it over the duration of the contractual commitment. As a result of this change in the Business Model, the income statement does not fully reflect the revenues and margins of the business outlined in this note. In fact, in the income statements for the years ended February 28, 2023 and February 29, 2024, only a portion of the revenues from sales since the Change in the Business Model are recognised, as Unieuro shall gradually recognise the revenues from the sale of extended warranty services (which have already been collected). The adjustment therefore represents for each period the estimated margin from the sale of extended warranty services already sold (and collected) since the Change in the Business Model as if Unieuro had always operated according to the current business model. In particular, the estimate of the margin is represented by the revenues, which had been suspended under deferred income in order to be deferred to the years in which the conditions for their recognition will be met, net of future costs for the provision of the extended warranty service, assumed by Unieuro on the basis of historical information on the nature, frequency and cost of the service. The adjustment shall gradually reduce to zero in future income statements once the new business model is fully operational.

6.3 Non-recurring expenses/(income)

Non-recurring expenses/(income) of the Consolidated Adjusted EBITDA are presented below:

(in millions of Euro)	Year ended		Changes	
	February 29, 2024	February 28, 2023[24]	Change	%
Mergers & Acquisitions	2.4	1.7	0.6	37.8%
Costs for pre-opening, relocating and closing sales outlets and logistic hubs[25]	0.6	0.9	(0.3)	(31.5%)
Other charges and non-recurring income	4.9	1.2	3.6	295.5%
Total	**7.8**	**3.8**	**4.0**	**104.5%**

Non-recurring expenses and income amounted to Euro 7.8 million and increased Euro 4.0 million on the comparative fiscal year (Euro 3.8 million).

Merger&Acquisition costs amounted to Euro 2.4 million in FY 2023/24 (Euro 1.7 million in FY 2022/23). The item includes the costs incurred for the acquisition of Covercare S.p.A., approved by the Board of Directors on October 16, 2023 and finalised on December 4, 2023. This ongoing integration process began on the date of acquisition.

The Costs for pre-opening, relocating and closing sales outlets and logistics hubs totalled Euro 0.6 million in the fiscal year ended February 29, 2024 (Euro 0.9 million in the previous fiscal year). This account includes the cost for rental, personnel, security, travel and accommodation and for maintenance and marketing incurred within the scope of: i) sales points openings (in the months immediately preceding and following the opening of the stores) and ii) sales point closures.

Other non-recurring charges totalled Euro 4.9 million in FY 2023/24 (Euro 1.2 million in the comparative fiscal year). The item includes the costs for the actions taken by Unieuro following the flooding that hit a number of areas in Emilia-Romagna in May 2023, in addition to the increased expenses incurred and donations. It in addition includes the costs for the new partnership with Kasanova, as part of the change in business model for homeware segment sales.

[24] Non-recurring expenses/(income) for the fiscal year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the "Result from discontinued operations".

[25] The "pre-opening, relocating and closing sales outlets" costs include the cost for rental, security, travel and accommodation and for maintenance and marketing incurred within the scope of: i) restructuring and relocating of former Unieuro sales points, ii) opening of sales points (in the months immediately preceding and after opening) and (iii) sales point closures.

6.4 Net result

The restated income statement from Consolidated Adjusted EBIT up to the Consolidated Adjusted Net Profit is presented below.

(in millions and as a percentage of revenues)	Year ended						Changes	
	February 29, 2024			February 28, 2023 [26]				
	Adjusted amounts	%	*Adjustments*	Values adjusted	%	*Adjustments*	Δ	%
Consolidated Adjusted EBIT	**34.8**	**1.3%**	**16.8**	**37.0**	**1.3%**	**9.5**	**(2.2)**	**(5.9%)**
Financial income and expenses	(9.6)	(0.4%)	0.6	(12.9)	(0.5%)	0.1	3.3	(25.7%)
Income taxes [27]	(6.5)	(0.2%)	2.9	(3.1)	(0.1%)	(1.6)	(3.4)	110.3%
Consolidated Adjusted Net Profit/(loss) for the year	**18.7**	**0.7%**	**20.3**	**20.9**	**0.7%**	**8.0**	**(2.2)**	**(10.6%)**

Net financial expenses in FY 2023/2024 amounted to Euro 9.6 million (Euro 12.9 million in FY 2022/2023). The reduction on the previous year is mainly due to the discounting of tax receivables related to the tax incentives, introduced by the Government in preceding years to support building improvements.

Adjusted income taxes, net of the theoretical tax effect for non-recurring expenses/(income) and of the change in business model amounted to Euro 6.5 million in FY 2023/2024 (Euro 3.1 million in FY 2022/2023). The adjustments in FY 2023/24 mainly concerned the tax effects of the parent company related to the write-down of the assets of Monclick.

The Consolidated Adjusted Profit for the year was Euro 18.7 million (Euro 20.9 million in the previous fiscal year). The movement on the previous fiscal year is due to Consolidated Adjusted EBIT changes.

[26] Operating results for the year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the "Result from discontinued operations".

[27] The tax impacts of the adjustments were calculated according to the theoretical tax rate considered appropriate of 8.7% for fiscal years 2023/2024 and 2022/2023, incorporating IRES at 4.8% (obtained by reducing taxable IRES income by 80%, thanks to the option to use prior year losses) and IRAP at 3.9%.

A reconciliation between the Consolidated Adjusted Net Profit for the year and the Consolidated Net Profit for the year is presented below.

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023	%	Δ	%
Consolidated Adjusted Net Profit for the year	**18.7**	**0.7%**	**20.9**	**0.7%**	**(2.2)**	**(10.6%)**
Non-recurring (expenses)/income	(7.8)	(0.3%)	(3.8)	(0.1%)	(4.0)	104.5%
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services	(8.3)	(0.3%)	(5.4)	(0.2%)	(2.9)	54.1%
Non-recurring depreciation, amortisation and write-downs of fixed assets	-	-	(0.2)	(0.0%)	0.2	100.0%
Amortisation, depreciation and write-downs of the Purchase Price Allocation	(0.6)	(0.0%)	-	-	(0.6)	(100.0%)
Non-recurring financial expenses/(income)	(0.6)	(0.0%)	(0.1)	(0.0%)	(0.5)	514.4%
Theoretical tax impact from taxes on non-recurring expenses/(income), non-recurring financial expenses/(income), non-recurring depreciation, amortisation and write-downs of fixed assets and the change in business model	(2.9)	(0.1%)	1.6	0.1%	(4.5)	(279.7%)
Result from discontinued operations	(15.8)	(0.6%)	(2.8)	(0.1%)	(13.0)	467.7%
Consolidated Net Result for the year	**(17.4)**	**(0.7%)**	**10.2**	**0.4%**	**(27.6)**	**(271.3%)**

The Result from discontinued operations for FY 2023/24 was a loss of Euro 17.4 million and included the result for the period ended February 29, 2024 of the subsidiary Monclick S.r.l. in liquidation, the effects of the fair value measurement of assets, and the costs related to the procedure.

6.5 Cash flows

6.5.1 Consolidated Adjusted Levered Free Cash Flow[28]

The Consolidated Adjusted Levered Free Cash Flow is considered by the Group to be the most appropriate indicator to measure cash generation in the year. The indicator is broken down in the table below.

(in millions of Euro)	Year ended		Changes	
	February 29, 2024	February 28, 2023	Change	%
Operating profit	**127.7**	**130.5**	**(2.8)**	**(2.2%)**
Cash flow generated/(absorbed) from operating activities[29]	(5.4)	(2.8)	(2.6)	93.0%
Taxes paid	(0.6)	-	(0.6)	100.0%
Interest paid	(10.4)	(10.5)	0.1	(1.0%)
Other changes	1.1	1.3	(0.2)	(15.3%)
Consolidated net cash flow generated/(absorbed) from operating activities[30]	**112.4**	**118.4**	**(6.0)**	**(5.1%)**
Investments[31]	(40.2)	(39.2)	(1.1)	(2.7%)
Investments for business combinations and business units net of cash acquired	(8.5)	0.4	(8.9)	(n/a)
Adjustment for non-recurring investments	8.5	2.0	6.5	325.7%
Non-recurring expenses/(income) and Purchase Price Allocation	9.1	4.9	4.2	85.8%
Adjustment for non-monetary components of non-recurring (expenses)/income and the Purchase Price Allocation	(1.2)	0.4	(1.6)	(400.1%)
Theoretical tax effect of above-mentioned items[32]	(0.7)	(0.5)	(0.2)	30.6%
IFRS 16 Leases[33]	(68.8)	(63.3)	(5.5)	8.7%
Consolidated Adjusted Levered free cash flow	**10.6**	**23.1**	**(12.5)**	**(54.2%)**

Consolidated Adjusted Levered free cash flow of Euro 10.6 million was generated (Euro 23.1 million generated in FY 2022/2023). The decrease concerns the reduction in operating cash flows including IFRS 16 cash flows, which generated in the fiscal year cash of Euro 43.6 million, compared to Euro 55.1 million in the previous fiscal year. Investments paid in the period totalled Euro 40.2 million, increasing Euro 1.1 million on FY 2022/23.

[28] See the note in the "Key financial and operating indicators" section.

[29] "Cash flow generated/(absorbed) from operating activities" refers to cash generated/(absorbed) by the change in working capital and other non-current balance sheet items such as Other Assets/Other Liabilities and Risk Provisions.

[30] "Consolidated net cash flow generated/(absorbed) from operating activities" refers to the liquidity generated by operating activities in the broad sense, net of interest and taxes and the non-cash effects of balance sheet changes considered in the "Cash flow generated/(absorbed) from operating activities" account.

[31] For better representation, this item includes the portion paid in the period of net investments in tangible and intangible assets.

[32] The theoretical tax rate considered appropriate by management is 8.7% for both FY 2023/2024 and FY 2022/2023, and incorporates IRES at 4.8% (obtained by reducing taxable IRES income by 80%, thanks to the option to use previous losses) and an IRAP rate of 3.9%.

[33] The item includes the cash flows relating to both leases paid and leases expiring during the period.

The item Investments for business combinations and business units, net of the cash acquired, includes the price paid in FY 2023/24 for the full acquisition of Covercare S.p.A., net of the liquidity on hand in the current accounts of Covercare S.p.A. at the date of initial consolidation and of the bank loan obtained to fund the acquisition.

Non-recurring expenses/(income) and the Purchase Price Allocation reported net income of Euro 9.1 million (Euro 4.9 million in FY 2022/23). For further details, see section 6.3. The non-monetary portion of this account totalled Euro 1.2 million in FY 2023/24 and concerns the "Adjustment for non-monetary components of non-recurring (expenses)/income and the Purchase Price Allocation".

Cash flows relating to IFRS 16 leasing totalled Euro 68.8 million in FY 2023/24, compared to Euro 63.3 million in the 2022/23. The increase is mainly due to the higher lease charges based on the adjustment to the consumer price index.

The main changes to the Group's net financial debt in the year ended February 29, 2024 and the year ended February 28, 2023 are reported below:

(in millions of Euro)	Year ended		Changes	
	February 29, 2024	February 28, 2023	Change	%
Operating results	127.7	130.5	(2.8)	(2.2%)
Cash flow generated/(absorbed) from operating activities	(5.4)	(2.8)	(2.6)	93.0%
Taxes paid	(0.6)	-	(0.6)	100.0%
Interest paid	(10.4)	(10.5)	0.1	(1.0%)
Other changes	1.1	1.3	(0.2)	(15.3%)
Net cash flow generated/(absorbed) from operating activities[24]	**112.4**	**118.4**	**(6.0)**	**(5.1%)**
Investments	(40.2)	(39.2)	(1.1)	(2.7%)
Investments for business combinations and business units	(43.5)	0.4	(43.9)	n/a
Payables for the acquisition of business combinations	(24.3)	-	(24.3)	100.0%
Distribution of dividends	(9.8)	(27.1)	17.3	(63.7%)
Other changes	(1.1)	(0.4)	(0.7)	165.6%
IFRS 16 Leases	(68.8)	(63.3)	(5.5)	8.7%
Cash flow from discontinued operations	(4.5)	-	(4.5)	100.0%
Change in net financial debt - Pursuant to IAS 17	**(79.9)**	**(11.3)**	**(68.6)**	**608.3%**
Change in the net financial debt of discontinued operations	**0.6**	**-**	**0.6**	**100.0%**

The impact on the Change in net financial debt related to the acquisition of Covercare was a negative Euro 69.4 million, regarding the cash flows absorbed by operating activities from December 2023 of Euro 1.6 million (including Euro 2.4 million of non-recurring costs and Euro 0.8 million of interest expense), the cash flows for investments in business combinations paid in the fiscal year for Euro 43.5 million, and the payables for the acquisition of business combinations for Euro 24.3 million.

7. Statement of financial position

The Group's Net Working Capital and Net Invested Capital at February 29, 2024 and February 28, 2023 is reported below:

(in millions of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Trade Receivables	52.8	66.1
Inventories	435.8	446.0
Trade Payables	(552.8)	(597.3)
Net Operating Working Capital	**(64.2)**	**(85.2)**
Other working capital items	(286.4)	(254.7)
Net working capital	**(350.6)**	**(339.9)**
Right-of-use assets	384.6	422.7
Non-current Assets/(Liabilities)	432.3	364.9
Net invested capital - Continuing Operations	**466.3**	**447.6**
Net invested capital - Discontinued Operations	**(3.2)**	-
Net Invested Capital	**463.1**	**447.6**
(Net financial debt) / Net cash - Pursuant to IAS 17	**44.5**	**124.4**
IFRS 16 Leases	(411.4)	(447.5)
(Net financial debt) / Net cash	**(366.9)**	**(323.1)**
(Net financial debt) / Net cash of discontinued operations	**0.6**	-
Shareholders' Equity	(96.9)	(124.5)
Total shareholders' equity and financial liabilities	**(463.1)**	**(447.6)**

The Group's Net Operating Working Capital at February 29, 2024 is a negative Euro 64.2 million (negative Euro 85.2 million at February 28, 2023). The movement concerns operating activities, impacted by current market developments, which affected working capital and resulted in a more than proportional reduction in trade payables than the decrease in inventories and trade receivables. The movement in the other working capital items mainly concerns the deferred income regarding services provided by the Group whose recognition to the income statement is deferred.

Non-current Assets/(Liabilities) increased mainly due to the allocation to the identified intangible assets and, residually, to the goodwill of the excess price from the business combination of Covercare S.p.A. for Euro 80.4 million and partially offset by the reclassification to Net Invested Capital of the discontinued operations of the goodwill and of the brand of Monclick S.r.l. in liquidation, which was measured at fair value as per IFRS 5.

The Net Invested Capital of continuing operations amounted to Euro 466.3 million at February 29, 2024, increasing 18.7 million on the previous fiscal year (Euro 447.6 million at February 28, 2023). The movement mainly concerns the increase in non-current assets/(liabilities) for Euro 67.4 million, partially offset by the reduction in Assets for the right-of-use for Euro 38.1 million and Net Working Capital movements.

Investments paid in the period to February 29, 2024 totalled Euro 40.2 million (Euro 39.2 million at February 28, 2023) and mainly concern information technology investments, for the consolidation of the Group's technological infrastructure, the strengthening of the omnichannel strategy and the gradual adoption of electronic labelling at the direct stores.

The Net invested capital of discontinued operations includes the contribution of the net operating working capital and the fair value of other working capital items of the subsidiary Monclick S.r.l. in liquidation. The balance mainly comprises the residual amount of the provisions for charges for the liquidation procedure at February 29, 2024.

Shareholders' equity amounted to Euro 96.9 million at February 29, 2024 (Euro 124.5 million at February 28, 2023), with the decrease mainly due to the result for the year, which includes the Result from discontinued operations, and the distribution of the dividend resolved by the Shareholders' Meeting in June 2023, amounting to Euro 9.8 million.

Below is a breakdown of the composition of net financial debt at February 29, 2024 and February 28, 2023, in accordance with ESMA guideline 32-382- 1138 dated 4/3/2021[34]:

(in millions of Euro)	Year ended		Changes	
	February 29, 2024	February 28, 2023	Change	%
(A) Cash	105.6	51.7	53.9	104.4%
(B) Cash equivalents	-	15.0	(15.0)	100.0%
(C) Other current financial assets	0.3	60.3	(60.0)	(99.5%)
(D) Liquidity (A)+(B)+(C)	**105.9**	**126.9**	**(21.0)**	**(16.6%)**
(E) Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(14.3)	-	(14.3)	(100.0%)
(F) Current portion of non-current financial debt	(91.4)	(70.5)	(20.8)	29.6%
(G) Current financial Indebtedness (E)+(F)	**(105.7)**	**(70.5)**	**(35.2)**	**49.9%**
(H) Net current financial Indebtedness (G)-(D)	**0.2**	**56.4**	**(56.2)**	**(99.6%)**
(I) Non-current financial debt (excluding the current portion and debt instruments)	(367.1)	(379.5)	12.4	(3.3%)
(J) Debt instruments	-	-	-	-
(K) Trade payables and other payables	-	-	-	-
(L) Non-current financial Indebtedness (I)+(J)+(K)	**(367.1)**	**(379.5)**	**12.4**	**(3.3%)**
(M) Total financial Indebtedness (H)+(L)	**(366.9)**	**(323.1)**	**(43.8)**	**13.5%**
Total financial Indebtedness of discontinued operations	**0.6**	**-**	**0.6**	**100.0%**

The change in Other current financial assets refers to Multi-year Treasury Bonds and Ordinary Treasury Bonds that matured in the first half of the fiscal year for a total of Euro 60.3 million.

Current financial payables include the payable for the remaining portion of the consideration due for the acquisition of 100% of the share capital of Covercare S.p.A., to be settled by October 2024. The earnout related payable of Euro 10.0 million is included in (I) Non-current financial payables.

[34] For the purpose of better representation and consistent with the new guidance of ESMA Guideline 32-382- 1138 of 4/3/2021, receivables related to IFRS 16 sub-leases were excluded from net financial debt.

In order to finalise the acquisition of the Covercare Group, the parent company signed a medium-term loan agreement with BNL in December 2023 with a maturity date of November 30, 2025. The loan agreement stipulates the repayment of principal in quarterly instalments from February 2024. The balance of the loan at February 29, 2024 was a nominal Euro 35.0 million.

We also note that, in addition to the uncommitted credit lines, the Parent Company has in place four Committed Credit Facilities which include Euro 150.0 million of medium to long-term cash loans on a revolving basis. At February 29, 2024, the Credit Facilities have not been utilised.

The item Financial debt of discontinued operations includes the contribution of the subsidiary Monclick S.r.l. in liquidation.

A breakdown of the net financial debt pursuant to IAS 17 at February 29, 2024 and February 28, 2023 is presented below:

(in millions of Euro)	Year ended		Changes	
	February 29, 2024	February 28, 2023	Change	%
(Net financial debt) / Net cash	**(366.9)**	**(323.1)**	**(43.8)**	**13.5%**
Current financial receivables - IFRS 16	1.7	1.5	0.2	15.1%
Non-current financial receivables - IFRS 16	11.3	13.6	(2.3)	(17.1%)
Other current financial payables - IFRS 16	(70.4)	(68.5)	(1.9)	2.8%
Other non-current financial payables - IFRS 16	(341.0)	(379.0)	38.0	(10.0%)
(Net financial debt) / Net cash - Pursuant to IAS 17 [35]	**44.5**	**124.4**	**(79.9)**	**(64.2%)**

The Net cash - pursuant to IAS 17 at February 29, 2024 was a positive Euro 44.5 million, decreasing Euro 79.9 million compared to February 28, 2023 (Euro 124.4 million), mainly as a result of the aforementioned acquisition.

[35] The item **(Net financial debt) / Net cash - Pursuant to IAS 17** is calculated from the **(Net financial debt) / Net cash,** calculated as per ESMA guideline 32-382- 1138 of 4/3/2021, from which the items "Other current financial payables - IFRS 16" and "Other non-current financial payables - IFRS 16" are deducted.

8. Performance of the parent company Unieuro

The Unieuro S.p.A. reclassified income statement for the year ended February 29, 2024 is reported below:

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023	%	Δ	%
Revenues	2,658.6		2,865.8		(207.2)	(7.2%)
Gross operating profit	**130.1**	**4.9%**	**134.4**	**4.7%**	**(4.3)**	**(3.2%)**
Non-recurring expenses/(income)	7.8	0.3%	3.8	0.1%	4.0	105.3%
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services	3.2	0.1%	5.4	0.2%	(2.2)	(41.1%)
Adjusted EBITDA	**141.1**	**5.3%**	**143.5**	**5.0%**	**(2.4)**	**(1.5%)**
Amortisation, depreciation and write-downs of fixed assets	(125.5)	(4.7%)	(105.9)	(3.7%)	(17.6)	16.3%
Amortisation, depreciation and write-downs of non-recurring fixed assets	16.7	0.7%	0.2	0.0%	16.5	n/a
Adjusted EBIT	**32.4**	**1.2%**	**35.7**	**1.2%**	**(3.3)**	**(9.3%)**
Net financial income/(expenses)	(10.3)	(0.4%)	(13.0)	(0.5%)	2.7	(20.6%)
Non-recurring financial expenses/(income)	0.6	0.0%	0.1	0.0%	0.5	514.4%
Income taxes	(10.0)	(0.4%)	(1.6)	(0.1%)	(8.5)	542.7%
Theoretical tax effect for non-recurring financial expenses/(income) and change in business model	1.6	0.1%	(1.6)	(0.1%)	3.2	(198.7%)
Adjusted Net Income	**14.2**	**0.5%**	**19.6**	**0.7%**	**(5.4)**	**(27.5%)**
Non-recurring expenses/(income), Non-recurring financial expenses/ (income), Amortisation, depreciation and write-downs of non-recurring fixed assets	(25.2)	(0.9%)	(4.1)	(0.1%)	(21.1)	514.5%
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services	(3.2)	(0.1%)	(5.4)	(0.2%)	2.2	(41.1%)
Theoretical tax effect for non-recurring financial expenses/(income) and change in business model	(1.6)	(0.1%)	1.6	0.1%	(3.2)	(198.7%)
Profit/(loss) for the year	**(15.8)**	**(0.6%)**	**11.9**	**0.4%**	**(27.7)**	**(232.2%)**

Unieuro's revenues in FY 2023/24 amounted to Euro 2,658.6 million, down 7.2% from Euro 2,865.8 million reported in FY 2022/23.

Revenues in fiscal year 2023/24 were influenced by the performance of the consumer electronics market, mainly due to declining sales volumes in the Brown category, linked to the strong growth in previous years related to the switch off of TV frequencies, and settling demand in the Grey category.

Adjusted EBIT was Euro 32.4 million in FY 2023/24, compared to Euro 35.7 million in FY 2022/23, with EBIT as a percentage of Revenues essentially unchanged from the comparative fiscal year (1.2%).

Adjusted Net Income was Euro 14.2 million in FY 2023/24 (Euro 19.6 million in FY 2022/23). The decrease relates to the increase in income taxes.

9. Reconciliation statement of parent company's shareholders' equity and net result with Group shareholders' equity and net result

The reconciliation between the parent company's shareholders' equity and the consolidated shareholders' equity at February 29, 2024 is shown below:

(in millions of Euro)	Shareholders' equity as at February 29, 2024	Net result as at February 29, 2024
Balances from the Parent Company's financial statements	**101.0**	**(15.8)**
Difference between carrying amount of investments and profit/(loss)	(80.7)	11.2
Allocation of goodwill, brand, software and customer list, net of tax effect	79.4	(10.0)
Other consolidation adjustments	(2.8)	(2.8)
Consolidated Financial Statements of the Group	**96.9**	**(17.4)**

The reconciliation between the parent company's shareholders' equity and the consolidated shareholders' equity at February 28, 2023 is shown below:

(in millions of Euro)	Shareholders' equity as at February 28, 2023	Net result as at February 28, 2023
Balances from the Parent Company's financial statements	**127.0**	**11.9**
Difference between carrying amount of investments and profit/(loss)	(12.0)	(1.5)
Allocation of goodwill, brand, software and customer list, net of tax effect	9.6	(0.2)
Consolidated Financial Statements of the Group	**124.5**	**10.2**

10. Investments

Investments in FY 2023/24 totalled Euro 42.2 million (Euro 37.9 million in FY 2022/23) and concern the costs capitalised for (i) the consolidation of the Group's technological infrastructure (ii) technological developments to strengthen the omnichannel strategy, (iii) the adoption of electronic labels at the direct stores and (iv) refurbishment and energy efficiency actions at the direct stores.

For further details, reference should be made to Note 5.1 "Plant, machinery, equipment and other assets" and Note 5.3 "Intangible assets with finite useful life" of the Consolidated Financial Statements.

11. IFRS 16 Impacts

The impact of IFRS 16 on the Group's main economic and financial indicators for fiscal year 2023/24 is presented below[36]:

		February 29 2024 (Former -IAS	IFRS 16 Impacts	February 29, 2024 (IFRS 16)
ADJ EBITDA	• reduction in operating costs (rents paid on stores, offices, warehouses, and motor vehicles), net of income from store sub-leases	67.5	+76.4	143.9
ADJ EBIT	• increase in depreciation on right-of-use assets	27.1	+7.7	34.8
PROFIT BEFORE TAXES ADJ	• increase in financial expenses for interest related to right-of-use liabilities	27.5	(2.3)	25.2
NET FINANCIAL DEBT	• recognition of right-of-use liabilities (other current and non-current financial payables), net of non-current financial receivables relating to sub-lease contracts.	44.5	(411.4)	(366.9)

[36] The amounts reported in the FY 2023/24 (IFRS 16) column derive from the indicators at section "6. Group operating and financial results". The amounts reported in the IFRS 16 impact column are based on the accounting records and calculation statements summarising the effects of the application of IFRS 16 (leasing). The amounts reported in the FY 2023/24 (IAS 17) column are pre-adoption IFRS 16 and are calculated as the difference between the 2023/24 IFRS 16 column and the IFRS 16 impact column: All values are in millions of Euro.

12. Corporate governance and ownership structure

Unieuro S.p.A. has adopted the Self-Governance Code of Italian Listed Companies (the "Code"), adapting it according to its own characteristics.

In order to meet the transparency requirements of industry regulations, the "Corporate Governance and Ownership Structure Report" required by Article 123-*bis* of the CFA has been drawn up, containing a general description of the governance system adopted by Unieuro S.p.A., as well as information on the ownership structure, the organisational model adopted pursuant to Legislative Decree No. 231 of 2001, and the degree of compliance with the Self-Governance Code, including the main governance practices applied and the Internal Control and Risk Management System in relation to the financial disclosure process.

This document is available on the Company's website at (http://www.unieurospa.it/).

Based on information available to date, the major shareholders of Unieuro, are those listed in paragraph "1 - Introduction" of the Directors' Report.

13. Information on related party transactions and non-recurring, atypical or unusual transactions.

The following tables summarise the Group's creditor and debtor balances with related parties at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	February 29, 2024				
Creditor and debtor balances with related parties	**Trade receivables**	**Trade payables**	**Other current liabilities**	**Other non current liabilities**	**Total**
Statutory Auditors	-	-	(65)	-	**(65)**
Board of Directors and committees	-	-	(553)	-	**(553)**
Senior Executives	-	-	(449)	(44)	**(493)**
Total	**-**	**-**	**(1,067)**	**(44)**	**(1,111)**

(In thousands of Euro)	February 28, 2023				
Creditor and debtor balances with related parties	**Trade receivables**	**Trade payables**	**Other current liabilities**	**Other non current liabilities**	**Total**
Statutory Auditors	-	-	(73)	-	**(73)**
Board of Directors and committees	-	-	(203)	-	**(203)**
Senior Executives	-	-	(734)	(379)	**(1,113)**
Total	**-**	**-**	**(1,010)**	**(379)**	**(1,389)**

Giancarlo Nicosanti Monterastelli concluded his employment as a Senior Executive on June 1, 2023. He will continue to serve as Chief Executive Officer, as per the mandate granted by the Board of Directors in 2022. From June 1, 2023, the remuneration as Chief Executive Officer was included in the "Purchase of materials and external services" item, in the column relating to the "Board of Directors and Committees".

The following table summarises the Group's income and costs with related parties in FY 2023/24 and FY 2022/23:

(In thousands of Euro)	February 29, 2024						
Income statement transactions	**Revenues**	**Other income**	**Purchase of materials and services**	**Personnel costs** [37]	**Amortization, depreciation & write-downs**	**Income taxes**	**Total**
Statutory Auditors	-	-	(105)	-	-	-	**(105)**
Board of Directors and committees	-	-	(1,304)	-	-	-	**(1,304)**
Senior Executives	-	-	-	(1,852)	-	-	**(1,852)**
Total	**-**	**-**	**(1,409)**	**(1,852)**	**-**	**-**	**(3,261)**

[37] Estimated values referring to short-term and long-term variable compensation were aligned in view of the updated estimates of the achievement of KPIs defined by the remuneration policy.

(In thousands of Euro)	February 28, 2023						
Income statement transactions	**Revenues**	**Other income**	**Purchase of materials and services**	**Personnel costs**	**Amortization, depreciation & write-downs**	**Income taxes**	**Total**
Statutory Auditors	-	-	(107)	-	-	-	**(107)**
Board of Directors and committees	-	-	(716)	-	-	-	**(716)**
Senior Executives	-	-	-	(2,427)	-	-	**(2,427)**
Total	**-**	**-**	**(813)**	**(2,427)**	**-**	**-**	**(3,250)**

With reference to the periods under consideration, creditor/debtor and income and costs with related parties mainly refer to relations with Directors and Senior Executives, summarised in the table below:

Senior Executives	
Fiscal year ending February 29, 2024	**Fiscal year ending February 28, 2023**
General Manager - Bruna Olivieri	*Chief Executive Officer - Giancarlo Nicosanti Monterastelli*
Chief Financial Officer - Marco Deotto	*General Manager - Bruna Olivieri*
	Chief Financial Officer - Marco Deotto

The Company in May 2023 donated to the Civil Defence on behalf of the Corporate Boards the amount of Euro 33,400 following the flood that hit Emilia-Romagna.

The Gross remuneration of senior executives is inclusive of all compensation components (benefits, bonuses and gross pay).

The following table summarises the Group's cash flows with related parties in FY 2023/24 and 2022/23:

(in Euro thousands)	*Net cash flow generated/(absorbed) from operating activities*	
Type	**Period from March 1, 2023 to February 29, 2024**	**Period from March 1, 2022 to February 28, 2023**
Statutory Auditors	(113)	(123)
Board of Directors	(954)	(768)
Senior Executives [38]	(2,472)	(2,317)
Total	**(3,539)**	**(3,208)**

[38] The account includes cash flows referring to remuneration paid to executives and the theoretical value for the period of the Long-term incentive plan.

14. Information on the Corporate Boards

Unieuro S.p.A. has adopted the Self-Governance Code of Italian Listed Companies (the "Code"), adapting it according to its own characteristics.

In order to meet the transparency requirements of industry regulations, the "Corporate Governance and Ownership Structure Report" required by Article 123-*bis* of the CFA has been drawn up, containing a general description of the governance system adopted by Unieuro S.p.A., as well as information on the ownership structure, the organisational model adopted pursuant to Legislative Decree No. 231 of 2001, and the degree of compliance with the Self-Governance Code, including the main governance practices applied and the Internal Control and Risk Management System in relation to the financial disclosure process.

This document is available on the Company's website at (http://www.unieurospa.com/).

14.1. Stock option plans

Long Term Incentive Plan

On February 6, 2017, Unieuro's Extraordinary Shareholders' Meeting approved the adoption of a stock option plan (the "Plan" or "Long Term Incentive Plan" or "LTIP") reserved for Unieuro's Executive Directors, associates, and employees (executives and non-executives). The Plan provides for the granting of ordinary shares resulting from a capital increase with the exclusion of option rights, pursuant to Article 2441, paragraphs 5 and 8, of the Civil Code, which was approved by the Unieuro Shareholders' Meeting on the same date.

The Plan specifies the following objectives: (i) to focus recipients on factors of strategic interest to Unieuro, (ii) to foster the loyalty of the plan recipients and incentivise their retention at Unieuro, (iii) to increase Unieuro's competitiveness by identifying medium-term goals and supporting value creation for both Unieuro and its shareholders, and (iv) to ensure that the overall remuneration of the plan recipients remains competitive in the market.

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro. On June 29, 2017, the Board of Directors approved the regulations of the plan ("Regulations") in which it determined the terms and conditions of the plan's implementation.

The Recipients subscribed to the Plan in October 2017. The parties expressly agreed that the effects of the granting of rights shall have retroactive effect to June 29, 2017, the date of approval of the regulations by the Board of Directors.

The Regulations also provide for the terms and conditions described below:

- Condition: the Plan and related options will be conditional on the completion of Unieuro's listing by July 31, 2017 ("IPO");

- Recipients: the Plan is addressed to Executive Directors, associates and employees (Executive and Non-Executive) of Unieuro ("Recipients") who have been identified by the Board of Directors from among those who have an ongoing employment relationship with Unieuro and/or other Group companies. The identification of the Recipients was made on the basis of a discretionary judgment of the Board of Directors, which given the aims of the Plan, the strategies of Unieuro and of the Group and the objectives, takes into account, among other matters, the strategic importance of the role and the impact of the role on the pursuit of the objective;

- Purpose: the purpose of the Plan is to grant the Recipients free and non-transferable option rights by deed between living persons for the purchase or subscription for consideration of ordinary shares of Unieuro for a maximum number of 860,215 options, each of which will entitle them to subscribe one newly issued ordinary share ("Options"). Where the objective is exceeded with a performance of 120% of the target, the number of Options will be raised to 1,032,258. A capital increase was therefore approved for a maximum nominal amount of Euro 206,452, plus share premium, for a total value (share capital plus share premium) equal to the price at which Unieuro's shares will be placed on the Italian Stock Exchange (MTA), by issuing a maximum of 1,032,258 ordinary shares;

- Granting: the Options will be granted in one or more tranches, and the number of Options in each tranche will be determined by the Board of Directors after consultation with the Remuneration Committee;

- Exercise of rights: subscription of shares can only be made after July 31, 2020 and by the final deadline of July 31, 2025;

- Vesting: the extent and existence of each Recipient's right to exercise options will be verified at July 31, 2020 provided that: (i) the employment relationship with the Recipient continues until that date and (ii) the targets, in terms of distributable profits, set out in the business plan are met based on the following criteria:

    or in the event of failure to achieve at least 85% of the expected results, no options will be eligible for exercise;

    or if 85% of the expected results are achieved, only half the options will be eligible for exercise;

    or if between 85% and 100% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 50% and 100%;

    or if between 100% and 120% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 100% and 120% - the maximum limit.

- Exercise Price: the exercise price of the Options will be equal to the placement price on IPO of Euro 11 per share;

- Cash Bonus: A recipient who exercises in whole or in part their subscription rights shall be entitled to receive an extraordinary cash bonus in an amount equal to the dividends they would have received from the date of approval of this Plan until the end of the vesting period (August 31, 2020) with the exercise of the corporate rights attaching to the Shares obtained in the year in question with the exercise of the Subscription Rights;

- Duration: the Plan covers a five-year time horizon, from July 31, 2020 to July 31, 2025.

On February 29, 2020, the vesting period of the rights under the Plan concluded; the Board of Directors on June 18, 2020 verified that the quantitative and therefore objectively assessable targets were met to the extent of 101.11%; and in accordance with the provisions of the Plan Regulations, resolved to grant a total of 849,455 options. From July 31, 2020 until July 31, 2025, each beneficiary will be entitled to exercise their subscription rights in whole or in part and also in several tranches; at the end of each fiscal year in which the beneficiary has exercised all or part of their subscription rights, as provided for in the Plan, the beneficiary shall be entitled to receive an extraordinary cash bonus already recognised to the financial statements, in an amount equal to the dividends they would have received from the date of approval of the Plan until the end of the vesting period with the exercise of the corporate rights due to the

shares obtained in the year in question with the exercise of the subscription rights.

The number of options outstanding at February 29, 2024 is as follows:

	Number of options February 29, 2024
No. of options outstanding assigned	849,455
No. of options granted in the period	-
No. of options not granted	-
No. of options exercised	689,871
No. of options expired	-

2020-2025 Performance share plan

On October 27, 2020, the Board of Directors of Unieuro S.p.A., subject to the favourable opinion of the Appointments and Remuneration Committee, approved the Disclosure Document on the 2020-2025 Performance Share Plan (the "Performance Shares" or "PS") prepared pursuant to Article 114-bis of the CFA, which was submitted in December 2020 for the approval of the Shareholders' Meeting.

Description of Plan's recipients

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro.

The Granting of rights to each of the Beneficiaries with respect to the three-year period FY2021-FY2023 (1st Cycle) and the three-year periods FY2022-FY2024 and FY2023-FY2025 (2nd Cycle and 3rd Cycle) will be determined on each occasion by the Board of Directors.

On January 13, 2021, July 14, 2021, and March 23, 2022, the Board of Directors granted the rights and approved the regulations of the 1st, 2nd, and 3rd Cycles, respectively, in which it determined the terms and conditions for implementing the Plan. The subscription of the Plan by the Recipients of Cycle 1 took place in January 2021, in July 2021 with reference to Cycle 2, and in April 2022 with reference to Cycle 3.

The Plan is intended for Executive Directors and/or Senior Executives and/or employees of the Company or Group companies, understood as personnel who have an employment relationship with the Company and/or the Group and fall into one of the following categories: (i) personnel having the rank of executive at the Company and/or Group companies; (ii) personnel having the rank of manager (or higher) at the Company and/or Group companies.

Essential elements related to the characteristics of the financial instruments on which it is based

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

Free granting of these Shares will be made in the years 2023 (1st cycle), 2024 (2nd cycle) and 2025 (3rd cycle).

As reflected in the Board of Directors' resolution, the actual granting of Shares for each of the three cycles will be based

on the performance targets and, in general, the meeting of the vesting conditions.

It is also provided that the aforementioned rights shall entitle each beneficiary to the receipt of a cash bonus linked to any cash dividends distributed and paid by the Company up to the grant date. This award will be payable in conjunction with, and subject to, the delivery of shares related to each cycle of the Plan provided that the specific vesting conditions are met.

Plan rationale

The Plan shall be one of the instruments used by the Company and the Group to supplement the remuneration of key personnel with variable components based on achieving performance targets and in accordance with best market practices.

The Board of Directors considers a share-based incentive plan, with five-year duration and specific performance targets, as the most effective incentive instrument and one which responds to the interests of the Company and of the Group. Therefore, the Plan has the following objectives: (i) to focus recipients on factors of strategic interest of the Company and direct key resources toward strategies aimed at pursuing medium- to long-term results; (ii) to retain and incentivise recipients within the Company by developing retention policies aimed at key resources; (iii) aligning the interests of beneficiaries with those of shareholders, with a view to developing confidence in the Company's value creation; and (iv) ensuring that the overall remuneration of Plan recipients remains competitive while developing attraction policies toward talented managerial and professional figures.

In the financial statements, the assumptions underlying the calculation were (i) the exercise term equal to the duration between the grant date and the vesting date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Finally, consistent, with the provisions of IFRS 2, (iv) the probability of Recipients' exit and (v) the probability of achieving performance targets equal to 100%.

	Number of rights February 29, 2024
Outstanding at beginning of period	**584,000**
Assigned during the period	(231,224)
Granted during the period	1,424
Contribution from merger	-
Withdrawn during the period	-
Outstanding at the end of period	**354,200**
Not allocated at beginning of period	-
Exercisable at end of period	-
Not allocated at end of period	**-**

<u>2023-2028 Performance share plan</u>

On June 21, 2022, the Shareholders' Meeting of Unieuro S.p.A., approved the Disclosure Document on the 2023-2028 Performance Shares Plan (the "Performance Shares" or "PS") prepared pursuant to Article 114-bis of the CFA.

Description of Plan's recipients

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro.

The Plan is intended for Executive Directors and/or Senior Executives and/or employees of the Company and/or Group companies who hold roles with a greater impact on the achievement of medium-long term business results or with strategic importance for the purposes of achieving Unieuro's long-term objectives, as well as additional roles identified in relation to the performances achieved, skills possessed or with a view to retention/attraction and fall into one of the following categories: (i) executives of the Company and/or Group companies and (ii) first level while-collar employees (or above) at the Company and/or Group companies.

Essential elements related to the characteristics of the financial instruments on which it is based

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

Free granting of these Shares will be made in the years 2026 (1st cycle), 2027 (2nd cycle) and 2028 (3rd cycle).

It is also provided that the aforementioned rights shall entitle each beneficiary to the receipt of a cash bonus linked to any cash dividends distributed and paid by the Company up to the grant date. This award will be payable in conjunction with, and subject to, the delivery of shares related to each cycle of the Plan provided that the specific vesting conditions are met.

Plan rationale

In fact, the Plan is one of the tools used by the Company to supplement the fixed component of the remuneration package of strategic resources through variable components linked to continued employment, in line with market best practices, and is proposed as a continuation of the previous medium- to long-term incentive plan approved by the Shareholders' Meeting of December 17, 2020.

The Plan has the following objectives: (i) to focus the Beneficiaries of the Plan on factors of strategic interest of the Company and direct key resources toward pursuing medium to long-term results, with a view to the sustainability of the Group's operating-financial performances (ii) to retain and incentivise the Beneficiaries of the Plan within the Company by developing retention policies; (iii) aligning the interests of Beneficiaries with those of Shareholders, with a view to developing the Company's value creation; and (iv) ensuring that the overall remuneration of Plan recipients remains competitive while developing attractive policies toward new talented managerial and professional figures.

	Number of rights February 29, 2024
Outstanding at beginning of period	**80,000**
Assigned during the period	-
Granted during the period	117,900
Contribution from merger	-
Withdrawn during the period	-
Outstanding at the end of period	**197,900**
Not allocated at beginning of period	-
Exercisable at end of period	-
Not allocated at end of period	**2,100**

14.2. Unieuro treasury shares

The Shareholders' Meeting approved on June 22, 2023 the authorisation to purchase and utilise treasury shares, following the revocation of the previous authorisation granted by the Shareholders' Meeting of June 21, 2022.

The authorisation to purchase treasury shares provides for a maximum of 2,000,000 ordinary shares of Unieuro S.p.A., it being understood that the number of ordinary shares from time to time held in portfolio by the Company and its subsidiaries may not exceed 10% of the Company's pro-tempore share capital.

The purpose of the authorisation is, among other matters, to set up a portfolio of treasury shares to be used to service existing and future share incentive plans reserved for Directors and/or employees and/or associates of the Company or other companies controlled by it, as well as to set up a "securities reserve" to be used, where appropriate, as consideration in corporate transactions, including equity swaps, with third parties as part of transactions that may be of interest to Unieuro.

It should be noted that the authorisation has not been pre-established for any transaction to reduce the share capital.

In FY 2023/24, the company did not carry out treasury share purchase or sale transactions, while it assigned and granted 231,224 shares to the recipients of the 2020-2025 performance shares plan, on the basis of the achievement of the first cycle targets.

As of February 29, 2024, 368,776 treasury shares were held, accounting for 1.78% of the share capital.

15. Option to waive the requirement to publish a disclosure document in cases of insignificant transactions

It should be noted that the Issuer has opted to adopt the exception to Article 70(6) and Article 71(1a) of the Issuers' Regulations, pursuant to Article 70(8) and Article 71(1a) of the Issuers' Regulations.

16. Personnel-related information

Composition of the workforce

The following is a breakdown of employees by classification at the end of the fiscal year.

	February 29, 2024		February 28, 2023	
	Parent company	Subsidiary Companies	Parent company	Subsidiary Companies
Executives	33	6	34	1
Managers	82	7	78	-
White-collar	5,012	112	5,494	38
Blue-collar	1	47	1	-
Trainee	56	9	49	-
Total	**5,184**	**181**	**5,656**	**39**

Gender equity and work environment

Equal treatment of people within the Unieuro Group is embodied in ensuring, from the selection stage and in all activities carried out, non-discrimination on the grounds of race, sex, nationality, sexual orientation, social status, physical appearance, religion and political orientation.

Search and selection

The Unieuro Group is committed to fostering the development and implementation of transparent hiring policies with full respect for equal opportunities. The criteria that guide the selection of candidates are professionalism and consistency with the skills and aptitudes required to fill the open position.

The tools and channels used to find candidates consist primarily of the company website - "Work with us" section - and relations with recruiting and selection companies, with which specific partnerships are in place.

Training, organisation, and remuneration policies

Training in the Unieuro Group represents the (in)tangible investment in the most important asset we have: our employees. Each year the Group invests significant resources in professional and managerial training for employees; the tools used are direct lectures, webinars, conferences, tutoring, simulations, on-the-job training and e-learning.

In addition to the mandatory training courses required by law (Health and Safety, 231 Organisational Model, Privacy), other courses and other training campaigns were held, dedicated to both store personnel and headquarters staff. In this regard, by way of example, a major training activity was held in FY24 to promote awareness and understanding of the Beyond Omni-Journey Strategic Plan. Fully consistent with the plan, a training campaign with a focus on Sustainability was also launched, involving the entire workforce for a period of 3 years.

Of particular importance, with a view to the professional development and growth of its employees, is the company's Academy for Trainee Directors. Participants, identified from within the corporate population through an internal application process, assessment centre and individual interviews, participate in on-the-job and classroom training lasting a total of 6 months.

In order to meet the transparency requirements of the regulations, the "Remuneration Report" was prepared pursuant to Article 123-*bis* of the CFA and Article 84-*quater* of the Issuers' Regulations.

This document is available on Unieuro's website at http://www.unieurocorporate.it/.

Health and safety protection

For the Group, health and safety of all employees, in accordance with current regulations, is a priority. Specifically, the Group has taken steps to ensure working conditions that respect the physical and moral integrity of employees.

17. Management and coordination

Unieuro S.p.A. is not subject to the management and coordination of companies or entities and independently defines its general and operational strategic decision-making.

18. Main risks and uncertainties to which the Group is exposed

During the fiscal year, the Group, under the direction of the Internal Audit & Risk Management Function, carried out Enterprise Risk Management (ERM) activities with the goal of updating the process and methodology in use through an integrated approach to better support business strategies and ensure corporate sustainability.

The implementation and updating of the Enterprise Risk Framework has made it possible to identify, assess, and monitor the risks to which the Company is exposed, supporting the achievement of the Company's objectives and, at the same time, enabling risk-based strategic decision-making and ensuring the safeguarding of the Company's assets.

In carrying out these activities, the Group identified and evaluated a panel of risks, potentially applicable to the Company's business, based on the Risk Model[39] prepared in the set-up phase.

The identified risks can be grouped into four categories:

- Strategic: risks arising from changes in the operating environment, incorrect decisions at the corporate level, the incorrect implementation of decisions, and poor responsiveness to changes in the competitive environment
- Operational: risks arising from internal ineffectiveness in core business processes
- Legal & Compliance: risks related to legal and contractual aspects and compliance with major frameworks, laws, and regulations
- Financial: risks related to liquidity, the markets, and credit conditions

Within the categories defined above, risk areas have been identified and are presented in the following paragraphs.

18.1 Strategic risks

The main strategic risk areas to which the Group is exposed are as follows:

Evolution of the organisational structure - The five-year «Beyond Omni-Journey» Strategic Plan presented in May 2023 contains ambitious growth targets and important cross-functional projects for the Group's evolution. One of the main risks relates to the possible difficulties in introducing specific changes to the organisational structure that would ensure the execution of the Strategic Plan and adaptability to new challenges and opportunities. At the same time, the altered labour market gives rise to greater difficulties in finding candidates with appropriate and specialised skills to ensure the proper execution of planned cost-departmental projects. In order to lead the change and ensure the achievement of the established objectives, the Group has put in place a Leadership Model for the higher ranks which ensures clear coordination between the various Departments and allows for the internal development, in synergy with the Talent Development projects, of the necessary skills to ensure the execution of the Strategic Plan and all planned projects.

Relations with Stakeholders - The Company's business, the environment in which it operates and its nature as a listed Public Company require an increasing focus on relations with Stakeholders (both internal and external) in order to increase the level of commitment and elevate its recognition. A potential delay in the implementation of announced

[39] The Risk Model is a dynamic tool on which the identification and description of business risks is based. The Risk Model consists of two levels in which the identified risk areas are classified into Risk Categories and Risk Types.

and expected initiatives may not allow for adequate appreciation by Stakeholders, generating dissatisfaction. Therefore, to ensure the continuous monitoring of Stakeholder satisfaction, the Group has introduced various indicators related to the satisfaction of a wide range of Stakeholders, such as, but not limited to, employees and customers. This activity enables the rapid introduction of corrective strategies where an unsatisfactory trend is observed. In addition, the Company has initiated a process of evolutionary transformation of the HR Function, in order to ensure greater incisiveness in the performance of the activities under its responsibility, with the aim of ensuring ever greater oversight in relations with its employees.

Brand Value - The limited relational network and potential unclear and ill-defined management of external communication methods expose the Group to the risk of managing institutional communication poorly, resulting in possible reputational repercussions. Therefore, in order to adequately oversee the content and methods of dissemination, the Group has launched a collaboration with a player, specialised in the measurement of Brand Reputation KPIs, in order to improve the targeting and content of the messages released, for all communications of a promotional nature and is considering the possibility of assigning a dedicated Function to manage external communications and to equip itself with a library of content to be used during external communications.

In addition, in view of the extent of the sales network, the Group is subject to risks arising from the potential mismatch between the Unieuro Brand and customers' perceptions due to the outdated image conveyed by certain network outlets. In order to protect against this risk, the Group is in the process of defining the new store format, which will allow for the modernisation of the most strategic stores, and is considering increasing maintenance work on the stores with the greatest need and/or which did not introduce the new format to counteract their obsolescence.

Climate change risks - The economic and environmental consequences of climate change are the focus of public opinion, institutions, regulators and investors. Potential risks from climate change include the intensification of extreme weather events that may lead to physical damage to infrastructure and assets and disruptions in operational activities in the supply chain, the increased cost of certain types of raw materials, the introduction of legislation and regulations related to climate change mitigation and adaptation, and possible changes in customer purchasing habits. The Company is continuing the process of energy efficiency and emission reduction at its stores, including through the installation of dedicated photovoltaic systems and the signing of an energy supply contract with a renewable energy sector provider. In addition, the Group mitigates the possible consequences of temporary interruption of operations, due to external events or natural occurrences, by taking out insurance policies to cover potential damages. In addition, also in compliance with the new directives, the Company has included in the Sustainability Plan specific activities to ensure greater oversight of non-financial risks and a reduction of the Group's overall climate footprint (e.g., carbon footprint, ESG due diligence, electronic labels etc.). For further details, please refer to the Group's Non-Financial Statement.

Relationships with key partners - In order to carry out its business operations to the best of its ability, the Company has established strategic relationships with key partners for the provision of services, such as transportation management and warehouse handling. In view of their number and corporate configuration, the Company is exposed to the risk related to improper and/or non-compliant practices and behaviours against the terms contractually defined by external partners (e.g. the service providers mentioned above). This could result in legal action and the termination of the relationship. Therefore, the Company continuously monitors the practices (e.g. fiscal, payroll, contribution regularity, etc.) of operators with whom it actively works, and has contractual safeguards in place to protect it where any inefficiencies or non-conformities emerge. In addition, in the event that critical situations arise, the Company's Legal Department is always involved in order to ensure adequate oversight.

Uncertain macroeconomic, demographic, social and industry situation - The geopolitical and macroeconomic environment features uncertainty and rising inflation, which limits consumers' spending ability. In this situation, the Company has introduced strategic and tactical mitigation measures, presenting strategic planning over two different time horizons, taking into account general macroeconomic situations and related adjustments, identified through the analysis of differing market scenarios. In addition, through the execution of the forecasting process (Sales & Operation Planning), the Company will be able to adjust purchase forecasts in the short term based on sales scenarios and near real time market trends. While, in order to strengthen cost control, the Group has defined and assigned cost containment targets, not directly related to sales, to each department and has strengthened the processes for monitoring and approving expenses.

18.2 Operating risks

The main areas of operational risk to which the Group is exposed are as follows:

Technological Evolution - To cope with the continuous evolution of technology, the Company is adopting an omnichannel architecture, with the aim of enhancing its data analysis capabilities and enabling faster and more targeted decision-making. The IT assets used by the Company are certified through the use of a centralised data quality system, and in order to ensure greater efficiency and effectiveness in the processing of its IT assets, the Group intends to put in place the best cloud and data analysis technologies, which will enable even faster and more specific decision-making processes. The full expression of the omnichannel architecture will be achieved when the roll-out phase of the ERP system in stores is completed.

Process efficiency (margin erosion) and price convergence - The current inflationary environment and macroeconomic uncertainty generates particular stress and criticality in margin management, especially within the sector in which the Group operates. The Company is planning the most appropriate ways to extend internally gained expertise upon process efficiency to multiple business areas, which, in synergy with the development of new profit pools (e.g., proprietary brand development), will enable the Company to introduce specific cost-saving initiatives. In addition, projections for the market in which the Group operates predict an increase in market share in the online segment at the partial expense of the offline segment, resulting in a convergence of prices toward those charged in the generally lower online channel. This trend, observable in all countries, has particularly accelerated in recent years and is partly due to the recent pandemic years. In order to optimise the realisable margin, the Company has adopted a special tool for near real time pricing. The Group has also considered these risks in its business plan and provided for mitigating safeguards, such as, but not limited to, increasing the level of customer service and, as noted above, developing new profit pools.

Relations with core product suppliers - The Company is exposed to various issues in managing relations with its suppliers (e.g. supply interruption, early termination of supply agreements, etc.). Therefore, in order to ensure the continuity of core business activities, the Company has adopted a number of safeguards, including the maintenance of an appropriate level of stock, in the event of the emergence of critical issues. In addition, by establishing a cross-brand product range, the Group is able to meet customers' demands even if a specific brand is discontinued.

Cyber Security and IT Business Interruption - The Group is exposed to the risk of experiencing business interruptions, due to the failure/breakdown of servers in use, and cyber attacks, which compromise the availability and integrity of data or disclose confidential information, including from an attack on third parties related to the Company, or during employees' smart working activities. The Group's data centres, maintaining the Company's programmes and data, are all subject to disaster recovery plans that meet the highest security requirements (Tier 4). These plans are also periodically tested to ensure their operation and adequacy. Regarding Cyber Security, the mitigation measures adopted by the Company mainly focused on three levels: (i) tools geared toward the analysis and diagnosis of weaknesses in the Cyber Security system, for the identification of ways for their management through objective reports. The Company has also adopted detective tools, such as antivirus, and preventive tools, such as two-factor authentication and system locks to mitigate potentially risky actions (such as access via VPN, VRM desktop virtualization tool, anti-spam, anti-phishing and anti-BEC filters), ii) patch management processes aimed at ensuring that the applications in use are constantly updated, iii) training activities aimed at personnel (both store and Headquarters) and anti-phishing campaigns.

The ICT Department, in collaboration with a consulting firm, conducted a Cyber Maturity Assessment activity that analysed the state of the Company's cybersecurity with respect to management considered optimal in relation to size and business characteristics.
After conducting insurance coverage mapping and an ad hoc risk assessment, the Company has taken out a special policy to cover cyber risks.

18.3 Legal & compliance risks

The main areas of legal & compliance risk to which the Group is exposed are as follows:

Evolution of point-of-sale complaint and litigation management - An inadequate process for handling complaints received from customers would impact the Group's reputation and, as experienced in the past, could result in the initiation of proceedings by the Antitrust Authority. In order to mitigate the risk, the Group has strengthened its Customer Service Function to ensure adequate support to outlets in handling inquiries and complaints received from customers. In addition, to ensure optimal and constant risk control, Unieuro is developing a distinct and well-structured process for handling complaints and disputes, designed to enable their resolution in a clear and traceable manner.

Changes to regulations and laws: the Group conducts its business in sectors regulated by national and international legislation, the violation or variation of which could result in limitations to its operations or increased costs. Accordingly, compliance with new regulations and laws and the formalisation, updating and dissemination of internal policies and procedures are necessary for the proper conduct of business and to ensure the effectiveness and efficiency of the Internal Control System. Risks therefore exist that the Company does not properly incorporate regulatory changes, which could have a significant impact on its operations, into its internal processes, and does not adequately introduce internal policies and procedures to cover relevant processes, failing to ensure that they are adequately overseen and updated in a timely manner. In order to constantly monitor regulatory and legal developments, the Company has activated an ongoing dialogue with various associations, such as the Italian Association of Specialised Home Appliance Retailers (AIRES) and EuroCommerce. In addition, the Legal Function performs constant monitoring activities and periodically circulates information about regulatory and legal changes that impact business activities.

Privacy Compliance & Data - The Group is subject to the risk of not properly complying with privacy regulations. In order to mitigate this risk and to be compliant with privacy law, Unieuro has adopted the following safeguards: it has appointed a Data Protection Officer (DPO), strengthened the internal privacy office, and has a privacy organisation chart to manage these issues. The DPO contributes on an ongoing basis to the monitoring of risks arising from non-compliance with data protection regulations and coordinates the operational plan to mitigate them. In addition, the Group has procedures and disclosures that it updates periodically, has prepared and updated the personal data register, and updates and performs impact assessments and balancing of interests. The privacy office, also with the cooperation of the DPO, prepares the personal data processing contract in relation to the processing of personal data covered by the service contract. The privacy office also oversees the handling of data subjects' requests. With the support of the DPO, the Group periodically renews privacy training for its employees.

Contractual risks - The Unieuro Group is subject to the risk of inadequate oversight when signing contracts or establishing clauses. In order to improve the control of this risk, the Company has prepared standard draft contracts (e.g. commercial agreements, transport contracts, maintenance contracts, etc.) that different departments can use to regulate the most recurring relationships with external suppliers. An update is planned for these standard drafts in order to adapt them to the latest changes in the operational and market environment. For more complex contracts with less recurring content, corporate departments request legal assistance from the in-house department and through them, when necessary, the assistance of an external specialised firm. The Company also has a procedure for archiving all the contracts signed by means of special software. This procedure requires that upon filing there be a preliminary screening by the legal department for the purpose of verifying the presence of certain formal requirements (signature - date - signature by a person with appropriate powers) and the completeness of certain clauses, with particular attention to the privacy implications of the agreement (need for verification of security requirements of the counterparty - any appointments to data controller - etc.).

Unfair Business Practices - The Group is exposed to the risk of incurring penalties and limitations resulting from unfair business practices. In order to better guard against risk, Unieuro has a Compliance Manager dedicated to supervising relations with the Antitrust Authority and monitoring business processes by checking compliance with the Consumer Code and other current and newly introduced regulations affecting retail distribution. A Compliance Plan is also being developed, with the aim of detailing and scheduling the control interventions carried out by the Compliance Manager. Training sessions specifically dedicated to regulatory compliance issues about the Consumer Code and the areas of control of the Antitrust Authority are then provided.

18.4 Financial Risks

Access to financial resources - The Group currently does not have liquidity problems. However, over the medium-term, situations may arise that could negatively stress liquidity. Therefore, Unieuro periodically conducts monitoring activities of its liquidity situation through internally developed predictive systems. In addition, with regard to access to credit subject to ESG parameters, the Group, through the implementation of the activities included in the Sustainability Plan, plans to improve the safeguards and information set relating to sustainability reporting.

Management of credit granted by suppliers - Most of the suppliers Unieuro relies on establish the maximum amount of credit that can be granted, based on the credit facilities recognized by the insurance companies operating in this specific area. Such credit facilities are generally granted on the basis of multiple factors such as, for example, the domestic economic environment, country risk, the financial position and the creditworthiness of each customer. Should there be a deterioration in these parameters, the levels of credit available to the Group could be reduced with possible significant negative effects on the Group's financial statements. To mitigate this risk, Unieuro maintains a favourable net financial position and direct relationships with credit insurance companies.

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19. Significant events during the year and after the end of the year

Significant events in the period

LC Sustainability Awards 2023

On March 28, 2023, Unieuro S.p.A. was honoured at the LC Sustainability Awards 2023 in the "Ecommerce & Retail" category.

New Strategic Plan

On May 9, 2023, the Board of Directors approved the new "Beyond Omni-Journey" Strategic Plan to 2028 which seeks to consolidate Unieuro's leadership, positioning the company as the natural destination for the consumer for all technology needs. Two growth pillars are focused on developing the "Omnichannel Trade" offer and on expanding "Beyond Trade" through an ambitious transformation plan.

Flood support measures

When the dramatic flood hit Romagna in May 2023, Unieuro wanted to show its solidarity and offer concrete support to the region's population. The Company allowed local consumers to purchase - at all outlets in the affected areas - domestic appliances and other products irreparably damaged by the flood through an extraordinary promotion, which negatively impacted margins by approximately Euro 3 million.

Omnibus Directive

Legislative Decree No. 26 of March 7, 2023 entered into force from July 1, 2023, implementing Directive (EU) 2019/2161 ("Omnibus Directive") on price reduction announcements in online and offline channels.

Regional Administrative Court reduces the Competition Authority Sanctions

The Lazio Regional Administrative Court, also in view of the adequacy of the corrective measures adopted in the meantime by the Group, in its ruling 13368/2023 of August 18, 2023, partially upheld the appeal filed by Unieuro and Monclick against the two measures of the Competition Authority that had imposed fines totalling Euro 7 million for Unieuro and of Euro 1.5 million for Monclick.

The Lazio Regional Administrative Court redetermined the amount of the sanctions, reducing them to Euro 3.5 million for Unieuro and approximately Euro 0.3 million for Monclick. On October 30, 2023, the Competition Authority's clearance of the repayment of the portion of the penalties not due under the Regional Administrative Court order by the Ministry of Enterprise and Made in Italy was notified. The counterparty appealed to the Council of State.

Strategic partnership with Kasanova

Unieuro has signed a partnership with Kasanova, Italy's homeware and household goods leader, involving the creation of a network of Kasanova shop in shops inside Unieuro stores. The transaction, which will involve more than 50 stores by December 2023, while gradually extending over the next two years, strengthens and expands the commercial proposition in the homeware segment, adjacent to the core kitchen appliance sector.

Electricity price hedging

Unieuro has signed with Tozzi Green, one of the country's leading renewable energy sector groups, a three-year Contract For Differences (CFD) on the price of energy, commencing October 1, 2023, on an underlying quantity of at least 36 GWh annually. Unieuro, through the agreement, has fixed energy prices on around 60% of its annual energy needs, during a period of high tariff volatility and ongoing global geopolitical tensions.

Agreement with Google Italy

On October 4, 2023, Unieuro announced a collaboration agreement with Google Italy involving the sale of its new Pixel ecosystem devices from October 12, 2023 at Unieuro's outlets and on the www.unieuro.it, portal, supported by a major multichannel communication plan.

Monclick S.r.l. liquidation.

On October 16, 2023, the Board of Directors of Unieuro S.p.A. approved the initiation of the procedure for the liquidation of its wholly-owned subsidiary Monclick S.r.l., and on October 24, 2023 the Shareholders' Meeting of Monclick S.r.l. approved the liquidation of the company and appointed the liquidator. Monclick S.r.l. is a smaller Group company (accounting for 2.6% of consolidated revenues), engaged in the sale of IT, electronics, telephony and home appliance products online in Italy through the website www.monclick.it.. This decision is part of the process of rationalising the corporate structure. In particular, Monclick S.r.l. has suffered a worsening of its operating, equity and financial situation in recent years as a result of the performance of its target markets, exacerbated by its digital pure player business model.

Acquisition of the Covercare Group

On December 4, 2023, the acquisition of Covercare was completed in execution of the agreement signed on October 16, 2023 and following the satisfaction of a number of contractual conditions, including the clearance of Italy's Competition Authority.

The company in turn wholly-owns the companies Covercare Services S.r.l., Wifix S.r.l. and Comfort Home Solutions S.r.l., which on December 27, 2023 were merged by incorporation, effective January 1, 2023.

The Covercare Group is a leading player in Italy in the repair of mobile phones, other portable devices, and domestic appliances. It also operates on the air conditioner and boiler installation and home assistance services markets. Covercare offers its services throughout the country to leaders in the Retail, Telco and Multi-Utility sectors. The transaction extends Unieuro's control over the market segments of the value chain which present higher profitability, growth and strong synergies with its core business, broadening the scope of services offered to end-consumers.

The Covercare Group's results were consolidated from December 4, 2023. Following the determination of the provisional net financial position, the price is Euro 72.5 million, including cash of Euro 12.5 million, which will be subject to adjustment based on the actual cash position. In addition, the payment of an amount of up to Euro 10 million as earnout by June 2026 is also stipulated.

Subsequent events

No significant events occurred subsequent to the end of the fiscal year.

20. Outlook

Against a still unstable geopolitical and macroeconomic backdrop, the Consumer Electronics market in the present fiscal year is expected to contract slightly overall, with the decline concentrated primarily in the first half of fiscal year and with a recovery in the second half of the year. The market recovery may be supported by the expected drop in inflation and the consequent increase in consumer spending power, by the forecast renewal of electronics products purchased during the pandemic, in addition to the technological innovation linked to artificial intelligence and a number of sporting events.

Unieuro remains committed to executing the "Beyond Omni-Journey" Strategic Plan and to developing its increasingly services-focused business model. Within this context, the Covercare integration plan and the expansion of the customer services catalogue shall gradually be rolled out, leveraging on the synergies and development opportunities deriving from the acquisition. For example, among the current services expansion projects, the sale of extended warranty services for telephones and tablets, with subscription-based payment by instalments, was successfully launched in pilot mode. The project will gradually be extended across the Unieuro store network and gradual extension to other product categories will be assessed. The subscription option has also been introduced on a pilot basis for the sale of home care services, with encouraging results. Further areas of new service development may include the energy sector, capitalising on Unieuro's extensive network of stores and the digital portal, and the area of refurbished products. Covercare in the present fiscal year shall also enter the media sector, thanks to a major tender won within the Auditel surveys, ready to take advantage of further development opportunities that may be generated.

Unieuro also intends to develop growth potential in Retail Media, through the proposition of online/offline marketing and advertising services.

As part of the development of the "Omnichannel Trade" strategic pillar, projects to further strengthen the omnichannel proposition to offer customers an increasingly integrated experience across channels will continue in the present fiscal year. Cloud adoption of the data world will continue with the implementation of the new Cloud platform to put in place a new data architecture available to the entire enterprise. It is also planned to start the gradual adoption of the new ERP (SAP) at all direct outlets.

In FY 2024/25, in relation to the expectation for a slight market contraction and the positive contribution from the full consolidation of Covercare, Unieuro forecasts Revenues in line with the previous fiscal year.

The Group shall continue to closely focus on its margin management policy and close operating cost control, which shall partially offset higher personnel costs from the renewal of the national collective bargaining contract signed in March 2024 and in force from the subsequent month. In this context, Adjusted EBIT in a range of Euro 35-40 million is forecast. Net Cash at fiscal year-end is expected to substantially be in line with the previous fiscal year.

Looking to the medium to long term, the Company intends to review the Strategic Plan in light of the market environment and the gradual widening to a more service-oriented business model also after the acquisition of Covercare.

In consideration of the solid cash position, Unieuro will continue to assess all market consolidation opportunities through the acquisition of sales points.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION [40]

(in thousands of Euro)		Year ended	
	Notes	February 29, 2024	February 28, 2023
Plant, machinery, equipment and other assets	5.1	76,810	77,009
Goodwill	5.2	249,591	196,110
Intangible assets with finite useful lives	5.3	76,272	49,274
Assets for rights-of-use	5.4	384,619	422,729
Deferred tax assets	5.5	39,159	45,113
Other non-current assets	5.6	22,794	24,906
Total non-current assets		**849,245**	**815,141**
Inventories	5.7	435,764	446,032
Trade receivables	5.8	52,784	66,081
Current tax assets	5.9	3,066	5,199
Other current assets	5.6	22,764	82,740
Cash and cash equivalents	5.10	105,598	66,653
Total current assets		**619,976**	**666,705**
Total assets from discontinued operations	5.30	1,839	-
Total assets		**1,471,060**	**1,481,846**
Share capital	5.11	4,140	4,140
Reserves	5.11	89,027	89,245
Profits/(losses) carried forward	5.11	3,675	31,143
Shareholders' equity - owners of parent		**96,842**	**124,528**
Non-controlling interest equity	5.11	19	-
Total shareholders' equity		**96,861**	**124,528**
Financial liabilities	5.12	14,951	-
Employee benefits	5.13	10,964	11,255
Other financial liabilities	5.14	352,145	379,521
Provisions	5.15	12,511	11,318
Deferred tax liabilities	5.5	8,218	3,946
Other non-current liabilities	5.16	640	993
Total non-current liabilities		**399,429**	**407,033**
Financial liabilities	5.12	19,825	-
Other financial liabilities	5.14	85,847	70,530
Trade payables	5.17	552,779	597,319
Current tax liabilities	5.9	1,733	1,041
Provisions	5.15	1,799	1,069
Other current liabilities	5.16	308,373	280,326
Total current liabilities		**970,356**	**950,285**
Total liabilities from discontinued operations	5.30	4,414	-
Total shareholders' equity and liabilities		**1,471,060**	**1,481,846**

The accompanying notes are an integral part of these consolidated financial statements.

[40] The figures for FY 2023/24 include the contribution of Covercare Group companies as of the date of initial consolidation (December 1, 2023). For further details, reference should be made to note 2.5 Consolidation principles and consolidation scope of the Consolidated Financial Statements.

CONSOLIDATED INCOME STATEMENT[41]

(in thousands of Euro)		Year ended	
	Notes	February 29, 2024	February 28, 2023
Revenues	5.18	2,634,934	2,811,169
Other income	5.19	668	938
TOTAL REVENUE AND INCOME		**2,635,602**	**2,812,107**
Purchase of materials and external services	5.20	(2,287,610)	(2,451,619)
Personnel costs	5.21	(204,660)	(205,449)
Change in inventories	5.7	(9,872)	(15,988)
Other operating costs and expenses	5.22	(5,768)	(5,713)
GROSS OPERATING RESULT		**127,692**	**133,338**
Amortisation, depreciation and write-downs	5.23	(109,685)	(105,866)
NET OPERATING RESULT		**18,007**	**27,472**
Financial income	5.24	1,440	505
Financial expense	5.24	(11,656)	(13,531)
PROFIT BEFORE TAXES		**7,791**	**14,446**
Income taxes	5.25	(9,420)	(1,476)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		**(1,629)**	**12,970**
Result from discontinued operations	5.30	(15,766)	(2,777)
PROFIT/(LOSS) FOR THE YEAR		**(17,395)**	**10,193**
Profit/(loss) of the Group for the financial year	5.11	**(17,426)**	**10,193**
Profit/(loss) of the third parties for the financial year	5.11	**31**	-
Basic earnings per share (in Euro)	5.26[42]	(0.08)	0.65
Diluted earnings per Share (in Euro)	5.26[42]	(0.08)	0.65

The accompanying notes are an integral part of these consolidated financial statements.

[41] Operating results for the fiscal year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the "Result from discontinued operations". The figures for FY 2023/24 include the contribution of Covercare Group companies as of the date of initial consolidation (December 1, 2023). For further details, reference should be made to note 2.5 Consolidation principles and consolidation scope of the Consolidated Financial Statements.

[42] Basic and diluted earnings per share are determined by reference to the consolidated Profit/(Loss) for the year of continuing operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [43]

(in thousands of Euro)	Notes	Year ended February 29, 2024	Year ended February 28, 2023
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		**(17,395)**	**10,193**
Other components of comprehensive income that are or could be restated under profit/(loss) for the consolidated year:			
Gains/(losses) on cash flow hedging instruments ("cash flow hedges") and securities measured at fair value to OCI	5.14	(2,065)	281
Income taxes		559	(67)
Total other components of comprehensive income that are or could be restated under profit/(loss) for the consolidated year	5.11	**(1,505)**	**214**
Other components of comprehensive income that will not subsequently be restated under profit/(loss) for the consolidated year:			
Actuarial gains (losses) on defined benefit plans	5.13	55	2,207
Income taxes		(15)	(590)
Total other components of comprehensive income that will not subsequently be restated under profit/(loss) for the consolidated year	5.11	**40**	**1,617**
Total other components of comprehensive income		**(1,466)**	**1,831**
Total components of comprehensive income from discontinued operations		**(147)**	**-**
Total comprehensive income for the consolidated year		**(19,007)**	**12,024**
of which attributable to the Parent Company		**(19,007)**	**12,024**
of which attributable to Minority interests		**-**	**-**

The accompanying notes are an integral part of these consolidated financial statements.

[43] Operating results for the fiscal year ended February 28, 2023 have been restated in application of IFRS 5 and do not include the contribution of the subsidiary Monclick S.r.l. in liquidation, which was reclassified to the "Result from discontinued operations". The figures for FY 2023/24 include the contribution of Covercare Group companies as of the date of initial consolidation (December 1, 2023). For further details, reference should be made to note 2.5 Consolidation principles and consolidation scope of the Consolidated Financial Statements.

CONSOLIDATED CASH FLOW STATEMENT[44]

(in thousands of Euro)		Year ended	
	Note	February 29, 2024	February 28, 2023
Cash flow from operations			
Consolidated profit/(loss) for the consolidated year	5.11	(17,395)	10,193
Adjustments for:			
Income taxes	5.25	9,420	855
Net financial expenses (income)	5.24	10,216	12,998
Amortisation, depreciation and write-downs of fixed assets	5.23	109,685	106,431
Other changes		16,858	1,290
Net cash flow generated/(absorbed) by operating activities before changes in Net Working Capital		**128,784**	**131,767**
Changes in:			
- Inventories	5.7	9,872	16,018
- Trade receivables	5.8	20,419	(23,093)
- Trade payables	5.17	(47,205)	17,553
- Other changes in operating assets and liabilities	5.6-5.15-5.16	11,538	(13,264)
Cash flow generated/(absorbed) by operating activities		(5,376)	(2,786)
Taxes paid	5.25	(562)	-
Interest paid	5.24	(10,441)	(10,544)
Net cash flow generated/(absorbed) by operating activities	**5.27**	**112,405**	**118,437**
Net cash flow generated/(absorbed) from discontinued operations	**5.30**	**(4,530)**	**-**
Cash flow from investment activities			
Purchases of plant, machinery, equipment and other assets	5.1	(19,578)	(17,651)
Purchase of intangible assets	5.3	(20,671)	(21,526)
Investments in current FVOCI securities	5.10	-	(60,000)
Divestment of current FVOCI securities		60,540	-
Investments for business combinations net of cash acquired and business units	5.14-5.29	(8,515)	364
Cash flow generated/(absorbed) by investment activities	**5.27**	**11,777**	**(98,813)**
Cash flow from financing activities			
Increase/(Decrease) financial liabilities	5.12	-	(724)
Increase/(Decrease) in other financial liabilities	5.14	(2,035)	(3,313)
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	5.14	(68,823)	(63,334)
Distribution of dividends	5.11	(9,848)	(27,134)
Cash flow generated/(absorbed) by financing activities	**5.27**	**(80,707)**	**(94,505)**
Net increase/(decrease) in cash and cash equivalents		**38,945**	**(74,881)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**66,653**	**141,534**
Net increase/(decrease) in cash and cash equivalents		**38,945**	**(74,881)**
CASH AND CASH EQUIVALENTS AT END OF YEAR		**105,598**	**66,653**

The accompanying notes are an integral part of these consolidated financial statements.

[44] The figures for FY 2023/24 include the contribution of Covercare Group companies as of the date of initial consolidation (December 1, 2023). For further details, reference should be made to note 2.5 Consolidation principles and consolidation scope of the Consolidated Financial Statements.

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY[45]

(In thousands of Euro)	Note	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Fair value to OCI reserve	Reserve for actuarial gains/(losses) on defined benefit plans	Reserve for share-based payments	Other reserves	Profits/(losses) carried forward	Total shareholders' equity	Minority interests	Total shareholders' equity
Balance at February 28, 2022	5.11	**4,140**	**811**	**43,146**	**-**	**-**	**(1,648)**	**3,687**	**21,729**	**66,484**	**138,349**	**-**	**138,349**
Profit/(loss) for the year		-	-	-	-	-	-	-	-	10,193	**10,193**	-	**10,193**
Other components of comprehensive income		-	-	-	-	214	1,617	-	-	-	**1,831**	-	**1,831**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**214**	**1,617**	**-**	**-**	**10,193**	**12,024**	**-**	**12,024**
Allocation of prior year result		-	17	19,052	-	-	-	-	(1,108)	(17,961)	**-**	-	**-**
Distribution of dividends		-	-	-	-	-	-	-	-	(27,134)	**(27,134)**	-	**(27,134)**
Purchase of Treasury Shares		-	-	-	-	-	-	-	-	-	**-**	-	**-**
Share-based payment settled with equity instruments		-	-	-	-	-	-	1,729	-	(439)	**1,290**	-	**1,290**
Total transactions with shareholders		**-**	**17**	**19,052**	**-**	**-**	**-**	**1,729**	**(1,108)**	**(45,534)**	**(25,844)**	**-**	**(25,844)**
Balance at February 28, 2023	5.11	**4,140**	**828**	**62,198**	**-**	**214**	**(31)**	**5,416**	**20,621**	**31,143**	**124,528**	**-**	**124,528**
Profit/(loss) for the year		-	-	-	-	-	-	-	-	(17,426)	(17,426)	31	(17,395)
Other components of comprehensive income		-	-	-	(1,271)	(235)	(107)	-	-	-	(1,612)	-	(1,612)
Total comprehensive income for the year		**-**	**-**	**-**	**(1,271)**	**(235)**	**(107)**	**-**	**-**	**(17,426)**	**(19,038)**	**31**	**(19,007)**
Business combinations		-	-	-	-	-	-	-	-	-	-	(16)	(16)
Allocation of prior year result		-	-	2,078	-	-	-	-	(3,419)	1,341	-	-	-
Distribution dividends		-	-	-	-	-	-	-	-	(9,848)	(9,848)	-	(9,848)
Purchase of Treasury Shares		-	-	-	-	-	-	-	-	-	-	-	-
Share-based payment settled with equity instruments		-	-	-	-	-	-	(2,129)	4,756	(1,535)	1,092	-	1,092
Other changes		-	-	-	-	-	-	-	107	-	107	5	112
Total transactions with shareholders		**-**	**-**	**2,078**	**-**	**-**	**-**	**(2,129)**	**1,445**	**(10,042)**	**(8,649)**	**(11)**	**(8,661)**
Balance at February 29, 2024	5.11	**4,140**	**828**	**64,276**	**(1,271)**	**(21)**	**(138)**	**3,287**	**22,066**	**3,675**	**96,842**	**19**	**96,861**

The accompanying notes are an integral part of these consolidated financial statements.

[45] The figures for FY 2023/24 include the contribution of Covercare Group companies as of the date of initial consolidation (December 1, 2023). For further details, reference should be made to note 2.5 Consolidation principles and consolidation scope of the Consolidated Financial Statements.

NOTES

1. INTRODUCTION

The Unieuro Group (hereinafter also the "Group" or the "Unieuro Group") consists of the companies Unieuro S.p.A. and Covercare S.p.A., along with its subsidiaries Covercare Center S.r.l. and Cybercare S.r.l. (hereinafter also the “Covercare Group”), consolidated as of December 4, 2023, and Monclick S.r.l. in liquidation.

Unieuro S.p.A. (hereinafter also referred to as the "Company" or "Unieuro" or “UE") is a company under Italian law based in Forlì, Italy at 10 Via Piero Maroncelli, founded in the late 1930s by Vittorio Silvestrini. Unieuro is now the leading distributor of consumer electronics and domestic appliances in Italy and operates as an integrated omnichannel distributor in four main product segments: Grey (telephony and computer), White (large and small domestic appliances), Brown (consumer electronics), Other products (consoles, video games, bicycles), offering in parallel a wide range of services such as delivery and installation, extended warranty and consumer financing.

Covercare S.p.A. (hereinafter also referred to as "Covercare"), a wholly-owned subsidiary of Unieuro, is an Italian-registered company based in Legnano (MI), Corso Italia, 25. Covercare Center S.r.l., 70% owned by Covercare, and Cybercare S.r.l., 60% owned by Covercare, are Italian-registered companies based in Legnano (MI), Corso Italia 25/A. The Covercare Group is an Italian leader in repair services for mobile phones, other portable devices and large domestic appliances. It also operates in the field of air conditioning installation services and boiler installation and maintenance, and in the installation of photovoltaic systems. Finally, it markets mobile electronic products, IT and accessories to professional customers, mainly overseas.

Monclick S.r.l. (hereinafter also referred to as "Monclick" or “MK”), a wholly-owned subsidiary of Unieuro, is an Italian-registered company based in Milan, Via Marghera 28. It was placed in liquidation as of November 3, 2023, as part of a process to streamline the corporate structure. Monclick, formerly engaged in the online sale of IT, electronics, telephony and domestic appliance products in Italy through the website www.monclick.it, suffered a worsening of its operating, equity and financial situation in recent years as a result of the performance of its target markets, exacerbated by its digital pure player business model.

The Group's mission is to accompany customers at all stages of their purchasing journey, placing them at the centre of an integrated ecosystem of product and service offerings that sees accessibility, proximity and closeness as the pillars of its strategic approach.

Unieuro’s shares have been listed on the EURONEXT STAR MILAN since April 2017.

The Company is features an extensive and fragmented shareholder base, and thus is structured like a public company. The table below displays the percentage of Unieuro ordinary shares held either directly or indirectly by shareholders or individuals at the top of the equity chain who have declared that they exceed the relevant shareholding threshold per Article 120 of the Consolidated Finance Act and Consob Issuers’ Regulation. The percentage shown in the table is accurate at the time of writing this Statement but may be subject to updates based on the information available to the Company:

SHAREHOLDER	DIRECT SHAREHOLDERS	NUMBER OF SHARES	% OF TOTAL SHARES COMPRISING THE SHARE CAPITAL
XAVIER NIEL	• ILIAD HOLDING S.P.A. • ILIAD SA	2,520,374	**12.177%**
GIUSEPPE SILVESTRINI	• VICTOR S.R.L. • GIUSEPPE SILVESTRINI	1,275,395	**6.162%**
AMUNDI ASSET MANAGEMENT	• AMUNDI SOCIETÀ DI GESTIONE DEL RISPARMIO S.P.A. • AMUNDI ASSET MANAGEMENT	1,003,108	**5.016%**

2. ACCOUNTING POLICIES ADOPTED FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF ACCOUNTING PRINCIPLES

The following are the accounting policies, main accounting principles and basis of preparation adopted in the preparation and drafting of the Consolidated Financial Statements. These principles and policies have been applied consistently for all fiscal years presented in this document taking into account that specified in Note 2.7.1 "Significant Accounting Policies."

In application of IFRS 10, the operating result and balance sheet figures at February 29, 2024 include the contribution of the Covercare Group from the date of initial consolidation (December 1, 2023).

The acquisition of control of the Covercare Group is considered a business combination and fell within the scope of IFRS 3. It should be noted that Unieuro, on undertaking the acquisition, availed of the option under IFRS 3 to make a provisional allocation of the cost of the business combinations to the fair values of the assets acquired and liabilities and contingent liabilities assumed. Where new information obtained within one year of the acquisition date, relating to facts and circumstances in existence at the acquisition date, results in adjustments to the amounts presented or to any additional provision in existence at the acquisition date, the acquisition accounting shall be revised. No significant changes are expected from those already recognised.

As a result of the initiation of the liquidation of the subsidiary Monclick S.r.l. in liquidation, which was approved by the subsidiary's Shareholders' Meeting on October 24, 2023, the operating, equity and cash flow indicators at February 29, 2024 do not include the contribution of Monclick S.r.l. in liquidation, in accordance with IFRS 5. Where applicable, the comparative figures for the previous period have been restated.

Therefore, in accordance with IFRS 5, the asset and liability items of the subsidiary Monclick S.r.l. in liquidation have been reclassified to "Assets/Liabilities from discontinued operations" and the income statement items to the “Result from discontinued operations”.

2.1 Basis of preparation of Consolidated Financial Statements

The Group’s consolidated financial statements comprise the consolidated statement of financial position, the consolidated income statement, the consolidated comprehensive income statement, the consolidated cash flow statement and the statement of changes in consolidated shareholders’ equity for the year ended February 29, 2024, in addition to the statement of financial position, the income statement, the comprehensive income statement, the cash flow statement and the statement of changes in shareholders’ equity for the year ended February 28, 2023 of Unieuro and the relative notes.

2.2 Basis of Presentation of the Consolidated Financial Statements

The Group's Consolidated Financial Statements were drawn up in accordance with the going concern principle, as the Directors verified the absence of financial, operating or other indicators which may suggest difficulties with regards to the Group's capacity to meet its obligations in the foreseeable future and in particular in the next 12 months.

The Consolidated Financial Statements are prepared under the historical cost convention, except for derivative financial instruments and securities measured at fair value.

Please refer to the Directors' Report for information on the nature of the company's business and subsequent events to year-end.

As of February 29, 2024, the Group is composed as follows:

(in thousands of Euro)	Share capital	% held	Parent
Unieuro S.p.A.	4,000		
Monclick S.r.l. in liquidation	100	100.0%	Unieuro S.p.A.
Covercare S.p.A.	100	100.0%	Unieuro S.p.A.
Covercare Center S.r.l.	10	70.0%	Covercare S.p.A.
Cybercare S.r.l.	40	60.0%	Covercare S.p.A.

The Consolidated Financial Statements are presented in Euro, the Group's functional currency. Amounts are in thousands of Euro, except where specifically indicated. Rounding is undertaken at the level of each individual account with totalling thereafter. It should also be noted that any differences in some tables are due to the rounding of values expressed in thousands of euros.

The Consolidated Financial Statements at February 29, 2024 approved by the Board of Directors on May 10, 2024 are audited and will be presented for approval at the Shareholders' Meeting.

2.3 IFRS Compliance Statement

The Consolidated Financial Statements have been prepared in accordance with International Accounting Standards (IAS/IFRS) issued by the International Accounting Standard Board (IASB) and related interpretations (SIC/IFRIC), as adopted by the European Union.

In addition, the Consolidated Financial Statements have been prepared in accordance with the provisions adopted by Consob on financial statement formats pursuant to Article 9 of Legislative Decree No. 38/2005 and other Consob rules and regulations on financial statements. Specifically, it should be noted that with reference to Consob Resolution No. 15519 of July 27, 2006 and Communication No. DEM6064293 of July 28, 2006 regarding financial statements, specific consolidated income statement, consolidated statement of financial position, and consolidated cash flow statement have been included, with indication of significant related party transactions and specific consolidated income statement tables with indication, for each item, of the non-recurring component.

2.4 Consolidated Financial Statements

The Consolidated Financial Statements, in addition to these explanatory notes, consist of the following statements:

A) **Consolidated statement of financial position:** the consolidated statement of financial position is presented by presenting current and non-current assets and current and non-current liabilities separately, with a description in the notes for each asset and liability item of the amounts expected to be settled or recovered within or beyond 12 months from the date of the consolidated financial statements.

B) **Consolidated income statement:** the classification of costs in the consolidated income statement is based on their nature, showing the intermediate results related to gross operating income, net operating income and profit before tax.

C) **Consolidated statement of comprehensive income:** this statement includes profit/(loss) for the year as well as income and expenses recognised directly in equity for transactions other than those entered into with shareholders.

D) **Consolidated cash flow statement:** the consolidated cash flow statement presents cash flows from operating, investing and financing activities. The cash flow statement is presented in accordance with the indirect method, whereby net income is adjusted for the effects of non-cash transactions, any deferrals or provisions for previous or future operating cash receipts or payments, and items of income or expense associated with cash flows from investing or financing activities. The cash flow statement has been prepared using the indirect method and is presented in accordance with IAS 7, classifying cash flows as operating, investing and financing activities.

E) **Statement of changes in consolidated shareholders' equity:** this statement includes, in addition to the result of the comprehensive income statement, the transactions directly with shareholders who acted in this capacity and the details of each individual component. Where applicable, the statement also includes the effects, for each equity item, resulting from changes in accounting policies.

The Consolidated Financial Statements are presented in comparative form.

2.5 Consolidation principles and consolidation scope

The Consolidated Financial Statements at February 29, 2024 include the financial statements of the parent company Unieuro S.p.A. and those of the subsidiaries Monclick S.r.l. in liquidation, Covercare S.p.A., Covercare Center S.r.l. and Cybercare S.r.l.

The financial statements of the subsidiary Covercare S.p.A. and its subsidiaries Covercare Centre S.r.l. and Cybercare S.r.l. have been included in the consolidated financial statements as of December 1, 2023. The Directors have assessed that there are no significant changes in the fair value of the acquired assets between the date Unieuro took control (December 4, 2023) and the date of initial consolidation (December 1, 2023).

The financial statements of group companies used for line-by-line consolidation have been appropriately modified and reclassified to conform to the international accounting standards referred to above.

Subsidiaries

These are companies in which the Group exercises control as defined by IFRS 10. Control exists when the Group has the power, directly or indirectly, to determine the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the parent company are included in the Consolidated Financial Statements from the date control is assumed until such control ceases.

For the purpose of consolidating subsidiaries, the line-by-line method is applied, i.e. assuming the full amount of assets and liabilities and all costs and revenues. The carrying amount of the consolidated investment is then eliminated against the related equity. The Minority shareholders' equity and result is presented in a separate line item in the consolidated shareholders' equity and income statement, respectively.

In accordance with IFRS 3, the subsidiary acquired by the Group is accounted for using the purchase method, whereby:

- the acquisition cost consists of the fair value of the assets sold, taking into account any issue of equity instruments, and of the liabilities assumed, plus any costs directly attributable to the acquisition;
- the excess of the acquisition cost over the market value of the Group's share of net assets is accounted for as goodwill;
- if the acquisition cost is less than the fair value of the Group's share in the net assets of the acquired subsidiary, the difference is recognised directly in the income statement.

Transactions eliminated in the consolidation process

In the preparation of the Consolidated Financial Statements all balances and transactions between Group companies and unrealised gains and losses on inter-company transactions are eliminated. Unrealised gains and losses generated by transactions with jointly controlled and/or associated companies are eliminated in accordance with the Unieuro Group's interest in that company.

2.6 Use of estimates and valuations in the preparation of Consolidated Financial Statements

The preparation of the Consolidated Financial Statements, in application of IFRS, require that management make estimates and assumptions on the values of the assets and liabilities in the Consolidated Financial Statements and on the information relating to the assets and contingent liabilities at the reporting sheet date. Estimates and assumptions are based on facts known at the date of preparation of the Consolidated Financial Statements, management's experience, and other elements that may be considered relevant. The values that will result from the final data may differ from these estimates. Estimates are used to recognise provisions for doubtful debts and legal disputes, inventory obsolescence, assets related to capitalisation of contract obtainment costs, contract liability related to the sale of extended warranty services, lease liabilities, and right-of-use assets, perform asset valuations, goodwill impairment testing, actuarial valuation of employee benefits and share-based payment plan, as well as estimate the fair value of derivatives and assess the recoverability of deferred tax assets.

The estimates and assumptions are periodically reviewed and the effects of any variation are reflected in the Income Statement.

The principal measurement processes and key assumptions used by the Group in applying IFRS and which may have significant effects on the values recorded in the Consolidated Financial Statements or give rise to significant adjustments to the accounting values of assets and liabilities in the year subsequent to the reporting date are summarised below.

Recoverable value of non-current assets

Non-current assets include property, plant, machinery, equipment and other assets, goodwill, software and trademarks, and other non-current assets. The Group periodically reviews the carrying value of the non-current assets held and utilised and of assets to be disposed of, when events and circumstances require such. For goodwill, this analysis is carried out at least once a year and whenever facts and circumstances show possible impairment. The recoverability analysis of the carrying of non-current assets is generally made utilising the estimates of the future cash flows expected from the utilisation or from the sale of the asset and adjusted by discount rates for the calculation of the fair value. When the carrying amount of a non-current asset is impaired, the Group recognises a write-down for the excess between the carrying amount of the asset and its recoverable amount through use or sale, with reference to the cash flows from the most recent business plans.

The estimates and assumptions used as part of this analysis, particularly the goodwill impairment tests, reflect the Group's state of knowledge about business developments and take into account forecasts deemed reasonable about future market and industry developments that remain subject to a high degree of uncertainty.

Recoverability of deferred tax assets

The Group recognises deferred tax assets up to the amount for which recovery is deemed probable. Where necessary, the Group recognises adjustment items in order to reduce the value of deferred tax assets to the amount for which recovery is deemed probable. In assessing the recoverability of deferred tax assets consideration is made of budgets and forecasts for subsequent years consistent with those used for impairment testing and described in the paragraph above regarding the recoverable value of non-current assets.

Bad debt provision

The bad debt provision reflects management's estimate on losses on the client portfolio. The estimate of the bad debt provision is based on the expected losses by management, based on past experience for similar receivables, current and historic amounts overdue, losses incurred, receipts, careful monitoring of the credit quality and projections on economic and market conditions.

Inventory obsolescence provision

The inventory obsolescence provision reflects management's estimate of the expected impairment of assets, determined both on the basis of past and historical experience and expected market trends, including as a result of specific actions taken by the Group. This estimate allows the value of the inventory to be restored to the lower of cost and realisable value.

Contract assets related to the sale of warranty extension services

Among the services sold by the Group to its customers is the extension of product warranties beyond those already recognised by law by the manufacturer. This service is sold directly at the points of sale through the recognition of an additional amount over and above the amount of the product sold. Sales representatives are awarded an incentive for each additional sale of extended warranty services.

When warranty services are sold, the Group recognises an asset equal to the value of bonuses paid to employees and then recognises that asset as an expense over the life of that service. The release of this asset as an expense is determined based on estimated warranty repair work consistent with the reversal of the contract liability related to the sale of extended warranty services.

Trade payables

The Unieuro Group holds contracts for the supply of goods that include the provision of bonuses, discounts and, in certain circumstances, contributions classified as a reduction of trade payables. These premiums, discounts and contributions are recognised either as a percentage of quantities purchased, or as a fixed amount on quantities purchased or sold, or as a defined contribution. Predominantly with reference to agreements that have an expiration date later than the end of the fiscal year, which account for a minority share of the year's bonuses and contributions, determining their amount is a complex accounting estimate that requires a high degree of judgment as influenced by multiple factors. The parameters and information used for the estimate are based on the amount purchased or sold and on assessments that take into account historical data regarding the actual recognition of bonuses and contributions from suppliers.

Contract liabilities related to the sale of warranty extension services

Among the services sold by the Group to its customers is the extension of product warranties beyond those already recognised by law by the manufacturer. This service is offered by the Group and its affiliates and is sold directly at the point of sale for an additional fee to that of the product sold.

The extension of the warranty over the legal warranty can be temporal (more years covered) and/or on the risks covered (e.g., damage to the product) depending on the category of product sold.

When warranty services are sold, the Group recognises a liability equal to the sale value of that service, and then releases it as revenue over the term of that service. The release of this liability as revenue is determined on the basis of estimated warranty repair work. Warranty repair interventions are estimated based on historical information about the nature, frequency and cost of warranty interventions duly interpolated to simulate future event occurrence curves.

Lease liabilities and right-of-use assets

The Group recognises the right-of-use asset and the lease liability. Right-of-use assets are initially measured at cost, and subsequently at cost net of cumulative depreciation and impairment losses, while adjusted to reflect lease liability revaluations.

The Group measures the lease liabilities at the present value of the future payments not settled at the commencement date.

The lease liability is subsequently increased by the interest maturing on this liability and reduced for lease payments and is revalued in the case of changes to future lease payments deriving from a change in the index or rate or where the Group changes its assessment on the exercise or otherwise of a renewal or termination option.

Leasing contracts in which the Group acts as lessee may provide for renewal options with effects, therefore, on the term of the contract. Assessments as to whether there is a relative certainty that this option will (or will not) be exercised can influence, even significantly, the amount of lease liabilities and right-to-use assets.

The Group classifies sub-leases in which it acts as lessor, as finance leases.

Defined benefit plans and other post-employment benefits

The Group recognises a defined benefit plan (post-employment benefits) for employees.

With respect to employee benefit plans, the net financial charges are measured according to an actuarial method which requires the use of estimates and assumptions for the calculation of the net value of the obligation. The actuarial method considers parameters of a financial nature such as, for example, the rate of discount, the growth rates of salaries, and considers the probability of occurrence of potential future events through the use of parameters of a demographic nature, such as, for example, rates relating to mortality and employee resignation or retirement. Specifically, the discount rates taken as reference are rates or rate curves of corporate bonds with high creditworthiness in their respective markets. Changes in any of these parameters could result in effects on the amount of the liability.

Provisions

The Group recognises a provision against disputes and lawsuits in progress when it considers it probable that there will be a financial payable and when the amount of the charges arising can be reasonably estimated. In cases where the amount of financial outlay cannot be reliably estimated or the probability of such financial outlay becomes possible, no provision is recognised and the fact is reported in the notes to the financial statements.

In the normal course of business, the Group monitors the status of pending lawsuits and consults with its legal and tax advisors. It is therefore possible that the value of the Group's provisions for legal proceedings and litigation may change as a result of future developments in ongoing proceedings.

The Group also recognises a provision for risks arising from contracts for home installation and delivery services. Unieuro, on the basis of the report prepared by the service company in charge of carrying out a monthly monitoring activity of the tax-payroll-contribution regularity of these subjects, intervenes on individual operators so that they regularise their position, and makes an accrual to the logistics risk provision by applying certain weighting criteria endorsed by a specific legal opinion.

Share-based payment plan settled with equity instruments

Long Term Incentive Plan

The assumptions underlying the calculation were (i) volatility, (ii) the risk rate (equal to the yield on zero-coupon Eurozone government bonds with maturity close to the date on which the options are expected to be exercised), (iii) the exercise term equal to the duration between the grant date and the date of option exercise, and (iv) the amount of expected dividends. Finally, consistent with the provisions of IFRS 2, the likelihood of recipients' exit from the plan and the likelihood of achieving performance targets were taken into account. For further information, reference should be made to note 5.28.

2020-2025 Performance share plan

The fair value measurement is recorded using an actuarial methodology. The assumptions underlying the calculation were (i) the exercise term equal to the duration between the grant date and the award date and (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Finally, consistent with the provisions of IFRS 2, the probability of exit of Recipients and the probability of achieving performance targets equal to 100%. For further information, reference should be made to note 5.28.

Cloud adoption

As part of the development of the "Omnichannel Trade" strategic pillar, projects to further strengthen the omnichannel proposition to offer customers a more integrated experience across channels continued in the present fiscal year. Cloud adoption of the data world was launched in the year with the implementation of the new Cloud platform to put in place a new data architecture available to the entire enterprise.

In establishing the accounting procedure, the Directors made use of a special report prepared by a leading consulting/auditing firm specifically commissioned by the Company.

In accordance with IFRS 16, the Group accounts for the right-of-use asset and the financial liability for costs related to Sole Tenant machines. Right-of-use assets are initially measured at cost, and subsequently at cost net of cumulative depreciation and impairment losses, while adjusted to reflect lease liability revaluations. The financial liability is measured at the present value of unpaid payments due on the effective date. Costs associated with application developments are accounted for on the intangible asset in application of IAS 38.

2.7 Main accounting policies

The accounting principles and policies adopted in preparing these Consolidated Financial Statements were the same as those applied in preparing Unieuro's Consolidated Financial Statements for the year ended February 28, 2023.

Business combinations and goodwill

Business combinations are recognised using the acquisition method. This requires, at the date of acquisition of control, recognition at fair value of the identifiable assets (including previously unrecognised intangible assets) and identifiable liabilities (including contingent liabilities and excluding future restructuring) of the acquired company.

Any contingent consideration is recognised by the Group at fair value at the date of acquisition. The change in the fair value of the contingent payment classified as an asset or liability will be recorded, in accordance with IFRS 9, in the income statement. If contingent consideration is classified in equity, its initial value will never be subsequently restated.

Goodwill arising from a business combination is initially measured at cost represented by the excess of the fair value of the consideration transferred over the Group's share of the net fair value of the acquiree's identifiable assets, liabilities, and contingent liabilities. The goodwill acquired in a business combination is allocated, at the acquisition date, to the Group's cash-generating units, or to the group of cash-generating units which should benefit from the synergies of the business combination, independently of the fact that other assets or liabilities of the Group are allocated to this unit or group of units. Each unit or group of units to which the goodwill is allocated:

- represents the smallest level within the Group at which goodwill is monitored for internal management purposes;
- is no larger than the identified operational segments.

When the goodwill constitutes part of a cash- generating unit and part of the internal activities of this unit are sold, the goodwill associated with the activity sold is included in the carrying amount of the activity to determine the gain or loss deriving from the sale. The goodwill sold in these circumstances is measured on the basis of the relative values of the activities sold and of the portion of the unit maintained.

Any gains from a favourable business purchase are recognised immediately in the income statement, while costs related to the combination, other than those related to the issuance of debt or equity instruments, are recognised as expenses in the income statement when incurred.

After initial recognition, goodwill is not amortised and reduced by any impairment losses, determined in the manner described in "Impairment losses on non-financial assets."

Transactions under common control, are accounted for at carrying amounts, i.e. without giving rise to any gain, in accordance with the relevant accounting standards, as well as with the guidance of OPI 1 (Assirevi Preliminary Guidance on IFRS) on "accounting treatment of business combinations of entities under common control in the separate and consolidated financial statements". According to this guideline, in the case of business combinations where the acquired company is controlled by the same entity, both before and after the acquisition, net assets should be recognised at the book values that resulted from the accounts of the acquired companies before the transaction. Where transfer values are higher than these historical values, the excess must be eliminated by making a downward adjustment to the acquirer's equity.

Fair value hierarchy levels

Various accounting standards and some disclosure requirements require the determination of the fair value of financial and non-financial assets and liabilities. Fair value represents the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction between market participants on the valuation date. The standard, to increase the comparability of fair value data and valuations, establishes a hierarchy identified in three different levels to reflect the significance of the inputs used in determining fair value. The identified levels are divided into:

- Level 1: Inputs are listed (unmodified) prices in active markets for identical assets or liabilities that the entity can access on the valuation date. The listed price in an active and liquid market is the most reliable test for measuring fair value, and if the market for the asset/liability is not unique, it is necessary to identify the market that is most beneficial for the instrument;

- Level 2: Inputs other than listed prices included in Level 1 that are observable, directly or indirectly, for the assets or liabilities to be valued. If the asset or liability has a specified duration, a Level 2 input must be observable for the entire duration of the asset or liability. Some examples of instruments falling within the second hierarchical level are: assets or liabilities in non-active markets or interest rates and yield curves observable at commonly quoted intervals;

- Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used only when Level 1 and Level 2 inputs are not available. Despite this, the purpose remains the same, which is to determine a closing price at the valuation date, thus reflecting the assumptions that market participants would use in pricing the asset or liability, including risk-related assumptions.

Plant, machinery, equipment and other assets

Recognition and measurement

Tangible fixed assets are measured at purchase cost including directly attributable ancillary expenses and net of accumulated depreciation and impairment losses.

Any borrowing costs incurred in the acquisition or construction of capitalised assets for which a specified period of time normally elapses before the asset is ready for use or sale are capitalised and depreciated over the life of the asset class to which they relate. All other financial expenses are recognised in the income statement during the year to which they relate.

If a tangible fixed asset is composed of several components having different useful lives, these components are accounted for separately (where they are significant components).

The gain or loss generated by the disposal of property, plant, machinery, equipment and other assets is determined as the difference between the net disposal consideration and the net residual value of the asset, and is recognised in the income statement in the year in which the disposal takes place.

Subsequent costs

Costs incurred after the purchase of the assets and the replacement cost of certain parts of the assets recorded in this category are added to the carrying amount of the item to which they relate and capitalised only if they increase the future economic benefits inherent in the asset. All other costs are expensed as incurred.

When the replacement cost of some parts of the assets is capitalised, the net carrying amount of the replaced parts is expensed to the income statement. Extraordinary maintenance expenses that increase the useful life of property, plant and equipment are capitalised and depreciated on the basis of the remaining useful life of the asset. Costs for routine maintenance are recognised in the income statement in the year they are incurred.

Assets under construction are recorded at cost in "assets in progress" until their construction is available for use; upon their availability for use, the cost is classified in the relevant item and subject to depreciation.

Depreciation

The depreciation period begins when the asset is available for use and ends on the earlier of the date the asset is classified as held for sale in accordance with IFRS 5 or the date the asset is derecognized. Any changes to depreciation schedules are applied prospectively.

The amount to be depreciated is the carrying amount reduced by the net realisable value at the end of its useful life, where significant and can be reasonably determined.

Depreciation rates are determined on the basis of economic-technical rates calculated in relation to the estimated useful life of individual assets established in accordance with the company's plans for their use, which also consider physical and technological degradation taking into account the realisable value net of scrapping costs. When the property, plant and equipment consists of several significant components having different useful lives, depreciation is carried out separately for each component. When events occur, which indicate a possible impairment loss of property, plant and equipment, or when there are significant reductions in the market value of property, plant and equipment, significant technological changes or significant obsolescence, the net carrying amount, regardless of depreciation already accounted for, is subject to verification based on the estimated present value of estimated future cash flows and adjusted if necessary. If subsequently these adjustments are no longer required, the impairment losses recorded in prior years would be restated up to the carrying amount which would have been recorded (net of depreciation).

Depreciation is calculated on a *pro-rata temporis* basis on a straight-line basis over the estimated useful life of the asset by applying the following percentage rates:

Category	% used
Buildings	3%
Property, plant and equipment	15%-20%-25%
Industrial & commercial equipment	10%-15%
EDP	20%
Furnishings	15%
Office furniture and fittings	12%
Motor vehicles/trucks	25%
Mobile telephones	20%
Leasehold improvements	duration of contract
Other assets	12%-15%-20%-25%

There were no significant differences in the depreciation rates adopted by the Covercare Group.

Intangible assets with finite useful lives

Recognition and initial measurement

Intangible assets acquired separately are initially capitalised at cost, while those acquired through business combinations are capitalised at fair value on the acquisition date. After initial recognition, the intangible assets are recorded at cost less accumulated amortisation and any loss in value.

Subsequent costs

Subsequent costs are only capitalised when they increase the expected future economic benefits attributable to the asset to which they refer. All other subsequent costs are expensed to the income statement when incurred.

Amortisation

Intangible assets are amortised over their useful lives and tested for impairment whenever there are indications of possible impairment. The amortisation period and method applied is reviewed at the end of each year or more frequently if necessary. Any changes to amortisation schedules are applied prospectively.

The gains and losses deriving from the elimination of an intangible asset are measured as the difference between the net sales proceeds and the book value of the intangible asset, and are recorded in the income statement in the year in which they are eliminated.

Amortisation is calculated on a *pro-rata temporis* basis on a straight-line basis over the estimated useful life of the intangible asset by applying the following percentage rates:

Category	% used
Software	20%
Software- ERP	10%
Entry rights	Based on the lease term from the date of opening of the store
Brands	5-10%

There were no significant differences in the depreciation rates adopted by the Covercare Group.

Leased assets

The right-of-use asset is initially measured at cost, including the amount of the initial valuation of the lease liability, adjusted for payments due for leases undertaken at the commencement date or before, plus initial direct costs incurred and an estimate of the costs which the lessee is expected to incur for the dismantling or removal of the underlying asset or for the refurbishment of the underlying asset or of the site at which it is located, net of the leasing incentives received.

The right-of-use asset is subsequently amortised on a straight-line basis from the effective date to the end of the lease term. In addition, the asset for the right-of-use is regularly reduced by any impairment losses and adjusted to reflect any changes arising from subsequent valuations of the lease liability.

At the lease commencement date, the Group recognises the lease liabilities measuring them at the present value of the future lease payments not yet settled at that date. The payments due include the fixed payments (including the fixed payments in substance), net of any lease incentives to be received, the variable lease payments which depend on an index or a rate and the amounts expected to be paid as guarantee on the residual value. The lease payments include also the exercise price of a purchase option where it is reasonably certain that this option shall be exercised by the Group and the lease termination penalty payments, where the lease duration takes account of the exercise by the Group of the termination option on the lease. The variable lease payments not depending on an index or a rate are recognised as costs in the period in which the event or the condition generating the payment occurs.

In calculating the present value of payments due, the Group uses the marginal borrowing rate. After the commencement date, the amount of the lease liability increases to take account of the interest on the lease liabilities and reduces to consider the payments made. In addition, the carrying amount of the lease liabilities are restated in the case of any changes to the lease or a review of the contractual terms with regards to the change in the payments; it is also restated in the event of changes in future payments resulting from a change in the index or rate used to determine those payments.

The Group applies the exemption for the recognition of leases related to low-value assets and contracts with a term of 12 months or less.

The Group, as an intermediate lessor in a sub-leasing contract, classifies the sub-leasing as financial with reference to the assets consisting of the right-of-use arising from the main lease.

Financial assets

The Group determines the classification of its financial assets based on the business model adopted for managing them and the characteristics of the related cash flows and, where appropriate and permissible, reviews this classification at the end of each financial year.

162) *Financial assets measured at amortised cost*

Financial assets classified in this category must comply with the following requirements:

(i) the asset is held within a business model whose objective is the holding of assets for the collection of the contractual cash flows; and

(ii) the contractual terms of the assets establish cash flows represented entirely by the payment of capital and of interest on the amount of capital to be repaid.

These are mainly customer receivables, loans and other receivables.

Trade receivables that do not contain a significant financial component are recognised at the price defined for the relevant transaction (determined in accordance with IFRS 15 Revenue from Contracts with Customers).

Other receivables and loans are initially recognised in the financial statements at their fair value increased by any accessory costs directly attributable to the transactions that generated them.

Transferred receivables are derecognised if the transfer involves the full transfer of the associated risks and rewards (contractual right to receive the cash flows of the financial asset). The difference between the carrying amount of the asset sold and the consideration received is recognised under financial items.

In subsequent measurement, financial assets at amortised cost, except for loans that do not contain a significant financial component, use the effective interest rate. The effects of this measurement are recognised under financial items.

With reference to the impairment model, the Group evaluates receivables by adopting an expected loss logic (so-called Expected Loss).

For trade receivables, the Group adopts a Simplified approach to valuation, which does not require the recognition of periodic changes in credit risk, but rather the recognition of an Expected Credit Loss (so-called ECL) calculated over the entire life of the receivable (so-called Lifetime ECL). Specifically, trade receivables are fully written down if there is no reasonable expectation of recovery (e.g. bankruptcy situations).

Write-downs made in accordance with IFRS 9 are recognised in the consolidated income statement net of any positive effects associated with releases or reversals of impairment and are shown under operating expenses.

b) Financial assets at fair value through the consolidated income statement (“FVOCI")

Financial assets classified in this category must comply with the following requirements:

(i) the asset is held within a business model whose objective is achieved both through the collection of contractual cash flows and the sale of asset; and

(ii) the contractual terms of the assets establish cash flows represented entirely by the payment of capital and of interest on the amount of capital to be repaid.

These assets are initially recognised in the financial statements at their fair value increased by any ancillary costs directly attributable to the transactions that generated them. In subsequent measurement, the valuation made at recognition is updated, and any changes in fair value are recognised to the comprehensive income statement.

With reference to the impairment model reference should be made to a) above.

c) Financial assets at fair value through the consolidated income statement ("FVPL")

Financial assets not classified in any of the previous categories (i.e., residual category) are classified in this category. These are mainly derivative instruments.

Assets in this category are recorded at fair value upon initial recognition.

Ancillary costs incurred at the time of asset recognition are expensed immediately to the consolidated income statement.

In subsequent measurement, FVPL financial assets are measured at fair value.

Gains and losses arising from fair value changes are recognised in the consolidated income statement in the period in which they occur.

Purchases and disposals of financial assets are accounted for on the settlement date.

Financial assets are removed from the balance sheet when the relevant contractual rights expire, or when the Group transfers all risks and rewards of ownership of the financial asset.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes all acquisition costs to bring the inventories to their current location and condition. Specifically, the purchase price net of premiums attributable to products and other costs directly attributable to the purchase of goods are included. Trade discounts, returns and other similar items are deducted in determining purchase costs. The method used to attribute the cost of inventories is weighted average cost.

The value of obsolete and slow-moving inventories is written down in relation to the possibility of utilisation or realisation through allocation of the inventory obsolescence provision.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand and short-term deposits, in the latter case with original maturity due within three months. For the purposes of the cash flow statement, cash and cash equivalents are cash and cash equivalents as defined above net of bank overdrafts.

Financial liabilities

Financial liabilities are initially recognised at the fair value of the consideration received net of transaction costs that are directly attributable to the loan. After initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method. The interest is recognised under financial expense in the income statement.

When there is a change in the expected cash flows, the value of the liabilities are recalculated to reflect this change, based on the present value of the new expected cash flows and on the internal yield initially determined.

Post-employment benefit liabilities

Post-employment benefits can be offered to employees through defined contribution and/or defined benefit plans. These benefits are based on remuneration and years of employee service.

Defined contribution programs are post-employment benefit plans under which the Group and sometimes its employees make predetermined contributions to a separate entity (a fund) and the Group does not and will not have a legal or implied obligation to pay further contributions if the fund does not have sufficient assets to meet its obligations to employees.

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Defined benefit plans may be unfunded or fully or partially funded by contributions made by the company, and sometimes by its employees, to a company or fund, legally separate from the company that provides them to employees.

The accrued amount is projected to the future to estimate the amount payable upon termination of employment and then discounted to take into account the time elapsed before actual payment.

Adjustments to employee benefit liabilities are determined on the basis of actuarial calculations, based on demographic and financial assumptions, and are recognised on an accrual basis consistent with the employment services required to obtain the benefit. The amount of rights accrued during the year by employees and the share of interest on that accrued at the beginning of the period and on the corresponding movements referring to the same period observed is charged to the income statement under "Personnel costs," while the notional financial expense resulting from carrying out the actuarial calculation is recognised in the statement of comprehensive income under "Actuarial gains (losses) on defined benefit plans."

The actuarial valuation is entrusted to an external actuary.

As a result of the changes made to the rules governing post-employment benefits ("T.F.R.") by Law No. 296 of December 27, 2006, and subsequent Decrees and Regulations ("Pension Reform") issued in early 2007:

- the Post-Employment Benefits vested at December 31, 2006 is considered a defined benefit plan as per IAS 19. The benefits guaranteed to employees, in the form of Post-Employment Benefits, paid on the termination of employment, are recognised in the period the right vests;

- the post employment benefits accrued after January 1, 2007 are considered a defined contribution plan and therefore contributions accrued during the period have been fully recognised as an expense and, for the portion not yet paid to the funds, shown as a liability under "Other current liabilities."

Provisions

Allocations to provisions are made when the Group must fulfil a current obligation (legal or implicit) arising from a past event, when an outflow of resources in order to fulfil this obligation is probable and it is possible to make a reliable estimate of its amount. When the Group believes that a provision will be partly or fully reimbursed, for example in the case of risks covered by insurance policies, the indemnity is recognised separately and distinctly in assets if, and only if, it is practically certain. In such a case, the cost of any provision is presented in the income statement net of the amount recognised for compensation. If the effect of discounting the value of money is significant, provisions are discounted for the non-current portion.

Restructuring provision

A restructuring provision is recognised when a detailed formal programme for restructuring has been approved and restructuring has begun or has been publicly announced in major aspects to interested third parties.

Trade payables

Payables are recorded at nominal value net of premiums, discounts, returns or billing adjustments, representative of the fair value of the obligation. When, in view of the payment terms agreed upon, a financial transaction is involved, the payables, measured by the amortised cost method, are discounted to the nominal value to be paid, charging the discount as a financial expense.

Impairment losses on non-financial assets

The Group assesses whether there are any indicators of impairment of property, plant and equipment and intangible assets. If there is any indication, the Group proceeds to estimate the recoverable amount of the asset (impairment test).

The accounting standard does not require formal preparation of an estimate of recoverable amount except when there are indicators of impairment. The exception to this principle is assets not available for use and goodwill acquired in business combinations, which must be tested for impairment at least annually and whenever there are indicators of impairment. The Group has set the reporting date as the time for impairment testing for all those assets where annual analysis is required.

The impairment test is entrusted to an external expert.

In assessing whether there is an indication that the asset may be impaired, the Group considers:

- increase in market interest rates or other investments that may affect the Group's calculation of the discount rate, thereby decreasing the recoverable amount of the asset;

- significant changes related to the technological and market environment in which the Group operates;

- physical obsolescence unrelated to depreciation that the asset has undergone over a given period of time;

- any extraordinary plans implemented during the year, the impact of which could also be reflected on the activity under analysis (e.g. corporate restructuring plans);

- operating losses arising from infra-annual results.

If from the analyses the Group identifies potential asset impairment losses, management performs a preliminary review related to the useful life, depreciation criteria, and residual value of the asset and, based on the applicable accounting standard, implements any changes on these parameters; only at a later stage will the specific analysis related to asset impairment be performed.

As described by IAS 36, the recoverable amount of an asset is the higher of the value in use and the fair value (net of costs to sell) of the asset. Moreover, in the definition identified by the international accounting standard, the provisions are considered the same for both individual assets and cash-generating units.

In order to better understand the provisions of IAS 36, some key definitions are provided below:

Value in use: value in use is considered the present value of all cash flows of the asset, or the generating unit, subject to valuation that are expected to arise. In detail, the asset will generate cash flows, which will be discounted at a pre-tax rate that reflects market assessments of the present value of money and asset-specific risks. These cash flows are determined according to business plans. These plans are constructed based on detailed budgets and calculations that are prepared separately for each asset/cash-generating unit. The budgets used do not include effects from extraordinary activities (restructuring, sales and acquisitions) and cover a time span of up to five fiscal years;

Fair value: is the price that would be received for the sale of an asset, or that would be paid to transfer a liability in an arm's length transaction at the measurement date. The Group, in order to determine the fair value of the asset, uses valuation models based on listed equities, valuation multipliers, and other available indicators;

Cash Flow Generating Unit (or cash flows): a cash flow generating unit (CGU) is a set of assets that, taken together, generate cash inflows and outflows independent of the cash flows generated by other assets. When we speak of a set of assets, we consider the smallest identifiable Group capable of originating inflows;

Carrying amount: carrying amount means the value of assets less depreciation, write-downs and revaluations.

The accounting standard gives the option of determining only one between fair value and value in use. In fact, if either value is higher than the carrying amount, there is no need to identify the other amount as well. In addition, the fair value of an asset or cash-generating unit is not always measurable, as there may be no criterion that makes a reliable estimate of the asset's selling price in a regular transaction between market participants. In these cases, it is possible to consider the asset's value in use as its recoverable value.

Once all useful values have been identified and determined for the purpose of valuing the asset or CGU, its carrying amount and recoverable amount are compared; if the carrying amount is higher than the recoverable amount, the Group will write down the asset to its recoverable amount.

At each reporting date, the Group also evaluates, in relation to the assets other than goodwill, the existence of indicators of a recovery in the loss of value previously recorded and, where these indicators exist, makes an estimate of the recoverable value. The value of an asset previously written down may be restated only if there have been changes in the estimates used to determine the recoverable value of the asset on recording of a loss in value.

The recovery of value cannot exceed the carrying amount which would have been calculated, net of depreciation or amortisation, where no such loss in value was recorded in previous years. This recovery is recognised in the income statement.

Derivative financial instruments and hedge accounting

The Group does not hold speculative derivative financial instruments. However, where derivative financial instruments do not comply with all of the conditions established for the recognition of derivative hedging financial instruments (hedge accounting), the fair value changes of these instruments are recorded to the income statement as financial charges and/or income.

Therefore, derivative financial instruments are accounted for under hedge accounting rules when:

- the hedging instrument is formally designated and documented at the start of hedging;
- the hedge is expected to be highly effective;
- the efficacy may be reliably measured and the hedge is highly effective over the designated periods.

The Group uses derivative financial instruments to hedge its exposure to market risks relating to electricity prices.

Derivatives are initially measured at fair value; attributable transaction costs are recognised in the income statement as they are incurred. After initial recognition, derivatives are measured at fair value. Related changes are accounted for as described below.

Cash flow hedging

The changes in the fair value of the cash flow hedge are recognised directly to net equity to the extent for which the hedge is effective. For the ineffective portion, changes in fair value are recognised in the income statement.

Hedge accounting, as indicated above, ceases prospectively if the instrument designated as a hedge:

- no longer meets the criteria required for hedge accounting;
- comes to an end;
- is sold;
- is ceased or exercised.

The accumulated gain or loss is retained in equity until the prospective transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when it is recognised. In other cases, the amount recognised in equity is transferred to the income statement in the same year in which the hedged item affects the income statement.

Share-based payments

Key executives and some Group managers may receive part of their remuneration in the form of share-based payments. According to IFRS 2, the same are to be considered equity-settled plans. The vesting of the right to payment is related to a vesting period during which managers must perform as employees and achieve performance goals. Therefore, during the vesting period, the present value of share-based payments as of the grant date is recognised in the income statement as an expense with an offsetting entry to a separate equity reserve. Subsequent changes in the present value to the grant date do not have an effect on the initial value. Specifically, the cost, corresponding to the present value of the options at the grant date, is recognised under personnel costs on a straight-line basis over the vesting period with counter-entry recorded to equity.

Derecognition of financial assets and liabilities

A financial asset (or, where applicable, part of a similar financial asset) is derecognised when:

- the right to receive the financial cash flows of the asset terminate;
- the Group retains the contractual right to receive the cash flows from the asset, but assumes a contractual obligation to pay the cash flows fully and without delay to a third party.

A financial liability is derecognised from the financial statements when the underlying liability is settled, cancelled or fulfilled.

Revenue

Revenue from contracts with customers are recognised in accordance with IFRS 15. On the basis of the five-stage model introduced by IFRS 15, the Group recognises revenue after identifying the contracts with its customers and the related services to be provided (transfer of goods and/or services), determining the consideration to which it believes it is entitled in exchange for the provision of each of these services, and assessing the way in which these services will be provided (provision at a specific time versus provision over time).

Revenue is recognised when performance obligations are met through the transfer of promised goods or services to the customer, it is probable that economic benefits will be achieved by the Group, and the amount of revenue can be reliably determined, regardless of collection. The transaction price, which represents the amount of consideration the entity expects to receive for providing goods or services to the customer, is allocated based on the stand-alone selling prices of the relevant performance obligations.

Revenue is measured excluding discounts, rebates, premiums and other sales taxes.

The following specific revenue recognition criteria must be met prior to recognition in the income statement:

Sale of goods

The revenue is recognised when control of the goods passes to the customer and the company has transferred all significant risks and benefits associated with ownership of the goods to the buyer, generally at the time of the consumer's purchase of the product at the point of sale, on home delivery of the goods in the case of home shipment and on transfer of ownership for Indirect and B2B channel customers. In addition, sales in which delivery is deferred at the buyer's request ("bill and hold") are recognised as revenue at the time of purchase by the consumer. The revenue is recognised as the asset is available, is identified and ready to be delivered, and in addition, the deferral of delivery has been requested by the buyer. Similarly, the sales proceeds are recognised at the time of purchase of the goods by the consumer even if installation of the goods is required: the proceeds are recognised immediately upon acceptance of delivery by the purchaser when the installation process is very simple (e.g., installation of an appliance that requires only unpacking, electrical connection, and plugging in).

The Group operates a customer loyalty programme based on points collection, called Unieuro Club, by which customers are allowed to accumulate loyalty points when they purchase products in Unieuro brand stores. Once a certain minimum number of points is reached, the points can be used as a discount on the purchase of another product. The duration of the programme coincides with the fiscal year. The Group recognises a revenue adjustment item estimated on the basis of points accrued and not yet spent, the value of the discount to be recognised as provided by the loyalty programme, and historical information about the percentage of customer use of loyalty points.

Right of return

To account for the transfer of products with right of return, the Group recognises the following elements:

a) adjusts sales revenue by the amount of consideration for products for which returns are expected;

b) recognises a liability for future repayments;

c) recognises an asset (and corresponding adjustment to cost of sales) for the right to recover products from the customer upon settlement of the liability for future refunds.

Provision of services

Revenue and expense arising from the provision of services (revenue realised over time) are recognised based on an assessment of the entity's progress toward full performance of the obligation over time, including installation services.

Specifically, transfer over time is evaluated based on the input method, that is, considering the efforts or inputs used by the Group to fulfil the individual performance obligation.

For the sale of services to extend warranties beyond those already recognised by the manufacturer by law, the Group recognises the revenue over the duration of the provision of such service, based on the estimated interventions for warranty repairs. Warranty repair interventions are estimated based on historical information about the nature, frequency and cost of warranty interventions duly interpolated to simulate future event occurrence curves.

The Group incurs costs for the acquisition of the contract having a multi-year duration.

These costs, typically represented by bonuses paid to employees for each additional sale made and which will be recovered through revenue from the contract, have been capitalized as contract costs and amortised on the basis of the entity's assessment of progress in transferring the services and goods to the customer over time.

Commissions

Fees that are received on the sale of certain goods and services such as consumer financing, telephone contracts, etc. are calculated as a percentage of the value of the service performed or sometimes according to a fixed fee and correspond to the amount of commission received by the Group.

Costs

Costs and other operating expenses are recognised in the income statement when they are incurred on an accrual basis and correlated with revenues, when they do not produce future economic benefits or the latter do not qualify for recognition as assets.

Costs for the purchase of goods are recognised when all risks and rewards of ownership are assumed and are measured at the fair value of the consideration receivable net of any returns, allowances, trade discounts, contributions and premiums.

Agreements with suppliers provide for the recognition of bonuses, discounts and, in certain circumstances, contributions. These premiums, discounts and contributions are recognised either as a percentage of quantities purchased, or as a fixed amount on quantities purchased or sold, or as a defined contribution. For commercial agreements that have an expiration date later than the end of the fiscal year, an accrual estimate is made based on the amount purchased or sold, and on valuations that take into account historical data regarding the actual recognition of these types of bonuses and contributions.

Service costs are recognised based on the status of service at the end of the year.

Costs arising from operating leases that are outside the scope of IFRS 16 are recorded on a straight-line basis over the term of the relevant leases. Additional costs that are contingent and determined on the basis of revenue earned at the specific point of sale are accounted for on an accrual basis during the contract period.

Financial income and expenses

Financial income and expenses are recognised in the income statement on an accruals basis using the effective interest method. The effective interest method is the rate that exactly discounts the expected future cash flows, based on the expected life of the financial instrument, to the net carrying amount of the financial asset or liability.

Income taxes

Current income taxes

Income taxes are determined on the basis of a realistic forecast of tax liabilities to be paid in consideration of the accrual basis and in application of current tax regulations. The tax rates and regulations used to calculate such amounts are those issued or substantially in force as at the reporting date of the financial statements. Current income taxes, relating to items recognised outside the income statement, are charged directly to the comprehensive income statement, and then to equity, consistent with the recognition of the item to which they relate.

It should be noted that, as of the fiscal year ended February 28, 2019, Unieuro S.p.A. exercised the option for the National Tax Consolidation regime as a "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of December 22, 1986), jointly with the "Consolidated Company" Monclick S.r.l.. The option permits the determination of IRES due on a taxable base corresponding to the sum of taxable income and tax losses earned by individual companies participating in the Consolidation. The economic relations, responsibilities and mutual obligations between the "Consolidating Company" and the "Consolidated Company" have been regulated in detail in a specific contract that defines the operating procedures for the management of tax positions among the different companies participating in the National Tax Consolidation.

Deferred taxes

Deferred taxes are calculated using the liability method on temporary differences between values used for fiscal purposes and the assets and liabilities reported in the financial statements. Deferred tax liabilities derive from all temporary differences, except when the deferred tax liability derives from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the profit for the year calculated for the financial statements or on the profit or loss calculated for tax purposes.

Deferred tax assets are recognised for all deductible temporary differences and for tax loss carryforwards to the extent that it is probable that there will be adequate future taxable profits to allow deductible temporary differences and tax loss carryforwards to be utilised. The value to be recognised in the financial statements of deferred tax assets is reviewed on each reporting date and reduced to the extent that it is no longer likely that sufficient tax profits will be available in the future in order to allow the recovery of this asset. Unrecognised deferred tax assets are reviewed annually at the reporting date and are recognised to the extent that it has become likely that future taxable income will be sufficient for their recovery.

Deferred taxes are calculated on the basis of the tax rates expected to be applied in the year in which the assets are realised or the liabilities are settled, considering current tax rates and those already issued or substantially issued at the reporting date.

Deferred tax assets and liabilities are offset if they relate to taxes of the same fiscal authority and there is a legal right to offset current tax assets and liabilities.

Capital paid-in

Government grants are recognised when it is reasonably certain that the conditions required to obtain them will be satisfied and that they will be received.

The public grants relating to property, plant and equipment are recorded as deferred revenue in the account "Other non-current liabilities". The deferred revenue is recorded in the statement of profit and loss as income on a straight-line basis in accordance with the useful life of the asset to which the grant was received.

Effects of changes in foreign exchange rates

The Financial Statements are presented in Euro, which is the operating and presentation currency adopted by the Group. Transactions in foreign currency are initially recorded at the exchange rate (referred to the operative currency) at the transaction date. Monetary assets and liabilities in foreign currency are translated to the operative currency at the exchange rate at the reporting date. All exchange differences are recognised in the income statement. Non-monetary items valued at historical cost in foreign currency are translated by using the exchange rates in effect on the date the transaction was first recorded. The non-monetary accounts recorded at fair value in foreign currencies are converted using the exchange rate at the date the value was determined.

Earnings/(loss) per share

Basic earnings/(loss) per share

Basic (or loss) earnings per share is calculated by dividing Group profit (or loss) by the number of shares in Unieuro S.p.A. as of the date of approval of the financial statements.

Diluted earnings/(loss) per share

Diluted earnings (or loss) per share is calculated by dividing Group profit (or loss) by the number of shares in Unieuro S.p.A. as of the date of approval of the financial statements. To calculate the diluted earnings per share, shares are modified by including all beneficiaries of rights which potentially have a dilutive effect.

Treasury shares

Treasury shares are recognised as a deduction from Shareholders' Equity. The original cost of the treasury shares and the income deriving from any subsequent sale are recognised as equity movements.

Segment information

An operating segment is defined by IFRS 8 as a component of an entity that i) engages in revenue- and cost-generating business activities (including revenue and costs relating to transactions with other components of the same entity); ii) whose operating results are reviewed periodically at the entity's highest level of operational decision-making for the purpose of making decisions about resources to be allocated to the segment and assessing performance; and iii) for which separate financial statement information is available.

Segment reporting has been prepared in accordance with the provisions of IFRS 8 "Operating Segments", which require reporting to be presented in a manner consistent with how the highest level of management makes operational decisions. Therefore, the identification of operating segments and the information presented are defined on the basis of internal reporting used by the Group for the purpose of resource allocation and analysis of related performance.

Related parties

Creditor/debtor and income/cost transactions with related parties are part of normal business operations within the scope of the typical activity of each party involved, and are regulated at market conditions.

Dividends

Dividends are recognised when the right of shareholders arises, in accordance with locally applicable regulations, to receive payment, which occurs subsequent to the specific Shareholders' Meeting resolution.

2.8 New accounting standards

IFRS and IFRIC standards, amendments and interpretations not yet endorsed by the European Union

- Amendments to IAS 1 - “Presentation of Financial Statements: Classification of Liabilities as Current or Non-current”. The IASB published this amendment on January 23, 2020 to clarify the presentation of liabilities in the financial statements of companies. The new amendment is applied from January 1, 2024 and must be applied retrospectively.

- Amendments to IAS 1 "Presentation of Financial Statements" and IFRS Practice Statement 2 "Disclosure of Accounting Policies." The IASB published an amendment to this standard on February 12, 2021 to support companies in choosing which accounting policies to disclose in their financial statements. The amendment is effective for fiscal years beginning January 1, 2023.

- Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. The IASB published an amendment to this standard on February 12, 2021, to introduce a new definition of an accounting estimate and clarify the distinction between changes in accounting estimates, changes in accounting policies, and errors. The amendment is effective for fiscal years beginning January 1, 2023.

- Amendments to "IAS 12 Deferred Taxes Relating to Assets and Liabilities Arising from a Single Transaction." The IASB published an amendment to this standard on May 7, 2021, which requires companies to recognise deferred tax assets and liabilities on particular transactions that, upon initial recognition, give rise to equivalent (taxable and deductible) temporary differences. The amendment is effective for fiscal years beginning January 1, 2023.

- Introduction of IFRS 17 "Insurance Contracts”. The IASB published an amendment to the applicability of this standard on November 19, 2021, aimed at establishing principles for recognition, measurement, presentation and disclosure in relation to insurance contracts within the scope of this standard. The amendment is effective for fiscal years beginning January 1, 2023.

- Amendments to IFRS 16 "Lease Liabilities in a Sale and leaseback transaction." The IASB published on September 22, 2022 a document which amends IFRS 16 by clarifying how a sale and leaseback transaction is accounted for subsequent to the transaction date. The amendment will be effective for fiscal years beginning on or after January 1, 2024, with early application permitted.

- Amendments to IAS 12 "Income taxes: international taxation reform." The IASB published on May 23, 2023 a document introducing a temporary exception to the recognition of deferred taxes related to the application of the provisions of Pillar Two published by the OECD. The amendment is effective for fiscal years beginning January 1, 2023.
  Directive No. 2022/2523 - based on the paper "Tax Challenges Arising from the Digitalisation of the Economy-Global Anti-Base Erosion Model Rules (Pillar Two)" issued by the OECD on December 14, 2021 - introduced a minimum effective taxation rate for domestic and multinational Groups of 15% for each jurisdiction in which they are located, providing for the application of a supplementary tax in cases where the effective tax rate per country, with adjustments under the application rules, is lower than the 15% minimum taxation rate. This

legislation was transposed into Italian law by Legislative Decree No. 209 of December 27, 2023 ("Pillar II" or "global minimum tax”), effective January 1, 2024.

- With this in mind, the Unieuro Group, falling under the application of the new regulations due to the size factor, has initiated specific analyses aimed at understanding the extent of the impacts. While there are currently no potential implications at the local level, the Group nevertheless is prepared to continue its analyses during 2024.

IFRS Standards, Amendments and Interpretations not yet approved by the European Union

- Amendments to IAS 7 "Statement of Cash Flows and IFRS 7 Financial Instruments: financing arrangements with suppliers and disclosures in the notes to the financial statements”. The IASB published on May 25, 2023 an amendment regarding financial statement disclosure so as to improve transparency on financial debt and its effects on financial liabilities, cash flows and exposure to liquidity risk, in response to investors' needs. The new amendment will apply on or after January 1, 2024.

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: absence of exchangeability”. The IASB published an amendment on August 15, 2023, clarifying when one currency may not be converted into another, how to estimate the exchange rate, and the disclosures to be made in the notes to the financial statements. The amendment will become effective as of January 1, 2025. However, early application is permitted.

Based on the facts and cases to which the new documents apply and taking into account the current accounting policies adopted by the Group, it is considered that there will be no significant impact from the first application of these documents.

3. FINANCIAL RISK MANAGEMENT

The principal business risks identified, monitored and, as illustrated below, actively managed by the Group are as follows:

- credit risk (both in relation to normal commercial transactions with clients and financial activities);
- liquidity risk (with reference to the availability of financial resources and access to the credit market and financial instruments in general);
- market risk (defined as foreign exchange risk, interest rate risk, and risks relating to electricity prices).

The objective is to maintain a balanced management of its financial exposure over time to ensure a liability structure that is in equilibrium with the composition of assets and capable of ensuring the necessary operational flexibility through the use of liquidity generated by current operating activities and recourse to bank financing.

The most widely used financing instruments are represented by:

- medium- to long-term financing, to cover investments in fixed assets;
- short-term financing, use of current account credit lines to finance working capital.

The following section provides qualitative and quantitative information on the impact of these risks.

3.1 Credit risk

Credit risk is understood as the possibility that an unexpected change in a counterparty's creditworthiness will expose the Group to the risk of default, subjecting it to potential losses. It should be noted that the credit risk faced by the Group is minimised since sales are mainly made to the end consumer who pays the consideration when the product is picked up. Sales to affiliates (Indirect channel[46]) and wholesale customers (B2B channel), which together account for about 13.5% of Group revenues as of February 29, 2024, require the Group to use strategies and tools to reduce this risk. The Group has credit control processes in place that involve obtaining bank sureties to cover a significant amount of outstanding business with customers, analysing customer reliability, assigning a credit limit, and monitoring exposure through reports with a breakdown of due dates and average collection times. There are no significant risk concentration positions. Other receivables mainly refer to receivables from the tax authorities and the public administration and advances for services and therefore have limited credit risk.

Financial assets are recognised net of impairment calculated on the basis of counterparty default risk. This is determined according to procedures that may provide for either write-downs of individual positions, if individually significant, for which an objective condition of total or partial uncollectability is apparent, or write-downs on a collective basis

[46] The Indirect channel includes revenue from the affiliate store network and the major supermarket segment through partnerships with leading sector players.

formulated on the basis of historical and statistical data. In addition, the carrying amount of financial assets reflects the maximum Group exposure to credit risk.

3.2 Liquidity risk

Liquidity risk is the risk associated with the failure to meet one's contractual obligations. Contractual obligations can be summarised as the fulfilment, according to set deadlines, of financial liabilities. Therefore, liquidity risk management is closely linked to the administration of financial revenue, ensuring a balance between cash receipts and expenditures by minimising the cost of financial management. This translates into finding financial resources to keep the company's financial structure lean, while minimising their cost (in terms of borrowing costs). Liquidity risk is limited through:

- cash flow from core business: the optimal management of cash inflows from normal business operations versus cash outflows;
- use of short-term financing lines (Hot Money);
- use of committed credit lines: these are credit lines that the bank syndicate agrees to keep available to the Group until maturity;
- use of non-committed financial assets with the sole purpose of financing;
- use of medium- to long-term financing suitable for supporting core and non-core business activities: the use of this type of resource implies constant monitoring of financial payables maturities as well as contingent market conditions.

Liquidity risk arises from the possible difficulty in obtaining financial resources at an acceptable cost to conduct normal operations. Factors influencing liquidity risk relate both to resources generated or absorbed by current operations and those generated or absorbed by investment and financial management, the latter understood as maturity timelines in repayment or obtaining short- and long-term financial payables and the availability of funds in the financial market.

The entire financial structure is constantly monitored by the Group to enable liquidity needs to be met. The Group's financial structure by maturity for the year ended February 29, 2024 and the year ended February 28, 2023 is shown below:

(In thousands of Euro)	Balance at February 29, 2024	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	34,776	19,825	14,951	-	34,776
Other financial liabilities	437,992	85,847	232,028	120,117	437,992
Total	**472,768**	**105,625**	**247,028**	**120,117**	**472,768**

(In thousands of Euro)	Balance at February 28, 2023	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	-	-	-	-	-
Other financial liabilities	450,051	70,530	240,542	138,979	450,051
Total	**450,051**	**70,530**	**240,542**	**138,979**	**450,051**

For more details see Note 5.12 Financial liabilities and Note 5.14 Other financial liabilities.

3.3 Market risk

3.3.1 Interest rate risk

The Group uses external financial resources in the form of debt and uses available cash in bank deposits. Changes in the market interest rates impact on the cost and return of the various forms of loans and uses, with an effect therefore on the financial income and expense.

The parent company signed a loan agreement with BNL in December 2023 for a nominal amount of Euro 40 million. The contract provides for the accrual of interest expense equal to the Euribor plus a fixed spread. No interest rate swap derivative financial instrument contracts have been entered into.

3.3.2 Currency risk

The Group is exposed to foreign exchange risk, i.e. the risk of fluctuations in future supplies denominated in foreign currencies due to the volatility of certain exchange rates, mainly as a result of transactions involving the import of goods.

Given the nature of the business and from a business continuity viewpoint, this risk is considered immaterial to the Group due to the small volume of transactions involving the purchase of goods in currencies other than Euro, and therefore the risk is not managed on a recurring basis from an operational perspective. Should the need arise to manage foreign exchange risk, generated by changes in exchange rates with respect to major transactions expected in the short term of importing goods that involve payments to suppliers in U.S. dollars, the Group manages the risk exposure through forward purchase contracts (i.e. FX Forward) of U.S. dollars. This strategy aims to 'fix' at a pre-defined exchange rate level the amount of currency in U.S. dollars for future purchases, consequently making it immune to changes in market rates.

As of February 29, 2024, there are no currency forward purchase and sale contracts in place. In the event that foreign exchange contracts are outstanding at the reporting date, the effects of these derivative financial instruments will be recognised on the balance sheet with a direct offset to the income statement in accordance with the standard accounting treatment prescribed by International Financial Reporting Standard IFRS 9. Should the substantive and formal requirements be met, the Group would also reserve the right to consider applying the cash flow hedge accounting treatment to these operating cases.

3.4 Fair value estimate

The fair value of financial instruments listed in an active market is based on market prices at the reporting date. The fair value of instruments that are not listed in an active market is determined using valuation techniques, based on a variety of methods and assumptions related to market conditions at the reporting date.

Below is the classification of fair values of financial instruments based on the following hierarchical levels:

- Level 1: fair value determined with reference to listed prices (not adjusted), on active markets for identical financial instruments;
- Level 2: fair value determined with valuation techniques with reference to observable variables on active markets;
- Level 3: fair value determined with valuation techniques with reference to non-observable variables on markets.

Government securities exposed to fair value are classified in Level 1.

Financial instruments exposed to fair value are classified in Level 2, and the general criterion used to calculate it is the present value of the expected future cash flows of the instrument being measured.

Liabilities related to bank debt are measured on the amortised cost basis. Trade receivables and payables have been measured at carrying amount, net of any allowance for doubtful accounts, as they are considered to approximate current value.

The following table provides a breakdown of financial assets and liabilities by category as of February 29, 2024 and February 28, 2023:

(in thousands of Euro)	Fiscal year ending February 29, 2024			
	Loans and receivables	Fair value of hedging instruments	Other Liabilities	Total
Financial assets not measured at Fair Value				
Cash and cash equivalents	105,598	-	-	**105,598**
Trade receivables	52,784	-	-	**52,784**
Other assets	45,558	-	-	**45,558**
Financial assets measured at Fair Value				
Other assets	-	-	-	**-**
Financial liabilities not measured at Fair Value				
Financial liabilities	-	-	34,776	**34,776**
Trade payables	-	-	552,779	**552,779**
Other liabilities	-	-	309,013	**309,013**
Other financial liabilities	-	-	436,230	**436,230**
Financial liabilities measured at fair value				
Other financial liabilities	-	1,762	-	**1,762**

(in thousands of Euro)	Fiscal year ending February 28, 2023			
	Loans and receivables	Fair value of hedging instruments	Other Liabilities	Total
Financial assets not measured at Fair Value				
Cash and cash equivalents	66,653	-	-	**66,653**
Trade receivables	66,081	-	-	**66,081**
Other assets	47,366	-	-	**47,366**
Financial assets measured at Fair Value				
Other assets	60,281	-	-	**60,281**
Financial liabilities not measured at Fair Value				
Financial liabilities	-	-	-	**-**
Trade payables	-	-	597,319	**597,319**
Other liabilities	-	-	281,319	**281,319**
Other financial liabilities	-	-	450,051	**450,051**
Financial liabilities measured at fair value				
Other financial liabilities	-	-	-	**-**

The items "Other Assets" and "Other Financial Liabilities" include the effects of applying IFRS 16 (Leases), for more details see notes 5.6 Other Current Assets and Other Non-Current Assets and 5.14 Other Financial Liabilities in the consolidated financial statements for the year ended February 29, 2024.

3.5 Sensitivity Analysis

Regarding the exposure to market risk due to changes in electricity prices, the Company conducted a sensitivity analysis in accordance with IFRS 7. The company has made an estimate of the potential impacts produced by an electricity price market shock (National Single Price, “PUN”) by using internal valuation models, based on generally accepted approaches. Specifically, these impacts, were estimated by simulating a parallel change of +500 basis points (+5%) and -500 basis points (-5%) on the forward price structure of the above benchmark.

(in thousands of Euro)	Sensitivity analysis Fair value of derivative instruments			
	Income statement impact +500 basis points	*Impact on Net Equity* +500 basis points	Income statement impact -500 basis points	*Impact on Net Equity* -500 basis points
Derivatives in hedge accounting	-	505	-	(505)

4. INFORMATION ON OPERATING SEGMENTS

The operating segment identified by the Group, within which all services and products provided to customers converge, is unique and coincides with the entire Group. The Group's vision of the company as a single omnichannel business means that it has identified a single Strategic Business Unit ("SBU"). Management has also identified three Cash Generating Units ("CGUs") within the SBU to which goodwill has been allocated. This approach is supported by the management control model of operations, which considers the entire business as a whole, regardless of product lines or geographic locations whose subdivision is considered insignificant for the purpose of making business decisions.

The results of the operating segment are measured through the analysis of revenue and EBITDA.

(in thousand of Euro and as a percentage of revenues)	Year ended	
	February 29, 2024	February 28, 2023
Revenues	2,634,934	2,811,169
GROSS OPERATING RESULT	**127,692**	**133,338**
% of revenues	4.8%	4.7%
Amortisation, depreciation and write-downs	(109,685)	(105,866)
NET OPERATING RESULT	**18,007**	**27,472**
Financial income	1,440	505
Financial expense	(11,656)	(13,531)
PROFIT BEFORE TAXES	**7,791**	**14,446**
Income taxes	(9,420)	(1,476)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	**(1,629)**	**12,970**
PROFIT/(LOSS) FOR THE YEAR	**(17,395)**	**10,193**

The gross operating margin was 4.8% in the year ended February 29, 2024.

The breakdown of revenues by geographic area is presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Overseas	5,335	2,900
Italy	2,629,599	2,808,269
Total	**2,634,934**	**2,811,169**

Revenues are allocated on the basis of domestic/foreign billing.

No non-current assets are recorded in countries other than where the Group is headquartered.

5. EXPLANATORY NOTES TO INDIVIDUAL ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

5.1 Plant, machinery, equipment and other assets

The balance of "Plant, machinery, equipment and other assets" by category at February 29, 2024 and February 28, 2023 is shown below:

(in thousands of Euro)	Year ended February 29, 2024			Year ended February 28, 2023		
	Historic cost	Acc. Deprec.	Net book value	Historic cost	Acc. Deprec.	Net book value
Plant & machinery	162,900	(139,202)	**23,698**	157,335	(131,221)	**26,113**
Equipment	38,335	(21,627)	**16,708**	30,986	(19,082)	**11,904**
Other Assets	220,976	(186,836)	**34,140**	211,213	(175,213)	**36,000**
Tangible assets in progress	2,264	-	**2,264**	2,991	-	**2,991**
Total Plant, machinery, equipment and other assets	**424,475**	**(347,665)**	**76,810**	**402,525**	**(325,516)**	**77,009**

Changes in "Plant, machinery, equipment and other assets" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Plant and machinery	Equipment	Other assets	Tangible assets under construction and advances	Total
Balance at February 28, 2022	**27,816**	**8,046**	**35,002**	**8,417**	**79,281**
Increases	6,881	5,506	12,373	3,073	27,833
Decreases	(110)	(125)	(352)	(8,498)	(9,087)
Amortisation, depreciation and write-downs/(revaluations)	(8,548)	(1,639)	(11,265)	-	(21,452)
Decreases Accum. Deprec.	75	117	241	-	433
Balance at February 28, 2023	**26,113**	**11,904**	**36,000**	**2,991**	**77,009**
Initial consolidation Covercare	34	41	827	-	902
Increases	5,441	7,260	8,957	2,201	23,859
Decreases	(13)	-	(18)	(2,929)	(2,960)
Amortisation, depreciation and write-downs/(revaluations)	(7,877)	(2,497)	(11,551)	-	(21,926)
Discontinued operations	-	-	(75)	-	(75)
Balance at February 29, 2024	**23,698**	**16,708**	**34,140**	**2,264**	**76,810**

With reference to the year ended February 29, 2024, the Group made investments referring to “Plant and machinery, equipment and other assets”, net of the decreases in fixed assets under construction, of Euro 20,930 thousand.

Specifically, net investments are mainly attributable to the Parent Company and relate to: (i) the installation of electronic tags at parent company stores for Euro 6,899 thousand; (iii) minor extraordinary maintenance and plant energy efficiency work at various stores and offices for Euro 6,668 thousand; (iii) investments relating to work to restructure certain stores by restyling the layout and reducing or expanding the sales area for Euro 3,296 thousand.

Net fixed assets under construction of Euro 2,264 thousand mainly concern extraordinary maintenance and the installation of equipment at outlets under construction at the reporting date.

”Amortisation, depreciation and write-downs/(revaluations)” amounted to Euro 21,926 thousand.

With reference to the year ended February 28, 2023, the Group made investments referring to “Plant and machinery, equipment and other assets”, net of the decreases in fixed assets under construction, of Euro 16,262 thousand.

Specifically, net investments are mainly attributable to: (i) investments related to the opening of new stores in new catchment areas deemed strategic or in catchment areas not sufficiently covered by the current portfolio of stores and restructuring of selected stores by restyling the layout and reducing or expanding the sales area for Euro 4,303 thousand; (ii) IT investments relating to the installation of electronic tags at the outlets for Euro 3,616 thousand (iii) works on the Piacenza warehouse for Euro 1,917 thousand (iv) minor extraordinary maintenance and plant renewal work at various points of sale and offices for Euro 4,439 thousand.

Net fixed assets under construction of Euro 2,991 thousand mainly concern extraordinary maintenance and the installation of equipment at outlets under construction at the reporting date.

”Amortisation, depreciation and write-downs/(revaluations)” amounted to Euro 21,452 thousand.

5.2 Goodwill

Details of "Goodwill" as at February 29, 2024 and February 28, 2023 are shown below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Goodwill	249,591	196,110
Total Goodwill	**249,591**	**196,110**

Changes in "Goodwill" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Goodwill
Balance at February 28, 2022	**196,072**
Increases	77
Decreases	(39)
Write-downs	-
Balance at February 28, 2023	**196,110**
Increases	60,680
Decreases	-
Write-downs	-
Reclassification of discontinued operations	(7,199)
Balance at February 29, 2024	**249,591**

Goodwill as at February 29, 2024, amounting to Euro 249,591 thousand, increased by Euro 53,481 thousand compared to the year ended February 28, 2023.

The increase in the account refers to the allocation of the sale price as part of the transaction to acquire Covercare S.p.A., in application of IFRS 3. It should be noted that Unieuro, on undertaking the acquisition, availed of the option under IFRS 3 to make a provisional allocation of the cost of the business combinations to the fair values of the assets acquired and liabilities and contingent liabilities assumed. Where new information obtained within one year of the acquisition date, relating to facts and circumstances in existence at the acquisition date, results in adjustments to the amounts presented or to any additional provision in existence at the acquisition date, the acquisition accounting shall be revised. No significant changes are expected from those already recognised. Further details on the transactions can be found in Section 5.29 "Business Combinations (Covercare Group)."

"Reclassification of discontinued operations" refers to goodwill arising from the acquisition of Monclick S.r.l. under "Assets from discontinued operations", in accordance with IFRS 5, following the subsidiary's liquidation effective as of November 3, 2023.
This account was measured at fair value as required by IFRS 5. For further details, see section 5.30 "Discontinued operations".

The value of goodwill at February 29, 2024 and February 28, 2023 is composed as follows:

(In thousands of Euro)	Goodwill at February 29, 2024	Goodwill at February 28, 2023
Deriving from mergers:		
Marco Polo Holding S.r.l.	94,993	94,993
Ex Unieuro	32,599	32,599
Rialto 1 S.r.l. and Rialto 2 S.r.l.	9,925	9,925
Marco Polo Retail S.r.l.	8,603	8,603
Other minor mergers	5,082	5,082
Deriving from acquisitions of equity investments:		
Monclick S.r.l. in liquidation	-	7,199
Carini Retail S.r.l.	17,273	17,273
Covercare Group	60,680	-
Deriving from acquisition of business units:		
2C S.r.l. - Expert	309	309
Andreoli S.p.A.	10,500	10,500
Cerioni S.p.A.	5,748	5,748
Galimberti S.p.A.	2,407	2,407
DPS Group S.r.l.	1,240	1,240
Dixons Travel	194	194
Papino Elettrodomestici S.p.A.- Etnapolis ex-Expert	38	38
Total Goodwill	**249,591**	**196,110**

5.2.1 Impairment test

Based on the provisions of International Accounting Standard IAS 36, the Group must conduct at least annual impairment testing of the recoverability of goodwill by comparing the carrying amount of the Cash Generating Units ("**CGUs**") to which goodwill is allocated with their recoverable amount. With consistency in application, value in use was adopted as the recoverable value in relation to market volatility and the difficulty of retrieving information related to the determination of fair value.

Like the previous year, FY 2023/24 saw a number of macroeconomic factors affect the demand for consumer electronics products. Economic, social, and climate uncertainty, together with reduced consumer purchasing power, combined with specific dynamics in the consumer electronics market.

Against this challenging backdrop, the Italian market contracted by 6.9%[47], though its overall value remains higher than pre-pandemic levels. The goodwill impairment test for each CGU was approved by the Company's Board of Directors on May 10, 2024.

[47] Market data compiled by Group management based on GFK data available as of February 2024.

In preparing the impairment test, the Directors made use of a special report prepared by an external expert specifically appointed by the Company.

IAS 36 identifies CGUs as the smallest aggregations of assets that generate cash inflows. Cash flows from the identified CGUs must be independent of each other, as an individual Unit must be able to be autonomous in realising cash inflows, but all activities within the Unit must be interdependent on each other. Under IAS 36, the correlation that exists between goodwill acquired in business combinations and CGUs is illustrated. In fact, when goodwill is acquired, it is necessary to allocate it to the CGU or CGUs that are expected to benefit most from the synergies of the combination. In this sense, decisions related to the definition of such synergies are strictly dependent on the Group's strategic organisation models, commercial purchasing and sales decisions, which, specifically, disregard the number of outlets that do not enjoy decision-making autonomy.

The operating segment identified by the Group, within which all services and products provided to customers converge coincides with the entire Group. The Company's vision of the Group as a single omnichannel business means that the Group has identified a single Strategic Business Unit (SBU). The Group has identified three CGUs within the SBU to which goodwill has been allocated. This approach is supported by the management control model of operations, which considers the entire business as a whole, regardless of product lines or geographic locations whose subdivision is considered insignificant for the purpose of making business decisions.

The Group has identified three CGUs to which goodwill has been allocated:

- *Retail;*
- *Indirect;*
- *B2B.*

The three units take advantage of shared resources, such as administration, back office, and logistics, but each has different expected growth, with different risks and opportunities, and with particularities that cannot be reproduced in the other CGUs.

The Retail CGU relates to all cash flows from the Retail, Online and Travel distribution channels. The Online and Travel channels have been included in the Retail CGU as the website uses outlets to deliver goods while the Travel channel includes outlets located at major public transportation hubs.

The Indirect CGU - previously the Wholesale channel, includes revenues from the affiliate store network and the major supermarket segment through partnerships with leading sector players.

The B2B CGU is related to the wholesale supply of products and services within the business-to-business channel.

The allocation of goodwill to the three CGUs was made based on the specific activity of the individual CGU, so as to include the best exploitation of internal and external synergies in the business model used. The Group has opted, as described above, for the determination of recoverable value, as the identification of value in use. Value in use is determined by estimating the present value of future cash flows, which CGUs are expected to generate.

Goodwill from the Covercare acquisition was allocated to the Retail and B2B CGU’s on the basis of the customer and related outlet channel.

The data source on which the assumptions made to determine cash flows are the final financial statements, and business plans.

The 2025-2029 Business Plan used for the impairment test regarding goodwill recorded in the consolidated financial statements of the Unieuro Group and referring to the year ended February 29, 2024 is based on the strategic lines of the plan approved by the Board of Directors on May 9, 2023, taking into account recent and prospective operating performance.

The impairment test was approved by the Board of Directors on May 10, 2024.

The target market growth estimates included in the business plan used for impairment testing as of February 29, 2024 are based on, among other factors, external sources and analyses conducted by the Group.

The valuation assumptions used to determine the recoverable value, were based on the above business plans and some main assumptions:

- it was decided to adopt as the explicit period of the business plan, a period of 5 years;

- terminal value: discounting of the last explicit period of plan estimation. It is emphasised that a long-term growth rate "g" of 1% has been assumed;

- the discount rate applied to the various cash flows (WACC-weighted average cost of capital) for the CGU's analysed is 12.2% for the Retail CGU, 12.3% for the Indirect CGU, and 11.5% for the B2B CGU, depending on the level of risk that the expected flows from the Covercare are forecast to bring to the consolidated cash flows of the various CGU's compared to the cash flows of Unieuro.

The applied discount rate is that rate which reflects current market assessments, the time value of money, and asset specific risks. Therefore, for the purpose of determining the discount rate, there must be consistency between the parameters used and the Group's target market and consistency between the Group's operating activities and cash inflows. All the parameters used to calculate the discount rate must be within the corporate context so that it expresses "normal" conditions over a medium to long term time frame.

Below is the estimation procedure adopted to define the parameters determining WACC:

- Risk-free rate (r_f) – The risk-free rate adopted is equal to the thirty trading days average (relative to the reference date) of yields on 10-year government bonds (BTPs) issued by the Italian government. It should be noted that compared to the previous year, the time horizon considered for averages was shortened based on the market environment.

- Equity risk premium ($r_m – r_f$) - The equity risk premium, which represents the yield differential (historical and long-term) between stocks and bonds in the financial markets, was determined with reference to the Italian market.

- Beta (β) – The beta, which denotes the regression coefficient of a straight line representing the relationship between the return offered by the stock and that of the market as a whole, was calculated based on a panel of listed companies operating predominantly or exclusively in the sale of consumer electronics, through a combination of sales channels (in-store and online sales, in most cases flanked by wholesale and/or business-to-business sales).

- Cost of debt capital i_d (1-t) - The cost of debt of a financial nature was estimated to be equal to the adopted risk-free rate plus a spread based on the average credit rating of comparables. The current Italian corporate tax rate (IRES) was adopted as the tax rate (t).

- Financial structure - A debt/equity ratio calculated on the basis of the average on the reference date by the selected panel of comparable companies was adopted.

There is no difference in the determination of these parameters between the external sources used and the value used for testing purposes.

The Group has a well-established history of operating in the market, and to date there is no evidence to suggest that it will discontinue operations in the medium to long term. Based on these considerations, it was deemed reasonable to adopt a going concern assumption in perpetuity.

The operating cash flow used for terminal value calculation purposes was determined based on the following main assumptions:

- EBITDA - When estimating the terminal value, an amount of revenue equal to the expected level for the last year of the plan was considered, with a g rate of 1%. For the purpose of estimating sustainable EBITDA in the medium to long term, the EBITDA margin, of the last year of the plan, was applied to the revenues thus identified in order to reflect the competitive dynamics that characterise the sector. The latter figure is, for the Group as a whole, within the current range expressed by analysts' estimates for the panel of comparable companies used to determine WACC.

- Investment in fixed assets and depreciation - Annual capital expenditures were estimated based on expected revenues in the last plan year, adopting a Capex/Sales percentage equal to the last year of the plan. Annual depreciation has been aligned with these investments, thus assuming that the investments are mainly maintenance and/or replacement.

- Net Working Capital and Provisions - The change in NWC and provisions was assumed to be zero.

The following is a summary table containing the basic assumptions (WACC and g) and the percentage of value attributed to the terminal value versus the recoverable value of the Group's three CGUs with respect to the impairment analyses conducted with reference to the date of February 29, 2024.

at February 29, 2024	WACC	g	Terminal Value (TV)	Recoverable Value (RA)	% TV on RA
(in millions of Euro)					
Retail CGU	12.2%	1.0%	155	234	66.2%
Indirect CGU	12.3%	1.0%	19	36	52.8%
B2B CGU	11.5%	1.0%	29	48	60.4%

The results of impairment tests as at February 29, 2024 are shown below:

at February 29, 2024		Carrying Amount (CA)	Recoverable Value (RA)	RA Vs CA
(in millions of Euro)				
Retail CGU	EUR/mln	8	234	226
Indirect CGU	EUR/mln	(7)	36	43
B2B CGU	EUR/mln	28	48	20
Total		**29**	**318**	**289**

Based on the estimates there was no need to make an adjustment to the value of the goodwill recognised.

The carrying amount does not include financial items. Deferred tax assets and liabilities are also excluded as the theoretical tax rate was used for tax estimation purposes when determining cash flows.

It should be noted that the carrying amount of the Indirect CGU as at February 29, 2024 is negative due to the negative net working capital allocated to the CGU.

As required by IAS 36, appropriate sensitivity analyses were also developed to test the resilience of the recoverable value of goodwill to changes in the main parameter used such as the percentage change in Free Cash Flow (FCF).

Below are the results, in terms of the difference between recoverable value and carrying amount, for CGUs subject to impairment test as of February 29, 2024, of the sensitivity analysis performed assuming a percentage reduction in Free Cash Flow, in the explicit forecast years and in the terminal value of -20.0%:

at February 29, 2024	**FCF of Terminal Plan**	
(in millions of Euro)		
Sensitivity Difference RA vs. CA	0.0%	(20.0%)
Retail CGU	226	179
Indirect CGU	43	36
B2B CGU	20	11

Finally, the Group developed an additional analysis simulating the impacts on the recoverable value of the Retail CGU assuming the exclusion of planned new store openings over the course of the business plan. The results of the analysis are illustrated below:

at February 29, 2024		**Carrying Amount (CA)**	**Recoverable Value (RA)**	**RA vs. CA**
(in millions of Euro)				
Retail CGU	EUR/mln	8	149	141

It is also necessary to point out that the parameters and information that are used to verify the recoverability of goodwill are influenced by the macroeconomic, market, and regulatory environment, and by the subjectivity of certain forecasts of future events that will not necessarily occur, or may occur in a manner that differs from that expected, and therefore may experience unforeseeable changes. Unfavourable and unforeseeable changes in the parameters used for the impairment test could result in the need to impair goodwill in the future with consequences for the Group's results and financial position.

5.3 Intangible assets with finite useful lives

The balance of "Intangible assets with finite useful life" is shown below by category at February 29, 2024 and February 28, 2023:

(in thousands of Euro)	Balance at February 29, 2024			Balance at February 28, 2023		
	Historic cost	Acc. Amort.	Net book value	Historic cost	Acc. Amort.	Net book value
Software	141,475	(88,979)	52,496	119,272	(74,403)	44,869
Concessions, licences and trademarks	33,290	(10,157)	23,132	13,436	(9,822)	3,614
Key money	1,572	(1,572)	-	1,572	(1,572)	-
Intangible assets in progress	644	-	644	791	-	791
Total intangible assets with finite useful life	**176,980**	**(100,708)**	**76,272**	**135,071**	**(85,797)**	**49,274**

Changes in "Intangible assets with finite useful life" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Software	Concessions, licenses and brands	Key money	Intangible assets under construction	Total
Balance at February 28, 2022	**36,835**	**3,540**	**-**	**5,286**	**45,661**
Increases	20,795	75	-	2,181	23,052
Decreases	-	-	-	(6,677)	(6,677)
Amortisation, depreciation and write-downs/(revaluations)	(12,761)	(1)	-	-	(12,762)
Decreases Accum. Deprec.	-	-	-	-	-
Balance at February 28, 2023	**44,869**	**3,614**	**-**	**791**	**49,274**
Initial consolidation Covercare	2,653	23,669	-	-	26,322
Increases	19,635	267	-	1,938	21,840
Decreases	-	(39)	-	(710)	(750)
(Amortisation and write-downs)/revaluations	(14,662)	(763)	-	(1,374)	(16,799)
Decreases Accum. Deprec.	-	-	-	-	-
Reclassification of discontinued operations	-	(3,615)	-	-	(3,615)
Balance at February 29, 2024	**52,496**	**23,132**	**-**	**644**	**76,272**

With regard to the year ended February 29, 2024, changes resulting from the inclusion of Covercare S.p.A. in the consolidation scope include the allocation of the price paid as part of the business combination. In particular, as reported in paragraph 5.29 Business Combinations, the difference between the consideration paid and the assets acquired and the liabilities assumed is allocated, at the acquisition date, for Euro 25,799 thousand to intangible assets with indefinite useful life (software, customer relationship and brand), to the related taxation and, residually, to goodwill.

The increases net of decreases in the category "assets under construction" totalled Euro 21,130 thousand and were mainly attributable to the category “Software”.

Increases in “Software” for Euro 19,635 thousand mainly concern the parent company and regard investments in technological developments and the strengthening of the omnichannel strategy and technological infrastructure.

Assets under construction of Euro 644 thousand relate to the introduction of new software and existing software.

Amortisation, depreciation and write-downs amount to Euro 16,799 thousand in FY 2023/24 and include write-downs of Euro 1,374 thousand.

With regard to the year ended February 28, 2023, increases net of decreases in the category "assets under construction" totalled Euro 16,375 thousand and were mainly attributable to the category "Software."

The increases concern “Software” for Euro 20,795 thousand, mainly referring to investments in evolutions of the new SAP 4/HANA ERP, the improvement of the technological infrastructure as part of the cyber security projects and e-commerce site investments.

Assets under construction of Euro 791 thousand relate to the introduction of new software and existing software.

5.4 Right-of-use assets

The balance of "Right-of-use assets" by category as at February 29, 2024 and February 28, 2023 is shown below:

(in thousands of Euro)	Balance at February 29, 2024			Balance at February 28, 2023		
	Historic cost	Acc. Amort.	Net book value	Historic cost	Acc. Amort.	Net book value
Buildings	699,341	(322,323)	377,018	669,973	(254,447)	415,526
Cars	8,426	(4,761)	3,665	4,690	(3,040)	1,650
Other Assets	9,928	(5,992)	3,936	9,868	(4,315)	5,553
Total intangible assets with finite useful life	**717,695**	**(333,076)**	**384,619**	**684,531**	**(261,801)**	**422,729**

Changes in "Right-of-use assets" for the period from February 28, 2023 to February 29, 2024 are shown below:

(In thousands of Euro)	Buildings	Cars	Other assets	Total
Balance at February 28, 2023	**415,526**	**1,650**	**5,553**	**422,729**
Initial consolidation Covercare	1,480	1,540	52	3,073
Increases/(Decreases)	30,166	1,494	-	31,660
(Amortisation and write-downs)/revaluations	(68,146)	(1,020)	(1,670)	(70,835)
Reclassification of discontinued operations	(2,008)	-	-	(2,008)
Balance at February 29, 2024	**377,018**	**3,665**	**3,936**	**384,619**

The increases recorded during the year mainly refer to the renewal of existing operating leases.

5.5 Deferred tax assets and deferred tax liabilities

Changes in "Deferred tax assets" and "Deferred tax liabilities" for the period from February 28, 2022 to February 29, 2024 are shown below.

Deferred tax assets

(In thousands of Euro)	Bas debt provision - amount due from suppliers	Obsolescence provision	Fixed assets and right-of-use	Intangible assets	Capital reserves	Provisions for risks and charges	Other current liabilities	Net deferred tax assets	Deferred tax assets relating to tax losses	Total net deferred tax assets
Balance at February 28, 2022	**1,241**	**2,618**	**1,874**	**3,391**	**341**	**3,763**	**260**	**13,488**	**31,118**	**44,606**
Provisions/Releases to the income statement	(367)	364	285	(819)	-	(682)	1,152	(67)	1,232	1,164
Provisions/Releases to the statement of comprehensive income	-	-	-	-	(657)	-	-	(657)	-	(657)
Balance at February 28, 2023	**874**	**2,982**	**2,159**	**2,572**	**(316)**	**3,081**	**1,412**	**12,764**	**32,350**	**45,113**
Initial consolidation Covercare	106	255	42	514	-	56	159	1,132	20	1,152
Provisions/Releases to the income statement	(251)	121	(5)	(819)	-	(204)	192	(967)	(6,685)	(7,651)
Provisions/Releases to the statement of comprehensive income	-	-	-	-	545	-	-	545	-	545
Balance at February 29, 2024	**729**	**3,359**	**2,196**	**2,267**	**229**	**2,933**	**1,762**	**13,474**	**25,685**	**39,159**

The balance as at February 29, 2024, amounting to Euro 39,159 thousand, consists mainly of: (i) temporary differences mainly attributable to provisions and goodwill in the amount of Euro 13,474 thousand and (ii) deferred tax assets recognised on tax losses in the amount of Euro 25,685 thousand.

The IRES tax losses still available from the income tax estimate made on presenting the financial statements at February 29, 2024 with reference to Unieuro amount to Euro 255.4 million.

In calculating deferred tax assets, the following aspects were taken into account:

- the tax laws of the country in which the Group operates and their impact on temporary differences, and any tax benefits from the use of tax loss carryforwards;
- the Company's profit forecast in the medium and long term.

On this basis, the Company expects to generate future taxable profits and, therefore, to be able to recover recognised deferred tax assets with reasonable certainty.

Deferred tax liabilities

(In thousands of Euro)	Intangible assets	Other current assets	Total net deferred taxes
Balance at February 28, 2022	**3,075**	**694**	**3,769**
Provisions/Releases to the income statement	292	(115)	177
Provisions/Releases to the statement of comprehensive income	-	-	-
Balance at February 28, 2023	**3,367**	**579**	**3,946**
Initial consolidation Covercare	6,081	-	6,081
Provisions/Releases to the income statement	227	(1,114)	(887)
Provisions/Releases to the statement of comprehensive income	-	-	-
Reclassification of discontinued operations	(922)	-	(922)
Balance at February 29, 2024	**8,753**	**(535)**	**8,218**

Deferred tax liabilities related to Intangible Assets arise mainly from goodwill having a statutory value different from the value relevant for tax purposes. With regards to the effect from the initial consolidation of Covercare, the account concerns the deferred taxes calculated on the price allocated to the intangible assets, as outlined in paragraph 5.29 Business Combinations (Covercare Group).

The reclassification of discontinued operations concerns the deferred tax liabilities relating to the allocation of the price allocation as part of the business combination of Monclick S.r.l. in liquidation.

It is estimated that this payable refers to differences that will be reabsorbed in the medium and long term.

5.6 Other current assets and other non-current assets

Below is a breakdown of "Other Current Assets" and "Other Non-Current Assets" as at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Prepaid expenses and accrued income	5,363	5,398
Contract assets	10,191	10,094
VAT credits	451	-
Tax credits	1,887	4,290
Financial receivables from leases - current portion	1,715	1,490
Other current financial assets	294	60,281
Other current assets	2,863	1,187
Other current assets	**22,764**	**82,740**
Financial receivables from leases - non-current portion	11,255	13,577
Deposit assets	3,198	3,019
Other non-current assets	8,341	8,310
Other non-current assets	**22,794**	**24,906**
Total Other current assets and Other non-current assets	**45,558**	**107,646**

"Prepaid expenses and accrued income" amounting to Euro 5,363 thousand at February 29, 2024 (Euro 5,398 thousand at February 28, 2023), mainly includes prepaid expenses referring to insurance, condominium expenses and other operating costs that were paid before February 29, 2024 and referring to future years.

"Contract assets" amounting to Euro 10,191 thousand at February 29, 2024 (Euro 10,094 thousand at February 28, 2023), includes costs for obtaining contracts qualifying as contract costs, represented by bonuses paid to employees for each additional sale of extended warranty services.

"VAT credits" amounted to Euro 451 thousand at February 29, 2024 and include the VAT receivable of the subsidiary Covercare.

”Tax credits” amounted to Euro 1,887 thousand at February 29, 2024 (Euro 4,290 thousand at February 28, 2023), with the decrease principally concerning the offsetting of tax credits for the purchase of electricity.

”Other current financial assets” of Euro 294 thousand at February 29, 2024 (Euro 60,281 thousand at February 28, 2023) include the financial instruments held by the subsidiary Covercare at the reporting date. During the previous year, the item included Ordinary Treasury Bonds and Long-Term Treasury Bonds held by the Parent Company. The securities are measured at fair value through the comprehensive income statement.

”Other current assets" of Euro 2,863 thousand at February 29, 2024 (Euro 1,187 thousand at February 28, 2023) mainly include the current portion of the Ecobonus credits, introduced by the Government to support construction interventions.

”Other non-current assets” include the financial receivables for leasing, equity investments, guarantee deposits and deposits to suppliers, in addition to the non-current portion of the Ecobonus credit which shall be utilised to offset income taxes to be settled over the subsequent years.

5.7 Inventories

Inventories are composed as follows:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Merchandise	447,382	457,625
Consumables	2,133	881
Gross inventory	**449,515**	**458,506**
Inventory obsolescence provision	(13,751)	(12,474)
Total inventories	**435,764**	**446,032**

Gross inventories totalled Euro 449,515 thousand at February 29, 2024, compared to Euro 458,506 thousand at February 28, 2023, a reduction of Euro 8,991 thousand.

Inventory value reflects the loss of value of goods in cases where the cost is higher than the estimated realisable value, allowing the inventory value to be restored to current market value, and is adjusted by the inventory obsolescence provision, which accommodates the write-down of the value of goods with possible obsolescence indicators.

Changes in the inventory obsolescence provision for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	**Inventory obsolescence provision**
Balance at February 28, 2022	**(11,022)**
Direct write-down	-
Provisions	(2,501)
Reclassifications	-
Release to income statement	-
Utilisations	1,049
Balance at February 28, 2023	**(12,474)**
Initial consolidation Covercare	(820)
Direct write-down	-
Provisions	(881)
Reclassifications	-
Release to income statement	-
Utilisations	375
Reclassification of discontinued operations	48
Balance at February 29, 2024	**(13,751)**

The increase in the inventory obsolescence provision of Euro 1,277 thousand is due to the adjustment for the write-down of the value of goods at February 29, 2024.

5.8 Trade receivables

Below is a breakdown of "Trade receivables" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Trade receivables – third parties	54,395	68,284
Gross trade receivables	**54,395**	**68,284**
Bad debt provision	(1,611)	(2,203)
Total trade receivables	**52,784**	**66,081**

The value of receivables, mainly referring to the Indirect and B2B channels, decreased by Euro 13,889 thousand compared to the previous year. The change in trade receivables is mainly attributable to a different billing and collection schedule.

Changes in the doubtful debt provision for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Bad debt provision
Balance at February 28, 2022	**(2,318)**
Provisions	(332)
Release to income statement	-
Utilisations	447
Balance at February 28, 2023	**(2,203)**
Initial consolidation Covercare	(695)
Provisions	-
Release to income statement	510
Utilisations	491
Reclassification of discontinued operations	286
Balance at February 29, 2024	**(1,611)**

Impaired receivables refer mainly to receivables in litigation or customers subject to bankruptcy proceedings. The uses are against creditor situations for which the elements of certainty and precision, i.e. the presence of pending bankruptcy proceedings, determine the write-off of the position.

The credit risk represents the exposure to potential losses following the non-fulfilment of obligations by counterparties. It should be noted, however, that for all periods considered, there are no significant concentrations of credit risk, especially in view of the fact that most sales are made with immediate payment through credit or debit cards in the Retail, Travel and Online channels and in cash, in the Retail and Travel channels. The Group has credit control processes in place that involve obtaining bank sureties and credit insurance contracts to cover a significant amount of outstanding business with customers, analysing customer reliability, assigning a credit limit, and monitoring exposure through reports with a breakdown of due dates and average collection times.

Overdue credit positions are in any case monitored by the administrative management through periodic analyses of the main positions, and for those for which an objective condition of partial or total uncollectability is detected, write-downs are made.

The book value of the trade receivables approximates their fair value.

5.9 Current tax assets and liabilities

Below is a breakdown of "Current tax assets" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
IRAP credits	451	348
IRES receivables	2,615	4,851
Total current tax assets	**3,066**	**5,199**

Current income tax assets amounted to Euro 3,066 thousand at February 29, 2024 (Euro 5,199 thousand at February 28, 2023). This refers to the receivable balance of estimated income taxes in the fiscal year to February 29, 2024 and includes the balance for current taxes due, which more than offset the receivable for payments on account and withholding taxes incurred.

Current tax liabilities

Below is a breakdown of "Current tax liabilities" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
IRAP payables	-	-
IRES payables	692	-
Taxes payable	1,041	1,041
Total current tax liabilities	**1,733**	**1,041**

At February 29, 2024, “current tax liabilities” were recognised for Euro 1,733 thousand. IRES payables concern for Euro 692 thousand the balance of current taxes due, net of advances paid in the fiscal year.

5.10 Cash and cash equivalents

"Cash and cash equivalents" at February 29, 2024 and February 28, 2023 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Bank accounts and deposit accounts	97,406	55,376
Cash	8,192	11,277
Total cash and cash equivalents	**105,598**	**66,653**

Cash and cash equivalents amounted to Euro 105,598 thousand at February 29, 2024 and Euro 66,653 thousand at February 28, 2023. The item comprises cash on hand, valuables and demand deposits with banks that are actually available and readily usable.

For further details on the movements in Cash and cash equivalents, reference should be made to the Cash Flow Statement. Reference should be made to Note 5.12 for further details on the net financial position.

5.11 Shareholders' Equity

The changes in "Shareholders' Equity" for fiscal year 2023/24 and the composition of reserves in the reporting periods are shown below:

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Fair value reserve to OCI	Reserve for actuarial gains/(losses) on defined benefit plans	Reserve for share-based payments	Other reserves	Profits/(losses) carried forward	Total shareholders' equity	Minority interests	Total shareholders' equity
Balance at February 28, 2023	**4,140**	**828**	**62,198**	**-**	**214**	**(31)**	**5,416**	**20,621**	**31,143**	**124,528**	**-**	**124,528**
Profit/(loss) for the year	-	-	-	-	-	-	-	-	(17,426)	(17,426)	31	(17,395)
Other components of comprehensive income	-	-	-	(1,271)	(235)	(107)	-	-		(1,612)	-	(1,612)
Total comprehensive income for the year	**-**	**-**	**-**	**(1,271)**	**(235)**	**(107)**	**-**	**-**	**(17,426)**	**(19,038)**	31	(19,007)
Business combinations	-	-	-	-	-	-	-	-	-	-	(16)	(16)
Allocation of prior year result	-	-	2,078	-	-	-	-	(3,419)	1,341	-	-	-
Distribution dividends	-	-	-	-	-	-	-	-	(9,848)	(9,848)	-	(9,848)
Purchase of Treasury Shares	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payment settled with equity instruments	-	-	-	-	-	-	(2,129)	4,756	(1,535)	1,092	-	1,092
Other changes	-	-	-	-	-	-	-	107	-	107	5	112
Total transactions with shareholders	**-**	**-**	**2,078**	**-**	**-**	**-**	**(2,129)**	**1,445**	**(10,042)**	**(8,649)**	**(11)**	**(8,661)**
Balance at February 29, 2024	**4,140**	**828**	**64,276**	**(1,271)**	**(21)**	**(138)**	**3,287**	**22,066**	**3,675**	**96,842**	**19**	**96,861**

Shareholders' Equity of Euro 96,861 thousand at February 29, 2024 (Euro 124,528 thousand at February 28, 2023) decreased in the year, mainly due to (i) the distribution of the dividend approved by the Shareholders' Meeting for Euro 9,848 thousand, partially offset by (ii) the recognition of the consolidated net profit and of other comprehensive income statement items for Euro 19,007 thousand.

Share capital at February 29, 2024 is Euro 4,140 thousand, divided into 20,698,621 shares.

The Reserves are shown below:

- the legal reserve amounts to Euro 828 thousand at February 29, 2024 (Euro 828 thousand at February 28, 2023), including allocations of profits to the extent of 5% for each fiscal year. The reserve has reached the limit set out under Article 2430 of the Civil Code.

- the Extraordinary Reserve amounting to Euro 64,276 thousand at February 29, 2024 (Euro 62,198 thousand at February 28, 2023); this reserve increased during the period as a result of the allocation of the profit for the year resolved by the Shareholders' Meeting;

- the cash flow hedge reserve, amounting to negative Euro 1,271 thousand as of February 29, 2024, includes the recognition of the Power Purchase agreement derivative under hedge accounting, net of the tax effect.

- the reserve for actuarial gains and losses on defined benefit plans amounting to a negative Euro 138 thousand at February 29, 2024 (negative Euro 31 thousand at February 28, 2023); the reserve changed as a result of the actuarial valuation related to the post-employment benefit reserve net of the tax effect;

- the reserve for share-based payments amounting to negative Euro 3,287 thousand at February 29, 2024 (Euro 5,416 thousand at February 28, 2023); the reserve changed mainly due to the recognition of the 2020-2025 performance share plan. For more details see Note 5.28.

- other reserves amounting to negative Euro 22,066 thousand at February 29, 2024 (Euro 20,621 thousand at February 28, 2023); the change concerns the allocation of the net result of the subsidiary Monclick.

- "Minority interests", amounting to Euro 19 thousand, include the minority interests of the subsidiaries of the Covercare Group.

On June 21, 2022, the Shareholders' Meeting approved the authorisation to purchase treasury shares as a continuation of the previous authorisation approved by the Shareholders' Meeting on December 17, 2020, which was partially executed and concluded on June 17, 2022.

The authorisation to purchase and dispose of treasury shares provides for a maximum of 2,000,000 ordinary shares of Unieuro S.p.A., it being understood that the number of ordinary shares from time to time held in portfolio by the Company and its subsidiaries may not exceed 10% of the Company's *pro-tempore* share capital.

The purpose of the authorisation is, among other matters, to set up a portfolio of treasury shares to be used to service existing and future share incentive plans reserved for Directors and/or employees and/or associates of the Company or other companies controlled by it, as well as to set up a "securities reserve" to be used, where appropriate, as consideration in corporate transactions, including equity swaps, with third parties as part of transactions that may be of interest to Unieuro.

It should be noted that the authorisation has not been pre-established for any transaction to reduce the share capital.

During FY2023/24, the Company did not engage in any transactions involving the purchase or disposition of treasury shares. As of February 29, 2024, 368,776 treasury shares were held, accounting for 1.78% of the share capital.

During the fiscal year ended February 29, 2024, there are no assets earmarked for a specific business.

The changes in "Shareholders' Equity" for fiscal year 2022/2023 and the composition of reserves in the reporting periods are shown below:

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Fair value reserve to OCI	Reserve for actuarial gains/ (losses) on defined benefit plans	Reserve for share-based payments	Other reserves	Profits/(losses) carried forward	Total shareholders' equity	Minority interests	Total shareholders' equity
Balance at February 28, 2022	**4,140**	**811**	**43,146**	**-**	**(1,648)**	**3,687**	**21,729**	**66,484**	**138,349**	**-**	**138,349**
Profit/(loss) for the year	-	-	-	-	-	-	-	10,193	10,193	-	10,193
Other components of comprehensive income	-	-	-	214	1,617	-	-	-	1,831	-	1,831
Total comprehensive income for the year	**-**	**-**	**-**	**214**	**1,617**	**-**	**-**	**10,193**	**12,024**	**-**	**12,024**
Allocation of prior year result	-	17	19,052	-	-	-	(1,108)	(17,961)	-	-	-
Distribution dividends	-	-	-	-	-	-	-	(27,134)	(27,134)	-	(27,134)
Purchase of Treasury Shares	-	-	-	-	-	-	-	-	-	-	-
Share-based payment settled with equity instruments	-	-	-	-	-	1,729	-	(439)	1,290	-	1,290
Total transactions with shareholders	-	17	19,052	-	-	1,729	(1,108)	(45,534)	(25,844)	-	(25,844)
Balance at February 28, 2023	**4,140**	**828**	**62,198**	**214**	**(31)**	**5,416**	**20,621**	**31,143**	**124,528**	**-**	**124,528**

Shareholders' Equity of Euro 124,528 thousand at February 28, 2023 (Euro 138,349 thousand at February 28, 2022) decreased in the year, mainly due to (i) the distribution of the dividend approved by the Shareholders' Meeting for Euro 27,134 thousand, partially offset by (ii) the recognition of the consolidated net profit and of other comprehensive income statement items for Euro 12,024 thousand.

Share capital at February 28, 2023 amounts to Euro 4,140 thousand, divided into 20,698,621 shares.

The Reserves are shown below:

- the legal reserve amounting to Euro 828 thousand at February 28, 2023 (Euro 811 thousand at February 28, 2022), includes allocations of profits to the extent of 5% for each fiscal year until the limit set forth in Article 2430 of the Civil Code is reached.
- the Extraordinary Reserve amounting to Euro 62,198 thousand at February 28, 2023 (Euro 43,146 thousand at February 28, 2022); this reserve increased during the period as a result of the allocation of the profit for the year resolved on June 21, 2022 by the Shareholders' Meeting;
- the fair value to OCI reserve amounting to Euro 214 thousand at February 28, 2023 (zero at February 28, 2022) includes the fair value accounting of BOT and BTP government bonds as of the reporting date net of the tax effect.
- the reserve for actuarial gains and losses on defined benefit plans amounting to a negative Euro 31 thousand at February 28, 2023 (negative Euro 1,648 thousand at February 28, 2022); the reserve changed by Euro 1,617 thousand as a result of the actuarial valuation related to the post-employment benefit reserve net of the tax effect;
- the reserve for share-based payments amounting to Euro 5,416 thousand at February 28, 2023 (Euro 3,687 thousand at February 28, 2022); the reserve changed mainly due to the recognition for Euro 1,729 thousand of the 2020-2025 performance share plan. For more details see Note 5.28.

- other reserves amounting to Euro 20,261 thousand at February 28, 2023 (Euro 21,729 thousand at February 28, 2022); the change concerns the allocation of the net result of the subsidiary Monclick.

On June 21, 2022, the Shareholders' Meeting approved the authorisation to purchase treasury shares as a continuation of the previous authorisation approved by the Shareholders' Meeting on December 17, 2020, which was partially executed and concluded on June 17, 2022.

The authorisation to purchase and dispose of treasury shares provides for a maximum of 2,000,000 ordinary shares of Unieuro S.p.A., it being understood that the number of ordinary shares from time to time held in portfolio by the Company and its subsidiaries may not exceed 10% of the Company's *pro-tempore* share capital.

The purpose of the authorisation is, among other matters, to set up a portfolio of treasury shares to be used to service existing and future share incentive plans reserved for Directors and/or employees and/or associates of the Company or other companies controlled by it, as well as to set up a "securities reserve" to be used, where appropriate, as consideration in corporate transactions, including equity swaps, with third parties as part of transactions that may be of interest to Unieuro.

It should be noted that the authorisation has not been pre-established for any transaction to reduce the share capital.

During FY2022/23, the Company did not engage in any transactions involving the purchase or disposition of treasury shares. As of February 28, 2023, 600,000 treasury shares were held, accounting for 2.8987% of the share capital.

During the fiscal year ended February 28, 2023, there are no assets earmarked for a specific business.

The reconciliation between the parent company's shareholders' equity and the consolidated shareholders' equity at February 29, 2024 is shown below:

(in millions of Euro)	Shareholders' equity as at February 29, 2024	Net income/(loss) to February 29, 2024
Balances from the Parent Company's financial statements	**101.0**	**(15.8)**
Difference between carrying amount of investments and profit/(loss)	(80.7)	11.2
Allocation of goodwill, brand, software and customer list, net of tax effect	79.4	(10.0)
Other consolidation adjustments	(2.8)	(2.8)
Consolidated Financial Statements of the Group	**96.9**	**(17.4)**

The reconciliation between the parent company's shareholders' equity and the consolidated shareholders' equity at February 28, 2023 is shown below:

(in millions of Euro)	Shareholders' equity as at February 28, 2023	Net income/(loss) to February 28, 2023
Balances from the Parent Company's financial statements	**127.0**	**11.9**
Difference between carrying amount of investments and profit/(loss)	(12.0)	(1.5)
Allocation of goodwill, brand, software and customer list, net of tax effect	9.6	(0.2)
Consolidated Financial Statements of the Group	**124.5**	**10.2**

5.12 Financial liabilities

Current and non-current "Financial liabilities" at February 29, 2024 and February 28, 2023 are detailed below:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Current financial liabilities	19,825	-
Non-current financial liabilities	14,951	-
Total financial payables	**34,776**	**-**

The increase in the item is related to the signing of the medium-long term loan agreement, granted by BNL to the parent company, for a nominal Euro 40,000 thousand for the acquisition of the Covercare Group on December 4, 2023. The loan agreement stipulates the repayment in equal instalments on a quarterly basis by November 30, 2025. The balance at February 29, 2024 is Euro 34,776 thousand. Interest on the loan is at a floating rate, calculated considering Euribor plus a contractually stipulated spread.

The loans are measured by the amortised cost method based on the provisions of IFRS 9, and therefore their value is reduced by the ancillary charges on the loans, amounting to Euro 286 thousand as of February 29, 2024.

We also note that the Group has four Committed Credit Facilities in place at February 29, 2024, including Euro 150.0 million of medium- to long-term cash loan on a revolving basis. At February 29, 2024 and February 28, 2023, the Credit Lines had not been utilised.

Interest is at a floating rate, calculated considering Euribor plus a contractually stipulated spread; there are fees for non use.

At the same time as the disbursement of the Credit Facilities, a contractual clause (covenants) was agreed upon that grants the lender the right to renegotiate or revoke the credit upon the occurrence of the events stipulated in the clause. These clauses require compliance on each Calculation Date (half-yearly) with an index on a consolidated basis of Unieuro S.p.A., which is summarised below:

- leverage ratio (defined as the ratio of Consolidated Net Financial Debt to Consolidated Adjusted EBITDA LTM, as contractually defined.

As of February 29, 2024, the covenant had been fulfilled.

Below is a breakdown of the composition of net financial debt at February 29, 2024 and February 28, 2023, in accordance with ESMA guideline 32-382- 1138 dated 4/3/2021[48]:

(in millions of Euro)	Year ended			
	February 29, 2024	*of which related parties*	February 28, 2023	*of which related parties*
(A) Cash	105.6	-	51.7	-
(B) Cash equivalents	0.0	-	15.0	-
(C) Other current financial assets	0.3	-	60.3	-
(D) Liquidity (A)+(B)+(C)	**105.9**	**-**	**126.9**	**-**
(E) Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(14.3)	-	-	-
(F) Current portion of non-current financial debt	(91.4)	-	(70.5)	-
(G) Current financial Indebtedness (E)+(F)	**(105.7)**	**-**	**(70.5)**	**-**
(H) Net current financial Indebtedness (G)-(D)	**0.2**	**-**	**56.4**	**-**
(I) Non-current financial debt (excluding the current portion and debt instruments)	(367.1)	-	(379.5)	-
(J) Debt instruments	-	-	-	-
(K) Trade payables and other payables	-	-	-	-
(L) Non-current financial Indebtedness (I)+(J)+(K)	**(367.1)**	**-**	**(379.5)**	**-**
(M) Total financial Indebtedness (H)+(L)	**(366.9)**	**-**	**(323.1)**	**-**

The following table presents “Other current financial payables” and “Other non-current financial payables” for the year ended February 29, 2024 and February 28, 2023. Reference should be made to Note 5.14 “Other financial liabilities” for further details.

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Other financial liabilities	85,847	70,530
Other current financial payables	**85,847**	**70,530**
Other financial liabilities	352,145	379,521
Other non-current financial payables	**352,145**	**379,521**
Total other financial payables	**437,992**	**450,051**

[48] For the purpose of better representation and consistent with the new guidance of ESMA Guideline 32-382- 1138 of 4/3/2021, receivables related to IFRS 16 sub-leases were excluded from net financial debt.

5.13 Employee benefits

Changes in “Employee benefits” for the fiscal year from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	
Balance at February 28, 2022	**13,126**
Service Cost	59
Interest Cost	292
Transfers in/(out)	-
Settlements/advances	(15)
Actuarial (gain)/losses	(2,207)
Balance at February 28, 2023	**11,255**
Initial consolidation Covercare	397
Reclassification of liabilities from discontinued operations	(437)
Service Cost	36
Interest Cost	393
Transfers in/(out)	90
Settlements/advances	(715)
Actuarial (gain)/losses	(55)
Balance at February 29, 2024	**10,964**

This item includes the Post-employment benefits provided for by Law No. 297 of May 25, 1982, which guarantees a severance payment to the employee when he or she terminates employment and the End of Service benefits in favour of members of the Board of Directors. Severance pay, regulated by legislation in Civil Code Article 2120, and the End of Service benefit are recalculated in accordance with IAS 19, expressing, as a liability the amount of the present value of the final obligation, where the present value of the obligation is determined by the "projected unit credit" method.

The settlements recorded in the year ended February 29, 2024 relate to both severance advances paid to employees during the year and severance payments referring to employees with fixed-term contracts.

Details of the economic and demographic assumptions used for actuarial valuation purposes are given below:

	Year ended	
Economic assumptions	**February 29, 2024**	**February 28, 2023**
Inflation rate	2.00%	2.30%
Discount rate	3.43%	3.73%
Severance pay increase rate	3.00%	3.23%

	Year ended	
Demographic assumptions	**February 29, 2024**	**February 28, 2023**
Probability of death	RG48 demographic tables	RG48 demographic tables
Probability of incapacity	INPS tables by age and gender	INPS tables by age and gender
Retirement age	Achievement of minimum requirements under the compulsory general insurance	Achievement of minimum requirements under the compulsory general insurance
Probability of departure	5%	5%
Probability of anticipation	3.50%	3.50%

Regarding the discount rate, the iBoxxEurozone Corporates AA index with duration 7-10 years as of the valuation date was taken as a reference for the valuation of this parameter.

Below is a sensitivity analysis at February 29, 2024, related to the main actuarial assumptions included in the calculation model made considering the one described above and increasing and decreasing the average annual turnover rate, advance request rate, average inflation rate, and discount rate by 1%, -1%, 0.25%, and -0.25%, respectively. The results obtained can be summarised in the table below:

(In thousands of Euro)	Impact on DBO at February 29, 2024	
Changes in the parameter	**UNIEURO**	**GROUP COVERCARE**
Increase in turnover rate of 1%	10,491	518
Decrease in turnover rate of 1%	10,390	513
Increase in inflation rate of 0.25%	10,561	526
Decrease in inflation rate of 0.25%	10,328	506
Increase in discounting rate of 0.25%	10,262	503
Decrease in discounting rate of 0.25%	10,631	528

Details of the economic and demographic assumptions used for actuarial valuation purposes of the End of Service benefit are given below:

End of Service benefit economic assumptions	Fiscal year ending February 29, 2024
Discount rate	3.43%
Annual compensation revaluation rate	0.00%

Demographic assumptions	Fiscal year ending February 29, 2024
Probability of death	The RG48 mortality tables published by the General State Controller
Probability of incapacity	INPS tables by age and gender
Frequency of revocation of mandate	0.00%

The sensitivity analysis at February 29, 2024, increasing and decreasing the discount rate by 0.25% and -0.25%, is reported below. The results obtained can be summarised in the table below:

Changes in the parameter	Fiscal year ending February 29, 2024
Increase in discounting rate of 0.25%	29,718
Decrease in discounting rate of 0.25%	30,616

5.14 Other financial liabilities

Below is a breakdown of current and non-current "Other financial liabilities" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Payables to leasing companies	70,866	70,214
Payables for equity investments and business units	14,313	-
Other financial payables	668	316
Other current financial liabilities	**85,847**	**70,530**
Payables to leasing companies	341,051	379,521
Payables for equity investments and business units	10,000	-
Fair value of derivative instruments	1,094	-
Other non-current financial liabilities	**352,145**	**379,521**
Total financial payables	**437,992**	**450,051**

Lease liabilities

Lease liabilities totalled Euro 411,917 thousand at February 29, 2024 and Euro 449,735 thousand at February 28, 2023. The assets under the lease agreements consist of buildings, cars, furniture, LEDs, air conditioning equipment, servers, computers and printers. The above payables to leasing companies are guaranteed to the lessor through the rights to the leased assets. This item includes the carrying amount of lease liabilities related to operating leases for which the Group, following the application of IFRS 16, has recorded a liability reflecting the obligation for lease payments and lease liabilities. No interest rate hedging instruments are in place. The cash flows referring to lease liabilities are shown below.

(In thousands of Euro)	Balance at February 29, 2024	Within 12M	Between 12M and 60M	Over 60M	Total
Payables to leasing companies	411,917	70,866	220,993	120,117	411,917
Total	**411,917**	**70,866**	**220,993**	**120,117**	**411,917**

Payables for equity investments and business units

Payables for equity investments and business units totalled Euro 24,313 thousand at February 29, 2024 (Euro zero thousand at February 28, 2023). The increase in the item is attributable to the portion of the consideration for the full acquisition of Covercare S.p.A. that will be recognised by October 2024, as well as the payable recorded as earnout, to be recognised by June 2026, subject to, among others, the achievement of a specific profitability target in fiscal year 2025/26. Given that the achievement of these targets is currently considered probable, management considered this amount to be a part of the acquisition payment and has therefore recognised the payable to the sellers.

5.15 Provisions

Changes in “Provisions" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Provisions for tax disputes	Provisions for other disputes	Other risks provision	Total
Balance at February 28, 2022	**798**	**10,407**	**4,898**	**16,103**
- of which current portion	-	*1,637*	*530*	*2,167*
- of which non-current portion	*798*	*8,770*	*4,368*	*13,936*
Provisions	-	1,368	89	1,457
Utilisations/Releases	-	(4,585)	(588)	(5,173)
Balance at February 28, 2023	**798**	**7,190**	**4,399**	**12,387**
- of which current portion	-	*442*	*627*	*1,069*
- of which non-current portion	*798*	*6,748*	*3,772*	*11,318*
Initial consolidation Covercare	2,171	-	200	2,371
Provisions	-	806	90	897
Utilisations/Releases	-	(1,313)	-	(1,313)
Balance at February 29, 2024	**2,969**	**6,683**	**4,660**	**14,310**
- of which current portion	-	*1,182*	*617*	*1,799*
- of which non-current portion	*2,969*	*5,501*	*4,042*	*12,511*

"Provision for tax disputes" amounting to Euro 2,969 thousand at February 29, 2024 is set aside mainly to cover liabilities that may arise as a result of tax disputes.

”Provisions for other disputes” amounted to Euro 6,683 thousand at February 29, 2024 and to Euro 7,190 thousand at February 28, 2023, with the decrease mainly concerning the release following the conclusion of a number of civil disputes in favour of the parent company.

"Other provisions for risks" amounted to Euro 4,660 thousand at February 29, 2024 and Euro 4,399 thousand at February 28, 2023. The item mainly includes charges for risks with reference to logistics contracting, charges for pristine restoration of stores, allocated against the costs to be incurred for the restoration of the property when it is returned to the landlord in cases where the obligation is contractually stipulated to be borne by the tenant.

5.16 Other current liabilities and other non-current liabilities

Below are details of "Other current liabilities" and "Other non-current liabilities" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Contract liabilities	237,235	210,277
Payables to personnel	44,440	42,278
VAT payables	12,985	10,862
Social security institutions	3,138	3,564
IRPEF payables	3,966	3,949
Deferred income and accrued liabilities	6,581	9,165
Monetary Bonus Long Term Incentive Plan	-	176
Other tax payables	28	42
Other current liabilities	-	13
Total Other current liabilities	**308,373**	**280,326**
Deposit liabilities	26	26
Monetary Bonus Long Term Incentive Plan	614	967
Total other non-current liabilities	**640**	**993**
Total other current and non-current liabilities	**309,013**	**281,319**

"Other current and non-current liabilities" report an increase of Euro 27,694 thousand in the year ended February 29, 2024 compared to the year ended February 28, 2023. The increase in the account in the year under review is mainly attributable to contract liabilities.

The balance of "Other current liabilities" is mainly composed of:

- contract liabilities amounting to Euro 237,235 thousand at February 29, 2024 (Euro 210,277 thousand at February 28, 2023) mainly attributable to (i) deferred revenues for warranty extension services. Sales revenues are accounted for on the basis of the contractual term, i.e. the period for which there is a performance obligation thus deferring sales accruing to future periods, (ii) down payments received from customers, (iii) liabilities related to vouchers, and (iv) liabilities related to sales with the right of return;

- payables to personnel amounting to Euro 44,440 thousand at February 29, 2024 (Euro 42,278 thousand at February 28, 2023) consisting of payables for salaries to be paid, vacations, leaves of absence, thirteenth and fourteenth month's pay. These payables refer to amounts accrued and not yet settled;

- VAT payables amounting to Euro 12,985 thousand at February 29, 2024 (Euro 10,862 thousand at February 28, 2023) consisting of payables arising from the VAT settlement referring to February 2024;

- deferred income and accrued liabilities in the amount of Euro 6,581 thousand at February 29, 2024 (Euro 9,165 thousand at February 28, 2023) mainly related to the recognition of deferred income on revenue that was received during the year but deferred economic maturity.

“Other non-current liabilities” includes Euro 640 thousand from the liability related to the Monetary Bonus under the Performance Share Plan approved by the Shareholders' Meeting, and payables for deposits in the amount of Euro 26 thousand.

5.17 Trade payables

Below is a breakdown of "Trade payables" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Trade payables – third parties	551,916	596,025
Gross trade payables	**551,916**	**596,025**
Bad debt provision - amount due from suppliers	863	1,294
Total trade payables	**552,779**	**597,319**

The balance includes payables related to the normal course of business regarding supplies of goods and services. The item takes into account assessments on the exposure to the risk of potential losses arising from the failure of counterparties to meet their obligations. Gross trade payables decreased by Euro 44,109 thousand at February 29, 2024 compared to February 28, 2023, mainly due to the decrease in volumes.

Changes in the “Bad debt provision - amounts due from suppliers” for the year from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	**Bad debt provision - amount due from suppliers**
Balance at February 28, 2022	**1,824**
Provisions	-
Release to income statement	(318)
Utilisations	(212)
Balance at February 28, 2023	**1,294**
Provisions	-
Release to income statement	(326)
Utilisations	(105)
Balance at February 29, 2024	**863**

There are no trade payables beyond 5 years or any significant payable concentrations.

5.18 Revenues

Revenues are broken down by channel, category and geographic market in the following tables. The operating segment identified by the Group, within which all services and products provided to customers converge, is unique and coincides with the entire Group. The Group's vision of the company as a single omnichannel business means that it has identified a single Strategic Business Unit ("SBU"). For further details, reference should be made to Note 4 operating segments. Group revenues are affected by the typical seasonality of the consumer electronics market, which features higher revenues towards the end of the year.

A breakdown of revenues by channel is shown below:

(in thousand of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023	%	2024 vs. 2023	%
Retail	1,845,682	70.1%	1,966,160	69.9%	(120,478)	(6.1%)
Online	434,309	16.5%	501,557	17.8%	(67,248)	(13.4%)
Indirect	235,727	9.0%	243,728	8.7%	(8,001)	(3.3%)
B2B	119,216	4.5%	99,724	3.5%	19,492	19.5%
Total revenues by channel	**2,634,934**	**100.0%**	**2,811,169**	**100%**	**(176,235)**	**(6.3%)**

The Retail channel (70.1% of total revenues) - which at February 29, 2024 comprised 271 direct sales points, including the “Unieuro by Iper” shop-in-shops and the sales points located at major public transport hubs such as airports, railway stations and metro stations (former Travel channel) - saw sales of Euro 1,845,682 thousand in FY 2023/24, decreasing 6.1% on the previous year. The channel’s performance in FY 2023/24 reflects the consumer electronics market, impacted by the contraction in demand for Brown and Information Technology category products, partially offset by the strong entertainment, large domestic appliance and telecom segment performance.

The Online channel (16.5% of total revenues) - which includes the unieuro.it platform - generated revenues of Euro 434,309 thousand in 2023/24, down 13.4% on the previous year (Euro 501,557 thousand). The decrease in online channel revenues compared to the previous year mainly relates to a decline in demand for the Brown and Grey categories, reflecting the Group's business strategy and market trends.

The Indirect channel (9.0% of total revenues) - which includes sales made to the network of affiliated stores comprising a total of 254 sales points at February 29, 2024 - reports revenues of Euro 235,727 thousand, contracting 3.3% on the previous year (Euro 243,728 thousand in the fiscal year ended February 28, 2023). The decline in Consumer Electronics more than offset the good performance of all other product categories.

The B2B channel (4.5% of total revenues) - which caters to professional customers (including overseas) operating in sectors other than Unieuro's, such as hotel chains and banks, in addition to those purchasing electronic products to distribute to regular customers or employees for point collections, prize contests or incentive plans (B2B2C segment) - reported revenues of Euro 119,216 thousand in FY 2023/24, up 19.5% on the previous year (Euro 99,724 thousand to February 28, 2023), thanks to greater product availability and the contribution of sales revenues from the Covercare Group, included in the consolidation scope as of December 1, 2023.

A breakdown of revenues by category is shown below:

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023	%	2024 vs 2023	%
Grey	1,290,794	49.0%	1,342,263	47.7%	(51,469)	(3.8%)
White	767,467	29.1%	767,933	27.3%	(466)	(0.1%)
Brown	274,630	10.4%	414,467	14.7%	(139,837)	(33.7%)
Other products	147,004	5.6%	135,857	4.8%	11,147	8.2%
Services	155,039	5.9%	150,649	5.4%	4,390	2.9%
Total revenues by category	**2,634,934**	**100.0%**	**2,811,169**	**100.0%**	**(176,235)**	**(6.3%)**

The Group offers to customers through its distribution channels a broad range of products - in particular domestic appliances and consumer electronics, in addition to accessory services. Sales are broken down by category according to the product classifications adopted by the leading sector experts. The classification of revenues by category is therefore periodically reviewed to ensure the comparability of Group and market data.

The Grey category (49.0% of total revenues) - i.e. phones, tablets, information technology, phone accessories, cameras, in addition to all wearable products - generated revenues of Euro 1,290,794 thousand, down 3.8% on FY 2022/23 (Euro 1,342,263 thousand). Performance in the Grey category in FY 2023/24 was affected by the settling of consumption in the Information Technology segment, due to the contraction in demand following the pandemic and, to a lesser extent, the decline in the telephony segment, after years of steady growth.

The White category (29.1% of total revenues) - comprising major domestic appliances (MDA), such as washing machines, dryers, refrigerators or freezers and stoves, small domestic appliances (SDA), such as vacuum cleaners, food processors and coffee machines, in addition to the air conditioning segment, generated revenues of Euro 767,467 thousand, down 0.1% on the previous year. Sales in fiscal year 2023/24 saw growth in the large domestic appliance segment, which offset the decline in the small domestic appliances and home comfort segments.

The Brown category (10.4% of revenues) - including televisions and related accessories, audio devices, smart TV devices, car accessories and data storage systems - reported revenues of Euro 274,630 thousand, a contraction of 33.7% on the previous fiscal year. The contraction in FY 2023/24 is in line with the market trend, which reflects extraordinary sales related to the TV frequency switch-off and the introduction of the TV Bonus in previous years.

The Other Products category (5.6% of total revenues) - which includes sales of both the entertainment sector and other products not included in the consumer technology market, such as hoverboards or bicycles - reported revenues of Euro 147,004 thousand, increasing 8.2% on the previous year (Euro 135,857 thousand). The entertainment segment saw strong growth in the year thanks to gaming console sales.

The Services category (5.9% of total revenues) - which includes, among others, sales of extended warranties, installation services, home deliveries, repair services and consumer credit services - reported revenues of Euro 155,039 thousand, up 2.9% on FY 2022/23 (Euro 150,649 thousand), thanks to the strong consumer credit services sales which offset the drop in installation services.

The breakdown of revenues by geographic area is presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Overseas	5,335	2,900
Italy	2,629,599	2,808,269
Total	**2,634,934**	**2,811,169**

5.19 Other income

"Other income" for the fiscal year to February 29, 2024 and to February 28, 2023 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Insurance reimbursements	40	85
Other income	628	865
Total other income	**668**	**938**

The item mainly includes income from the hiring of computer equipment to affiliates and insurance reimbursements for theft or damage caused to stores.

5.20 Purchase of materials and external services

The “Purchase of materials and external services” for the FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Purchases of goods	2,072,858	2,207,213
Transport	81,104	85,594
Marketing	36,233	43,807
Utilities	17,383	28,606
Maintenance and rental charges	17,551	16,775
General sales expenses	14,419	16,553
Other costs	34,607	41,384
Consultancy	10,785	9,137
Purchase of consumables	33	905
Travel and transfer	944	785
Remuneration of administrative and supervisory bodies	1,693	859
Total Purchase of Materials and external services	**2,287,610**	**2,451,618**
Change in inventory	9,872	15,988
Total, including changes in inventories	**2,297,482**	**2,467,606**

“Purchase of materials and external services”, taking account of the “Change of inventories”, amounts to Euro 2,297,482 thousand, decreasing Euro 170,124 thousand on FY 2022/23. The reduction is mainly due to the “Purchase of goods” and “Changes in inventories” items for Euro 140,471 thousand, whose movement relates to the lower volumes and the differing mix of purchases compared to the previous year.

”Transport” decreased from Euro 85,594 thousand to Euro 81,104 thousand in FY 2023/24. This reduction relates to the lower volumes handled due to lower sales in the year under review and a different product mix. They accounted for 3.1% of consolidated revenues in 2023/24 (3.0% in 2022/23).

”Marketing” amounted to Euro 36,233 thousand in FY 2023/24 (Euro 43,807 thousand in FY 2022/23). This decrease is chiefly due to close cost management and an altered mix of marketing initiatives. It accounted for 3.1% of consolidated revenues in FY 2023/24 (1.6% in the previous year).

”Utilities” decreased by Euro 11,223 thousand compared to FY 2022/23 due to a significant reduction in the cost of electricity following a drop in the average market price of energy compared to the previous year, in addition to a reduction in consumption due to energy efficiency actions.

”Maintenance and Rental charges” amounted to Euro 17,551 thousand in FY 2023/24 (Euro 16,775 thousand in FY 2022/23). They accounted for 0.7% of consolidated revenues, substantially unchanged on FY 2022/23.

”General sales expenses” amounted to Euro 14,419 thousand in FY 2023/24, decreasing on the previous fiscal year (Euro 16,553 thousand). The account mainly includes costs for commissions on sales transactions and the reduction relates to the lower volumes in the fiscal year; they accounted for 0.5% of revenues (0.6% in FY 2022/23).

”Other costs” include principally costs for variable rents, condominium expenses, motor vehicles, hire, cleaning, insurance and security. They decreased Euro 6,777 thousand on the comparative year. The trend is mainly attributable to a reduction in variable rental fees due to lower sales volumes.

”Consultancy” increased from Euro 9,137 thousand in FY 2022/23 to Euro 10,785 thousand in FY 2023/24.
The increase is related to costs incurred for the Covercare acquisition transaction.

5.21 Personnel costs

”Personnel costs” for FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Salaries and wages	149,015	149,673
Welfare expenses	44,777	43,694
Severance pay	9,221	9,713
Other personnel costs	1,647	2,369
Total personnel costs	**204,660**	**205,449**

Personnel costs decreased from Euro 205,449 thousand in FY 2022/23 to Euro 204,660 thousand in FY 2023/24, a decrease of Euro 789 thousand on FY 2022/23.

The decrease in the account reflects the optimisation of sales network personnel costs in the fiscal year, partially offset by the increase from the inclusion of the Covercare Group.

”Other personnel costs” of Euro 1,647 thousand in FY 2023/24 (Euro 2,369 thousand in FY 2022/23), include mainly the recognition of the cost for the 2020-2025 Performance Shares Plan.

5.22 Other operating costs and expenses

”Other operating costs and expenses” for FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Non-income based taxes	5,214	5,512
Provision/(release) for supplier bad debts	(326)	(318)
Provision/(release) for write-down of receivables	(510)	15
Other operating expenses	1,390	238
Total other operating costs and expenses	**5,768**	**5,713**

”Other operating costs and expenses” increased from Euro 5,713 thousand in FY 2022/23 to Euro 5,768 thousand in FY 2023/24, substantially in line with the previous year.

”Non-income based taxes” principally include costs related to the running of the business, such as waste disposal tax and taxes for advertising and promotional activities.

”Other operating expenses” include costs for charities, customs and capital losses.

5.23 Amortisation, depreciation and write-downs

”Amortisation, depreciation and write-downs” for FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Depreciation Plant, machinery, equipment and other assets	21,363	21,437
Depreciation right-of-use assets	70,835	72,544
Amortisation Intangible assets with finite useful lives	15,425	12,360
Write-downs of plant, machinery, equipment and other assets and intangible assets with finite useful life	2,062	-
Capital losses/(Gains) of plant, machinery, equipment and other assets	-	(12)
Capital loss/(gain) from the sale of business unit	-	(464)
Total amortisation, depreciation and write-downs	**109,685**	**105,866**

”Amortisation, depreciation and write-downs” increased from Euro 105,866 thousand in FY 2022/23 to Euro 109,685 thousand in FY 2023/24, an increase of Euro 3,819 thousand.

"Write-downs of plant, machinery, equipment and other assets and intangible assets with finite useful life" increased mainly due to the roll out of new IT systems on the sales network.

5.24 Financial income and expenses

Below is a breakdown of “Financial income" in FY 2023/24 and FY 2022/23:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Other financial income	219	268
Interest income	1,221	237
Total financial income	**1,440**	**505**

“Financial income” increased from Euro 505 thousand in FY 2022/23 to Euro 1,440 thousand in FY 2023/24, an increase of Euro 935 thousand.

The breakdown of the “Financial expenses” is shown below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Interest expense on bank loans	1,150	136
Other financial expenses	10,506	13,394
Total Financial Expenses	**11,656**	**13,531**

”Financial expenses” decreased from Euro 13,531 thousand in FY 2022/23 to Euro 11,656 thousand in FY 2023/24, a decrease of Euro 1,875 thousand (14.0%).

”Interest expense on bank loans” increased in FY 2023/24 by Euro 1,014 thousand on the previous fiscal year, mainly due to the bank loan undertaken for the acquisition of Covercare S.p.A..

“Other financial expenses” amounted to Euro 10,506 thousand in FY 2023/24 (Euro 13,394 thousand in FY 2022/23). The increase mainly concerns the discounting of the Ecobonus credits.

5.25 Income taxes

Below is a breakdown of “Income taxes" in FY 2023/24 and FY 2022/23:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Current taxes	(2,656)	(2,463)
Deferred taxes	(6,764)	987
Total	**(9,420)**	**(1,476)**

The reconciliation of the theoretical tax charge with the effective tax charge is presented below:

(In thousands of Euro and as a percentage of the profit before tax)	Year ended			
	February 29, 2024	%	February 28, 2023	%
Pre-tax result for the period	**7,791**		**14,446**	
Theoretical income taxes (IRES)	(1,870)	24.0%	(3,467)	24.0%
IRAP	(1,879)	(24.1%)	(1,962)	(13.6%)
Tax effect of permanent and other differences	(5,671)	(72.8%)	3,953	27.4%
Income taxes	**(9,420)**		**(1,476)**	
(Provision)/release to taxes provision and taxes payable				
Total income taxes	**(9,420)**		**(1,476)**	
Effective tax rate		**(121.0%)**		**(10.2%)**

In FY 2023/24 and FY 2022/23, the percentage of taxes on the pre-tax result was respectively 121.0% and 10.2%. The increased percentage in FY 2023/24 is related to the use of deferred tax assets on past losses in the calculation of current taxes for the year. Deferred tax assets on past losses recognised are consistent with tax projections for future years.

It should be noted that, as of the fiscal year ended February 28, 2019, Unieuro S.p.A. exercised the option for the National Tax Consolidation regime as a "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of December 22, 1986), jointly with the "Consolidated Company" Monclick S.r.l.. The option permitted the determination of the IRES payable due on a taxable base corresponding to the sum of taxable income and tax losses earned by individual companies participating in the Consolidation.

5.26 Basic and diluted earnings per share[49]

Basic earnings per share was calculated by dividing the consolidated Group net profit by the average number of ordinary shares. The calculation is broken down in the following table:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Group result from continuing operations [A]	(1,660)	12,970
Number of shares (in thousands) considered in calculating basic earnings per share[B]	20,329	20,099
Basic earnings per share (in Euro) [A/B]	**(0.08)**	**0.65**
Group net result [A]	(17,426)	10,193
Number of shares (in thousands) considered in calculating basic earnings per share[B]	20,329	20,099
Basic earnings per share (in Euro) [A/B]	**(0.86)**	**0.65**

Details of the calculation of diluted earnings per share are shown in the table below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Group result from continuing operations [A]	(1,660)	12,970
Average number of shares (in thousands) [B]	20,220	20,099
Effect of stock options at issue [C] (1)	-	-
Diluted earnings per share (in Euro) [A/(B+C)]	**(0.08)**	**0.65**
Group net result [A]	(17,426)	10,193
Average number of shares (in thousands) [B]	20,220	20,099
Effect of stock options at issue [C] (1)	-	-
Diluted earnings per share (in Euro) [A/(B+C)]	**(0.86)**	**0.51**

(1) The effect of share options upon issuance, considered for the purpose of calculating diluted earnings per share, relates to shares granted on the basis of the share-based payment plan called the Long Term Incentive Plan, which, as required by IFRS 2 are convertible on the basis of the conditions accrued in the respective fiscal years.

[49] Basic and diluted earnings per share as of February 28, 2023 have been restated in light of the application of IFRS 5 with reference to the subsidiary Monclick S.r.l. in liquidation.

5.27 Cash flow statement

The principle factors impacting the cash flows in the year are illustrated below.

Net cash flow generated/(absorbed) by operating activities

(Euro thousands)	Year ended	
	February 29, 2024	February 28, 2023
Cash flow from operations		
Consolidated profit/(loss) for the consolidated year	(17,395)	10,193
Adjustments for:		
Income taxes	9,420	855
Net financial expenses (income)	10,216	12,998
Amortisation, depreciation and write-downs of fixed assets	109,685	106,431
Other changes	16,858	1,290
Net cash flow generated/(absorbed) from operating activities before changes in Net Working Capital	**128,784**	**131,767**
Changes in:		
- Inventories	9,872	16,018
- Trade receivables	20,419	(23,093)
- Trade payables	(47,205)	17,553
- Other changes in operating assets and liabilities	11,538	(13,264)
Cash flow generated/(absorbed) by operating activities	(5,376)	**(2,786)**
Taxes paid	(562)	-
Interest paid	(10,441)	(10,544)
Net cash flow generated/(absorbed) by operating activities	**112,405**	**118,437**
Net cash flow generated/(absorbed) from discontinued operations	**(4,530)**	**-**

Consolidated cash flows of Euro 112,405 thousand were generated by operating activities (generation of Euro 118,437 thousand in the previous fiscal year to February 28, 2023). The cash movements compared to the previous year relates to the Group's earnings performance and net working capital movements.

Net cash flow generated/(absorbed) from discontinued operations report an absorption of Euro 4,530 thousand and includes the contribution of Monclick S.r.l. in liquidation.

Cash flow generated by investing activities (B)

(Euro thousands)	Year ended	
	February 29, 2024	February 28, 2023
Cash flow from investment activities		
Purchases of plant, machinery, equipment and other assets	(19,578)	(17,651)
Purchase of intangible assets	(20,671)	(21,526)
Investments in current FVOCI securities		(60,000)
Divestment of current FVOCI securities	60,540	
Investments for business combinations net of cash acquired and business units	(8,515)	364
Cash flow generated/(absorbed) by investment activities	**11,777**	**(98,813)**

Investment activities generated cash of Euro 11,777 thousand in the fiscal year ended February 29, 2024, compared to cash absorption of Euro 98,813 thousand in the fiscal year ended February 28, 2023.

The main Group needs in 2023/24 concerned:

- investments in plant, machinery and equipment for Euro 19,578 thousand, mainly concerning work on outlets during the period;
- investments in intangible assets for Euro 20,671 thousand concern the costs incurred for investments in technological developments and the strengthening of the omnichannel strategy and of the technological infrastructure.

During the first half of the fiscal year, Ordinary Treasury Bonds and Long-Term Treasury Bonds reached maturity, with their consequent settlement for Euro 60,540 thousand.

Cash flow from investments for business combinations and business units absorbed Euro 8,515 thousand and concerns the liquidity absorbed from the acquisition of Covercare S.p.A.. For further details, see section 5.29 “Business Combinations (Covercare Group)”.

Cash flow from generated/(absorbed) by financing activities

(Euro thousands)	Year ended	
	February 29, 2024	February 28, 2023
Cash flow from financing activities [50]		
Increase/(Decrease) financial liabilities	-	(724)
Increase/(Decrease) in other financial liabilities	(2,035)	(3,313)
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(68,823)	(63,334)
Distribution of dividends	(9,848)	(27,134)
Cash flow generated/(absorbed) by financing activities	**(80,707)**	**(94,505)**

[50] For the purpose of better representation, cash flows related to IFRS 16 leases were reclassified from "Cash flow generated/(absorbed) from investing activities" to "Cash flow generated/(absorbed) from financing activities."

Financing activities absorbed cash of Euro 80,707 thousand in the year ended February 29, 2024 and Euro 94,505 thousand in the previous year. The decrease is mainly due to the distribution of dividends of Euro 9,848 thousand (Euro 27,134 thousand in 2023/24).

5.28 Share-based payment agreements

Long Term Incentive Plan

On February 6, 2017, Unieuro's Extraordinary Shareholders' Meeting approved the adoption of a stock option plan (the "Plan" or "Long Term Incentive Plan" or "LTIP") reserved for Unieuro's Executive Directors, associates, and employees (executives and non-executives). The Plan provides for the granting of ordinary shares resulting from a capital increase with the exclusion of option rights, pursuant to Article 2441, paragraphs 5 and 8, of the Civil Code, which was approved by the Unieuro Shareholders' Meeting on the same date.

The Plan specifies the following objectives: (i) to focus recipients on factors of strategic interest to Unieuro, (ii) to foster the loyalty of the plan recipients and incentivise their retention at Unieuro, (iii) to increase Unieuro's competitiveness by identifying medium-term goals and supporting value creation for both Unieuro and its shareholders, and (iv) to ensure that the overall remuneration of the plan recipients remains competitive in the market.

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro. On June 29, 2017, the Board of Directors approved the regulations of the plan ("Regulations") in which it determined the terms and conditions of the plan’s implementation.

The Recipients subscribed to the Plan in October 2017. The parties expressly agreed that the effects of the granting of rights shall have retroactive effect to June 29, 2017, the date of approval of the regulations by the Board of Directors.

The Regulations also provide for the terms and conditions described below:

- Condition: the Plan and related options will be conditional on the completion of Unieuro's listing by July 31, 2017 ("IPO");

- Recipients: the Plan is addressed to Executive Directors, associates and employees (Executive and Non-Executive) of Unieuro ("Recipients") who have been identified by the Board of Directors from among those who have an ongoing employment relationship with Unieuro and/or other Group companies. The identification of the Recipients was made on the basis of a discretionary judgment of the Board of Directors, which given the aims of the Plan, the strategies of Unieuro and of the Group and the objectives, takes into account, among other matters, the strategic importance of the role and the impact of the role on the pursuit of the objective;

- Purpose: the purpose of the Plan is to grant the Recipients free and non-transferable option rights by deed between living persons for the purchase or subscription for consideration of ordinary shares of Unieuro for a maximum number of 860,215 options, each of which will entitle them to subscribe one newly issued ordinary share ("Options"). Where the objective is exceeded with a performance of 120% of the target, the number of Options will be raised to 1,032,258. A capital increase was therefore approved for a maximum nominal amount of Euro 206,452, plus share premium, for a total value (share capital plus share premium) equal to the price at which Unieuro's shares will be placed on the Italian Stock Exchange (MTA), by issuing a maximum of 1,032,258 ordinary shares;

- Granting: the Options will be granted in one or more tranches, and the number of Options in each tranche will be determined by the Board of Directors after consultation with the Remuneration Committee;

- Exercise of rights: subscription of shares can only be made after July 31, 2020 and by the final deadline of July

31, 2025;

- Vesting: the extent and existence of each Recipient's right to exercise options will be verified at July 31, 2020 provided that: (i) the employment relationship with the Recipient continues until that date and (ii) the targets, in terms of distributable profits, set out in the business plan are met based on the following criteria:
    - or in the event of failure to achieve at least 85% of the expected results, no options will be eligible for exercise;
    - or if 85% of the expected results are achieved, only half the options will be eligible for exercise;
    - or if between 85% and 100% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 50% and 100%;
    - or if between 100% and 120% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 100% and 120% - the maximum limit.
- Exercise Price: the exercise price of the Options will be equal to the placement price on IPO of Euro 11 per share;
- Cash Bonus: A recipient who exercises in whole or in part their subscription rights shall be entitled to receive an extraordinary cash bonus in an amount equal to the dividends they would have received from the date of approval of this Plan until the end of the vesting period (August 31, 2020) with the exercise of the corporate rights attaching to the Shares obtained in the year in question with the exercise of the Subscription Rights;
- Duration: the Plan covers a five-year time horizon, from July 31, 2020 to July 31, 2025.

On February 29, 2020, the vesting period of the rights under the Plan concluded; the Board of Directors on June 18, 2020 verified that the quantitative and therefore objectively assessable targets were met to the extent of 101.11%; and in accordance with the provisions of the Plan Regulations, resolved to grant a total of 849,455 options. From July 31, 2020 until July 31, 2025, each beneficiary will be entitled to exercise their subscription rights in whole or in part and also in several tranches; at the end of each fiscal year in which the beneficiary has exercised all or part of their subscription rights, as provided for in the Plan, the beneficiary shall be entitled to receive an extraordinary cash bonus already recognised to the financial statements, in an amount equal to the dividends they would have received from the date of approval of the Plan until the end of the vesting period with the exercise of the corporate rights due to the

shares obtained in the year in question with the exercise of the subscription rights.

The number of options outstanding at February 29, 2024 is as follows:

	Number of options February 29, 2024
No. of options outstanding assigned	849,455
No. of options granted in the period	-
No. of options not granted	-
No. of options exercised	689,871
No. of options expired	-

<u>*2020-2025 Performance share plan*</u>

On October 27, 2020, the Board of Directors of Unieuro S.p.A., subject to the favourable opinion of the Appointments and Remuneration Committee, approved the Disclosure Document on the 2020-2025 Performance Share Plan (the "Performance Shares" or "PS") prepared pursuant to Article 114-bis of the CFA, which was submitted in December 2020 for the approval of the Shareholders' Meeting.

Description of Plan's recipients

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro.

The Granting of rights to each of the Beneficiaries with respect to the three-year period FY2021-FY2023 (1st Cycle) and the three-year periods FY2022-FY2024 and FY2023-FY2025 (2nd Cycle and 3rd Cycle) will be determined on each occasion by the Board of Directors.

On January 13, 2021, July 14, 2021, and March 23, 2022, the Board of Directors granted the rights and approved the regulations of the 1st, 2nd, and 3rd Cycles, respectively, in which it determined the terms and conditions for implementing the Plan. The subscription of the Plan by the Recipients of Cycle 1 took place in January 2021, in July 2021 with reference to Cycle 2, and in April 2022 with reference to Cycle 3.

The Plan is intended for Executive Directors and/or Senior Executives and/or employees of the Company or Group companies, understood as personnel who have an employment relationship with the Company and/or the Group and fall into one of the following categories: (i) personnel having the rank of executive at the Company and/or Group companies; (ii) personnel having the rank of manager (or higher) at the Company and/or Group companies.

Essential elements related to the characteristics of the financial instruments on which it is based

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

Free granting of these Shares will be made in the years 2023 (1st cycle), 2024 (2nd cycle) and 2025 (3rd cycle).

As reflected in the Board of Directors' resolution, the actual granting of Shares for each of the three cycles will be based

on the performance targets and, in general, the meeting of the vesting conditions.

It is also provided that the aforementioned rights shall entitle each beneficiary to the receipt of a cash bonus linked to any cash dividends distributed and paid by the Company up to the grant date. This award will be payable in conjunction with, and subject to, the delivery of shares related to each cycle of the Plan provided that the specific vesting conditions are met.

Plan rationale

The Plan shall be one of the instruments used by the Company and the Group to supplement the remuneration of key personnel with variable components based on achieving performance targets and in accordance with best market practices.

The Board of Directors considers a share-based incentive plan, with five-year duration and specific performance targets, as the most effective incentive instrument and one which responds to the interests of the Company and of the Group. Therefore, the Plan has the following objectives: (i) to focus recipients on factors of strategic interest of the Company and direct key resources toward strategies aimed at pursuing medium- to long-term results; (ii) to retain and incentivise recipients within the Company by developing retention policies aimed at key resources; (iii) aligning the interests of beneficiaries with those of shareholders, with a view to developing confidence in the Company's value creation; and (iv) ensuring that the overall remuneration of Plan recipients remains competitive while developing attraction policies toward talented managerial and professional figures.

In the financial statements, the assumptions underlying the calculation were (i) the exercise term equal to the duration between the grant date and the vesting date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Finally, consistent, with the provisions of IFRS 2, (iv) the probability of Recipients' exit and (v) the probability of achieving performance targets equal to 100%.

	Number of rights February 29, 2024
Outstanding at beginning of period	**584,000**
Assigned during the period	(231,224)
Granted during the period	1,424
Contribution from merger	-
Withdrawn during the period	-
Outstanding at the end of period	**354,200**
Not allocated at beginning of period	-
Exercisable at end of period	-
Not allocated at end of period	**-**

2023-2028 Performance share plan

On June 21, 2022, the Shareholders' Meeting of Unieuro S.p.A., approved the Disclosure Document on the 2023-2028 Performance Shares Plan (the "Performance Shares" or "PS") prepared pursuant to Article 114-bis of the CFA.

Description of Plan's recipients

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro.

The Plan is intended for Executive Directors and/or Senior Executives and/or employees of the Company and/or Group companies who hold roles with a greater impact on the achievement of medium-long term business results or with strategic importance for the purposes of achieving Unieuro’s long-term objectives, as well as additional roles identified in relation to the performances achieved, skills possessed or with a view to retention/attraction and fall into one of the following categories: (i) executives of the Company and/or Group companies and (ii) first level while-collar employees (or above) at the Company and/or Group companies.

Essential elements related to the characteristics of the financial instruments on which it is based

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

Free granting of these Shares will be made in the years 2026 (1st cycle), 2027 (2nd cycle) and 2028 (3rd cycle).

It is also provided that the aforementioned rights shall entitle each beneficiary to the receipt of a cash bonus linked to any cash dividends distributed and paid by the Company up to the grant date. This award will be payable in conjunction with, and subject to, the delivery of shares related to each cycle of the Plan provided that the specific vesting conditions are met.

Plan rationale

In fact, the Plan is one of the tools used by the Company to supplement the fixed component of the remuneration package of strategic resources through variable components linked to continued employment, in line with market best practices, and is proposed as a continuation of the previous medium- to long-term incentive plan approved by the Shareholders' Meeting of December 17, 2020.

The Plan has the following objectives: (i) to focus the Beneficiaries of the Plan on factors of strategic interest of the Company and direct key resources toward pursuing medium to long-term results, with a view to the sustainability of the Group’s operating-financial performances (ii) to retain and incentivise the Beneficiaries of the Plan within the Company by developing retention policies; (iii) aligning the interests of Beneficiaries with those of Shareholders, with a view to developing the Company's value creation; and (iv) ensuring that the overall remuneration of Plan recipients remains competitive while developing attractive policies toward new talented managerial and professional figures.

	Number of rights February 29, 2024
Outstanding at beginning of period	**80,000**
Assigned during the period	-
Granted during the period	117,900
Contribution from merger	-
Withdrawn during the period	-
Outstanding at the end of period	**197,900**
Not allocated at beginning of period	-
Exercisable at end of period	-
Not allocated at end of period	**2,100**

5.29 Business Combinations (Covercare Group)

On December 4, 2023, Unieuro completed the acquisition of the entire share capital of Covercare S.p.A., a leading player in Italy for repair services for mobile phones, other portable devices, and domestic appliances, in addition to the installation of air conditioners and boilers and in home assistance services.

The consideration from the acquisition was set at Euro 70,000 thousand, in addition to the net financial position of Euro 13,450 thousand. The consideration was paid for Euro 4,500 thousand as an advance in October 2023 and for Euro 54,637 thousand at closing. The remainder of Euro 24,313 thousand was recognised to financial liabilities and represents the portion of the consideration to be paid by October 2024 of Euro 14,313 thousand, and for Euro 10,000 thousand the estimated amount to be paid as earnout by June 2026, subject, among others, to the achievement of a specific profitability target in terms of EBITDA in fiscal year 2025/26. Management considered this amount to be a part of the acquisition payment and has therefore recognised the payable to the sellers.

In order to finalise this acquisition, in December 2023 the parent company drew down a loan of Euro 40,000 thousand, with a maturity date of November 30, 2025. The loan agreement stipulates the repayment of principal in quarterly instalments from February 2024.

Given that the assets and liabilities acquired represent a business, the transaction is considered to be a business combination as defined by IFRS 3.

The financial statements of the subsidiary Covercare S.p.A. and its subsidiaries Covercare Centre S.r.l. and Cybercare S.r.l. have been included in the consolidated financial statements as of December 1, 2023. The Directors have assessed that there are no significant changes in the fair value of the acquired assets between the date Unieuro took control (December 4, 2023) and the date of initial consolidation (December 1, 2023).

The amounts of the assets acquired and liabilities assumed of the Covercare Group, as per the Unieuro Group's accounting standards IAS/IFRS) at the consolidation date, are summarised below:

(in thousands of Euro)	**Assets/(liabilities) recognized**
Goodwill	567
Plant, machinery, equipment and other assets and Intangible assets with finite useful life	4,498
Other non-current assets	111
Deferred tax assets	1,152
Inventories	-
Trade receivables	9,158
Trade payables	(4,022)
Other current assets/liabilities	(17,665)
Employee benefits	(397)
Financial liabilities	(3,065)
Provisions for risks and charges	(2,371)
Cash and cash equivalents	15,621
Net identifiable assets	**3,587**

Identifiable Assets (Liabilities) have been determined provisionally in accordance with IFRS 3, and relate to: (i) write-down of tangible assets for Euro 331 thousand, (ii) write-down of obsolete inventories for Euro 687 thousand, (iii) write-down of receivables deemed uncollectible at the date of acquisition for Euro 444 thousand, (iv) tax effect on the economic situation at the date of acquisition for Euro 2,616 thousand, and (v) provisions for risks in for Euro 579 thousand.

It should be noted that for the acquisition, Unieuro availed of the option under IFRS 3 to make a provisional allocation of the cost of the business combination to the fair values of the assets acquired and liabilities and contingent liabilities assumed. Where new information obtained within one year of the acquisition date, relating to facts and circumstances in existence at the acquisition date, results in adjustments to the amounts presented or to any additional provision in existence at the acquisition date, the acquisition accounting shall be revised.

(in thousands of Euro)	**December 1, 2023**
Consideration of the transaction	(83,450)
Percentage acquired	100%
Shareholders' equity of the Covercare Group pertaining to the parent company	3,603
Shareholders' equity of the Covercare Group pertaining to minority interests	(16)
Goodwill already recognised to the consolidated financial statements of the Covercare Group	567
Excess price to be allocated	**(80,397)**
Customer relationship	17,243
Trademarks	6,387
Software	2,169
Deferred tax liabilities	(6,081)
Goodwill (residual)	**60,680**

Covercare's intangible assets are classified under IFRS 3 into three main categories:

- Customer-related intangible assets: this category includes a number of intangible assets (customer relationships, customer lists, etc.) characterised by the presence of a relationship between the company and its current or potential customer base for the business lines of warranty extensions and installations;
- Marketing-related intangible assets: are represented by intangible assets used primarily for marketing and promotion activities of the company's products and services (brands, etc.), which are of key importance in the development of business relationships with customers;
- Technology-related intangible assets: this category includes technology in a broad sense (patented and unpatented), including software, which is indispensable to the operation of the enterprise and the management of incoming orders.

Covercare operates on two channels, targeting two types of end customers:

i. *Retail* which includes the activities of selling extended warranties and repairs directly to the end consumer;

ii. B2B which is the channel covering the sale of products and installation and repair services to large companies.

The residual goodwill recognised on execution of the business combination was allocated 67.6% (Euro 41,000 thousand) to the Retail CGU and 32.4% (Euro 19,710 thousand) to the B2B CGU.

Net cash flows from the acquisition are as follows:

(in thousands of Euro)	
Cash and cash equivalents of the Covercare Group at 01.12.2023	15,621
Provisional price already paid	(59,137)
Disbursement net of the repaid instalments of the Bank loan for the acquisition	35,000
Cash flow from the acquisition of business combinations	**(8,515)**

5.30 Discontinued operations

On October 16, 2023, the Board of Directors of Unieuro S.p.A. approved the initiation of the procedure for the liquidation of its wholly-owned subsidiary Monclick S.r.l., and on October 24, 2023 the Shareholders' Meeting of Monclick S.r.l. approved the liquidation of the company and appointed the liquidator. On November 3, 2023, the liquidation was filed to the Companies Register.
Monclick S.r.l. in liquidation was engaged in the sale of IT, electronics, telephony and domestic appliance products online in Italy through the website www.monclick.it.. This decision is part of the process of rationalising the corporate structure. In particular, Monclick S.r.l. has suffered a worsening of its operating, equity and financial situation in recent years as a result of the performance of its target markets, exacerbated by its digital pure player business model.

As of February 29, 2024, the contribution of Monclick S.r.l. in liquidation to the consolidated values of the Unieuro Group is presented as a discontinued operation in accordance with IFRS 5, based on the following elements:

- approval by the Board of Directors and the initiation of liquidation proceedings;
- the subsidiary Monclick S.r.l. in liquidation represents an independent business unit of the Unieuro Group.

The balance sheet figures of Monclick S.r.l. in liquidation as of February 29, 2024 are presented under the items "Assets from discontinued operations" and "Liabilities from discontinued operations", while the income statement values for both the year ended February 29, 2024 and the comparative year are reclassified under the item "Result from discontinued operations".

Based on management's assessments, the Group has decided to eliminate intercompany items within the result of continuing operations as, in light of the liquidation procedure, there will be no transactions with the company.

The income statement for the fiscal years ended February 29, 2024 and February 28, 2023 of discontinued operations is presented below:

(in thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Revenues	36,627	73,118
Other income	(71)	(95)
TOTAL REVENUE AND INCOME	**36,556**	**73,024**
Purchase of materials and external services	(39,430)	(72,271)
Personnel costs	(2,258)	(2,129)
Changes in inventory	(308)	(29)
Other operating costs and expenses	(43)	(1,454)
GROSS OPERATING RESULT	**(5,482)**	**(2,860)**
Amortisation, depreciation and write-downs	(11,502)	(565)
NET OPERATING RESULT	**(16,984)**	**(3,425)**
Net financial income and expenses	115	28
PROFIT/(LOSS) BEFORE TAXES	**(16,868)**	**(3,397)**
Income taxes	1,102	621
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	**(15,766)**	**(2,777)**

In accordance with IFRS 5, assets and liabilities from discontinued operations were measured at fair value. Assets from discontinued operations and liabilities from discontinued operations are presented below:

(in thousands of Euro)	**February 29, 2024**
Plant, machinery, equipment and other assets	-
Goodwill	-
Intangible assets with finite useful lives	-
Right-of-use assets	-
Trade receivables	287
Inventories	-
Other current assets	949
Cash and cash equivalents	603
Total assets from discontinued operations	**1,839**

(in thousands of Euro)	**February 29, 2024**
Employee benefits	85
Other financial liabilities	-
Provisions	2,143
Trade payables	935
Other current liabilities	1,251
Total liabilities from discontinued operations	**4,414**

6. RELATED PARTY TRANSACTIONS

The following tables summarise the Group's creditor and debtor balances with related parties at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	February 29, 2024				
Creditor and debtor balances with related parties	**Trade receivables**	**Trade payables**	**Other current liabilities**	**Other non current liabilities**	**Total**
Statutory Auditors	-	-	(65)	-	**(65)**
Board of Directors and committees	-	-	(553)	-	**(553)**
Senior Executives	-	-	(449)	(44)	**(493)**
Total	**-**	**-**	**(1,067)**	**(44)**	**(1,111)**

(In thousands of Euro)	February 28, 2023				
Creditor and debtor balances with related parties	**Trade receivables**	**Trade payables**	**Other current liabilities**	**Other non current liabilities**	**Total**
Statutory Auditors	-	-	(73)	-	**(73)**
Board of Directors and committees	-	-	(203)	-	**(203)**
Senior Executives	-	-	(734)	(379)	**(1,113)**
Total	**-**	**-**	**(1,010)**	**(379)**	**(1,389)**

Giancarlo Nicosanti Monterastelli concluded his employment as a Senior Executive on June 1, 2023. He will continue to serve as Chief Executive Officer, as per the mandate granted by the Board of Directors in 2022. From June 1, 2023, the remuneration as Chief Executive Officer was included in the "Purchase of materials and external services" item, in the column relating to the "Board of Directors and Committees".

The following table summarises the Group's income and costs with related parties in FY 2023/24 and FY 2022/23:

(In thousands of Euro)	February 29, 2024						
Income statement transactions	**Revenues**	**Other income**	**Purchase of materials and services**	**Personnel costs**[51]	**Amort., depreciation & write-downs**	**Income taxes**	**Total**
Statutory Auditors	-	-	(105)	-	-	-	**(105)**
Board of Directors and committees	-	-	(1,304)	-	-	-	**(1,304)**
Senior Executives	-	-	-	(1,852)	-	-	**(1,852)**
Total	**-**	**-**	**(1,409)**	**(1,852)**	**-**	**-**	**(3,261)**

[51] Estimated values referring to short-term and long-term variable compensation were aligned in view of the updated estimates of the achievement of KPIs defined by the remuneration policy.

(In thousands of Euro)	February 28, 2023						
Income statement transactions	**Revenues**	**Other income**	**Purchase of materials and services**	**Personnel costs**	**Amort., depreciation & write-downs**	**Income taxes**	**Total**
Statutory Auditors	-	-	(107)	-	-	-	**(107)**
Board of Directors and committees	-	-	(716)	-	-	-	**(716)**
Senior Executives	-	-	-	(2,427)	-	-	**(2,427)**
Total	**-**	**-**	**(813)**	**(2,427)**	**-**	**-**	**(3,250)**

The Company in May 2023 donated to the Civil Defence on behalf of the Corporate Boards the amount of Euro 33,400 following the flood that hit Emilia-Romagna.

With reference to the periods under consideration, creditor/debtor and income and costs with related parties mainly refer to relations with Directors and Senior Executives, summarised in the table below:

Senior Executives	
Fiscal year ending February 29, 2024	**Fiscal year ending February 28, 2023**
General Manager - Bruna Olivieri	*Chief Executive Officer - Giancarlo Nicosanti Monterastelli*
Chief Financial Officer - Marco Deotto	*General Manager - Bruna Olivieri*
	Chief Financial Officer - Marco Deotto

The Gross remuneration of senior executives is inclusive of all compensation components (benefits, bonuses and gross pay).

The following table summarises the Group's cash flows with related parties in FY 2023/24 and 2022/23:

(in Euro thousands)	*Net cash flow generated/(absorbed) from operating activities*	
Type	**Period from March 1, 2023 to February 29, 2024**	**Period from March 1, 2022 to February 28, 2023**
Statutory Auditors	(113)	(123)
Board of Directors	(954)	(768)
Senior Executives [52]	(2,472)	(2,317)
Total	**(3,539)**	**(3,208)**

[52] The account includes cash flows referring to remuneration paid to executives and the theoretical value for the period of the Long-term incentive plan.

7. OTHER INFORMATION

Contingent liabilities

Based on the information currently available, the Directors of the Company consider that, as of the date of approval of these financial statements, the provisions set aside are sufficient to ensure a fair presentation of financial information.

Guarantees in favour of third parties

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Guarantees and sureties in favour of:		
Third party entities and companies	31,345	32,026
Total	**31,345**	**32,026**

Disclosure on public grants transparency obligations (Law No. 124/2017, Article 1, paragraphs 125-129)

As required by the regulations on transparency of public disbursements introduced by Article 1, paragraphs 125-129 of Law No. 124/2017 and subsequently supplemented by the 'security' decree-law (No. 113/2018) and the 'simplification' decree-law (No. 135/2018), please refer to the National Register of State Aid.

In the fiscal year ended February 29, 2024, the Group did not receive any additional grants, contributions and economic benefits of any kind from public administrations and their equivalents, companies controlled by public administrations, and from publicly held companies.

Employment

At February 29, 2024, the number of employees at Group level stood at 5,363 (5,695 in the previous year) distributed by contractual categories as follows:

	February 29, 2024		February 28, 2023	
	Parent company	Subsidiaries	Parent company	Subsidiaries
Executives	33	6	34	1
Managers	82	7	78	-
White-collar	5,012	112	5,494	38
Blue-collar	1	47	1	-
Trainee	56	9	49	-
Total	**5,184**	**181**	**5,656**	**39**

Independent Audit Firm fees

The fees of the independent audit firm and its network for statutory audit and other services, at February 29, 2024, are presented below:

Type of service	Service provider	Fees (in Euro thousands)
Audit	KPMG S.p.A.	1,002
Certification work	KPMG S.p.A.	18
Other services	KPMG Advisory S.p.A.	45
Other services	KPMG S.p.A.	166
	Total	**1,231**

Subsequent events

No significant events subsequent to fiscal year-end are reported.

Annex 1

Statement of Financial Position at February 29, 2024 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(in thousands of Euro)	Year ended					
	February 29, 2024	Of which related parties	Weighting %	February 28, 2023	Of which related parties	Weighting %
Plant, machinery, equipment and other assets	76,810			77,009		
Goodwill	249,591			196,110		
Intangible assets with finite useful lives	76,272			49,274		
Right-of-use assets	384,619			422,729		
Deferred tax assets	39,159			45,113		
Other non-current assets	22,794			24,906		
Total non-current assets	**849,245**			**815,141**	**-**	**0.0%**
Inventories	435,764			446,032		
Trade receivables	52,784			66,081		
Current tax assets	3,066			5,199		
Other current assets	22,764			82,740		
Cash and cash equivalents	105,598			66,653		
Total current assets	**619,976**			**666,705**	**-**	**0.0%**
Total assets from discontinued operations	1,839			-		
Total Assets	**1,471,060**			**1,481,846**	**-**	**0.0%**
Share capital	4,140			4,140		
Reserves	89,027			89,245		
Profits/(losses) carried forward	3,675	(3,261)	(88.7%)	31,143	(3,282)	(10.5%)
Shareholders' equity - owners of parent	**96,842**			**124,528**	**(3,282)**	**(2.6%)**
Non-controlling interest equity	19					
Total shareholders' equity	**96,861**	**(3,261)**	**(3.4%)**	**124,528**	**(3,282)**	**(2.6%)**
Financial liabilities	14,951			-		
Employee benefits	10,964			11,255		
Other financial liabilities	352,145			379,521		
Provisions	12,511			11,318		
Deferred tax liabilities	8,218			3,946		
Other non-current liabilities	640	44	6.9%	993	379	38.2%
Total non-current liabilities	**399,429**	44	0.0%	**407,033**	**379**	**0.1%**
Financial liabilities	19,825			-		
Other financial liabilities	85,847			70,530		
Trade payables	552,779			597,319		
Current tax liabilities	1,733			1,041		
Provisions	1,799			1,069		
Other current liabilities	308,373	1,067	0.3%	280,326	1,010	0.36%
Total current liabilities	**970,356**	**1,067**	0.1%	**950,285**	**1,389**	**0.15%**
Total liabilities from discontinued operations	**4,414**			-		
Total shareholders' equity and liabilities	**1,471,060**	**(2,150)**	(0.1%)	**1,481,846**	**(2,509)**	**(0.2%)**

Annex 2

Income Statement FY 2023/24 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(In thousands of Euro)	Year ended					
	February 29, 2024	Of which related parties	Weighting %	February 28, 2023	Of which related parties	Weighting %
Revenue	2,634,934			2,811,169		
Other income	668			938		
TOTAL REVENUE AND INCOME	**2,635,602**			**2,812,107**	**-**	**0.0%**
Purchase of materials and external services	(2,287,610)	(1,409)	0.1%	(2,451,619)	(855)	0.0%
Personnel costs	(204,660)	(1,852)	0.9%	(205,449)	(2,427)	1.2%
Changes in inventory	(9,872)			(15,988)		
Other operating costs and expenses	(5,768)			(5,713)		
GROSS OPERATING RESULT	**127,692**	**(3,261)**	**(2.6%)**	**133,338**	**(3,282)**	**(2.5%)**
Amortisation, depreciation and write-downs of fixed assets	(109,685)			(105,866)		
NET OPERATING RESULT	**18,007**	**(3,261)**	**(18.1%)**	**27,472**	**(3,282)**	**(11.9%)**
Financial income	1,440			505		
Financial expenses	(11,656)			(13,531)		
PROFIT BEFORE TAX	**7,791**	**(3,261)**	**(41.9%)**	**14,446**	**(3,282)**	**(22.7%)**
Income taxes	(9,420)			(1,476)		
PROFIT/(LOSS) from operating activities	**(1,629)**	**(3,261)**	**(200.2%)**	**12,970**	**(3,282)**	**(25.3%)**
Result from discontinued operations	**(15,766)**			**(2,777)**		
PROFIT/(LOSS) for the year	**(17,395)**			**10,193**		

Annex 3

Cash flow statement FY 2023/24 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(Euro thousands)	Year ended					
	February 29, 2024	Of which related parties	Weighting %	February 28, 2023	Of which related parties	Weighting %
Cash flow from operations						
Consolidated profit/(loss) for the consolidated year	(17,395)	(3,261)	18.7%	10,193	(3,282)	(32.2%)
Adjustments for:						
Income taxes	9,420			855		
Net financial expenses (income)	10,216			12,998		
Amortisation, depreciation and write-downs of fixed assets	109,685			106,431		
Other changes	16,858			1,290		
	128,784	**(3,261)**	**(2.5%)**	**131,767**	**(3,282)**	**(2.5%)**
Changes in:						
- Inventories	9,872			16,018		
- Trade receivables	20,419			(23,093)		
- Trade payables	(47,205)			17,553		
- Other changes in operating assets and liabilities	11,538	(278)	(2.4%)	(13,263)	74	(0.0%)
Cash flow generated/(absorbed) by operating activities	(5,376)	(3,539)	65.8%	(2,785)	(3,208)	(115.2%)
Taxes paid	(562)			-		
Interest paid	(10,441)			(10,544)		
Net cash flow generated/(absorbed) by operating activities	**112,405**	**(3,539)**	(3.1%)	**118,438**	**(3,208)**	**(2.7%)**
Net cash flow generated/(absorbed) from discontinued operations	**(4,530)**			-		
Cash flow from investment activities				-		
Purchases of plant, machinery, equipment and other assets	(19,578)			(17,651)		
Purchase of intangible assets	(20,671)			(21,526)		
Investments in current FVOCI securities	-			(60,000)		
Divestment of current FVOCI securities	60,540					
Investments for business combinations and business units	(8,515)			364		
Cash flow generated/(absorbed) by investment activities	**11,777**			**(98,813)**	-	**0.0%**
Cash flow from financing activities						
Increase/(Decrease) financial liabilities	-			(724)		
Increase/(Decrease) in other financial liabilities	(2,035)			(3,313)		
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(68,823)			(63,335)		
Distribution of dividends	(9,848)			(27,134)		
Cash flow generated/(absorbed) by financing activities	**(80,707)**			**(94,505)**		
Net increase/(decrease) in cash and cash equivalents	**38,945**	**(3,539)**	**(9.1%)**	**(74,880)**	**(3,208)**	**4.3%**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**66,653**			**141,534**		
Net increase/(decrease) in cash and cash equivalents	**38,945**			**(74,881)**		
CASH AND CASH EQUIVALENTS AT END OF YEAR	**105,598**			**66,653**		

Annex 4

Income Statement FY 2023/24 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(in thousands of Euro)	Year ended					
	February 29, 2024	Of which non-recurring	Weighting %	February 28, 2023	Of which non-recurring	Weighting %
Revenue	2,634,934			2,811,169	-	
Other income	668			938	-	
TOTAL REVENUE AND INCOME	**2,635,602**			**2,812,107**	**-**	
Purchase of materials and external services	(2,287,610)	(3,769)	0.2%	(2,451,619)	(3,971)	(0.2%)
Personnel costs	(204,660)	(188)	0.1%	(205,449)	(626)	0.3%
Changes in inventory	(9,872)	(3,738)	37.9%	(15,988)	-	
Other operating costs and expenses	(5,768)	(146)	2.5%	(5,713)	(558)	8.7%
GROSS OPERATING RESULT	**127,692**	**(7,841)**	**(6.1%)**	**133,338**	**(5,154)**	**(3.9%)**
Amortisation, depreciation and write-downs of fixed assets	(109,685)	(646)	0.6%	(105,866)	(237)	0.2%
NET OPERATING RESULT	**18,007**	**(8,487)**	**(47.1%)**	**27,472**	**(5,391)**	**(19.6%)**
Financial income	1,440			505	-	
Financial expenses	(11,656)	(614)	5.3%	(13,531)	(75)	0.6%
PROFIT BEFORE TAX	**7,791**	**(9,102)**	**(116.8%)**	**14,446**	**(5,467)**	**(37.8%)**
Income taxes	(9,420)	(2,910)	30.9%	(1,476)	1,735	117.5%
PROFIT/(LOSS) from operating activities	**(1,629)**	**(12,012)**	**737.4%**	**12,970**	**(3,732)**	**28.8%**
Result from discontinued operations	(15,766)			(2,777)		
PROFIT/(LOSS) for the year	**(17,395)**			**10,193**		

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AT FEBRUARY 29, 2024 PURSUANT TO ARTICLE 81-*TER* OF CONSOB REGULATION No. 11971 OF MAY 14, 1999 AND SUCCESSIVE AMENDMENTS AND SUPPLEMENTS

The undersigned Giancarlo Nicosanti Monterastelli, in his capacity as Chief Executive Officer, and Marco Deotto, in his capacity as Executive Officer for Financial Reporting of the Unieuro Group, declare, taking into account also the provisions of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the accuracy of the information on company operations and
- the effective application of the administrative and accounting procedures for the compilation of the Consolidated Financial Statements for FY 2023/24.

In addition, we declare that the Consolidated Financial Statements for FY 2023/24 of the Unieuro Group:

- were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU Regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;
- corresponds to the underlying accounting documents and records;
- provide a true and fair view of the equity and financial position and of the operating performance of the issuer and of the other companies in the consolidation scope;

The Directors' Report includes a reliable analysis on the performance and operating result as well as the situation of the issuer and of the companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Forlì, May 10, 2024

Giancarlo Nicosanti Monterastelli
Chief Executive Officer

Marco Deotto
Executive Officer for Financial Reporting

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(The accompanying translated consolidated financial statements of the Unieuro Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Unieuro S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Unieuro Group (the "group"), which comprise the statement of financial position as at 29 February 2024, the income statement and statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Unieuro Group as at 29 February 2024 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Unieuro S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill

Notes to the consolidated financial statements: notes 2.6 - Use of estimates and valuations in the preparation of the Consolidated Financial Statements, 2.7 - Main accounting policies and 5.2 - Goodwill

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 29 February 2024 include goodwill of €249.6 million. The directors determine the recoverable amount of goodwill by calculating its value in use. This method, by its very nature, requires a high level of directors' judgement about the projected operating cash flows during the calculation period, as well as the discount and growth rates of those cash flows. The directors have forecast the operating cash flows used for impairment testing on the basis of the 28 February 2025 to 28 February 2029 business plan (the "plan"), which is based on the strategies of the plan that was approved by the board of directors on 9 May 2023. The parent's board of directors approved the impairment test on 10 May 2024. The operating cash flow estimate reflects the potential impact of the performance of the consumer electronics market and, in general, of the current macroeconomic and geopolitical scenario. For the above reasons, we believe that the recoverability of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: • understanding and analysing the process adopted to prepare the impairment test approved by the parent's board of directors on 10 May 2024; • understanding and analysing the process used to draft the plan; • analysing the reasonableness of the main assumptions used by the directors to determine the recoverable amount of goodwill, including the potential impact of the performance of the consumer electronics market and, in general, of the current macroeconomic and geopolitical scenario. Our analyses included comparing the main assumptions used to the group's historical data and external information, where available; • analysing the valuation models adopted by the directors for reasonableness and consistency with professional practice; • checking the sensitivity analyses disclosed in the notes with reference to the main assumptions used for impairment testing, including the weighted average cost of capital, the long-term growth rate and the sensitivity of gross operating profit; • comparing the group's market capitalisation to its equity; • assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.

Measurement of premiums from suppliers

Notes to the consolidated financial statements: notes 2.6 - Use of estimates and valuations in the preparation of the Consolidated Financial Statements and 2.7 - Main accounting policies

Key audit matter	Audit procedures addressing the key audit matter
The group has entered into supply agreements that provide for the awarding of premiums. These premiums are recognised as a percentage of the quantities purchased or as a fixed figure on the quantities purchased or sold, or as a defined contribution. With reference to those agreements whose term falls after the reporting date, which account for a minor share of the premiums for the year, their calculation is a complex accounting estimate entailing a high level of judgement as it is affected by many factors. The parameters and information used for the estimate are based on the purchased or sold volumes, also affected by the potential impact of the current macroeconomic and geopolitical scenario and valuations that consider historical figures of premiums actually paid by suppliers. Despite being a minor share of total premiums for the year, the estimated premiums may have a significant impact on the group's profit or loss for the year. For the above reasons, we believe that the measurement of premiums from suppliers is a key audit matter.	Our audit procedures included: • understanding the process adopted to calculate premiums from suppliers through meetings and discussions with the group's management; • assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; • discussing the method used to calculate the premiums and the consistency of the valuation approach with that adopted in the previous year with group management; • checking, on a sample basis, the existence and accuracy of premiums from suppliers, including through external confirmations; • checking the accuracy of the premium calculation database, by tracing the amounts to the general ledger and sample-based checks of supporting documentation; • analysing the reasonableness of the assumptions in the estimate, including the potential impact of the current macroeconomic and geopolitical scenario, through discussions with the relevant internal departments, comparison with historical figures, our knowledge of the group and its operating environment and substantive analytical procedures; • assessing the appropriateness of the disclosures provided in the notes about premiums from suppliers.

Measurement of inventories

Notes to the consolidated financial statements: notes 2.6 - Use of estimates and valuations in the preparation of the Consolidated Financial Statements, 2.7 - Main accounting policies and 5.7 - Inventories

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 29 February 2024 include inventories of €435.8 million, net of the allowance for inventory write-down of €13.8 million. Determining the allowance for goods write-down is a complex accounting estimate, entailing a high level of judgement as it is affected by many factors, including: • the characteristics of the group's business sector; • the sales' seasonality, with peaks in November and December; • the decreasing price curve due to technological obsolescence of products; • the high number of product codes handled. • the impact of the current macroeconomic and geopolitical scenario. For the above reasons, we believe that the measurement of inventories is a key audit matter.	Our audit procedures included: • understanding the process for the measurement of inventories and assessing the design and implementation of controls and procedures to assess the operating effectiveness of material controls; • checking the method used to calculate the allowance for inventory write-down by analysing documents and discussions with the relevant internal departments; • checking the mathematical accuracy of the allowance for inventory write-down; • analysing the reasonableness of the main assumptions used to measure the allowance for inventory write-down, including the potential impact of the current macroeconomic and geopolitical scenario through discussions with the relevant internal departments and analysis of age bands and write-down rates applied and comparing the assumptions with historical figures, our knowledge of the group and its operating environment and external information, where available; • comparing the estimated realisable value to the inventories' carrying amount by checking management reports on average sales profits; • assessing the appropriateness of the disclosures provided in the notes about inventories.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in this report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 December 2016, the shareholders of Unieuro S.p.A. appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 28 February 2017 to 28 February 2025.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 29 February 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 29 February 2024 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 29 February 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the group's consolidated financial statements at 29 February 2024 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the group's consolidated financial statements at 29 February 2024 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Unieuro S.p.A. are responsible for the preparation of a consolidated non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such consolidated non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the consolidated non-financial statement separately.

Bologna, 20 May 2024

KPMG S.p.A.

(signed on the original)

Davide Stabellini
Director of Audit

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)	Year ended		
	Notes	February 29, 2024	February 28, 2023
Plant, machinery, equipment and other assets	5.1	76,240	76,933
Goodwill	5.2	188,911	188,911
Intangible assets with finite useful lives	5.3	49,894	45,659
Right-of-use assets	5.4	381,577	420,721
Deferred tax assets	5.5	38,017	45,112
Other non-current assets	5.6	106,134	37,457
Total non-current assets		**840,773**	**814,793**
Inventories	5.7	435,517	445,636
Trade receivables	5.8	50,139	82,384
Current tax assets	5.9	3,066	5,170
Other current assets	5.6	21,213	82,531
Cash and cash equivalents	5.10	88,622	47,442
Total current assets		**598,557**	**663,163**
Total assets		**1,439,330**	**1,477,956**
Share capital	5.11	4,140	4,140
Reserves	5.11	93,792	90,536
Profits/(losses) carried forward	5.11	3,054	32,284
Total shareholders' equity		**100,986**	**126,960**
Financial liabilities	5.12	14,951	-
Employee benefits	5.13	10,443	10,818
Other financial liabilities	5.14	349,861	377,549
Provisions	5.15	10,140	11,318
Deferred tax liabilities	5.5	3,370	3,024
Other non-current liabilities	5.16	640	993
Total non-current liabilities		**389,405**	**403,702**
Financial liabilities	5.12	19,825	-
Other financial liabilities	5.14	85,075	70,403
Trade payables	5.17	559,162	595,257
Current tax liabilities	5.9	1,041	1,041
Provisions	5.15	1,799	1,038
Other current liabilities	5.16	282,037	279,556
Total current liabilities		**948,939**	**947,295**
Total shareholders’ equity and liabilities		**1,439,330**	**1,477,956**

The accompanying notes are an integral part of these separate financial statements.

INCOME STATEMENT

(in thousands of Euro)	Notes	Year ended February 29, 2024	Year ended February 28, 2023
Revenue	5.18	2,658,621	2,865,849
Other income	5.19	1,306	1,977
TOTAL REVENUE AND INCOME		**2,659,927**	**2,867,826**
Purchase of materials and external services	5.20	(2,310,206)	(2,505,099)
Personnel costs	5.21	(203,811)	(205,449)
Changes in inventory	5.7	(10,119)	(15,988)
Other operating costs and expenses	5.22	(5,717)	(6,913)
GROSS OPERATING RESULT		**130,074**	**134,377**
Amortisation, depreciation and write-downs	5.23	(125,479)	(107,866)
NET OPERATING RESULT		**4,595**	**26,511**
Financial income	5.24	1,407	505
Financial expenses	5.24	(11,751)	(13,531)
PROFIT/(LOSS) BEFORE TAX		**(5,749)**	**13,485**
Income taxes	5.25	(10,020)	(1,559)
PROFIT/(LOSS) FOR THE YEAR		**(15,770)**	**11,926**
Basic earnings per share (in Euro) [53]	5.26	(0.78)	0.59
Diluted earnings per Share (in Euro) [35]	5.26	(0.78)	0.59

The accompanying notes are an integral part of these separate financial statements.

STATEMENT OF COMPREHENSIVE INCOME

(In thousands of Euro)	Notes	Year ended February 29, 2024	Year ended February 28, 2023
PROFIT/(LOSS) FOR THE YEAR		**(15,770)**	**11,926**
Other components of comprehensive income that are or could be restated under profit/(loss) for the year:			
Gains/(losses) on cash flow hedging instruments ("cash flow hedges") and securities measured at fair value to OCI	5.14	(2,043)	282
Income taxes		559	(67)
Total other components of comprehensive income that are or could be restated under profit/(loss) for the year	5.11	**(1,484)**	**214**
Other components of comprehensive income that are not restated under profit/(loss) for the year:			
Actuarial gains (losses) on defined benefit plans	5.13	52	2,115
Income taxes		(14)	(590)
Total other components of comprehensive income that will not subsequently be restated under profit/(loss) for the year	5.11	**37**	**1,525**
Total other components of comprehensive income		**(1,447)**	**1,739**
Total comprehensive income for the year		**(17,217)**	**13,665**

The accompanying notes are an integral part of these separate financial statements.

[53] Basic and diluted earnings per share are determined by reference to the Profit/(Loss) for the year.

CASH FLOW STATEMENT

(in thousands of Euro)	Note	Year ended February 29, 2024	Year ended February 28, 2023
Cash flow from operations			
Profit/(loss) for the year	5.11	(15,770)	11,926
Adjustments for:			
Income taxes	5.25	10,020	1,559
Net financial expenses (income)	5.24	10,344	13,026
Amortisation, depreciation and write-downs of fixed assets	5.23	125,479	107,866
Other changes		1,092	1,290
Net cash flow generated/(absorbed) from operating activities before changes in Net Working Capital		131,165	135,667
Changes in:			
- Inventories	5.7	10,119	15,988
- Trade receivables	5.8	28,070	(23,839)
- Trade payables	5.17	(37,961)	14,394
- Other changes in operating assets and liabilities	5.6-5.15-5.16	4,736	(12,268)
Cash flow generated/(absorbed) by operating activities		4,964	(5,725)
Taxes paid	5.25	(562)	-
Interest paid	5.24	(10,568)	(12,302)
Net cash flow generated/(absorbed) by operating activities	**5.27**	**124,999**	**117,640**
Cash flow from investment activities			
Purchases of plant, machinery, equipment and other assets	5.1	(19,395)	(17,574)
Purchase of intangible assets	5.3	(20,479)	(21,484)
Investments in current FVOCI securities	5.10	-	(60,000)
Divestment of current FVOCI securities		60,540	-
Investments for business combinations and business units	5.6	(24,137)	364
Cash flow generated/(absorbed) by investment activities	**5.27**	**(3,471)**	**(98,694)**
Cash flow from financing activities			
Increase/(Decrease) financial liabilities	5.12	-	(724)
Increase/(Decrease) in other financial liabilities	5.14	(2,035)	(3,312)
Increase/(Decrease) financial lease liabilities	5.14	(68,464)	(66,062)
Distribution of dividends	5.11	(9,848)	(27,134)
Cash flow generated/(absorbed) by financing activities	**5.27**	**(80,348)**	**(97,231)**
Net increase/(decrease) in cash and cash equivalents		**41,180**	**(78,286)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**47,442**	**125,728**
Net increase/(decrease) in cash and cash equivalents		**41,180**	**(78,286)**
CASH AND CASH EQUIVALENTS AT END OF YEAR		**88,622**	**47,442**

The accompanying notes are an integral part of these separate financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(In thousands of Euro)	Note	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Fair value to OCI reserve	Reserve for actuarial gains/(losses) on defined benefit plans	Reserve for share-based payments	Other reserves	Profits/ (losses) carried forward	Total shareholders' equity
Balance at February 28, 2022	**5.11**	**4,140**	**811**	**43,146**	**-**	**-**	**(1,705)**	**3,687**	**22,059**	**67,001**	**139,139**
Profit/(loss) for the year		-	-	-	-	-	-	-	-	11,926	11,926
Other components of comprehensive income		-	-	-	-	214	1,525	-	-	-	1,739
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**214**	**1,525**	**-**	**-**	**11,926**	**13,665**
Allocation of prior year result		-	17	19,052	-	-	-	-	-	(19,069)	-
Dividends distribution		-	-	-	-	-	-	-	-	(27,134)	(27,134)
Purchase of Treasury Shares		-	-	-	-	-	-	-	-	-	-
Share-based payment settled with equity instruments		-	-	-	-	-	-	1,729	-	(439)	1,290
Total transactions with shareholders		**-**	**17**	**19,052**	**-**	**-**	**-**	**1,729**	**-**	**(46,642)**	**(25,844)**
Balance at February 28, 2023	**5.11**	**4,140**	**828**	**62,198**	**-**	**214**	**(180)**	**5,416**	**22,059**	**32,285**	**126,960**
Profit/(loss) for the year		-	-	-	-	-	-	-	-	**(15,770)**	**(15,770)**
Other components of comprehensive income		-	-	-	(1,271)	(214)	37	-	-		**(1,447)**
Total comprehensive income for the year		**-**	**-**	**-**	**(1,271)**	**(214)**	**37**	-	-	**(15,770)**	**(17,217)**
Allocation of prior year result		-	-	2,078	-	-	-	-	-	**(2,078)**	**-**
Distribution dividends		-	-	-	-	-	-	-	-	**(9,848)**	**(9,848)**
Purchase of Treasury Shares		-	-	-	-	-	-	-	-		**-**
Share-based payment settled with equity instruments		-	-	-	-	-	-	(2,129)	4,756	**(1,535)**	**1,092**
Total transactions with shareholders		**-**	**-**	**2,078**	**-**	**-**	-	**(2,129)**	**4,756**	**(13,461)**	**(8,756)**
Balance at February 29, 2024	**5.11**	**4,140**	**828**	**64,276**	**(1,271)**	**-**	**(143)**	**3,287**	**26,815**	**3,054**	**100,986**

The accompanying notes are an integral part of these separate financial statements.

NOTES

1. INTRODUCTION

Unieuro S.p.A. (hereinafter also referred to as the "Company" or "Unieuro" or “UE") is a company under Italian law based in Forlì, Italy at 10 Via Piero Maroncelli, founded in the late 1930s by Vittorio Silvestrini. Unieuro is now the leading distributor of consumer electronics and domestic appliances in Italy and operates as an integrated omnichannel distributor in four main product segments: Grey (telephony and computer), White (large and small domestic appliances), Brown (consumer electronics), Other products (consoles, video games, bicycles), offering in parallel a wide range of services such as delivery and installation, extended warranty and consumer financing.

The Company's mission is to accompany customers at all stages of their purchasing journey, placing them at the centre of an integrated ecosystem of product and service offerings that sees accessibility, proximity and closeness as the pillars of its strategic approach.

Unieuro’s shares have been listed on the EURONEXT STAR MILAN since April 2017.

The Company is features an extensive and fragmented shareholder base, and thus is structured like a public company. The table below displays the percentage of Unieuro ordinary shares held either directly or indirectly by shareholders or individuals at the top of the equity chain who have declared that they exceed the relevant shareholding threshold per Article 120 of the Consolidated Finance Act and Consob Issuers’ Regulation. The percentage shown in the table is accurate at the time of writing this Statement but may be subject to updates based on the information available to the Company:

SHAREHOLDER	DIRECT SHAREHOLDERS	NUMBER OF SHARES	% OF TOTAL SHARES COMPRISING THE SHARE CAPITAL
XAVIER NIEL	• ILIAD HOLDING S.P.A. • ILIAD SA	2,520,374	**12.177%**
GIUSEPPE SILVESTRINI	• VICTOR S.R.L. • GIUSEPPE SILVESTRINI	1,275,395	**6.162%**
AMUNDI ASSET MANAGEMENT	• AMUNDI SOCIETÀ DI GESTIONE DEL RISPARMIO S.P.A. • AMUNDI ASSET MANAGEMENT	1,003,108	**5.016%**

2. ACCOUNTING POLICIES ADOPTED FOR THE PREPARATION OF THE FINANCIAL STATEMENTS AND SUMMARY OF ACCOUNTING PRINCIPLES

The following are the accounting policies, main accounting principles and basis of preparation adopted in the preparation and drafting of the separate financial statements of Unieuro S.p.A. (the “Separate Financial Statements”). These principles and policies have been applied consistently for all fiscal years presented in this document taking into account that specified in Note 2.6.1 "Significant Accounting Policies."

2.1 Basis of preparation of the separate financial statements

The Separate Financial Statements comprise the statement of financial position, the income statement, the statement of comprehensive income, the cash flow statement and the statement of changes in shareholders’ equity for the fiscal years ended February 29, 2024 and February 28, 2023, and the relative notes.

2.2 Basis of presentation of the financial statements

The separate financial statements were drawn up in accordance with the going concern principle, as the Directors verified the absence of financial, operating or other indicators which may suggest difficulties with regards to the company’s capacity to meet its obligations in the foreseeable future and in particular in the next 12 months.

The Separate Financial Statements are prepared under the historical cost convention, except for derivative financial instruments measured at fair value.

Please refer to the Directors' Report for information on the nature of the company's business and subsequent events to year-end.

The major shareholders of the Company at February 29, 2024 are listed in the Introduction.

The Separate Financial Statements are presented in Euro, which is the Company’s functional currency. Amounts are in thousands of Euro, except where specifically indicated. Rounding is undertaken at the level of each individual account with totalling thereafter. It should also be noted that any differences in some tables are due to the rounding of values expressed in thousands of euros.

The Separate Financial Statements at February 29, 2024, approved by the Board of Directors of the Company on May 10, 2024, have been audited.

2.3 IFRS Compliance Statement

The Separate Financial Statements have been prepared in accordance with International Accounting Standards (IAS/IFRS) issued by the International Accounting Standard Board (IASB) and related interpretations (SIC/IFRIC), as adopted by the European Union. The year of initial adoption of international accounting standards (IAS/IFRS) for the Company is the fiscal year ended February 28, 2007.

In addition, the Separate Financial Statements have been prepared in accordance with the provisions adopted by Consob on financial statement formats pursuant to Article 9 of Legislative Decree No. 38/2005 and other Consob rules and regulations on financial statements. Specifically, it should be noted that with reference to Consob Resolution No. 15519 of July 27, 2006 and Communication No. DEM6064293 of July 28, 2006 regarding financial statements, specific income statement, statement of financial position, and cash flow statement tables have been included, with indication of significant related party transactions and specific income statement tables with indication, for each item, of the non-recurring component.

2.4 Financial statements

The Separate Financial Statements, in addition to these explanatory notes, consist of the following statements:

a) **Statement of financial position:** the statement of financial position presents current and non-current assets and current and non-current liabilities separately, with a description in the notes for each asset and liability item of the amounts expected to be settled or recovered within or beyond 12 months from the date of the financial statements.

b) **Income statement:** the classification of costs in the income statement is based on their nature, showing the intermediate results related to gross operating income, net operating income and profit before tax.

c) **Statement of comprehensive income:** this statement includes profit/(loss) for the year as well as income and expenses recognised directly in equity for transactions other than those entered into with shareholders.

d) **Cash flow statement:** the cash flow statement presents cash flows from operating, investing and financing activities. The cash flow statement is presented in accordance with the indirect method, whereby net income is adjusted for the effects of non-cash transactions, any deferrals or provisions for previous or future operating cash receipts or payments, and items of income or expense associated with cash flows from investing or financing activities.

e) **Statement of changes in shareholders' equity:** this statement includes, in addition to the result of the comprehensive income statement, the transactions directly with shareholders who acted in this capacity and the details of each individual component. Where applicable, the statement also includes the effects, for each equity item, resulting from changes in accounting policies.

The Separate Financial Statements are presented in comparative form.

2.5 Use of estimates and valuations in the preparation of the separate financial statements

The preparation of the separate financial statements, in application of IFRS, require that management make estimates and assumptions on the values of the assets and liabilities in the separate financial statements and on the information relating to the assets and contingent liabilities at the reporting date. Estimates are used to recognise provisions for doubtful debts and risks provisions, inventory obsolescence, assets related to the capitalisation of contract obtainment costs, contract liability related to the sale of extended warranty services, lease liabilities, and right-of-use assets, perform asset valuations, goodwill impairment testing, investment impairment testing, actuarial valuation of employee benefits and share-based payment plan, as well as estimate the fair value of derivatives and assess the recoverability of deferred tax assets.

The estimates and assumptions are periodically reviewed and the effects of any variation are reflected in the Income Statement.

The principal measurement processes and key assumptions used by the Company in applying IFRS and which may have significant effects on the values recorded in the Financial Statements or give rise to significant adjustments to the accounting values of assets and liabilities in the year subsequent to the reporting date are summarised below.

Recoverable value of non-current assets

Non-current assets include property, plant, machinery, equipment and other assets, goodwill, software and trademarks, investments and other non-current assets. The Company periodically reviews the carrying value of the non-current assets held and utilised and of assets to be disposed of, when events and circumstances require such. For goodwill, this analysis is carried out at least once a year and whenever facts and circumstances show possible impairment. The recoverability analysis of the carrying of non-current assets is generally made utilising the estimates of the future cash flows expected from the utilisation or from the sale of the asset and adjusted by discount rates for the calculation of the fair value. When the carrying amount of a non-current asset is impaired, the Company recognises a write-down for the excess between the carrying amount of the asset and its recoverable amount through use or sale, with reference to the cash flows from the most recent business plans.

The estimates and assumptions used as part of this analysis, particularly the investment and goodwill impairment tests, reflect the Company's state of knowledge about business developments and take into account forecasts deemed reasonable about future market and industry developments that remain subject to a high degree of uncertainty.

Recoverability of deferred tax assets

The Company recognises deferred tax assets up to the amount for which recovery is deemed probable. Where necessary, the Company recognises adjustment items in order to reduce the value of deferred tax assets to the amount for which recovery is deemed probable. In assessing the recoverability of deferred tax assets consideration is made of budgets and forecasts for subsequent years consistent with those used for impairment testing and described in the paragraph above regarding the recoverable value of non-current assets.

Bad debt provision

The bad debt provision reflects management's estimate on losses on the client portfolio. The estimate of the bad debt provision is based on the expected losses by management, based on past experience for similar receivables, current and historic amounts overdue, losses incurred, receipts, careful monitoring of the credit quality and projections on economic and market conditions.

Inventory obsolescence provision

The inventory obsolescence provision reflects management's estimate of the expected impairment of assets, determined both on the basis of past and historical experience and expected market trends, including as a result of specific actions taken by the Company. This estimate allows the value of the inventory to be restored to the lower of cost and realisable value.

Contract assets related to the sale of warranty extension services

Among the services sold by Unieuro to its customers is the extension of product warranties beyond those already recognised by law by the manufacturer. This service is sold directly at the points of sale through the recognition of an additional amount over and above the amount of the product sold. Sales representatives are awarded an incentive for each additional sale of extended warranty services.

When warranty services are sold, Unieuro recognises an asset equal to the value of bonuses paid to employees and then recognises that asset as an expense over the life of that service. The release of this asset as an expense is determined based on estimated warranty repair work consistent with the reversal of the contract liability related to the sale of extended warranty services.

Trade payables

The Company holds contracts for the supply of goods that include the provision of bonuses and, in certain circumstances, contributions classified as a reduction of trade payables. These premiums and contributions are recognised either as a percentage of quantities purchased, or as a fixed amount on quantities purchased or sold, or as a defined contribution. Predominantly with reference to agreements that have an expiration date later than the end of the fiscal year, which account for a minority share of the year's bonuses and contributions, determining their amount is a complex accounting estimate that requires a high degree of judgment as influenced by multiple factors. The parameters and information used for the estimate are based on the amount purchased or sold and on assessments that take into account historical data regarding the actual recognition of bonuses and contributions from suppliers.

Contract liabilities related to the sale of warranty extension services

Among the services sold by Unieuro to its customers is the extension of product warranties beyond those already recognised by law by the manufacturer. This service is offered by Unieuro and its affiliates and is sold directly at the point of sale for an additional fee to that of the product sold.

The extension of the warranty over the legal warranty can be temporal (more years covered) and/or on the risks covered (e.g., damage to the product) depending on the category of product sold.

When warranty services are sold, Unieuro recognises a liability equal to the sale value of that service, and then releases it as revenue over the term of that service. The release of this liability as revenue is determined on the basis of estimated warranty repair work. Warranty repair interventions are estimated based on historical information about the nature, frequency and cost of warranty interventions duly interpolated to simulate future event occurrence curves.

Lease liabilities and right-of-use assets

The Company recognises the right-of-use asset and the lease liability. Right-of-use assets are initially measured at cost, and subsequently at cost net of cumulative depreciation and impairment losses, while adjusted to reflect lease liability revaluations.

The Company measures the lease liabilities at the present value of the future payments not settled at the commencement date.

The lease liability is subsequently increased by the interest maturing on this liability and reduced for lease payments and is revalued in the case of changes to future lease payments deriving from a change in the index or rate or where the Company changes its assessment on the exercise or otherwise of a renewal or termination option.

Leasing contracts in which the Company acts as lessee may provide for renewal options with effects, therefore, on the term of the contract. Assessments as to whether there is a relative certainty that this option will (or will not) be exercised can influence, even significantly, the amount of lease liabilities and right-to-use assets.

The Company classifies sub-leases in which it acts as lessor, as finance leases.

Defined benefit plans and other post-employment benefits

The Company recognises a defined benefit plan (post-employment benefits) for employees.

With respect to employee benefit plans, the net financial charges are measured according to an actuarial method which requires the use of estimates and assumptions for the calculation of the net value of the obligation. The actuarial method considers parameters of a financial nature such as, for example, the rate of discount, the growth rates of salaries, and considers the probability of occurrence of potential future events through the use of parameters of a demographic nature, such as, for example, rates relating to mortality and employee resignation or retirement. Specifically, the discount rates taken as reference are rates or rate curves of corporate bonds with high creditworthiness in their respective markets. Changes in any of these parameters could result in effects on the amount of the liability.

Provisions

The Company recognises a provision against disputes and lawsuits in progress when it considers it probable that there will be a financial payable and when the amount of the charges arising can be reasonably estimated. In cases where the amount of financial outlay cannot be reliably estimated or the probability of such financial outlay becomes possible, no provision is recognised and the fact is reported in the notes to the financial statements.

In the normal course of business, the Company monitors the status of pending lawsuits and consults with its legal and tax advisors. It is therefore possible that the value of the of Company provisions for legal proceedings and litigation may change as a result of future developments in ongoing proceedings.

Share-based payment plan settled with equity instruments

Long Term Incentive Plan

The assumptions underlying the calculation were (i) volatility, (ii) the risk rate (equal to the yield on zero-coupon Eurozone government bonds with maturity close to the date on which the options are expected to be exercised), (iii) the exercise term equal to the duration between the grant date and the date of option exercise, and (iv) the amount of expected dividends. Finally, consistent with the provisions of IFRS 2, the likelihood of recipients' exit from the plan and the likelihood of achieving performance targets were taken into account. For further information, reference should be made to note 5.28.

2020-2025 Performance share plan

The fair value measurement is recorded using an actuarial methodology. The assumptions underlying the calculation were (i) the exercise term equal to the duration between the grant date and the rights award date and (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Finally, consistent with the provisions of IFRS 2, the probability of exit of Recipients and the probability of achieving performance targets equal to 100%. For further information, reference should be made to note 5.28.

Hedging derivative instruments

The fair value of the derivative instruments is calculated on the basis of the amounts recorded on regulated markets or prices provided by financial counterparties. Where the mentioned values and sources are not available, the estimation is carried out using valuation models that also take into account subjective assessments such as, for example, estimates of cash flows and expected price volatility.

Cloud adoption

As part of the development of the "Omnichannel Trade" strategic pillar, projects to further strengthen the omnichannel proposition to offer customers an ever-better experience continued in the present fiscal year. Cloud adoption of the data world was launched in the year with the implementation of the new Cloud platform to put in place a new data architecture available to the entire enterprise.

In establishing the accounting procedure, the Directors made use of a special report prepared by a leading consulting/auditing firm specifically commissioned by the Company.

In accordance with IFRS 16, the Group accounts for the right-of-use asset and the financial liability for costs related to Sole Tenant machines. Right-of-use assets are initially measured at cost, and subsequently at cost net of cumulative depreciation and impairment losses, while adjusted to reflect lease liability revaluations. The financial liability is measured at the present value of unpaid payments due on the effective date. Costs associated with application developments are accounted for on the intangible asset in application of IAS 38.

2.6 Main accounting policies

The accounting principles and policies adopted in preparing these Separate Financial Statements were the same as those applied in preparing Unieuro's Separate Financial Statements for the year ended February 28, 2023.

2.6.1 Main accounting policies

Business combinations and goodwill

Business combinations are recognised using the acquisition method. This requires, at the date of acquisition of control, recognition at fair value of the identifiable assets (including previously unrecognised intangible assets) and identifiable liabilities (including contingent liabilities and excluding future restructuring) of the acquired company.

Any contingent consideration is recognised by the Company at fair value at the date of acquisition. The change in the fair value of the contingent payment classified as an asset or liability will be recorded, in accordance with IFRS 9, in the income statement. If contingent consideration is classified in equity, its initial value will never be subsequently restated.

Goodwill arising from a business combination is initially measured at cost represented by the excess of the fair value of the consideration transferred over the Company's share of the net fair value of the acquiree's identifiable assets, liabilities, and contingent liabilities. The goodwill acquired in a business combination is allocated, at the acquisition date, to the Company's cash-generating units, or to the group of cash-generating units which should benefit from the synergies of the business combination, independently of the fact that other assets or liabilities of the Company are allocated to this unit or group of units. Each unit or group of units to which the goodwill is allocated:

- represents the smallest level within the Company at which goodwill is monitored for internal management purposes;
- is no larger than the identified operational segments.

When the goodwill constitutes part of a cash- generating unit and part of the internal activities of this unit are sold, the goodwill associated with the activity sold is included in the carrying amount of the activity to determine the gain or loss deriving from the sale. The goodwill sold in these circumstances is measured on the basis of the relative values of the activities sold and of the portion of the unit maintained.

Any gains from a favourable business purchase are recognised immediately in the income statement, while costs related to the combination, other than those related to the issuance of debt or equity instruments, are recognised as expenses in the income statement when incurred.

After initial recognition, goodwill is not amortised and reduced by any impairment losses, determined in the manner described in "Impairment losses on non-financial assets."

Transactions under common control, are accounted for at carrying amounts, i.e. without giving rise to any gain, in accordance with the relevant accounting standards, as well as with the guidance of OPI 1 (Assirevi Preliminary Guidance on IFRS) on "accounting treatment of business combinations of entities under common control in the separate and consolidated financial statements". According to this guideline, in the case of business combinations where the acquired company is controlled by the same entity, both before and after the acquisition, net assets should be recognised at the book values that resulted from the accounts of the acquired companies before the transaction. Where transfer values are higher than these historical values, the excess must be eliminated by making a downward adjustment to the acquirer's equity.

Fair value hierarchy levels

Various accounting standards and some disclosure requirements require the determination of the fair value of financial and non-financial assets and liabilities. Fair value represents the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction between market participants on the valuation date. The standard, to increase the comparability of fair value data and valuations, establishes a hierarchy identified in three different levels to reflect the significance of the inputs used in determining fair value. The identified levels are divided into:

- Level 1: Inputs are listed (unmodified) prices in active markets for identical assets or liabilities that the entity can access on the valuation date. The listed price in an active and liquid market is the most reliable test for measuring fair value, and if the market for the asset/liability is not unique, it is necessary to identify the market that is most beneficial for the instrument;

- Level 2: Inputs other than listed prices included in Level 1 that are observable, directly or indirectly, for the assets or liabilities to be valued. If the asset or liability has a specified duration, a Level 2 input must be observable for the entire duration of the asset or liability. Some examples of instruments falling within the second hierarchical level are: assets or liabilities in non-active markets or interest rates and yield curves observable at commonly quoted intervals;

- Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used only when Level 1 and Level 2 inputs are not available. Nevertheless, the purpose remains the same, which is to determine a closing price at the valuation date, thus reflecting the assumptions that market participants would use in pricing the asset or liability, including risk-related assumptions.

Plant, machinery, equipment and other assets (tangible fixed assets)

Recognition and measurement

Tangible fixed assets are measured at purchase cost including directly attributable ancillary expenses and net of accumulated depreciation and impairment losses.

Any borrowing costs incurred in the acquisition or construction of capitalised assets for which a specified period of time normally elapses before the asset is ready for use or sale are capitalised and depreciated over the life of the asset class to which they relate. All other financial expenses are recognised in the income statement during the year to which they relate.

If a tangible fixed asset is composed of several components having different useful lives, these components are accounted for separately (where they are significant components).

The gain or loss generated by the disposal of property, plant, machinery, equipment and other assets is determined as the difference between the net disposal consideration and the net residual value of the asset, and is recognised in the income statement in the year in which the disposal takes place.

Subsequent costs

Costs incurred after the purchase of the assets and the replacement cost of certain parts of the assets recorded in this category are added to the carrying amount of the item to which they relate and capitalised only if they increase the future economic benefits inherent in the asset. All other costs are expensed as incurred.

When the replacement cost of some parts of the assets is capitalised, the net carrying amount of the replaced parts is expensed to the income statement. Extraordinary maintenance expenses that increase the useful life of property, plant and equipment are capitalised and depreciated on the basis of the remaining useful life of the asset. Costs for routine maintenance are recognised in the income statement in the year they are incurred.

Assets under construction are recorded at cost in "assets in progress" until their construction is available for use; upon their availability for use, the cost is classified in the relevant item and subject to depreciation.

Depreciation

The depreciation period begins when the asset is available for use and ends on the earlier of the date the asset is classified as held for sale in accordance with IFRS 5 or the date the asset is derecognized. Any changes to depreciation schedules are applied prospectively.

The amount to be depreciated is the carrying amount reduced by the net realisable value at the end of its useful life, where significant and can be reasonably determined.

Depreciation rates are determined on the basis of economic-technical rates calculated in relation to the estimated useful life of individual assets established in accordance with the company's plans for their use, which also consider physical and technological degradation taking into account the realisable value net of scrapping costs. When the property, plant and equipment consists of several significant components having different useful lives, depreciation is carried out separately for each component. When events occur, which indicate a possible impairment loss of property, plant and equipment, or when there are significant reductions in the market value of property, plant and equipment, significant technological changes or significant obsolescence, the net carrying amount, regardless of depreciation already accounted for, is subject to verification based on the estimated present value of estimated future cash flows and adjusted if necessary. If subsequently these adjustments are no longer required, the impairment losses recorded in prior years would be restated up to the carrying amount which would have been recorded (net of depreciation).

Depreciation is calculated on a *pro-rata temporis* basis on a straight-line basis over the estimated useful life of the asset by applying the following percentage rates:

Category	% used
Property, plant and equipment	15%
Industrial & commercial equipment	10%-15%
EDP	20%
Furnishings	15%
Office furniture and fittings	12%
Motor vehicles/trucks	25%
Mobile telephones	20%
Leasehold improvements	duration of contract
Other assets	15%-20%

Intangible assets with finite useful lives

Recognition and initial measurement

Intangible assets acquired separately are initially capitalised at cost, while those acquired through business combinations are capitalised at fair value on the acquisition date. After initial recognition, the intangible assets are recorded at cost less accumulated amortisation and any loss in value.

Subsequent costs

Subsequent costs are only capitalised when they increase the expected future economic benefits attributable to the asset to which they refer. All other subsequent costs are expensed to the income statement when incurred.

Amortisation

Intangible assets are amortised over their useful lives and tested for impairment whenever there are indications of possible impairment. The period and amortisation method applied is reviewed at the end of each year or more frequently if necessary. Any changes to depreciation schedules are applied prospectively.

The gains and losses deriving from the elimination of an intangible asset are measured as the difference between the net sales proceeds and the book value of the intangible asset, and are recorded in the income statement in the year in which they are eliminated.

Amortisation is calculated on a *pro-rata temporis* basis on a straight-line basis over the estimated useful life of the intangible asset by applying the following percentage rates:

Category	% used
Software	20%
Software- ERP	10%
Entry rights	Based on the lease term from the date of opening of the store
Brands	5-10%

Leased assets

The right-of-use asset is initially measured at cost, including the amount of the initial valuation of the lease liability, adjusted for payments due for leases undertaken at the commencement date or before, plus initial direct costs incurred and an estimate of the costs which the lessee is expected to incur for the dismantling or removal of the underlying asset or for the refurbishment of the underlying asset or of the site at which it is located, net of the leasing incentives received.

The right-of-use asset is subsequently amortised on a straight-line basis from the effective date to the end of the lease term. In addition, the right-of-use asset is regularly reduced by any impairment losses and adjusted to reflect any changes arising from subsequent valuations of the lease liability.

At the lease commencement date, the Company recognises the lease liabilities measuring them at the present value of the future lease payments not yet settled at that date. The payments due include the fixed payments (including the fixed payments in substance), net of any lease incentives to be received, the variable lease payments which depend on an index or a rate and the amounts expected to be paid as guarantee on the residual value. The lease payments include also the exercise price of a purchase option where it is reasonably certain that this option shall be exercised by the Company and the lease termination penalty payments, where the lease duration takes account of the exercise by the Company of the termination option on the lease. The variable lease payments not depending on an index or a rate are recognised as costs in the period in which the event or the condition generating the payment occurs.

In calculating the present value of payments due, the Company uses the marginal borrowing rate. After the commencement date, the amount of the lease liability increases to take account of the interest on the lease liabilities and reduces to consider the payments made. In addition, the carrying amount of the lease liabilities are restated in the case of any changes to the lease or a review of the contractual terms with regards to the change in the payments; it is also restated in the event of changes in future payments resulting from a change in the index or rate used to determine those payments.

The Company applies the exemption for the recognition of leases related to low-value assets and contracts with a term of 12 months or less.

The Company, as an intermediate lessor in a sub-leasing contract, classifies the sub-leasing as financial with reference to the assets consisting of the right-of-use arising from the main lease.

The Company adopted the amendment to IFRS 16 “Leases Covid 19-Related Rent Concessions” which allows the lessee not to consider any concessions on rent payments received from January 1, 2020 and resulting from the effects of Covid-19 as a modification of the original contract. Based on these amendments, these concessions were accounted for as positive variable fees without going through a contract amendment.

Financial assets

Unieuro determines the classification of its financial assets based on the business model adopted for managing them and the characteristics of the related cash flows and, where appropriate and permissible, reviews this classification at the end of each fiscal year.

a) Financial assets measured at amortised cost

Financial assets classified in this category must comply with the following requirements:

(i) the asset is held within a business model whose objective is the holding of assets for the collection of the contractual cash flows; and

(ii) the contractual terms of the assets establish cash flows represented entirely by the payment of capital and of interest on the amount of capital to be repaid.

These are mainly customer receivables, loans and other receivables.

Trade receivables that do not contain a significant financial component are recognised at the price defined for the relevant transaction (determined in accordance with IFRS 15 Revenue from Contracts with Customers).

Other receivables and loans are initially recognised in the financial statements at their fair value increased by any accessory costs directly attributable to the transactions that generated them.

Transferred receivables are derecognised if the transfer involves the full transfer of the associated risks and rewards (contractual right to receive the cash flows of the financial asset). The difference between the carrying amount of the asset sold and the consideration received is recognised under financial items.

In subsequent measurement, financial assets at amortised cost, except for loans that do not contain a significant financial component, use the effective interest rate. The effects of this measurement are recognised under financial items.

With reference to the impairment model, Unieuro evaluates receivables by adopting an expected loss logic (so-called Expected Loss).

For trade receivables, Unieuro adopts a Simplified approach to valuation, which does not require the recognition of periodic changes in credit risk, but rather the recognition of an Expected Credit Loss (so-called ECL) calculated over the entire life of the receivable (so-called lifetime ECL). Specifically, trade receivables are fully written down if there is no reasonable expectation of recovery (e.g. bankruptcy situations).

Write-downs made in accordance with IFRS 9 are recognised in the consolidated income statement net of any positive effects associated with releases or reversals of impairment and are shown under operating expenses.

b) Financial assets at fair value through the consolidated income statement ("FVOCI")

Financial assets classified in this category must comply with the following requirements:

(i) the asset is held within a business model whose objective is achieved both through the collection of contractual cash flows and the sale of asset;

(ii) the contractual terms of the assets establish cash flows represented entirely by the payment of capital and of interest on the amount of capital to be repaid.

These assets are initially recognised in the financial statements at their fair value increased by any ancillary costs directly attributable to the transactions that generated them. In subsequent measurement, the valuation made at recognition is updated, and any changes in fair value are recognised to the comprehensive income statement.

With reference to the impairment model reference should be made to a) above.

c) Financial assets at fair value through the consolidated income statement ("FVPL")

Financial assets not classified in any of the previous categories (i.e., residual category) are classified in this category. These are mainly derivative instruments.

Assets in this category are recorded at fair value upon initial recognition.

Ancillary costs incurred at the time of asset recognition are expensed immediately to the income statement.

In subsequent measurement, FVPL financial assets are measured at fair value.

Gains and losses arising from fair value changes are recognised in the consolidated income statement in the period in which they occur.

Purchases and disposals of financial assets are accounted for on the settlement date.

Financial assets are removed from the balance sheet when the relevant contractual rights expire, or when Unieuro transfers all risks and rewards of ownership of the financial asset.

Investments in subsidiaries

Investments in subsidiaries (not classified as held-for-sale) are classified under "Other non-current assets", accounted for at cost and adjusted for impairment losses.

The positive differences upon the acquisition of investments between the price and the corresponding portion of shareholders' equity are maintained in the carrying amount of the investments. The purchase or sale values of equity investments, business units, or business assets under common control are accounted for in continuity of historical cost carrying values without the recognition of capital gains or losses.

If there are indications that investments might have been impaired, they are tested for impairment and adjusted accordingly. In order for the impairment loss to be expensed to profit or loss, there must be clear evidence that events with an impact on estimated future cash flows from the investments have occurred. Any losses in excess of the carrying amount of the investments which may emerge as a result of legal or implied obligations to cover the losses of the investee companies are recorded to provisions for risks and charges. The original amount is restored in subsequent years if the reasons for the impairment adjustment cease to exist.

The relative dividends are recorded under investment income when the right to receive such is determined, generally coinciding with the Shareholders’ Resolution.

Business combinations under common control

Business combinations under common control are within the scope of what OPI 2 revised defines as "mergers of a restructuring type”, i.e. mergers in which the incorporating company incorporates one or more subsidiaries. Given the elements that characterise parent-subsidiary mergers (no economic exchange with third-parties and continuance of control over the acquired entity), such transactions cannot be considered business combinations. For this reason, they are excluded from the scope of IFRS 3. These transactions are by their nature without significant influence on the cash flows of the merged companies. The merger is accounted for on the basis of continuity of values derived from the consolidated financial statements.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes all acquisition costs to bring the inventories to their current location and condition. Specifically, the purchase price net of premiums attributable to products and other costs directly attributable to the purchase of goods are included. Trade discounts, returns and other similar items are deducted in determining purchase costs. The method used to attribute the cost of inventories is weighted average cost.

The value of obsolete and slow-moving inventories is written down in relation to the possibility of utilisation or realisation through allocation of the inventory obsolescence provision.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand and short-term deposits, in the latter case with original maturity due within three months. For the purposes of the cash flow statement, cash and cash equivalents are cash and cash equivalents as defined above net of bank overdrafts.

Financial liabilities

Financial liabilities are initially recognised at the fair value of the consideration received net of transaction costs that are directly attributable to the loan. After initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method. The interest is recognised under financial expense in the income statement.

When there is a change in the expected cash flows, the value of the liabilities are recalculated to reflect this change, based on the present value of the new expected cash flows and on the internal yield initially determined.

Post-employment benefit liabilities

Post-employment benefits can be offered to employees through defined contribution and/or defined benefit plans. These benefits are based on remuneration and years of employee service.

Defined contribution programs are post-employment benefit plans under which the Company and sometimes its employees make predetermined contributions to a separate entity (a fund) and the Company does not and will not have a legal or implied obligation to pay further contributions if the fund does not have sufficient assets to meet its obligations to employees.

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Defined benefit plans may be unfunded or fully or partially funded by contributions made by the company, and sometimes by its employees, to a company or fund, legally separate from the company that provides them to employees.

The accrued amount is projected to the future to estimate the amount payable upon termination of employment and then discounted to take into account the time elapsed before actual payment.

Adjustments to employee benefit liabilities are determined on the basis of actuarial calculations, based on demographic and financial assumptions, and are recognised on an accrual basis consistent with the employment services required to obtain the benefit. The amount of rights accrued during the year by employees and the share of interest on that accrued at the beginning of the period and on the corresponding movements referring to the same period observed is charged to the income statement under "Personnel costs," while the notional financial expense resulting from carrying out the actuarial calculation is recognised in the statement of comprehensive income under "Actuarial gains (losses) on defined benefit plans."

The actuarial valuation is entrusted to an external actuary.

As a result of the changes made to the rules governing post-employment benefits ("T.F.R.") by Law No. 296 of December 27, 2006, and subsequent Decrees and Regulations ("Pension Reform") issued in early 2007:

- the Post-Employment Benefits vested at December 31, 2006 is considered a defined benefit plan as per IAS 19. The benefits guaranteed to employees, in the form of Post-Employment Benefits, paid on the termination of employment, are recognised in the period the right vests;
- the post employment benefits accrued after January 1, 2007 are considered a defined contribution plan and therefore contributions accrued during the period have been fully recognised as an expense and, for the portion not yet paid to the funds, shown as a liability under "Other current liabilities."

Provisions

Allocations to provisions are made when the Company must fulfil a current obligation (legal or implicit) arising from a past event, when an outflow of resources in order to fulfil this obligation is probable and it is possible to make a reliable estimate of its amount. When the Company believes that a provision will be partly or fully reimbursed, for example in the case of risks covered by insurance policies, the indemnity is recognised separately and distinctly in assets if, and only if, it is practically certain. In such a case, the cost of any provision is presented in the income statement net of the amount recognised for compensation. If the effect of discounting the value of money is significant, provisions are discounted for the non-current portion.

Restructuring provision

A restructuring provision is recognised when a detailed formal programme for restructuring has been approved and restructuring has begun or has been publicly announced in major aspects to interested third parties.

Trade payables

Payables are recorded at nominal value net of discounts, premiums, returns or billing adjustments, representative of the fair value of the obligation. When, in view of the payment terms agreed upon, a financial transaction is involved, the payables, measured by the amortised cost method, are discounted to the nominal value to be paid, charging the discount as a financial expense.

Impairment losses on non-financial assets

The Company assesses whether there are any indicators of impairment of property, plant and equipment and intangible assets. If there is any indication, the Company proceeds to estimate the recoverable amount of the asset (impairment test).

The accounting standard does not require formal preparation of an estimate of recoverable amount except when there are indicators of impairment. The exception to this principle is assets not available for use and goodwill acquired in business combinations, which must be tested for impairment at least annually and whenever there are indicators of impairment. The Company has set the reporting date as the time for impairment testing for all those assets where annual analysis is required.

The impairment test is entrusted to an external expert.

In assessing whether there is an indication that the asset may be impaired, the Company considers:

- increase in market interest rates or other investments that may affect the Company's calculation of the discount rate, thereby decreasing the recoverable amount of the asset;

- significant changes related to the technological and market environment in which the Company operates;

- physical obsolescence unrelated to depreciation that the asset has undergone over a given period of time;
- any extraordinary plans implemented during the year, the impact of which could also be reflected on the activity under analysis (e.g. corporate restructuring plans);
- operating losses arising from infra-annual results.

If from the analyses the Company identifies potential asset impairment losses, management performs a preliminary review related to the useful life, depreciation criteria, and residual value of the asset and, based on the applicable accounting standard, implements any changes on these parameters; only at a later stage will the specific analysis related to asset impairment be performed.

As described by IAS 36, the recoverable amount of an asset is the higher of the value in use and the fair value (net of costs to sell) of the asset. Moreover, in the definition identified by the international accounting standard, the provisions are considered the same for both individual assets and cash-generating units.

In order to better understand the provisions of IAS 36, some key definitions are provided below:

Value in use: value in use is considered the present value of all cash flows of the asset, or the generating unit, subject to valuation that are expected to arise. In detail, the asset will generate cash flows, which will be discounted at a pre-tax rate that reflects market assessments of the present value of money and asset-specific risks. These cash flows are determined according to business plans. These plans are constructed based on detailed budgets and calculations that are prepared separately for each asset/cash-generating unit. The budgets used do not include effects from extraordinary activities (restructuring, sales and acquisitions) and cover a time span of up to five fiscal years;

Fair value: is the price that would be received for the sale of an asset, or that would be paid to transfer a liability in an arm's length transaction at the measurement date. The Company, in order to determine the fair value of the asset, uses valuation models based on listed equities, valuation multipliers, and other available indicators;

Cash Flow Generating Unit (or cash flows): a cash flow generating unit (CGU) is a set of assets that, taken together, generate cash inflows and outflows independent of the cash flows generated by other assets. When we speak of a set of assets, we consider the smallest identifiable Group capable of originating inflows;

Carrying amount: carrying amount means the value of assets less depreciation, write-downs and revaluations.

The accounting standard gives the option of determining only one between fair value and value in use. In fact, if either value is higher than the carrying amount, there is no need to identify the other amount as well. In addition, the fair value of an asset or cash-generating unit is not always measurable, as there may be no criterion that makes a reliable estimate of the asset's selling price in a regular transaction between market participants. In these cases, it is possible to consider the asset's value in use as its recoverable value.

Once all useful values have been identified and determined for the purpose of valuing the asset or CGU, its carrying amount and recoverable amount are compared; if the carrying amount is higher than the recoverable amount, the Company will write down the asset to its recoverable amount.

At each reporting date, the Company also evaluates, in relation to the assets other than goodwill, the existence of indicators of a recovery in the loss of value previously recorded and, where these indicators exist, makes an estimate of the recoverable value. The value of an asset previously written down may be restated only if there have been changes in the estimates used to determine the recoverable value of the asset on recording of a loss in value.

The recovery of value cannot exceed the carrying amount which would have been calculated, net of depreciation or amortisation, where no such loss in value was recorded in previous years. This recovery is recognised in the income statement.

Derivative financial instruments and hedge accounting

The Company does not hold derivative financial instruments of a speculative nature. However, where derivative financial instruments do not comply with all of the conditions established for the recognition of derivative hedging financial instruments (hedge accounting), the fair value changes of these instruments are recorded to the income statement as financial charges and/or income.

Therefore, derivative financial instruments are accounted for under hedge accounting rules when:

- the hedging instrument is formally designated and documented at the start of hedging;
- the hedge is expected to be highly effective;
- the efficacy may be reliably measured and the hedge is highly effective over the designated periods.

Derivatives are initially measured at fair value; attributable transaction costs are recognised in the income statement as they are incurred. After initial recognition, derivatives are measured at fair value. Related changes are accounted for as described below.

Cash flow hedging

The changes in the fair value of the cash flow hedge are recognised directly to net equity to the extent for which the hedge is effective. For the ineffective portion, changes in fair value are recognised in the income statement.

Hedge accounting, as indicated above, ceases prospectively if the instrument designated as a hedge:

- no longer meets the criteria required for hedge accounting;
- comes to an end;
- is sold;
- is ceased or exercised.

The accumulated gain or loss is retained in equity until the prospective transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when it is recognised. In other cases, the amount recognised in equity is transferred to the income statement in the same year in which the hedged item affects the income statement.

Share-based payments

Key executives and some Company managers may receive part of their remuneration in the form of share-based payments. According to IFRS 2, the same are to be considered equity-settled plans. The vesting of the right to payment is related to a vesting period during which managers must perform as employees and achieve performance goals. Therefore, during the vesting period, the present value of share-based payments as of the grant date is recognised in the income statement as an expense with an offsetting entry to a separate equity reserve. Subsequent changes in the present value to the grant date do not have an effect on the initial value. Specifically, the cost, corresponding to the present value of the options at the grant date, is recognised under personnel costs on a straight-line basis over the vesting period with counter-entry recorded to equity.

Derecognition of financial assets and liabilities

A financial asset (or, where applicable, part of a similar financial asset) is derecognised when:

- the right to receive the financial cash flows of the asset terminate;
- the Company retains the contractual right to receive the cash flows from the asset, but assumes a contractual obligation to pay the cash flows fully and without delay to a third party.

A financial liability is derecognised from the financial statements when the underlying liability is settled, cancelled or fulfilled.

Revenue

Revenue from contracts with customers are recognised in accordance with IFRS 15. On the basis of the five-stage model introduced by IFRS 15, Unieuro recognises revenue after identifying the contracts with its customers and the related services to be provided (transfer of goods and/or services), determining the consideration to which it believes it is entitled in exchange for the provision of each of these services, and assessing the way in which these services will be provided (provision at a specific time versus provision over time).

Revenue is recognised when performance obligations are met through the transfer of promised goods or services to the customer, it is probable that economic benefits will be achieved by the Group, and the amount of revenue can be reliably determined, regardless of collection. The transaction price, which represents the amount of consideration the entity expects to receive for providing goods or services to the customer, is allocated based on the stand-alone selling prices of the relevant performance obligations.

Revenue is measured excluding discounts, rebates, premiums and other sales taxes.

The following specific revenue recognition criteria must be met prior to recognition in the income statement:

Sale of goods

The revenue is recognised when control of the goods passes to the customer and the company has transferred all significant risks and benefits associated with ownership of the goods to the buyer, generally at the time of the consumer's purchase of the product at the point of sale, on home delivery of the goods in the case of home shipment and on transfer of ownership for Indirect and B2B channel customers. In addition, sales in which delivery is deferred at the buyer's request ("bill and hold") are recognised as revenue at the time of purchase by the consumer. The revenue is recognised as the asset is available, is identified and ready to be delivered, and in addition, the deferral of delivery has been requested by the buyer. Similarly, the sales proceeds are recognised at the time of purchase of the goods by the consumer even if installation of the goods is required: the proceeds are recognised immediately upon acceptance of delivery by the purchaser when the installation process is very simple (e.g., installation of an appliance that requires only unpacking, electrical connection, and plugging in).

Unieuro operates a customer loyalty programme based on points collection, called Unieuro Club, by which customers are allowed to accumulate loyalty points when they purchase products in Unieuro brand stores. Once a certain minimum number of points is reached, the points can be used as a discount on the purchase of another product. The duration of the programme coincides with the fiscal year. Unieuro recognises a revenue adjustment item estimated on the basis of points accrued and not yet spent, the value of the discount to be recognised as provided by the loyalty programme, and historical information about the percentage of customer use of loyalty points.

Right of return

To account for the transfer of products with right of return, Unieuro recognises the following elements:

a. adjusts sales revenue by the amount of consideration for products for which returns are expected;

b. recognises a liability for future repayments and

c. recognises an asset (and corresponding adjustment to cost of sales) for the right to recover products from the customer upon settlement of the liability for future refunds.

Provision of services

Revenue and expense arising from the provision of services (revenue realised over time) are recognised based on an assessment of the entity's progress toward full performance of the obligation over time. Specifically, transfer over time is evaluated based on the input method, that is, considering the efforts or inputs used by the Group to fulfil the individual performance obligation.

For the sale of services to extend warranties beyond those already recognised by the manufacturer by law, Unieuro recognises the revenue over the duration of the provision of such service, based on the estimated interventions for warranty repairs. Warranty repair interventions are estimated based on historical information about the nature, frequency and cost of warranty interventions duly interpolated to simulate future event occurrence curves.

Unieuro incurs costs for the acquisition of the contract having a multi-year duration.

These costs, typically represented by bonuses paid to employees for each additional sale made and which will be recovered through revenue from the contract, have been capitalized as contract costs and amortised on the basis of the entity's assessment of progress in transferring the services and goods to the customer over time.

Commissions

Fees that are received on the sale of certain goods and services such as consumer financing, telephone contracts, etc. are calculated as a percentage of the value of the service performed or sometimes according to a fixed fee and correspond to the amount of commission received by Unieuro.

Costs

Costs and other operating expenses are recognised in the income statement when they are incurred on an accrual basis and correlated with revenues, when they do not produce future economic benefits or the latter do not qualify for recognition as assets.

Costs for the purchase of goods are recognised when all risks and rewards of ownership are assumed and are measured at the fair value of the consideration receivable net of any returns, allowances, trade discounts, contributions and premiums.

Agreements with suppliers provide for the recognition of bonuses and, in certain circumstances, contributions. These premiums and contributions are recognised either as a percentage of quantities purchased, or as a fixed amount on quantities purchased or sold, or as a defined contribution. For commercial agreements that have an expiration date later than the end of the fiscal year, an accrual estimate is made based on the amount purchased or sold, and on valuations that take into account historical data regarding the actual recognition of these types of bonuses and contributions.

Service costs are recognised based on the status of service at the end of the year.

Costs arising from operating leases that are outside the scope of IFRS 16 are recorded on a straight-line basis over the term of the relevant leases. Additional costs that are contingent and determined on the basis of revenue earned at the specific point of sale are accounted for on an accrual basis during the contract period.

Interest income and expense

Interest income and expense are recognised in the income statement on an accrual basis using the effective interest method. The effective interest method is the rate that exactly discounts the expected future cash flows, based on the expected life of the financial instrument, to the net carrying amount of the financial asset or liability.

Income taxes

Current income taxes

Income taxes are determined on the basis of a realistic forecast of tax liabilities to be paid in consideration of the accrual basis and in application of current tax regulations. The tax rates and regulations used to calculate such amounts are those issued or substantially in force as at the reporting date of the financial statements. Current income taxes, relating to items recognised outside the income statement, are charged directly to the comprehensive income statement, and then to equity, consistent with the recognition of the item to which they relate.

It should be noted that, as of the fiscal year ended February 28, 2019, Unieuro S.p.A. exercised the option for the National Tax Consolidation regime as a "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of December 22, 1986), jointly with the "Consolidated Company" Monclick S.r.l. in liquidation. The option permits the determination of IRES due on a taxable base corresponding to the sum of taxable income and tax losses earned by individual companies participating in the Consolidation. The economic relations, responsibilities and mutual obligations between the "Consolidating Company" and the "Consolidated Company" have been regulated in detail in a specific contract that defines the operating procedures for the management of tax positions among the different companies participating in the National Tax Consolidation.

Deferred taxes

Deferred taxes are calculated using the liability method on temporary differences between values used for fiscal purposes and the assets and liabilities reported in the financial statements. Deferred tax liabilities derive from all temporary differences, except when the deferred tax liability derives from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the profit for the year calculated for the financial statements or on the profit or loss calculated for tax purposes.

Deferred tax assets are recognised for all deductible temporary differences and for tax loss carryforwards to the extent that it is probable that there will be adequate future taxable profits to allow deductible temporary differences and tax loss carryforwards to be utilised. The value to be recognised in the financial statements of deferred tax assets is reviewed on each reporting date and reduced to the extent that it is no longer likely that sufficient tax profits will be available in the future in order to allow the recovery of this asset. Unrecognised deferred tax assets are reviewed annually at the reporting date and are recognised to the extent that it has become likely that future taxable income will be sufficient for their recovery.

Deferred taxes are calculated on the basis of the tax rates expected to be applied in the year in which the assets are realised or the liabilities are settled, considering current tax rates and those already issued or substantially issued at the reporting date.

Deferred tax assets and liabilities are offset if they relate to taxes of the same fiscal authority and there is a legal right to offset current tax assets and liabilities.

Effects of changes in foreign exchange rates

The Financial Statements are presented in Euro, which is the operating and presentation currency adopted by the Company. Transactions in foreign currency are initially recorded at the exchange rate (referred to the operative currency) at the transaction date. Monetary assets and liabilities in foreign currency are translated to the operative currency at the exchange rate at the reporting date. All exchange differences are recognised in the income statement. Non-monetary items valued at historical cost in foreign currency are translated by using the exchange rates in effect on the date the transaction was first recorded. The non-monetary accounts recorded at fair value in foreign currencies are converted using the exchange rate at the date the value was determined.

Earnings per share

Earnings per share - basic

Basic earnings per share is calculated by dividing the Company profit by the number of shares in Unieuro S.p.A. as of the date of approval of the financial statements.

Earnings per share - diluted

Diluted earnings per share is calculated by dividing the Company profit by the number of shares in Unieuro S.p.A. as of the date of approval of the financial statements. To calculate the diluted earnings per share, shares are modified by including all beneficiaries of rights which potentially have a dilutive effect.

Treasury shares

Treasury shares are recognised as a deduction from Shareholders' Equity. The original cost of the treasury shares and the income deriving from any subsequent sale are recognised as equity movements.

Segment information

An operating segment is defined by IFRS 8 as a component of an entity that i) engages in revenue- and cost-generating business activities (including revenue and costs relating to transactions with other components of the same entity); ii) whose operating results are reviewed periodically at the entity's highest level of operational decision-making for the purpose of making decisions about resources to be allocated to the segment and assessing performance; and iii) for which separate financial statement information is available.

Segment reporting has been prepared in accordance with the provisions of IFRS 8 "Operating Segments", which require reporting to be presented in a manner consistent with how the highest level of management makes operational decisions. Therefore, the identification of operating segments and the information presented are defined on the basis of internal reporting used by the Company for the purpose of resource allocation and analysis of related performance.

Related parties

Creditor/debtor and income/cost transactions with related parties are part of normal business operations within the scope of the typical activity of each party involved, and are regulated at market conditions.

Dividends

Dividends are recognised when the right of shareholders arises, in accordance with locally applicable regulations, to receive payment, which occurs subsequent to the specific Shareholders' Meeting resolution.

2.7 New accounting standards

IFRS and IFRIC standards, amendments and interpretations not yet endorsed by the European Union

Amendments to IAS 1 - “Presentation of Financial Statements: Classification of Liabilities as Current or Non-current”. The IASB published this amendment on January 23, 2020 to clarify the presentation of liabilities in the financial statements of companies. The new amendment is applied from January 1, 2024 and must be applied retrospectively.

Amendments to IAS 1 "Presentation of Financial Statements" and IFRS Practice Statement 2 "Disclosure of Accounting Policies." The IASB published an amendment to this standard on February 12, 2021 to support companies in choosing which accounting policies to disclose in their financial statements. The amendment is effective for fiscal years beginning January 1, 2023.

Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. The IASB published an amendment to this standard on February 12, 2021, to introduce a new definition of an accounting estimate and clarify the distinction between changes in accounting estimates, changes in accounting policies, and errors. The amendment is effective for fiscal years beginning January 1, 2023.

Amendments to "IAS 12 Deferred Taxes Relating to Assets and Liabilities Arising from a Single Transaction." The IASB published an amendment to this standard on May 7, 2021, which requires companies to recognise deferred tax assets and liabilities on particular transactions that, upon initial recognition, give rise to equivalent (taxable and deductible) temporary differences. The amendment is effective for fiscal years beginning January 1, 2023.

Introduction of IFRS 17 "Insurance Contracts”. The IASB published an amendment to the applicability of this standard on November 19, 2021, aimed at establishing principles for recognition, measurement, presentation and disclosure in relation to insurance contracts within the scope of this standard. The amendment is effective for fiscal years beginning January 1, 2023.

Amendments to IFRS 16 "Lease Liabilities in a Sale and leaseback transaction." The IASB published on September 22, 2022 a document which amends IFRS 16 by clarifying how a sale and leaseback transaction is accounted for subsequent to the transaction date. The amendment will be effective for fiscal years beginning on or after January 1, 2024, with early application permitted.

Amendments to IAS 12 "Income taxes: international taxation reform." The IASB published on May 23, 2023 a document introducing a temporary exception to the recognition of deferred taxes related to the application of the provisions of Pillar Two published by the OECD. The amendment is effective for fiscal years beginning January 1, 2023.

IFRS Standards, Amendments and Interpretations not yet approved by the European Union

Amendments to IAS 7 "Statement of Cash Flows and IFRS 7 Financial Instruments: financing arrangements with suppliers and disclosures in the notes to the financial statements”. The IASB published on May 25, 2023 an amendment regarding financial statement disclosure so as to improve transparency on financial debt and its effects on financial liabilities, cash flows and exposure to liquidity risk, in response to investors' needs. The new amendment will apply on or after January 1, 2024.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: absence of exchangeability”. The IASB published an amendment on August 15, 2023, clarifying when one currency may not be converted into another, how to estimate the exchange rate, and the disclosures to be made in the notes to the financial statements. The amendment will become effective as of January 1, 2025. However, early application is permitted.

Based on the facts and cases to which the new documents apply and taking into account the current accounting policies adopted by the Group, it is considered that there will be no significant impact from the first application of these documents.

3. FINANCIAL RISK MANAGEMENT

The principal business risks identified, monitored and, as illustrated below, actively managed by the Company are as follows:

- credit risk (both in relation to normal commercial transactions with clients and financial activities);
- liquidity risk (with reference to the availability of financial resources and access to the credit market and financial instruments in general);
- market risk (defined as foreign exchange and interest rate risk).

The objective is to maintain a balanced management of its financial exposure over time to ensure a liability structure that is in equilibrium with the composition of assets and capable of ensuring the necessary operational flexibility through the use of liquidity generated by current operating activities and recourse to bank financing.

The most widely used financing instruments are represented by:

- medium- to long-term financing, to cover investments in fixed assets;
- short-term financing, use of current account credit lines to finance working capital.

The following section provides qualitative and quantitative information on the impact of these risks.

3.1 Credit risk

Credit risk is understood as the possibility that an unexpected change in a counterparty's creditworthiness will expose the Company to the risk of default, subjecting it to potential losses. It should be noted that the credit risk faced by the Company is minimised since sales are mainly made to the end consumer who pays the consideration when the product is picked up. Sales to affiliates (Indirect channel) and wholesale customers (B2B channel), which together account for about 13.0% of Company revenues as of February 29, 2024, require the Company to use strategies and tools to reduce this risk. The Company has credit control processes in place that involve obtaining bank sureties to cover a significant amount of outstanding business with customers, analysing customer reliability, assigning a credit limit, and monitoring exposure through reports with a breakdown of due dates and average collection times. There are no significant risk concentration positions. Other receivables mainly refer to receivables from the tax authorities and the public administration and advances for services and therefore have limited credit risk.

Financial assets are recognised net of impairment calculated on the basis of counterparty default risk. This is determined according to procedures that may provide for either write-downs of individual positions, if individually significant, for which an objective condition of total or partial uncollectability is apparent, or write-downs on a collective basis formulated on the basis of historical and statistical data. In addition, the carrying amount of financial assets reflects the maximum Company exposure to credit risk.

3.2 Liquidity risk

Liquidity risk is the risk associated with the failure to meet one's contractual obligations. Contractual obligations can be summarised as the fulfilment, according to set deadlines, of financial liabilities. Therefore, liquidity risk management is closely linked to the administration of financial revenue, ensuring a balance between cash receipts and expenditures by minimising the cost of financial management. This translates into finding financial resources to keep the company's financial structure lean, while minimising their cost (in terms of borrowing costs). Liquidity risk is limited through:

- cash flow from core business: the optimal management of cash inflows from normal business operations versus cash outflows;
- use of short-term financing lines (Hot Money);
- use of committed credit lines: these are credit lines that the bank syndicate agrees to keep available to the Company until maturity;
- use of non-committed financial assets with the sole purpose of financing;
- use of medium- to long-term financing suitable for supporting core and non-core business activities: the use of this type of resource implies constant monitoring of financial payables maturities as well as contingent market conditions.

Liquidity risk arises from the possible difficulty in obtaining financial resources at an acceptable cost to conduct normal operations. Factors influencing liquidity risk relate both to resources generated or absorbed by current operations and those generated or absorbed by investment and financial management, the latter understood as maturity timelines in repayment or obtaining short- and long-term financial payables and the availability of funds in the financial market.

The entire financial structure is constantly monitored by the Company to enable liquidity needs to be met. The Company's financial structure by maturity for the year ended February 29, 2024 and the year ended February 28, 2023 is shown below:

(In thousands of Euro)	Balance at February 29, 2024	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	34,776	19,825	14,951	-	34,776
Other financial liabilities	434,936	85,847	232,028	137,614	434,936
Total	**469,712**	**105,625**	**247,028**	**137,614**	**469,712**

(In thousands of Euro)	Balance at February 28, 2023	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	-	-	-	-	-
Other financial liabilities	447,952	70,403	239,935	137,614	447,952
Total	**447,952**	**70,403**	**239,935**	**137,614**	**447,952**

It should be noted that in November 2021 the Loan Agreement signed on January 9, 2018 was settled and at the same time four new credit lines were taken out aimed at financing working capital and strengthening its capital strength, for more details see notes 5.12 Financial liabilities and 5.14 Other financial liabilities.

3.3 Market risk

3.3.1 Interest rate risk

The Company uses external financial resources in the form of debt and uses available cash in bank deposits. Changes in the market interest rates impact on the cost and return of the various forms of loans and uses, with an effect therefore on the financial income and expense.

It should be noted that following the settlement in November 2021 of the Loan Agreement signed on January 9, 2018, the Interest Rate Swap (IRS) derivative financial instrument contracts entered into with the bank syndicate of the loan were terminated, which had the aim of mitigating, under financially acceptable conditions, the potential impact of interest rate variability on the economic result.

At the same time, four new credit lines were taken out aimed at financing working capital and strengthening its capital base; no cash flow hedging instruments were activated at February 28, 2023.

3.3.2 Currency risk

The Company is exposed to foreign exchange risk, i.e. the risk of fluctuations in future supplies denominated in foreign currencies due to the volatility of certain exchange rates, mainly as a result of transactions involving the import of goods.

Given the nature of the business and from a business continuity viewpoint, this risk is considered immaterial to the Company due to the small volume of transactions involving the purchase of goods in currencies other than Euro, and therefore the risk is not managed on a recurring basis from an operational perspective. Should the need arise to manage foreign exchange risk, generated by changes in exchange rates with respect to major transactions expected in the short term of importing goods that involve payments to suppliers in U.S. dollars, the Company manages the risk exposure through forward purchase contracts (i.e. FX Forward) of U.S. Dollars. This strategy aims to 'fix' at a pre-defined exchange rate level the amount of currency in U.S. dollars for future purchases, consequently making it immune to changes in market rates.

As of February 29, 2024, there are no currency forward purchase and sale contracts in place. In the event that foreign exchange contracts are outstanding at the reporting date, the effects of these derivative financial instruments will be recognised on the balance sheet with a direct offset to the income statement in accordance with the standard accounting treatment prescribed by International Financial Reporting Standard IFRS 9. Should the substantive and formal requirements be met, the Company would also reserve the right to consider applying the cash flow hedge accounting treatment to these operating cases.

3.4 Fair value estimate

The fair value of financial instruments listed in an active market is based on market prices at the reporting date. The fair value of instruments that are not listed in an active market is determined using valuation techniques, based on a variety of methods and assumptions related to market conditions at the reporting date.

Below is the classification of fair values of financial instruments based on the following hierarchical levels:

- Level 1: fair value determined with reference to listed prices (not adjusted), on active markets for identical financial instruments;
- Level 2: fair value determined with valuation techniques with reference to observable variables on active markets;
- Level 3: fair value determined with valuation techniques with reference to non-observable variables on markets.

Government securities exposed to fair value Level 1.

Financial instruments exposed to fair value are classified in Level 2, and the general criterion used to calculate it is the present value of the expected future cash flows of the instrument being measured.

Liabilities related to bank debt are measured on the amortised cost basis. Trade receivables and payables have been measured at carrying amount, net of any allowance for doubtful accounts, as they are considered to approximate current value.

The following table provides a breakdown of financial assets and liabilities by category as of February 29, 2024 and February 28, 2023:

(in thousands of Euro)	Fiscal year ending February 29, 2024			
	Loans and receivables	Fair value of hedging instruments	Other Liabilities	Total
Financial assets not measured at Fair Value				
Cash and cash equivalents	88,622	-	-	**88,622**
Trade receivables	50,139	-	-	**50,139**
Other assets	127,347	-	-	**127,347**
Financial assets measured at Fair Value	-	-	-	**-**
Other assets	-			**-**
Financial liabilities not measured at Fair Value				
Financial liabilities	-	-	34,776	**34,776**
Trade payables	-	-	559,162	**559,162**
Other liabilities	-	-	282,677	**282,677**
Other financial liabilities	-	-	433,174	**433,174**
Financial liabilities measured at fair value				
Other financial liabilities	-	1,762	-	**1,762**

(in thousands of Euro)	Fiscal year ending February 28, 2023			
	Loans and receivables	Fair value of hedging instruments	Other Liabilities	Total
Financial assets not measured at Fair Value				
Cash and cash equivalents	47,442	-	-	**47,442**
Trade receivables	82,384	-	-	**82,384**
Other assets	59,707	-	-	**59,707**
Financial assets measured at Fair Value	-	-	-	**-**
Other assets	60,281			**60,281**
Financial liabilities not measured at Fair Value				
Financial liabilities	-	-	-	**-**
Trade payables	-	-	595,257	**595,257**
Other liabilities	-	-	280,549	**280,549**
Other financial liabilities	-	-	447,952	**447,952**
Financial liabilities measured at fair value				
Other financial liabilities	-	-	-	**-**

The items "Other Assets" and "Other Financial Liabilities" include the effects of applying IFRS 16 (Leases), for more details see notes 5.6 Other Current Assets and Other Non-Current Assets and 5.14 Other Financial Liabilities in the financial statements for the year ended February 29, 2024.

3.5 Sensitivity Analysis

Regarding the exposure to market risk due to changes in electricity prices, the Company conducted a sensitivity analysis in accordance with IFRS 7. The company has made an estimate of the potential impacts produced by an electricity price market shock (National Single Price, "PUN") by using internal valuation models, based on generally accepted approaches. Specifically, these impacts, were estimated by simulating a parallel change of +500 basis points (+5%) and -500 basis points (-5%) on the forward price structure of the above benchmark.

	Sensitivity analysis Fair value of derivative instruments			
(in thousands of Euro)	**Income statement impact +500 basis points**	***Impact on Net Equity* +500 basis points**	**Income statement impact -500 basis points**	***Impact on Net Equity* -500 basis points**
Derivatives in hedge accounting	-	505	-	(505)

4. INFORMATION ON OPERATING SEGMENTS

The operating segment identified by the Company, within which all services and products provided to customers converge, is unique and coincides with the entire Company. The vision of the Company as a single omnichannel business means that the Company has identified a single Strategic Business Unit (“SBU”). Management has also identified three Cash Generating Units ("CGUs") within the SBU to which goodwill has been allocated. This approach is supported by the management control model of operations, which considers the entire business as a whole, regardless of product lines or geographic locations whose subdivision is considered insignificant for the purpose of making business decisions.

The results of the operating segment are measured through the analysis of revenue and EBITDA.

(in thousand of Euro and as a percentage of revenues)	**Year ended**	
	February 29, 2024	**February 28, 2023**
Revenue	2,658,621	2,865,849
GROSS OPERATING RESULT	**130,074**	**134,377**
% of revenues	4.9%	4.7%
Amortisation, depreciation and write-downs	(125,479)	**(107,866)**
NET OPERATING RESULT	**4,595**	**26,511**
Financial income	1,407	505
Financial expenses	(11,751)	(13,531)
PROFIT/(LOSS) BEFORE TAX	**(5,749)**	**13,485**
Income taxes	(10,020)	(1,559)
PROFIT/(LOSS) FOR THE YEAR	**(15,770)**	**11,926**

The gross operating margin was 4.9% in the year ended February 29, 2024. The breakdown of revenues by geographic area is presented below:

(In thousands of Euro)	**Year ended**	
	February 29, 2024	**February 28, 2023**
Overseas	3,972	2,826
Italy	2,654,649	2,863,023
Total	**2,658,621**	**2,865,849**

Revenues are allocated on the basis of domestic/foreign billing.

No non-current assets are recorded in countries other than where the Company is headquartered.

5. EXPLANATORY NOTES TO INDIVIDUAL ITEMS IN THE FINANCIAL STATEMENTS

5.1 Plant, machinery, equipment and other assets

The balance of "Plant, machinery, equipment and other assets" by category at February 29, 2024 and February 28, 2023 is shown below:

(in thousands of Euro)	Balance at February 29, 2024			Balance at February 28, 2023		
	Historic cost	Acc. Deprec.	Net book value	Historic cost	Acc. Deprec.	Net book value
Plant & machinery	162,719	(139,032)	23,686	157,277	(131,163)	26,114
Equipment	38,245	(21,568)	16,676	30,985	(19,081)	11,904
Other Assets	219,585	(185,976)	33,609	210,843	(174,924)	35,919
Tangible assets in progress	2,269	-	2,269	2,996	-	2,996
Total Plant, machinery, equipment and other assets	**422,818**	**(346,577)**	**76,240**	**402,101**	**(325,168)**	**76,933**

Changes in "Plant, machinery, equipment and other assets" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Plant and machinery	Equipment	Other assets	Tangible assets under construction and advances	Total
Balance at February 28, 2022	**27,817**	**8,045**	**34,983**	**8,422**	**79,267**
Increases	6,881	5,506	12,297	3,073	27,757
Decreases	(111)	(125)	(352)	(8,498)	(9,085)
Amortisation, depreciation and write-downs/(revaluations)	(8,548)	(1,639)	(11,250)	-	(21,437)
Decreases Accum. Deprec.	75	117	241	-	433
Balance at February 28, 2023	**26,114**	**11,904**	**35,919**	**2,996**	**76,933**
Increases	5,442	7,260	8,742	2,201	23,645
Decreases	-	-	-	(2,929)	(2,929)
Amortisation, depreciation and write-downs/(revaluations)	(7,870)	(2,487)	(11,053)	-	(21,410)
Decreases Accum. Deprec.	-	-	-	-	-
Balance at February 29, 2024	**23,686**	**16,677**	**33,609**	**2,269**	**76,240**

With reference to the year ended February 29, 2024, the Company made investments referring to "Plant and machinery, equipment and other assets" excluding fixed assets in progress in the amount of Euro 20,716 thousand.

Specifically, net investments are mainly attributable to: (i) the installation of electronic tags at stores for Euro 6,899 thousand; (iii) minor extraordinary maintenance and plant energy efficiency work at various stores and offices for Euro 6,668 thousand; (iii) investments relating to work to restructure certain stores by restyling the layout and reducing or expanding the sales area for Euro 3,296 thousand.

Fixed assets under construction amounting to Euro 2,269 thousand mainly refer to investments related to work on points of sale and IT investments.

With reference to the year ended February 28, 2023, the Company made investments referring to "Plant and machinery, equipment and other assets" excluding fixed assets in progress in the amount of Euro 16,186 thousand.

Specifically, net investments are mainly attributable to: (i) investments related to the opening of new stores in new catchment areas deemed strategic or in catchment areas not sufficiently covered by the current portfolio of stores and restructuring of selected stores by restyling the layout and reducing or expanding the sales area for Euro 4,303 thousand; (ii) the installation of electronic tags at the outlets for Euro 3,616 thousand (iii) works on the Piacenza warehouse for Euro 1,917 thousand (iv) minor extraordinary maintenance and plant renewal work at various stores and offices for Euro 4,363 thousand.

Fixed assets under construction amounting to Euro 2,996 thousand mainly refer to investments related to work on points of sale and IT investments.

”Amortisation, depreciation and write-downs/(revaluations)” amounted to Euro 21,437 thousand

5.2 Goodwill

Details of "Goodwill" as at February 29, 2024 and February 28, 2023 are shown below:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Goodwill	188,911	188,911
Total Goodwill	**188,911**	**188,911**

Changes in "Goodwill" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	**Goodwill**
Balance at February 28, 2022	**188,873**
Increases	77
Decreases	(39)
Write-downs	-
Balance at February 28, 2023	**188,911**
Increases	-
Decreases	-
Write-downs	-
Balance at February 29, 2024	**188,911**

Goodwill at February 29, 2024 of Euro 188,911 thousand is unchanged on the fiscal year ending February 28, 2023.

The value of goodwill at February 29, 2024 and February 28, 2023 is composed as follows:

(In thousands of Euro)	Goodwill at February 29, 2024	Goodwill at February 28, 2023
Deriving from mergers:		
Marco Polo Holding S.r.l.	94,993	94,993
Ex Unieuro	32,599	32,599
Rialto 1 S.r.l. and Rialto 2 S.r.l.	9,925	9,925
Marco Polo Retail S.r.l.	8,603	8,603
Other minor mergers	5,082	5,082
Deriving from acquisition of business units:		
2C S.r.l. - Expert	309	309
Andreoli S.p.A.	10,500	10,500
Cerioni S.p.A.	5,748	5,748
Galimberti S.p.A.	2,407	2,407
DPS Group S.r.l.	1,240	1,240
Dixons Travel	194	194
Carini Retail S.r.l.	17,273	17,273
Papino Elettrodomestici S.p.A.- Etnapolis ex-Expert	38	38
Total Goodwill	**188,911**	**188,911**

5.2.2 Impairment test

Based on the provisions of International Accounting Standard IAS 36, the Group must conduct at least annual impairment testing of the recoverability of goodwill by comparing the carrying amount of the Cash Generating Units ("**CGUs**") to which goodwill is allocated with their recoverable amount. With consistency in application, value in use was adopted as the recoverable value in relation to market volatility and the difficulty of retrieving information related to the determination of fair value.

Like the previous year, FY 2023/24 saw a number of macroeconomic factors affect the demand for consumer electronics products. Economic, social, and climate uncertainty, together with reduced consumer purchasing power, combined with specific dynamics in the consumer electronics market.

Against this challenging backdrop, the Italian market contracted by 6.9%[54], though its overall value remains higher than pre-pandemic levels.

The goodwill impairment test for each CGU was approved by the Company's Board of Directors on May 10, 2024.

[54] Market data compiled by Group management based on GFK data available as of February 2024.

In preparing the impairment test, the Directors made use of a special report prepared by an external expert specifically appointed by the Company.

IAS 36 identifies CGUs as the smallest aggregations of assets that generate cash inflows. Cash flows from the identified CGUs must be independent of each other, as an individual Unit must be able to be autonomous in realising cash inflows, but all activities within the Unit must be interdependent on each other. Under IAS 36, the correlation that exists between goodwill acquired in business combinations and CGUs is illustrated. In fact, when goodwill is acquired, it is necessary to allocate it to the CGU or CGUs that are expected to benefit most from the synergies of the combination. In this sense, decisions related to the definition of such synergies are strictly dependent on the Group's strategic organisation models, commercial purchasing and sales decisions, which, specifically, disregard the number of outlets that do not enjoy decision-making autonomy.

The operating segment identified by the Group, within which all services and products provided to customers converge coincides with the entire Group. The Company's vision of the Group as a single omnichannel business means that the Group has identified a single Strategic Business Unit (SBU). The Group has identified three CGUs within the SBU to which goodwill has been allocated. This approach is supported by the management control model of operations, which considers the entire business as a whole, regardless of product lines or geographic locations whose subdivision is considered insignificant for the purpose of making business decisions.

The Group has identified three CGUs to which goodwill has been allocated:

- *Retail;*
- *Indirect;*
- *B2B.*

The three units take advantage of shared resources, such as administration, back office, and logistics, but each has different expected growth, with different risks and opportunities, and with particularities that cannot be reproduced in the other CGUs.

The Retail CGU relates to all cash flows from the Retail, Online and Travel distribution channels. The Online and Travel channels have been included in the Retail CGU as the website uses outlets to deliver goods while the Travel channel includes outlets located at major public transportation hubs.

The Indirect CGU - previously the Wholesale channel, includes revenues from the affiliate store network and the major supermarket segment through partnerships with leading sector players.

The B2B CGU is related to the wholesale supply of products within the business-to-business channel.

The allocation of goodwill to the three CGUs was made based on the specific activity of the individual CGU, so as to include the best exploitation of internal and external synergies in the business model used. The Group has opted, as described above, for the determination of recoverable value, as the identification of value in use. Value in use is determined by estimating the present value of future cash flows, which CGUs are expected to generate.

The data source on which the assumptions made to determine cash flows are the final financial statements, and business plans.

The 2025-2029 Business Plan used for the impairment test regarding goodwill recorded in Unieuro’s separate financial statements referring to the year ended February 29, 2024 is based on the strategic lines of the plan approved by the Board of Directors on May 9, 2023, taking into account recent and prospective operating performance.

The impairment test was approved by the Board of Directors on May 10, 2024.

The target market growth estimates included in the business plan used for impairment testing as of February 29, 2024 are based on, among other factors, external sources and analyses conducted by the Group.

The valuation assumptions used to determine the recoverable value, were based on the above business plans and some main assumptions:

- it was decided to adopt as the explicit period of the business plan, a period of 5 years;
- terminal value: discounting of the last explicit period of plan estimation. It is emphasised that a long-term growth rate "g" of 1% has been assumed;
- the discount rate applied to the various cash flows (WACC-weighted average cost of capital) for all the CGUs analysed was 12.3%.

The applied discount rate is that rate which reflects current market assessments, the time value of money, and asset specific risks. Therefore, for the purpose of determining the discount rate, there must be consistency between the parameters used and the Company's target market and consistency between the Company's operating activities and the Company's cash inflows. All the parameters used to calculate the discount rate must be within the corporate context so that it expresses "normal" conditions over a medium to long term time frame.

Below is the estimation procedure adopted to define the parameters determining WACC:

- Risk-free rate (r_f) – The risk-free rate adopted is equal to the thirty trading days average (relative to the reference date) of yields on 10-year government bonds (BTPs) issued by the Italian government. It should be noted that compared to the previous year, the time horizon considered for averages was shortened based on the latest guidance from the regulators.
- Equity risk premium ($r_m – r_f$) - The equity risk premium, which represents the yield differential (historical and long-term) between stocks and bonds in the financial markets, was determined with reference to the Italian market.
- Beta (β) – The beta, which denotes the regression coefficient of a straight line representing the relationship between the return offered by the stock and that of the market as a whole, was calculated based on a panel of listed companies operating predominantly or exclusively in the sale of consumer electronics, through a combination of sales channels (in-store and online sales, in most cases flanked by wholesale and/or business-to-business sales).
- Cost of debt capital i_d (1-t) - The cost of debt of a financial nature was estimated to be equal to the adopted risk-free rate plus a spread based on the average credit rating of comparables. The current Italian corporate tax rate (IRES) was adopted as the tax rate (t).
- Financial structure - A debt/equity ratio calculated on the basis of the average on the reference date by the selected panel of comparable companies was adopted.

There is no difference in the determination of these parameters between the external sources used and the value used for testing purposes.

The Group has a well-established history of operating in the market, and to date there is no evidence to suggest that it will discontinue operations in the medium to long term. Based on these considerations, it was deemed reasonable to adopt a going concern assumption in perpetuity.

The operating cash flow used for terminal value calculation purposes was determined based on the following main assumptions:

- EBITDA - When estimating the terminal value, an amount of revenue equal to the expected level for the last year of the plan was considered, with a g rate of 1%. For the purpose of estimating sustainable EBITDA in the medium to long term, the EBITDA margin, of the last year of the plan, was applied to the revenues thus identified in order to reflect the competitive dynamics that characterise the sector. The latter figure is, for the Group as a whole, within the current range expressed by analysts' estimates for the panel of comparable companies used to determine WACC.

- Investment in fixed assets and depreciation - Annual capital expenditures were estimated based on expected revenues in the last plan year, adopting a Capex/Sales percentage equal to the last year of the plan. Annual depreciation has been aligned with these investments, thus assuming that the investments are mainly maintenance and/or replacement.

- Net Working Capital and Provisions - The change in NWC and provisions was assumed to be zero.

The following is a summary table containing the basic assumptions (WACC and g) and the percentage of value attributed to the terminal value versus the recoverable value of the Group's three CGUs with respect to the impairment analyses conducted with reference to the date of February 29, 2024.

at February 29, 2024	WACC	g	Terminal Value (TV)	Recoverable Value (RA)	% TV on RA
(in millions of Euro)					
Retail CGU	12.3%	1.0%	139	208	66.8%
Indirect CGU	12.3%	1.0%	19	36	52.8%
B2B CGU	12.3%	1.0%	4	8	50.0%

The results of impairment tests as at February 29, 2024 are shown below:

at February 29, 2024		Carrying Amount (CA)	Recoverable Value (RA)	RA Vs CA
(in millions of Euro)				
Retail CGU	EUR/mln	(30)	208	237
Indirect CGU	EUR/mln	(7)	36	43
B2B CGU	EUR/mln	(1)	8	9
Total		**(38)**	**252**	**289**

Based on the estimates there was no need to make an adjustment to the value of the goodwill recognised.

It should be noted that the carrying amount of the CGUs as at February 29, 2024 is negative due to the negative net working capital allocated to the CGUs.

The carrying amount does not include financial items. Deferred tax assets and liabilities are also excluded as the theoretical tax rate was used for tax estimation purposes when determining cash flows.

As required by IAS 36, appropriate sensitivity analyses were also developed to test the resilience of the recoverable value of goodwill to changes in the main parameter used such as the percentage change in Free Cash Flow (FCF).

Below are the results, in terms of the difference between recoverable value and carrying amount, for CGUs subject to impairment test as of February 29, 2024, of the sensitivity analysis performed assuming a percentage reduction in Free Cash Flow, in the explicit forecast years and in the terminal value of -20.0%:

at February 29, 2024	FCF of Terminal Plan	
(in millions of Euro)		
Sensitivity Difference RA vs. CA	0.0%	(20.0%)
Retail CGU	237	196
Indirect CGU	43	36
B2B CGU	9	8

Finally, the Company developed an additional analysis simulating the impacts on the recoverable value of the Retail CGU assuming the exclusion of planned new store openings over the course of the business plan. The results of the analysis are illustrated below:

at February 29, 2024		Carrying Amount (CA)	Recoverable Value (RA)	RA vs. CA
(in millions of Euro)				
Retail CGU	EUR/mln	(29)	125	154

It is also necessary to point out that the parameters and information that are used to verify the recoverability of goodwill are influenced by the macroeconomic, market, and regulatory environment, and by the subjectivity of certain forecasts of future events that will not necessarily occur, or may occur in a manner that differs from that expected, and therefore may experience unforeseeable changes. Unfavourable and unforeseeable changes in the parameters used for the impairment test could result in the need to impair goodwill in the future with consequences for the Company's results and financial position.

5.3 Intangible assets with finite useful lives

The balance of "Intangible assets with finite useful life" is shown below by category at February 29, 2024 and February 28, 2023:

(in thousands of Euro)	Balance at February 29, 2024			Balance at February 28, 2023		
	Historic cost	Acc. Amort.	Net book value	Historic cost	Acc. Amort.	Net book value
Software	137,237	(88,005)	49,233	117,567	(72,716)	44,851
Concessions, licences and trademarks	7,407	(7,407)	-	7,407	(7,407)	-
Key money	1,572	(1,572)	-	1,572	(1,572)	-
Intangible assets in progress	661	-	661	808	-	808
Total intangible assets with finite useful life	**146,878**	**(96,984)**	**49,894**	**127,354**	**(81,695)**	**45,659**

Changes in "Intangible assets with finite useful life" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Software	Concessions, licenses and brands	Key money	Intangible assets under construction	Total
Balance at February 28, 2022	**36,483**	**-**	**-**	**5,241**	**41,724**
Increases	20,728	-	-	2,251	**22,980**
Decreases	-	-	-	(6,685)	**(6,685)**
Amortisation, depreciation and write-downs/(revaluations)	(12,360)	-	-	-	**(12,360)**
Decreases Accum. Amort.	-	-	-	-	**-**
Balance at February 28, 2023	**44,851**	**-**	**-**	**808**	**45,659**
Increases	19,670	-	-	1,938	**21,608**
Decreases	-	-	-	(710)	**(710)**
Amortisation, depreciation and write-downs/(revaluations)	(15,289)	-	-	(1,374)	**(16,663)**
Decreases Accum. Amort.	-	-	-	-	**-**
Balance at February 29, 2024	**49,233**	**-**	**-**	**661**	**49,894**

With regard to the year ended February 29, 2024, increases net of decreases in the category "assets under construction" totalled Euro 20,898 thousand and were mainly attributable to the category “Software”.

Increases in “Software” for Euro 19,670 thousand mainly concern technological developments and the strengthening of the omnichannel strategy and technological infrastructure.

“Amortisation, depreciation and write-downs” amount to Euro 16,663 thousand in FY 2023/24 and include write-downs of Euro 1,374 thousand.

With regard to the year ended February 28, 2023, increases net of decreases in the category "assets under construction" totalled Euro 16,295 thousand and were mainly attributable to the category "Software."

The increases concern “Software” for Euro 20,728 thousand, mainly referring to evolutions of the new SAP 4/HANA ERP, the improvement of the technological infrastructure as part of the cyber security projects and e-commerce site investments.

5.4 Right-of-use assets

The balance of "Right-of-use assets" by category as at February 29, 2024 and February 28, 2023 is shown below:

(in thousands of Euro)	Balance at February 29, 2024			Balance at February 28, 2023		
	Historic cost	Acc. Deprec.	Net book value	Historic cost	Acc. Deprec.	Net book value
Buildings	694,286	(318,563)	375,723	664,120	(250,566)	413,554
Cars	5,897	(3,931)	1,967	4,653	(3,039)	1,614
Other Assets	9,868	(5,981)	3,887	9,868	(4,315)	5,553
Total right-of-use assets	**710,051**	**(328,474)**	**381,577**	**678,641**	**(257,920)**	**420,721**

Changes in "Right-of-use assets" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Buildings	Cars	Other assets	Total
Balance at February 28, 2022	**422,297**	**1,423**	**7,485**	**431,205**
Increases/(Decreases)	61,164	896	-	62,060
Amortisation, depreciation and write-downs/(revaluations)	(69,907)	(705)	(1,932)	(72,544)
Balance at February 28, 2023	**413,554**	**1,614**	**5,553**	**420,721**
Increases/(Decreases)	30,166	1,244	-	31,410
Amortisation, depreciation and write-downs/(revaluations)	(67,997)	(891)	(1,667)	(70,554)
Balance at February 29, 2024	**375,723**	**1,967**	**3,887**	**381,577**

The increases recorded during the year mainly refer to the renewal of existing operating leases.

5.5 Deferred tax assets and deferred tax liabilities

Changes in "Deferred tax assets" and "Deferred tax liabilities" for the period from February 28, 2022 to February 29, 2024 are shown below.

Deferred tax assets

(In thousands of Euro)	Bas debt provision - amount due from suppliers	Obsolescence provision	Fixed assets and right-of-use	Intangible assets	Capital reserves	Provisions for risks and charges	Other current liabilities	Net deferred tax assets	Deferred tax assets relating to tax losses	Total net deferred tax assets
Balance at February 28, 2022	**1,241**	**2,619**	**1,874**	**3,391**	**341**	**3,762**	**260**	**13,488**	**31,118**	**44,606**
Provisions/Releases to the income statement	(367)	364	285	(819)	-	(682)	1,152	(66)	1,232	1,164
Provisions/Releases to the statement of comprehensive income	-	-	-	-	(657)	-	-	(657)	-	(657)
Balance at February 28, 2023	**874**	**2,983**	**2,159**	**2,572**	**(316)**	**3,080**	**1,412**	**12,765**	**32,350**	**45,112**
Provisions/Releases to the income statement	(251)	121	(5)	(819)		(204)	184	(974)	(6,666)	(7,640)
Provisions/Releases to the statement of comprehensive income	-	-	-	-	545	-	-	545	-	545
Balance at February 29, 2024	**623**	**3,104**	**2,153**	**1,753**	**229**	**2,876**	**1,596**	**12,334**	**25,684**	**38,017**

The balance as at February 29, 2024, amounting to Euro 38,017 thousand, consists mainly of: (i) deferred tax assets recognised on tax losses in the amount of Euro 25,684 thousand, (ii) temporary differences mainly attributable to provisions and goodwill in the amount of Euro 12,334 thousand.

The balance as at February 28, 2023, amounting to Euro 45,112 thousand, consists mainly of: (i) deferred tax assets recognised on tax losses in the amount of Euro 32,350 thousand, (ii) temporary differences mainly attributable to provisions and goodwill in the amount of Euro 12,765 thousand.

The IRES tax losses still available from the income tax estimate made on presenting the financial statements at February 29, 2024 with reference to Unieuro amount to Euro 255.3 million.

In calculating deferred tax assets, the following aspects were taken into account:

- the tax laws of the country in which the Company operates and their impact on temporary differences, and any tax benefits from the use of tax loss carryforwards.
- the Company's profit forecast in the medium and long term.

On this basis, the Company expects to generate future taxable profits and, therefore, to be able to recover recognised deferred tax assets with reasonable certainty.

Deferred tax liabilities

(In thousands of Euro)	Intangible assets	Other current assets	Total net deferred taxes
Balance at February 28, 2022	**2,074**	**690**	**2,764**
Provisions/Releases to the income statement	375	(115)	260
Provisions/Releases to the statement of comprehensive income	-	-	-
Balance at February 28, 2023	**2,449**	**575**	**3,024**
Provisions/Releases to the income statement	370	(24)	346
Provisions/Releases to the statement of comprehensive income	-	-	-
Balance at February 29, 2024	**2,819**	**551**	**3,370**

Deferred tax liabilities related to Intangible Assets arise from goodwill having a statutory value different from the value relevant for tax purposes.

It is estimated that this payable refers to differences that will be reabsorbed in the medium and long term.

5.6 Other current assets and other non-current assets

Below is a breakdown of "Other Current Assets" and "Other Non-Current Assets" as at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Contract assets	10,191	10,094
Prepaid expenses and accrued income	4,557	5,337
Tax credits	1,886	4,273
Financial receivables from leases - current portion	1,715	1,490
Other current financial assets	-	60,281
Other current assets	2,864	1,056
Other current assets	**21,213**	**82,531**
Financial receivables from leases - non-current portion	11,255	13,577
Deposit assets	3,098	3,019
Other non-current assets	91,781	20,861
Other non-current assets	**106,134**	**37,457**
Total Other current assets and Other non-current assets	**127,347**	**119,988**

"Contract assets" amounting to Euro 10,191 thousand at February 29, 2024 (Euro 10,094 thousand at February 28, 2023), includes costs for obtaining contracts qualifying as contract costs, represented by bonuses paid to employees for each additional sale of extended warranty services.

"Prepaid expenses and accrued income" amounting to Euro 4,557 thousand at February 29, 2024 (Euro 5,337 thousand at February 28, 2023), mainly includes prepaid expenses referring to insurance, condominium expenses and other operating costs that were paid before February 28, 2023 and referring to future years.

"Tax credits" at February 29, 2024 amounted to Euro 1,886 thousand (Euro 4,273 thousand at February 28, 2023), with the decrease principally concerning the offsetting of tax credits for the purchase of electricity recorded in the financial statements in the previous year.

"Other current financial assets" amounted to Euro 0 thousand as of February 29, 2024. At February 28, 2023, the item included Ordinary Treasury Bonds and Long-Term Treasury Bonds for Euro 60,281 thousand.

"Other current assets" of Euro 2,864 thousand at February 29, 2024 (Euro 1,056 thousand at February 28, 2023) mainly include the current portion of the tax credits deriving from the recognition of a discount on the invoice with regards to works related to the recovery of building heritage under Article 121 of Legislative Decree No. 34/2020 (Ecobonus credits).

"Other non-current assets" include the non-current portion of the Ecobonus credits, investments, deposits receivable, and deposits with suppliers.

Details of "Investments" at February 29, 2024 and February 28, 2023 are shown below:

(In thousands of Euro)	**Year ended**	
	February 29, 2024	**February 28, 2023**
Investment in Monclick S.r.l.	-	12,551
Investment in Covercare S.p.A.	83,450	-
Other investments	8	8
Investments	**83,458**	**12,559**

Changes in “Investments" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	**Investments**
Balance at February 28, 2022	**12,559**
Acquisitions	
Increases	2,000
Write-downs	(2,000)
Decreases	
Balance at February 28, 2023	**12,559**
Acquisitions	
Increases	83,450
Write-downs	(12,551)
Decreases	-
Balance at February 29, 2024	**83,458**

“Write-downs” include the write-down of the investment in Monclick S.r.l in liquidation after the subsidiary entered liquidation and the partial waiver of the trade receivables for Euro 3,600 thousand from the subsidiary.

The following information concerns the investments held in subsidiaries at February 29, 2024, as per Article 2427 of the Civil Code:

(In thousands of Euro)	**Registered Office**	**Book value**	**Share capital**	**Holding**	**Shareholders’ Equity**	**Net result for the year**
Monclick S.r.l. in liquidation	Vimercate (MB)	-	100	100%	(2,575)	(2,522)
Covercare S.p.A. [55]	Legnano (MI)	83,450	100	100%	4,470	4,252

Monclick S.r.l. in liquidation

On June 9, 2017, Unieuro completed the acquisition by Project Shop Land S.p.A of 100% of Monclick, a leading online operator in Italy involved in the consumer electronics market and the online B2B2C market.

The company was placed into liquidation effective November 3, 2023. This decision forms part of a corporate restructuring. In particular, Monclick S.r.l. has suffered a worsening of its operating, equity and financial situation in recent years as a result of the performance of its target markets, exacerbated by its digital pure player business model. Simultaneously, the value of the equity investment was written-down to zero, recording the related write-down under “Amortisation, depreciation and write-downs”.

[55] Shareholders' Equity and the Net Result for FY 2023/24 refer to the fiscal year of fourteen months due to the change of the subsidiary's fiscal year-end from December 31 to the last day of February.

Covercare S.p.A.

On December 4, 2023, Unieuro completed the acquisition of the entire share capital of Covercare S.p.A., a leading player in Italy for repair services for mobile phones, other portable devices, and domestic appliances, in addition to the installation of air conditioners and boilers and in home assistance services.

The consideration from the acquisition was set at Euro 70,000 thousand, in addition to the net financial position of Euro 13,450 thousand.

5.6.1 Impairment test

The investment in Covercare as of February 29, 2024 was subjected to an impairment test by comparing the respective recoverable value with the carrying amount of the investment. The recoverable value is the higher of the asset's fair value less costs to sell and its value in use.

The value in use was calculated as the present value of future cash flows expected to be generated by the subsidiary (Covercare), discounted at the rate reflecting the specific risks of the company at the valuation date. The cash flows were approved by the Board of Directors of Covercare on April 19, 2024.

The impairment test was approved by the Board of Directors on May 10, 2024. In preparing the impairment test, the Directors made use of appropriate reports prepared for this purpose by an external expert specifically appointed by the Company.

The valuation assumptions used to determine the recoverable value, were based on the above business plans and some main assumptions:

- it was decided to adopt as the explicit period of the business plan, a period of five years;
- terminal value: discounting of the last explicit period of plan estimation. It is emphasised that a long-term growth rate "g" of 1% has been assumed;
- the discount rate applied to the various cash flows (WACC-weighted average cost of capital) for Covercare was 11.3%.

Below is the estimation procedure adopted to define the parameters determining WACC:

- Risk-free rate (r_f) – The risk-free rate adopted is equal to the thirty trading days average (relative to the reference date) of yields on 10-year government bonds (BTPs) issued by the Italian government. Adopting the average figure makes it possible to compensate for possible short-term distorting dynamics. It should be noted that compared to the previous year, the time horizon considered for averages was shortened based on the latest guidance from the regulators.
- Equity risk premium ($r_m – r_f$) - The equity risk premium, which represents the yield differential (historical and long-term) between stocks and bonds in the financial markets, was determined with reference to the Italian market.
- Beta (β) – The beta, which denotes the regression coefficient of a straight line representing the relationship between the return offered by the stock and that of the market as a whole, was calculated based on a panel of listed companies operating predominantly or exclusively in the sector.

- Cost of debt capital i_d (1-t) - The cost of debt of a financial nature was estimated to be equal to the adopted risk-free rate plus a spread based on the average credit rating of comparables. The current Italian corporate tax rate (IRES) was adopted as the tax rate (t).
- Financial structure - A debt/equity ratio calculated on the basis of the average on the reference date by the selected panel of comparable companies was adopted.

Based on the estimates there was no need to make an adjustment to the value of the investment recognised. At the time of the acquisition (December 4, 2023), the advisors who assisted the company in the transaction carried out the appropriate sensitivity analyses on the expected cash flows underlying the definition of the purchase price of the holding.

It is also necessary to point out that the parameters and information that are used for the impairment test on the investment are influenced by the macroeconomic, market, and regulatory environment, and by the subjectivity of certain forecasts of future events that will not necessarily occur, or may occur in a manner that differs from that expected, and therefore may experience unforeseeable changes. Unfavourable and unforeseeable changes in the parameters used for the impairment test could result in the need to impair the investment in Covercare in the future with consequences for the Company's results and financial position.

5.7 Inventories

Inventories are composed as follows:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Merchandise	447,382	457,181
Consumables	1,066	880
Gross inventory	**448,448**	**458,061**
Inventory obsolescence provision	(12,931)	(12,425)
Total inventories	**435,517**	**445,636**

The value of net inventories decreased from Euro 445,636 thousand at February 28, 2023 to Euro 435,517 thousand at February 29, 2024, a decrease from the previous year.

Inventory value reflects the loss of value of goods in cases where the cost is higher than the estimated realisable value, allowing the inventory value to be restored to current market value, and is adjusted by the inventory obsolescence provision, which accommodates the write-down of the value of goods with possible obsolescence indicators.

Changes in the inventory obsolescence provision for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Inventory obsolescence provision
Balance at February 28, 2022	**(10,907)**
Provisions	(2,501)
Release to income statement	-
Utilisations	983
Balance at February 28, 2023	**(12,425)**
Provisions	(881)
Release to income statement	
Utilisations	375
Balance at February 29, 2024	**(12,931)**

5.8 Trade receivables

Below is a breakdown of “Trade receivables" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Trade receivables – third parties	50,919	65,963
Trade receivables - related parties	136	18,339
Gross trade receivables	**51,055**	**84,301**
Bad debt provision	(916)	(1,917)
Total trade receivables	**50,139**	**82,384**

The value of receivables, mainly referring to the Indirect and B2B channels, decreased by Euro 32,245 thousand compared to the previous year. The change in trade receivables is mainly attributable to a different billing and collection schedule.

Changes in the doubtful debt provision for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Bad debt provision
Balance at February 28, 2022	**(2,084)**
Provisions	(280)
Release to income statement	-
Utilisations	447
Balance at February 28, 2023	**(1,917)**
Provisions	-
Release to income statement	510
Utilisations	491
Balance at February 29, 2024	**(916)**

Impaired receivables refer mainly to receivables in litigation or customers subject to bankruptcy proceedings. The uses are against creditor situations for which the elements of certainty and precision, i.e. the presence of pending bankruptcy proceedings, determine the write-off of the position.

The credit risk represents the exposure to potential losses following the non-fulfilment of obligations by counterparties. It should be noted, however, that for all periods considered, there are no significant concentrations of credit risk, especially in view of the fact that most sales are made with immediate payment through credit or debit cards in the Retail and Online channels and in cash, in the Retail channel. The Company has credit control processes in place that involve obtaining bank sureties and credit insurance contracts to cover a significant amount of outstanding business with customers, analysing customer reliability, assigning a credit limit, and monitoring exposure through reports with a breakdown of due dates and average collection times.

Overdue credit positions are in any case monitored by the administrative management through periodic analyses of the main positions, and for those for which an objective condition of partial or total uncollectability is detected, write-downs are made.

The book value of the trade receivables approximates their fair value.

5.9 Current tax assets and liabilities

Below is a breakdown of "Current tax assets" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
IRAP credits	451	336
IRES credits	2,615	4,834
Total current tax assets	**3,066**	**5,170**

Current income tax assets amounted to Euro 3,066 thousand at February 29, 2024 (Euro 5,170 thousand at February 28, 2023). This refers to the receivable balance of estimated income taxes in the fiscal year to February 29, 2024.

Below is a breakdown of "Current tax liabilities" at February 29, 2024 and February 28, 2023:

Current tax liabilities

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Taxes payable	1,041	1,041
Total current tax liabilities	**1,041**	**1,041**

”Tax liabilities” at February 29, 2024 amounted to Euro 1,041 thousand.

5.10 Cash and cash equivalents

"Cash and cash equivalents" at February 29, 2024 and February 28, 2023 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Bank accounts	80,433	36,165
Cash	8,189	11,277
Total cash and cash equivalents	**88,622**	**47,442**

Cash and cash equivalents amounted to Euro 88,622 thousand at February 29, 2024 and Euro 47,442 thousand at February 28, 2023.

This item consists of cash on hand, valuables and demand or short-term deposits with banks that are available and readily usable.

For further details on the movements in Cash and cash equivalents, reference should be made to the Cash Flow Statement. Reference should be made to Note 5.12 for further details on the net financial position.

5.11 Shareholders' Equity

The changes in "Shareholders' Equity" for fiscal year 2023/24 and the composition of reserves in the reporting periods are shown below:

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Fair value reserve to OCI	Reserve for actuarial gains/(losses) on defined benefit plans	Reserve for share-based payments	Other reserves	Profits/(losses) carried forward	Total shareholders' equity
Balance at February 28, 2023	**4,140**	**828**	**62,198**	**-**	**214**	**(180)**	**5,416**	**22,059**	**32,285**	**126,960**
Profit/(loss) for the year	-	-	-		-	-	-	-	**(15,770)**	**(15,770)**
Other components of comprehensive income	-	-	-	(1,271)	(214)	37	-	-		**(1,447)**
Total comprehensive income for the year	-	-	**-**	**(1,271)**	**(214)**	**37**	**-**	-	**(15,770)**	**(17,217)**
Allocation of prior year result	-	-	2,078	-	-	-	-	-	**(2,078)**	**-**
Distribution dividends	-	-	-	-	-	-	-	-	**(9,848)**	**(9,848)**
Purchase of Treasury Shares	-	-	-	-	-	-	-	-		**-**
Share-based payment settled with equity instruments	-	-	-	-	-	-	(2,129)	4,756	**(1,535)**	**1,092**
Total transactions with shareholders	-	-	**2,078**	-	-	**-**	**(2,129)**	**4,756**	**(13,461)**	**(8,756)**
Balance at February 29, 2024	**4,140**	**828**	**64,276**	**(1,271)**	**-**	**(143)**	**3,287**	**26,815**	**3,054**	**100,986**

Shareholders' Equity, amounting to Euro 100,986 thousand at February 29, 2024 (Euro 126,960 thousand at February 28, 2023), decreased mainly due to the result for the fiscal year and the distribution of the dividend approved in June 2023 for Euro 9,848 thousand.

Share capital at February 29, 2024 is Euro 4,140 thousand, divided into 20,698,621 shares.

The Reserves are shown below:

- the legal reserve amounts to Euro 828 thousand at February 29, 2024 (Euro 828 thousand at February 28, 2023), including allocations of profits to the extent of 5% for each fiscal year. The reserve reached the 20% limit of the share capital set out under Article 2430 of the Civil Code;

- the Extraordinary Reserve amounts to Euro 64,276 thousand at February 29, 2024 (Euro 62,198 thousand at February 28, 2023); this reserve increased as a result of the allocation of the profit for the previous year resolved in June 2023 by the Shareholders' Meeting;

- the cash flow hedge reserve amounting to a negative Euro 1,271 thousand as of February 29, 2024 includes the fair value accounting of the cash flow hedge derivative entered into by the company to hedge the price of electricity.

- the negative reserve for actuarial gains and losses on defined benefit plans amounting to negative Euro 143 thousand at February 29, 2024 (negative Euro 180 thousand at February 28, 2023) changed by a positive Euro 29 thousand as a result of the actuarial valuation related to the post-employment benefit reserve;

- the reserve for share-based payments of Euro 3,287 thousand at February 29, 2024 (Euro 5,416 thousand at February 28, 2023) changed due to the closure of the first cycle of the 2021-2025 performance share plan, and the recognition of accruals for Euro 448 thousand relating to the second and third cycle of the 2021-2025 share performance plan. For more details see Note 5.28.

- the item “Other reserves”, amounting to Euro 26,815 thousand in FY 2023/24 (Euro 22,059 thousand in FY 2022/23). For further details, reference should be made to the distributability of reserves.

During the year ended February 29, 2024, there are no assets earmarked for a specific business.

The changes in “Shareholders’ Equity" for fiscal year 2022/2023 and the composition of reserves in the reporting periods are shown below:

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Fair value reserve to OCI	Reserve for actuarial gains/(losses) on defined benefit plans	Reserve for share-based payments	Other reserves	Profits/(losses) carried forward	Total shareholders' equity
Balance at February 28, 2022	**4,140**	**811**	**43,146**	**-**	**(1,705)**	**3,687**	**22,059**	**67,001**	**139,139**
Profit/(loss) for the year	-	-	-	-	-	-	-	11,926	11,926
Other components of comprehensive income	-	-	-	214	1,525	-	-	-	1,739
Total comprehensive income for the year	**-**	**-**	**-**	**214**	**1,525**	**-**	**-**	**11,926**	**13,665**
Allocation of prior year result	-	17	19,052	-	-	-		(19,069)	-
Dividends distribution	-	-	-	-	-	-	-	(27,134)	(27,134)
Purchase of Treasury Shares	-	-	-	-	-	-	-	-	-
Share-based payment settled with equity instruments	-	-	-	-	-	1,729	-	(439)	1,290
Total transactions with shareholders	**-**	**17**	**19,052**	**-**	**-**	**1,729**	**-**	**(46,642)**	**(25,844)**
Balance at February 28, 2023	**4,140**	**828**	**62,198**	**214**	**(180)**	**5,416**	**22,059**	**32,285**	**126,960**

Shareholders’ Equity of Euro 126,960 thousand at February 28, 2023 (Euro 139,139 thousand at February 28, 2022), with the decrease mainly due to the combined effect of: (i) the distribution of the dividend approved by the Shareholders' Meeting for Euro 27,134 thousand and (ii) the recognition of the consolidated net profit and of other comprehensive income statement items for Euro 13,665 thousand.

Share capital at February 28, 2023 amounts to Euro 4,140 thousand, divided into 20,698,621 shares.

The Reserves are shown below:

- the legal reserve amounting to Euro 828 thousand as of February 28, 2023 (Euro 811 thousand as of February 29, 2022), includes allocations of profits to the extent of 5% for each fiscal year until the limit set forth in Article 2430 of the Civil Code is reached.

- the Extraordinary Reserve amounting to Euro 62,198 thousand at February 28, 2023 (Euro 43,146 thousand at February 28, 2022); this reserve increased during the period as a result of the allocation of the profit for the year resolved in June 2022 by the Shareholders' Meeting;

- the fair value to OCI reserve amounting to Euro 214 thousand at February 28, 2023 (zero at February 28, 2022) includes the fair value accounting of BOT and BTP government bonds as of the reporting date net of the tax effect.

- the reserve for actuarial gains and losses on defined benefit plans amounting to a negative Euro 180 thousand as of February 28, 2023 (negative Euro 1,705 thousand as of February 28, 2022) net of the tax effect; the reserve changed by Euro 1,525 thousand as a result of the actuarial valuation related to the post-employment benefit reserve;

- the reserve for share-based payments amounting to Euro 5,416 thousand at February 28, 2023 (Euro 3,687 thousand at February 28, 2022); the reserve changed mainly due to the recognition for Euro 1,729 thousand of the 2020-2025 performance share plan. For more details see Note 5.28.

- other reserves amounting to Euro 22,059 thousand at February 28, 2023 did not change compared to February 28, 2022. For further details, reference should be made to the distributability of reserves.

During the fiscal year ended February 29, 2024, there are no assets earmarked for a specific business.

In accordance with Article 2424 of the Civil Code, information is provided on the origin, nature and possibility of use of the Shareholders' Equity components at February 29, 2024:

(In thousands of Euro) Nature/Description	Amount	Possibility of utilisation (*)	Portion available	Utilisation in previous 3 fiscal years to cover losses	Utilisation in previous 3 fiscal years for other reasons
Share capital	4,140	B	4,140		
Capital reserves					
Share Premium Reserve	7,451	A, B, C	7,451		
Other capital reserves	26,944	A, B, C	26,944		(**)
Reserve for share-based payments	3,287	A, B	3,287		
Use of treasury shares reserve	(7,582)		(7,582)		
Tax-suspension profit reserves					
Reserve as per Law 121/87		A, B, C			
Retained earnings					
Legal reserve	828	A, B	828		
Extraordinary Reserve	64,276	A, B, C	64,276		
Severance pay actuarial reserve	(143)		(143)		
Cash Flow Hedge Reserve	(1,271)		(1,271)		
Fair value reserve to OCI	-	A, B	-		
Profits carried forward - Other FTA Reserves	4,038	A, B	4,038		
Profits carried forward - Other FTA Reserves	23,321	B	23,321		
Profits/(losses) carried forward - IAS adjustments					
Profits/(losses) carried forward - Call Option Agreement		A, B, C			
Profits/(losses) carried forward - Share-based payments	88	A, B, C	88		
Profits/(losses) carried forward - Other	(8,622)		(8,622)		
Net profit/(loss)	(15,770)	A, B, C	(15,770)		
Total	**100,986**		**100,986**		
Non-distributable amount			35,614		
Residual distributable share			**65,372**		

(*) A: for share capital increase; B: for coverage of losses; C: for distribution to shareholders

(**) Other capital reserves are subject to an non-distributable and unavailable restriction of Euro 7,581 thousand as a result of the treasury share purchase programme

5.12 Financial liabilities

Current and non-current "Financial liabilities" at February 29, 2024 amounts to Euri 34,776 thousand (Euro zero at February 28, 2023).

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Current financial liabilities	19,825	-
Non-current financial liabilities	14,951	-
Total financial payables	**34,776**	-

The increase in the item relating to Financial liabilities concerns the signing of the medium-long term loan agreement, granted by BNL to the parent company, for a nominal Euro 40,000 thousand for the acquisition of the Covercare Group on December 4, 2023. The loan is to be repaid in quarterly constant instalments with a maturity date of November 30, 2025, and the balance as of February 29, 2024 is Euro 34,776 thousand. Interest on the loan is at a floating rate, calculated considering Euribor plus a contractually stipulated spread.

The loans are measured by the amortised cost method based on the provisions of IFRS 9, and therefore their value is reduced by the ancillary charges on the loans, amounting to Euro 286 thousand as of February 29, 2024.

We also note that the Group has four Committed Credit Facilities in place at February 29, 2024, including Euro 150.0 million of medium- to long-term cash loan on a revolving basis. At February 29, 2024 and February 28, 2023, the Credit Lines had been utilised. Interest is at a floating rate, calculated considering Euribor plus a contractually stipulated spread.

At the same time as the disbursement of the Credit Facilities, a contractual clause (covenants) was agreed upon that grants the lender the right to renegotiate or revoke the credit upon the occurrence of the events stipulated in the clause. These clauses require compliance on each Calculation Date (half-yearly) with an index on a consolidated basis of Unieuro S.p.A., which is summarised below:

- leverage ratio (defined as the ratio of Consolidated Net Financial Debt to Consolidated Adjusted EBITDA LTM, as contractually defined.

As of February 29, 2024, the covenant had been fulfilled.

Below is a breakdown of the composition of net financial debt at February 29, 2024 and February 28, 2023, in accordance with ESMA guideline 32-382- 1138 dated 4/3/2021[56]:

(in millions of Euro)	Year ended			
	February 29, 2024	*of which related parties*	**February 28, 2023**	*of which related parties*
(A) Cash	88.6	-	47.4	-
(B) Cash equivalents	-	-	-	-
(C) Other current financial assets	-	-	60.3	-
(D) Liquidity (A)+(B)+(C)	**88.6**	**-**	**107.7**	**-**
(E) Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(14.3)	-	-	-
(F) Current portion of non-current financial debt	(70.8)	-	(70.4)	-
(G) Current financial Indebtedness (E)+(F)	**(85.1)**	**-**	**(70.4)**	**-**
(H) Net current financial Indebtedness (G)-(D)	**3.5**	**-**	**37.3**	**-**
(I) Non-current financial debt (excluding the current portion and debt instruments)	(349.9)	-	(377.5)	-
(J) Debt instruments	-	-	-	-
(K) Trade payables and other payables	-	-	-	-
(L) Non-current financial Indebtedness (I)+(J)+(K)	**(349.9)**	**-**	**(377.5)**	**-**
(M) Total financial Indebtedness (H)+(L)	**(346.3)**	**-**	**(340.2)**	**-**

The following table presents “Other current financial payables” and “Other non-current financial payables” for the year ended February 29, 2024 and February 28, 2023. Reference should be made to Note 5.14 “Other financial liabilities” for further details.

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Other financial liabilities	85,075	70,403
Other current financial payables	**85,075**	**70,403**
Other financial liabilities	349,861	377,549
Other non-current financial payables	**349,861**	**377,549**
Total other financial payables	**434,936**	**447,952**

[56] For the purpose of better representation and consistent with the new guidance of ESMA Guideline 32-382- 1138 of 4/3/2021, receivables related to IFRS 16 sub-leases were excluded from net financial debt.

5.13 Employee benefits

Changes in “Employee benefits” for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	
Balance at February 28, 2022	**12,683**
Transfer in/(out)	-
Interest Cost	250
Settlements/advances	-
Actuarial (gain)/losses	(2,115)
Balance at February 28, 2023	**10,818**
Transfer in/(out)	-
Interest Cost	389
Settlements/advances	(713)
Actuarial (gain)/losses	(52)
Balance at February 29, 2024	**10,443**

This item includes the Post-employment benefits provided for by Law No. 297 of May 25, 1982, which guarantees a severance payment to the employee when he or she terminates employment and the End of Service benefits in favour of members of the Board of Directors. Severance pay, regulated by legislation in Civil Code Article 2120, and the End of Service benefit are recalculated in accordance with IAS 19, expressing, as a liability the amount of the present value of the final obligation, where the present value of the obligation is determined by the "projected unit credit" method.

The settlements recorded in the year ended February 29, 2024 relate to both severance advances paid to employees during the year and severance payments referring to employees with fixed-term contracts.

Details of the economic and demographic assumptions used for actuarial valuation purposes are given below:

	Year ended	
Economic assumptions	**February 29, 2024**	**February 28, 2023**
Inflation rate	2.00%	2.30%
Discount rate	3.43%	3.73%
Severance pay increase rate	3.00%	3.23%

Demographic assumptions	Year ended February 29, 2024	February 28, 2023
Probability of death	RG48 demographic tables	RG48 demographic tables
Probability of incapacity	INPS tables by age and gender	INPS tables by age and gender
Retirement age	Achievement of minimum requirements under the compulsory general insurance	Achievement of minimum requirements under the compulsory general insurance
Probability of departure	5%	5%
Probability of anticipation	3.50%	3.50%

Regarding the discount rate, the iBoxxEurozone Corporates AA index with duration 7-10 years as of the valuation date was taken as a reference for the valuation of this parameter.

Below is a sensitivity analysis at February 29, 2024, related to the main actuarial assumptions included in the calculation model made considering the one described above and increasing and decreasing the average annual turnover rate, advance request rate, average inflation rate, and discount rate by 1%, -1%, 0.25%, and -0.25%, respectively. The results obtained can be summarised in the table below:

(In thousands of Euro)	February 29, 2024
Changes in the parameter	**Impact on DBO**
Increase in turnover rate of 1%	10,491
Decrease in turnover rate of 1%	10,390
Increase in inflation rate of 0.25%	10,561
Decrease in inflation rate of 0.25%	10,328
Increase in discounting rate of 0.25%	10,262
Decrease in discounting rate of 0.25%	10,631

Details of the economic and demographic assumptions used for actuarial valuation purposes of the End of Service benefit are given below:

End of Service benefit economic assumptions	Fiscal year ending February 29, 2024
Discount rate	3.43%
Annual compensation revaluation rate	0.0%

Demographic assumptions	Fiscal year ending February 29, 2024
Probability of death	The RG48 mortality tables published by the General State Controller
Probability of incapacity	INPS tables by age and gender
Frequency of revocation of mandate	0.00%

The sensitivity analysis at February 29, 2024, increasing and decreasing the discount rate by 0.25% and -0.25%, is reported below. The results obtained can be summarised in the table below:

Changes in the parameter	Fiscal year ending February 29, 2024
Increase in discounting rate of 0.25%	30
Decrease in discounting rate of 0.25%	31

5.14 Other financial liabilities

Below is a breakdown of current and non-current "Other financial liabilities" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Payables to leasing companies	70,094	70,087
Payables for equity investments	14,313	-
Other financial liabilities	-	316
Fair value of derivative instruments	668	-
Other current financial liabilities	**85,075**	**70,403**
Payables to leasing companies	338,767	377,549
Payables for equity investments	10,000	-
Fair value of derivative instruments	1,094	-
Other non-current financial liabilities	**349,861**	**377,549**
Total financial payables	**434,936**	**447,952**

Lease liabilities

Lease liabilities totalled Euro 408,861 thousand at February 29, 2024 and Euro 447,636 thousand at February 28, 2023. The assets under the lease agreements consist of buildings, cars, furniture, LEDs, air conditioning equipment, servers, computers and printers. The above payables to leasing companies are guaranteed to the lessor through the rights to the leased assets. This item includes the carrying amount of lease liabilities related to operating leases for which the Group, following the application of IFRS 16, has recorded a liability reflecting the obligation for lease payments and lease liabilities. No interest rate hedging instruments are in place.

The cash flows referring to lease liabilities are shown below.

(In thousands of Euro)	Balance at February 29, 2024	Within 12M	Between 12M and 60M	Over 60M	Total
Payables to leasing companies	408,861	70,094	201,153	137,614	408,861
Total	**408,861**	**70,094**	**201,153**	**137,614**	**408,861**

Payables for equity investments and business units

Payables for equity investments totalled Euro 24,313 thousand at February 29, 2024 (Euro zero thousand at February 28, 2023). The increase is attributable to the portion of the consideration for the full acquisition of Covercare S.p.A. that will be recognised by October 2024, as well as the payable recorded as earnout, to be recognised by June 2026, subject to, among others, the achievement of a specific profitability target in terms of EBITDA in fiscal year 2025/26.

Management considered this amount to be a part of the acquisition payment and has therefore recognised the payable to the sellers.

Derivative liabilities

Derivative liabilities, which totalled Euro 1,762 thousand, includes the fair value as of the reporting date of the Power Purchase Agreement accounted for, in accordance with IFRS 9, as a cash flow hedge transaction. The fair value of derivative financial instruments was calculated by considering market parameters and by utilising common finance industry valuation models (Level 2).

5.15 Provisions

Changes in "Provisions" for the period from February 28, 2022 to February 29, 2024 are shown below:

(In thousands of Euro)	Provisions for tax disputes	Provisions for other disputes	Other risks provision	Total
Balance at February 28, 2022	**798**	**10,290**	**4,896**	**15,984**
- of which current portion	-	*1,518*	*530*	*2,048*
- of which non-current portion	*798*	*8,772*	*4,366*	*13,936*
Provisions	-	1,277	60	1,337
Utilisations/Releases	-	(4,377)	(588)	(4,965)
Balance at February 28, 2023	**798**	**7,190**	**4,368**	**12,356**
- of which current portion	-	*442*	*596*	*1,038*
- of which non-current portion	*798*	*6,748*	*3,772*	*11,318*
Provisions	-	806	90	897
Utilisations/Releases	-	(1,313)	-	(1,313)
Balance at February 29, 2024	**798**	**6,683**	**4,458**	**11,939**
- of which current portion	-	*1,182*	*617*	*1,799*
- of which non-current portion	*798*	*5,501*	*3,842*	*10,140*

"Provision for tax disputes" amounting to Euro 798 thousand at February 29, 2024, unchanged compared to February 28, 2023, is set aside mainly to cover liabilities that may arise as a result of tax disputes.

"Provision for other disputes", amounting to Euro 6,683 thousand as of February 29, 2024, and Euro 7,190 thousand as of February 28, 2023, decreased due to the settlement of a number of civil disputes.

"Other provisions for risks" amounted to Euro 4,458 thousand at February 29, 2024 and Euro 4,368 thousand at February 28, 2023. The item mainly includes charges for risks with reference to logistics contracting, charges for pristine restoration of stores, allocated against the costs to be incurred for the restoration of the property when it is returned to the landlord in cases where the obligation is contractually stipulated to be borne by the tenant.

5.16 Other current liabilities and other non-current liabilities

Below are details of "Other current liabilities" and "Other non-current liabilities" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Contract liabilities	212,912	209,550
Payables to personnel	43,758	41,811
VAT payables	12,985	11,631
Social security institutions	2,932	3,492
IRPEF payables	3,845	3,904
Monetary Bonus Long Term Incentive Plan	-	176
Deferred income and accrued liabilities	5,585	7,965
Other tax payables	20	39
Other current liabilities	-	988
Total Other current liabilities	**282,037**	**279,556**
Monetary Bonus Long Term Incentive Plan	614	967
Deposit liabilities	26	26
Total other non-current liabilities	**640**	**993**
Total other current and non-current liabilities	**282,677**	**280,549**

“Total other current and non-current liabilities” amounted to Euro 282,677 thousand in FY 2023/24 (Euro 280,549 thousand in FY 2022/23).

The balance of "Other current liabilities" is mainly composed of:

- contract liabilities amounting to Euro 212,912 thousand at February 29, 2024 (Euro 209,550 thousand at February 28, 2023) mainly attributable to (i) deferred revenues for warranty extension services. Sales revenues are accounted for on the basis of the contractual term, i.e. the period for which there is a performance obligation thus deferring sales accruing to future periods, (ii) down payments received from customers, (iii) liabilities related to vouchers, and (iv) liabilities related to sales with the right of return;

- payables to personnel amounting to Euro 43,758 thousand at February 29, 2024 (Euro 41,811 thousand at February 28, 2023) consisting of payables for salaries to be paid, vacations, leaves of absence, thirteenth and fourteenth month's pay. These payables refer to amounts accrued and not yet settled;

- VAT payables amounting to Euro 12,985 thousand at February 29, 2024 (Euro 11,631 thousand at February 28, 2023), consisting of payables arising from VAT settlements;

- deferred income and accrued liabilities in the amount of Euro 5,585 thousand at February 29, 2024 (Euro 7,965 thousand at February 28, 2023) mainly related to the recognition of deferred income on revenue that was received during the year but deferred economic maturity.

“Other non-current liabilities” includes Euro 640 thousand from the liability related to the Monetary Bonus under the Performance Share Plan approved by the Shareholders' Meeting, and payables for deposits in the amount of Euro 26 thousand.

5.17 Trade payables

Below is a breakdown of "Trade payables" at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Trade payables – third parties	548,465	593,052
Trade payables - related parties	9,834	911
Gross trade payables	**558,299**	**593,963**
Bad debt provision - amount due from suppliers	863	1,294
Total trade payables	**559,162**	**595,257**

The balance includes payables related to the normal course of business regarding supplies of goods and services. The item takes into account assessments on the exposure to the risk of potential losses arising from the failure of counterparties to meet their obligations. The change in Trade payables is due to lower volumes moved.

The movements in the “Bad debt provision - amounts due from suppliers” concerning no longer recoverable receivables for the fiscal years ending February 28, 2022 and February 29, 2024 are presented below:

(In thousands of Euro)	Bad debt provision - amount due from suppliers
Balance at February 28, 2022	**1,824**
Provisions	-
Release to income statement	(318)
Utilisations	(212)
Balance at February 28, 2023	**1,294**
Provisions	-
Release to income statement	(326)
Utilisations	(105)
Balance at February 29, 2024	**863**

There are no trade payables beyond 5 years or any significant payable concentrations.

5.18 Revenue

Revenues are broken down by channel, category and geographic market in the following tables. The operating segment identified by Unieuro, within which all services and products provided to customers converge, is unique and coincides with the entire Company. The vision of the Company as a single omnichannel business means that it has identified a single Strategic Business Unit ("SBU"). For further details, reference should be made to Note 4 operating segments. Company revenues are affected by the typical seasonality of the consumer electronics market, which features higher revenues towards the end of the year.

A breakdown of revenues by channel is shown below:

(in thousand of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023	%	Δ	%
Retail	1,852,514	69.7%	1,966,160	68.6%	(113,646)	(5.8%)
Online	434,309	16.3%	501,557	17.5%	(67,248)	(13.4%)
Indirect	235,727	8.9%	243,728	8.5%	(8,001)	(3.3%)
B2B	107,946	4.1%	100,422	3.5%	7,524	7.5%
Intercompany	28,125	1.1%	53,981	1.9%	(25,856)	(47.9%)
Total revenues by channel	**2,658,621**	**100%**	**2,865,849**	**100.0%**	**(207,228)**	**(7.2)**

The Retail channel (69.7% of total revenues) - which at February 29, 2024 comprised 271 direct sales points, including the "Unieuro by Iper" shop-in-shops and the sales points located at major public transport hubs such as airports, railway stations and metro stations (former Travel channel) - saw sales of Euro 1,852,514 thousand, decreasing 5.8% on the previous year. The channel's performance in FY 2023/24 reflects the consumer electronics market, impacted by the contraction in demand for Brown and Information Technology category products, partially offset by the strong entertainment, large domestic appliance and telecom segment performance.

The Online channel (16.3% of total revenues) generated revenues of Euro 434,309 thousand in FY 2023/24, down 13.4% on the previous year (Euro 501,577 thousand). The decrease in online channel revenues compared to the previous year mainly relates to a decline in demand for the Brown and Grey categories, reflecting the Group's business strategy and market trends.

The Indirect channel (8.9% of total revenues) - which includes sales made to the network of affiliated stores comprising a total of 254 sales points at February 29, 2024 - reports revenues of Euro 235,727 thousand in FY 2023/24, contracting 3.3% on the previous year (Euro 243,728 thousand). The decline in Consumer Electronics more than offset the good performance of all other product categories.

The B2B channel (4.1% of total revenues) - which caters to professional customers (including overseas) operating in sectors other than Unieuro's, such as hotel chains and banks, in addition to those purchasing electronic products to distribute to regular customers or employees for point collections, prize contests or incentive plans (B2B2C segment) - reported revenues of Euro 107,946 thousand in FY 2023/24, up 7.5% from the previous year, thanks to greater product availability.

Inter-company revenues of Euro 28,125 thousand in FY 2023/24 (Euro 53,981 thousand in the previous year) comprise the sale of products and services to subsidiaries.

A breakdown of revenues by category is shown below:

(in thousand of Euro and as a percentage of revenues)	Year ended				Changes	
	February 29, 2024	%	February 28, 2023	%	Δ	%
Grey	1,296,731	48.8%	1,360,189	47.5%	(63,458)	(4.7%)
White	779,843	29.3%	790,962	27.6%	(11,119)	(1.4%)
Brown	278,369	10.5%	425,010	14.8	(146,641)	(34.5%)
Other products	150,624	5.7%	139,038	4.9%	11,586	8.3%
Services	153,054	5.8%	150,650	5.3%	2,404	1.6%
Total revenues by category	**2,658,621**	**100%**	**2,865,849**	**100%**	**(207,228)**	**(7.2%)**

The Grey category (48.8% of total revenues) - i.e. phones, tablets, information technology, phone accessories, cameras, in addition to all wearable products - generated revenues of Euro 1,296,731 thousand in FY 2023/24, down 4.7% on FY 2022/23. Performance in the Grey category in FY 2023/24 was affected by the settling of consumption in the Information Technology segment, due to the contraction in demand following the pandemic and, to a lesser extent, the decline in the telephony segment, after years of steady growth.

The White category (29.3% of total revenues) - comprising major domestic appliances (MDA), such as washing machines, dryers, refrigerators or freezers and stoves, small domestic appliances (SDA), such as vacuum cleaners, food processors and coffee machines, in addition to the air conditioning segment, generated revenues of Euro 779,843 thousand in FY 2023/24, down 1.4% on the previous year. Sales in fiscal year 2023/24 saw growth in the large domestic appliance segment, which offset the decline in the small domestic appliances and home comfort segments.

The Brown category (10.5% of revenues) - including televisions and related accessories, audio devices, smart TV devices, car accessories and data storage systems - reported revenues of Euro 278,369 thousand in FY 2023/24, a contraction of 34.5% on the previous fiscal year. The contraction in FY 2023/24 is in line with the market trend, which reflects extraordinary sales related to the TV frequency switch-off and the introduction of the TV Bonus in previous years.

The Other Products category (5.7% of total revenues) - which includes sales of both the entertainment sector and other products not included in the consumer technology market, such as hoverboards or bicycles - reported revenues of Euro 150,624 thousand in FY 2023/24, increasing 8.3% on the previous year. The entertainment segment saw strong growth in the year thanks to gaming console sales.

The Services category (5.8% of total revenues) reports revenues of Euro 153,054 thousand for the fiscal year ended February 29, 2024, up 1.6% compared to fiscal year 2022/23, due to the good consumer credit services performance, which offset the decline in installation services.

The breakdown of revenues by geographic area is presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Overseas	3,972	2,826
Italy	2,654,649	2,863,023
Total	**2,658,621**	**2,865,849**

5.19 Other income

"Other income" for the fiscal year to February 29, 2024 and to February 28, 2023 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Insurance reimbursements	40	74
Rent and lease income	69	94
Other income	1,196	1,809
Total other income	**1,306**	**1,977**

The item mainly includes income from the hiring of computer equipment to affiliates and insurance reimbursements for theft or damage caused to stores.

5.20 Purchase of materials and external services

The "Purchase of materials and external services" for the FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Purchases of goods	2,096,742	2,261,900
Transport	81,072	85,594
Marketing	36,212	43,807
Utilities	17,321	28,606
Maintenance and rental charges	17,338	16,775
General sales expenses	14,425	16,546
Other costs	34,566	40,185
Consultancy	10,178	9,137
Purchase of consumables	33	905
Travel and transfer	876	785
Intercompany purchases of materials and services	-	-

Remuneration of administrative and supervisory bodies	1,443	859
Total Purchase of Materials and external services	**2,310,206**	**2,505,099**
Changes in inventory	10,119	15,988
Total, including changes in inventories	**2,320,325**	**2,521,087**

“Purchase of materials and external services”, taking account of the “Change of inventories”, amounts to Euro 2,320,325 thousand, compared to Euro 2,521,087 thousand in FY 2022/23. The reduction is mainly due to the “Purchase of goods” and “Changes in inventories” items for Euro 171,027 thousand, whose movement relates to the lower volumes.

”Transport” decreased from Euro 85,594 thousand to Euro 81,072 thousand in FY 2023/24. The decrease is mainly attributable to the reduction in sales volumes on the comparative fiscal year. They accounted for 3.0% of revenues in 2023/24 (3.0% in the previous fiscal year).

”Marketing” amounted to Euro 36,212 thousand in FY 2023/24 (Euro 43,807 thousand in FY 2022/23). This decrease in marketing costs is linked to close cost management and an altered mix of marketing initiatives. They accounted for 1.4% of revenues in 2023/24 (1.5% in 2022/23).

"Utilities”, which amounted to Euro 17,321 thousand in the fiscal year ended February 29, 2024, decreased Euro 11,285 thousand compared to the previous fiscal year, mainly due to the reduction in the cost of electricity. They accounted for 0.7% of revenues (1.0% in the previous fiscal year).

”Maintenance and Rental charges” amounted to Euro 17,338 thousand in FY 2023/24 (Euro 16,775 thousand in FY 2022/23). They accounted for 0.7% of revenues in FY 2023/24, in line with the previous fiscal year (0.6%).

”General sales expenses” decreased from Euro 16,546 thousand in FY 2022/23 to Euro 14,425 thousand in FY 2023/24. The account mainly includes costs for commissions on sales transactions; they accounted for 0.5% of revenues (0.6% in FY 2022/23).

”Other costs” include principally costs for variable rents, condominium expenses, motor vehicles, hire, cleaning, insurance and security. The item totalled Euro 34,566 thousand in FY 2023/24, decreasing Euro 5,619 thousand compared to the previous fiscal year. The decrease is mainly attributable to a reduction in variable rental fees due to lower sales volumes. In the previous year, the item included the penalty imposed in December 2022 by the Italian Anti-trust Authority on Unieuro S.p.A. of Euro 3.0 million.

"Consulting" amounted to Euro 10,178 thousand in FY 2023/24 (Euro 9,137 thousand in the previous fiscal year). The increase is related to the due diligence activities for the acquisition of Covercare S.p.A..

5.21 Personnel costs

"Personnel costs" for FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Salaries and wages	148,832	149,673
Welfare expenses	44,159	43,694
Severance pay	9,186	9,713
Other personnel costs	1,634	2,369
Total personnel costs	**203,811**	**205,449**

Personnel costs total Euro 203,811 thousand in FY 2023/24, decreasing Euro 1,638 thousand on FY 2022/23 (Euro 205,449 thousand). The item in the period decreased due to the optimisation of direct sales network personnel costs.

"Other personnel costs" of Euro 1,634 thousand in FY 2023/24 (Euro 2,369 thousand in FY 2022/23), include mainly the recognition of the cost for the 2020-2025 and 2023-2028 Performance Shares Plans.

5.22 Other operating costs and expenses

"Other operating costs and expenses" for FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Non-income based taxes	5,534	5,860
Provision/(release) for supplier bad debts	(326)	-
Provision/(release) for write-down of receivables	(510)	(37)
Other operating expenses	1,019	1,090
Total other operating costs and expenses	**5,717**	**6,913**

"Other operating costs and expenses" totalled Euro 5,717 thousand in FY 2023/24, compared to Euro 6,913 thousand in FY 2022/23, a decrease of Euro 1,196 thousand, mainly due to the adjustment of the allowance for doubtful accounts.

"Non-income based taxes" principally include costs related to the running of the business, such as waste disposal tax and taxes for advertising and promotional activities.

"Other operating expenses" include costs for charities, customs and capital losses.

5.23 Amortisation, depreciation and write-downs

”Amortisation, depreciation and write-downs” for FY 2023/24 and FY 2022/23 are presented below:

(In thousands of Euro)	Year ended	
	February 29, 2024	**February 28, 2023**
Depreciation right-of-use assets	70,554	72,544
Depreciation Plant, machinery, equipment and other assets	20,847	21,437
Amortisation Intangible assets with finite useful lives	15,289	12,360
Write-downs/revaluations of plant, machinery, equipment and other assets and intangible assets with finite useful life includes the write-down of some assets	2,063	-
Capital loss/(gain) of plant, machinery, equipment and other assets	-	(11)
Capital loss/(gain) from the sale of business unit	-	(464)
Revaluations/(Write-downs) of investments	16,727	2,000
Total amortisation, depreciation and write-downs	**125,479**	**107,866**

”Amortisation, depreciation and write-downs” totals Euro 125,479 thousand in FY 2023/24, compared to Euro 107,866 thousand in FY 2022/23, an increase of Euro 17,613 thousand.

Write-downs/revaluations of plant, machinery, equipment and other assets, amounting to Euro 2,063 thousand, increased mainly due to the roll out of new IT systems on the sales network.

“Write-downs/(revaluations) of investments” include the write-down of the investment in Monclick S.r.l in liquidation after the company entered liquidation, effective November 3, 2023, and the waiver of the trade receivables from the subsidiary.

5.24 Financial income and expenses

Below is a breakdown of “Financial income" in FY 2023/24 and FY 2022/23:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Other financial income	219	268
Interest income	1,188	237
Total financial income	**1,407**	**505**

“Financial income” increased from Euro 505 thousand in FY 2022/23 to Euro 1,407 thousand in FY 2023/24. The item mainly includes coupon yields and income realised on Government Bonds that matured in the first half of the year.

The breakdown of the “Financial expenses” is shown below:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Interest expense on bank loans	1,147	136
Other financial expenses	10,604	13,395
Total Financial Expenses	**11,751**	**13,531**

Financial expenses total Euro 11,751 thousand in FY 2023/24, decreasing Euro 1,780 thousand on the previous fiscal year (Euro 13,531 thousand).

”Interest expense on bank loans” increased Euro 1,011 thousand on the previous fiscal year, mainly due to the bank loan undertaken in December 2023 for the acquisition of Covercare S.p.A..

“Other financial expenses” amounted to Euro 10,604 thousand in FY 2023/24 (Euro 13,395 thousand in the previous year). The increase mainly concerns financial expenses concerning the financial liabilities for IFRS 16 and the discounting of the Ecobonus credits.

5.25 Income taxes

Below is a breakdown of "Income taxes" in FY 2023/24 and FY 2022/23:

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Current taxes	(2,034)	(2,463)
Deferred taxes	(7,986)	904
Total	**(10,020)**	**(1,559)**

The reconciliation of the theoretical tax charge with the effective tax charge is presented below:

(In thousands of Euro and as a percentage of the profit before tax)	Year ended			
	February 29, 2024	%	February 28, 2023	%
Pre-tax result for the period	(5,749)		13,485	
Theoretical income taxes (IRES)	1,380	24.0%	(3,236)	(24.0%)
IRAP	(1,805)	31.4%	(2,260)	(16.8%)
Tax effect of permanent and other differences	(9,595)	166.9%	3,937	29.2%
Income taxes	**(10,020)**		**(1,559)**	
Provision/(release) to taxes provision and taxes payable	-		-	
Total income taxes	**(10,020)**		**(1,559)**	
Effective tax rate		**174.3%**		**(11.6%)**

In FY 2023/24 and FY 2022/23, the percentage of taxes on the pre-tax result was respectively 174.3% and -11.6%.

The increased percentage in FY 2023/24 is related to the use of deferred tax assets on past losses in the calculation of current taxes for the year. Deferred tax assets on past losses recognised are consistent with tax projections for future years.

It should be noted that, as of the fiscal year ended February 28, 2019, Unieuro S.p.A. exercised the option for the National Tax Consolidation regime as a "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of December 22, 1986), jointly with the "Consolidated Company" Monclick S.r.l.. The option permitted the determination of the IRES payable due on a taxable base corresponding to the sum of taxable income and tax losses earned by individual companies participating in the Consolidation.

5.26 Basic and diluted earnings per share

Earnings per share are calculated on the Group's result presented in note 5.26 of the consolidated financial statements, to which reference should be made.

5.27 Cash flow statement

The principle factors impacting the cash flows in the year are illustrated below.

Net cash flow generated/(absorbed) by operating activities

(Euro thousands)	Year ended	
	February 29, 2024	February 28, 2023
Cash flow from operations		
Profit/(loss) for the year	(15,770)	11,926
Adjustments for:		
Income taxes	10,020	1,559
Net financial expenses (income)	10,344	13,026
Amortisation, depreciation and write-downs of fixed assets	125,479	107,866
Other changes	1,092	1,290
Net cash flow generated/(absorbed) from operating activities before changes in Net Working Capital	131,165	135,667
Changes in:		
- Inventories	10,119	15,988
- Trade receivables	28,070	(23,839)
- Trade payables	(37,961)	14,394
- Other changes in operating assets and liabilities	4,736	(12,268)
Cash flow generated/(absorbed) by operating activities	4,964	(5,725)
Taxes paid	(562)	-
Interest paid	(10,568)	(12,302)
Net cash flow generated/(absorbed) by operating activities	**124,999**	**117,640**

Cash flows of Euro 124,999 thousand were generated by operating activities (generation of Euro 117,640 thousand in the previous fiscal year to February 28, 2023). The cash movements compared to the previous year relates to the Company's earnings performance and net working capital movements.

Cash flow generated by investing activities (B)

(Euro thousands)	Year ended	
	February 29, 2024	February 28, 2023
Cash flow from investment activities		
Purchases of plant, machinery, equipment and other assets	(19,395)	(17,574)
Purchase of intangible assets	(20,479)	(21,484)
Investments in current FVOCI securities		(60,000)
Divestment of current FVOCI securities	60,540	
Investments for business combinations and business units	(24,137)	364

Cash flow generated/(absorbed) by investment activities	**(3,471)**	**(98,694)**

Investment activities absorbed cash of Euro 3,471 thousand and Euro 98,694 thousand in the fiscal years ended February 29, 2024 and February 28, 2023. Purchases of plant, machinery and intangible assets report cash flow absorbed for outlet refurbishments and investments in technology developments to strengthen the omnichannel strategy and technology infrastructure.

During H1 2023/24, Ordinary Treasury Bonds and Long-Term Treasury Bonds reached maturity, with their consequent settlement for Euro 60,540 thousand.

Cash flows from "Investments for business combinations and business units" refer to the amounts paid for the acquisition of Covercare S.p.A. in the fiscal year ended February 29, 2024.

Cash flow from generated/(absorbed) by financing activities

(Euro thousands)	Year ended	
	February 29, 2024	February 28, 2023
Cash flow from financing activities		
Increase/(Decrease) financial liabilities	-	(724)
Increase/(Decrease) in other financial liabilities	(2,035)	(3,312)
Increase/(Decrease) financial lease liabilities	(68,464)	(66,062)
Distribution of dividends	(9,848)	(27,134)
Cash flow generated/(absorbed) by financing activities	**(80,348)**	**(97,231)**

Financing activities absorbed cash of Euro 80,348 thousand in the year ended February 29, 2024 and Euro 97,232 thousand in the year ended February 28, 2023.

The movement in cash flows from financing activities at February 29, 2024 reflects the distribution of dividends approved by the Shareholders' Meeting for Euro 9,848 thousand (Euro 27,134 thousand at February 28, 2023).

5.28 Share-based payment agreements

Long Term Incentive Plan

On February 6, 2017, Unieuro's Extraordinary Shareholders' Meeting approved the adoption of a stock option plan (the "Plan" or "Long Term Incentive Plan" or "LTIP") reserved for Unieuro's Executive Directors, associates, and employees (executives and non-executives). The Plan provides for the granting of ordinary shares resulting from a capital increase with the exclusion of option rights, pursuant to Article 2441, paragraphs 5 and 8, of the Civil Code, which was approved by the Unieuro Shareholders' Meeting on the same date.

The Plan specifies the following objectives: (i) to focus recipients on factors of strategic interest to Unieuro, (ii) to foster the loyalty of the plan recipients and incentivise their retention at Unieuro, (iii) to increase Unieuro's competitiveness by identifying medium-term goals and supporting value creation for both Unieuro and its shareholders, and (iv) to ensure that the overall remuneration of the plan recipients remains competitive in the market.

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro. On June 29, 2017, the Board of Directors approved the regulations of the plan ("Regulations") in which it determined the terms and conditions of the plan’s implementation.

The Recipients subscribed to the Plan in October 2017. The parties expressly agreed that the effects of the granting of rights shall have retroactive effect to June 29, 2017, the date of approval of the regulations by the Board of Directors.

The Regulations also provide for the terms and conditions described below:

- Condition: the Plan and related options will be conditional on the completion of Unieuro's listing by July 31, 2017 ("IPO");

- Recipients: the Plan is addressed to Executive Directors, associates and employees (Executive and Non-Executive) of Unieuro ("Recipients") who have been identified by the Board of Directors from among those who have an ongoing employment relationship with Unieuro and/or other Group companies. The identification of the Recipients was made on the basis of a discretionary judgment of the Board of Directors, which given the aims of the Plan, the strategies of Unieuro and of the Group and the objectives, takes into account, among other matters, the strategic importance of the role and the impact of the role on the pursuit of the objective;

- Purpose: the purpose of the Plan is to grant the Recipients free and non-transferable option rights by deed between living persons for the purchase or subscription for consideration of ordinary shares of Unieuro for a maximum number of 860,215 options, each of which will entitle them to subscribe one newly issued ordinary share ("Options"). Where the objective is exceeded with a performance of 120% of the target, the number of Options will be raised to 1,032,258. A capital increase was therefore approved for a maximum nominal amount of Euro 206,452, plus share premium, for a total value (share capital plus share premium) equal to the price at which Unieuro's shares will be placed on the Italian Stock Exchange (MTA), by issuing a maximum of 1,032,258 ordinary shares;

- Granting: the Options will be granted in one or more tranches, and the number of Options in each tranche will be determined by the Board of Directors after consultation with the Remuneration Committee;

- Exercise of rights: subscription of shares can only be made after July 31, 2020 and by the final deadline of July

31, 2025;

- Vesting: the extent and existence of each Recipient's right to exercise options will be verified at July 31, 2020 provided that: (i) the employment relationship with the Recipient continues until that date and (ii) the targets, in terms of distributable profits, set out in the business plan are met based on the following criteria:

    - or in the event of failure to achieve at least 85% of the expected results, no options will be eligible for exercise;

    - or if 85% of the expected results are achieved, only half the options will be eligible for exercise;

    - or if between 85% and 100% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 50% and 100%;

    - or if between 100% and 120% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 100% and 120% - the maximum limit.

- Exercise Price: the exercise price of the Options will be equal to the placement price on IPO of Euro 11 per share;

- Cash Bonus: A recipient who exercises in whole or in part their subscription rights shall be entitled to receive an extraordinary cash bonus in an amount equal to the dividends they would have received from the date of approval of this Plan until the end of the vesting period (August 31, 2020) with the exercise of the corporate rights attaching to the Shares obtained in the year in question with the exercise of the Subscription Rights;

- Duration: the Plan covers a five-year time horizon, from July 31, 2020 to July 31, 2025.

On February 29, 2020, the vesting period of the rights under the Plan concluded; the Board of Directors on June 18, 2020 verified that the quantitative and therefore objectively assessable targets were met to the extent of 101.11%; and in accordance with the provisions of the Plan Regulations, resolved to grant a total of 849,455 options. From July 31, 2020 until July 31, 2025, each beneficiary will be entitled to exercise their subscription rights in whole or in part and also in several tranches; at the end of each fiscal year in which the beneficiary has exercised all or part of their subscription rights, as provided for in the Plan, the beneficiary shall be entitled to receive an extraordinary cash bonus already recognised to the financial statements, in an amount equal to the dividends they would have received from the date of approval of the Plan until the end of the vesting period with the exercise of the corporate rights due to the

shares obtained in the year in question with the exercise of the subscription rights.

The number of options outstanding at February 29, 2024 is as follows:

	Number of options February 29, 2024
No. of options outstanding assigned	849,455
No. of options granted in the period	-
No. of options not granted	-
No. of options exercised	689,871
No. of options expired	-

2020-2025 Performance share plan

On October 27, 2020, the Board of Directors of Unieuro S.p.A., subject to the favourable opinion of the Appointments and Remuneration Committee, approved the Disclosure Document on the 2020-2025 Performance Share Plan (the "Performance Shares" or "PS") prepared pursuant to Article 114-bis of the CFA, which was submitted in December 2020 for the approval of the Shareholders' Meeting.

Description of Plan's recipients

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro.

The Granting of rights to each of the Beneficiaries with respect to the three-year period FY2021-FY2023 (1st Cycle) and the three-year periods FY2022-FY2024 and FY2023-FY2025 (2nd Cycle and 3rd Cycle) will be determined on each occasion by the Board of Directors.

On January 13, 2021, July 14, 2021, and March 23, 2022, the Board of Directors granted the rights and approved the regulations of the 1st, 2nd, and 3rd Cycles, respectively, in which it determined the terms and conditions for implementing the Plan. The subscription of the Plan by the Recipients of Cycle 1 took place in January 2021, in July 2021 with reference to Cycle 2, and in April 2022 with reference to Cycle 3.

The Plan is intended for Executive Directors and/or Senior Executives and/or employees of the Company or Group companies, understood as personnel who have an employment relationship with the Company and/or the Group and fall into one of the following categories: (i) personnel having the rank of executive at the Company and/or Group companies; (ii) personnel having the rank of manager (or higher) at the Company and/or Group companies.

Essential elements related to the characteristics of the financial instruments on which it is based

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

Free granting of these Shares will be made in the years 2023 (1st cycle), 2024 (2nd cycle) and 2025 (3rd cycle).

As reflected in the Board of Directors' resolution, the actual granting of Shares for each of the three cycles will be based

on the performance targets and, in general, the meeting of the vesting conditions.

It is also provided that the aforementioned rights shall entitle each beneficiary to the receipt of a cash bonus linked to any cash dividends distributed and paid by the Company up to the grant date. This award will be payable in conjunction with, and subject to, the delivery of shares related to each cycle of the Plan provided that the specific vesting conditions are met.

Plan rationale

The Plan shall be one of the instruments used by the Company and the Group to supplement the remuneration of key personnel with variable components based on achieving performance targets and in accordance with best market practices.

The Board of Directors considers a share-based incentive plan, with five-year duration and specific performance targets, as the most effective incentive instrument and one which responds to the interests of the Company and of the Group. Therefore, the Plan has the following objectives: (i) to focus recipients on factors of strategic interest of the Company and direct key resources toward strategies aimed at pursuing medium- to long-term results; (ii) to retain and incentivise recipients within the Company by developing retention policies aimed at key resources; (iii) aligning the interests of beneficiaries with those of shareholders, with a view to developing confidence in the Company's value creation; and (iv) ensuring that the overall remuneration of Plan recipients remains competitive while developing attraction policies toward talented managerial and professional figures.

In the financial statements, the assumptions underlying the calculation were (i) the exercise term equal to the duration between the grant date and the vesting date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Finally, consistent, with the provisions of IFRS 2, (iv) the probability of Recipients' exit and (v) the probability of achieving performance targets equal to 100%.

	Number of rights February 29, 2024
Outstanding at beginning of period	**584,000**
Assigned during the period	(231,224)
Granted during the period	1,424
Contribution from merger	-
Withdrawn during the period	-
Outstanding at the end of period	**354,200**
Not allocated at beginning of period	-
Exercisable at end of period	-
Not allocated at end of period	**-**

2023-2028 Performance share plan

On June 21, 2022, the Shareholders' Meeting of Unieuro S.p.A., approved the Disclosure Document on the 2023-2028 Performance Shares Plan (the "Performance Shares" or "PS") prepared pursuant to Article 114-bis of the CFA.

Description of Plan's recipients

The implementation and definition of the specific features of the Plan were delegated by the Shareholders' Meeting to the specific definition by the Board of Directors of Unieuro.

The Plan is intended for Executive Directors and/or Senior Executives and/or employees of the Company and/or Group companies who hold roles with a greater impact on the achievement of medium-long term business results or with strategic importance for the purposes of achieving Unieuro's long-term objectives, as well as additional roles identified in relation to the performances achieved, skills possessed or with a view to retention/attraction and fall into one of the following categories: (i) executives of the Company and/or Group companies and (ii) first level while-collar employees (or above) at the Company and/or Group companies.

Essential elements related to the characteristics of the financial instruments on which it is based

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

Free granting of these Shares will be made in the years 2026 (1st cycle), 2027 (2nd cycle) and 2028 (3rd cycle).

It is also provided that the aforementioned rights shall entitle each beneficiary to the receipt of a cash bonus linked to any cash dividends distributed and paid by the Company up to the grant date. This award will be payable in conjunction with, and subject to, the delivery of shares related to each cycle of the Plan provided that the specific vesting conditions are met.

Plan rationale

In fact, the Plan is one of the tools used by the Company to supplement the fixed component of the remuneration package of strategic resources through variable components linked to continued employment, in line with market best practices, and is proposed as a continuation of the previous medium- to long-term incentive plan approved by the Shareholders' Meeting of December 17, 2020.

The Plan has the following objectives: (i) to focus the Beneficiaries of the Plan on factors of strategic interest of the Company and direct key resources toward pursuing medium to long-term results, with a view to the sustainability of the Group's operating-financial performances (ii) to retain and incentivise the Beneficiaries of the Plan within the Company by developing retention policies; (iii) aligning the interests of Beneficiaries with those of Shareholders, with a view to developing the Company's value creation; and (iv) ensuring that the overall remuneration of Plan recipients remains competitive while developing attractive policies toward new talented managerial and professional figures.

	Number of rights February 29, 2024
Outstanding at beginning of period	**80,000**
Assigned during the period	-
Granted during the period	117,900
Contribution from merger	-
Withdrawn during the period	-
Outstanding at the end of period	**197,900**
Not allocated at beginning of period	-
Exercisable at end of period	-
Not allocated at end of period	**2,100**

6. RELATED PARTY TRANSACTIONS

The following tables summarise the Company's creditor and debtor balances with related parties at February 29, 2024 and February 28, 2023:

(In thousands of Euro)	February 29, 2024				
Creditor and debtor balances with related parties	**Trade receivables**	**Trade payables**	**Other current liabilities**	**Other non current liabilities**	**Total**
Statutory Auditors	-	-	(65)	-	**(65)**
Board of Directors and committees	-	-	(553)	-	**(553)**
Senior Executives	-	-	(449)	(44)	**(493)**
Monclick S.r.l. in liquidation	-	(144)	(175)	-	**(319)**
Covercare S.p.A.	136	(9,690)	-	-	**(9,554)**
Covercare Center S.r.l.	-	-	-	-	**-**
Cybercare S.r.l.	-	-	-	-	**-**
Total	**136**	**(9,834)**	**(1,242)**	**(44)**	**(10,984)**

(In thousands of Euro)	February 28, 2023				
Creditor and debtor balances with related parties	**Trade receivables**	**Trade payables**	**Other current liabilities**	**Other non current liabilities**	**Total**
Statutory Auditors	-	-	(73)	-	**(73)**
Board of Directors and committees	-	-	(203)	-	**(203)**
Senior Executives	-	-	(734)	(379)	**(1,113)**
Monclick S.r.l. in liquidation	18,339	(1,121)	(989)	-	**16,229**
Total	**18,339**	**(1,121)**	**(1,999)**	**(379)**	**14,840**

We note that on October 16, 2023, the Board of Directors of Unieuro S.p.A. approved the initiation of the procedure for the liquidation of its wholly-owned subsidiary Monclick S.r.l.

This decision forms part of a corporate restructuring. In particular, Monclick S.r.l. has suffered a worsening of its operating, equity and financial situation in recent years as a result of the performance of its target markets, exacerbated by its digital pure player business model. On October 24, 2023, the Shareholders' Meeting of Monclick S.r.l. approved the liquidation of the company and appointed Mr. Turci as liquidator. The resolution was registered with the Milan Chamber of Commerce on November 3, 2023. This decision resulted in the full write-down of the investment and receivables from the subsidiary held by Unieuro S.p.A. for a total of Euro 16,727 thousand. Trade receivables from Monclick S.r.l. in liquidation are shown net of a bad debt provision of Euro 575 thousand.

It should be noted that, on December 4, 2023, following the obtaining of Anti-trust authorisations, Unieuro finalised the transaction for the purchase of the entire share capital of Covercare S.p.A.. The amounts to Covercare S.p.A., Covercare Centre S.r.l. and Cybercare S.r.l. report the balance of transactions as of December 1, 2023, the date of initial consolidation.

The following table summarises the Company's income and costs with related parties in FY 2023/24 and FY 2022/23:

(In thousands of Euro)	February 29, 2024						
Income statement transactions	**Revenues**	**Other income**	**Purchase of materials and services**	**Personnel costs**	**Amort., depreciation & write-downs**	**Income taxes**	**Total**
Statutory Auditors	-	-	(105)	-	-	-	**(105)**
Board of Directors and committees	-	-	(1,304)	-	-	-	**(1,304)**
Senior Executives	-	-	-	(1,852)	-	-	**(1,852)**
Monclick S.r.l. in liquidation	27,309	1,337	658	-	(16,727)	(175)	**12,402**
Covercare S.p.A. [57]	816	64	(3,999)	38	-	-	**(3,081)**
Covercare Center S.r.l.[46]	-	-	-	-	-	-	-
Cybercare S.r.l.[46]	-	-	-	-	-	-	-
Total	**28,125**	**1,401**	**(4,750)**	**(1,814)**	**(16,727)**	**(175)**	**6,061**

(In thousands of Euro)	February 28, 2023						
Income statement transactions	**Revenues**	**Other income**	**Purchase of materials and services**	**Personnel costs**	**Amort., depreciation & write-downs**	**Income taxes**	**Total**
Statutory Auditors	-	-	(107)	-	-	-	**(107)**
Board of Directors and committees	-	-	(716)	-	-	-	**(716)**
Senior Executives	-	-	-	(2,427)	-	-	**(2,427)**
Monclick S.r.l. in liquidation	53,996	1,024	1,686	-	(2,000)	(657)	**54,049**
Total	**53,996**	**1,024**	**863**	**(2,427)**	**(2,000)**	**(657)**	**50,799**

Giancarlo Nicosanti Monterastelli concluded his employment as a Senior Executive on June 1, 2023. He will continue to serve as Chief Executive Officer, as per the mandate granted by the Board of Directors in 2022. From June 1, 2023, the remuneration as Chief Executive Officer was included in the "Purchase of materials and external services" item, in the column relating to the "Board of Directors and Committees".

Senior Executives	
Fiscal year ending February 29, 2024	**Fiscal year ending February 28, 2023**
General Manager - Bruna Olivieri	*Chief Executive Officer - Giancarlo Nicosanti Monterastelli*
Chief Financial Officer - Marco Deotto	*Chief Financial Officer - Marco Deotto*
	General Manager - Bruna Olivieri

[57] The income statement transactions with Covercare S.p.A., Covercare Centre S.r.l. and Cybercare S.r.l. report the balance of transactions from December 1, 2023, the date of initial consolidation.

The Gross remuneration of senior executives is inclusive of all compensation components (benefits, bonuses and gross pay).

The following table summarises the Company's cash flows with related parties in FY 2023/24 and 2022/23:

(in Euro thousands)	*Net cash flow generated/(absorbed) from operating activities*	
Type	**Period from March 1, 2023 to February 29, 2024**	**Period from March 1, 2022 to February 28, 2023**
Statutory Auditors	(113)	(123)
Board of Directors	(954)	(768)
Senior Executives [58]	(2,472)	(2,317)
Monclick S.r.l. in liquidation	42,077	53,807
Covercare S.p.A.	6,473	-
Total	**45,012**	50,599

[58] The account includes cash flows referring to remuneration paid to executives and the theoretical value for the period of the Long-term incentive plan.

7. OTHER INFORMATION

Contingent liabilities

Based on the information currently available, the Directors of the Company consider that, as of the date of approval of these financial statements, the provisions set aside are sufficient to ensure a fair presentation of financial information.

Guarantees in favour of third parties

(In thousands of Euro)	Year ended	
	February 29, 2024	February 28, 2023
Guarantees and sureties in favour of:		
Third party entities and companies	31,345	32,026
Total	**31,345**	**32,026**

Disclosure on public grants transparency obligations (Law No. 124/2017, Article 1, paragraphs 125-129)

As required by the regulations on transparency of public disbursements introduced by Article 1, paragraphs 125-129 of Law No. 124/2017 and subsequently supplemented by the 'security' decree-law (No. 113/2018) and the 'simplification' decree-law (No. 135/2018), please refer to the National Register of State Aid.

In the fiscal year ended February 29, 2024, Unieuro did not receive any additional grants, contributions and economic benefits of any kind from public administrations and their equivalents, companies controlled by public administrations, and from publicly held companies.

Employment

At February 29, 2024, the number of employees stood at 5,195 (5,656 in the previous year) distributed by contractual categories as follows:

	February 29, 2024	February 28, 2023
Executives	33	34
Managers	82	78
White-collar	5,012	5,494
Blue-collar	1	1
Trainee	56	49
Total	**5,184**	**5,656**

Independent Audit Firm fees

The fees of the independent audit firm and its network for statutory audit and other services, at February 29, 2024, are presented below:

Type of service	Service provider	Fees (in Euro thousands)
Audit	KPMG S.p.A.	877
Certification work	KPMG S.p.A.	13
Other services	KPMG Advisory S.p.A.	45
Other services	KPMG S.p.A.	166
	Total	**1,101**

Subsequent events

No significant events subsequent to fiscal year-end are reported.

Board of Directors' proposals to the Shareholders' Meeting

Dear Shareholders,

We propose to:

- fully cover the net loss of Euro 15,770 thousand, through the use of the "Extraordinary Reserve" profit reserve.

Forlì, May 10, 2024

Giancarlo Nicosanti Monterastelli
Chief Executive Officer

Annex 1

Statement of Financial Position at February 29, 2024 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(in thousands of Euro)	Year ended					
	February 29, 2024	Of which related parties	Weighting %	February 28, 2023	Of which related parties	Weighting %
Plant, machinery, equipment and other assets	76,240	-		76,933	-	
Goodwill	188,911	-		188,911	-	
Intangible assets with finite useful lives	49,894	-		45,659	-	
Right-of-use assets	381,577	-		420,721	-	
Deferred tax assets	38,017	-		45,112	-	
Other non-current assets	106,134	-		37,457	-	
Total non-current assets	**840,773**	-		**814,793**	-	
Inventories	435,517	-		445,636	-	
Trade receivables	50,139	136	0.3%	82,384	18,339	22.2%
Current tax assets	3,066	-		5,170	-	
Other current assets	21,213	-		82,531	-	
Cash and cash equivalents	88,622	-		47,442	-	
Total current assets	**598,557**	**136**	0.3%	**663,163**	**18,339**	**2.8%**
Total Assets	**1,439,330**	**136**	0.3%	**1,477,956**	**18,339**	**1.2%**
Share capital	4,140	-		4,140	-	
Reserves	93,792	-		90,536	-	
Profits/(losses) carried forward	3,054	6,061	198.5%	32,284	52,799	163.5%
Total shareholders' equity	**100,986**	**6,061**	**6.0%**	**126,960**	**52,799**	**41.6%**
Financial liabilities	14,951	-		-	-	
Employee benefits	10,443	-		10,818	-	
Other financial liabilities	349,861	-		377,549	-	
Provisions	10,140	-		11,318	-	
Deferred tax liabilities	3,370	-		3,024	-	
Other non-current liabilities	640	44	6.9%	993	379	38.2%
Total non-current liabilities	**389,405**	**44**	**0.0%**	**403,702**	**379**	**0.0%**
Financial liabilities	19,825	-		-	-	
Other financial liabilities	85,075	-		70,403	-	
Trade payables	559,162	9,834	1.8%	595,257	1,121	0.2%
Current tax liabilities	1,041			1,041	-	
Provisions	1,799			1,038	-	
Other current liabilities	282,037	1,242	0.4%	279,556	1,121	0.4%
Total current liabilities	**948,939**	**11,076**	1.2%	**947,295**	**1,500**	**0.4%**
Total shareholders' equity and liabilities	**1,439,330**	**17,181**	1.2%	**1,477,956**	**55,420**	**3.7%**

Annex 2

Income Statement FY 2023/24 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(in thousands of Euro)	Year ended					
	February 29, 2024	Of which related parties	Weighting %	February 28, 2023	Of which related parties	Weighting %
Revenue	2,658,621	28,125	1.1%	2,865,849	53,996	1.9%
Other income	1,306	1,401	107.3%	1,977	1,024	51.8%
TOTAL REVENUE AND INCOME	**2,659,927**	**29,526**	**1.1%**	**2,867,826**	**55,020**	**1.9%**
Purchase of materials and external services	(2,310,206)	(4,750)	0.2%	(2,505,099)	863	0.0%
Personnel costs	(203,811)	(1,814)	0.9%	(205,449)	(2,427)	1.2%
Changes in inventory	(10,119)	-		(15,988)	-	
Other operating costs and expenses	(5,717)	-		(6,913)	-	
GROSS OPERATING RESULT	**130,074**	**22,962**	**17.7%**	**134,377**	**53,456**	**39.8%**
Amortisation, depreciation and write-downs of fixed assets	(125,479)	(16,727)	13.3%	(107,866)	-	
NET OPERATING RESULT	**4,595**	**6,235**	**135.9%**	**26,511**	**53,456**	**201.6%**
Financial income	1,407	-		505	-	
Financial expenses	(11,751)	-		(13,531)	-	
PROFIT/(LOSS) BEFORE TAX	**(5,749)**	**6,235**	**(108.3%)**	**13,485**	**53,456**	**396.4%**
Income taxes	(10,020)	(175)	1.7%	(1,559)	(657)	42.1%
PROFIT/(LOSS) FOR THE YEAR	**(15,770)**	**6,061**	**(38.4%)**	**11,926**	**52,799**	**442.7%**

Annex 3

Cash flow statement FY 2023/24 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(in thousands of Euro)	Year ended					
	February 29, 2024	Of which related parties	Weighting %	February 28, 2023	Of which related parties	Weighting %
Cash flow from operations						
Profit/(loss) for the year	(15,770)	6,061	(38.4%)	11,926	52,799	442.7%
Adjustments for:						
Income taxes	10,020	175	**1.7%**	1,559		
Net financial expenses (income)	10,344			13,026		
Amortisation, depreciation and write-downs of fixed assets	125,479	16,727	13.3%	107,866		
Other changes	1,092			1,290		
	131,165	22,962	17.5%	135,667		
Changes in:						
- Inventories	10,119			15,988		
- Trade receivables	28,070	18,203	**64.8%**	(21,839)	945	4.3%
- Trade payables	(37,961)	8,713	(23.0%)	14,394	(3,879)	(21.0%)
- Other changes in operating assets and liabilities	4,736	(4,867)	(102.8%)	(14,268)	734	12.8%
Cash flow generated/(absorbed) by operating activities	4,964	45,012	**906.9%**	(5,725)	50,599	883.8%
Taxes paid	(562)			-		
Interest paid	(10,568)			(12,302)		
Net cash flow generated/(absorbed) by operating activities	**124,999**	**45,012**	**36.0%**	**117,640**	**50,599**	**43.0%**
Cash flow from investment activities						
Purchases of plant, machinery, equipment and other assets	(19,395)			(17,574)		
Purchase of intangible assets	(20,479)			(21,484)		
Investments in current FVOCI securities				(60,000)		
Divestment of current FVOCI securities	60,540					
Investments for business combinations and business units	(24,137)			364		
Cash flow generated/(absorbed) by investment activities	**(3,471)**			**(98,694)**	**-**	**0.0%**
Cash flow from financing activities						
Increase/(Decrease) financial liabilities	-			(724)		
Increase/(Decrease) in other financial liabilities	(2,035)			(3,312)		
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(68,464)			(66,062)		
Buyback				-		
Exercise - Long Term Incentive Plan				-		
Distribution of dividends	(9,848)			(27,134)		
Cash flow generated/(absorbed) by financing activities	**(80,348)**			**(97,231)**	**-**	**0.0%**
Net increase/(decrease) in cash and cash equivalents	**41,180**	**45,012**	**109.3%**	**(78,286)**	**50,599**	**(64.6%)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**47,442**			**125,728**		
Net increase/(decrease) in cash and cash equivalents	**41,180**			**(78,286)**		
CASH AND CASH EQUIVALENTS AT END OF YEAR	**88,622**			**47,442**		

Annex 4

Income Statement FY 2023/24 prepared in accordance with the provisions of Consob Resolution No. 15519 of 27/07/2006 and Consob Communication No. DEM/6064293 of 28/07/2006.

(in thousands of Euro)	Year ended					
	February 29, 2024	Of which non-recurring	Weighting %	February 28, 2023	Of which non-recurring	Weighting %
Revenue	2,658,621			2,865,849	-	
Other income	1,306	1	0.1%	1,977	-	0.0%
TOTAL REVENUE AND INCOME	**2,659,927**	**1**	**0.0%**	**2,867,826**	**-**	**0.0%**
Purchase of materials and external services	(2,310,206)	(3,751)	0.2%	(2,505,099)	(2,650)	0.1%
Personnel costs	(203,811)	(188)	0.1%	(205,449)	(626)	0.3%
Changes in inventory	(10,119)	(3,738)	36.9%	(15,988)		
Other operating costs and expenses	(5,717)	(146)	2.6%	(6,913)	(558)	8.1%
GROSS OPERATING RESULT	**130,074**	(7,822)	(6.0%)	134,377	(3,834)	(2.9%)
Amortisation, depreciation and write-downs of fixed assets	(125,479)	(16,763)	13.3%	(107,866)	(237)	0.2%
NET OPERATING RESULT	**4,595**	**(24,585)**	**(626.4%)**	**26,511**	**(4,071)**	**(15.4%)**
Financial income	1,407			505	-	
Financial expenses	(11,751)	(614)	5.2%	(13,531)	(75)	0.6%
PROFIT/(LOSS) BEFORE TAX	**(5,749)**	**(25,200)**	**392.6%**	**13,485**	**(4,147)**	**(30.8%)**
Income taxes	(10,020)	(1,598)	16.0%	(1,559)	1,614	(103.5%)
PROFIT/(LOSS) FOR THE YEAR	**(15,770)**	**(26,798)**	**163.0%**	**11,926**	**(2,533)**	**(21.2%)**

CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS AT FEBRUARY 29, 2024 PURSUANT TO ARTICLE 81-*TER* OF CONSOB REGULATION No. 11971 OF MAY 14, 1999 AND SUCCESSIVE AMENDMENTS AND SUPPLEMENTS

The undersigned Giancarlo Nicosanti Monterastelli, in his capacity as Chief Executive Officer, and Marco Deotto, in his capacity as Executive Officer for Financial Reporting of Unieuro S.p.A., declare, taking into account also the provisions of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the accuracy of the information on company operations and
- the effective application of the administrative and accounting procedures for the compilation of the FY 2023/24 financial statements.

We also certify that the FY 2023/24 financial statements:

- were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU Regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;
- corresponds to the underlying accounting documents and records;
- provide a true and fair view of the financial position, financial performance and cash flow of the issuer.

The Directors' Report includes a reliable analysis on the performance and operating result as well as the situation of the issuer together with a description of the principal risks and uncertainties to which they are exposed.

Forlì, May 10, 2024

Giancarlo Nicosanti Monterastelli

Chief Executive Officer

Marco Deotto

Executive Officer for Financial Reporting

KPMG S.p.A.
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(The accompanying translated separate financial statements of Unieuro S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Unieuro S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Unieuro S.p.A. (the "company"), which comprise the statement of financial position as at 29 February 2024, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Unieuro S.p.A. as at 29 February 2024 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill

Notes to the separate financial statements: notes 2.5 - Use of estimates and valuations in the preparation of the separate financial statements, 2.6.1 - Main accounting policies and 5.2 - Goodwill

Key audit matter	Audit procedures addressing the key audit matter
The company's separate financial statements at 29 February 2024 include goodwill of €188.9 million. The directors determine the recoverable amount of goodwill by calculating its value in use. This method, by its very nature, requires a high level of directors' judgement about the projected operating cash flows during the calculation period, as well as the discount and growth rates of those cash flows. The directors have forecast the operating cash flows used for impairment testing on the basis of the data included in the 28 February 2025 to 28 February 2029 business plan (the "plan"), which is based on the strategies of the plan that was approved by the board of directors on 9 May 2023. The company's board of directors approved the impairment test on 10 May 2024. The operating cash flow estimate reflects the potential impact of the performance of the consumer electronics market and, in general, of the current macroeconomic and geopolitical scenario. For the above reasons, we believe that the recoverability of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: • understanding and analysing the process adopted to prepare the impairment test approved by the company's board of directors on 10 May 2024; • understanding and analysing the process used to draft the plan; • analysing the reasonableness of the main assumptions used by the directors to determine the recoverable amount of goodwill, including the potential impact of the performance of the consumer electronics market and, in general, of the current macroeconomic and geopolitical scenario. Our analyses included comparing the main assumptions used to the company's historical data and external information, where available; • analysing the valuation models adopted by the directors for reasonableness and consistency with professional practice; • checking the sensitivity analyses disclosed in the notes with reference to the main assumptions used for impairment testing, including the weighted average cost of capital, the long-term growth rate and the sensitivity of gross operating profit; • assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.

Measurement of premiums from suppliers

Notes to the separate financial statements: notes 2.5 - Use of estimates and valuations in the preparation of the separate financial statements and 2.6.1 - Main accounting policies

Key audit matter	Audit procedures addressing the key audit matter
The company has entered into supply agreements that provide for the awarding of premiums. These premiums are recognised as a percentage of the quantities purchased or as a fixed figure on the quantities purchased or sold, or as a defined contribution. With reference to those agreements whose term falls after the reporting date, which account for a minor share of the premiums for the year, their calculation is a complex accounting estimate entailing a high level of judgement as it is affected by many factors. The parameters and information used for the estimate are based on the purchased or sold volumes, also affected by the potential impact of the current macroeconomic and geopolitical scenario and valuations that consider historical figures of premiums actually paid by suppliers. Despite being a minor share of total premiums for the year, the estimated premiums may have a significant impact on the company's profit or loss for the year. For the above reasons, we believe that the measurement of premiums from suppliers is a key audit matter.	Our audit procedures included: • understanding the process adopted to calculate premiums from suppliers through meetings and discussions with the company's management; • assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; • discussing the method used to calculate the premiums and the consistency of the valuation approach with that adopted in the previous year with company management; • checking, on a sample basis, the existence and accuracy of premiums from suppliers, including through external confirmations; • checking the accuracy of the premium calculation database, by tracing the amounts to the general ledger and sample-based checks of supporting documentation; • analysing the reasonableness of the assumptions in the estimate, including the potential impact of the current macroeconomic and geopolitical scenario, through discussions with the relevant internal departments, comparison with historical figures, our knowledge of the company and its operating environment and substantive analytical procedures; • assessing the appropriateness of the disclosures provided in the notes about premiums from suppliers.

Measurement of inventories

Notes to the separate financial statements: notes 2.5 - Use of estimates and valuations in the preparation of the separate financial statements, 2.6.1 - Main accounting policies and 5.7 - Inventories

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 29 February 2024 include inventories of €435.5 million, net of the allowance for inventory write-down of €12.9 million. Determining the allowance for goods write-down is a complex accounting estimate, entailing a high level of judgement as it is affected by many factors, including: • the characteristics of the company's business sector; • the sales' seasonality, with peaks in November and December; • the decreasing price curve due to technological obsolescence of products; • the high number of product codes handled; • the impact of the current macroeconomic and geopolitical scenario. For the above reasons, we believe that the measurement of inventories is a key audit matter.	Our audit procedures included: • understanding the process for the measurement of inventories and assessing the design and implementation of controls and procedures to assess the operating effectiveness of material controls; • checking the method used to calculate the allowance for inventory write-down by analysing documents and discussions with the relevant internal departments; • checking the mathematical accuracy of the allowance for inventory write-down; • analysing the reasonableness of the main assumptions used to measure the allowance for inventory write-down, including the potential impact of the current macroeconomic and geopolitical scenario through discussions with the relevant internal departments and analysis of age bands and write-down rates applied and comparing the assumptions with historical figures, our knowledge of the company and its operating environment and external information, where available; • comparing the estimated realisable value to the inventories' carrying amount by checking management reports on average sales profits; • assessing the appropriateness of the disclosures provided in the notes.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in this report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 December 2016, the shareholders of Unieuro S.p.A. appointed us to perform the statutory audit of its separate financial statements as at and for the years ending from 28 February 2017 to 28 February 2025.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 29 February 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 29 February 2024 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 29 February 2024 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the company's separate financial statements at 29 February 2024 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the company's separate financial statements at 29 February 2024 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Bologna, 20 May 2024

KPMG S.p.A.

(signed on the original)

Davide Stabellini
Director of Audit

Board of Statutory Auditors' Report to the Shareholders' Meeting of Unieuro S.p.A. in accordance with Article 153 of Legislative Decree No. 58/1998 and Article 2429, paragraph 2 of the Civil Code

Dear Shareholders,
in accordance with the applicable regulation for joint-stock companies with shares listed on regulated markets and the By-Laws, in the fiscal year to February 29, 2024, we carried out our supervisory duties according to the conduct rules for Boards of Statutory Auditors of listed companies issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili), the Consob recommendations on corporate controls and activities of the Board of Statutory Auditors and the indications contained in the Self-Governance Code. In addition, as Unieuro has adopted a traditional governance model, the Board of Statutory Auditors acts as the "Internal Control and Audit Committee" upon which additional specific financial disclosure and monitoring functions fall, as per Article 19 of Legislative Decree No. 39 of January 27, 2019, as amended by Legislative Decree No. 135 of July 17, 2016. The structure and content of this Report are in accordance with the recommendations of the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) standard Q.10.1.

The Board of Statutory Auditors in office at the date of this Report was appointed by the Shareholders' Meeting of June 21, 2022 for the fiscal years 22/23 to 24/25, with their mandate therefore concluding at the Shareholders' Meeting called to approve the financial statements for the fiscal year to February 28, 2025.
The Board of Statutory Auditors comprises the Statutory Auditors: Ms. Giuseppina Manzo (Chairperson), Mr. Paolo Costantini and Mr. Stefano Antonini.

Statutory and By-Law oversight activities

The Board of Statutory Auditors supervised the company's activities, through specific checks and participation at the Shareholders' Meetings and the meetings of the Board of Directors. It in addition attended, almost always with full attendance, the meetings of the Remuneration and Appointments Committee, the Control and Risks Committee, the Related Parties Committee, the Sustainability Committee and the Supervisory Board as per Legislative Decree No. 231/2001.
In particular, during the fiscal year 13 meetings of the Board of Directors were held, 9 meetings of the Control and Risks Committee, 12 meetings of the Remuneration and Appointments Committee, 5 meetings of the Related Parties Committee and 9 meetings of the Sustainability Committee. During the fiscal year to which this report refers, the Board of Statutory Auditors met on 18 occasions and, as part of these activities, worked with, among others, the Internal Audit function, the Supervisory Board, the DPO, the Independent Audit Firm and the Board of Statutory Auditors of the subsidiaries Monclick S.r.l. in liquidation and Covercare S.p.A..
The Board of Statutory Auditors confirms to having obtained from the Directors information on the general operating performance and the outlook, in addition to the key financial statement related information of the Company, considering such to comply with statutory law and the By-Laws.
In particular, the Board of Statutory Auditors indicates the following transactions and events of particular interest during the fiscal year and until today's date:

1. the presentation of an award in the "Ecommerce & Retail" category on March 28, 2023, at the LC Sustainability Awards 2023;

2. the approval by the Board of Directors, at its meeting of May 9, 2023, of the FY24-FY28 “Beyond Omni-Journey” Strategic Plan;
3. initiatives to support the population following the dramatic flooding that hit Emilia-Romagna in May 2023;
4. the approval by the Ordinary Shareholders’ Meeting of June 22, 2023, convened in single call, of (i) the financial statements for the year ended February 28, 2023, including the allocation of the profit for the year, including the distribution of a dividend of Euro 0.49 per share; (ii) the first section and an expression of approval on the second section of the remuneration policy and report; (iii) the amendment of the 2023-2028 Performance Shares Plan having regard to the new quantitative performance targets defined on the basis of the 2024-2028 Strategic Plan; (iv) the proposal to increase the Board of Directors' remuneration, to be allocated to the remuneration of Giancarlo Nicosanti Monterastelli, as Director and Chief Executive Officer, following his retirement and termination of his employment as Chief Strategy Officer as of June 1, 2023; (v) the authorisation to purchase and dispose of treasury shares;
5. the entry into force from July 1, 2023 of Legislative Decree No. 26 of March 7, 2023, implementing Directive (EU) 2019/2161 (“Omnibus Directive”) on price reduction announcements in online and offline channels;
6. ruling 13368/2023 of August 18, 2023 of the Lazio Regional Administrative Court, which partially upheld the appeal filed by Unieuro and Monclick against the two measures of the Competition Authority, and which consequently reduced the quantum of the penalty;
7. partnership with Kasanova, Italy's homeware and household goods leader, announced in October 2023;
8. the signing with Tozzi Green, one of the country’s leading renewable energy sector groups, of a three-year Contract For Differences (CFD) on the price of energy, commencing October 1, 2023;
9. the collaboration agreement with Google Italy, signed on October 4, 2023, involving the sale of its new Pixel ecosystem devices from October 12, 2023 at Unieuro’s outlets and on the www.unieuro.it portal;
10. the Board of Directors' resolution, on October 16, 2023, as part of a corporate restructuring process, of the initiation of the procedure for the liquidation of the wholly-owned subsidiary Monclick S.r.l. and the subsequent approval by the Shareholders' Meeting of the latter subsidiary, on October 24, 2023, of the liquidation of the company with the appointment of the liquidator;
11. the notification, on October 30, 2023, of the Competition Authority's clearance of the repayment to Unieuro and Monclick of the portion of the penalties not due under the above Lazio Regional Administrative Court order;
12. the completion, on December 4, 2023, of the acquisition of Covercare S.p.A. (together with the investees Covercare Center S.r.l. and Cybercare S.r.l., the “Covercare Group”), in execution of the agreement signed on October 16, 2023 and following the satisfaction of a number of contractual conditions, including the clearance of Italy’s Competition Authority;
13. on December 27, 2023, the merger by incorporation effective January 1, 2023, of Covercare Services S.r.l., Wifix S.r.l. and Comfort Home Solutions S.r.l., wholly-owned subsidiaries of Covercare S.p.A..

The Board of Statutory Auditors reports its supervision both of the decision-making process that led the Board of Directors to pass the above-stated resolutions, in addition to the conclusion of the other approved transactions, without highlighting any critical elements in this regard.

For complete disclosure, the Board of Statutory Auditors recalls that reported in Section 5 of the Directors' Report regarding the difficult macroeconomic environment in which the Group operated in FY 2023/2024, characterised by geopolitical conflicts, still high inflation, purchasing power under pressure and contracting in the consumer electronics sector for the second consecutive year.

Supervisory activities on the fulfilment of the principles of correct administration

The Board of Statutory Auditors has overseen compliance with the principles of correct administration, ensuring that the actions approved and taken by the Directors are based on the principles of economic soundness, were not manifestly imprudent, hazardous, atypical or unusual, in potential conflict of interest with or against the resolutions taken by the Shareholders' Meeting, or such as to compromise the integrity of the company's assets.

Supervisory activities on the adequacy of the organisational structure

The Board of Statutory Auditors has supervised the organisational structure of the Company and considers, in light of the supervisory activities carried out and to the extent of its remit, that this structure as a whole is adequate.

Supervisory activities on the adequacy of the internal control system

The Board of Statutory Auditors has supervised the Company's internal control system and acknowledges that it appears to be adequate overall for the Company's size and operating characteristics, as also ascertained during the meetings of the Control and Risks Committee, at which the Board of Statutory Auditors almost always participated in its entirety.

As part of the verification of the adequacy of the internal control system, the Board of Statutory Auditors notes that the Company's Organisational Model appears to be adequate to the provisions of Legislative Decree No. 231/2001. This model, which concerns the Company's overall activity from a procedural, organisational and control perspective, appears to be adequate and incisive, and its compliance is supervised by a specially appointed and regularly functioning body composed of an internal member (the Internal Audit Manager) and independent external experts.

In this regard, the Board of Statutory Auditors has met and maintained a constant flow of information with the Supervisory Board and has reviewed the body's half-year reports for the 2023/2024 fiscal year, which did not reveal any critical issues and/or violations of the Organisational Model and/or the Code of Ethics and on which it has no comments to make.

The Board of Statutory Auditors, in order to supervise the adequacy of the internal control system, has liaised not only with the Control and Risks Committee and the Supervisory Board, but also with the Director in charge of the Internal Control and Risk Management System and the Internal Audit Manager.

The Board of Statutory Auditors reviewed the annual report of the Internal Audit function as of February 29, 2024, which was approved at the Board of Directors meeting of May 10, 2024. The annual Audit Plan was also approved at the same board meeting.

The Board of Statutory Auditors acknowledges that the roles and responsibilities of those involved in the Internal Control and Risk Management System are distinct in order to avoid operational overlap of their respective areas of activity and competence, as well as duplication in controls.

Supervisory activities on the adequacy of the administrative accounting system and legally-required audit activities

The Board of Statutory Auditors has supervised, to the extent of its remit, the administrative and accounting system of the Company and its reliability in correctly representing operating events through the collection of information from the heads of functions, the examination of company documentation, and the analysis of the results of the work carried out by the independent audit firm, with particular attention, in fiscal year 2023/2024, to the remediation activities implemented by the Company in order to overcome some critical issues that emerged downstream of the migration process to the new management software SAP S/4HANA, and those concerning the liquidation process of the subsidiary Monclick and the integration of the Covercare Group.

The Board of Statutory Auditors considers that this system is substantially adequate and reliable for the correct representation of operating events and indicates that the company bodies have fulfilled the disclosure obligations under the applicable regulation.

The Board of Statutory Auditors indicates that the company has implemented the provisions of the accounting standard IFRS 16, which had an impact on the financial statements, as outlined in the Notes (and analytically to paragraph 11), and to have received analytical information regarding the impairment tests performed, in accordance with IAS 36, to confirm the carrying amount of the intangible assets recognised to the company's financial statements at February 29, 2024.

The Board of Statutory Auditors notes that the Executive Officer has issued the declaration that the financial statement documents provide a true and fair view of the Company's financial position, operating results and cash flows.

The Board of Statutory Auditors supervised the adequacy of the instructions provided by Unieuro to the subsidiaries, in accordance with Article 114, paragraph 2 of the CFA, and on the correct flow of information between the companies, considering the company to be in a position to fulfil the communication obligations required by law.

The Board of Statutory Auditors, in addition, periodically met with the Board of Statutory Auditors of the subsidiaries for the usual exchange of data and information. During the meetings, no significant facts or anomalies arose that require reporting herein.

The Board of Statutory Auditors met with the managers of the Independent Audit Firm in order to exchange with them relevant data and information, and acknowledges that it did not receive any communication of significant events or anomalies that require Reporting herein.

The Board of Statutory Auditors notes that the report on the separate financial statements and on the consolidated financial statements, released by the Independent Audit Firm on May 20, 2024, does not contain any remarks and/or points of information and certifies that the separate financial statements and consolidated financial statements have been prepared with clarity and provide a true and fair view on the equity and financial situation, the operating result and the cash flows of the company.

This report in addition is considered adequate to satisfy Article 123-bis of the CFA and contains the relative information required by paragraph 4 of this provision; the Independent Audit Firm expressed its opinion of consistency, as per Article 14, paragraph 2, letter 3) of Legislative Decree No. 39/2010.

The Board of Statutory Auditors notes that, in the fiscal year to February 29, 2024, Unieuro assigned to the Independent Audit Firm KPMG S.p.A. and to parties belonging to its network appointments regarding audit services and other non-audit services for a total of Euro 1,231 thousand (of which Euro 1.002 thousand for audit services and for Euro 229 thousand for other services).

In addition, the Independent Audit Firm on May 20, 2024 also presented to the Board of Statutory Auditors the additional report required by Article 11 of Regulation (EC) No. 537/2014 and which did not indicate significant deficiencies in the internal control system with regards to the disclosure process requiring the attention of the officers in charge of governance activities.

Taking account of that above and noting the declaration of the absence of causes for incompatibility annexed to the additional report, the Board of Statutory Auditors consider that no critical aspects exist in relation to its independence.
The Board of Statutory Auditors notes that the Company in addition prepared the financial statements according to the European Single Electronic Format (ESEF), in compliance with Directive 2004/109/EC ("Transparency Directive") and Delegated Regulation (EU) 2019/815, which introduced the obligation for issuers of securities listed on regulated markets in the European Union to prepare the annual financial report in the xHTML language.

Supervisory activities on non-financial information

The Board of Statutory Auditors, with reference to the consolidated non-financial statement (hereinafter referred to as "NFS"), governed by Legislative Decree No. 254/2016, has supervised compliance with the relevant legal provisions and the adequacy of the organisational, administrative and reporting and control system set up by the Company in order to allow a correct and complete representation, in the NFS, of the company's business activities, its results and its impacts with regard to non-financial issues.
The Board of Statutory Auditors obtained periodic updates on the performance of preparatory activities for the drafting of the NFS and supervised compliance with the provisions set forth in Legislative Decree No. 254/2016, within the scope of the functions assigned to it under the regulations.
The NFS was also audited for compliance by the Independent Audit Firm, which issued a report declaring the compliance of the information provided in accordance with Article 3, Paragraph 10 of Legislative Decree No. 254/16.
It should be noted that the NFS will be made public together with the documents related to the Annual Financial Report at February 29, 2024.

Manner to correctly implement the corporate governance rules and initiatives undertaken

The Company's corporate governance structure is based on a set of rules, conduct and processes designed to ensure an efficient and transparent corporate governance system and the efficient functioning of its corporate bodies and control systems.
Specifically, the corporate governance structure adopted by the Company is based on a "traditional" organisational model, consisting of the following bodies: Shareholders' Meeting, Board of Directors and Board of Statutory Auditors.
Pursuant to the relevant regulations in force, the statutory audit assignment is entrusted to the independent audit firm mentioned above, which is enrolled in the Consob register.
The Organisational Model as per Legislative Decree No. 231/2001, the Remuneration and Appointments Committee, the Control and Risks Committee, the Related Parties Committee and the Sustainability Committee complete the company's Governance.
The Board of Statutory Auditors oversaw, as per Article 149, paragraph 1, letter *c-bis* of Legislative Decree No. 58/98 the manners for the correct implementation of the Corporate Governance Code of listed companies of January 2020, with which the company complied through Board of Directors resolution of March 18, 2021.
The Board verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of the Directors, considering the process to have been carried out correctly, in addition to compliance with the independence criteria by the individual members of the Board of Statutory Auditors, in accordance with law and the above-stated Corporate Governance Code.

In particular, the Board of Directors on April 23, 2024 declared the meeting of the requirements of good standing, professionalism and independence of each member, as per Article 148, paragraph 4 of the CFA and the Corporate Governance Code. The Board of Statutory Auditors also carried out, on April 11, 2024, its own self-assessment of the composition, with reference to the requirements of professionalism, competence, good standing and independence, as well as on the adequacy of the availability of time and resources in relation to the complexity of the task, in compliance with the provisions of the Rules of Conduct of the Boards of Statutory Auditors of Listed Companies issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili).
Please refer to the Corporate Governance and Ownership Structure Report for further details on the Company's corporate governance, on which the Board has no issues to report to the Shareholders' Meeting.
The Board of Statutory Auditors indicates, in addition, that the Board of Directors, meeting on May 10, 2024, approved the Report on the remuneration policy and compensation paid as per Article 123-*bis* of the CFA, which will be submitted to the Shareholders' Meeting called for June 20, 2024.
With regards to these reports, the Board, verifying the consistency of the process following with the procedures of the company and with the applicable regulations, does not have anything to report.

The Board of Statutory Auditors reports to having attended the information sessions for Directors and Statutory Auditors, broadening therefore their knowledge on the sectors in which the Company operates, of the main operating aspects and regarding the regulatory framework, and acquiring updates on the state of advancement of the main initiatives.
The Board also acknowledges that it has monitored the activities related to the Data Protection Regulation (EU) 2016/279 (GDPR) and, in this regard, has no observations requiring mention in this Report.

Supervisory activities on transactions with Group Companies and related party transactions

The Board of Statutory Auditors did not detect any atypical and/or unusual transactions conducted with related parties during the fiscal year ended February 29, 2024. Ordinary transactions entered into with related parties, described, with evidence of the economic effects, by the Directors in the Directors' Report to which reference should be made, are in line with and in the best interests of the Company.
The Board of Statutory Auditors met and maintained a constant flow of information with the Related Parties' Committee and acknowledges that it did not receive any communication of significant events or anomalies that require Reporting herein.

Indications of opinions issued to the Board of Statutory Auditors, omissions and citable events noted

Since the date of the previous Report and up to the present date, the Board of Statutory Auditors has issued the opinions required by current laws and regulations regarding "non-audit fees," i.e., pertaining to the provision of services other than the legally-required audit to the company KPMG S.p.A., as also provided for by the internal procedure adopted by the Company, verifying, in particular, the effects on independence, without finding any exceptions to report.

The Board of Statutory Auditors acknowledges that no complaints have been received pursuant to Article 2408 of the Civil Code and is not aware of any complaints to be cited in this Report.

Appointment of the Audit Firm for the 2025/2026-2033/2034 period

With the approval of the financial statements as of February 28, 2025, the engagement of KPMG S.p.A. as the independent audit firm by Shareholders' Meeting resolution on December 12, 2016 for the fiscal years March 1, 2016 to February 28, 2025 will conclude.

According to the applicable regulations, and in particular pursuant to Article 17 of Legislative Decree No. 39/2010 (as amended by Legislative Decree No. 135/2016, the "Legislative Decree No. 39/2010"), an independent audit firm's engagement is for a term of nine fiscal years and cannot be renewed or reappointed unless at least four fiscal years have elapsed since the termination of the previous engagement.

The new legally-required audit engagement must be assigned by the Shareholders' Meeting upon the reasoned proposal of the Board of Statutory Auditors in its capacity as the Internal Control and Audit Committee ("ICAC") pursuant to Article 19 of Legislative Decree No. 135/2016, following a special selection procedure in accordance with the criteria and procedures set forth in Article 16 of European Regulation No. 537/2014 (the "European Regulation").

The Board of Statutory Auditors, acting as the ICAC, in agreement with the relevant corporate functions, deemed it appropriate to begin in December 2023 the selection process for the assignment of the independent audit firm mandate for the fiscal years 2025/2026-2033/2034 in order to submit the appointment of the new independent audit firm to the Shareholders' Meeting called to approve the financial statements of Unieuro at February 29, 2024.

The anticipation of this procedure allows, in addition to compliance with the cooling-in period rule posed by Article 5 of the European Regulations to safeguard the independence of the incoming auditor, also a more efficient handover between the outgoing and incoming auditor, as well as the appointment of the auditor by the Unieuro Group subsidiaries.

The Shareholders' Meeting is also called upon to decide on the remuneration of the independent audit firm, as well as on any criteria for adjusting the fees, again subject to the reasoned proposal of the Board of Statutory Auditors.

The most qualified independent audit firms took part in the selection process, and an assessment of the most significant technical and economic parameters was carried out for each bid submitted.

In accordance with the provisions of the aforementioned Article 16 of the European Regulations, since it is a matter of granting the legally-required audit engagement for a Public Interest Entity (PIE), the proposal drawn up by the Board of Statutory Auditors, submitted for approval, provides for at least two possible alternatives for the engagement and indicates the reasoned preference for one of them.

The reasoned proposal of the Board of Statutory Auditors, drawn up on May 3, 2024, which was made available within the time and in the manner required by current regulations, is therefore submitted to the Unieuro Shareholders' Meeting for consideration.

Proposals regarding the separate financial statements

Based on the above, in summary of the supervisory activities carried out during the year, the Board of Statutory Auditors has no observations to make, pursuant to Article 153 of Legislative Decree No. 58/1998, on that within its remit regarding the financial statements as of February 29, 2024, and unanimously considers, – in view also of the fact that, on today's date, the Independent Auditors' Report has issued its reports without any remarks –, that there are no reasons to prevent your approval of the same, as per the draft prepared and approved at the Board of Directors' meeting of May 10, 2024.

Milan, May 20, 2024

THE BOARD OF STATUTORY AUDITORS

Ms. Giuseppina Manzo

(Chairperson)

Mr. Paolo Costantini

(Statutory Auditor)

Mr. Stefano Antonini

(Statutory Auditor)

Unieuro S.p.A. - Registered and administrative office: Palazzo Hercolani - Via Piero Maroncelli No. 10 - Forlì (FC)
Share capital: Euro 4,139,974.20 fully paid-in
Companies Register of Forlì-Cesena and Tax Number 00876320409

CONSOLIDATED NON-FINANCIAL STATEMENT

pursuant to Legislative Decree No. 254/2016

Issuer: Unieuro S.p.A.

Website: www.unieurospa.com

Statement reporting year: fiscal year ending February 29, 2024

Contents

Letter to the Stakeholders

Dear stakeholders,

For the second consecutive year, the consumer electronics market witnessed a decline, driven by the macroeconomic environment and reduced demand for product categories that had previously experienced record growth. The challenges arising from the changing market landscape prompted us to develop a new Strategic Plan titled "Beyond Omni-Journey", which will consolidate Unieuro's leadership in the domestic market by embarking on an ambitious development project. The Plan seeks to provide consumers with an increasingly comprehensive "ecosystem" of products, services, and integrated solutions while also achieving a more balanced profit pool through the expansion of Beyond Trade activities, thereby tapping into opportunities in complementary sectors.

As evidence of the growing link between strategy and sustainability, we assigned a critical role to "Responsible Innovation" as an enabling factor in the value creation process, leveraging its pervasive and cross-cutting qualities across the entire organisation. Beyond Omni-Journey is based on the four strategic pillars (Community, Culture/ESG Governance, Sustainable Innovation, and Talents) underpinning the 2022/26 Sustainability Plan and its related projects. The development of these pillars will foster the progressive integration of sustainability into our business operations, organisational structure, and company culture. Aware of the challenges ahead, we defined a Leadership Model to accompany and facilitate the transformation process outlined in the Strategic Plan. This model is an essential tool to ensure that approaches, behaviours, and managerial styles are shared and aligned with our values, company culture, and strategic objectives. At the same time, we developed a series of communication initiatives to raise awareness of the new corporate strategy pillars within the Group and increase employees' knowledge, awareness, and commitment to them.

An essential component of pursuing the Beyond Trade strategy involves the acquisition of the Covercare Group. The company is a leading player in Italy, offering warranty and repair services for mobile phones and other portable devices, installation services for air conditioners and boilers, and home assistance for household system faults. In addition to its significance from a business strategy perspective, this acquisition will enable Unieuro to strengthen its sustainability profile by directly overseeing activities that contribute to the circular economy and improve energy performance. This will involve extending the product life cycle and reaping the benefits of installing more energy-efficient devices.

These aspects provide tangible evidence of the Company's focus on sustainability topics and the strategic value they assume. At the same time, just as much attention was – and will be – paid to the projects outlined in the Sustainability Plan and the development of new ones.

Environmental Projects and Initiatives

"Project Green" continued throughout the year, with ongoing energy efficiency improvements at points of sale (with 109 stores involved since the beginning of the project) and the procurement of energy exclusively from certified renewable sources. For the first time, we measured our entire carbon footprint, combining Scope 1 and 2 emission calculations with Scope 3 calculations. These efforts serve as a precursor to identifying additional emissions reduction measures, which we are focusing on in the current financial year. Initiatives to decrease consumption specifically include recovering pallets for reuse and reducing paper usage following the progressive digitalisation of flyers.

Social Projects and Initiatives

Unieuro engaged in a broad range of social activities, including various initiatives that benefited customers, employees, suppliers, the community, and the local area. The groundwork for this document involved updating our stakeholder map, leveraging both analytical benchmarking activities and internal comparisons. Our goal was to better guide our actions and identify best practices in terms of communication and engagement methods. During the materiality analysis, stakeholder engagement resulted in an aggregated response rate of nearly 90%, confirming the effectiveness of our tailored approach.

Our strategic focus on customer satisfaction and continuous service improvement is reflected in the further increase in our Net Promoter Score (NPS). To enhance our brand, we initiated a project in collaboration with a key partner, which will be fully implemented during this financial year. The project seeks to measure brand reputation from a multi-stakeholder perspective. The digitalisation of our network benefitted from the ongoing installation of electronic tags. Over 100 stores were involved in this initiative during the financial year, bringing the total number of points of sale adopting electronic tags to 224 since the project's launch.

Moving on to initiatives in support of human resources, alongside the development of the Leadership Model, we launched a Change Management programme. The programme seeks to transform the role of the HR Department, guiding it towards a partnership approach with other company departments and functions, rather than the provision of services. To this end, we launched a series of projects, which we will fully pursue in the medium to long term to strengthen selection, employer branding, onboarding, training, performance management, and Diversity & Inclusion processes. In this regard, Unieuro became a member of the "Valore D" association, with which a benchmarking study on various D&I aspects was conducted. The results of this study place our company above the average value of the sample. The promotion of diversity and inclusion was also reflected in the drafting of a Policy to protect victims of gender-based violence, which will come into effect in the current financial year. In addition, a new organisational structure was introduced to improve workplace safety measures.

Close attention was paid, as usual, to the annual company climate survey (UniVersus project), which measures employee satisfaction levels by calculating the employee Net Promoter Score (eNPS). The survey also analyses feedback received to identify and pursue future project initiatives with a view to continuous improvement.

Employee engagement also benefitted from the consolidation of the Internal Communication department, now in its second year of operation. The department is working to curate an increasingly varied and content-rich information and communication schedule.

Training plays a pivotal role in facilitating the execution of Sustainability Plan projects and promoting greater awareness of ESG topics within the Company. During the year, all Unieuro staff completed the first module of a three-year sustainability training programme. Alongside basic concepts, the training also covered key regulations, documents, and activities developed by the Company. Sustainability topics also form part of the training package for corporate Academy participants.

With reference to the supply chain, in addition to directly engaging our main product suppliers in the materiality analysis, an analysis exercise was initiated to assess the sustainability profiles of certain suppliers and their respective ESG strategies and initiatives. This activity with be developed further this year.

Unieuro's commitment to the community, and young people in particular, is reflected in the record outreach figures achieved by various #cuoriconnessi project initiatives. Developed in partnership with the State Police, the project's national reach has grown significantly over the years, serving as a source of pride and great satisfaction for all of us at Unieuro due to its contribution to raising awareness among young students, parents, and teachers about cyberbullying and the misuse of technology.

Following the devastating floods in May 2023, which severely impacted our region, we expressed our solidarity with the people of Romagna by donating emergency devices to the Municipality of Forlì and launching initiatives to support employees and consumers residing in the affected areas.

<u>Sustainability Governance Projects and Initiatives</u>

Last but not least, we note the significant actions taken to further strengthen our governance and prepare for upcoming sustainability reporting. Starting from FY 2024/25, we must comply with the requirements of the European Commission's Corporate Sustainability Reporting Directive (CSRD).

To better manage risks, the Company thoroughly updated its ERM (Enterprise Risk Management), ensuring that sustainability is increasingly integrated into the risk assessment and approving an Enterprise Risk Management policy.

We have defined specific guidelines to ensure the accurate accounting treatment of environmental, social, and governance topics. This is particularly important in light of the new sustainability reporting directive. The guidelines govern the process of identifying material topics and oversee the collection, processing, and approval of sustainability information contained within the sustainability report. We also started initial functional analyses to verify the primary areas of focus and identify any gaps in the process that will lead to the Company's first sustainability report next year, in line with the CSRD requirements.

"Pursuing sustainable success and creating value in the medium to long term are our strategic objectives in the current challenging landscape. That is why we are wholeheartedly committed to pursuing the ambitious Beyond Omni-Journey transformation process outlined in the plan. We want Unieuro's growth and development to be profitable, sustainable, and balanced, strengthening our market leadership for the benefit of all our current and future stakeholders".

Stefano Meloni
Chairman of the Board of Directors

We now invite you to read our Consolidated Non-Financial Statement 2023/24. In this document, the Unieuro Group describes its activities and reports on progress made in the environmental, social, and governance realms. These efforts align with the commitments made to our stakeholders and reflect our pursuit of continuous improvement.

The "Letter to Stakeholders" in this Statement supplements and complements the letters from the Chairperson and Chief Executive Officer included at the opening of the Financial Report at February 29, 2024.

We hope you enjoy the report.

May 10, 2024

Daniele Pelli
Chairperson of the Sustainability Committee

1. INTRODUCTION

1.1. Who we are

The Unieuro Group[1] is Italy's leading distributor of consumer electronics and domestic appliances, thanks to an omnichannel approach which combines an extensive network of both company-owned and affiliated stores nationwide with an online presence through the unieuro.it digital platform.

Founded in the late 1930s, the Company is based in Forlì and has a central logistics platform in Piacenza serving all distribution channels, in addition to a support hub in Carini (PA).

Following the recent acquisition of the Covercare Group, Unieuro directly entered the repair market for mobile phones, other portable devices, and large domestic appliances. In addition, the Company now offers air conditioning installation, boiler installation and maintenance, and photovoltaic plant installation services.

In the fiscal year ending February 29, 2024, Unieuro reported revenues of more than Euro 2.6 billion and employed 5,351 people. The Company has been listed on the Euronext STAR Milan segment since 2017.

Thanks to its omnichannel approach, Unieuro is able to offer customers a "seamless" shopping experience as part of an integrated ecosystem of products and services, leveraging all channels through which the Company operates.

UNIEURO CHANNELS

Retail: 271 owned medium-large stores, mainly concentrated in the North Central area

Online: the unieuro.co.uk digital platform

Indiretto: 254 affiliate stores

Business-to-business: for wholesaling, including to support third-party loyalty programs

With the slogan "*Batte. Forte. Sempre.*", alongside ongoing omnichannel communication campaigns, Unieuro is one of Italy's most well-known and long-standing retailers. The Group operates 525 direct and indirect points of sale overall, all of which bear the Unieuro brand.

[1] *As stated in the "Methodological Note", the terms "Unieuro Group" or "Group" refer to the set of companies consisting of the Parent Company Unieuro S.p.A. and the wholly owned subsidiaries Covercare S.p.A and Monclick S.r.l. in liquidation, while the terms "Unieuro" or "Company" refer exclusively to the Parent Company.*

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

- **GREY**, namely telephony, tablets, information technology, phone accessories, cameras, and wearable technology products;

- **WHITE**, comprising major domestic appliances (MDA), such as washing machines, dryers, refrigerators or freezers and stoves, small domestic appliances (SDA), such as vacuum cleaners, food processors and coffee machines, in addition to products in the air conditioning segment;

- **BROWN**, including televisions and related accessories, audio devices, smart TV devices, car accessories, and data storage systems;

- **OTHER PRODUCTS**, which includes both sales in the entertainment sector and those of other products outside the consumer electronics market, such as electric scooters or muscle or pedal-assist bicycles;

- **SERVICES**, such as home delivery, installation, used car pickup, extended warranty, repair services, consumer credit services through financial intermediaries, remote support services for computer product configuration, and after-sales and home assistance services.

In addition to selling products from third-party suppliers, Unieuro also markets items under its own exclusive brand. These include both large and small domestic appliances, air treatment domestic appliances, and third-party products sold under the "Electroline" label, along with items such as TVs, audio products, IT, and telephone accessories under the "Ioplee" brand. Mobility-leisure products under the "Teklio" brand and travel items under the "Joiahome" brands are also exclusive to Unieuro.

The Company acquired the entire share capital of Covercare S.p.A during the year under review[2], in line with the guidelines of its new "Beyond Omni-Journey" strategic plan, and with a specific view to pursuing growth in the services sector. With this acquisition, Unieuro consolidates its market leadership by offering an even more comprehensive and integrated range of products and services. It also strengthens its commitment to sustainability thanks to the extension of the product life cycle and the benefits of installing more energy-efficient devices.

[2] *The acquisition of Covercare S.p.A. was finalised on December 4, 2023.*

COVERCARE

Founded in 2011, Covercare is a leader in Italy in the repair services market for mobile phones, other portable devices, and large domestic appliances. Over the years, thanks to its significant capacity for innovation and expertise, it has successfully extended operations into air conditioning installation services and boiler installation and maintenance, while most recently entering the photovoltaic system installation sector. In addition, the company has developed home assistance services, which complement the offer to the home segment end customer.

Covercare offers its services throughout the country to leaders in the Retail, Telco and Multi-Utility sectors. It has over 160 employees, between its headquarters, and the production and logistics units, and has a solid organisational and managerial structure with proven expertise and experience. All higher added value technical activities are carried out at the hub located in Legnano. Specifically, configuration, customisation and repair of smartphones and other portable devices of all brands are carried out on site by a team of trained technicians. In addition, Covercare makes use of an extensive network of tradespeople and technical partners for service work on domestic appliances, in addition to air conditioning and boiler installations and plumbing, electrical works etc., provided by the home assistance services.

"The acquisition of the Covercare Group is the most strategically and financially significant transaction in our history. It is a transformational step for us and perfectly supports our goal of expanding in the "Beyond Trade" area, and particularly in the services area, which is crucial to improve the customer journey and strengthen our sustainability profile".

Giancarlo Nicosanti Monterastelli, Chief Executive Officer of Unieuro

During the 2023/24 financial year, the wholly-owned subsidiary Monclick S.r.l., engaged in the online sale of computer, electronic, and telecommunications products, and domestic appliances via the website www.monclick.it, was placed into liquidation.

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

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

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

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

Our values

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

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

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

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

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

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

1.1.1. Ownership and corporate structure

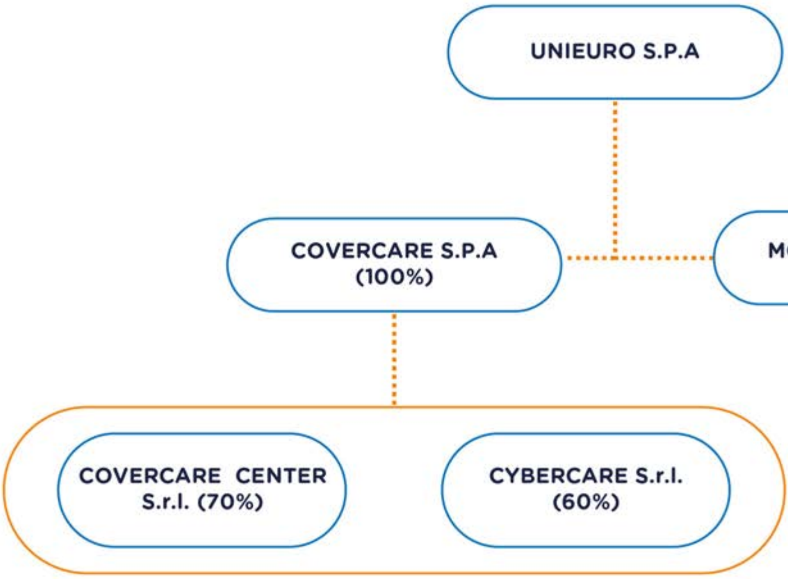
Unieuro shares have been listed on the Euronext STAR Milan segment since April 2017.

Unieuro's share capital consists of 20,698,621 ordinary shares. The Company features an extensive and fragmented shareholder base, and thus is structured like a public company. Based on the information available, telecommunications operator Iliad SA is the Company's largest shareholder with an approximately 12.2% stake in the share capital.

Share capital of Unieuro S.p.A. (February 29, 2024)[3]

Xavier Niel, through Iliad SA	*12.177%*
Giuseppe Silvestrini	*6.162%*
Amundi Asset Management	*5.796%*
Treasury shares	*1.780%*
Other Shareholders	*74.085%*

Group Structure[4]



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

[4] *The companies Covercare Center S.r.l. and Cybercare S.r.l., are not included within the scope of this document as they are not considered relevant, as also indicated within the section "METHODOLOGICAL NOTE - Reporting Scope."*

1.1.2. The New "Beyond Omni-Journey" Strategic Plan

In May 2023, Unieuro presented a new 2024-2028 Strategic Plan titled "Beyond Omni-Journey". The plan is based on two growth pillars: further strengthening "Omnichannel Trade" offerings and expanding into "Beyond Trade" to explore new opportunities in complementary businesses. This strategy will majorly transform Unieuro by significantly changing the Company's profile and diversifying and sustaining business growth and margins.

In particular, by developing the omnichannel trade pillar, Unieuro seeks to consolidate its sector leadership, building its omnichannel proposition to offer a fully integrated cross-channel experience. This objective will be pursued by strengthening the business proposition through the use of data and an evolution of the role of physical stores, which will continue to play a central and distinctive role within the omnichannel purchasing process. In addition, Unieuro seeks to review the planning, demand forecasting and operation models, supported by a review of the distribution model, including the logistics network, to get even closer to the end customer.

To respond to all consumer technology needs, through the expansion of the "Beyond Trade", Unieuro intends to invest in strengthening its consumer-centric ecosystem, offering comprehensive, integrated and customised solutions, going beyond mere product sales to provide repair and used-product pickup and sale services, technology consulting, and private label and exclusive brand development. The strategic guidelines will be pursued through "Responsible innovation" focused on creating value for all stakeholders. This entails continuing to foster the integration of sustainability into business activities, the organisation, and its culture, with a specific emphasis on the action areas and projects central to the Sustainability Plan.

Significant investments are earmarked for technology transformation and talent to guarantee strategy development. The Company also seeks to optimise processes to ensure greater efficiency and free up resources to support the path to growth and value creation.

1.2. Stakeholder engagement

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

The Group first performed its stakeholder identification process in 2017, prior to the preparation of its first Non-Financial Statement. Before preparing that Statement, the Group mapped the key stakeholders identified in its Code of Ethics. This involved selecting categories of stakeholders whose interests were deemed most significant based on their direct or indirect relationship with the Group, stakeholders whose interests could be directly or indirectly impacted or influenced by the Company's activities, and those who were most affected by the Group's business.

In 2023, as part of the preparations for updating the materiality analysis, a benchmarking activity was conducted, resulting in the revision of the Group's main stakeholder categories.

Figure 1 The “financial community” category includes shareholders, investors, financial analysts, and lenders

Unieuro has adopted a *Policy for the management of dialogue with shareholders and other interested parties*, in line with the recommendations of the Corporate Governance Code of Borsa Italiana S.p.A., with which the Company complies. This policy seeks to regulate dialogue between the Company and representatives of the Interested Parties. It defines the rules of such dialogue, identifying the persons involved, topics to be discussed, timing, and channels of interaction. Other forms of engaging with the above parties, not covered by this Policy, fall within the scope of the Investor Relations department’s initiatives and activities and its interactions with the financial community.

Pursuant to this Policy, the Unieuro Group operates in compliance with the following general principles:

- transparency, fairness, punctuality, timeliness, equity and symmetry in the dissemination of information;
- distribution to all Stakeholders of the information they require through the most appropriate means of communication to enable the full exercise of their rights;
- regular publication of relevant information that is continuous, periodic or extraordinary;
- commitment and integrity in the distribution, communication, and management of regulated and unregulated corporate information;

- compliance with the provisions on market abuse, as per the legal provisions in force from time to time, the policies, guidelines and procedures and, in general, the corporate governance rules defined by the Company and the laws applicable to the Company and the Group from time to time.

The discussion topics covered by the policy concern company strategies, the Group's economic and financial outlook, corporate governance (appointment and composition of the corporate bodies, including size, expertise, independence, diversity, contents of the Corporate Governance and Ownership Structure Report, and the Remuneration Report pursuant to Article 123-*ter* of the CFA), sustainability and environmental topics, shareholder remuneration policies (including the dividend policy), the Internal Control and Risk Management System, and significant corporate transactions.

INVESTOR RELATIONS

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

- **promotion of quality coverage of Unieuro stock by brokers,** currently followed by two pan-European players (Kepler Cheuvreux and BNP Paribas) and two Italian brokers (Mediobanca and Banca Akros);
- **the organisation of regular conference calls with management during the release of half-year and annual results,** in addition to conference calls/webcasts for important events, such as the presentation of the Strategic Plan and M&A transactions. This enables direct and public interaction between financial analysts, investors, and management;
- **participation in national and international investor conferences,** including the Euronext Star Conference, and conferences organised by brokers covering the stock;
- **engagement of key institutional shareholders at the Shareholders' Meeting** to ensure clarity and build consensus on Agenda items;
- **constant updating of the institutional website www.unieurospa.com.** This is dedicated to all stakeholders - particularly financial stakeholders - interested in learning more about Unieuro's corporate identity, its strategies, results and, more generally, the investment case. The site also serves as a repository for corporate records for shareholders, investors, and all other stakeholders;
- **promotion of Unieuro's visibility in the main financial,** traditional and digital media, during the publication of periodic results and corporate transactions;
- **use of the professional social network LinkedIn,** which is used to share financial and corporate content for the benefit of small shareholders and employees in particular.

During the reporting year, the financial markets experienced uncertainty stemming from geopolitical conflicts, tight monetary policies, inflationary trends, and concerns about an economic recession. In Italy, the consumer electronics market contracted further, impacted by the macroeconomic environment – including the increased cost of living – and the contraction in demand of a number of product categories following the record growth over recent years. The main topics discussed with investors and financial analysts concerned market performance by product category and channel, in addition to operating performance, along with the initiatives undertaken by the Company to defend its profitability. Following the presentation of the new

"Beyond Omni-Journey" Strategic Plan, topics for further discussion included projects for growth in the "Omnichannel Trade" and "Beyond Trade" areas, along with subsequent actions taken to execute the plan. In the months immediately preceding the Shareholders' Meeting, discussions focused on the Remuneration Policy and updates to the "Performance Shares Plan 2023-2028". In the second half of the year under review, interest grew regarding the newly acquired company Covercare, specifically concerning the strategic rationale behind the transaction, its operational activities and competitive standing, and the anticipated synergies.

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

We therefore note that, particularly in the last few financial years, in order to update the materiality analysis, various representatives of the main internal and external stakeholders were involved by sending questionnaires and/or through individual meetings, as will be discussed further in section 1.3.1. Materiality analysis. We also note that engagement with customers, in addition to being ensured by daily relations at the points of sale (customer service) and through the customer care service, is constantly measured by means of surveys to evaluate customer satisfaction and calculate the Net Promoter Score (NPS). The Company has consistently prioritised the importance and development of human capital. This is demonstrated by regular engagement with the Human Resources Department and the launch and subsequent development of the "*UniVersus*" project, which is designed to ensure that the internal climate is monitored and measured through the use of a metric similar to that adopted for customer satisfaction surveys. As of financial year 2021/22, Unieuro began to calculate, on an annual basis, an Employee Net Promoter Score (eNPS). Also worthy of note are the employee engagement and listening initiatives created and carried out by Internal Communication, beginning in FY 2022/23. Supplier relations are also managed on a recurring basis by the relevant department.

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

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

At national level, the Company is a member of:

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

2) Confimprese, which is a group of leading operators with direct and franchised distribution networks across a range of product sectors.

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

As of early 2023, Unieuro selects EuCER's representative on the Environment Committee of EuroCommerce.

1.3. Strategic Sustainability Path

1.3.1. Materiality Analysis

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

In line with the previous year, Unieuro referred to the GRI "Universal Standards", published in 2021, which define the methodology used for materiality analysis linked to the "impact" concept. These standards provide that materiality is directly associated with the most significant impacts (positive or negative, actual or potential, short- or long-term) that business activities are (or may be) capable of generating on the economy, the environment and people, including impacts on human rights according to the "inside-out" (or "Impact Materiality") view.

During the 2023/24 financial year, this analysis process was further refined by consolidating the impact identification and assessment methodology, as outlined by the current standards in force, while also progressively bringing reporting into line with the principle of "double materiality" introduced by the Corporate Sustainability Reporting Directive (CSRD).

As for the analysis conducted following an inside-out logic, we proceeded to examine the context in which the organisation operates. Our goal was to examine the necessary information to more precisely identify the actual and potential, positive and negative impacts. We therefore examined a number of information sources, including;

- the main trends in Multiline and Specialty Retailers & Distributors, Consumer Products and E-Commerce, using online databases/tools;
- legislation on sustainability reporting (the Taxonomy, CSRD, SFDR, ESMA references to topics related to sustainability aspects, etc.);
- the main international ESG standards and frameworks already in place (GRI, SASB, TCFD, UNEPFI, and the sector-agnostic ESRS).

When identifying impacts generated by Unieuro using the inside-out approach mentioned above, Unieuro also took into account the results of a benchmark analysis conducted on a sample of 10 comparable companies, mainly international.

The context analysis therefore allowed Unieuro to identify 25 potentially relevant impacts, divided into three main categories: (i) nine impacts related to the environmental sphere; (ii) 13 impacts related to the social sphere; and (iii) three impacts related to the economic and governance sphere. These impacts were subsequently validated by the internal Sustainability Management Committee and evaluated by a representative sample of the most relevant stakeholder categories. Regarding this final point, the Company sent out an online survey to a significant and relevant sample of its key stakeholders (around 60 stakeholders including Management, Suppliers and Commercial Partners, Industry Associations, and the Financial Community). Through this survey, Unieuro obtained an evaluation of the identified impacts using the assessment methodology outlined by the GRI Standards, which is based on three key elements:

- Scale: an impact's level of severity and/or benefit, considering its reversibility.
- Scope: how widespread an impact is.
- Likelihood: the probability of an impact occurring (only used for positive impacts).

Compared to the previous financial year, the stakeholder sample was expanded to include representatives from the financial community, specifically banks, analysts, and shareholders/investors. The Sustainability and M&A Department interacted with most stakeholders to facilitate a better understanding of the purpose of the analysis and how to complete the questionnaire. The high response rate obtained in the survey (close to 90%) testifies to the effectiveness of the tailored approach employed. Stakeholders who participated in the survey were selected based on their relevance and significance, and because they are most affected by the Company's activities. The results obtained from the survey responses were not subject to any weighting differences. As a result, each stakeholder category was assigned the same percentage "weight", regardless of the number of individuals involved.

At the end of the inside-out analysis, all impacts evaluated through the survey were examined to identify those most relevant for the organisation's top management. Attention was subsequently paid to impacts deemed a priority for leadership due to their scope and strategic importance. This prioritisation process allowed Unieuro to bring impacts that were previously below the "materiality threshold" back above it. Specifically, the impacts subject to review in this regard included "unethical business conduct", "environmental impacts along the supply chain", "social impacts along the supply chain", and "human rights violations".

The process of updating the "Impact Materiality" led to the definition of a list of 18 material topics relating to environmental, social, economic, and governance areas. The number of relevant topics is therefore substantially in line with the previous year. However, two changes occurred since the list was presented in FY 2022/23: (i) the topic of "combatting corruption" was incorporated into the broader "business ethics and integrity" topic; (ii) a new topic titled "sustainable products and services" was added to reflect the importance attributed to selling products that meet the highest sustainability standards and the provision of services.

When conducting the materiality analysis using the outside-in approach, the Company relied on the updated ERM risk universe (for further information, refer to the section on "Non-Financial Risk Management') to conduct an initial alignment between risks and sustainability topics. ESG risks positioned above the medium-high severity threshold within the ERM matrix were therefore chosen, which, when subsequently compared with sustainability topics, made it possible to identify those considered financially material. Specifically, out of the 91 risks identified and evaluated within the scope of the ERM analysis, 26 were aligned with Unieuro's sustainability topics. During this process of aligning risks with topics, we noted that 13 of them (of the 18 identified using the inside-out approach) had associated risk exposures.

This process forms part of a progressive alignment with the financial materiality methodology outlined in the European Sustainability Reporting Standards (ESRS) adopted by the European Commission. This process will be completed and reported in FY 2024/25, based on the ESRS requirements and double materiality guidelines to be issued by EFRAG.

At the end of the entire process, the activities carried out and the results achieved were presented and submitted for validation by the Sustainability Committee. The materiality analysis was subsequently approved by the Board of Directors on February 22, 2024.

The table below summarises the material topics identified for the reporting period and their associated impacts, highlighting their nature and type, scope of impact, Unieuro's contribution to generating the impact, and the mitigation actions and management tools adopted.

Area	Material topic	Impact	Description of impact	Nature/type	Scope of impact	Organisation's involvement	Action to mitigate negative impacts and tools to manage positive impacts
Environmental responsibility	Climate change and energy efficiency	Energy consumption	Energy consumption (from renewable and non-renewable sources), resulting in negative impacts on the environment and reduced energy stocks	Current Negative	Unieuro Group	Caused by the Group	- Careful and responsible management of consumption (energy, water etc.) - Purchases of energy from renewable sources with guarantee of origin certification - Reduction of energy consumption through efficiency actions and projects
		Contribution to climate change	Contribution to increased risks associated with extreme weather events (e.g. flooding, tornadoes, etc.)	Current Negative	Unieuro Group	Caused by the Group and to which the Group contributes	
		Generation of direct and indirect GHG emissions (Scope 1 and 2)	Contribution to climate change through direct and indirect GHG emissions linked to the Company's daily business operations	Current Negative	Unieuro Group and electricity suppliers	Caused by the Group and related to the Group through its commercial relationships	
		Generation of indirect GHG emissions (Scope 3)	Generation of climate-altering emissions linked to production and transportation activities along the value chain (e.g. inbound and outbound logistics, employee commutes, business travel, waste treatment and disposal)	Current Negative	Customers and Suppliers	To which the Group contributes and related to the Group through its commercial relationships	
	Distribution, logistics and mobility management	Impacts on biodiversity	Impacts on biodiversity and the quality of natural ecosystems, including erosion and/or reduced soil fertility	Current Negative	Unieuro Group	Caused by the Group and to which the Group contributes	- Home-Work Commuting Plan - Management of environmental impacts throughout the distribution/logistics chain by integrating into its business model practices of selecting and/or monitoring suppliers according to social, economic and environmental criteria
	Waste management	Waste generation	Environmental impacts related to waste generation (hazardous and non-hazardous) and the marketing of products and/or their inadequate disposal	Current Negative	Unieuro Group	Caused by the Group	- Responsible waste disposal management, complying with applicable laws and regulations - Choices and research in the use of packaging or other materials to reduce waste generation and promote recycling/reuse
	Sustainable packaging	Consumption of raw materials for packaging	Indirect environmental impact related to the production and processing of packaging materials along the supply chain and product marketing (plastic, paper, cardboard, wood, metal, etc.)	Current Negative	Unieuro Group	Caused by the Group	- Promotion of practices that target the use of sustainable packaging and pursuing its proper disposal
	Sustainable products and services	Use of non-renewable materials	Environmental impact caused by the use and/or increase of virgin raw materials for the Company's activities and product packaging, with negative implications for the adoption of circular economy practices at Unieuro	Potential Negative	Unieuro Group	Caused by the Group	- The offer of products and services with sustainability features, integrating into its business model practices of selecting and/or monitoring suppliers according to social, economic and environmental criteria

Area	Material topic	Impact	Description of impact	Nature/type	Scope of impact	Organisation's involvement	Action to mitigate negative impacts and tools to manage positive impacts
Social Responsibility	Sustainable supply chain	Negative social and environmental impacts along the supply chain	Negative impacts related to the procurement of goods and services from suppliers, specifically linked to the impacts they generate on social aspects (e.g. illegal hiring practices, irregular work, and other forms of human rights violations along the supply chain, etc.)	Potential Negative	Unieuro Group and suppliers	To which the Group contributes and related to the Group through its commercial relationships	- Analysis of its suppliers' management practices, evaluating possible additions to be introduced with a view to sustainability
	Customer-centricity and innovation	Products and service innovation	Improvement of the product-use experience through the creation of new technological solutions, providing tailored services and innovative solutions	Potential Positive	Unieuro Group and customers	Caused by the Group	- Product and service offer that meets customer needs - Improvement of the buying experience at all stages and customer satisfaction.
		Reduced customer satisfaction	Inadequate ability to satisfy customer requirements in terms of product/service quality, offer range, and relationship and complaints management	Potential Negative	Unieuro Group and customers	Caused by the Group	
	Stakeholder dialogue	Worsening trade union relations	Negative repercussions for employees due to conflict or disagreement between trade unions and company Management	Potential Negative	Unieuro Groups and employees	Caused by the Group	- Provision of dedicated listening and dialogue channels for stakeholders (e.g., surveys, individual meetings, focus groups, etc.) - Local community involvement initiatives, donations, sponsorships, charitable disbursements, etc.
	Safety of products on the market	Misleading communication with customers	Negative impacts on customers caused by misleading communications and false claims in terms of labelling and promotional offers	Potential Negative	Unieuro Group and customers	Caused by the Group	- Processes to verify any reports received from customers regarding its products - Processes to verify the health and well-being of customers, in terms of the absence of manufacturing defects, toxic materials/substances in the products offered
	Transparency of product information and offers to customers						- Monitoring activities by the Marketing Department to ensure products are labelled correctly - Activities to increase the availability of information regarding the features of the products and services offered
	Protection of consumer privacy and cyber security	Inappropriate data management and poor IT security	Breaches of applicable legislation and/or a failure to apply optimal data management procedures to the detriment of customer privacy	Potential Negative	Unieuro Group and customers	Caused by the Group	- Checks to protect of the safety and fundamental rights of customers and all parties with whom the Company interacts
		Data security and privacy protection	Constant attention to customer privacy, going beyond regulatory obligations to ensure personal data and information are respected	Current Positive	Unieuro Group and customers	Caused by the Group	- Drafting of Unieuro's cyber strategy and organisational model - Preparation of a cyber security plan
	Diversity and equal opportunity	Discrimination and non-inclusive practices in the workplace	Negative impacts on employee satisfaction and motivation due to discrimination (e.g. related to gender, age, ethnicity, etc.) or other non-inclusive practices	Potential Negative	Unieuro Group and employees	Caused by the Group	- Activities to analyse the perception of diversity at the company

Area	Material topic	Impact	Description of impact	Nature/type	Scope of impact	Organisation's involvement	Action to mitigate negative impacts and tools to manage positive impacts
	Respect for human rights and worker protection	Human rights violations	Violation of human rights along the supply chain and/or within the Company resulting in social, reputational, and economic impacts (e.g. right to freedom of association and collective bargaining, child labour, forced or compulsory labour)	Potential Negative	Unieuro Group and employees	Caused by the Group and related to the Group through its commercial relationships	- Checks regarding protection of the fundamental rights of company staff members and all parties with whom the Company interacts
	Employee and contractor health and safety	Work-related injuries	Injuries or other incidents in the workplace, with negative consequences on the health of employees or external collaborators	Potential Negative	Unieuro Group and employees and external workers	Caused by the Group	- Ordinary and extraordinary maintenance services at company premises; - Training activities for all staff to reduce the risk of injuries and potential robberies - Prevention activities to protect employee health
		Work-related ill health	Occurrence of work-related ill health/medical conditions due to an unhealthy working environment	Potential Negative	Unieuro Group and employees and external workers	Caused by the Group	
	Staff training and career development	Employee training and growth	Improvement of workers' skills through training activities (both general and technical) and professional development, also linked to growth targets and personal appraisals (career development plans)	Current Positive	Unieuro Group and employees	Caused by the Group	- Introduction of training, performance management and career development processes
	Company welfare	Reduction in employee satisfaction and well-being	Reduction in employee satisfaction and well-being due to poor corporate welfare, work-life balance, and well-being practices	Potential Negative	Unieuro Group and employees	Caused by the Group	- Adoption of remote working arrangements to reconcile personal and professional needs - Improvement and expansion of welfare services
Governance and economic responsibility	Business ethics and integrity	Unethical business conduct	Negative impacts on people and economic systems generated by unethical business conduct (such as corruption, failing to comply with tax obligations, diverting revenue from the public sector, and violating environmental and socio-economic regulations, etc.)	Potential Negative	Unieuro Group	Caused by the Group	- Internal controls to ensure regulatory compliance and mitigate potential corrupt or anti-competitive actions - Adopting a transparent approach to taxation and legality - Training activities to ensure regulatory compliance and the respect/application of company values/culture
		Promotion of an ethical and sustainable company culture	Positive impacts arising from the emphasis within the corporate culture on high standards of transparency and ethics, influencing all employees and shaping Unieuro's business activities	Current Positive	Unieuro Group	Caused by the Group	
	Resilience and financial balance	Direct generation of economic value and its related distribution to stakeholders	Generation of economic value and its balanced distribution to stakeholders (such as employees, suppliers, customers, shareholders, and the public sector, etc.)	Current Positive	Unieuro Group	Caused by the Group	- Adoption of a competitive strategy capable of ensuring the preservation and possible improvement of economic and financial performance over time

1.3.2. 2022-2026 Sustainability Plan

The 2022/26 Sustainability Plan was approved by the Board of Directors of Unieuro S.p.A. in May 2022. This plan is therefore the means by which Unieuro formalises its strategic approach to sustainability, and the main management tool for planning and controlling the Group's environmental, social, and governance initiatives. The project commitment is demonstrated across four areas of action – Community, Culture (sustainability governance), Sustainable Innovation, and Talents – outlined in the "Omni-Journey" Strategic Plan as high-level ESG guidelines[5], with over 30 projects in place. The project's development is based on a clear roadmap of actions, objectives, and targets. To guarantee continuous improvement and alignment with the Group's strategic priorities and the results achieved, there is ongoing monitoring of existing projects and analysis of potential new initiatives.

The "Beyond Omni-Journey" plan is a natural continuation and consolidation of the link between the Strategic Plan and the Sustainability Plan, initially outlined in the "Omni-Journey" plan. The latter places sustainability among its enabling factors, impacting different areas of the Company, with the goal of contributing to the creation of sustainable value in the medium to long term and making "responsible innovation" one of the cornerstones of future corporate development.

In addition to defining Unieuro's strategic vision on environmental, social, and governance topics, the Sustainability Plan was also designed to achieve the following underlying goals:

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

[5] *Environmental, Social, and Governance*

THE COMMUNITY
Considers actions and projects of social value, relating to the relationships maintained with the surrounding communities and territory.

CULTURE
Includes focus areas pertaining to sustainability governance, regulatory non-financial compliance, ESG risk management, and integration of sustainability disclosure at the management and reporting level.

SUSTAINABLE INNOVATION
Includes environmental initiatives and those relating to product and process innovation, customer experience and brand enhancement. Considers measures to promote a sustainable supply chain.

TALENTS
Examines initiatives related to human capital management and development: training, professional growth, work life balance, wellbeing, and respect for the principles of diversity, equality and inclusiveness.

The 2022/26 Sustainability Plan was put together with the direct involvement of all Group Departments (adopting a bottom-up approach) with the co-ordination of the Sustainability and M&A Department and the supervision of Top Management and the sustainability governance bodies (see the section "Sustainability Governance"). Starting from the four strategic ESG pillars, specific guidelines were first defined and the list of projects to be enacted in the time frame of reference was subsequently selected. The relevant goals, execution timelines, reference Key Performance Indicators (KPIs), financial resources, and oversight teams were identified for each of these.

The following table summarises the Unieuro Group's main initiatives[6] identified as falling under the Plan:

Pillars	*2022-2026 objective*	*Description of main measures*	*Material topics*	*SDGs*
The community	▪ Continue to promote digital awareness and education initiatives	▪ Continue and further develop the project - #cuoriconnessi to combat cyberbullying[7] ▪ Development of a specific project to facilitate the use of technology by the elderly ▪ Development of a project to promote the culture of adopting correct lifestyles and cancer prevention among young people	▪ Support for local communities	SDG ,

[6] *We note that initiatives only refer to Unieuro S.p.A. and Monclick S.r.l. (in liquidation).*

[7] *FY 2023/24 = 1.99m contacts (baseline second Cycle of the 2020/25 LTI = 1.23m contacts; baseline third Cycle of the 2020/25 LTI Plan and first Cycle of the 2023/28 LTI Plan = 1.45m contacts).*

Pillars	2022-2026 objective	Description of main measures	Material topics	SDGs
Culture	▪ Strengthen Sustainability Governance in accordance with best practices ▪ Ensure high levels of non-financial risk management ▪ Spread a culture of sustainability through specific initiatives ▪ Pursue integration of financial and non-financial disclosure to better represent sustainable value creation ▪ Ensure maximum cyber security and customer privacy protection	▪ Adoption of a Sustainability Policy ▪ Adoption of a system for mapping, assessment and continuous monitoring of financial and non-financial risks, based on an integrated and proactive approach ▪ Refinement of metrics related to ESG factors in management and employee remuneration and incentive systems[8] ▪ Achievement of an ESG rating ▪ Strengthening sustainability disclosure in light of current and prospective developments in the European Taxonomy. ▪ Introduction of a path to facilitate the gradual integration of sustainability information at the management and reporting level, also acting proactively regarding the evolution of relevant regulations (CSRD[9]) ▪ Adoption of a new cyber security strategic plan ▪ Strengthening in-store staff training on customer privacy issues	▪ Resilience and financial balance ▪ Protection of consumer privacy	SDG 8, 16, 17

[8] LTI, MBO and variable remuneration of store employees.

[9] Corporate Sustainability Reporting Directive (CSRD)

Pillars	2022-2026 objective	Description of main measures	Material topics	SDGs
Sustainable Innovation	▪ Introduce a decarbonisation pathway ▪ Implement systems to monitor suppliers on social responsibility, environmental, and governance issues ▪ Responsible waste management, including from a circular perspective ▪ Monitor and enhance the company's reputation ▪ Communicate transparently and effectively with customers and end users	▪ Projects relating to decarbonisation, such as the purchase of electricity with guaranteed "green" certification[10]; energy efficiency initiatives in retail outlets[11], carbon footprint measurement to identify further decarbonisation actions ▪ Projects related to a sustainable supply chain. Introduction of a supply chain control and monitoring system including due diligence activities; evaluation of new suppliers[12] (and how many in the process of qualification renewal) taking into consideration not only economic criteria but also social and environmental aspects ▪ Projects relating to circular economy initiatives, such as organising recall campaigns of certain products on the market to promote their reconditioning, and/or sale and/or proper disposal of used products; reuse of pallets and use of recycled plastic pallets; reduction in the use of plastic in the packaging of private label products ▪ Projects relating to corporate reputation enhancement such as brand and sustainability reputation monitoring; inclusion of ESG aspects in Net Promoter Score (NPS) measurement ▪ Acceleration of the process of point-of-sale digitalisation by introducing electronic tags	▪ Customer-centricity and innovation ▪ Selection and management of suppliers ▪ Consumption of resources and emissions ▪ Waste management ▪ Transparency of product information and offers to customers	SDG 7, 9, 12, 13, 17
Talents	▪ Pursue and disseminate an inclusive organisational culture ▪ Promote a people engagement strategy and spread a culture of sustainability within the company ▪ Increase the degree of attractiveness and retention	▪ Projects designed to spread awareness and culture of sustainability within the Group through the provision of sustainability training hours to employees[13], also including modules dedicated to future store managers at the corporate Academy; launching specific employee engagement and community building initiatives on ESG issues; administration of the eNPS business climate survey (employee Net Promoter Score)[14] ▪ Projects designed to improve the level of attractiveness and retention, such as initiatives to enhance work-life balance; launching a new company portal ▪ Projects designed to strengthen oversight on issues of diversity, equality and inclusion	▪ Employee and contractor health and safety ▪ Diversity and equal opportunity ▪ Staff training and career development	SDG 4, 8

[10] *FY 2023/24 = 100% (baseline second Cycle of the 2020/25 LTI Plan = 0%; baseline first Cycle of the 2023/28 LTI Plan = 58%)*

[11] *FY 2023/24 = 59.4 GWh (baseline second Cycle of the 2020/25 LTI Plan = 69.3GWh); FY 2023/24 = 60.7 GWh (baseline third Cycle of the 2020/25 LTI Plan = 67.2GWh).*

[12] *with expected turnover of >1%.*

[13] *FY 2023/24 Training Course on Sustainability completed by 100% of eligible employees.*

[14] *FY 2023/24 third survey with a score of -13,4.*

ESG-LINKED CREDIT LINES

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

The credit lines are tied to specific ESG indicators, which are already included in the regulation of the 2020/25 LTI Plan approved by the Shareholders' Meeting on June 15, 2021. These include reducing CO2 emissions through energy efficiency of the point-of-sale network, purchases of certified "green" energy, increasing the audience of the #cuoriconnessi initiative to combat cyberbullying, development of the methodology and subsequent application of a corporate climate survey (eNPS). In addition, the achievement of targets related to ESG indicators activates a margin adjustment mechanism applied to credit lines.

The lines in question were underwritten by Unicredit, Intesa Sanpaolo, Credit Agricole Italia and Banco BPM.

Confirming Unieuro's commitment, the following initiatives carried out during the financial year in line with the Sustainability Plan projects are presented below.

To provide a comprehensive overview, further environmental, social, and governance actions developed during FY 2023/24 but not included in the Sustainability Plan projects are described below to provide evidence of the Company's overall commitment to these topics.

SUSTAINABILITY PLAN ACTIONS

ENVIRONMENTAL | SOCIAL | GOVERNANCE

Sustainable Innovation

POINT-OF-SALE ENERGY EFFICIENCY

Continuation of energy efficiency measures at points-of-sale (Project Green). Since the start of the project, 109 stores have optimised energy practices.

GREEN ENERGY PURCHASES

Maintained 100% purchase of electricity solely from renewable sources with guarantee of origin issued by the supplier.

MEASUREMENT OF CARBON FOOTPRINT

Carbon footprint calculated for the first time. Scope 1, 2, and 3 emissions were measured according to the guidelines of the Greenhouse Gas (GHG) Protocol.

Sustainable Innovation

RECOVERY OF PALLETS FOR REUSE

Continuation of wooden and plastic pallet recovery for their subsequent reuse. In the year under review, 75% of pallets were recovered and reused compared to the total number purchased, surpassing the 60% target outlined in the Sustainability Plan.

TRADE-IN CAMPAIGNS

Organised 12 trade-in campaigns on selected product categories, allowing customers to return their used devices in exchange for a voucher and facilitating the proper disposal or potential reuse or refurbishment of collected products.

REDUCTION OF PLASTIC IN PRIVATE LABEL PACKAGING

Pursued a number of initiatives to replace or reduce plastic in the packaging of private label products. Specifically, there was a complete overhaul of the telephony accessories range, with packaging measures also introduced through adopting FSC cardboard[15].

[15] *FSC (Forest Stewardship Council) certification, established in 1993, is an international certification designed for the forestry sector and products sourced from responsibly managed forests, adhering to strict environmental, social, and economic standards.*

Sustainable Innovation

IMPROVEMENT OF CUSTOMER SATISFACTION INDEX (NPS)

The Net Promoter Score (NPS), the indicator measuring the level of customer satisfaction, increased, for the third consecutive year, from 51.9 in the previous year to 53.1. Customers were also asked to comment on Unieuro's sustainability.

INSTALLATION OF ELECTRONIC TAGS AT POINTS OF SALE

Electronic tags installed at over 100 points of sale during the year. Since the project began, 224 stores have started using electronic tags.

SUSTAINABLE SUPPLY CHAIN

Evaluation of the sustainability profile of several product suppliers, accounting for more than 40% of purchases[16].

LAUNCH OF THE "BRAND REPUTATION" MEASUREMENT PROJECT

Launch of the "brand reputation" project to measure and manage Unieuro's reputation from a multi-stakeholder perspective. The management feedback phase concluded and measurement of the index began, with a focus on the "general public - consumers" stakeholder category. This year, priority actions will be identified based on the feedback provided by the reputation index.

[16] *Valued at list prices*

Talents

QUESTIONNAIRE UPDATE AND THIRD MEASUREMENT OF EMPLOYEE NPS

Questionnaire updated and third measurement of the level of employee satisfaction carried out through the calculation of eNPS (employee Net Promoter Score). A webinar was organised to present the results of the second measurement to employees and showcase the selected continuous improvement actions and projects.

POLICY TO PROTECT VICTIMS OF GENDER-BASED VIOLENCE, "VALORE D" ASSOCIATION MEMBERSHIP, AND ANALYSIS OF D&I RANKING

The "Policy to protect victims of gender-based violence" has been prepared. This policy will come into effect this year. It forms part of a broader corporate policy to firmly and rigorously combat all forms of gender discrimination, harassment or violent behaviour, including verbal, by adopting specific tools to tackle gender-based violence. The Company joined "Valore D" (the first association of companies in Italy committed to fostering gender equality and an inclusive culture in Italian organisations), with which a thorough analysis was conducted of various D&I aspects, positioning Unieuro above the average sample rating.

Talents

SUSTAINABILITY AND CORPORATE ACADEMY COURSES

14th edition of the corporate Academy concluded. This is an important training moment for future Unieuro store managers. The course, which comprised 11 training days and 86 classroom hours, covered Sustainability as one of the teaching topics.

SUSTAINABILITY TRAINING COURSE FOR EMPLOYEES

First sustainability training course module delivered. The compulsory course forms part of a set of initiatives to foster greater understanding and awareness of key sustainability topics and to promote the development of a sustainable company culture. The second module will be delivered in FY 2024/25.

DEVELOPMENT OF A NEW COMPANY PORTAL (DIGITAL WORKPLACE)

Work continued on the conception and design of a new company intranet. The feedback phase, involving a broad range of employees (over 100) and company departments, concluded, thereby allowing the organisation to build an architecture that genuinely meets its needs. The project, which will enter the development phase in FY 2024/25, seeks to improve communication, increase employee engagement, streamline processes, and simplify information retrieval, thereby strengthening the bond between the Company and its employees.

Culture

SPECIFIC TRAINING COURSES ON CYBER SECURITY AND PERSONAL DATA PROTECTION LAUNCHED

Specific staff training continued on information security and personal data protection, in the latter case, with a focus on loyalty card customers.

Community

CONTINUED GROWTH OF THE #CUORICONNESSI AND "FUTURE SCREENS" OBSERVATORY WHITE PAPER

Nearly 2m contacts reached through the various initiatives carried out during the year. #cuoriconnessi graphics and logo refreshed. The results of the "Future Screens" Observatory (scientific director - Professor Paolo Crepet) were presented, leading to the preparation of a white paper investigating the relationship between young people and new forms of socialising. The "Ten Commandments Against Cyberbullying" was officially presented at a dedicated event in cooperation with the State Police and the fifth *"#Cuoriconnessi. Cyberbullismo, bullismo e storie di vita online"* book.

COLLABORATION WITH PRIME CENTER CONTINUED

Workshops and sessions on healthy living and cancer prevention topics continued with high school classes in Romagna, as part of the joint initiative with the Romagna Oncology Institute's Cesena Prime Center.

Culture

RISK ANALYSIS UPDATED TO INCLUDE THE SUSTAINABILITY COMPONENT AND ERM POLICY APPROVED

ERM (Enterprise Risk Management) updated in the light of the new Strategic Plan, Sustainability Plan, and organisational changes. The risk catalogue, divided into strategic, operational, financial, legal, and compliance risks, was created with sustainability considerations in mind. The Enterprise Risk Management policy was also approved.

START OF ACTIVITIES TO PREPARE FOR THE ENTRY INTO FORCE OF THE CSRD

Initial functional analyses were conducted to verify the primary areas of focus and identify any gaps in the process that will lead to the Company's first sustainability report following the Corporate Sustainable Reporting Directive (CSRD) guidelines, scheduled for FY 2024/25. This process will involve the Company in the following months.

ESG TARGETS IN VARIABLE INCENTIVE SYSTEMS

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

FURTHER ACTIONS RELATED TO SUSTAINABILITY TOPICS

Sustainable Innovation

SUSTAINABLE PACKAGING FOR HOME DELIVERIES

Plastic fillers were replaced with 100% recycled materials inside packages used for Home Delivery shipments.

DIGITAL PROMOTIONAL FLYER

Inversion of the paper/digital paradigm confirmed. Paper consumption was further optimised by only printing promotional flyers for direct store use, resulting in reduced transportation costs and emissions. Paper consumption is down 22% Y/Y and more than 95% compared to the pre-COVID period.

Talents

DEFINITION OF THE LEADERSHIP MODEL

Leadership Model defined to accompany and facilitate the transformation process outlined by the Strategic Plan. The model is divided into three clusters considered particularly significant for Unieuro (Leading Business, Leading Change, and Leading People) and is a key tool for promoting shared leadership approaches, behaviours, and styles, fostering the spread of a cohesive corporate culture.

CHANGE MANAGEMENT AND NEW HUMAN RESOURCES DEPARTMENT PROJECTS

A change management programme developed to accompany the evolving role of Human Resources. In line with the strategic plan, the programme seeks to shift from a service-orientated role to a partnership role in implementing the Company's strategy. A series of projects were initiated and will be fully adopted in the medium to long term to strengthen selection, employer branding, onboarding, training, performance management, and diversity & inclusion processes.

Talents

FURTHER INTERNAL COMMUNICATION DEVELOPMENTS

The internal communication department, established in FY 2022/23, is increasingly being viewed as a partner to business functions and a primary information channel to strengthen the sense of belonging and continuity. During the year, in addition to more routine communication activities such as the monthly "Unieuro News" newsletter and the internal SharePoint communication space, new formats and initiatives (podcasts, video interviews, themed insights) were introduced to offer a wider range of content. This will see further development in terms of format and content in FY 2024/25.

"*MENTI CONNESSE*" (CONNECTED MINDS)

This was the second year of the "Connected Minds" project to identify and pool sales behaviours, experiences, and best practices to build a unique and stand-out purchasing experience for customers. 20 weekly appointments with over 5,000 hours of sharing were organised.

NEW WORK SAFETY STRUCTURE ADOPTED

An organisational change was effected to ensure the organisational structure and processes are increasingly effective in guaranteeing the greatest possible protection for workers.

Community

SUPPORT FOR THE PEOPLE OF ROMAGNA DURING THE MAY 2023 FLOODS

Unieuro wanted to show its solidarity and provide practical assistance to the local community by donating emergency devices such as power banks and torches to the Municipality of Forlì. In addition, it allowed local consumers to purchase domestic appliances and other products irreparably damaged by the floods at special prices across all stores in affected areas. Finally, Unieuro provided employees with the option to receive an advance on the fourteenth-month (*quattordicesima*) payment of their salary and to expedite the collection of their severance pay.

SUPPORT FOR THE FORLÌ BASKETBALL TEAM

Continued to support sports teams local to Unieuro and promote sports values. In the 2023/24 fiscal year, the Company once again supported the men's basketball team (both the first team and the youth teams) engaged in the A2 national championship as the main sponsor. Unieuro also sponsored the sports hall in the city of Forli, named "Unieuro Arena."

Culture

STAKEHOLDER MAP UPDATES

The stakeholder map was updated in preparation for the Consolidated Non-Financial Statement for the 2023/24 financial year, drawing on the findings of a benchmarking analysis to identify the most common engagement strategies.

SUSTAINABILITY REPORTING GUIDELINES

Specific guidelines were defined to ensure the accurate accounting treatment of environmental, social, and governance topics. This is particularly important in light of the new sustainability reporting directive. The guidelines govern the process of identifying material topics and oversee the collection, processing, and approval of sustainability information contained within the sustainability report.

WHISTLEBLOWING UPDATES

Whistleblowing updates made in compliance with Legislative Decree No. 24/2023. The main changes involved broadening the types of offences that can be reported and who can report them. Activities included updates to the Whistleblowing Policy, the launch of the Unione Fiduciaria Portal, and the publication of a link to the Whistleblowing portal on the company website.

2. GOVERNANCE

2.1. Governance bodies

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

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

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

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

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

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

i. On December 20, 2021, the Board of Directors approved its Regulation[17], which expressly provides that: *"In the composition of the Committees, the Board shall take into account the independence requirements, the professional characteristics of the Directors and their experience, so that each Committee consists of members whose competence and professionalism are appropriate to the tasks assigned to the Committee on which they sit".*

[17] *See the document on the Board of Directors Regulation, available in the Corporate Governance section of Unieuro's corporate website (https://unieurospa.com/wp-content/uploads/2022/01/Unieuro_REGULATIONS-OF-THE-BoD.pdf).*

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

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

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

For more information on the governance system, please refer to the *Report on Corporate Governance and Proprietary Shareholdings* at February 29, 2024.

2.1.1. Board of Directors

Unieuro adopts the ordinary management and control model; the Board of Directors and Board of Statutory Auditors are appointed separately by the Shareholders' Meeting. The administration of the Company is entrusted to the Board of Directors, while the Board of Statutory Auditors is tasked with overseeing the activities of the Directors and ensuring that the management and administration of the Company are carried out in compliance with the law and By-Laws.

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

i. has powers of legal representation of the Company;

ii. chairs the Shareholders' Meeting;

iii. calls and chairs the Board of Directors, sets the Agenda, co-ordinates its work, and ensures that adequate information on Agenda items is provided to all Directors;

iv. verifies the application of Board of Directors resolutions.

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

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

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

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

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

a) information about the shareholders submitting the slate and an indication of the percentage of capital held;

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

c) the curricula vitae of the candidates and a declaration in which each candidate certifies, under his or her own responsibility, the absence of causes of ineligibility and incompatibility and the existence of the requirements for the respective offices;

d) an indication of administrative and control positions held in other companies and any indication of their eligibility to qualify as independent under current regulations and any corporate governance codes of conduct adopted by the Company;

e) the statement by which each candidate accepts his or her candidacy;

f) any other or different statements, disclosures and/or documents required by the law and regulations in force at the time.

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

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

a) five-sevenths of the Directors to be elected shall be drawn from the slate obtaining the highest number of votes ("Majority Slate"), in the numerical order in which they are listed, rounding down to the nearest whole number in the case of a fractional number;

b) the remaining Directors shall be drawn from the other slates (the "Minority Slates"); for this purpose, the votes obtained from the Minority Slates shall be successively divided by one, two, three, four and so on according to the number of Directors to be elected.

The numbers obtained in this way shall be attributed to the candidates of such slates, in the numerical order in which they are listed on the slate. The results thus attained are listed in decreasing order. The candidates who obtain the highest numbers will become Directors. In the event of a ratio tie between candidates, the elected candidate shall be taken from the slate from which no director has yet been elected or from that which the lowest number of directors has been elected.

If no director has yet been elected from said slates or if there is a tie between the number of directors voted on in relation to the slates, then the candidate obtaining the highest number of votes on such slates shall be elected. In the event of a tie in terms of both slate vote and ratio, then a Shareholders' Meeting shall be called to vote on the election and the candidate who obtains a simple majority of votes shall be deemed elected. It is understood that at least one Director must be selected, if presented and voted upon, from a slate submitted by members not associated, directly or indirectly, with those who submitted or voted on the slate that received the majority of votes. If the majority slate features fewer candidates than allotted positions, the following will be elected after the voting process: (i) all candidates from the majority slate; and (ii) the remaining candidates from the second minority slate by the number of votes needed to complete the Board of Directors, following the progressive order specified therein.

Where it is not possible to complete the Board of Directors in the manner described above if the Minority Slate that comes second in terms of number of votes presents fewer candidates than necessary, the remaining Directors shall be drawn from the other Minority Slates starting with the one with the most votes and with use of subsequent slates once the candidates contained in the slate preceding it in terms of number of votes have been exhausted. If, once voting concludes, the gender balance and/or the minimum number of Directors who meet the independence requirements according to the applicable regulations and laws is not ensured, as many elected candidates as necessary shall be excluded, replacing them with the candidates who meet the requirements that are lacking, taken from the same slate to which the candidate to be excluded belongs, according to the numerical order of listing. Replacement takes place with reference first to membership in the under-represented gender, then to the independence requirements. This replacement mechanism first applies, in order, to the slates that have not contributed any Director with the requirement that is lacking, starting with the one with the most votes. If this is not sufficient - i.e. if all the slates have contributed at least one Director with the requirement that is lacking, the replacement is applied, in order, to all the slates, starting with the one with the most votes. Within the slates, the replacement of candidates to be excluded takes place starting with the candidates marked by the highest sequential number. Replacement mechanisms do not operate for candidates drawn from slates with fewer than three candidates. In the case of the submission of a single slate, the entire Board of Directors is drawn from it in compliance with the law and regulations in force at the time. If, on the other hand, no slate is submitted, the Shareholders' Meeting shall act by a majority of voting members, pursuant to legal provisions;

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

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

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

If no slates are submitted or if Directors are not appointed, for whatever reason, pursuant to the procedure provided herein, the Shareholders' Meeting shall pass resolutions by the legal majorities, in compliance with any minimum gender distribution proportions (male and female) required by law and regulations.

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

In order to enable stakeholders to make informed and informed judgements in this regard, in January 2022, the Board of Directors published a document containing criteria for the optimal qualitative and quantitative composition of the Board of Directors. The Company then made available to its shareholders, published through the website and on the storage mechanism and presented to the proxy advisors, the document "Process for Submitting a Slate by the Outgoing

Board of Directors". Senior management then talked with the major shareholders in order to incorporate any qualitative indications from them regarding the new board composition in view of the Shareholders' Meeting on June 21, 2022, and, in particular, the advisability of presenting their own slate:

i. the composition of the Board of Directors ensures gender balance according to the provisions of the law and regulations pro tempore in force; in any case, please refer to the information above with reference to the process of appointment and selection of the Board of Directors and that reported below regarding the different skills possessed by the members of the Board;

ii. a number of Directors not less than that provided for by the law, including regulatory provisions, in force from time to time must meet the independence requirements established by the Corporate Governance Code, it being understood that at least two Directors who meet the independence requirements established by law and regulatory provisions and/or the Corporate Governance Code must still be members of the Board of Directors.

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

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

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

Annual Self-Assessment Survey

The Board of Directors annually carries out an assessment of the functioning of the Board itself and its Committees, taking into account their size and composition, in addition to such elements as the professional expertise, experience (including managerial), and gender characteristics of its members and their seniority in office, also in relation to diversity criteria, as prescribed in Article 4 recommendation 23 of the Corporate Governance Code.

The assessment for the 2022/23 financial year was conducted by the Company Secretary, who independently prepared the survey to be sent to Board members, subject to the positive opinion of the Remuneration and Appointments Committee. During the financial year, the Chairperson, with the support of the Remuneration and Appointments Committee, evaluated the adequacy and transparency of the Board's self-assessment process on the basis of: The results of the Board evaluation showed a positive assessment rendered by the Directors regarding the size, numerical composition, age, gender, experience, and professional and personal characteristics of the members of the Board of Directors, while also highlighting the importance of organising in-depth sessions on specific business topics. Regarding the assessment for the 2023/24 fiscal year, on May 10, 2024, a report was prepared that summarised the assessments and reflections that emerged during the process, which involved the administration of anonymous questionnaires and interviews with the Directors, the Chairperson of the Board of Statutory Auditors, and the Corporate Secretary. This report was presented to the Board of Directors after sharing it with the Remuneration and Appointments Committee. The report highlighted strengths, areas for improvement and strategic topics for the last year of the term. Strengths included, among others, the Board's heterogeneity in terms of experience and skills and its ability to critically analyse performance and market dynamics, in addition to the dedication to the role displayed by all Directors and management's responsiveness in difficult situations. The Directors also recognised the crucial role of the Chairperson, whose authority rendered the Board's work even more effective. By contrast, the assessment identified a desire to strengthen the dialogue channel between Executive and Non-Executive Directors, while respecting their respective roles. Looking ahead to the last year of its term, the Board will focus its efforts on carrying out the Company's strategic plan in its various forms, and on building retention plans for human resources considered key to the achievement of that plan. The coming months will also see the Board engaged in the process of renewing the management body, whose term will end with the approval of the FY 2024/25 Annual Report. Please also refer to the *Report on Corporate Governance and Proprietary Shareholdings* for the financial year ending February 29, 2024.

As of February 29, 2024, the Board of Directors of Unieuro S.p.A. is composed as shown in the table below:

Members of the Board of Directors of Unieuro S.p.A. at February 29, 2024

Position	Name	Age	Gender	Executive/ Non-Executive	Independent	Membership in stakeholder groups	Any other positions held	Membership of unrepresented social groups	Skills
Chairperson	Stefano Meloni	75	M	Non-Executive	Yes[18]	-	No	No	Financial
Chief Executive Officer[19]	Giancarlo Nicosanti Monterastelli	65	M	Executive	No	Management	Sole Director of Monclick[20]	No	Financial/ Operating
Director	Pietro Caliceti	59	M	Non-Executive	Yes	Institutional investors	No	No	Legal/ Financial
Director	Paola Elisabetta Galbiati	66	F	Non-Executive	Yes	-	No	No	Financial/ Operating
Director	Benedetto Levi	36	M	Non-Executive	No	Iliad	No	No	Operating/ Management
Director	Giuseppe Nisticò	45	M	Non-Executive	No	Iliad	No	No	Operating/ Management
Director	Alessandra Stabilini	54	F	Non-Executive	Yes	-	No	No	Legal/ Financial
Director	Daniele Pelli	40	M	Non-Executive	Yes	Institutional investors	No	No	Operating
Director	Alessandra Bucci	57	F	Non-Executive	Yes	Institutional investors	No	No	Management/ Commercial/ Sustainability
Director	Laura Cavatorta	60	F	Non-Executive	Yes	Institutional investors	No	No	Operating/ Sustainability
Director	Maria Bruna Olivieri	53	F	Executive	No	Management	General Manager[21]	No	Operating/ Omnichannel

Members of the Board of Directors of Unieuro S.p.A. by age bracket

Age bracket	29/02/2024			28/02/2023			28/02/2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
between 30 and 50 years of age	3	-	3	3	-	3	2	-	2
over 50 years of age	3	5	8	3	5	8	5	4	9
Total	6	5	11	6	5	11	7	4	11

As regards remuneration, Unieuro adopts a Remuneration Policy through a process involving the Shareholders' Meeting, the Board of Directors, the Remuneration and Appointments Committee and, to the extent of its remit, the Related Party Transactions Committee, in compliance with the rules and regulations in force, the principles dictated by the Corporate Governance Code, and the provisions of Consob's Related Parties Regulation. For more information, please see the chapter

[18] *Both in accordance with the law and the Corporate Governance Code.*

[19] *CEO of Unieuro S.p.A. and Sole Director of Monclick S.r.l. in liquidation, a wholly-owned subsidiary of Unieuro S.p.A.*

[20] *Until November 3, 2023, when the company went into liquidation*

[21] *Chairperson of the Board of Directors of Covercare S.p.A.*

on "*Social Performance*" in this document and the *Report concerning the policy for remuneration and recompense paid* for the year ending February 29, 2024.

2.1.2. Board of Statutory Auditors

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

The Board of Statutory Auditors appointed on June 21, 2022 and serving for a period of three fiscal years comprises five Statutory Auditors including the Chairperson (Giuseppina Manzo), two Statutory Auditors (Paolo Costantini and Stefano Antonini), and two Alternate Auditors (Davide Barbieri and Emiliano Barcaroli).

Members of the Board of Statutory Auditors at February 29, 2024

Position	Name	Age	Gender	Independent	Membership in stakeholder groups	Any other positions within the organisation	Membership of unrepresented social groups	Skills
Chairperson	Giuseppina Manzo	43	F	Independent	Institutional investors	-	-	Financial/ Accounting/ /Tax Corporate
Statutory Auditor	Paolo Costantini	71	M	Independent	Cassa di Risparmio di Terni e Narni	-	-	
Statutory Auditor	Stefano Antonini	64	M	Independent	Cassa di Risparmio di Terni e Narni	-	-	
Alternate Auditor	Davide Barbieri	40	M	Independent	Institutional investors	-	-	
Alternate Auditor	Emiliano Barcaroli	51	M	Independent	Cassa di Risparmio di Terni e Narni	-	-	

Members of the Board of Statutory Auditors at February 29, 2024 by age bracket

Age bracket	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
between 30 and 50 years of age	No.	1	1	2	2	1	3	2	3	5
over 50 years of age	No.	3	-	3	2	-	2	-	-	-
Total		4	1	5	4	1	5	2	3	5

2.1.3. Other Committees

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

At the date of this Statement, the Related Party Transactions Committee comprises three Directors (one male and two female, all of whom are over the age of 50) who are Non-Executive Directors and Independent Directors: Pietro Caliceti (Chairperson), Alessandra Stabilini and Alessandra Bucci

The Control and Risks Committee appointed by the Board of Directors on June 28, 2022 shall assist the Board of Directors through investigative, proposal and consultation duties, evaluations and decision-making concerning the Internal Control and Risk Management System and also in relation to the approval of the interim financial reports.

At the date of this Statement, the Control and Risks Committee comprises four directors (one man aged between 30 and 50 and three women, aged over 50) who are Non-Executive Directors and Independent Directors: Alessandra Stabilini (Chairperson), Paola Elisabetta Galbiati, Benedetto Levi and Laura Cavatorta.

The *Remuneration and Appointments Committee* was appointed by the Board of Directors on June 28, 2022.

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

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

This Committee comprises three Directors (one man and two women, all over the age of 50) who are Non-Executive Directors and Independent Directors: Paola Elisabetta Galbiati (Chairperson), Alessandra Stabilini and Pietro Caliceti.

2.1.4. Sustainability governance

Thanks to the establishment in late 2020 of the Sustainability Committee, Unieuro began several initiatives that helped to spread the culture of sustainability within the organisation and to progressively integrate it into business activities. The adoption of a more structured and programmed approach was fully expressed with the preparation of the 2022/26 Sustainability Plan.

The Sustainability Committee was appointed by the Board of Directors in June 2022 and comprises four Non-Executive and Independent Directors: one man (between the ages of 30 and 50) and three women (all over the age of 50): Daniele Pelli (Chairperson), Laura Cavatorta, Paola Elisabetta Galbiati, and Alessandra Bucci.

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

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

While the Company has not formally assigned any one employee responsibility for managing economic, environmental and social impacts, it has a governance structure in place which, through the Sustainability Committee and the Sustainability and M&A Department, enables it to oversee, manage, and monitor such impacts. The above Committee, assisted by the Sustainability and M&A Director, verifies the materiality analysis process and impacts deemed significant for the Group and validates and annually reports on the material topics related to these impacts.

The Sustainability and M&A Director also consults with the Sustainability Committee whenever deemed necessary for decision-making and strategic purposes. Specifically, update and discussion meetings were held on a monthly basis with the corporate sustainability manager in FY 2023/24.

Role of the Board of Directors in the sustainability of Unieuro

The Board of Directors has the role of evaluating and approving aspects regarding the sustainability of Unieuro. Consistent with the recommendations of the Corporate Governance Code for Listed Companies promoted by Borsa Italiana S.p.A. (the "Corporate Governance Code"), with which Unieuro complies, as mentioned above, a Sustainability Committee has been established within the Board of Directors, which reports annually on issues related to sustainability impacts, and which is tasked with assisting the Board of Directors in its sustainability evaluations and decisions.

In 2021, the Board of Directors approved the Strategic Plan titled "Omni-Journey". The Plan outlines four pillars (Community, Culture, Sustainable Innovation, and Talents) to represent Unieuro's commitment to sustainability and to lay the groundwork for a future Sustainability Plan. A few months later, the Strategic Plan was therefore joined by the Sustainability Plan, which was approved by the Board of Directors in May 2022, reflecting the Group's commitment to sustainable development and the increasing strategic importance of ESG issues in business activities. The link between the Strategic Plan and Sustainability Plan was further strengthened by the "Beyond-Omni-Journey" Strategic Plan in May 2023, which views "Responsible Innovation" as one of its cross-cutting enabling factors.

The Board of Directors is assisted by the Sustainability Committee and annually approves the Materiality Analysis and Consolidated Non-Financial Statement. The identification of material topics and their associated impacts for the reporting year required the direct involvement of the management team, members of the Sustainability Management Committee, and certain categories of external stakeholders. Evaluation of the effectiveness of the organisation's processes is carried out annually by the Board of Directors occurs. Board of Directors meetings to approve the materiality analysis and the Consolidated Non-Financial Statement constitute formative moments that encourage discussion. In the 2023/24 financial year, regular updates on the progress of the projects outlined in the 2022/26 Sustainability Plan were provided to the highest corporate body. In addition, an induction session took place at a Sustainability Committee meeting open to all members of the Board of Directors and Board of Statutory Auditors. During this session, the Sustainability and M&A Director presented an overview of the sustainability regulatory framework, focusing specifically on the links between various (current and future) regulations and the expected evolution of sustainability reporting. Unieuro's preparatory work to implement the CSRD was also presented to meeting participants.

2.2. Business model and regulatory compliance

Unieuro possesses a centralised, scalable business model, based on complementarity and the omnichannel integration of various distribution channels that guarantee territorial coverage and proximity to customers. Management and administrative departments are concentrated at the Forlì headquarters, while the supply activities of all channels operate out of a main logistics hub in Piacenza. The format of stores is adaptable and modular, according to local market size and characteristics. This operational flexibility, together with its established leadership in the Italian market, allows the Group to absorb more fixed costs and compete with pan-European and global operators active in Italy. Added to this is the brand's omnichannel presence, which presides over all touchpoints by which customers may choose to fulfil their consumer electronics and domestic appliance purchasing needs. The omnichannel strategy brings with it perfect integration between channels, overcoming the offline/online dichotomy, and guaranteeing the customer a personalised, seamless shopping experience. The business model is however not without risks, as highlighted in the relevant section of this document. For further information on the Group's strategy, business model, and the main risks and uncertainties to which it is exposed, please refer to the *Annual Financial Report 2023/24*.

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

UNIEURO OVERSIGHT

- ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO LEGISLATIVE DECREE NO. 231/2001
- WHISTLEBLOWING POLICY
- ANTI-CORRUPTION POLICY
- CODE OF ETHICS

To guarantee the fairness and transparency of the Group's corporate activities and to protect its image and reputation, the expectations of its stakeholders, and the work of its employees, Unieuro has adopted an Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 (the "231 Model"), which helps prevent improper conduct by the Group's Directors, employees and contractors. At the time of its introduction, though the 231 Model was merely a voluntary commitment, rather than a legal requirement, the Company decided to fully analyse its organisational, management and control tools, in order to verify their correspondence with the principles of conduct and existing safeguards referenced by the Legislative Decree No. 231/2001, and, where necessary, integrate additional tools. Through its 231 Model, Unieuro S.p.A. prevents legal offences and promotes a corporate culture based on legality and compliance with both internal and external regulations.

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

The Organisation, Management and Control Model is constantly updated to incorporate new categories of predicate offences as they are added to the 231 legislation. The latest updates date back to November 2020 and February 2023, respectively, during which the Company complied with new tax and smuggling offences, in addition to organisational changes that occurred in the meantime.

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

i. establish the procedures through which to make a report of illegal or illegitimate conduct or behaviour, commission or omission, which constitutes or may constitute a violation, or inducement to a violation, of the Company's Code of Ethics, the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/01 adopted by the Company or the policies and/or rules that regulate business processes;

ii. ensure a work environment in which employees and collaborators can easily report "illegitimate behaviour" carried out within the Company.

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

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

The computerised whistleblowing system adopted by the company uses an online platform that enables the submission of reports, in line with the relevant legislative provisions. Access to the Whistleblowing portal is subject to the "no-log" policy to prevent the identification of the whistleblower who wishes to remain anonymous. In the 2023/24 financial year, Unieuro updated its Whistleblowing Policy, made changes to its company website to create a specific section for the Whistleblowing portal, and drafted FAQs to adopt the legislative changes introduced by Legislative Decree No. 24/2023. Whistleblowing reports may concern illegal or illegitimate conduct or behaviour, be it committed or omitted, which constitutes or may constitute a violation, or inducement to violate Unieuro's Code of Ethics, the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/01 adopted by the Company, or the policies and/or rules that govern business processes, in addition to violations consisting of administrative, accounting, civil, or criminal offences or violations of specific national and European provisions. The e-mail address odv@unieuro.com. is available to all stakeholders for reports pertaining to violations of 231 Model.

The newly-acquired Covercare S.p.A. is also equipped with the following controls:

- adoption in 2018 of an Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001, updated in 2021;
- Company Code of Ethics, updated in 2021;
- whistleblowing system directly accessibly via the Company website, allowing individuals to submit general reports (via the "Contact Us" service) or in relation to Whistleblowing matters;
- ISO 9001:2015 certification, an international standard for Quality Management Systems (QMSs).

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

ANTI-COMPETITIVE WHISTLEBLOWING OR INTERNAL SYSTEM FOR REPORTING VIOLATIONS
No reports were received by the Supervisory Board in the 2023/24 financial year.

LACK OF COMPLIANCE WITH LAWS AND REGULATIONS
No significant fines or penalties for non-compliance with laws and regulations were issued in 2023/24.

For more information on the whistleblowing system, the Code of Ethics and all anti-corruption procedural tools in place, please refer to the corporate documentation made available in the Corporate Governance section ("Corporate Documents and Procedures") of the Company's corporate website.

2.2.2. Combatting corruption

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

In addition to the principles and rules of conduct outlined in the Code of Ethics, the 231 Model (both approved by the Board of Directors in February 2023) identifies specific activities that may be vulnerable to the commission of offences under Legislative Decree No. 231/2001, including corruption, and defines specific control measures for key processes exposed to potential risks. Information and training activities on the contents of the 231 Model are carried out, and a system of sanctions has also been adopted to guarantee its effective application. Training courses are generally delivered to top management in person (Directors and Area Managers), while training on the 231 Model is delivered to other employees via the e-learning platform. In 2023/24, the Group did not conduct training in accordance with Legislative Decree No. 231/200, unlike in the previous reporting period, when a total of 20.5 hours were provided for 41 employees (including 7% middle managers and 93% office workers), excluding Board of Directors members. The course and its content will be reviewed and expanded in the upcoming financial year.

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

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

CONFIRMED INCIDENTS OF CORRUPTION AND LEGAL ACTION FOR ANTI-COMPETITIVE BEHAVIOUR
There were no instances of corruption and/or anti-competitive behaviour, anti-trust, or monopoly practices in the 2023/24 financial year.

2.2.3. Management of non-financial risks

The approach to Risk Management activities is an important business driver and a critical factor in achieving the Group's long-term objectives. It is an integrated approach that represents a key focus for Top Management and is encompassed within the broader Group management framework. It targets sustainable development, maximises value, and aligns with corporate objectives set by the Board of Directors. Against this backdrop, the Enterprise Risk Management process (hereinafter also the "ERM Process") serves to achieve the corporate objectives outlined in the Strategic Plan by identifying, assessing, and managing potentially negative events. In addition, and above all, it serves to implement a structured Risk Management system that enables the integration of sustainability topics with strategic objectives and key operations.

The main phases of the ERM process are structured as follows:

1. Risk Assessment phase involving:
    a. the identification of potentially relevant risk events by defining a Risk Model;
    b. the assessment of identified risks, in line with the rating scales for Likelihood, Impact, and Risk Management Readiness;
2. Risk Treatment phase involving the definition and roll-out of specific risk response strategies and mitigation actions;
3. Risk Monitoring phase, which seeks to ensure the continuous monitoring of both the evolution of the Company's exposure to risks and the status and effectiveness of risk response strategies and consequent mitigation actions;
4. Risk Reporting Phase, in which the results of ERM activities are reported both to Risk Owners and Top Management to provide the organisation with a comprehensive and transparent overview of the Company's risk profile and foster effective risk-based decision-making.

Unieuro defined and adopted an ERM process, identifying the related roles and responsibilities. Specifically, the ERM Governance structure provides guidance on communication, monitoring, and mitigation throughout all stages of the process.

In addition to the Sustainability and M&A Director – who plays a key role by providing input when identifying and assessing ESG risks, preliminarily validating the main risks identified during ERM activities and their related mitigation actions on an annual basis – the ERM Governance structure involves the participation of the following functions/bodies: (i) Board of Directors; (ii) Control and Risks Committee and Sustainability Committee; (iii) Chief Executive Officer; (iv) General Manager; (v) Chief Financial Officer; (vi) Sustainability and M&A Director; (vii) Risk Management & Internal Audit Function; (viii) Risk Owners.

In addition to assessing financial risks, the Group pays close attention to managing environmental, social, and governance (ESG) risks. This approach is based on the belief that an effective company process must incorporate these aspects, considering them to be enabling factors for achieving sustainable corporate success. This philosophy is grounded in compliance with strategic and sustainability objectives, acknowledging their link to and interdependence with the pursuit of lasting company performance over time.

In the 2023/24 reporting period, Unieuro strengthened and updated its Enterprise Risk Management process, with the explicit goal of also ensuring adequate coverage of new potential risks related to ESG aspects. This update reflects the Group's ongoing commitment to proactively identifying and managing emerging challenges in the corporate landscape, while promoting a culture of responsibility and transparency. Against this backdrop, the identified risks reported in the Risk Catalogue – listing all risks affecting the Company – were reviewed and classified according to "Risk Categories" (Legal & Compliance, Financial, Strategic, and Operational) and "Risk Types" (economic, operational, reputational, or ESG impact).[22]

Furthermore, ESG risks are environmental, social, or governance events or conditions that, if arising, could have an actual or potential negative impact on economic performance, in addition to the Group's financial position and situation. In light of this, in the 2023/24 reporting period, Unieuro conducted an initial qualitative review to identify ESG risks and their implications for the Company's performance. This exercise was conducted with a view to progressively aligning with the provisions of the CSRD and ESRSs – specifically related to double materiality from a financial perspective – through the adoption of an "outside-in" approach. See section "*1.3.1 – Materiality Analysis*" for further details on the initial alignment of ESG risks and sustainability topics.

The Group's Main ESG-related risks

In view of the activities carried out by Unieuro and the characteristics of its target market, the called ESG-related risks - i.e. those with an impact on environmental, social, or governance aspects - are outlined below.

ESG Risk	*Risk Category*	*Risk Type*	*Risk Description*
Environmental	Strategic	Climate change	Potential risks linked to the intensification of extreme weather events that may lead to physical damage to infrastructure and assets and disruptions in operational activities in the supply chain, the increased cost of certain types of raw materials, the introduction of stricter legislation and regulations related to climate change adaptation and mitigation, and possible changes in customer purchasing habits.
Environmental	Operating	Logistics	Risk linked to practices that are incorrect or do not comply with the practices and behaviours contractually defined by external partners (e.g. carriers, platform operators, etc.), which may lead to legal action and/or a termination of the relationship, resulting in potential damage to the Company's image and reputation
Environmental	Operating	Commodity management (energy)	Risk that a significant hike in energy prices, given the energy-intensive nature of stores, substantially raises store management costs and that the limited share of energy from renewable sources in the Group's total energy demand damages Unieuro's reputation among stakeholders
Environmental	Operating	Environment and pollution	Risk of improper management of office and store waste (e.g. printer toner, etc.), resulting in sanctions and reputational damage
Social	Strategic	Sustainable development and strategy	Risk of reduced sales owing to the limited supply of environmentally sustainable products, i.e. those with a limited impact on the environment
Social	Strategic	Sustainable development and strategy	Risk of developing a Sustainability Plan that does not align with stakeholder expectations and/or does not have the capacity required to realise the projects outlined in the Plan, with consequent damages to the Company's image and finances in light of the increasing focus on ESG topics

[22] *For a complete overview of the ERM update and the main risks, please refer to the section "Main risks and uncertainties to which the Group is exposed" in the 2023/24 Annual Report.*

ESG Risk	*Risk Category*	*Risk Type*	*Risk Description*
Social	Strategic	Brand reputation & External Communication	Risk linked to potential communications that do not align with the organisation's strategy
Social	Strategic	Stakeholders	Risk of not meeting stakeholders' expectations through the adoption of planned actions, resulting in financial and reputational damage
Social	Strategic	Human resources - Attraction & Retention	Risk of attraction and retention activities losing effectiveness, resulting in a shortage of individuals with the required skills in key roles necessary for business management
Social	Operating	Core/non-core purchases	Risk linked to a failure to consider ESG criteria when evaluating suppliers, with a potential negative impact on the Group's reputation and the execution of specific actions outlined in the Sustainability Plan
Social	Operating	Operations, Maintenance and Health & Safety	Risk linked to non-compliance with health and safety regulations concerning workplace conditions, which may result in sanctions; lack of action to prevent incidents and risks to the health and safety of workers, also due to poorly managed maintenance activities
Social	Operating	Operations, Maintenance and Health & Safety	Risk that the lack of energy optimisation at points of sale (e.g. installation of photovoltaic panels, more efficient air conditioning systems, LED lighting systems, etc.) results in increased management costs, emissions, and a failure to achieve the targets outlined in the Sustainability Plan
Social	Operating	Human Resources - Management and development	Risk that an ineffective strategy for replacing key resources creates a skills gap and operational disruptions when they leave the company
Social	Financial	Investor Relations	Risk that the leakage of inside and/or relevant information results in reputational damage, thereby damaging the Company's image
Social	*Legal & Compliance*	Complaints and disputes	Risk linked to potential future legal action taken against the Company and the partial tracking of open disputes at the store level
Social	*Legal & Compliance*	Diversity & Inclusion	Risk of workplace discrimination resulting in reputational damage, possible fines, and penalties
Governance and economic performance	Strategic	Governance and organisational structure	Risk of an ineffective governance model (including corporate bodies such as the Board of Directors, internal Board committees, the Board of Statutory Auditors, the Supervisory Board, etc.) preventing the organisation from effectively and efficiently managing its business operations and processes
Governance and economic performance	Strategic	Governance and organisational structure	Risk of an inflexible organisational structure that fails to adapt to new challenges and opportunities in an evolving market, thereby obstructing effective communication between the various levels of the organisation and the coordination of activities and business processes
Governance and economic performance	Strategic	Project Management	Risk that the pursuit of new projects may be difficult due to a lack of financial resources, operational challenges (including inadequate project governance), or delays in execution, potentially compromising the Company's business activities
Governance and economic performance	Operating	Planning, control and reporting	Risk that incomplete reporting does not accurately convey the adoption of ESG-related activities and/or provides an inaccurate overview of the level of corporate sustainability
Governance and economic performance	Financial	Liquidity	Risk that limited access to financial resources may create tension with consequent impacts on operations and economic-financial results
Governance and economic performance	Financial	Investor Relations	Risk that incorrect and/or incomplete communication of (financial and non-financial) results cause damage to Unieuro's image and finances

ESG Risk	*Risk Category*	*Risk Type*	*Risk Description*
Governance and economic performance	*Legal & Compliance*	Compliance with laws and regulations	Risks arising from a failure to meet the requirements required by laws and regulations (e.g. MAR - Market Abuse Regulation), decrees (e.g. Legislative Decree No. 231/01 and Legislative Decree No. 254/16), laws (e.g. Law No. 262/05)
Governance and economic performance	*Legal & Compliance*	Compliance with laws and regulations	Risk of being subjected to sanctions following unfair commercial practices
Governance and economic performance	*Legal & Compliance*	Compliance with internal policies and regulations	Risk of non-compliance with internal regulations (e.g. policies and procedures, Code of Conduct, etc.) that could lead to fines, sanctions, and legal proceedings, with a consequent reputational impact
Governance and economic performance	*Legal & Compliance*	Regulatory framework	Risk linked to potential sanctions and reputational damage due to non-compliance with changes to laws and regulations, with potential market share losses if the impacts of compliance on businesses are neglected

Environment

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

Unieuro's Code of Ethics promotes proper waste management in compliance with applicable legislation through selected suppliers, requiring the verification of permits, logs and third-party communications necessary for carrying out the relevant activities and guaranteeing the traceability of the process and supply chain. To guard against this risk, the Company also has a specific manual that defines roles, responsibilities and operating methods for:

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

Additional environmental risks include those arising from fluctuations in energy prices, reliance on non-renewable energy sources and risks associated with extreme weather events. Fluctuations in energy prices and reliance on non-renewable sources may affect operating costs and the Company's economic sustainability. Extreme weather events, such as storms, floods, and droughts, constitute another source of risk. These events may damage company buildings, disrupt supply chains, and result in financial losses due to the need for repairs or to cope with reduced sales. For more details, please refer to the "*Energy Consumption and Emissions*" section of this document. Climate-related risks are also discussed in the section entitled "*Main risks and uncertainties to which the Group is exposed*" in the *2023/24 Annual Financial Report*, to which reference should be made.

Customers

As a consumer goods retailer, the Group is exposed to the risk of proceedings brought for product conformity defects (legal warranty) under the provisions of the Consumer Code – Legislative Decree No. 205/2006 – or liability for contractual breaches arising from the sale of its products and/or services.

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

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

The distribution of products (purchased from suppliers) that are potentially harmful to health or not in line with European safety and/or product quality standards, even if governed by the framework supply agreements, could expose Unieuro to potential sanctions imposed by authorities or bodies (such as chambers of commerce) and to the risk of claims for compensation, or criminal or administrative proceedings, for damages caused by defects in the products sold. There may also be negative repercussions on the Group's reputation, with possible adverse effects on its equity and financial situation. Similarly, complaints of various kinds might lead to Unieuro being reported to consumer associations or the Italian Anti-trust Authority (AGCM).

The scope of customer service activities includes the management of products to be repaired/replaced. For this purpose, the Company provided operating instructions to points of sale and customer service operators. These instructions are tailored based on the product category and brand and refer to the management of product repairs, whether they fall under statutory warranty or extended warranty. This activity relates to requests from customers through physical (direct and indirect) and web channels.

Unieuro S.p.A.'s Code of Ethics not only promotes consumer relations based on full transparency concerning the products and services offered but also guarantees the Group's commitment to safeguarding its customers' safety and security. The high standing of the chosen suppliers and the stringent industry regulations currently applicable in Europe for the marketing of products (and in particular the RoHS Directive[23]) ensure the highest possible protection against such risks. For more details, please refer to the section "*Customer health and safety*".

The focus on customers, and specifically, their satisfaction levels, is reflected in the continuous monitoring of a Net Promoter Score, a key tool for defining appropriate strategies to address any critical situations encountered, as outlined in the "*Measuring the Net Promoter Score (NPS)*" section.

As the Company is active through online channels, there may be further potential risks linked to hacker attacks and the cloning of credit cards or customers' personal data, in addition to IT system malfunctions or outages. Unieuro S.p.A. is exposed to the risk of negative impacts on the perception of the quality of its e-commerce service following potential IT fraud by third parties. It is also exposed to the risk that personal data of customers or individuals with whom the Company has dealings may be damaged, misappropriated, lost, disclosed or processed for purposes other than those permitted.

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

In addition, in 2018 Unieuro began a process of continuous alignment with the General Data Protection Regulation (GDPR), including equipping itself with an organisational model on privacy to improve its management of risks linked to personal data processing. For more details on cyber security and privacy aspects, please refer to the section "*Security and Protection of Customer Data*" and the section "*Main risks and uncertainties to which the Group is exposed*" in the *2023/24 Annual Financial Report*.

Staff

Unieuro sees its staff as precious resources. The Group's results and success also depend on its ability to attract and retain qualified staff and individuals who hold key positions in the development of the business. On this point, the main risks linked to staff management relate to difficulties in finding resources with specific skills (e.g. IT and digital skills), loss of key resources

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

with possible negative (even temporary) effects on business operations and inadequate staff training.

To address these risks and highlight the important role played by its workforce, Unieuro launched and continues to introduce a series of initiatives, which seek – on the one hand – to strengthen the Company's appeal to potential candidates and – on the other hand – promote and support the professional growth and development of its employees, as detailed in Section "*3.1 Employees*". Specifically, to boost its appeal, Unieuro is forging key partnerships with universities and other institutions to proactively engage in the job market, especially during the sourcing phase. At the same time, various initiatives are underway to foster the growth and professional development of employees. Following the recent introduction of the corporate Leadership Model, the Human Resources Department is reviewing and updating its processes in line with the Company's strategic objectives. One of the initial developments includes the launch of a Development Center, involving Unieuro managers and creating new growth paths to further strengthen the management team's alignment with the model. This framework also encompasses the development of a Performance Management process, which seeks to guide individual performance to contribute to the achievement of Company objectives, alongside a series of training initiatives.

The centrality and importance of employees and their opinions are further underscored by Universus, the employee climate analysis programme, which is based on an employee Net Promoter Score (eNPS). This initiative seeks to monitor employee satisfaction levels on an annual basis and devise response strategies to any emerging critical situations, following a continuous improvement approach.

The Group is also very careful to respect the fundamental principles relating to human rights, which apply universally and are enshrined in the most significant international declarations and conventions.

In the Code of Ethics, Unieuro outlines its commitment to comply with a set of fundamental principles in relation to human resource management. Specifically, these include the principle of "equal opportunity and non-discrimination", which must be observed both when hiring employees and in ongoing employment relationships, ensuring fair and merit-based treatment. Unieuro is committed to complying with the National Collective Bargaining Agreement (CCNL) and applicable labour law in all staff management policies. In addition to the Code of Ethics, the Company has also formally laid down a Corporate Regulation with a view to sharing and disseminating Unieuro's values, principles and rules of conduct with all of its staff; it has also prepared a policy to protect victims of gender-based violence that is scheduled to come into effect this year.

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

To protect against the risk of work-related injuries and/or work-related ill health, Unieuro has adopted an Organisation, Management and Control Model pursuant to Legislative Decree No.

231/2001 and associated verification protocols, in compliance with Legislative Decree No. 81/2008. For more information, please refer to the section "*Well-being, health and safety*".

Supply chain

Unieuro markets a wide range of products supplied by a large number of third parties, which include leading global manufacturers of domestic appliances, IT equipment and consumer electronic goods. The Company's success also depends on its ability to maintain lasting business relationships with these suppliers and to jointly develop risk mitigation strategies. Otherwise, there could be impacts on the Company's reputation and operations, with possible negative repercussions for its equity and financial situation.

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

From a social perspective, supply chain risks mainly relate to non-compliance with relevant regulations and, in particular, risks of human rights violations (e.g. child labour, forced labour and freedom of association and bargaining).

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

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

To mitigate these risks, Unieuro has laid down a set of principles in the Code of Ethics that must be observed both by its employees when selecting new suppliers and by suppliers in their dealings with the Company. For more information, please refer to the "*selection and management of suppliers*" section of this document and the section entitled "*Main risks and uncertainties to which the Group is exposed*" in the *2023/24 Annual Financial Report*.

Governance and economic performance

Unieuro is exposed to a series of governance and compliance risks that can have negative impacts on the effectiveness of its operations and the continuity of its business. These include risks of failure to adapt to new laws and regulations that may lead to potential sanctions, reputational damage and loss of market shares. To mitigate such risks, Unieuro monitors regulatory developments through active dialogue with the Italian Association of Specialised Domestic Appliance Retailers, AIRES, and participation in EuroCommerce meetings on sustainability issues. Furthermore, it is supported by the Sustainability and M&A Management department and the Legal and Compliance department, which sends out targeted communications to all departments and functions impacted by recently or soon-to-be-introduced regulations.

As for the mitigation of liquidity risks, Unieuro uses internally developed predictive models and monthly Net Financial Position forecasts to identify potential criticalities in the short term.

With regard to the risk of corruption, the activities identified by the Group as potentially susceptible to acts of this nature are any relationships it may have with authorities and public officials regarding the opening of new points of sale, the organisation of promotional events or during tax and fiscal audits. Similarly, corruption could potentially originate during occupational health and safety inspections and in relation to personal data protection or proper waste disposal.

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

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

In addition, to incentivise workers to report instances of corruption, Unieuro has implemented a whistleblowing process, set out in a specific corporate policy (Whistleblowing Policy - updated in July 2023), providing stakeholders with tools for reporting unlawful conduct or violations of the 231 Model, the Code of Ethics, the Anti-Corruption Policy or, in general, any internal corporate rules adopted by the Company.

For more details, please refer to the sections entitled "*Organisation, Management and Control Model and corporate governance system*" and "*Combatting corruption*", in addition to the "*Main Risks and uncertainties to which the Group is exposed*" section in the *2023/24 Annual Financial Report*.

2.3. Economic-financial responsibility

2.3.1. Economic value generated and distributed

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

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

In 2023/24, the total economic value generated - i.e. the wealth created by the Group in carrying out its activities - was approximately Euro 2,674 million, down 7% on FY 2022/23. Of this, 96% (or approximately Euro 2,572 million, 8% less than in the previous year) was distributed to stakeholders, while the remaining 4% (or approximately Euro 102 million Euro, up 9% on FY 2022/23) was retained[24] within the Company. The reasons for to the increase in retained value mainly relate to the lower dividends paid in FY 2023/24 compared to the previous year.

Breakdown of the economic value generated and distributed by the Group[25]

Euro millions	29/02/2024	28/02/2023	28/02/2022
Economic value generated (A)	2,673.7	2,885.7	2,950.8
Year-on-year change	-7.3%	*-2.2%*	*9.9%*
Economic value distributed (B)	2,571.6	2,792.3	2,870.3
Year-on-year change	*-7.9%*	*-2.7%*	*13.1%*
- of which distributed to suppliers of goods and services	2,338.0	2,540.9	2,584.4
- of which distributed to employees	206.9	207.6	207.2
- of which distributed to shareholders	9.8	27.1	53.8
- of which distributed to lenders	10.5	10.5	11.1
- of which distributed to the Public Sector	6.1	5.9	13.5
- of which distributed to the community	0.3	0.3	0.3
Economic value retained (A-B)	102.1	93.4	80.5
Year-on-year change	*9.3%*	*15.9%*	*-45.9%*

[24] *Retained value consists of depreciation and amortisation, provisions for risks, and self-financing consisting of profits reinvested in the company.*

[25] *The data at February 29, 2024 refer to the same scope considered in the Annual Financial Report 2023/24, appropriately restated to also include the economic value generated and distributed by the subsidiary Monclick S.r.l. in liquidation. For more details regarding the financial performance of that company, please refer to Note 5.30 "Discontinued Operations" in the 2023/24 Annual Financial Report.*

2.3.2. Tax management

The Unieuro Group, in application of the general principles of transparency, fairness and truthfulness of information, applies Italian tax law (the only country in which the Group Companies are based) to ensure that the spirit and purpose of the rule or law is observed for the subject matter being interpreted. In cases where the tax regulations are not sufficiently clear or unambiguous in their meaning, the relevant tax unit pursues a reasonable interpretation of them, guided by the principles of legality and making use of the advice of outside professionals.

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

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

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

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

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

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

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

2.3.3. The European Taxonomy for Environmentally Sustainable Activities

Regulatory framework

In line with its 2018 Action Plan on Sustainable Finance, which established guidelines for sustainable capital flows, in 2020, the European Commission introduced the European Taxonomy for Sustainable Activities. This is a unique European-wide taxonomy system that defines a list of economic activities considered to be environmentally sustainable.

The taxonomy is an important step in the European Union's green transition, in increasing sustainable investments and in achieving the environmental objectives of:

1. Climate change mitigation

2. Climate change adaptation

3. Sustainable use and protection of water and marine resources

4. Transition to a circular economy

5. Pollution prevention and control

6. Protection and restoration of biodiversity and ecosystems

According to the taxonomy, an economic activity can be considered environmentally sustainable if it: (i) contributes substantially to the achievement of at least one of the aforementioned six objectives; (ii) has no significant detrimental impact on the other five, as per the 'Do No Significant Harm' (DNSH) principle; (iii) and complies with minimum social safeguards, based on international guidelines for the protection of human and labour rights. Finally, the activity must comply with the technical screening criteria set by the Commission.

The complex regulatory framework of the taxonomy is made up by a series of key regulations:

- EU Regulation 852/2020 established the Taxonomy for Sustainable Activities.

- EU Delegated Regulation 2021/2139 defined the list of eligible activities and criteria for the first two environmental objectives.

- EU Delegated Regulation 2022/2178 specified the content and presentation of information to be disclosed by companies subject to the obligation to prepare an annual Non-Financial Statement. These companies must report turnover, operating expenses (OPEX) and capital expenditure (CAPEX) for the portion of eligible economic activities aligned with the taxonomy, in compliance with the technical screening criteria, the DNSH principle and the minimum safeguard guarantees set by the European Commission.

- EU Delegated Regulation 2023/2486 established the list of eligible activities and criteria for the remaining four environmental objectives.

The taxonomy analysis process for the Unieuro Group

Based on the indications of Delegated Regulation 2021/2178, regarding the methods and obligations for the disclosure of information relating to the taxonomy, Unieuro has implemented a process divided up into several phases. This process has made it possible to verify the applicability of the taxonomy for all the consolidated companies of the Group, regarding the six environmental objectives of Delegated Regulations 2021/2139 and 2023/2486 (the "Delegated Regulations"), the list of activities that significantly contribute to these objectives, and the technical screening criteria and the DNSH principle that such activities must meet in order to be classified as environmentally sustainable.

The full list of eligible activities was defined by the European Commission and the Platform on Sustainable Finance, considering the sectors of the Statistical Classification of Economic Activities in the European Community (NACE - *Nomenclature generale des Activites economiques dans les Communautes Europeennes*) with the greatest Scope 1 emissions impact and strategic value for the energy transition.

From an analysis of the NACE codes, it was possible to confirm that Unieuro's main sector is not strictly connected to the activities mapped out by the Commission. However, in order to conduct as thorough and comprehensive an assessment as possible, Unieuro conducted an analysis of its business activities, assessing consistency with the descriptions in the Delegated Regulations in relation to its business activities and activities related to corporate operations.

We note that the activities mapped and reported below are not, for the most part, directly related to Unieuro's core business, but rather secondary activities related to the day-to-day management of operations and energy efficiency of its buildings (mainly sales points) and corporate assets. As part of this analysis, Unieuro identified and updated the previous year's list with six eligible activities relating to the climate change mitigation objective, and three eligible activities relating to the transition to a circular economy objective.

	Activities relating to the EU Taxonomy	Target	Legal Entity	Unieuro eligible activities
4.1	Electricity generation using solar photovoltaic technology	Climate change mitigation	Unieuro S.p.A.	Investment and maintenance of the photovoltaic plant at Muratella
				Colleferro photovoltaic plant (3 MW)
6.4	Operation of personal mobility devices, cycle logistics	Climate change mitigation	Unieuro S.p.A.	Sale of bicycles, electric scooters and cargo bicycles
7.3	Installation, maintenance and repair of energy efficiency equipment	Climate change mitigation	Unieuro S.p.A.	Project Green: replacement of obsolete lighting with LED systems
			Covercare S.p.A.	Replacement of air conditioning with high efficiency systems (including in stores)
7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Climate change mitigation	Unieuro S.p.A.	Expansion of building automation system installations in stores
7.6	Installation, maintenance and repair of renewable energy technologies	Climate change mitigation	Unieuro S.p.A.	Installation of air conditioners with heat pump
			Covercare S.p.A.	Installation of heat pumps for third parties (consumers)
				Installation of photovoltaic panels for third parties (consumers and corporate customers)
8.1	Data processing, hosting and related activities	Climate change mitigation	Unieuro S.p.A.	Investment and maintenance activities related to data centres
5.1	Repair, refurbishing and remanufacturing	Transition to a circular economy	Covercare S.p.A.	Repair of accidental damage to electronics products (smartphones and tablets, and to a lesser extent PCs and domestic appliances)
5.4	Sale of second-hand goods	Transition to a circular economy	Covercare S.p.A.	Sale of smartphones and tablets used in the telecommunications sector
5.5	Product-as-a-service and other circular use- and result-oriented service models	Transition to a circular economy	Covercare S.p.A.	Operational leasing for the telecommunications sector (smartphones and tablets)

Alignment assessment

In assessing the alignment of these activities, the Group took into consideration all the regulatory components that must be respected, with particular reference to:

- Technical screening criteria and DNSH

  Having drawn up the preliminary list of eligible activities, dedicated meetings were held to analyse them and evaluate their compliance with the technical screening criteria and Do No Significant Harm (DNSH) principle. The aim of this part of the process was to ensure that the activities considered eligible provided a substantial contribution to one of the environmental objectives, while avoiding significant detrimental impact to the others. For this purpose, specific assessment checklists were created and used in meetings with all the functions involved. Using this approach, it was possible to identify elements of Unieuro's activities satisfying the requirements of the legislation and contributing to the achievement of the chosen environmental objective.

Regarding the DNSH principle relating to climate change adaptation, a preliminary assessment by Unieuro did not identify significant extreme climate event risks in relation to the nature of its eligible activities. However, to date, a structured and quantitative analysis compliant with the regulatory requirements has not been conducted. Therefore, all the activities considered eligible have not yet undergone a detailed assessment to determine full alignment with the established criteria.

- Minimum safeguards

The purpose of these criteria concerns the social aspects related to the implementation of the activity, such as respect for human and workers' rights. Accordingly, it is necessary to verify the Organisation's adherence to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the eight core conventions of the International Labour Organization (ILO), and the International Bill of Human Rights. Unieuro evaluated its economic activities in light of these guidelines and principles[26], also considering the guidance provided by the Platform on Sustainable Finance[27].

The Company has taken steps to formalise attention to and protection of human and workers' rights throughout the supply chain. To complement already active monitoring tools such as the Code of Ethics, Unieuro is preparing the integration of sustainability analyses, in addition to economic and financial analyses, into the assessment of new and renewing suppliers.

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

Therefore, according to the conducted analysis, it appears that, at the moment, none of the activities examined can be considered aligned with the European Union taxonomy.

Accounting standards

For the correct interpretation of the results of this analysis, note that the data for Turnover, OpEx and CapEx eligible for the taxonomy refer only to the eligible part relating to the climate change mitigation and transition to a circular economy objectives.

[26] *As per Article 18, Reg. (EU) 2020/852*

[27] *Platform on Sustainable Finance, October 2022, Final Report on Minimum Safeguards.*

The analysis carried out on the economic data relating to the taxonomy was based on the following considerations:

- The numerator was quantified by identifying the Unieuro Group's activities attributable to the list of economic activities included in the Delegated Regulations. The amounts relating to Turnover, CapEx and OpEx were allocated to the eligible activities according to the data present in the Group's accounting systems.

- The denominator of the KPIs was determined in a manner consistent with the numerator, but refers to the scope of the total economic activities of the consolidated Group, excluding intragroup relations.

Turnover

The portion of eligible aligned and non-aligned Turnover, as per Article 8, Paragraph 2(a) of European Regulation 852/2020, corresponds to the portion of consolidated net revenues generated by the sale of tangible or intangible products or services, associated with economic activities eligible for the taxonomy over the total net revenues as indicated in the item "Revenues" of the consolidated income statement for the year ended February 29, 2024, in accordance with IAS 1.82(a) accounting standards.

CapEx

The portion of eligible aligned and non-aligned CapEx, as per Article 8, Paragraph 2(b) of European Regulation 852/2020, is calculated as the portion of capital expenditure associated with eligible activities and defined by the criteria referred to in Point 1.1.2.2 of Delegated Regulation 2021/2178 over the total CapEx indicated in the Group's consolidated financial statements and defined by the criteria referred to in Point 1.1.2.1 of Delegated Regulation 2021/2178. In defining the denominator of the CapEx KPI, increases to tangible and intangible assets during the year considered before depreciation, depletion, and any revaluation, including those resulting from restatements and reductions in value, were included for the year in question, and changes in fair value were excluded.

OpEx

The portion of eligible OpEx, as per Article 8, Paragraph 2(b) of European Regulation 852/2020, is calculated as the portion of non-capitalised expenses associated with eligible activities and defined by the criteria referred to in Point 1.1.3.2 of Delegated Regulation 2021/2178 over the total OpEx indicated in the Group's consolidated financial statements and defined by the criteria referred to in Point 1.1.3.1 of Delegated Regulation 2021/2178. In defining the denominator of the OpEx KPI, non-capitalised direct costs associated with maintenance, repair, and rental fees, and any other direct expenses related to consulting and day-to-day maintenance of property and facilities necessary to ensure the continuous and effective operation of these assets were included.

Results related to the KPIs

KPIs are calculated consistent with the accounting criteria defined in Annex I of Delegated Regulation (EU) 2021/2178. The following table summarises the indicators relating to the activities eligible for the six environmental objectives[28].

KPIs related to EU Regulation 852/2020	Ineligible	Eligible - not aligned	Eligible and aligned
2023/24 turnover	99.3%	0.7%	0.0%
CapEx 2023/24	77.5%	22.5%	0.0%
OpEx 2023/24	88.2%	11.8%	0.0%

[28] *More details in the attached tables as required by the Regulation.*

ATTACHMENTS

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

TURNOVER

2023/24 financial year				Substantial contribution criteria						DNSH criteria (Does not significantly harm)									
Economic activity (1)	Code (2)	Turnover (3) €	Proportion of Turnover (4) %	Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N	Proportion of Turnover aligned (A.1.) or Taxonomy-eligible (A.2.), year N -1 (18) %	Category (e.g. enabling activities) (19) E	Category (transitional activity) (20) T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned)		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%							Y	0.0%		
of which enabling		-	0.0%														0.0%		
of which transitional		-	0.0%														0.0%		
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)																			
Operation of personal mobility devices, cycle logistics	CCM 6.4	16,271,018	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	2,818,355	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Repair, refurbishing and remanufacturing	CE 5.1	77,024	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.0%		
Sale of second-hand goods	CE 5.4	43,113	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.0%		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	186,322	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.0%		
Turnover from activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)		19,395,831	0,7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%								0.4%		
Total Turnover of Taxonomy-eligible activities (A1 + A2)		19,395,831	0,7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%								0.4%		
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities		2,615,538,169	99.3%																
TOTAL		2,634,934,000	100.0%																

CAPEX

2023/24 financial year				Substantial contribution criteria						DNSH criteri (Does not significantly harm)									
Economic activity (1)	Code (2)	CapEx (3) €	Proportion of CapEx (4) %	Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N	Proportion of CapEx aligned (A.1.) or Taxonomy-eligible (A.2.), year N -1 (18) %	Category (e.g. enabling activities) (19) E	Category (transitional activity) (20) T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned)		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%							Y	0.0%		
of which enabling		-	0.0%														0.0%		
of which transitional		-	0.0%														0.0%		
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy))																			
Electricity generation using solar photovoltaic technology	CCM 4.1	247,800	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	3,342,403	7.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.1%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1,634,311	3.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.3%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	3,305,603	7.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Data processing, hosting and related activities	CCM 8.1	965,000	2.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
CapEx from activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)		9,495,117	22,5%	22.5%	0.0%	0.0%	0.0%	0.0%	0.0%								8.3%		
Total CapEx of Taxonomy-eligible activities (A1 + A2)		9,495,117	22,5%	22.5%	0.0%	0.0%	0.0%	0.0%	0.0%								8.3%		
B. Taxonomy-non-eligible activities																			
CapEx of Taxonomy-non-eligible activities		32,695,883	77.5%																
TOTAL		42,191,000	100.0%																

OPEX

2023/24 financial year				Substantial contribution criteria						DNSH criteria (Does not significantly harm)									
Economic activity (1)	Code (2)	OpEx (3) €	Proportion of OpEx (4) %	Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N	Proportion of OpEx aligned (A.1.) or Taxonomy-eligible (A.2.), year N -1 (18) %	Category (e.g. enabling activities) (19) E	Category (transitional activity) (20) T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned)		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%							Y	0.0%		
of which enabling		-	0.0%														0.0%		
of which transitional		-	0.0%														0.0%		
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	4,500	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	2,708,629	6.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Data processing, hosting and related activities	CCM 8.1	2,450,058	5.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	180,138	0.4%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.4%		
OpEx from activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)		5,343,324	11,8%	11%	0.0%	0.0%	0.0%	0.0%	0.0%								0.4%		
Total OpEx of Taxonomy-eligible activities (A1 + A2)		5,343,324	11,8%	11%	0.0%	0.0%	0.0%	0.0%	0.0%								0.4%		
B. Taxonomy-non-eligible activities																			
OpEx of Taxonomy-non-eligible activities		40,035,676	88.2%																
TOTAL		45,379,000	100.0%																

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

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

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

3. SOCIAL PERFORMANCE

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH

Unieuro continues to refine the **UnieVersus** project, developed with the aim of monitoring employee satisfaction levels

14th edition of the Academy, in-person, with **11 days and 86 hours** of training

47% Female presence within the Groupt

In 2023, Unieuro set up a **Leadership Model and initiated a change management process**

3.1. Employees

3.1.1. Breakdown of personnel

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

The Leadership Model and evolution of the HR Department

The definition of the new strategy led the Company to reflect on the skills required to effectively adopt it, thereby leading to the definition of a Leadership Model, from which company leaders can draw inspiration on a daily basis, and which is designed to promote personal and professional development. In concrete terms, this model identifies behaviours and skills required of managers that, consistent with corporate values, support the achievement of the company's strategic goals, the driving of change and the development of personnel.

However, the definition of this model does not represent a destination, but an important starting point. For the Leadership Model to be effective, it must thoroughly permeate the corporate culture and be integrated into the main processes guiding the management of Human Resources (including, primarily, the Selection, Performance Management, Training, Development, and Potential Identification processes).

In parallel and in line with the "Beyond Omni-Journey" Strategic Plan, the Human Resources (HR) department initiated a transition from a service-orientated role to functioning as a collaborative partner. The desire to help adopt this strategy and act as a partner to other business function led the HR department to initiate a series of strategic projects that will be developed in the medium to long term, in line with the Leadership Model and Company's priorities.

Working in the Unieuro Group

Unieuro has a dynamic and stimulating work environment, in which each employee is placed in the best conditions to contribute in the most effective way to the achievement of company objectives.

In order to improve the well-being and work experience of its workforce, starting in 2022, Unieuro has developed a strategic program to listen to and monitor the level of satisfaction of its employees[29]: the "UniVersus" project. The company climate is therefore measured once a year by the calculation of an Employee Net Promoter Score (eNPS), based on a methodology similar to that used to calculate the Net Promoter Score (NPS) for customers. The UniVersus project involves the continuous revision of the eNPS questionnaire, in order to make it consistent with the company culture and context. This review process fosters major synergies with internal reference models, including, by way of example, the Leadership Model. The survey involves the entire company population and addresses a series of fundamental topics, including the working environment, recognition and remuneration, interpersonal relationships, knowledge of the organisation and its values, change management, and the effectiveness of communications.

Unieuro has set itself the ambition and goal of creating a work experience that is truly people-friendly, allowing flexibility in work arrangements, spaces, and hours, thus fostering a better work-life balance.

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

As far as Covercare S.p.A. is concerned, the agreement gives internal staff the right to work from home up to two days a month. Following the acquisition, an alignment process is currently underway with the provisions of the parent company.

Also with a view to improving the working experience of its employees, during the 2022/21 financial year, the Forlì headquarters was completely rethought, with the offices moved to Palazzo Hercolani in the city centre, conceiving the office as a place for collaboration, sociability and support for the corporate culture. This strategy has thus promoted employee well-being both inside the office and outside, enhancing the ability to attract new talent, retain current staff and stimulate a sense of belonging. Similar reflections were also applied at the Company's Milan office on Via Marghera, which was opened during the same financial year. The office spaces are designed to foster

[29] *The programme is currently applied at Unieuro S.p.A., and Monclick S.r.l. in liquidation.*

maximum interaction and social engagement, leveraging technology to serve people: from workstations and meeting rooms that can be booked from home via an app, to ergonomic seating, sensors that signal when plants need watering, a kitchen with a large dining table, and relaxation areas – all while prioritising environmental sustainability (the building holds LEED Platinum certification).

The success and broad adoption of the Benefit Hub portal, launched to provide access to various discounts on different types of products and services (clothing, technology, leisure, etc.), from which all Unieuro employees and their families can benefit, continues.

The dissemination of a real shared culture is promoted by the Code of Ethics, addressed to all employees and approved by the Board of Directors, in which the Group enshrines the principles of equal opportunity and non-discrimination, worker health and safety, prevention of corruption risk and conflicts of interest, fair remuneration policies, and, finally, the centrality of employee orientation to the customer. All personnel management policies are also defined in strict compliance with the applicable national collective bargaining agreements and applicable labour regulations.

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

INDIVIDUAL SMART WORKING AGREEMENT FOR AFFECTED EMPLOYEES MADE PERMANENT

In FY 2023/2024, the smartworking regulation in force for central office employees was made definitive, and applicable for an indefinite period. The experience proved to be positive, demonstrating that the new work organisation can be perfectly integrated with the company's professionalism and work needs. Smart working has also helped promote goal-oriented work and empower each employee by leveraging trust and stimulating collaboration and communication among colleagues.

BENEFIT HUB: COMPANY WELFARE

Benefit Hub is a platform that allows employees to take advantage of discounts and promotions on numerous brands in different categories on a national and local basis.

THE CHALLENGES OF INTERNAL COMMUNICATION

FY 2023/24 saw the consolidation of the Internal Communication function, tasked with the consistent and timely distribution of updates and news, both internally and externally, to all employees.

The Internal Communications team is increasingly shaping itself up to be a strategic partner to other corporate functions, and, in FY 2023/24, contributed significantly to the dissemination of the company strategy. The teams intends to continue along this path by increasingly encouraging and supporting change management and the strategic evolution of the Company.

During the year, in addition to routine communication activities such as the monthly "Unieuro News" newsletter and the internal SharePoint communication space, new formats and initiatives were introduced to offer a wider range of content. This will see further development in terms of format and content in FY 2024/25.
One of the key projects in FY 2023/24 was the design of the new Digital Workplace, which engaged over 100 personnel in interviews, workshops and surveys to gather needs and perceptions and build a digital architecture that is truly responsive to the needs of the organisation. The project will enter its final development and implementation phase in FY 2024/25.
One of the most important communication formats launched in FY 2023/24 was podcasts, put together to increasingly strengthen the sense of community and bring the different areas of the company closer together. The podcast "Un caffè con..." (A coffee with...), launched in FY 2023/24, interweaves personal and corporate stories through employee interviews conducted by an external journalist. The podcasts were accompanied by other new formats, including video interviews to provide thematic insights, coordinated by an external moderator, and involving various company stakeholders. Thanks to the strengthening of relations within the editorial committee and the strong engagement of individual content owners, several live meetings dedicated to sharing and in-depth analysis of the company strategy were also organised in the 2023/24 financial year, involving the majority of personnel.

As of February 29, 2024, the Unieuro Group's workforce comprises 5,351 staff (47% female), down on the previous year[30]. Most employees (87%) are employed on permanent contracts, resulting in operational efficiency benefits stemming from the presence of qualified staff and long-lasting relationships over time. Furthermore, 60% of staff are on full-time contracts. Finally, the Group contracts 50 non-employee workers, divided up into interns (58%), temporary workers (22%), and self-employed workers (20%). All employees are covered by collective bargaining agreements.

[30] *The shift in workforce composition reflects the effects of the liquidation of Monclick S.r.l. in November 2023, leading to a decrease of 23 individuals.*

Number of employees by contract type and geographical area[31]

Employees	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Fixed-term	No.	403	294	697	567	444	1,011	639	546	1,185
%		58%	42%	13%	*56%*	*44%*	*18%*	*54%*	*46%*	***20%***
North		294	210	504	391	293	684	400	352	752
Centre		81	67	148	118	102	220	159	140	299
South and islands		28	17	45	58	49	107	80	54	134
Permanent		2,435	2,219	4,654	2,455	2,229	4,684	2,405	2,194	4,599
%		*52%*	*48%*	*87%*	*52%*	*48%*	*82%*	*52%*	*48%*	***80%***
North		1,366	1,369	2,735	1,359	1,367	2,726	1,359	1,355	2,714
Centre		577	547	1,124	605	555	1,160	578	542	1,120
South and islands		492	303	795	491	307	798	468	297	765
Total		2,838	2,513	5,351	3,022	2,673	5,695	3,044	2,740	5,784
%		*53%*	*47%*	*100%*	*53%*	*47%*	*100%*	*53%*	*47%*	*100%*
Year-on-year change		-6%	-6%	-6%	-1%	-1%	-1%	-	-	-

Employees by employment type, region and gender at 29/02/2024[32]

Employees	unit	Full-time employees				Part-time employees			
		Male	Female	Total	%	Male	Female	Total	%
North	No.	1,236	739	1,975	37%	424	840	1,264	*24%*
Centre		488	262	750	14%	170	352	522	*10%*
South and islands		359	114	473	9%	161	206	367	*7%*
Total		2,083	1,115	3,198	60%	755	1,398	2,153	***40%***

[31] *The breakdown by geographical areas is distributed as follows:*
North: Aosta Valley, Piedmont, Lombardy, Trentino-Alto-Adige, Friuli-Venezia-Giulia, Veneto, Emilia-Romagna, Liguria;
Centre: Tuscany, Abruzzo, Marche, Umbria, Molise, Lazio;
South and islands: Sardinia, Campania, Apulia, Basilicata, Calabria, Sicily.

[32] *There are no employees with non-guaranteed working hours in the three-year period considered.*

Employees by employment type and gender

Employees	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time employees	No.	2,083	1,115	3,198	2,119	1,139	3,258	2,152	1,210	3,362
%		65%	35%	60%	*65%*	*35%*	*57%*	*64%*	*36%*	*58%*
% of total (gender)		73%	44%	-	*70%*	*43%*	-	*71%*	*44%*	-
% of total (headcount)		39%	21%	-	*37%*	*20%*	-	*37%*	*21%*	-
Part-time employees		755	1,398	2,153	903	1,534	2,437	892	1,530	2,422
%		35%	65%	40%	*37%*	*63%*	*43%*	*37%*	*63%*	*42%*
% of total (gender)		27%	56%	-	*30%*	*57%*	-	*29%*	*56%*	-
% of total (headcount)		14%	26%	-	*16%*	*27%*	-	*15%*	*26%*	-
Total		2,838	2,513	5,351	3,022	2,673	5,695	3,044	2,740	5,784
%		53%	47%	100%	*53%*	*47%*	*100%*	*53%*	*47%*	*100%*
Year-on-year change		-6%	-6%	-6%	*-1%*	*-1%*	*-1%*	-	-	-

Employee breakdown by region and gender

Employees	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Aosta Valley	No.	5	11	16	8	10	18	7	11	18
Lombardy	No.	552	471	1,023	562	479	1,041	549	483	1,032
Piedmont	No.	226	277	503	237	296	533	249	289	538
Trentino-Alto Adige	No.	21	16	37	23	18	41	24	18	42
Veneto	No.	280	239	519	321	256	577	309	279	588
Friuli-Venezia Giulia	No.	57	52	109	63	58	121	65	67	132
Liguria	No.	117	126	243	128	146	274	133	153	286
Emilia-Romagna	No.	402	387	789	408	397	805	423	407	830
Tuscany	No.	98	111	209	100	114	214	102	120	222
Abruzzo	No.	27	29	56	28	30	58	26	31	57
Marche	No.	110	98	208	113	106	219	120	107	227
Umbria	No.	25	26	51	28	27	55	19	19	38
Molise	No.	23	17	40	25	16	41	27	15	42
Lazio	No.	375	333	708	429	364	793	443	390	833
Sardinia	No.	57	63	120	61	68	129	68	67	135
Campania	No.	35	17	52	35	19	54	38	22	60
Apulia	No.	93	49	142	86	49	135	86	48	134
Basilicata	No.	37	21	58	37	23	60	36	22	58
Calabria	No.	12	14	26	9	14	23	8	14	22
Sicily	No.	286	156	442	321	183	504	312	178	490
Total	No.	2,838	2,513	5,351	3,022	2,673	5,695	3,044	2,740	5,784
Year-on-year change		-6%	-6%	-6%	*-1%*	*-1%*	*-1%*	-	-	-

Workers who are not employees by contract type, gender and region[33]

Workers who are not employees	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Interns and trainees	No.	17	12	29	38	37	75	66	44	110
North		11	11	22	26	31	57	49	39	88
Centre		5	1	6	11	6	17	13	4	17
South and islands		1	-	1	1	-	1	4	1	5
Temporary staff		4	7	11	6	8	14	7	17	24
North		4	7	11	6	8	14	7	17	24
Centre		-	-	-	-	-	-	-	-	-
South and islands		-	-	-	-	-	-	-	-	-
Self-employed workers		10	-	10	-	-	-	-	-	-
North		10	-	10	-	-	-	-	-	-
Centre		-	-	-	-	-	-	-	-	-
South and islands		-	-	-	-	-	-	-	-	-
Total		31	19	50	44	45	89	73	61	134
Year-on-year change		-30%	-58%	-44%	-40%	-27%	-34%	-	-	-

3.1.2. Diversity, equal opportunities and respect for human rights

For Unieuro, diversity is a true value. As such, the Company is constantly committed to ensuring that it is respected, starting from the first point of contact with people, i.e. the selection process, ensuring that there is no room for discrimination on the grounds of race, sex, nationality, sexual orientation, social status, physical appearance, religion, or political orientation.

The Company continues to promote initiatives to define goals, metrics, and actions to achieve ever-greater gender equality within the corporate organisation. This commitment reflects a deep belief that diversity and inclusion are fundamental values and ingredients for competitive success.

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

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

[33] *Workers who are not employees chiefly comprise: trainees, mainly employed at the point of sale, assisting store staff in sales and customer service activities; temps, employed in offices, performing clerical work; temps: staffing agency.*

and avoiding any kind of discrimination. In specific cases, such as the selection of managerial or executive profiles, Unieuro may use specialised companies to speed up the selection and ensure the best search for potential candidates on the market.

Unieuro's commitment to respecting diversity and equal opportunity does not end at the selection stage, but is reaffirmed at every stage of its relationship with its employees, also adopting criteria based on merit and competence in remuneration policies. As indicated within the Code of Ethics, the physical and moral integrity of employees is considered a primary value for the Group, which seeks to guarantee its employees the right to working conditions that always respect the dignity of the individual. In addition, a policy to protect victims of gender violence will be officially adopted by May 2024. The Company strongly condemns all forms of physical, sexual and psychological harassment, including persecutory acts, and seeks to promote a corporate culture that is based on mutual respect and equal dignity among all workers, regardless of gender, sexual orientation or identity.

In the reporting year, Unieuro also formalised its membership of Valore D, a business association that helps organisations promote inclusion as a competitive factor for growth. To promote a structured and measurable approach to the topic of inclusion, and to monitor the most relevant indicators over time, Valore D provides the digital self-assessment tool Inclusion Impact Index Plus, which facilitates companies in mapping and measuring their own maturity levels in diversity, equality and inclusion policies. Unieuro decided to seize this important opportunity by surveying a sample of approximately 300 companies, seeking to gauge its stance on Diversity & Inclusion (D&I) topics.

The questionnaire results were internally analysed, reflected upon, and discussed by the internal Board committees. The goal was to identify areas for improvement and actions to enhance the effectiveness of D&I policies further. The results confirmed the adequacy of current internal selection and development policies, demonstrating that particular attention and sensitivity is dedicated to the topic of diversity.

Confirming the Unieuro Group's commitment to equal opportunities, the largest professional category in the Group is white-collar workers, who represent 97% of the total, down 7% on the previous reporting year. The other categories are managers (2% of the total), executives (about 1% of the total), and finally, blue-collar workers (about 1% of the total). The latter saw a substantial increase compared to the previous financial year (54 more workers) resulting from Covercare S.p.A.'s entry into the Group. Furthermore, the age group comprising the largest number of employees is 30 to 50 years old (64%) for both female and male staff.

Employees by gender and professional category

Employees	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives	No.	35	6	41	30	5	35	28	2	30
%		85%	15%	1%	*86%*	*14%*	*1%*	*93%*	*7%*	*1%*
Managers		61	28	89	52	26	78	53	23	76
%		69%	31%	2%	*67%*	*33%*	*1%*	*70%*	*30%*	*1%*
White-collar		2,696	2,470	5,166	2,940	2,641	5,581	2,963	2,714	5,677
%		52%	48%	97%	*53%*	*47%*	*98%*	*52%*	*48%*	*98%*
Blue-collar		46	9	55	-	1	1	-	1	1
%		84%	16%	1%	*0%*	*100%*	*0%*	*0%*	*100%*	*0%*
Total		2,838	2,513	5,351	3,022	2,673	5,695	3,044	2,740	5,784
%		53%	47%	100%	*53%*	*47%*	*100%*	*53%*	*47%*	*100%*

Employees by age group, gender, and professional category

Employees	unit	29/02/2024				28/02/2023				28/02/2022			
		below 30 years of age	between 30 and 50 years of age	over 50 years of age	Total	below 30 years of age	between 30 and 50 years of age	over 50 years of age	Total	below 30 years of age	between 30 and 50 years of age	over 50 years of age	Total
Executives	No.	-	14	27	41	-	10	18	28	-	11	19	30
%		-	34%	66%	100%	-	36%	*64%*	100%	-	37%	*63%*	100%
Managers		-	57	32	89	-	50	28	78	-	50	26	76
%		-	64%	36%	100%	-	64%	*36%*	100%	-	66%	*34%*	100%
White-collar		727	3,307	1,132	5,166	956	3,483	1,142	5,581	851	3,829	997	5,677
%		14%	64%	36%	100%	17%	62%	*20%*	100%	15%	67%	*17%*	100%
Blue-collar		19	32	4	55	-	-	1	1	-	-	1	1
%		35%	58%	7%	100%	-	-	*100%*	100%	-	-	*100%*	100%
Total		746	3,410	1,195	5,351	956	3,549	1,190	5,695	851	3,890	1,043	5,784
%		14%	64%	22%	100%	17%	62%	*21%*	100%	15%	67%	*18%*	100%

We also note that the percentage of senior managers working and residing in the local community hired in FY 2023/24 is 100%, in line with the previous year.

Proportion of senior management hired from the local community[34]

	unit	29/02/2024	28/02/2023	28/02/2022
Percentage of senior managers	%	100%	100%	75%
Year-on-year change	%	-	25%	-

During the last fiscal year, 1,249 employees were recruited, 41% of whom were women, the majority of whom were in the under-30 age group (around 64%). 1,694 resources left the company, again the majority of whom in the under-30 age group (around 54%). The difference between incoming and outgoing employees can mainly be attributed to the liquidation of Monclick S.r.l. and the closure of some sales points.

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

New hires by age group, gender, and geographical area[35]

Number of new hires	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
North	No.	533	376	909	629	454	1,083	469	361	830
%		59%	41%	73%	*58%*	*42%*	*69%*	*57%*	*43%*	*61%*
below 30 years of age		378	241	619	457	257	714	340	230	570
between 30 and 50 years of age		130	119	249	154	174	328	118	121	239
over 50 years of age		25	16	41	18	23	41	11	10	21
Centre		155	113	268	190	142	332	191	162	353
%		58%	42%	21%	*57%*	*43%*	*21%*	*54%*	*46%*	*26%*
below 30 years of age		92	59	151	134	83	217	129	95	224
between 30 and 50 years of age		58	50	108	55	56	111	56	59	115
over 50 years of age		5	4	9	1	3	4	6	8	14
South and islands		45	27	72	83	66	149	113	64	177
%		63%	38%	6%	*56%*	*44%*	*10%*	*64%*	*36%*	*13%*
below 30 years of age		19	10	29	34	24	58	27	27	54
between 30 and 50 years of age		21	16	37	47	40	87	77	34	111
over 50 years of age		5	1	6	2	2	4	9	3	12
Total		733	516	1,249	902	662	1,564	773	587	1,360
%		59%	41%	100%	*58%*	*42%*	*100%*	*57%*	*43%*	*100%*
below 30 years of age		489	310	799	625	364	989	496	352	848
between 30 and 50 years of age		209	185	394	256	270	526	251	214	465
over 50 years of age		35	21	56	21	28	49	26	21	47

[35] *The tables displaying hired and departing employees do not account for intercompany transfers, so there may be some geographical discrepancies.*

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

Employees leaving the company	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
North	No.	688	495	1,183	636	499	1,135	417	341	758
%		58%	42%	70%	*56%*	*44%*	*68%*	*55%*	*45%*	*69%*
below 30 years of age		428	260	688	386	248	634	240	173	413
between 30 and 50 years of age		212	189	401	221	222	443	156	147	303
over 50 years of age		48	46	94	29	29	58	21	21	42
Centre		220	157	377	204	164	368	127	103	230
%		58%	42%	22%	*55%*	*45%*	*22%*	*55%*	*45%*	*21%*
below 30 years of age		112	75	187	119	79	198	82	62	144
between 30 and 50 years of age		104	73	177	80	78	158	42	36	78
over 50 years of age		4	9	13	5	7	12	3	5	8
South and islands		71	63	134	103	67	170	64	53	117
%		53%	47%	8%	*61%*	*39%*	*10%*	*55%*	*45%*	*11%*
below 30 years of age		28	20	48	25	23	48	20	13	33
between 30 and 50 years of age		42	39	81	70	39	109	38	36	74
over 50 years of age		1	4	5	8	5	13	6	4	10
Total		979	715	1,694	943	730	1,673	608	497	1,105
%		58%	42%	100%	*56%*	*44%*	*100%*	*55%*	*45%*	*100%*
below 30 years of age		568	355	923	530	350	880	342	248	590
between 30 and 50 years of age		358	301	659	371	339	710	236	219	455
over 50 years of age		53	59	112	42	41	83	30	30	60

The incoming turnover rate shows a decrease on FY 2022/23[36] from 27.6% to 23.3%. Specifically, the incoming turnover rate, broken down by geographical area, is 17% for the north, 5% for the centre, and 1% for the south and the islands; with reference to the breakdown by age group, it is 15% for the under-30 category, 7% for the 30-50 category, and 1% for the over-50 category.

The outgoing turnover rate, on the other hand, increased compared to the 2022/23 financial year, reaching 31.7% compared to the previous 29.4%. Specifically, the outgoing turnover rate, broken down by geographical area, is 22% for the north, 7% for the centre, and 3% for the south and the islands; with reference to the breakdown by age group, it is 17% for the under-30 category, 12% for the 30-50 category, and 2% for the over-50 category.

[36] *We note that data was restated for the 2022/23 financial year, following monitoring improvements. Specifically, staffing agency workers were not included in the turnover rate.*

Turnover rate[37]

Turnover rate	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Incoming turnover rate	%	25.8	20.5	**23.3**	30.0	24.9	**27.6**	25.4	21.4	**23.5**
Outgoing turnover rate	%	34.5	28.5	**31.7**	31.2	27.3	**29.4**	20.0	18.1	**19.1**

Unieuro's Remuneration Policy sees the involvement of the Shareholders' Meeting, the Board of Directors and the Remuneration and Appointments Committee, as per the regulatory framework and the principles of the Corporate Governance Code[38]. The remuneration of directors with special roles is set by the Board of Directors, having received the opinion of the Remuneration and Appointments Committee, and the Board of Statutory Auditors. The Shareholders' Meeting may also establish an overall amount for the remuneration of all Directors, including those with specific roles.[39]

The indicators referring to staff salaries should be read in conjunction with the composition of the corporate population, the high proportion of part-time contracts in the total number of female employees (corresponding to approximately 56%), and the lesser presence of women in the managerial population (executives and middle managers). Specifically, the table "*Gender ratio of average base salary to average remuneration by level*" shows a higher value for the male gender in both base salary and remuneration for the categories of blue-collar and white-collar workers. While in the executive and managerial categories, women receive higher base salaries and overall remuneration.

Compared to the previous year, there was a significant increase in the average remuneration ratio between men and women in executive and managerial roles, by 9 and 4 percentage points respectively. Additionally, there was a further increase in the base salary ratio for executives, amounting to 3 percentage points. This rise can be attributed to a 31% increase in the number of women in the category. Average remuneration between men and women and base salaries remained consistent with the previous years for white-collar workers.

Finally, unlike the previous year, it was possible to calculate the average remuneration ratio and base salary for the blue-collar category due to the increase in blue-collar workers following the acquisition of Covercare S.p.A.

[37] *The figure is calculated as the ratio of total new hires/departures to total employees in the reporting year. In counting hires, personnel acquired through corporate transactions were excluded.*

[38] *For more details, please refer to the "Report concerning the policy for remuneration and recompense paid" approved by the Board of Directors on May 19, 2023 and published on the corporate website.*

[39] *For more details on the Remuneration and Appointments Committee, please refer to the "Report concerning the policy for remuneration and recompense paid" approved by the Board of Directors on May 19, 2023 and published on the corporate website.*

Gender ratio of average base salary to average remuneration by level[40]

Employees by level	unit	29/02/2024		28/02/2023	
		Base salary	Average remuneration	Base salary	Average remuneration
Executives	%	101	111	97	102
Managers	%	100	98	100	94
White-collar	%	95	93	95	93
Blue-collar	%	95	93	-	-

Ratio of total annual remuneration[41]

Ratio of total annual remuneration	29/02/2024			28/02/2023		28/02/2022	
	Unieuro	Monclick	Covercare	Unieuro	Monclick	Unieuro	Monclick
Annual total ratio	24.33	3.89	4.03	15.25	3.65	15.25	3.81

Ratio of increase in total annual salary[42]

Ratio of increase in total annual salary	29/02/2024			28/02/2023		28/02/2022	
	Unieuro	Monclick	Covercare	Unieuro	Monclick	Unieuro	Monclick
Annual total ratio	changed	changed	-	unchanged	unchanged	unchanged	unchanged

3.1.3. Staff training and career development

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

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

40 *The methodology used in the 2022/23 and 2023/24 FYs is as follows: the figure is calculated as the ratio of women's average base salary to men's average base salary and women's average remuneration to men's average remuneration. The term remuneration refers to the sum of the base salary and additional amounts paid to the employee, examples of which include severance incentives, conciliatory settlements, severance pay and variable incentive pay for positions that provide it.*

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

42 *Ratio of the percentage increase in total annual pay of the highest-paid individual in the organisation to the percentage increase in the median total annual pay of all employees (excluding the highest-paid individual).*

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

In addition to the training courses required or suggested for legal obligations (Health and Safety, 231 Model, Privacy), Unieuro offers managerial and professional training courses for both store and head office staff. The induction of employees into the company and their professional growth are supported through targeted training actions, induction paths for new hires, programmes to support continuous updating on new products in different product categories and to improve customer service. Training initiatives are delivered using on-the-job, classroom (both in-person and virtual), and e-learning methods through a dedicated portal.

For monitoring purposes, the HR department tracks training activities using a "Training" module on the Zucchetti portal. In practice, this module records training hours and tracks various parameters, including course topics, duration, and participants.

The Human Resources department is also committed to regularly collecting feedback, both informally and in a structured form, from training activity participants to constantly improve the training offer. To complement the training offerings, each year Unieuro oversees an Academy for Store Manager Trainees, a pathway for identifying talent in the company and guiding them to the role. Founded in 2009, the Academy saw its 14th edition in FY 2023/24, involving future managers of the direct and indirect network in an 86-hour in-person course. This intensive training project seeks to improve the specific skills of future store managers of Unieuro stores, in addition to entrepreneurs and managers of affiliated distributors, operating in the territory under the Unieuro and Unieuro City brands.

The Store Manager Trainee Academy process begins with the opening of internal applications, continues with an actual selection phase that includes group assessment moments and individual interviews, and continues with a major training phase, lasting six months. The latter is divided into classroom sessions and in-the-field training periods. The course ends with two weeks of autonomous store management, during which aspiring managers have the opportunity to put the concepts learned into practice.

ACADEMY TRAINS STORE MANAGERS OF THE FUTURE

Forlì, September 22, 2023[43] – Unieuro's distinctive intensive training project to prepare new store managers has just come to a close, with General Manager Bruna Olivieri and Chief Operating Officer Luigi Fusco delivering diplomas to the attendees of the company Academy for Store Manager Trainees.

Founded in 2009, the Academy saw its 14th annual edition this year, involving future managers of the direct and indirect network in an 86-hour in-person course to build specific skills and offer the Store Managers of the future opportunities for sharing and exchange.
The ever-evolving training course has been developed dynamically, integrating fundamental skills for Store Managers, such as personnel management, organisational optimisation of stores, and marketing strategies for driving sales. In addition, during the 11 training days, topics such as IT security and sustainability were explored in depth, providing key tools to meet future challenges.

Unieuro once again reiterates its commitment to training its human resources, as a distinctive asset of the brand and fundamental for developing the skills necessary to face the challenges of the constantly evolving market.

"With great satisfaction, today we handed over the diplomas to the new Store Manager Trainees, confirming great enthusiasm and growing interest in our Academy. Every year, we are committed to offering a stimulating training course, capable of providing fundamental tools to talents interested in undertaking the Store Manager Trainee path. We believe that the Academy is a crucial moment for the training and professional development of our Store Managers."

Paolo Botticelli, HR Director, Unieuro.

In the 2023/24 financial year, 74,406 training hours were delivered overall at Group level, in addition to 44,109 training hours dedicated to occupational health and safety, fire prevention and first aid, for a total of 118,515 hours. This marks a notable increase in training hours during the 2023/24 financial year. A total of 5,351 employees participated in training activities[44]. Despite the decrease in employees involved in training activities following the downsizing of the workforce, the total training hours per employee increased significantly, rising from an average of 4.79 hours to 22.1 hours, partly explained by the increased number of training hours in health and safety. The executive and managerial categories received the majority of training hours per capita.

[43] *Company press release*

[44] *This value does not represent the actual number of employees trained in the fiscal year, but the number of times employees took part in training courses.*

Following the launch of the Beyond Omni-Journey Strategic Plan, a campaign was carried out to train and inform the entire company population on the main innovations of the plan and the company objectives enshrined in it. This campaign took place through face-to-face meetings for headquarters staff[45] and video clips on the e-learning portal for sales network staff, constituting approx. 11% of the training hours delivered in the fiscal year. Another significant portion of training hours consists of various product and service update initiatives managed in collaboration with Category Management and industry partners.

Average training hours by gender, level and function[46]

Average training hours by gender and personnel category	29/02/2024			28/02/2023			28/02/2022		
	Male	*Female*	*Total*	*Male*	*Female*	*Total*	*Male*	*Female*	*Total*
Executives	22.72	31.30	23.98	7.38	5.10	7.06	18.09	4.25	17.17
Managers	19.74	16.10	18.59	10.76	6.35	9.29	10.94	15.91	12.45
White-collar	25.03	19.47	22.37	5.57	3.76	4.72	7.06	4.12	5.65
Blue-collar	5.96	1.99	5.31	-	-	-	-	-	-
Total	24.58	19.40	22.15	5.68	3.79	4.79	7.23	4.22	5.80

Other training initiatives include those specifically addressing sustainability (see related box), cybersecurity, and statutory warranties.

[45] *The term "head office staff" refers to personnel in central corporate departments.*

[46] *The figure is calculated as the ratio of training hours provided to the total number of Group employees by gender, level and function.*

SUSTAINABILITY TRAINING

During the 2023/24 financial year, a major Sustainability training project was launched as part of the Sustainability Plan. This initiative is considered to be strategically relevant, so much so that it was included as an ESG target in the first cycle of the 2023/28 LTI Plan. It facilitates the development of plan-related projects and fosters a greater culture of sustainability within the Company.

The compulsory training involves all company employees across a span of three years. It includes an initial module provided in FY 2023/24, along with subsequent modules scheduled for the current year and 2025/26 financial year. Each module, in turn, is divided into several-minute segments, followed by questions.
The first module is divided into three segments:

1) the first segment covers the basic concepts of sustainability, including a definition of sustainability and the ESG acronym, who stakeholders are, and what is meant by creating shared value;

2) the second segment seeks to explain why sustainability has become so important in everyday life and its implications for business strategies, in addition to the main governing regulations;

3) The third segment illustrates what Unieuro is doing in the field of sustainability, exploring the contents of the Non-Financial Statement and 2022/26 Sustainability Plan.

During the reporting year, the training process was refined ahead of the 2024/25 financial year. Specifically, in the latter half of the 2023/24 financial year, a structured process was initiated to better understand training needs, distinguishing between those of the Sales Network and head office staff. The decision to better understand the needs of the Sales Network stemmed from an awareness that training activities dedicated to said network are varied and diverse in nature. Each training campaign requires time for delivery and is often associated with specific obligations, priorities, and objectives. Favouring an integrated approach and adequate planning, it was therefore deemed appropriate to ask all departments about their needs, in addition to priority training activities and those of greater interest to be delivered to Sales Point employees during the 2024/25 financial year.

To facilitate the collection of information, a template was prepared asking them to report on training campaigns already underway, planned and desired. Through this template, the managers were able to promptly share and details their needs, in order to facilitate subsequent analysis phases. Once the data had been collected, the needs were analysed, thereby defining the training calendar for the 2024/25 financial year.

Similarly, the Human Resources department started assessing the needs of head office staff to define training plans for the 2024/25 FY. In this case, in addition to creating a dedicated template, an initial version of the Company's "*Training Catalogue*" was also developed. This document outlines the training opportunities available to employees, which will grow over time.

3.1.4. Performance appraisal

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

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

Unieuro offers all its employees a climate of open and transparent discussion based on mutual respect. As such, opportunities for discussion (evaluation interviews) are provided every year between manager and employee in order to ensure the achievement of business, personal and professional growth goals for the benefit of the entire company population. The performance review process involves sharing priorities at the beginning of the year, constant monitoring of performance - with a call for ongoing discussion and feedback - and finally an evaluation phase, later shared with the employee as part of an individual meeting.

The evaluation cycles are managed through a specific portal, which monitors all stages and is accessible by all employees. Performance appraisal interviews are individual and involve the employee with his or her supervisor, who may be joined by the Human Resources Department. Where possible and for senior figures, the HR Department oversees these moments, offering advice and support.

The evaluation process is extended to all corporate and store area roles; for the latter, those employees who have accrued at least six months of attendance in the fiscal year are expected to be involved, so that their performance can be appropriately evaluated. This practice justifies the percentage of workers assessed in the year, which is less than 100%, reaching 5,077 people or 88% of the population in FY 2023/24.

In addition, with a view to improving existing processes and ensuring consistency between the various initiatives, the HR Department, with the support of the ICT Team and an external Systems Integrator, is working on the implementation of the new management system, which will promote more effective and efficient management of a series of processes in the future, including: (i)

Performance Management; (ii) Compensation & Benefits; (iii) Salary Review and Talent Management; in addition to greater integration between these.

In parallel to the implementation of the new management system, the HR Department is working on a review of the entire Performance Management process. This review seeks, among other things, to streamline the elements under review, while also promoting a clearer distinction between "performance" (the "what") and skills (the "how").

The above process review activity also seeks to promote consistency between the skills being assessed and the Leadership Model. The latter includes skills deemed crucial for strategy implementation and are therefore integrated into performance management, with care taken to tailor them to the employees being appraised.

Performance appraisal[47] - *Unieuro S.p.A. and Monclick S.r.l. in liquidation*[48]

Professional categories	unit	29/02/2024			28/02/2023			28/02/2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives	%	93	100	**94**	96	100	**97**	93	100	**93**
Managers	%	100	100	**100**	100	96	**99**	67	111	**79**
White-collar	%	88	88	**88**	89	88	**88**	87	84	**86**
Blue-collar	%	-	100	**100**	-	100	**100**	-	100	**100**
Total	%	**88**	**88**	**88**	**89**	**88**	**89**	**87**	**84**	**86**

As for Covercare S.p.A., performance appraisals were conducted during the current financial year as reported below.

[47] *The data entered as of 29/02/2024 is for performance appraisal interviews for the period 01/03/2022 - 28/02/2023. The comparison should therefore be made with reference to the figure of those appraised with the staffing perimeter as of 28/02/2023. For the period 01/03/2023 - 28/02/2024, the Company intends to pursue the same objectives as in the previous year, but it will not be possible to finalise the quantitative and qualitative data until June 2023 at the earliest (the end of the company's appraisal cycles). This note is in line with that reported in previous NFSs.*

[48] *The scope does not take into account Covercare S.p.A. data, which will be provided in the table below, due to the recent acquisition and the timing differences regarding performance appraisal interviews.*

Performance appraisal – *Covercare S.p.A.*

Professional categories	unit	29/02/2024		
		Male	Female	Total
Executives	%	100	100	100
Managers		100	100	100
White-collar		65	44	58
Blue-collar		4	-	4
Total		45	38	43

3.1.5. Well-being, health and safety

For the Unieuro Group, occupational health and safety is indispensable for the well-being of its employees and for promoting trust, efficiency and productivity within the organisation. In particular, the Group is committed to ensuring working conditions that guarantee respect for the physical and moral integrity of workers, paying particular attention to the risks associated with carrying out activities in the workplace and arising from the external environment.

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

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

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

- **an organisational chart of roles and responsibilities;**
- **the creation and formalisation of a Risk Assessment Document (DVR),** as part of which risks pertaining to health and safety in the workplace are identified and evaluated[49];
- **the introduction and dissemination of security-related procedures** (found within the Zucchetti portal);
- **the provision of specific training activities** (carried out by a certified external company contacted directly by the PPSM);
- **health surveillance activities** (organized directly by the PPSM);
- **monitoring activities** (carried out operationally by various corporate entities: PPSMs, Area Managers, Directors, etc.).

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

In order to properly fulfil the dictates of Legislative Decree No. 81/2008, the Company also has the task of disseminating the culture of safety within the company, through appropriate information

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

and training actions for all personnel at different levels of the organisation. In order to avoid and mitigate significant negative occupational health and safety impacts directly related to operational activities, the Company has adopted the "*Risk Assessment Document*" (RAD) and the "*Combined Interference Risk Assessment Report*" (DUVRI) related to procurement, pursues transparent communication, and conducts documentation checks.

Informative, training and transversal communications are the main tools used by the company to communicate, manage and control incidents and issues that might lead to occupational injuries or work-related ill health. These latter aspects are monitored by the health surveillance action, in place to periodically check the progress of workers' safety and health and any problems related to both the work activity and the work environment.

During the year, therefore, all training activities required by current occupational health and safety regulations were carried out for a total of 44,109 hours of training provided to 5,351 participants. Of the employees involved, 53% were men and 47% were women (97% belonging to the "white-collar" category, 2% to the "middle management" category, 1% to the "blue-collar" category, and the remainder to the "executive" category). Training is conducted periodically through e-learning, classroom, blended and video-conferencing modes. In addition to general and specific training, this also covers fire risk prevention and management activities and first aid assistance and intervention. Other training activities relate to the performance of specific activities, such as that of forklift drivers and employees working remotely, in which case ad hoc training is provided. For Monclick, we note that the training activities provided for in Article 37 of Legislative Decree No. 81/08 were carried out in e-learning mode, as required by the State-Regions Agreement, while those provided for the emergency team (firefighting and first aid) were carried out in person.

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

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

From March 2023, the organisational structure has been revised and expanded, providing for more designated health and safety (H&S) figures. H&S roles have been assigned to Direct Channel Directors and delegate roles to Area Managers. For maintenance and the management of interventions at the Forlì and Milan sites, the H&S Officer is the Maintenance Director. Finally, the Technical Officer Director remains responsible for safety on construction sites, while the Logistics Operations Manager is responsible for the Piacenza logistics platform. This new organisational structure aims to make the control, monitoring and power to intervene more effective, and to reduce the distance between workers and the manager responsible for the protection of their health and safety.

In FY 2023/2024, new processes and tools were introduced to facilitate H&S Officers in identifying and monitoring work-related hazards. In addition to the Risk Assessment Document, checklists are prepared to carry out regular operational checks at individual stores. The H&S Officers and their delegates carry out the relevant checks on a quarterly and half-yearly basis respectively.

The Group's commitment to ensuring optimal levels of health and safety management for its employees is also evidenced by its ongoing goal of reducing the number of recorded injuries[50].

In the reporting year, 49 work-related injuries were reported, relating entirely to Unieuro S.p.A. (Covercare S.p.A. and Monclick S.r.l in liquidation did not record any injuries). There were also zero cases of work-related ill health. These numbers mark a clear improvement on previous years, with an approximately 50% fall in the number of injuries compared to the previous year.

As for external contractors, in line with the previous year, no work-related injuries or ill-health were reported.

Employee work-related injuries

Incidents	unit	29/02/2024	28/02/2023	28/02/2022
		Total	Total	Total
Recordable work-related injuries	No.	49	98	97
of which on commute[51]	No.	-	-	-
Year-on-year change	No.	*-50%*	-	-

[50] *Injuries mainly relate to manual handling of loads: muscle aches, bumps, minor lower and upper extremity injuries.*

[51] *In line with the requirements of GRI 403-9, this item includes commuting injuries only when transportation was arranged by the organisation.*

Employee injury rate[52]

Injury rates	29/02/2024	28/02/2023	28/02/2022
	Total	Total	Total
Rate of recordable work-related injury	5.9	11.3	11.1

Hours worked

Hours worked	29/02/2024	28/02/2023	28/02/2022
	Total	Total	Total
Hours worked	8,359,499	8,685,704	8,702,495
Multiplier	1,000,000	1,000,000	1,000,000
Year-on-year change	-4%	-	-

Injuries to external workers[53]

External workers	unit	29/02/2024	28/02/2023	28/02/2022
Recordable work-related injuries	No.	-	-	7
of which on commute		-	-	5

[52] *The injury rates take into account work-related and commuting injuries and are calculated as follows:*
*Lost work hour rate: (total number of hours lost due to injuries/total hours worked) *1,000*
Absenteeism rate: (number of days of absence due to injury/working days in the period)
*Work-related ill health rate (ODR): (total number of cases of work-related ill health/total hours worked) *200,000*
*Recordable work-related injury rate: (total number of recordable injuries/total hours worked) *1,000,000*
*Rate of work-related injury with serious consequences: (total number of recordable injuries with serious consequences/total hours worked) *1,000,000*
*Rate of deaths resulting from work-related injury: (total number of deaths resulting from injury/total hours worked) *1,000,000*

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

External workers injury rate

Injury rates[54]	29/02/2024	28/02/2023	28/02/2022
	Total	Total	Total
Rate of recordable work-related injury	-	-	15

Hours worked

Hours worked - external workers	29/02/2024	28/02/2023	28/02/2022
	Total	Total	Total
Hours worked	5,280	0	464
Multiplier	1,000,000	1,000,000	1,000,000
Year-on-year change	100%	-100%	-

3.1.6. Trade union relations

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

Specific meetings with national and territorial trade unions were held during FY 2023/24. The main topics of discussion and sharing included: the subject of previous agreements, company results, personnel data, but also the performance of individual stores or specifics pertaining to the relevant local contexts.

Unieuro is currently in negotiations for the renewal of second-level agreements. Regarding video surveillance, union agreements have been signed for the use of surveillance cameras at the relevant outlets. Regarding the incentive system, labour relations, Sunday work, and occupational safety, discussions are ongoing on the issues covered by previous agreements.

As required by current regulations and in line with the relevant National Collective Bargaining Agreements, in the event of organisational changes (for example in the case of transfer of workers with executive management responsibilities that result in a change of residence) Unieuro agrees

[54] *The injury rates take into account work-related and commuting injuries and are calculated as follows:*
*Lost work hour rate: (total number of hours lost due to injuries/total hours worked) *1,000*
Absenteeism rate: (number of days of absence due to injury/working days in the period)
*Work-related ill health rate (ODR): (total number of cases of work-related ill health/total hours worked) *200,000*
*Recordable work-related injury rate: (total number of recordable injuries/total hours worked) *1,000,000*
*Rate of work-related injury with serious consequences: (total number of recordable injuries with serious consequences/total hours worked) *1,000,000*
*Rate of deaths resulting from work-related injury: (total number of deaths resulting from injury/total hours worked) *1,000,000*

with its employees on the timing of notice and, if there is no agreement between the parties, complies with Article 254 of the National Collective Bargaining Agreements, which guarantees 45 days' notice in writing and 70 days' notice for those with dependants.

Employees covered by collective bargaining agreements

Employees	29/02/2024	28/02/2023	28/02/2022
Number of employees covered by collective bargaining agreements	5,351	5,695	5,784
Total employees	5,351	5,695	5,784
Coverage rate	100%	100%	100%
Year-on-year change	-6%	-2%	-

We note that, as part of the liquidation of Monclick S.r.l., a labour union agreement was signed to recognise a severance incentive and the signing of a conciliation report upon termination of employment. All redundant staff voluntarily signed up to this agreement.

3.2. Customers

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

Customer satisfaction is therefore a crucial aspect in every area of the Group's work. To guarantee the best satisfaction, advanced customer satisfaction management and development strategies have been introduced and the main indicators are carefully and continuously monitored. These include the abandonment rate, incoming tickets numbers[55], ticket management and resolution times, the volume of calls received, average telephone response times, and the backlog. Furthermore, in-depth analyses are conducted on the quality of marketed products and the identification of any defects in the various product categories. These analyses allow us to monitor the quality of the products, and, whenever necessary, to promptly report any issues to suppliers through the commercial service, with a view to maintaining the highest standards of customer safety and satisfaction.

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

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

Specifically, being close to customers means two things: customer needs and proximity. The latter is achieved both on the physical level - thanks to the widespread nature of the network of stores across the country (525 points of sale between direct and affiliates) - and thanks to the integration of the unieuro.it platform into the digital ecosystem, combining the functions offered by search engines and exploiting interaction with the main social networks, from home, via mobile and in the vicinity of the store itself.

From an omnichannel point of view, proximity also translates into "click and collect", the system of picking up at physical stores products purchased by customers through the online channel. In fact, Unieuro is one of the first companies in Italy to have sensed the potential of using pickup points, selected from among its stores, for orders made online, thus bringing it even closer to those

[55] *Tool for communicating with the customer by filling out an online form available on the Company's website.*

customers who are eager to cut waiting times and additional delivery costs, and to use differing payment methods.

UNIEURO CREATIVES

MIGLIORE INSEGNA 2024

An extraordinary success was recorded for "*I creativi di Unieuro*" (Unieuro Creatives), the campaign launched in October, 2023. With over 113 million views and 400,000 interactions, "I creativi di Unieuro" established itself as the most viewed series ever on the TikTok platform in Italy.

The series took a unique stylistic approach, revolutionising the traditional paradigms of advertising by combining TV series style storytelling with entertainment and social media techniques. The participation of much-loved guests, such as Gerry Scotti, Edoardo Franco and Andrea Delogu, made the series even more iconic and memorable. Other determining factors in its success were partnerships with authoritative cinema and TV series publishers and engagement with the main social media communities for the integration of unpublished content into the editorial flow. The twelve episodes of the series, of 1 minute each, can be seen on Unieuro's TikTok profile at https://www.tiktok.com/@unieuro, and on YouTube at http://www.youtube.com/@UniEuroChannel, where "*I creativi di Unieuro*" was the first campaign planned exclusively in the vertical Shorts format.

"We are proud to have created the "most viewed series ever" on TikTok in Italy. This project confirms the innovative approach that has always been at the heart of Unieuro's communications strategy, once again rewarding the desire to stand out with new formats capable of engaging and surprising the community."

Enzo Panetta, Digital Marketing & Innovation Director at Unieuro.

MENTI CONNESSE (CONNECTED MINDS) PROJECT

To facilitate the sharing of sales experience with a view to constant improvement and growth, Unieuro continued its "*Menti Connesse*" ("Connected Minds") project, which in FY 2023/24 saw the organisation of a series of 20 weekly meetings and the involvement of 273 stores, for a total of around 5,000 hours of activities and discussions. Again this year, the key figures within the project were the 19 Quality Ambassadors, selected by Area Managers to represent their area, and the Connected Minds team (represented by a number of Store Managers).
The Ambassadors ran sharing rooms on a weekly and rotational basis, involving sector heads and department representatives from each store in the network. To facilitate the sharing of experiences and knowledge within the sales network, a SharePoint page has been created for the project, where participants can consult, download and share all the know-how pills emerging from the *Menti Connesse* rooms.

SERVICE CHAMPIONS 2024

The survey was carried out by the German Quality and Finance Institute, which collected over 358,000 opinions on 2,164 companies operating in Italy, in over 200 sectors. Interviewees were asked to evaluate the service received from the companies they had been customers of over the last three years, in order to calculate a Service Experience Score, indicating the percentage of customers who judged the service to be excellent. Unieuro was the best among the consumer electronics brands.

MIGLIORE INSEGNA (BEST BRAND) 2024

Unieuro was named as the Best Brand 2024 in the "Electronics Chain Stores" category.

Now in its fourth edition, *Migliore Insegna* is the largest independent survey dedicated to measuring the emotional connection between consumers and signage. Promoted by Largo Consumo and carried out by Ipsos, the survey selected 124 national brands and conducted over 6,000 consumer interviews, and provided an in-depth analysis of various customer experience aspects. The study analysed over 90 experience parameters, covering both functional and emotional aspects of the relationship with the brands, including: the Offer, Points of Sale, Service, Sales Staff, and Customer Experience.

3.2.1. Customer-centricity, service quality and innovation

Unieuro continues to implement its digital transformation and omnichannel strategy, with the ultimate goal of consolidating its positioning as the "natural destination" for purchasing technology products, by guiding the customer throughout his/her entire experience, before, during and after the purchase.

In this respect, utmost attention is paid to enhancing the tools available to management, making strategies data-driven and ensuring extreme customisation of the offer (in terms of assortment, price, promotions, communication) and the customer experience at every stage. Important investments have been made to strengthen the technological management and customer care infrastructure, in order to improve the level of service offered and optimise communications, including proactive communications, with the customer.

With the evolution of the customer care operating model and CRM (Customer Relationship Management) ready to meet customer expectations, the Company thus intends to consolidate its position in the field of "Responsible Innovation", putting technology at the service of people.

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

Measuring the Net Promoter Score (NPS)

The centrality of the customer is also evidenced by the constant attention paid to their satisfaction, which is monitored regularly through the calculation of the Net Promoter Score (NPS). This indicator, which has been measured since 2017, has to date shown a compound annual growth rate (CAGR) of 5%, the result of constant improvement in various aspects of the customer experience, from the assortment of product offerings to the benefits recorded in the timing and quality of order fulfilment.

This measurement examines a series of critical points, defined for both channels - offline and online - to gain a detailed picture of all the key elements that underlie the customer's journey and which can positively or negatively influence their satisfaction level. The survey system adopted by Unieuro stands out for its innovation as a questionnaire sent out to all customers. However, it is important to underline that each customer can only participate in one survey per year. This approach allows us to obtain a complete picture of customer experiences, regardless of the purchasing channel used.

The methodology accumulates data over long time horizons, providing insights directly from customers on the phases of the purchasing process that are the most significant and engaging. The system therefore takes an omnichannel approach, considering all the channels through which customers interact with the company, and providing a global and in-depth view of the customer experience.

The NPS data has proved a valuable tool in identifying improvements to make to various fundamental aspects of the customer experience. Such improvements have affected multiple sectors, from expanding the range of offers and products through to better order processing times and quality. A significant reduction was also made in the number of calls handled, parallel to the increase in the customer satisfaction index.

This approach brings a precise strategy to each customer management initiative, according to criticality matrices that allow the most urgent and relevant aspects to be identified and addressed as a priority in improving the overall customer experience. In this way, the work is orientated towards continuous improvement of the customer experience, responding in a targeted way to the needs and expectations of customers.

This year, Unieuro launched a new NPS questionnaire, revised to increase its effectiveness, on the one hand, in detecting changing customer needs and, on the other hand, in monitoring satisfaction related to the latest business process developments. The research institute, a partner in reviewing the instrument, certified its methodology and full comparability with the surveys of previous years. The process of sending the questionnaire is done on a continuous basis, all year round, within 15 days of the purchase so as to enable critical issues to be detected in a specific period and to eliminate any "seasonality effects." All elements and feedback emerging from reading the various components of the NPS are constantly monitored and used to identify possible improvement action. Specifically, in the current fiscal year, the indicator is believed to have benefitted from action taken in the E2E (end-to-end) online process management and the strengthening of customer care. These measures generated a gradual reduction in customer reports and an improvement in the response and processing time of calls received. Through direct management of the entire data collection and processing procedure, Unieuro has made the NPS not only an important diagnostic tool and driver of strategic initiatives, but a true corporate asset, a foundational element of its "Customer-Centric" culture, and the basis of its customer loyalty strategy.

The work carried out in the management and monitoring of NPS data is not a mere exercise in evaluating the perceived dynamics of the customer journey, but is rather a tool of continuous improvement that directly supports teams and individual stores so that they regularly benchmark themselves against the data and offer an increasingly comprehensive and innovative purchasing experience. Furthermore, we note that the newly acquired Covercare S.p.A. also measures NPS in collaboration with its most significant partners.

Project & Transformation Office

In addition to using the Net Promoter Score to improve the online shopping experience, Unieuro has introduced a Project & Transformation Office with a dedicated team that uses an innovative data-based approach to support the company in its transformation processes. This team has various responsibilities, including the optimisation of online order processes, using analyses of the NPS questionnaire.

Furthermore, the Project & Transformation Office carefully monitors every phase of the online purchasing process, from the placing of the order to its delivery, in order to identify and resolve any issues or inefficiencies. This monitoring is made possible through the definition of specific key performance indicators, agreed with the company functions involved. These KPIs allow us to track and highlight areas that need attention, guaranteeing a targeted and effective approach to improving the overall online shopping experience. If criticalities emerge in the management of orders, Problem Solving Rooms and inter-team roundtables are set up to identify effective and timely solutions.

3.2.2. Customer health and safety

In addition to the range of products it offers and the quality of service provided, Unieuro's strength is also based on the level of trust that customers develop in the products it offers. As such, the Company is committed to ensuring the highest level of quality and consumer protection, both in terms of the safety of the product sold and from the point of view of protecting the data and information collected.

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

Management of non-conformities related to customer health and safety

Regarding the non-compliance of products and services with consumer health and safety standards, we note that, in the fiscal year 2023/24, there were no cases of non-compliance resulting in any fines or sanctions, except for minimal amounts.

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

3.2.3. Transparency of product information and offers to customers

Marketing and advertising communication activities, which are structured and planned in line with the Company's operations as an omnichannel retailer, are an important element of Unieuro's strategy because, in addition to supporting brand recognition, they facilitate market development and play a key role in customer relations.

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

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

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

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

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

Following entry into force of the Omnibus Directive in July 2023, and the related amendment to the Consumer Code, Unieuro has made all the changes necessary to promptly adapt to the new legislation (including updating the website, store labels and all informative materials). An information campaign on the “Price Directive” was also targeted at consumers and employees, to explain its impacts and effects. Unieuro’s Legal and Compliance Function has started a process to create guidelines for internal teams on the management of the main promotional operations, in order to guarantee transparency in communications with consumers and a reduction in the risk of processing errors. This activity was preceded by an in-depth study of the relevant legislation and any related jurisprudential, administrative and governmental rulings.

INTRODUCTION OF ELECTRONIC TAGS FOR POINT-OF-SALE DIGITALISATION

502 WORK HOURS SAVED PER YEAR equivalent to **73 FTEs in one year** that could potentially be redirected to activities with **with greater added value for customers**

SAVINGS OF PRINTER TONER and REDUCED PAPER USE

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

Since the project began, 224 stores have seen electronic tags introduced. The project will continue to be rolled out in FY 2024/25.

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

Customer complaints sent to Unieuro's registered office or its certified e-mail address are managed by channels dedicated to customer support and, where necessary, forwarded to the Legal Department and/or other departments responsible for handling the complaint. The Company's main objective is to minimise disputes by addressing complaints quickly and efficiently while also seeking to reduce associated costs and comply with legal obligations. The Legal Department therefore works closely with the various company functions involved in managing complaints to assess the feasibility of adopting a cost-benefit approach, carefully considering the strengths and weaknesses of each complaint.

There were seven instances of non-conformity related to the transparency of product and service information at Unieuro S.p.A. in the 2023/24 financial year, resulting in fines or penalties totalling approximately Euro 10 thousand. These non-conformities included infringements of Article 6 of Legislative Decree No. 206/2005 (Consumer Code) due to the absence of Italian language instructions on product packaging, infringements of Article 6 of Legislative Decree No. 86/2016 due to the omission of information concerning non-EU manufacture details and instructions concerning nominal power or input frequency, and the failure to provide a declaration of conformity related to a CE marking.

3.2.4. Customer data security and protection

In an era where protecting personal data is paramount for any organisation, Unieuro stands out thanks to its commitment to ensuring the security and confidentiality of its customers' sensitive information. With the support of the Data Protection Officer (DPO), Unieuro constantly oversees and pays the utmost attention to the processing of personal data in compliance with current regulations.

As an entity that processes its customers' sensitive data, Unieuro places great emphasis on protecting and securing this information. Aware of the growing risks in today's environment, the Company is actively committed to maintaining the confidentiality, integrity, and accessibility of personal data. However, as the data controller, Unieuro is aware that it may be exposed to various risks that jeopardise the security of these data.

These risks may arise from various sources, including human error, technological malfunctions, cyber-attacks, unlawful or criminal events, procedural errors, or force majeure. Should a data security breach occur, Unieuro could face significant and detrimental consequences. These consequences could involve consumer compensation claims, administrative fines for breaching personal data protection laws, damage to the Company's reputation due to negative publications or comments on social media or other information channels, and disputes with business partners over failure to meet contractual obligations regarding personal data management, such as in the case of mobile phone companies.

Unieuro has updated its Policies and Procedures, which seek to mitigate these risks by (i) imposing more controlled flows of activities (ii) holding appointees and external managers accountable (iii) providing contractual protections to be required of suppliers and (iv) putting in place technical and organisational measures to increase the level of security of personal data. Unieuro has also carried out impact assessments and balancing of interests where required by data protection regulations and - in order to ensure that its consumers are informed - has updated privacy notices where necessary.

In order to improve and partially automate compliance with data protection regulations, also during the year, the Company decided to take advantage of the potential provided by the privacy software called "OneTrust." OneTrust software enables:

- the handling of data protection requests from consumers to be centralised and streamlined;
- better traceability of data and related information streams within the business organisation;
- better management of security incidents and breaches of consumers' personal data.

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

Finally, Unieuro's ICT Department continues to analyse and strengthen its IT infrastructure to ensure better structural and perimeter security. Additional information on risks related to privacy management and cyber security can be found in the "*Major risks and uncertainties facing the Group*" section of the 2023/24 Annual Financial Report.

Handling of data processing reports, complaints, and requests

Customer reports and complaints can be sent to the Group through several channels. Unieuro S.p.A. receives data processing reports and complaints via its dedicated online form, the official channel published on the Company's corporate website, the DPO's contact details, and paper mail. Some reports may also be submitted in-store or sent to Customer Service or the Company's certified email address (PEC). For Monclick, reports and/or requests to exercise privacy rights are sent to a dedicated company e-mail address, a certified e-mail address (PEC), or via certified ordinary mail.

Any privacy-related reports received by Covercare are handled via a dedicated email address and forwarded to the Company's DPO.

The Group takes prompt action to best handle all customer requests to ensure data protection and avoid possible negative consequences, both in terms of reputation and sanctions. Complaints and grievances are handled by the Legal Department, which may seek advice from the DPO and external individuals, experts in privacy matters, for those practices deemed most risky.

Unieuro S.p.A.'s dedicated Privacy channels receive numerous requests to exercise privacy rights on a daily basis. Between 01/03/2023 and 29/02/2024, about 10,500 were registered.

Between March 1, 2023 and February 29, 2024, following requests from data subjects and reports received by the Privacy Office, Customer Service or Point of Sale, Unieuro S.p.A. encountered some security incidents that resulted in the loss of confidentiality, integrity, or availability of personal data, depending on the type of event recorded. These incidents were duly reported in the appropriate Register (pursuant to Article 33, paragraph 5, GDPR). Following Unieuro's analysis, the Company considered that the breaches could not present a risk to the rights and freedoms of individuals, and consequently did not communicate the personal data breaches to the Data Protection Authority (pursuant to Article 33 GDPR) or the affected data subjects (pursuant to Article 34 GDPR). We also note that the "Credential Stuffing" data breach, reported to the Authority on February 21, 2023, was resolved on March 21, 2023. Specifically, the personal data breach that occurred on 28/01/2022 as a result of a "Credential Stuffing" attack that affected approximately 153,000 e-commerce accounts registered on the unieuro.it website. The investigations conducted found how, through the use of e-mail/password pairs allegedly found on the dark web, an automated botnet belonging to different classes of IP addresses attempted to login to the www.unieuro.it website via the Mobile API. Following the analysis carried out by Unieuro, the Company considered that the breach could present a risk to the rights and freedoms of individuals and consequently notified the Personal Data Protection Authority (pursuant to Article 33 of the GDPR) of the personal data breach and requested that individuals affected by the breach change the password for accessing their e-commerce account. In light of the breach suffered, the Company decided to implement specific technical and organisational security measures to prevent similar breaches in the future. For the sake of completeness, we note that on March 20, 2023, the Data Protection Authority decided to archive the report.

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

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

No instances of data loss were identified by Covercare S.p.A. during the reporting period. The latter is also certified to ISO 27001:2022, which defines the requirements for properly setting up and operating a private information security management system.

3.2.5. Management of complaints related to unfair business practices

Handling complaints related to unfair business practices is paramount for Unieuro, as the Company consistently strives to offer its customers a positive and transparent experience. Effectively addressing these reports not only protects consumer rights but also helps to strengthen the Company's reputation and uphold the high ethical and legal standards in business operations.

The handling of complaints and other instances with which customers express dissatisfaction is governed by specific procedures that ensure that individual complaints received through the various contact channels. In particular, the competent departments check each complaint in order to handle it as promptly as possible, in line with the obligations imposed by law, and in order to satisfy customers and limit litigation.

The Company, as a seller under the Consumer Code, receives out-of-court complaints and disputes, from consumers and their trade associations. As a result, the Company put additional controls in place throughout the year to effectively handle these situations. These include the procedure for handling statutory warranty claims. Specifically, the Legal department has created an escalation procedure for handling consumer complaints concerning legal warranties. This procedure outlines the internal operational process for assigning and handling each complaint, in addition to the methods of interaction between the various company functions involved, namely Customer Care/Web Care, the Legal department, and other relevant departments. The goal is to ensure more efficient, consistent, and timely management of practices. Practices and procedures for handling consumer inquiries may be subject to audits conducted by the designated function.

In addition to the principles of conduct, the Company has set up additional control safeguards to protect industrial and intellectual property, with particular attention to the application procedures referring to the management of product sales activities and promotional initiatives, all as part of a more general organisational effort to ensure an alignment with the best business practices and regulatory and normative instances, in addition to full customer satisfaction.

On December 28, 2022, the Group received a fine totalling Euro 4,200,000 (including Euro 3,000,000 for Unieuro and Euro 1,200,000 for Monclick) received from the Italian Anti-trust Authority (AGCM) for non-compliance with the Authority's Resolution No. 29,937 of December 3, 2021, in which the Authority had proceeded to impose sanctions against Unieuro and Monclick (Euro 4,000,000 and Euro 300,000, respectively) for alleged unfair commercial practices and invited them to cease such practices. The companies appealed both measures before the Lazio Regional Administrative Court. The Lazio Regional Administrative Court partly upheld both appeals filed by Unieuro and Monclick and, as a result, significantly reduced the fines imposed in ruling No. 13,368 of August 18, 2023. On October 30, 2023, the Competition Authority's clearance of the repayment of the portion of the penalties not due under the Regional Administrative Court order by the Ministry of Enterprise and Made in Italy was notified. The counterparty appealed to the Council of State.

3.3. Suppliers

3.3.1. Unieuro's Supply Chain

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

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

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

In addition to the above, Unieuro also directly imports exclusive branded (Electroline, Joiahome, Teklio, Ioplee and BeBikes) and exclusively marketed (Ignis, Hitachi and JVC) products of CE/extra-CE origin (with a share of about 4.1% of the total sell-out[56]). All items sourced outside the EU are certified prior to entry into the EU market, according to the applicable regulations for the relevant product category; thus, they meet current European regulations (such as, for example, Directive 2002/95/EC or RoHs - Restriction of Hazardous Substances Directive).

Therefore, as highlighted in the section on "*Customer Health and Safety*", the risk index in terms of product non-safety is minimal, which is also confirmed by the fact that Unieuro uses manufacturers of large size and high production standards.

[56] *Management data*

3.3.2. Managing suppliers

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

Considering the high reputational standing of the main suppliers with which Unieuro interacts, the selection of these, until now, has been based exclusively on economic criteria. In order to strengthen policies on responsible business conduct, Unieuro is working to prepare a procedure for evaluating new product suppliers that also includes sustainability aspects. During the 2023/24 financial year, Unieuro began assessing product suppliers to measure their level of sustainability and gain a better understanding of their related strategies and initiatives. This work will be expanded during the current financial year.

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

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

Suppliers of products

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

For the purchase of Electroline, Joiahome, Teklio, and Ioplee exclusive brand products, Unieuro S.p.A. entrusted the scouting and sourcing process to a select group of specialised intermediary companies in Italy and abroad, committed (through the signing of specific agreements and contracts) to selecting vendors that meet high quality standards and comply with the regulations in force.

THE PRIVATE LABEL MANAGER

Since December 2020, the Company has employed a ***Private Label Manager***. He has been entrusted with the responsibility of completely redesigning the brand role, processes (including drafting the necessary contract formats such as General Conditions of Supply and Logistics and/or Code of Ethics, in addition to specific certifications) and the procurement and distribution Mmodel. In line with their assigned duties, the Private Label Manager, together with Management and all relevant stakeholders, improved the procurement model by adding three additional European partners into the existing Italian intermediary company. These partners are specialised in and equipped with structured vendor selection processes, production processes, and the required certifications to demonstrate product quality according to regulations. It is also employing action plans to structure and strengthen the role and identity of the brand and E2E processes involved in its development.

The volume of procurement (total spending on procurement from suppliers of products marketed by the Group) for FY 2023/24 is slightly down from the spending in FY 2022/23, with an 18% decrease in procurement expenditure.

Percentage spend on local suppliers (other suppliers of products marketed by the Group) [57]

	unit	29/02/2024	%	28/02/2023	%	28/02/2022
Local (Italy)	(€m)	2,476.6	94%	2,941.1	94%	3,011.6
Year-on-year change		-19%	-	-2.4%	-	-
Overseas		166.1	6%	182.7	6%	205.7
Year-on-year change		-10%	-	-12.6%	-	-
Total		2,642.7	100%	3,123.8	100%	3,217.3
Year-on-year change		-18%	-	-3%	-	-

For Unieuro S.p.A., expenditure on procurement of exclusive brand products was Euro 59.5 million, of which 36% is from local suppliers. Including products of the Ignis, Hitachi, and JVC brands, which are marketed exclusively in Italy, this expenditure amounts to Euro 87.7 million, with an increase in foreign suppliers owing primarily to the strong growth of the GED (large domestic appliances) and Home Comfort categories.

[57] *From Italian suppliers/branches with production units, forming part of global Groups, located in the most industrialised countries.*

Percentage spend on local suppliers (direct suppliers of Unieuro-branded products)[58]

	unit	29/02/2024	%	28/02/2023	%	28/02/2022
Local (Italy)	(€m)	26.4	41%	20.2	45%	3.2
Year-on-year change		24%	-	84%	-	-
Overseas		38.3	59%	24.6	55%	14.1
Year-on-year change		36%	-	43%	-	-
Total		64.7	100%	44.8	100%	17.3
Year-on-year change		31%	-	61%	-	-

For Monclick, it should be noted that the company engaged in dropshipping but the sales channel was discontinued during the current financial year. The key sales channels for B2C is the website, while for the B2B channel it is mainly a few selected large customers. The supply chain refers about 85% to Unieuro, which is then joined by other suppliers such as: Esprinet, Techdata, Ingram Micro. All of Monclick's suppliers are chosen carefully, with preference given to those who have introduced rating and quality systems. Total procurement spending from suppliers (all local[59]) amounted to approx. Euro 33 million. Goods handling and shipping take place at the Piacenza site and the service is regulated by market conditions, based on intercompany contracts. At present, customers can only use previously issued vouchers on the website.

Suppliers of services

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

1. it uses a large number of operators, mostly organised as joint stock companies, with whom it has signed transport contracts (annual and non-exclusive). This aspect makes it possible to mitigate the risk both in terms of possible economic fallout on the company for payment of sums to the employees of the contractors, and in terms of service interruption if one of the operators has difficulties;

2. an additional risk factor is that these operators often in turn sub-contract the service to other entities over which the company cannot exercise effective control. To safeguard against this risk, Unieuro, through a service company, conducts monthly monitoring of the fiscal - payroll - contribution regularity of these entities. A report is prepared summarising the results from the documentation checks.

[58] *For FY 2022/23, the data refer to Unieuro S.p.A. For FY 2023/24, the data include the newly acquired Covercare S.p.A.*

[59] *From Italian suppliers/branches with production units, forming part of global Groups, located in the most industrialised countries.*

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

Percentage spend on suppliers of services[60]	unit	29/02/2024	%	28/02/2023	%
Local (Italy)	(€m)	260.9	98%	263.1	99%
Year-on-year change		-1%	-	-	-
Overseas		4.5	2%	2.5	1%
Year-on-year change		43%	-	-	-
Total		265.4	100%	265.6	100%
Year-on-year change		-0.1%	-	-	-

In line with the previous year, for Unieuro S.p.A., expenditure on procurement of services was approx. Euro 265 million, of which 98% is from local suppliers.

[60] *Data refer to Unieuro S.p.A.*

3.4. The Community

11 SUSTAINABLE CITIES AND COMMUNITIES

Following the success of the first four books, the fifth volume of ***"#Cuoriconnessi - Cyberbullying, Bullying, and Stories of Online Lives"*** and the "*Schermi Futuri*" (Future Screens) Observatory's first white paper on the relationship between young people and new socialising models were presented.

AT THE PRIME CENTER (Prevention Rehabilitation in Medicine), workshops and sessions on healthy living and cancer prevention topics continued with high school classes in Romagna.

The "**Ten Commandments Against Cyberbullying**" was officially presented at a dedicated event in cooperation with the State Police.

Solidarity with the local community and region is one of Unieuro's core values. Through a series of initiatives and schemes, the Company is committed to promoting social well-being and improving people's living conditions.

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

Unieuro has always been committed to promoting responsible technology use and is attuned to the habits of young people and trends accompanying their development. For years, it has partnered with the State Police on the #cuoriconnessi project, which seeks to combat cyberbullying and promote mindful use of internet-enabled devices among hundreds of thousands of pupils.

#Cuoriconnessi activities target the first and second years of Italian secondary schools and have always involved students with the help of teachers and parents. #Cuoriconnessi is now a tangible platform that shares valuable informative and educational content and interacts with young people in a new way, thereby allowing Unieuro to learn more about their personal experiences.

The partnership with the State Police not only lends credibility and authority to the project but also facilitates remarkable growth.

In addition, Unieuro's collaboration with Luca Pagliari, a seasoned journalist and storyteller focusing on youth issues, has enabled the Company to collect a wealth of stories and life experiences over the years.

The project is structured through both online and physical meetings, a dedicated YouTube channel, the informational website cuoriconnessi.it, a series of documentaries telling the stories of teenagers who wanted to share their experiences, in addition to books and handouts printed and distributed in Unieuro chain stores and in a digital version on the website cuoriconnessi.it and on major ebook stores. All #cuoriconnessi content is available totally free of charge for students, teens, parents and teachers at cuoriconnessi.it.

In recent years, the project has achieved outstanding numbers:

- on Safer Internet Day more than 900,000 students watched the #cuoriconnessi live stream;
- more than 345,000 students participated in virtual events with schools;
- more than 1,000,000 copies of the #cuoriconnessi book series by Luca Pagliari were distributed throughout Italy, in all chain stores, and at the Postal Police's operational cybersecurity centres; The texts are now used as teaching materials in hundreds of schools;
- over 290,000 copies of the books were downloaded from the website and major ebook stores;
- 200,000 copies of the first two comic book supplements featuring #cuoriconnessi stories were distributed. These stories are designed for junior high schools to support summer holiday activities;
- the #cuoriconnessi YouTube channel, which offers weekly insights on cyberbullying, risks, and opportunities in the online world, received over 3,000,000 views.

#CUORICONNESSI

"#Cuoriconnessi has been running for eight years and in this long period it has evolved, expanded its reach, and grown in numbers and initiatives, while always remaining true to its communication model: sharing diverse stories and testimonies from various backgrounds, cultures, and regions that have one thing in common: young people's relationship with technology and the Internet. Stories that involve and foster important reflections, through an open and sincere debate on the dangers and opportunities offered by the online universe.

Thanks to the fundamental collaboration with the State Police, of which we are deeply proud, we are able to address these issues with the shared desire to create greater awareness of the web and connected devices, which form an increasingly important and indispensable part of our daily lives".

Giancarlo Nicosanti Monterastelli, Chief Executive Officer of Unieuro

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

The *#cuoriconnessi* initiative also received support from the "*Schermi Futuri*" Observatory, a research project aimed at better understanding innovation-related phenomena, including through scientific research. This initiative offers a genuine insight into the sometimes silent effects on individuals as they explore the infinite potential technology has to offer.

The initial phase of this journey focuses on Generation Z – often referred to as "Zoomers" – encompassing teenagers and young adults up to 24 years old. Its three main objectives are: to explore young people's behaviours on social media, understand their emotions within social ecosystems and the potential impacts on their personal emotional well-being, and explore any links between the perception that young people have of themselves in everyday life and their use of online platforms.

The "*Schermi Futuri*" project is overseen by scientific director Dr Paolo Crept, who identified the research scope, collaborated with technical partner Ipsos to define the survey's methodological and demographic characteristics, and created a detailed questionnaire to capture the various emotional impacts of young people's relationship with social media.

The study involved a sample of approximately 1,200 teenagers aged 14 to 19 who are active on the main social media platforms (Facebook, Instagram, YouTube, TikTok, Twitch, and Twitter). It used web surveys and online face-to-face interviews to gather insights into profiling, online behaviours, emotional responses to social media, and self-perception across various platforms.

Based on the analysis conducted on the behaviours and self-perceptions that "Zoomers" have of themselves on these platforms, eight communities were identified, each named after specific moods or sensations.

The *Schermi Futuri* study is particularly significant as it reflects a new level of maturity and awareness among young people, who do not consider social media to be inherently good or bad, but rather a neutral tool that can be adapted to each person's specific needs.

The white paper containing the research findings was presented at the Milan Museum of Science and Technology in June 2023 and has been downloaded over 9,000 times from the schermifuturi.com website. The publication is freely accessible in data-free mode. *Schermi Futuri* will take centre stage in dedicated in-depth sessions, including webinars and participation in events throughout 2024.

NON NE VALE LA PENA ("NOT WORTH IT") DOCUMENTARY

In 2023, Unieuro produced a documentary titled "Not Worth It" in collaboration with the Calabria Region's Public Prosecutor's Office and the State Police. The film focuses on the rehabilitation of young people who committed online crimes and were placed on probation, with the involvement of social services, the Public Prosecutor's Office, and the Police. The documentary will be presented in 2024.

#CUORICONNESSI ("CONNECTED HEARTS") TEN COMMANDMENTS

Unieuro and the State Police presented the *#cuoriconnessi* "Ten Commandments Against Cyberbullying" at the Istituto Virgilio di Roma on Tuesday January 9, 2023. Over 19,000 students tuned into the live stream from all over Italy. The document was created by students who responded to an invitation in "Madi's Story", the first summer comic book supplement starring a young girl grappling with body shaming, a growing online issue. Using this story as a point of reflection, the students came up with 10 practical tips to combat cyberbullying. The goal was to promote mutual respect and tackle all forms of discrimination, increasingly prevalent in digital ecosystems. These contributions resulted in the 10 commandments, created by and for young people.

"The enthusiastic involvement of schools and students in creating the 10 commandments underscores the value of the #cuoriconnessi project and fuels our ongoing commitment. Our goal remains to raise awareness and educate young people, teachers, and parents on how to use technology more conscientiously and responsibly. With eight years of partnership with the State Police under our belt, we continue to prioritise these pressing societal issues"

Marco Titi, Marketing Director

3.4.2. Local community management and support

Alongside the commitment to awareness-raising campaigns, the Company devotes attention to supporting local sports teams and promoting sports values. In the 2023/24 fiscal year, Unieuro S.p.A. once again supported the men's basketball team (both the first team and the youth teams) engaged in the A2 national championship as the main sponsor. Unieuro also sponsored the sports hall in the city of Forli, named "Unieuro Arena."

Community investment (€)

	unit	29/02/2024	28/02/2023	28/02/2022
Sponsorship	€	320,000	338,000	329,490
Year-on-year change	%	-6%	3%	-

In FY 2023/24, support also continued for the Prime Center (Prevention Rehabilitation Integration in Medicine) project, a multifunctional centre at the Romagnolo Oncology Institute dedicated to prevention, rehabilitation and integrative medicine. The centre was created from the redevelopment of a disused building located in Cesena and seeks to offer those undergoing cancer therapies support to better tolerate them, multidisciplinary maintenance paths with high quality standards to people in recovery, and for healthy people, the opportunity to learn about and adopt the correct preventive behaviour. Prime Center's activities include not only education on proper nutrition, integrative and rehabilitative medicine pathways, but also a programme dedicated to children to prevent and train on proper lifestyles. In FY 2023/24, 11 meetings were held with Romagna high school classes, with the participation of 500 students and their teachers.

Following the tragic flooding in May 2023, Unieuro wanted to show its solidarity and provide practical assistance to the local community by donating emergency devices such as power banks and torches to the Municipality of Forlì. In addition, it allowed local consumers to purchase domestic appliances and other products irreparably damaged by the floods at special prices across all stores in affected areas. Finally, Unieuro provided employees with the option to receive an advance on the fourteenth-month (*quattordicesima*) payment of their salary and to expedite the collection of their severance pay.

4. ENVIRONMENTAL PERFORMANCE

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

Almost all non-hazardous waste is sent to **recovery, recycling or reuse operations**

Around **300 new containers** (WEEE Stations) for collecting small WEEE

Unieuro and **Tozzi Green** sign three-year agreement to hedge electricity price. At least 36GWh per year

Considering the nature of its business, Unieuro identified its main environmental impacts as energy consumption, emissions generation, waste management, and the disposal of collected domestic appliances and phone components that are no longer usable. As described in the Code of Ethics, Unieuro is committed to limiting potential negative impacts on the surrounding area: in fact, it condemns any type of action or behaviour that is potentially harmful to the environment in which it operates. The Company pays close attention to environmental protection and sustainable use of natural resources in accordance with current environmental regulations. With this in mind, several circular economy initiatives are in place. These range from the proper disposal of WEEE (Waste Electrical and Electronic Equipment), to the reuse of recycled plastic pallets; from the use of recycled fillers in home delivery, to trade-in campaigns (encouraging the proper disposal of discarded products or their potential subsequent reuse or reconditioning); from the reduction of plastic in the packaging of some private label products, to device repairs by the newly acquired Covercare or technical service centres for bulkier products, thus extending the useful life of these products. The ways in which any environmental risks are managed are described in detail in the following paragraphs.

4.1. Waste management

Unieuro is actively committed to complying with legal obligations concerning routine waste management within the context of its business. Specifically, as a distributor of electrical and electronic equipment, the Company complies with the regulatory obligations of Legislative Decree No. 121/2016 and No. 49/2014 and Ministerial Decree No, 65 of March 8, 2010, which regulate the management of WEEE. These obligations range from WEEE collection to pick-up and transport by distributors. Unieuro adopts procedures and practices to promote a responsible and sustainable approach to managing WEEE to avoid administrative and criminal sanctions arising from potential regulatory violations.

Take-back arrangements vary depending on the "size" of the WEEE: if this is small[61], it can be delivered free of charge by the customer to any Unieuro store without the obligation to purchase a new equivalent appliance (known as "one-for-zero"). For large WEEE, on the other hand, the customer can return the used appliance only against the purchase of a new product with the same mode of use (known as "one-for-one").

To ensure the application and consequent compliance with the various regulatory dictates, Unieuro uses a specific operating manual that defines roles and responsibilities for the proper management of WEEE disposal: in specific areas within the Company's stores, special areas are equipped for the pre-collection storage of WEEE, dividing it between hazardous and non-hazardous. Through the use of "Uniconsegna" management software, Unieuro ensures the traceability of operations, sending an alert if this waste has been registered in the warehouse for more than 45 days or has reached the maximum weight of 3.5 tonnes. Before these limits are reached, the waste is handed over to the transporter to be sent for recovery.

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

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

Covercare has outlined a policy for the recovery and recycling of waste generated. In addition, in 2023, it launched a partnership with a third-party waste management provider, focusing on reuse and recycling to minimise the share sent for disposal. With reference to WEEE management and disposal, the Company operates according to the applicable regulation.

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

Rules for proper sorting of municipal solid waste (MSW): paper, plastic and aluminium, wet and undifferentiated waste are posted at the Company's internal premises. Specifically, in order to promote circularity and reduce occupied space, containers with compactors and presses have been introduced for paper and cardboard waste. However, each type of waste is collected in accordance with current legal regulations by specialised companies authorised for this purpose: waste is handled by a third party where a public service is not available, the related cost is too high or operating conditions are not compatible with normal store operations. For third parties,

[61] *Small WEEE is defined as that with a longest side dimension of less than 25 cm.*

verification of the proper completion of the collection and disposal cycle is ensured by collecting (including online) the “fourth copy” of the waste collection forms. Regarding hazardous waste, constituting filters from the air conditioning system, a dedicated collection service has been introduced which tracks quantities on a special register.

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

In the 2023/24 financial year, the Group generated 20,601 tonnes of waste, broken down into hazardous (87%) and non-hazardous (13%), reporting an overall reduction of 19% compared to the previous reporting year. Most of the waste generated can be attributed to Unieuro (99%), while Covercare and Monclick produce close to 0%.

Almost all hazardous waste fell into the WEEE category, amounting to 17,979 tonnes, representing a 19.6% decrease compared to the 2022/23 financial year, primarily owed to a drop in purchase volumes through the online channel.

Total weight of waste, by type[62]

Waste generated	unit	29/02/2024	28/02/2023	28/02/2022
Total non-hazardous waste	*tonnes*	2,615	2,985	3,403
Year-on-year change		-12%	-12%	-
Total hazardous waste		17,986	23,054	21,042
Year-on-year change		-19%	4%	48%
Of which WEEE		*17,979*	*22,360*	*21,038*
Total waste produced		**20,601**	**26,039**	**24,446**
Year-on-year change		*-19%*	*6.5%*	*47.7%*

Based on the analysis conducted by Erion[63] on data from FY 2023/24 on WEEE collected by Unieuro from its customers who used the “one-for-one” service, it was estimated[64] that due to the environmental benefits associated with the treatment of WEEE, Unieuro avoided the production of 109,513 tonnes of CO_2eq, saved 18,416,032 kWh of energy, and sent a total of 15,891 tonnes of material for recycling compared to the 17,979 tonnes collected.

[62] *We note that it was decided to recalculate the waste figure by incorporating WEEE since this belongs to the hazardous waste category.*

[63] *Erion is Italy’s leading Extended Producer Responsibility system for the management of waste associated with electronic products and tobacco product waste.*

[64] *Considering that Erion WEEE is the leader in Italy in the area of Household WEEE by tonnes managed in 2023, with a share of responsibility of about 67%, and considering that all pickups were performed within the system accredited to the WEEE Coordination Center (CdCRAEE), despite the fact that they were not all performed by Erion WEEE, it is possible to assume that the overall environmental benefits are comparable to those defined by Erion itself.*

Environmental benefits of WEEE collected using the “one-for-one” service		
Emissions avoided	tCO_{2eq}	109,513
Energy saved	kWh	18,416,032
Materials recycled[65]	tonnes	15,891
of which Iron	tonnes	10,726
of which Plastic	tonnes	1,606
of which Aluminium	tonnes	377
of which Copper	tonnes	375

The quantity of waste directed to disposal amounts to 17,983 tonnes, divided into landfill, incineration with energy recovery, incineration (thermal destruction), and other disposal methods. Unlike previous years, approx. 3.5 tonnes of hazardous waste pertaining to paints, coal tar and insulation materials were sent for disposal by landfilling as a result of past accumulations in some stores. All disposal operations are contracted to third parties so that procedures are outsourced to certified providers.

Total weight of waste by type and treatment method

Waste directed to disposal	unit	29/02/2024	28/02/2023	29/02/2022
Non-hazardous waste				
To landfill		-	-	-
Other disposal operations		-	1	5
Hazardous waste				
To landfill	tonnes	3.5	-	-
Incinerated (with energy recovery)		0.7	1	1
Incineration (thermal destruction)		0.1	-	-
Other disposal type		17,979	22,360	21,038
Total[66]		**17,983**	**23,054**	**21,044**
Year-on-year change	%	*-22%*	*10%*	*21%*

[65] *Other materials recycled refers to the 17,979 tonnes and represent the most significant items.*

[66] *The figure was recalculated, including WEEE waste in the “hazardous waste” category.*

The amount of waste generated not destined for disposal, at 2,617 tonnes, shows a 11.8% decrease on the previous year. Almost all of the waste generated is destined for recovery, recycling or reuse operations and falls into the non-hazardous waste category. Specifically, 65% of waste is recovered, while the remaining 35% is recycled or reused. Similarly, hazardous waste is also mostly sent for recycling. The decrease during the year is mainly attributable to a change in the management of toner for in-house printers following a disposal agreement with the supplier of new toner. All waste treatment operations take place at an external site.

Waste diverted from disposal	unit	29/02/2024	28/02/2023	29/02/2022
Non-hazardous waste				
Reuse	tonnes	1	-	-
Recycling		894	644	438
Other disposal operations		1,719	2,340	2,956
Hazardous waste				
Recycling	tonnes	-	-	-
Preparation for reuse		3	-	-
Other disposal type		-	1	4
Total		2,617	2,985	3,402
Year-on-year change	%	*-12%*	*-12%*	*21%*

4.2. Energy consumption and emissions

Unieuro acknowledges the crucial role it plays in mitigating its impact on climate change. Aware of the urgency and importance of addressing this global challenge, the Group is actively committed to adopting concrete measures to reduce its environmental footprint and contribute to combatting climate change. Against this backdrop, Unieuro is continuing to develop its “Green” project (now in phase 3), which seeks to limit the Group’s climate impact by improving its energy performance and acquiring energy from renewable sources. In more detail, this project provides for the introduction of a series of in-store energy-efficiency initiatives to decrease direct (Scope 1) and indirect (Scope 2) CO_2 emissions. It also involves the self-generation of energy from photovoltaic systems at the 400 kW Muratella site, operational since 2023, which will come in addition to a further 3 MW system being installed at the new warehouse in Colleferro. These activities, together with the purchase of Guarantees of Origin, enable the reduction of residual Scope 2 emissions. Regarding the reduction of energy consumption, Unieuro is committed to innovating its energy consumption models to replace the least efficient systems during maintenance operations and achieve cost savings through smart energy load management. It pursues this goal through a series of energy efficiency measures, including the installation of Building Management Systems (BMSs) at stores. Specifically, the adoption of building automation systems enable the integrated and intelligent management of all building systems (lighting, heating, air conditioning, anti-intrusion and fire alarms), and generate energy savings of an estimated 20-30%.

A second type of measure involves replacing lighting systems with LED fixtures through a relamping process, resulting in energy savings of up to 50%. Other measures involve the replacement of air conditioning systems with high-efficiency machines. In the 2023/24 financial year, direct Scope 1 emissions at stores subject to energy-efficiency measures dropped by 39% compared to the previous year.

PROJECT GREEN

Project Green, launched during 2021, seeks to reduce electricity consumption by targeting maximum efficiency both in terms of consumption and CO_2.

The project rests on 2 pillars:

- point-of-sale energy efficiency
- purchases of energy from renewable sources (green energy)

The first pillar deals with energy efficiency in stores, giving priority to those with higher energy consumption.

The work can be divided into four types:

- installation of new high-efficiency LED light fixtures to replace existing ones;
- installation of a BMS (Building Management System), which harnesses artificial intelligence and machine learning to better manage the equipment and systems serving stores, managing the operating set points of the lighting and air conditioning system and the room temperatures;
- replacement of air conditioning systems with high-efficiency machines;
- installation of photovoltaic panels on the store roofs.

In FY 2021/23 the first three types of interventions listed above were carried out in 90 stores, while in FY 2023/24 the project involved another 19 stores, thus reaching a total of 109 points of sale. Project Green functions as an accelerator in the process of optimising energy consumption in the commercial network. Specifically, including work carried out before its launch, a total of around 144 outlets are equipped with BMS systems and 180 with LED lighting.

At the end of the planned four years of project development, the goal is to achieve savings in terms of reduced consumption of nearly 8 GWh compared to 2021 at like-for-like scope.

Concerning the procurement of electricity, the Company has continued to purchase electricity certified as “green”, sourced directly from the producer. During the 2023/24 financial year, this procurement accounted for 100% of all energy, in line with the previous financial year.

UNIEURO AND TOZZI GREEN SIGN THREE-YEAR AGREEMENT TO HEDGE ELECTRICITY PRICE

In October 2023, Unieuro signed with Tozzi Green, one of the country's leading renewable energy sector groups, a three-year Contract For Differences (CFD) on the price of energy, commencing October 1, 2023, on an underlying quantity of at least 36 GWh annually.

Unieuro, through the agreement, has fixed energy prices on around 60% of its annual energy needs, during a period of high tariff volatility and ongoing global geopolitical tensions.

Another project seeking to make a positive contribution to climate change mitigation involves the installation of electric vehicle charging stations at direct stores. Five additional charging stations are currently being added to the existing 10 in operation. While these new stations have been installed, they are not yet in operation[67]. Six more stations are currently under production. Another five columns, which can charge up to 10 cars simultaneously, are located in the central warehouse in Piacenza, available to employees and suppliers.

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

Finally, Covercare fully replaced fixtures at its head office on Corso Italia in Legnano to reduce heat dispersion and cooling and limit both summer and winter air conditioning consumption. The company pays attention to its consumption and emissions through timely monitoring activities, as evidenced by the achievement of ISO 14064 certification for the organisation's Carbon Footprint in November 2023. The Company also regularly provides specific training to employees in order to minimise its energy consumption.

Total electricity consumption during the reporting year equalled 228,124 GJ, down approx. 6% on the previous year. Of this, 99.9%[68] came from certified electricity.

[67] The columns are not active because Unieuro S.p.A. is awaiting authorisation from the operator.

[68] We note that 100% of the electricity purchased by Unieuro S.p.A. comes with a guarantee of origin. In addition, the remaining 0.1% refers to the share of non-certified electricity purchased by Covercare.

Indirect energy consumption[69]

Electricity purchased	unit	29/02/2024	28/02/2023
Electricity	*kWh*	63,367,748	67,118,985
	GJ	228,124	241,628
of which from renewable sources	*kWh*	63,344,752	66,304,198
	GJ	228,041	238,695
of which from non-renewable sources	*kWh*	22,996	814,787
	GJ	83	2,933
Year-on-year change	%	*-5.6%*	*-2%*

The consumption of fuel reported during the year amounted to 20,418 GJ, representing a 30% increase compared to the previous reporting year, driven by the expansion of the scope and the growth of business activities. A portion of the consumption comes from the use of natural gas (equal to 31% of the total) and diesel for heating and leasing purposes (equal to 53.8% of the total) and the use of petrol for leasing (15% of the total).

Direct fuel consumption for the operation of offices and sales points[70]

Fuel from non-renewable sources	unit	29/02/2024	28/02/2023
Natural gas	*Scm*	174,130	126,168
	GJ	6,301.8	4,527
Diesel (for heating)	*Litres*	149,555	138,516
	GJ	5,341.5	4,995
Diesel (for company-owned or leased/long-term rented vehicles)	*Litres*	158,750	-
	GJ	5,649.4	-
Petrol (for company-owned or leased/long-term rented vehicles)	*Litres*	96,834.4	-
	GJ	3,125.2	-
Total fuel from non-renewable sources	*GJ*	20,418	9,523
Year-on-year change	*%*	*30%*	*-31%*

The Group's energy performance can be described in a number of indicators that demonstrate its development and provide a picture of the Company's energy-saving or emission-reduction strategies. Relating energy consumption or emissions to net revenues makes it possible to obtain

[69] *Indirect electricity consumption was used to calculate the organisation's GHG emissions. Since Unieuro does not have operational control (as defined by the GHG Protocol) over Monclick, the latter's consumption will be reported in Scope 3 emissions.*

[70] *Data for natural gas and diesel for heating are taken from bills sent by the supplier, while data for the consumption of the vehicle fleet (diesel and gasoline) for Unieuro S.p.A. only were estimated from the expenditure in FY 2023/24 multiplied by the average unit cost per litre provided by the Ministry for Economic Development; by contrast, data for Covercare S.p.A. is available in litres.*

consumption intensity and emission indices that allow the identification, through continuous monitoring, of any improvements (or worsening) generated by efficiency interventions and corporate energy management.

Combined with reporting on the organisation's overall energy consumption, the energy intensity report is crucial in contextualizing the Unieuro Group's operational efficiency. It helps outline and supplement the Company's strategy to save energy.

Energy intensity[71]

	29/02/2024	28/02/2023
Total organisational consumption (GJ)	248,542	251,151
Revenues (€ million)	2,671,6	2,884.3
Energy intensity	**0.093**	**0.087**
Year-on-year change	*7%*	-

During the reporting period, Unieuro conducted a detailed analysis of the Group's carbon footprint, accompanied by the measurement of Scope 1, 2, and 3 emissions (for the previous year only, i.e. FY 2022/23). In the current fiscal year, the company will refine its measurement of Scope 3 emissions and define a plan to identify further actions to reduce its carbon footprint.

The methodology adopted to calculate the carbon footprint complies with the GHG Protocol. The perimeter of the Scope 1, 2 and 3 emissions calculation has been defined using the operational control approach to include the following direct facilities of Unieuro:

- Unieuro Headquarters
- Direct points of sale;
- Logistics platform (hubs in Piacenza and Carini, PA);
- Monclick;
- Covercare.

[71] *Energy intensity is calculated as the ratio of energy consumption (in GJ) (Indirect energy consumption and direct fuel consumption for the operation of offices and sales points) to revenue (in €) as defined in Note 5.18 of the 2023/24 Annual Financial Report;*

The operating scope includes the following emission sources:

Scope 1:

- Stable combustion (natural gas and diesel fuel combustion)[72]

  The calculation of emissions due to thermal energy considers the consumption of natural gas and diesel fuel used to heat Unieuro's direct facilities.

- Non-stationary combustion of the vehicle fleet[73]

  For Unieuro S.p.A., emissions for the fleet owned and for vehicles leased under long-term contracts were calculated from the expenditure incurred on fuelling the fleet. This was converted to litres by considering the average monthly cost of diesel fuel and gasoline over the fuel purchase period, extracted from the Ministry for Economic Development (MISE) website. Covercare S.p.A.'s consumption in litres was then added to calculate CO_2e emissions obtained using the "ISPRA" factors for the Italian vehicle fleet, a function of the lower heating value and the average density of the fuels considered.

- Fugitive emissions (leakage of climate-altering gases)[74]

  Calculated considering the F-GAS toppings made in Unieuro's direct facilities, corresponding to fugitive emissions of climate-changing gases. Climate-altering fluids were converted to emissions by means of GWP (100-year scenario) values provided by IPCC's Fifth Assessment Report.

Scope 2:

- Imported electricity (Location-based and Market-based approach)[75]

The Location-based approach calculates emissions associated with electricity supply from the grid by multiplying the energy consumption of the Unieuro Group by the emission factor of the Italian national grid. In the Market-based approach, emissions associated with the supply of electricity from the grid are multiplied by the relative emission factor, specifically using the "AIB" (Residual Mix) source for FY 2022/23. While in FY 2023/24, since the supply was completely through GO (Guarantees of Origin), the emission factor is zero, in accordance with Scope 2 Guidance of the GHG Protocol.

The Scope 1 calculation shows an increase on the previous year in direct combustion emissions of 44%, attributable to an increase in consumption in all categories. Electricity emissions amounted to 15,331 tCO_2e (calculated using the location-based approach), a 10% decrease (amounting to 17,104 tCO_2e), partly as a result of energy-efficiency measures adopted. In addition, thanks to the use of electricity derived from 100% renewable sources (certified with guarantees of origin), Unieuro's emissions calculated using the market-based method are 0 (zero), whereas Covercare's

[72] *Source: Emission factors: DEFRA 2023*

[73] *Source: Emission factors: ISPRA 2020 and MISE*

[74] *Source: Emission factors: IPCC AR5*

[75] *Source: Emission Factor Location-Based: Ecoinvent 3.9.1.(FY23 and FY24) Source - Market-Based Emission Factor: AIB-Residual Mix 2022 (latest update available)*

Scope 2 (market-based) emissions equal 11 tCO_2e, since the company purchases electricity without guarantees of origin. The certified purchases related to Unieuro S.p.A. covered the entire requirement in FY 2023/24 and will continue in future years.

Direct and indirect emissions (Scopes 1 and 2)[76]

	unit	29/02/2024	28/02/2023
Scope 1	tCO2e	2,443	1,689
Year-on-year change		45%	-36%
Scope 2 Location-based		15,331	17,104
Year-on-year change		-10%	-3%
Scope 2 Market-based		11	0
Scope 1 + 2 Location-based		17,774	18,793
Year-on-year change		*-5%*	*-7%*
Scope 1 + 2 Market-based		2,454	1,689
Year-on-year change		*45%*	*-89%*

In synergy with the organisation's total emissions report, the emissions intensity report is also vital in contextualising the Unieuro Group's operational efficiency, while also enabling a meaningful comparison with other organisations.

[76] *we note that to establish Covercare's emissions scenario, emissions for the months of December 2023, January and February 2024 were taken into account. This approach was adopted to account for the acquisition of the company from December 2023.*

Emissions intensity[77]

	29/02/2024	28/02/2023
Scope 1 (tCO_2eq)	2,443	1,689
Scope 2 Location-based (tCO_2eq)	15,331	17,104
Scope 2 Market-based (tCO_2eq)	11	0
Scope 1 + 2 Location-based (tCO_2eq)	17,774	18,793
Scope 1 + 2 Market-based (tCO_2eq)	2,454	1,689
Revenues (€ million)	*2,671.6*	2,884.3
Emissions intensity (Location-based) (tCO_2eq/€ million)	*0.00665*	*0.00652*
Year-on-year change	*2%*	-
Emissions intensity (Market-based) (tCO_2eq/€ million)	*0.00092*	*0.00059*
Year-on-year change	*56%*	-

Scope 3:

During the year, the Unieuro Group calculated its total Scope 3 emissions for the 2022/23 reporting year. When assessing the latter, the methodologies outlined in the GHG Protocol were applied to the entire Group scope, taking all Scope 3 emission categories applicable to the Unieuro Group's business into account[78]. After examining the Group's upstream and downstream processes, and having conducted a materiality analysis, the following categories were deemed significant:

- Category 3.1: Procured goods and services;
- Category 3.2: Capital goods;
- Category 3.3: Fuel- and energy-related activities
- Category 3.4: Upstream logistics;
- Category 3.5: Waste generated;
- Category 3.6: Business trips;
- Category 3.7: Employee commuting;
- Category 3.9: Downstream logistics;
- Category 3.11: Use of products sold;
- Category 3.12: Disposal of products sold;

[77] *Emissions intensity is calculated as the ratio of scope 1 and 2 emissions (in GHG) to revenues (in €) as defined in Note 5.18 of the Annual Financial Report 2023/24*

[78] *We note that Covercare S.p.A. is excluded from the scope of calculation.*

- Category 3.14: Franchises.

Scope 3 emissions are primarily linked to three categories covering 95% of Scope 3, specifically category 3.1 "Use of products sold" with approximately 6 million tCO_2e (77%), category 3.1 "Purchased goods and services" equal to approx. 953 thousand tCO_2e (12%) and finally, category 3.4 "Logistics of purchased and sold goods" with around 570 thousand tCO_2e (7%).

The work also involved identifying initial potential actions to better qualify the inventory. The GHG inventory will be updated for FY 2023/24, including by adopting the indicated improvement actions, and will be reported in the next Sustainability Statement.

Generated emissions (Scope 3)

Emission source	unit	28/02/2023	% of Scope 3
Category 3.1 Purchased goods and services	tCO2e	952,717	12%
Category 3.2 Capital goods		76,629	1%
Category 3.3 Fuel- and energy-related activities		3,147	<0.1%
Category 3.4 Upstream transportation and distribution		569,718	7.2%
Category 3.5 Waste generated in operations		372	<0.1%
Category 3.6 Business travel		54	<0.1%
Category 3.7 Employee commuting		7,604	0.1%
Category 3.9 Downstream transportation and distribution		108,565	1.4%
Category 3.11 Use of sold products		6,090,820	76.7%
Category 3.12 End-of-life treatment of sold products		124,480	1.6%
Category 3.14 Franchises		7,384	0.1%
Total emissions		7,941,490	100%

4.3. Consumption of resources and materials

As Unieuro is not directly involved in production activities, it has a relatively limited impact in terms of material consumption. However, the Company is actively committed to reducing its consumption of resources and materials by adopting initiatives to reuse packaging whenever possible. As such, Unieuro promotes practices that target the use of sustainable packaging and the pursuit of its proper disposal. We note that the Company sources from leading players active in the consumer electronics and domestic appliance markets who, in the vast majority of cases, develop sustainable packaging initiatives themselves as part of their eco-design and circularity strategies.

For Private Label products, Unieuro has incorporated value directions in scouting, sourcing and making sustainable packaging by seeking "plastic-free" solutions as much as possible, consistent with commercial positioning constraints, particularly for mainstream products centred on the concept of "value for money." A cross-brand graphic system was also designed and implemented for all brands Unieuro owns to communicate to customers, effectively and in compliance with existing regulations, the correct way to dispose of the materials used in the packaging. For some products, in order to further facilitate disposal arrangements, Unieuro has included a QRcode in the disposal graphic system. This is linked to an application which allows the request for disposal of packaging components to be geolocated and provides precise directions on where the materials can be disposed of depending on the provisions of the municipality or the disposal area.

Some examples of additional specific actions introduced in this area include the use of cardboard packaging for different categories of IT products, the use of cardboard ties for products such as multi-socket electrical equipment, extension cords, and TV cables and FSC cardboard for mobile phone accessories.

The largest categories of materials produced[79] during the reporting year were cardboard packaging (36%), paper (13%), paper for flyers[80] (6%), pallets (38%), and plastic bags and films (6%), equal to 4,365 tonnes in total. This constitutes a 63% increase over the previous reporting year as a result of the expanded scope with Covercare in the Group. The printing of advertising flyers, which is commissioned from third-party suppliers, accounts for 6% of raw material consumption for Unieuro. Monclick, on the other hand, mainly conducts its advertising activities online. In FY 2023/24, about 11 million copies of advertising materials were distributed nationwide, a 22% decrease on the previous year (14 million). This result is the outcome of a series of initiatives developed over the past two years to reduce material consumption. These include increasing the digital publication and distribution of chain promotional campaigns, excluding campaigns related to new store openings, relocations, and refurbishments, which still rely on traditional printing methods.

To confirm its commitment to reducing its environmental impact, Covercare introduced a series of initiatives to limit plastic usage by adopting a plastic-free approach. The only plastic used is cellophane to ensure packages on outgoing pallets remain compact during shipping. The rest consists of paper and cardboard, which is completely reusable and recyclable.

[79] *For Covercare S.p.A., the reporting period refers to the last three months (December 1, 2023 - February 29, 2024), while Monclick, in liquidation, does not use raw materials or packaging.*

[80] *The calculation of paper consumption was estimated by multiplying the number of copies purchased and distributed (11.2 million) by the average weight of about 25 grams.*

Consumption of resources[81]

	unit	29/02/2024	28/02/2023	28/02/2022
Raw materials				
Paper flyers	*tonnes*	281	361	572
Packaging				
Paper	*tonnes*	*587*	-	-
Cardboard packaging	*tonnes*	*1,558*	*312*	*266*
Plastic bags and films	*tonnes*	*262*	*336*	*236*
Pallets	*tonnes*	*1,678*	*1,672*	*4,462*
Total	*tonnes*	***4,365***	***2,681***	***5,536***
Year-on-year change	*%*	*63%*	*-52%*	-

PALLET RECOVERY INITIATIVES

Packaging used to ship goods from logistics hubs to stores has an impact on the environment: in the past, it was designed not to be returned and, after use, became waste. With the goal of making responsible choices, monitoring and pallet recovery initiatives have been initiated to encourage subsequent reuse and a gradual reduction of plastic used for packaging filler.

Consistent with the contents of the Sustainability Plan, in FY 2023/24 Unieuro continued the pallet recovery project for reuse relative to the "HUB circuit" (Territorial Logistics Platforms that manage Home Delivery) by using data from the tracking system of incoming and outgoing pallets in the Piacenza platform.

A gradual shift toward 100% recycled plastic supports as an alternative to wooden ones was therefore initiated. This choice, which is also dictated by considerations of cost and raw material availability, makes it possible to mitigate the risks of variability and discontinuity in wood pallet supplies. In the context of pallets, plastic constitutes a material with appreciable characteristics such as strength and recyclability.

This type of support has a much longer lifespan than wooden pallets as they are used for about ten trips. Once they reach the end of their life, they are recycled to produce new supports. During the year, three-quarters of purchased pallets were recovered for new trips.

Another important initiative involves replacing plastic fillers with 100% recycled material inside packages. The goal is to further increase the use of paperboard and paper tape for Home Delivery shipments, thereby reducing the creation of non-recyclable waste.

[81] *We note that in order to improve data monitoring for Unieuro S.p.A., packaging data from previous fiscal years - specifically FY21/22 and FY22/23 - have been restated.*

METHODOLOGICAL NOTE

The Consolidated Non-Financial Statement (hereinafter also referred to as the "Statement" or "NFS") of the Unieuro Group (hereinafter also referred to as the "Group"), prepared pursuant to Legislative Decree No. 254/2016 in implementation of Directive 2014/95/EU, sets out information and data on the policies in place and the management of environmental, social, personnel-related, human rights-related, and active and passive anti-corruption issues. These facilitate an understanding of the Group's activities in these areas, its performance, the results achieved, and the impacts that have resulted, as provided for by Articles 3 and 4 of Legislative Decree No. 254/2016. The Statement also explains the main non-financial risks, ESG (Environmental, Social and Governance) risks, and how they are managed.

As of FY 2021/22, as provided for in Article 5 of Legislative Decree No. 254/2016 *"Placement of the Statement and Disclosure Regime,"* this document constitutes a separate report from the Directors' Report and is therefore marked with appropriate wording in order to be clearly identified as the document containing the non-financial information required by the regulations. The Statement is prepared in accordance with the GRI Sustainability Reporting Standards defined by the Global Reporting Initiative[82] (GRI), following the "In accordance" option, providing a clear and comprehensive overview of the main economic, environmental, and social impacts, including those related to human rights. Concluding the NFS is the GRI Content Index table, which provides a summary of the GRI Standards used and lists all disclosures included in this document. The recommendations, "Priorities related to non-financial statements," which ESMA published in its October 2023 Annual Statement, were also considered in preparing this document.

To ensure the reliability of reporting, the content and quality principles provided by the Global Reporting Initiative were taken into account, namely:

- Comparability
- Completeness
- Accuracy
- Clarity
- Balance
- Sustainability context
- Timeliness
- Verifiability

[82] *The Global Reporting Initiative is a not-for-profit organisation founded in Boston in 1997 providing support in the reporting of sustainable performances of organisations of any size, sector or country. In 2001, it was recognised as an Independent Body by the United Nations. In 2002, the United Nations Environment Program (UNEP) formally recognised its principles and invited all UN Member States to identify an official UN-recognised body.*

For comparability purposes, comparisons are presented with data from the financial years ending February 28, 2023 and February 28, 2022. Any restatements of the comparative data previously published is clearly indicated as such. To ensure that the figures are reliable, the use of estimates has been kept to a minimum. Estimates are based on the best available methods and are appropriately disclosed in the document.

The preparation and drafting of the Consolidated Non-Financial Statement is governed by specific guidelines adopted on March 28, 2023, which define roles, responsibilities, and deadlines.

On November 10, 2022, the final text of EU Directive 2022/2464 (Corporate Sustainability Reporting Directive - CSRD) was approved, based on an agreement between the European Parliament, the Council, and the European Commission. The New Directive requires a Sustainability Disclosure integrated into the Directors' Report in line with the requirements of the CSRD and the new reporting standards (European Sustainability Reporting Standards - ESRS) prepared by EFRAG and adopted by the European Commission through a Delegated Regulation on July 31, 2023. The New Directive applies to the Unieuro Group starting from the financial year beginning March 1, 2024. To this end, the Group initiated an activity to map CSRD and European Sustainability Standards (ESRS) disclosure requirements in order to identify the information that the Group will need to integrate with reference to the 2024 fiscal year and define an action plan to ensure full compliance with the new directive.

For information about the NFS, write to sostenibilità@unieuro.com; the contact person for questions about the Declaration and the information in it is the Sustainability and M& A Director.

This document was submitted for approval by the Board of Directors on May 10, 2024, and is published in the "*Sustainability*" section of the Company's Website (www.unieurospa.com) at least thirty days before the Shareholders' Meeting, together with the remaining Shareholders' Meeting documents.

Limited assurance engagement

The independent audit of the Non-Financial Statement was entrusted to KPMG S.p.A. and concluded with the issuance of the "Independent Auditors' Report on the Consolidated Non-Financial Statement Pursuant to Article 3 of Legislative Decree No. 254/2016 and Article 5 of Consob Regulation No. 20267,"[83]. The limited review conducted by the independent audit firm on the NFS does not extend to the information contained in the section "The European Taxonomy for Environmentally Sustainable Activities," which is required by Article 8 of Regulation (EU) 852 of June 18, 2020.

Reporting period

The reporting period spans from March 1 to February 28 (29 February in the current financial year). As required by Legislative Decree No. 254/2016, the Statement is published annually and is subject

[83] *Consob Regulation on the disclosure of non-financial information adopted by Consob Resolution No. 20,267 of January 18, 2018 [informazioni_carattere_non_finanziario] (consob.it)*

to an assessment of the conformity of the information provided with the requirements of that Decree and the standard used by the statutory auditor of statutory financial statements. The breadth and quality of reporting reflect the principle of materiality, an element provided for in the relevant legislation and which characterises the GRI Standards: the topics covered within the Statement are those that, after careful evaluation, are found to be material in that they represent the most significant impacts of the organisation on the economy, the environment, and people, including the impact on their human rights, as further detailed in section 1.3.1 “Materiality analysis”.

Reporting scope

With regard to economic-financial, social, and environmental data and information, the reporting scope is not the same as the Unieuro Group’s Annual Financial Report. The two investee companies Covercare Center S.r.l. and Cybercare S.r.l., controlled by Covercare S.p.A. with respective shares of 70% and 60% of the share capital, are not included in the scope as they are not considered significant.

The terms “Unieuro Group” or “Group” refer to the set of companies consisting of the Parent Company Unieuro S.p.A. and the wholly owned subsidiaries Covercare S.p.A and Monclick S.r.l. in liquidation, while the terms “Unieuro” or “Company” refer exclusively to the Parent Company.

Finally, certain aspects and indicators may have a differing reporting scope than the one related to the Group, where these are considered by management as non-significant for a specific company in consideration of the activities it carries out. In this case, the text clearly indicates the reporting scope of the aspect/indicator.

On October 17, 2023, Unieuro announced the liquidation of Monclick S.r.l., which will take effect from the 2024/2025 financial year. This decision forms part of a corporate restructuring. In particular, Monclick S.r.l. has suffered a worsening of its operating, equity and financial situation in recent years as a result of the performance of its target markets, exacerbated by its digital pure player business model.

In addition, we note that on December 4, 2023, the Unieuro Group also completed the acquisition of the entire share capital of the Covercare Group (Covercare S.p.A. and subsidiaries), and therefore, the reporting data pertain to the last quarter (December 2023 - February 2024).

Article 3, Legislative Decree No. 254/2016

The following table illustrates the link between the relevant topics identified by the Group, required to provide an overview of the business, its performance, results, impacts, and the areas mentioned in Article 3 of Legislative Decree No. 254/2016:

Material topic	Areas of Legislative Decree No. 254/2016
Climate change and energy efficiency	Environment
Distribution, logistics and mobility management	Environment
Waste management	Environment
Sustainable packaging	Environment
Sustainable products and services	Environment
Sustainable supply chain	Environmental/Social
Customer-centricity and innovation	Social
Stakeholder dialogue	Social
Safety of products on the market	Social
Transparency of product information and offers to customers	Social
Protection of consumer privacy and cyber security	Social
Diversity and equal opportunity	Human rights
Respect for human rights and worker protection	Human rights
Employee and contractor health and safety	Personnel management
Staff training and career development	Personnel management
Company welfare	Personnel management
Business ethics and integrity	Combatting corruption

GRI CONTENT INDEX

The following table shows Group information prepared in accordance with the GRI Standards. For each disclosure, the following are provided: the reference number of the disclosure, the page numbers where the information can be found within this document or on other referenced documents, and any notes and/or omissions, where applicable.

Statement of use	Unieuro has prepared this non-financial disclosure in accordance with the GRI Standards for the period March 1, 2023 to February 29, 2024.
GRI 1	GRI 1: Foundation 2021
GRI Sector Standard(s) applicable	N/A

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	2-1	Organizational details	1.1 Who we are	7 - 10		
	2-2	Entities included in the organization's sustainability reporting	Methodological Note	11; 137		
	2-3	Reporting period, frequency and contact point	Methodological Note	137		
	2-4	Restatements of information	Methodological Note	136		
	2-5	External assurance	Methodological Note Independent Auditors' Report	136; 145 - 148		
	2-6	Activities, value chain and other business relationships	3.3 Suppliers	110 - 114		
	2-7	Employees	3.1 Employees	75 - 77		
	2-8	Workers who are not employees	3.1 Employees	78		
	2-9	Governance structure and composition	2.1 Control bodies	34 - 45		
	2-10	Nomination and selection of the highest governance body	2.1 Control bodies	35 - 41		
	2-11	Chair of the highest governance body	2.1 Control bodies	41		
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Control bodies	35 - 40; 44 - 45		
	2-13	Delegation of responsibility for managing impacts	2.1 Control bodies	44 - 45		
	2-14	Role of the highest governance body in sustainability reporting	2.1 Control bodies	44 - 45		
	2-15	Conflicts of interest	2.1 Control bodies	34; 39		
	2-16	Communication of critical concerns	2.1 Control bodies	35 - 44		

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
	2-17	Collective knowledge of the highest governance body	2.1 Control bodies	35 - 40; 44 - 45		
	2-18	Evaluation of the performance of the highest governance body	2.1 Control bodies	39 - 40		
	2-19	Remuneration policies	3.1 Employees	41 - 42		
	2-20	Process to determine remuneration	3.1 Employees	41 - 42		
	2-21	Annual total compensation ratio	3.1 Employees	84 - 85		
	2-22	Statement on sustainable development strategy	Letter to the stakeholders	3 - 6		
	2-23	Policy commitments	1.1 Who we are 2.2 Business model and regulatory compliance	10; 46 - 48		
	2-24	Embedding policy commitments	2.1 Control bodies	22 - 25; 49 - 53		
	2-25	Processes to remediate negative impacts	2.2 Business model and regulatory compliance	46 - 48		
	2-26	Mechanisms for seeking advice and raising concerns	2.2 Business model and regulatory compliance	46 - 47		
	2-27	Compliance with laws and regulations	2.2 Business model and regulatory compliance 3.2 Customers	46 - 48; 104 - 110		
	2-28	Membership associations	1.1 Who we are	15 - 16		
	2-29	Approach to stakeholder engagement	1.2 Stakeholder engagement	12 - 16		
	2-30	Collective bargaining agreements	3.1 Employees	74; 98		
MATERIAL TOPICS						
GRI 3: Material topics 2021	3-1	Process to determine material topics	1.3 Strategic Sustainability Path	16 - 21		
	3-2	List of material topics	1.3 Strategic Sustainability Path	18 - 21		
RESILIENCE AND FINANCIAL BALANCE						
GRI 3: Material topics 2021	3-3	Management of material topics	2.3 Economic-financial responsibility	59		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2.3 Economic-financial responsibility	59		
GRI 202: Market presence 2016	202-2	Proportion of senior management hired from the local community	3.1 Employees	81		
GRI 204: Procurement practices 2016	204-1	Proportion of spending on local suppliers	3.3 Suppliers	112 - 114		
BUSINESS ETHICS AND INTEGRITY						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	99 - 103		
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	2.2 Business model and regulatory compliance	46 - 49		

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
	205-2	Communication and training about anti-corruption policies and procedures	2.2 Business model and regulatory compliance	46 - 49		
	205-3	Confirmed incidents of corruption and actions taken	2.2 Business model and regulatory compliance	47 - 49		
GRI 206: Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.2 Customers	109 - 110		
GRI 207: Tax 2019	207-1	Approach to tax	2.3 Economic-financial responsibility	60 - 61		
	207-2	Tax governance, control and risk management	2.3 Economic-financial responsibility	60 - 61		
	207-3	Stakeholder engagement and management of concerns related to tax	2.3 Economic-financial responsibility	12 - 15; 60 - 61		
	207-4	Country-by-country reporting	Financial Report	60 - 61		
SUSTAINABLE PACKAGING						
GRI 3: Material topics 2021	3-3	Management of material topics	4.3 Consumption of resources and materials	132 -134		
GRI 301: Materials 2016	301-1	Materials used by weight or volume	4.3 Consumption of resources and materials	134		
CLIMATE CHANGE AND ENERGY EFFICIENCY						
GRI 3: Material topics 2021	3-3	Management of material topics	4.2 Energy consumption and emissions	124 - 126		
GRI 302: Energy 2016	302-1	Energy consumption within the organization	4.2 Energy consumption and emissions	127		
	302-3	Energy intensity	4.2 Energy consumption and emissions	128		
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.2 Energy consumption and emissions	129 - 130		
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Energy consumption and emissions	129 - 130		
	305-4	Emissions intensity	4.2 Energy consumption and emissions	131		
WASTE MANAGEMENT						
GRI 3: Material topics 2021	3-3	Management of material topics	4.1 Waste management	120 - 122		
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	4.1 Waste management	121 - 122		
	306-2	Management of significant waste-related impacts	4.1 Waste management	121 - 122		
	306-3	Waste generated	4.1 Waste management	122		
	306-4	Waste diverted from disposal	4.1 Waste management	123		

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
	306-5	Waste directed to disposal	4.1 Waste management	124		
SUSTAINABLE SUPPLY CHAIN						
GRI 3: Material topics 2021	3-3	Management of material topics	3.3 Suppliers	110 - 114		
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	3.3 Suppliers	111		
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	3.3 Suppliers	111		
DIVERSITY AND EQUAL OPPORTUNITY						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	71 - 74; 78 - 79		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	3.1 Employees	81 - 84		
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	2.1 Control bodies 3.1 Employees	41 - 42; 80		
	405-2	Ratio of basic salary and remuneration of women to men	3.1 Employees	85		
COMPANY WELFARE						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	72 - 74		
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	3.1 Employees	98		
EMPLOYEE AND CONTRACTOR HEALTH AND SAFETY						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	92 - 95		
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	3.1 Employees	94		
	403-2	Hazard identification, risk assessment, and incident investigation	3.1 Employees	92 - 95		
	403-3	Occupational health services	3.1 Employees	92 - 95		
	403-4	Worker participation, consultation, and communication on occupational health and safety	3.1 Employees	92 - 95		
	403-5	Worker training on occupational health and safety	3.1 Employees	86; 92 - 95		
	403-6	Promotion of worker health	3.1 Employees	92 - 95		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.1 Employees	92 - 95		
	403-9	Work-related injuries	3.1 Employees	95 - 96		
	403-10	Work-related ill health	3.1 Employees	95		

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
STAFF TRAINING AND CAREER DEVELOPMENT						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	85 - 87		
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	3.1 Employees	88		
	404-2	Programs for upgrading employee skills and transition assistance programs	3.1 Employees	87		
	404-3	Percentage of employees receiving regular performance and career development reviews	3.1 Employees	91 - 92		
RESPECT FOR HUMAN RIGHTS AND WORKER PROTECTION						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	71 - 74; 78 - 79		
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	3.1 Employees	56 - 57; 78 - 79		
SUPPORT FOR LOCAL COMMUNITIES[84]						
GRI 3: Material topics 2021	3-3	Management of material topics	3.4 The community	115 - 119		
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	3.4 The community	115 - 119		
SAFETY OF PRODUCTS ON THE MARKET						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	104		
GRI 416: Customer health and safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.2 Customers	104		
TRANSPARENCY OF PRODUCT INFORMATION AND OFFERS TO CUSTOMERS						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	104 - 105		
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.2 Customers	105 - 106		
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.2 Customers	106		
	417-3	Incidents of non-compliance concerning marketing communications	3.2 Customers	106		
PROTECTION OF CONSUMER PRIVACY AND CYBER SECURITY						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	106 - 107		

[84] *The issue was not material, but because it was relevant and related to Unieuro's performance, it was voluntarily reported.*

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
GRI 418: Customer privacy 2016	418-1	*Substantiated complaints concerning breaches of customer privacy and losses of customer data*	3.2 Customers	108		
STAKEHOLDER DIALOGUE						
GRI 3: Material topics 2021	3-3	Management of material topics	1.2 Stakeholder engagement	12 - 16		
CUSTOMER-CENTRICITY AND INNOVATION						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	101 - 103		
DISTRIBUTION, LOGISTICS AND MOBILITY MANAGEMENT						
GRI 3: Material topics 2021	3-3	Management of material topics	3.3 Suppliers 4.2 Energy consumption and emissions 4.3 Consumption of resources and materials	110 - 111; 120 - 122; 124 - 126		
SERVICES AND SUSTAINABLE PRODUCTS						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers 3.3 Suppliers	99 - 103; 110 - 111		

Forlì, May 10, 2024

Giancarlo Nicosanti Monterastelli

Marco Deotto

INDEPENDENT AUDITOR'S ASSURANCE REPORT

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

To the board of directors of
Unieuro S.p.A.

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5.1.g) 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 2024 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 10 May 2024 (the "NFS").

Our procedures did not cover the information set out in paragraph "2.3.3 The European Taxonomy for Environmentally Sustainable Activities" of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Unieuro S.p.A. (the "parent") for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), which they have identified as the reporting standards.

The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

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) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. During the year covered by this engagement, our company applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the NFS are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

1 Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.

2 Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.

3 Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.

4 Gaining an understanding of the following:

- the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
- the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
- the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

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 subsidiaries Monclick S.r.l. in liquidazione and Covercare S.p.A. 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 2024 consolidated non-financial statement of the Unieuro Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

Our conclusion does not extend to the information set out in paragraph "2.3.3. The European Taxonomy for Environmentally Sustainable Activities" of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Bologna, 20 May 2024

KPMG S.p.A.

(signed on the original)

Davide Stabellini
Director of Audit

sUnieuro S.p.A. - Registered Office in Forlì, Palazzo Hercolani via Piero Maroncelli, 10
Share capital: Euro 4,139,724.20 fully paid-in
Registration Number with the Companies' Register of Forlì-Cesena and Tax Code 00876320409

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL UNDER ITEM NO. 1 ON THE AGENDA OF THE SHAREHOLDERS' MEETING OF UNIEURO S.P.A. CONVENED IN FIRST AND ONLY CALL ON 20 JUNE 2024

1. **Separate Financial Statements for the fiscal year ended February 29, 2024; resolutions thereon:**

1.1 Approval of the Financial Statements as at 29 February 2024, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm. Presentation of the Consolidated Financial Statements as at 29 February 2024 and the Consolidated Non-Financial Statements drawn up pursuant to Legislative Decree No. 254/2016.

1.2 Allocation of the result for the year.

Dear Shareholders,

the Annual Financial Report as at 29 February 2024, containing the draft annual financial statements of Unieuro S.p.A. (the "**Company**") and the consolidated financial statements, together with the Management Report of the Board of Directors and the attestation referred to in art. 154-*bis,* para. 5, of Legislative Decree No. 58 of 24 February 1998, approved by the Company's Board of Directors on 10 May 2024, will be made available to the public in the manner and within the terms prescribed by law, as will the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm.

Within the same terms and in the same manner, the Consolidated Non-Financial Statements prepared in accordance with Legislative Decree No. 254/2016 and approved by the Board of Directors on 10 May 2024 accompanied by the Report of the external Auditing Firm shall be put at the public's disposal. Please note that these statements - which reports on Unieuro's initiatives and results achieved in the various areas of sustainability (Environment, Social and Governance) - is presented to the Shareholders' Meeting for information purposes only, as it is not submitted to the Shareholders' Meeting for approval.

Finally, please note that the consolidated financial statements as at 29 February 2024, which present a consolidated loss for the year as per the consolidated income statement in the amount of Euro 17,395 thousand, are brought to your attention but are not subject to approval by the Company's Shareholders' Meeting.

1.1 Approval of the Financial Statements as at 29 February 2024, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm. Presentation of the Consolidated Financial Statements as at 29 February 2024 and the Consolidated Non-Financial Statement drawn up pursuant to Legislative Decree No. 254/2016.

Referring to the above-mentioned documents, we invite you to approve the financial statements for the year ended 29 February 2024, which closed with a loss for the year as per the income statement in the financial statements of Euro 15,770 thousand, proposing that you pass the following motion:

"The Shareholders' Meeting of Unieuro S.p.A., by virtue of the foregoing:

- *having reviewed the Management Report of the Board of Directors;*
- *having noted the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm KPMG S.p.A.;*

- *having noted the consolidated financial statements as at 29 February 2024, which present a consolidated loss for the year as per the consolidated income statement in the amount of Euro 17,395 thousand;*
- *having noted the Consolidated Non-Financial Statements as prepared by the Board of Directors;*
- *having examined the financial statements for the year ended 29 February 2024, in the draft form presented by the Board of Directors, which closed with a loss for the year as per the income statement in the financial statements of Euro 15,770 thousand;*

resolves

to approve, both as a whole and in its individual items, the financial statements as at 29 February 2024."

* * *

1.2 Allocation of the result for the year.

The financial statements as at 29 February 2024 subject to approval under this Agenda item present a loss for the year of Euro 15,770 thousand.

As regards the allocation of the result for the year, the Board of Directors proposes to fully cover the aforementioned loss, amounting to Euro 15,770 thousand, through the use of the available profit reserve called "Extraordinary Reserve," which, following the coverage of the aforementioned loss, will amount to Euro 48,506 thousand.

By virtue of the above, we therefore propose that you pass the following motion:

"The Shareholders' Meeting of Unieuro S.p.A.,

- *having approved the financial statements as at 29 February 2024*;
- *having examined the proposal of the Board of Directors,*

resolves

- *to fully cover the net loss of Euro* 15,770 *thousand, through the use of the "Extraordinary Reserve" profit reserve.*

* * *

Forlì, 10 May 2024

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

Unieuro S.p.A. - Registered Office in Forlì, Palazzo Hercolani via Piero Maroncelli, 10
Share capital: Euro 4,139,724.20 fully paid-in
Registration Number with the Companies' Register of Forlì-Cesena and Tax Code 00876320409

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL UNDER ITEM NO. 2 ON THE AGENDA OF THE SHAREHOLDERS' MEETING OF UNIEURO S.P.A. CONVENED IN FIRST AND ONLY CALL ON 20 JUNE 2024

2. Proposal for the distribution of a dividend from the Extraordinary Reserve. Resolutions thereon.

Dear Shareholders,

taking into account:

- the loss for the year as per the income statement in the financial statements for the year ended 29 February 2024, amounting to Euro 15,770 thousand (it should be noted that this is mainly the result of a negative effect of a non-recurring nature arising predominantly from the liquidation of the subsidiary Monclick S.r.l. with Sole Shareholder in Liquidation);
- the Company's 20,698,621 currently outstanding shares;
- the circumstance that the Company currently holds 368,776 treasury shares whose right to profit is allocated proportionally to other shares pursuant to art. 2357-*ter* Civil Code;
- the stock options under the management incentive plan called the "Long Term Incentive Plan 2018-2025" granted but not yet exercised, which if exercised would result in the issue of up to 159,584 ordinary shares; and
- the Company's policy on dividend distribution approved on 1 March 2017 and last amended on 10 January 2019 ("**Dividend Policy**"),

We propose that you approve the distribution of a unit dividend of Euro 0.46 gross for each ordinary share entitled to payment on the date referred to in art. 83-*terdecies* of Legislative Decree No. 58/1998 ("record date"), to be paid from the "Extraordinary Reserve" available profit reserve. Such dividend will be calculated in accordance with the Dividend Policy and therefore as follows:

dividend per unit = Consolidated Adjusted Profit for the Year Euro 18.7 million *50% / no. outstanding shares with profit rights (20,329,845)

corresponding to a total amount currently quantifiable at Euro 9,352 thousand. The total definitive amount to be allocated as dividend shall be determined according to the actual number of shares with dividend rights at the record date.

As at 29 February 2024, the Extraordinary Shareholders' Meeting Reserve totals Euro 64,276 thousand, it being understood that, in relation to Item 1 on the Shareholders' Meeting Agenda, it is proposed that said reserve be used in part to cover the loss for the year ended 29 February 2024, amounting to Euro 15,770 thousand.

The dividend will be payable from 26 June 2024, with record date of 25 June 2024 and ex-dividend date of coupon No. 7 on 24 June 2024.

By virtue of the above, we therefore propose that you pass the following motion:

"The Shareholders' Meeting of Unieuro S.p.A.,

- *having examined the financial statements as at 29 February 2024, in the draft presented by the Board of Directors and having considered the existence of available reserves in an appropriate amount;*

- *having reviewed the Explanatory Report of the Board of Directors,*

resolves

a) *to distribute to each ordinary share with voting rights, from the "Extraordinary Reserve" profit reserve, a unitary dividend, of Euro* 0.46 *gross, for a total amount, on the basis of the ordinary shares currently outstanding and the treasury shares currently in portfolio, of Euro* 9,352 *thousand, subject to any changes in the total amount resulting from the final number of shares entitled to the payment of the dividend on the record date, subject in any case to the unitary dividend as indicated above;*

b) *to grant the Board of Directors, and, on its behalf, the Chairman of the Board of Directors and the pro-tempore Chief Executive Officer in office, severally, with the power to sub-delegate, to ascertain, in due course, in relation to the final number of shares entitled to dividend payment on the record date, the amount to be distributed from the "Extraordinary Reserve";*

c) *to pay the above dividend from 26 June 2024, with record date of 25 June 2024 and ex-dividend date of coupon No. 7 on 24 June 2024."*

* * *

Forlì, 10 May 2024

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

Unieuro S.P.A - Registered Office in Forli', Palazzo Hercolani, via Piero Maroncelli, 10
Share capital euro 4.139.724,20 fully paid-up
Registration number with the Companies' Register of Forli'-Cesena, and tax code no. 00876320409
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BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT ITEM NO. 3 OF THE AGENDA OF THE SHAREHOLDERS' ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON 20 JUNE 2024 IN SINGLE CALL

3. **Report concerning the policy for remuneration and recompense paid:**

   3.1. Approval of the first section of the report pursuant to article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;

   3.2. Resolutions on the second section of the report pursuant to article 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

Dear Shareholders,

The Report concerning the policy for remuneration and recompense paid ("**Report**") has been drawn-up by the Board of Directors pursuant to Article 123-ter of Legislative Decree dated 24 February 1998 No. 58 ("**TUF**") and Article 84-quater of the CONSOB Issuers' Regulation adopted pursuant to resolution No. 11971/1999, as per Schedule 7-bis of Annex 3A of said Regulation, and shall be made available to the public within the term and in the manner provided for by law.

3.1. approval of the first section of the report pursuant to article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;

The first section of the Report illustrates the Company's policy on remuneration to be adopted for the 2024/2025 financial year, for Company Directors, the General Director, Auditors and Managers with Strategic Responsibilities, and sets down the procedures for the adoption and implementation of such policy.

We therefore respectfully invite you to approve the contents of the first section of the Report in accordance with the provisions of paragraphs 3-bis and 3-ter of Article 123-ter of Legislative Decree of 24 February 1998 No. 58.

In light of that stated above, we would propose that you pass the following resolution:

"The Shareholders' Meeting of Unieuro S.p.A.,

- *having examined the first section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999;*
- *having acknowledged that, pursuant to Article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58, the Shareholders' Meeting is called to cast its binding vote regarding the first section of the Report concerning the policy for remuneration and recompense paid;*

resolves

that it approves the first section of the Report concerning the policy for remuneration and recompense paid, as has been prepared in accordance with Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999."

3.2. resolutions on the second section of the report pursuant to article 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

The second section of the Report sets forth the individual items that make up the remuneration of members of the Company Directors, the General Director, Auditors and Managers with Strategic Responsibilities for the year ending 29 February 2024.

We therefore respectfully invite you to express your favorable opinion on the contents of the second section of the Report pursuant to the provisions of paragraph 6 of Article 123-ter TUF.

In light of that stated above, we would respectfully propose that you pass the following resolution:

"The Shareholders' Meeting of Unieuro S.p.A.,

having examined the second section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation No. 11971/1999;

having acknowledged that, pursuant to Article 123-ter sixth paragraph of Legislative Decree of 24 February 1998 No. 58, the Shareholders' Meeting is called to cast a non-binding vote on the second section of the Report on the policy concerning the policy for remuneration and recompense paid;

resolves

in favour of that stated in the second section of the Report concerning the policy for remuneration and recompense paid, as has been drawn up pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999."

* * *

Forlì, 10 May 2024

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

Unieuro S.P.A. - Registered office in Forli', Palazzo Hercolani, Via Piero Maroncelli, 10
Share capital Euro 4,139,724.20 fully paid-up
Registration Number with the Companies' Register of Forlì-Cesena and Tax Code 00876320409

Report concerning the policy for remuneration and recompense paid

in accordance with art. 123-*ter* TUF and art. 84-*quater* Issuers' Regulation

Traditional management and control model

Issuer: Unieuro S.p.A.

Website: www.unieurospa.com,
section "*Corporate Governance/Shareholders' Meetings/2024 Shareholders' Meeting*"

Approved by Board of Directors on 10 May 2024

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

"Ladies and gentlemen shareholders,

*I am delighted to present this Report concerning the policy for remuneration and recompense paid of Unieuro S.p.A for the year ended 28 February 2025 ("**FY 2024-2025**"), as well as remuneration paid by the Company in the previous year which ended on 29 February 2024 ("**FY 2023-2024**").*

In May 2023, the Board of Directors approved a new Strategic Plan titled "Beyond Omni-Journey". The plan is based on further strengthening the "Omnichannel Trade" offerings and expanding into "Beyond Trade", particularly in services. This renewed strategic approach, combined with the significant acquisition of the Covercare Group, will lead Unieuro to an extensive transformation which will be supported by developing skills and the commercial proposition. To support the Plan, significant investments are planned in people, among other areas, with a focus on resources with elevated professional and managerial qualities, to further encourage the commitment of all employees and improve attractiveness to new talent. Among the various initiatives planned in this area, I would like to mention the project that has led to the design of the Leadership Model. This was developed around the specific needs of Unieuro, and seeks to develop behaviours and soft skills that are vital in achieving strategic objectives, while also promoting change, the development of a critical spirit and the growth of both the individual and the team. This important project began in FY23 and is now in its third phase, which sees it "live" within the main HR processes and integrate with other important strategic projects (e.g. UniVersus).

Our Remuneration Policy is designed to foster the achievement of the Company's medium- to long-term goals, promoting sustainable success and value creation for all our stakeholders, including investors, shareholders, employees, suppliers and customers, using an incentive system that has predetermined, measurable objectives consistent with the Strategic Plan and the Sustainability Plan.

Against the backdrop of a market that continues to present challenges and change rapidly, we recognise the vital importance of ensuring an appropriate remuneration structure that incentivises commitment and dedication in every member of the organisation as we work to achieve our strategic growth objectives.

On 4 December 2023, we took a significant step for Unieuro by acquiring the Covercare Group. This transaction is the most significant in the company's history and its first purpose-led acquisition. It aligns perfectly with our "Beyond Omni-Journey" Strategic Plan, which puts the consumer at the centre not only by selling products but also by ensuring a fully satisfactory customer experience.

The challenge we face in the coming months is to effectively integrate Unieuro and Covercare, preserving and enhancing some specific features while also generating added value and synergies that are likely to benefit all of Unieuro's stakeholders. To achieve this, two Unieuro Managers with Strategic Responsibilities were appointed to the Board of Directors of the *subsidiary Covercare S.p.A., in order to ensure synergy with the development of the entire Group.*

Also this year, we reviewed the performance objectives contained in the medium- to long-term variable incentive plans, reaffirming, in particular, our commitment to inclusiveness and gender balance. After a thorough benchmarking analysis, we submit to you a new ESG objective related specifically to Diversity & Inclusion. This objective includes a pathway to strengthen female representation at the managerial level, in line with market best practices. This objective will therefore reinforce a position in which our Company is already among the highest achievers, with women representing close to 50% of the corporate population. As is usual practice, the content of the Policy we are presenting to you, takes into account: the analysis of national and international best practices; the vote cast by shareholders at the Shareholders' Meeting of 22 June 2023; ongoing dialogue with investors and stakeholders, within the framework of the Policy for the Management of Dialogue with Shareholders and Other Stakeholders. In order to strengthen Unieuro's ability to retain key resources and to increase their loyalty, the Report concerning the policy for remuneration and recompense paid we propose includes the possibility of paying Managers with Strategic Responsibilities a Retention Bonus payable after two fiscal years if they remain employed at the Company.

I believe that the Remuneration Policy described in this Report takes into consideration the recommendations of Unieuro stakeholders, both incentivising the achievement of strategic targets by the Company and aligning the interests of the members of corporate boards and top management to the fundamental target of creating long-term sustainable value for shareholders and all other stakeholders.

I thank you for giving your kind attention in examining the FY 2024-2025 Remuneration Policy, trusting you will appreciate the transparent approach we have, as always, taken, in showing you and all stakeholders, the items that make up said Policy."

Paola Elisabetta Galbiati
CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS COMMITTEE

CONTENTS

DEFINITIONS and GLOSSARY

Articles of Association	The Company's Articles of Association.
Base Number of Shares or BNS	The number of shares obtainable by each beneficiary of a medium- to long-term variable incentive plan, for each performance objective, upon achievement of 100% of said performance objective, which in turn will be equal to the number of rights granted to said beneficiary.
Board of Statutory Auditors	The Company's Board of Statutory Auditors.
Board/Board of Directors	The Company's Board of Directors.
Borsa Italiana	Borsa Italiana S.p.A. with its registered office in Milan at Piazza degli Affari No. 6.
Civil Code	The Italian Civil Code.
Consob Related Parties Regulation	The Regulation on transactions with related parties approved by Consob with Resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented.
Corporate Governance Code	The Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee (and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria).
Covercare	Covercare S.p.A., a company with registered office at Corso Italia, 25, Legnano (MI), share capital of Euro 100,000, Tax Code, VAT no. and registration with the Companies' Register of Milan no. 02427340183, acquired by Unieuro S.p.A. on 4 December 2023 and wholly owned by the latter.
Executive Directors	Directors granted operational or managerial authority as well as those who have been given specific offices by the Board of Directors.
EXM STAR	Euronext STAR Milan – formerly Mercato Telematico Azionario - STAR Segment - organised and managed by Borsa Italiana S.p.A.
Financial Year 2024 or FY2024	The Company's financial year from 1 March 2023 to 29 February 2024.
Financial Year 2025 or FY2025	The Company's financial year from 1 March 2024 to 28 February 2025.
Independent Directors	Directors who meet the independence requirements of the TUF and the Corporate Governance Code.
Instructions to the Stock Market Regulation	The Instructions to the Regulation of the Markets organised and managed by Borsa Italiana S.p.A.

Issuer / Company / Unieuro	Unieuro S.p.A., with its registered office in Forli at Via Piero Maroncelli 10.
Issuers' Regulation	The Regulation approved with Consob Resolution No. 11971 of 14 May 1999 on issuers, as subsequently amended and supplemented.
Italian Consolidated Finance Act/TUF	Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented.
Long Term Incentive Plan 2018-2025 or Stock Option Plan	The long-term incentive plan that recognises an award in financial instruments.
Managers with Strategic Responsibilities	Those managers entrusted with the power and responsibility - directly or indirectly - for the planning, management and control of Company operations according to the definition as per the Annex to the Consob Regulation concerning related party transactions adopted with resolution No. 17221 of 12 March 2010, as amended and supplemented.
Non-Executive Directors	Directors who have not been granted operational or managerial authority or specific offices by the Board of Directors.
Performance Shares Plan 2020-2025	The Performance Shares Plan 2020-2025 designed to grant rights - upon the achievement of certain performance objectives - to the allocation of free ordinary shares of the Company.
Performance Shares Plan 2023-2028	The Performance Shares Plan 2023-2028 designed to grant rights - upon the achievement of certain performance objectives - to the allocation of free ordinary shares of the Company.
Remuneration Policy or Policy	Section I of this Report.
Report	This report on the Company's remuneration policy and compensation paid.
Shareholders' Meeting/Meeting	The Company's Shareholders' Meeting.
Stock Market Regulation	The Regulation of the Markets organised and managed by Borsa Italiana S.p.A.
Trading Start Date	The first day on which the shares of Unieuro were traded on the Electronic Stock Exchange - STAR Segment (now Euronext STAR Milan), i.e. 4 April 2017.

INTRODUCTION

PILLARS UNDERPINNING REMUNERATION

The Unieuro Remuneration Policy shall be adopted by the Board of Directors, a prior preliminary investigation having been undertaken and upon the proposal of the Remuneration and Appointments Committee. It shall be implemented in a manner consistent with the business strategy, governance model and the principles of the Corporate Governance Code.

As further detailed in Paragraph E. of Section I of this document, Unieuro's Remuneration Policy is for the purposes of:

- pursuing corporate objectives, sustainable success and improved results in the medium to long term;
- creating value for all Group stakeholders (investors and shareholders, employees, suppliers, customers, and so forth);
- structuring incentive systems grounded on predetermined, measurable objectives consistent with the Strategic Plan and the Sustainability Plan;
- training and investing in people holding high-level professional attributes and fostering the commitment of key resources;
- fostering the sharing of the Company's values respecting the principles of inclusion, diversity, equal opportunity, meritocracy and fairness in accordance with the Company's Code of Ethics.

For such reasons, each year the Remuneration and Appointments Committee evaluates the fairness of Unieuro's Remuneration Policy, with a primary focus on the elements that constitute its pillars:

LINK BETWEEN REMUNERATION AND THE STRATEGIC PLAN

The Remuneration Policy underpins the achievement of the pointers set forth in the Company's Strategic Plan by promoting the alignment of management interests with the overriding objective of creating sustainable value for shareholders in a medium-to long-term perspective. This is achieved by way of the balancing of performance parameters of the short-term and long-term incentive systems.

STRATEGIC DRIVERS	OPERATING AND FINANCIAL EFFICIENCY	OMNICHANNEL	SUSTAINABILITY
MBO SYSTEM			
CONSOLIDATED ADJUSTED EBITDA (70%) *	✓		
Net Financial Position – Ex IAS 17 (20%) *	✓		

Net Promoter Score (10%)		✓	✓
PERFORMANCE SHARES PLAN (2nd cycle)			
Adjusted EBIT (50%) *	✓		
Adjusted Free Cash Flow (25%) *	✓		
Audience #Cuoriconnessi			✓
Purchases of energy from renewable sources			✓
Diversity & Inclusion			✓

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CREATION OF VALUE FOR THE STAKEHOLDERS

* Indicators defined in the "Executive Summary"

LINK BETWEEN REMUNERATION AND SUSTENIBILITY

Respect for people and the environment are goals which buttress the Company's strategic vision and commitment. Nowadays, such concepts are set forth in a detailed plan of action for the 2022-2026 period (the "**Sustainability Plan**"), which entails deadlines and targets to be achieved and involves the entire organisation at all levels in a virtuous path of continuous growth: from managers to employees, from customers to suppliers and all other stakeholders considering their respective expectations in terms of sustainability. The Sustainability Plan is made up of over 30 projects divided into the four ESG areas, indicated as high-level guidelines in the Strategic Plan, to render the connection between these two plans both effective and organic. The growing significance of sustainability in strategic terms is further reflected in the new "Beyond Omni-Journey" Strategic Plan, which makes "responsible innovation" an enabling and cross-cutting asset in the future value creation process.

Most of the projects included in the above-mentioned Sustainability Plan form part of projects that can be defined as "integrated", insofar as their development involves multiple company departments. Above all else, there is a process of progressive refinement of the ESG factor metrics within the remuneration and incentive systems of the management team and employees. More specifically, the priority aim is the integration of sustainability into business decisions and, even more so, the enrichment of ESG indicators-targets to which short-medium to long-term variable remuneration of company management can be linked so as to increase engagement on sustainability matters. The main areas of engagement related to compensation profiles of interest in this area include:

I. **Enhancement of technology potential, so as to render it increasingly accessible for the benefit of young people, the elderly, families and the entire community.** In this regard, we remind you of the **#cuoriconnessi** initiative: the project created in 2016 in collaboration with the State Police to raise awareness among adolescents, parents and teachers on the problem of cyberbullying and on informed use of network-connected devices. This is an initiative carried out with passion and which the Company particularly cares about because of the social value it represents. Over the years, #cuoriconnessi has gradually established itself as one of the nation's benchmark initiatives to combat cyberbullying. The audience reached has been included as a key ESG indicator for medium to long-term remuneration.

II. **Careful and responsible analysis of the environmental impact of the Company's activities** has led us to include the purchase of electricity from renewable sources with certification attesting production at origin among the ESG objectives for medium to long-term remuneration. This reflects Unieuro's desire to reduce its Scope 2 emissions. At the same time, the Company is developing a system for measuring gas emissions and the greenhouse effect ("**Carbon Footprint**") with the ultimate aim of determining further decarbonisation actions, and is also pursuing a project to optimise energy consumption at its outlets thanks to a mix of interventions ranging from the adoption of more efficient lighting and climate control solutions to the introduction of building automation systems.

III. **In the social area**, customer focus is regularly monitored by way of calculation of the Net Promoter Score, which is useful for the purposes of measuring customer satisfaction and improving the profile of the offer. The latter has been selected as an ESG parameter for the short-term remuneration system. **People engagement** as a key element in the process toward full corporate sustainability in the company and to facilitate performance of the Sustainability Plan. In this regard, the Company: promotes engagement and community-building initiatives for the corporate population, aimed at stimulating a "sustainability culture" within the company and gathering operational improvement cues; provides hours of training on sustainability issues to corporate Academy participants, resources destined to undertake the position of outlet manager; is developing a three-year sustainability training programme for the entire corporate population; ensures the measurement of employee satisfaction levels through an annual corporate climate survey (Employee NPS). Attention to issues of diversity and inclusion is reflected in the significant female representation at the Company, where women account for almost 50% of the corporate population. The Company's desire to increase the percentage of female managers and move closer to the best players is put into practice with the inclusion of this goal among those for this cycle of the LTI Plan.

SHAREHOLDERS AND INVESTORS

Unieuro recognises the fundamental importance of feedback from its shareholders, institutional investors and asset managers. Reliance on such feedback promotes opportunities for discussion to ensure adequate disclosure, acquire opinions and proposals, and more generally maintain an appropriate channel of communication with such parties.

For such purposes, the Company analysed the outcomes of the votes cast by shareholders on the Remuneration Policy as was approved last year as well the voting preferences expressed on said policy by the principal proxy advisors. Unieuro's Remuneration Policy and Report was approved by the Shareholders' Meeting held on 22 June 2023, with the **unanimous approval of the shareholders** for both sections.

This result demonstrates that, in accordance with the view outlined by the proxy advisors, shareholders welcomed the Company's remuneration practices, confirming their adequacy in both substantive choices and in reporting.

The analyses of shareholders' votes were complemented by a review of feedback received from investors and shareholders during dialogue sessions with the financial community. This review had the scope of making a thorough evaluation of such input on the issue of remuneration policies. Said dialogue ensures a valuable channel of feedback regarding the position of investors and the market more generally on the features of the Remuneration Policy adopted by the Company.

New aspects of the Policy

In light of the main projects that Unieuro intends to pursue to continuously align itself with market best practices, and also in order to more closely align the Policy with stakeholders' expectations, the main change introduced to the Policy concerns the amendment of ESG performance objectives relating to the medium- to long-term variable incentive plan.

After consultation with the Remuneration and Appointments Committee and the Sustainability Committee, the Board of Directors therefore proposes that the Shareholders' Meeting that will be convened to approve this Report approve a Diversity & Inclusion objective among the performance objectives for the 2nd cycle of the Performance Shares Plan 2023-2028. This will replace the objective on E-NPS and sustainability training, also considering that said training has become mandatory and customary in the corporate training programme and that the Company will in any case carry out these projects.

This proposal is driven by the need to further strengthen the Company's commitment to inclusiveness and gender balance. A thorough benchmarking analysis was therefore carried out to identify a new ESG objective related specifically to Diversity & Inclusion. This objective includes a pathway to increase female representation at the managerial level, to improve the Company's alignment with market best practices also in this area. This objective will in fact reinforce a position in which our Company is already among the highest achievers, with women representing close to 50% of the corporate population.

Considering Unieuro's acquisition of Covercare and the appointment of the Company's General Manager and a Manager with Strategic Responsibilities as Directors of Covercare, also taking into account the commitment required and the responsibilities arising from this office, the Policy also reflects the possibility of recognising to the Executive Directors, General Managers and Managers with Strategic Responsibilities the compensation that may be due to them for participation in Boards of Directors of Unieuro's subsidiary or investee companies.

To align MBO measurement with market best practices, Unieuro has introduced a threshold (cap) for each individual indicator equal to 150% of the target goal. However, this is without prejudice to the maximum cumulative cap of 150% of the amount provided under the individual contract of the manager as a bonus in case of achievement that exceeds the target values.

Another new element of the 2024 Policy is the revision of the CFO pay mix to render the compensation package more competitive while maintaining pay-for-performance alignment. Details of the new pay mix can be found in paragraph F of Section I. At the same time, to strengthen value creation by effectively overseeing the integration into the Unieuro ecosystem of the newly acquired company Covercare, and to ensure coverage of roles with strategic responsibility in a particularly dynamic business and market environment, the Remuneration Policy for FY 2024-2025 provides for a retention bonus for the General Manager and CFO for the period FY 2024-2025 and FY 2025-2026. This bonus is contingent on the continued employment of the two Senior Managers at the end of FY 2025-2026.

The retention bonus will be paid in monetary form (only if the beneficiary continues to be employed at 28 February 2026 and provided they are not resigning) by the 15th day after that date and will be equal, for each year included in the Retention Plan, to 25% of the gross annual remuneration for the General Manager and 28% of the gross annual remuneration for the CFO.

OUR PEOPLE

In line with the Company's strategic vision, Unieuro's Remuneration Policy is reflected across the entire corporate population, which is testament to the principle that Unieuro's progress is inextricably linked to the growth and development of each individual.

Unieuro applies remuneration criteria made up of tools and logic applied over the entire corporate population, based on principles of fairness, equal opportunity, meritocracy and competitiveness with respect to the market. The Policy aims at attracting, motivating and retaining people with the professional attributes deemed necessary to the Company's growth, strategy and to strengthen its long-term interests and sustainability.

It goes without saying that employees are a valuable resource and or that reason the Company invests in their professional growth and training to promote the achievement of results and obtain success. For such purpose, Unieuro’s personnel selection and training is tailored by criteria of competency, meritocracy and free of any forms of discrimination.

On the specific subject of remuneration and so as to evaluate individual performance always with a view to maximum objectivity, the Company examines the organisational and professional conduct of each person taking into account the role held and the nature of responsibility assigned. This exercise is to: direct performance toward corporate objectives and professional conduct in the environment of a corporate organisational culture based on results and merit; highlight training needs and develop personnel potential; consolidate strengths and intervene in areas requiring improvement; develop a sense of belonging and identity with the corporate mission; collect feedback. The determination of remuneration for the corporate population also factors in the company's internal fairness and comparisons with the external market.

We also submit that the following basic prerequisites are fundamental to determination of Unieuro's remuneration policies: ensuring sustainability of the company's results and the creation of value in the medium to long-term for shareholders, likewise taking into account the interests of the Company’s other relevant stakeholders; ensuring a safe working environment for all employees; providing employees with a level of remuneration which is apposite to the nature of tasks they perform. Variable compensation and the annual fixed component are modulated differentially in relation to position, responsibilities undertaken and skill-set.

In any case, for a more precise illustration of the instruments put in place by Unieuro for this purpose and to ensure appropriate working conditions for and compensation to the Company's population, please refer to Paragraph C of Section I ("Remuneration and Employment Conditions of Company Employees in the Determination of the Remuneration Policy").

Employee satisfaction is an important element contributing to the Company's success. The "UniVersus" project, a project that is constantly evolving in synergy as the Company grows, continues to be very significant. UniVersus remains a key tool to listen to and collect internal feedback, ensuring that this is evaluated through the same metrics adopted to survey customer satisfaction levels. In such a context, the E - NPS (Employee Net Promoter Score) has particular relevance, being a certified indicator that allows the Company to verify corporate population overall satisfaction through identification of a series of macro-areas investigated through an employee sentiment questionnaire.

In this regard, the use of UniVersus allows us to harvest growth insights for the Company. Based on such insights the Human Resources Department prepares the launch of new initiatives that either are more tailored to the needs of the corporate population or entail the updating of existing projects. These include the "Talent Management" project for methods of talent management and development in Unieuro, comprised of various initiatives. Among such initiatives is the creation of an onboarding path, a structured process which provides that new colleagues are accompanied when they first join the company, the revision of the performance management process and the launch of a functional project to introduce a new management system that will facilitate the management of key "soft" processes. Other ongoing initiatives concern training, both in terms of the process of identifying and collecting workers' training needs (by involving managers) and in terms of constructing and constantly enriching training offerings to create training plans that support staff in carrying out their roles with increasing effectiveness. Mention should also be made of the digitalisation project to streamline certain processes and reduce the use of paper materials, thereby also contributing to the pursuit of sustainability objectives; specifically, the HR Department has worked on digitalising expense reports and introducing digital signatures.

It is also worth noting the progress of one of the key projects carried out in the last few months: the definition of Unieuro's "Leadership Model". This is a reference model by which the Company's leaders can be inspired on a daily basis and which is based at its core on the growth of people and their development. In concrete terms, the leadership model identifies appropriate managerial behaviour and skills which are consistent with the company's values and support the achievement of the company's strategic goals, leading change and people development. This project was approached as a true change management programme comprising three macro-phases:

- **Listening and set-up phase**: a preliminary phase to gather elements to identify and develop the traits of the model; among other action, this phase included analysis of a series of materials, interviews with Top Management and Focus Groups with a sample of the corporate population (phase concluded in FY 2023).

- **Co-design phase**: this saw the active involvement of company management (mainly the C-suite and Function Directors) in defining, fine-tuning and organising the Model, through open discussion in dedicated workshops (phase carried out entirely in FY 2024).

- **Development phase**, in which the Model began to come to life; in this phase work was carried out on the one hand to provide an initial snapshot of our level of compliance with the Leadership Model through a number of Development Centres involving the C-suite and

Function Directors, and on the other hand, the model began to come to life in various HR processes (phase began in FY 2024 and is still ongoing).

The “Development Phase” of the Leadership Model has therefore launched a series of further projects that will involve the HR Function in the medium to long term and which begin with a strong belief: for the Leadership Model to be effective, it must thoroughly permeate our corporate culture and form part of the main processes guiding the management of Human Resources (including, primarily, the Selection, Performance Management, Training, Development, and Potential Identification processes).

To respond to employees’ growing demand for work-life balance, the Company continues to promote a flexible work model using the smart working tool for staff at the Forlì, Piacenza, Milan and Carini offices. This strategy focuses on employee well-being and seeks to reconfigure the work experience, placing employees at the centre of its priorities while ensuring sustainable development for the company. By enhancing worker well-being, both in the work environment and in the private sphere, the Company strengthens its ability to attract and retain talent, fostering a strong sense of belonging. Initiatives that encourage employees to share work experiences are key to stimulating this sense of belonging and cohesion, contributing positively to the corporate culture and organisational climate. These policies are part of a broader human resource management framework geared toward enhancing human capital as a key to the Company’s success and competitive advantage.

A policy to protect victims of gender-based violence will also be adopted in May 2024. Indeed, the Company strongly opposes all forms of physical, sexual and psychological harassment and other forms of victimisation and is committed to promoting a corporate culture based on respect and equal treatment for all workers, regardless of gender, sexual orientation or identity. The Company shall implement appropriate measures to prevent and eradicate such behaviour. For such purpose, the improved conditions shall be provided for female workers who are victims of gender-based violence:

- the Company shall grant, at its own expense, and additional month to the paid leave provided by the above-mentioned legal regulations and the applicable National Collective Labor Agreement (CCNL), providing for payment of an allowance equal to that recognised by art. 24 of Legislative Decree No. 80/2015;
- the Company shall accommodate any requests received from victims of gender violence as regards any change, including where temporary, of the employment relationship from full-time to part-time or from horizontal to vertical;
- recognising the fundamental role played by better knowledge, the Company shall identify within the first six months of the validity of said policy, at least one association which assists victims of gender-based violence and shall ensure such association is assessable to interested persons.

Various reflections are underway on the subject of Diversity and Inclusion. These have been prompted by a growing focus on this issue at all levels of the organisation. Firstly, Unieuro formalised its membership of the “Valore D” association, an organisation that focuses on issues of diversity and inclusion.

Secondly, given the desire to obtain an initial “snapshot” of the effectiveness of the Company’s Diversity and Inclusion policies, the HR Department completed a questionnaire provided by Valore D. This questionnaire was followed by a timely analysis of the results and the beginning of a discussion to identify action to further promote the culture of Diversity and Inclusion in the company.

The survey provided some significant insights (view on indices and KPIs, among others) which, together with the data analysed, provide Unieuro with elements for a first good understanding of the current status of the topic, both in terms of the information regarding the Company and with respect to the benchmark. The positive results achieved, including compared to the benchmark, underline the existence of a natural sensitivity to the issue of Diversity.

The integration of Covercare presents a further example and confirmation of the centrality of people in Unieuro's processes; Unieuro worked hard to accompany the recent acquisition with the launch of a real integration programme.

The programme is already in full swing, providing important moments for meeting and comparison between the two entities (Unieuro and Covercare). These meetings have already demonstrated strong alignment in terms of culture and founding values.

EXECUTIVE SUMMARY

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

COMPONENT	PURPOSE	CONDITIONS OF IMPLEMENTATION	AMOUNTS / VALUE
Fixed Remuneration	To enhance managerial and professional skills, experience and the contribution required in relation to the position.	Defined in relation to the characteristics, responsibilities and any powers entrusted to the role and taking into account market references to ensure competitiveness therewith.	**CEO** [1] € 350,000 **GM** [2] € 300,000 **CFO**[3] € 270,000
Short-term variable remuneration (“MBO”)	To promote the achievement of annual business objectives, with the aim of motivating management, maintaining an alignment with the Company strategy, interests and sustainability also by providing for an ESG performance objective. The value of the annual short-term incentive is based	The short-term variable remuneration is subject to the overcoming a gateway threshold that determines access thereto: in order to trigger the bonus, a Consolidated Adjusted EBITDA* of at least 70% of the Consolidated Adjusted EBITDA target set for the year must be reached. 1) Consolidated Adjusted EBITDA * 70% Measurement of performance: Target 100% (target annual budget approved by the BoD from time to time) Consolidated Adjusted EBITDA threshold: 80% of the budgeted value Maximum performance threshold 150% of target objective.	From 50% to 150% of the bonus contractually determined on the basis of the target achievement level. Upon reaching 100% of the target: 100% of the contractually determined bonus. **CEO (if the "threshold" level is exceeded):** min Euro 175,000 – target Euro 350,000 - max Euro 525,000

[1] It should be noted that the amount indicated for the Chief Executive Officer (“CEO”) refers to the amount that the Shareholders' Meeting of 22 June 2023 resolved to allocate to Giancarlo Nicosanti Monterastelli as Director and CEO (also including any advance share on an annual basis of non-compete undertakings).

[2] The component relating to remuneration from Unieuro S.p.A is determined on the basis of the existing executive relationship, the General Manager (“GM”) having waived her right to the compensation granted to her as Director of Unieuro S.p.A. pursuant to art. 2389, para. 3 Civil Code. The amount indicated for the GM is inclusive of Euro 40,000 gross annual consideration for a non-compete undertaking, such amount payable in 14 monthly instalments during the period of employment. Following the acquisition of the Covercare Group by Unieuro S.p.A. on 4 December 2023, the Shareholders’ Meeting of Covercare S.p.A. appointed Unieuro S.p.A.’s General Manager as Chairman of its Board of Directors. The remuneration payable to the GM as Chairman of Covercare, for a sum of Euro 30,000 gross annually, is subject to approval of this Policy.

[3] The amount indicated for the Chief Financial Officer ("CFO") is inclusive of Euro 30,000 gross annual consideration for a non-compete undertaking, such amount payable in 14 monthly instalments during the period of employment. Following the acquisition of the Covercare Group by Unieuro S.p.A. on 4 December 2023, the Shareholders’ Meeting of Covercare S.p.A. appointed Unieuro S.p.A.’s CFO as Director with executive powers. The remuneration payable to the CFO as Executive Director of Covercare, for a sum of Euro 30,000 gross annually, is subject to approval of this Policy.

	on the position held and the company and individual performance results and is paid to Managers with Strategic Responsibilities and Executive Directors.	2) <u>Net Financial Position – As per IAS 17</u>** 20% Measurement of performance: Gateway: 70% Consolidated Adjusted EBITDA Target 100% (target annual budget approved by the BoD from time to time) Net Financial Position threshold: 80% of the budgeted value (e.g. 80% liquidity) Maximum performance threshold 150% of target objective. 3) <u>Net Promoter Score</u>*** 10% Measurement of performance: Gateway: 70% Consolidated Adjusted EBITDA Target 100% (target annual budget approved by the BoD from time to time) Net Promoter Score threshold: 80% of the budgeted result Maximum performance threshold 150% of target objective. Cap cumulative max 150% of the amount provided under the individual contract of the manager as a bonus in case of achievement that exceeds 100% of the target. Incentive subject to clawback and malus conditions. *: The definition of Consolidated Adjusted EBITDA can be found in the annual financial report. ** The definition of Net Financial Position - As per IAS 17 can be found in the annual financial report. Net Promoter Score (NPS) measures customer satisfaction and it can range from -100 (if each customer is a Detractor) to +100 (if each customer is a Promoter).	**GM[4] (if the "threshold" level is exceeded):** min Euro 150,000 – target Euro 300,000 - max Euro 450,000 **CFO (if the "threshold" level is exceeded):** min Euro 101,250 – target Euro 202,500 - max Euro 303,750 Please note that both for the CEO and the GM the ratio between the MBO and the fixed component is equal to min 50% - target 100% - max 150% Please also note that, for the CFO, the ratio between the MBO and the fixed component is equal to min 37.5% - target 75% - max 112.5%
Medium - long term variable remuneration	To promote the creation of sustainable success in the medium-long term and the achievement of the objectives of the Company's	**Performance Shares Plan 2023-2028:** Medium to long-term variable incentive with three-year performance and equity award. • Grant frequency: annual (rolling plan). • Period of performance: three-years. • Clawback and malus clauses.	**CEO**: the BoD put forward the right to subscribe to 40,000[6] Unieuro shares for the 2nd cycle of the plan, following the approval of this Remuneration Policy by the Shareholders' Meeting

[4] Remuneration is provided in a single allocation, notwithstanding the dual role held of the Company's General Manager and Executive Director.
[6] Shares indicated by the Board of Directors on 10 May 2024.

strategic and sustainability plans, while encouraging loyalty and engagement of management.[5]	• Lock-up commitment for Directors and Managers with Strategic Responsibilities. • Grant to beneficiaries of the right to receive a cash bonus parameterised with reference to any dividends distributed and paid by the Company up to the date of allocation. With reference to the 2nd cycle of the plan, the performance objectives relate to: 1) Consolidated Adjusted EBIT*** (for more details see p. 37) 50% 2) Consolidated Adjusted Free Cash Flow*** (for more details see p. 37) 25% 3) ESG Objective (for more details see p. 38) 25% *** The definition of these objectives can be found in the annual financial report	**GM**: the BoD put forward the right to subscribe to 27,000[7] Unieuro shares for the 2nd cycle of the plan, following the approval of this Remuneration Policy by the Shareholders' Meeting **CFO**: the BoD put forward the right to subscribe to 13,000[8] Unieuro shares for the 2nd cycle of the plan, following the approval of this Remuneration Policy by the Shareholders' Meeting • minimum performance threshold (**threshold**) 80% of target: below which no shares will be awarded and upon reaching which a number of shares equal to 50% of the target award will be awarded; • performance objective threshold (**target**) upon achievement of which a base number of shares will be allocated; • maximum performance threshold (**cap**), 150% of the target goal, upon reaching or exceeding which the maximum number of shares, equal to 150% of the target award, will be granted.
	Retention Bonus	**GM** **CFO** Euro 150,000 24 month duration (FY 2024-2025 and FY 2025-2026), to be disbursed in monetary form at the end of the period in permanence of employment on 28 February 2026.

[5] The 2020-2025 LTI Plan approved at the Shareholders' Meeting of 17 December 2020 is also in place. Such Plan provides for the potential allocation of a maximum number of no. 900,000 shares.

[7] Shares indicated by the Board of Directors on 10 May 2024.
[8] Shares indicated by the Board of Directors on 10 May 2024.

		Non-monetary benefits	**CEO** Directors & Officers Liability ("D&O") policy, use of a company vehicle for personal and business use. **GM** **CFO** Pursuant to the provisions of the applicable national collective bargaining agreements and the provisions of individual employment contracts. Contributions to mandatory social security funds and supplementary medical care coverage, life risk insurance coverage, accident and occupational and non-professional illness and Directors & Officers Liability ("D&O") policy, the use of a company vehicle for personal and business use, and, in some cases, the granting of a house allowance.
Other compensation	To promote the attraction and retention of managerial resources, ensuring organisational stability and the contribution of key resources. Safeguarding against competition and preventing any disputes related to the termination of the relationship.	**Non-compete undertaking**	**CEO** **GM** **CFO** Present (for details see page 52)
		End of term compensation / severance pay	**GM** **CFO**

	Not expressly provided for; the provisions of the applicable law and of the national collective bargaining agreements apply. (for details see page 52)
End of office compensation	**CEO** (for details see page 52)

SECTION I

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

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

The Remuneration Policy is adopted according to a process that involves the Shareholders' Meeting, the Board of Directors, the intra-board committees as well as the Directorships and Corporate Functions, in accordance with the rules and regulations in force and the principles set out in the Corporate Governance Code.

The remuneration of Directors entrusted with specific offices shall be determined by the Board of Directors having consulted the Remuneration and Appointments Committee, and having heard the Board of Statutory Auditors. The Shareholders' Meeting may set an overall amount for the remuneration of all of the Directors, including those assigned specific offices.

I. Shareholders' Meeting

With regard to remuneration, the Shareholders' Meeting:

- pursuant to arts. 2364, para. 1, No. 3) and 2402 of the Civil Code, decides the compensation of the members of the Board of Directors and the Board of Statutory Auditors at the time of their appointment and for the entire duration the office is to be held, until such time as different provisions are determined at a Shareholders' Meeting;
- pursuant to art. 123-*ter*: (i) para. 3-*bis* and para. 3-*ter* TUF, resolves by binding vote on the first section of the Report and (ii) para. 6 TUF, resolves by a non-binding vote on the second section of the Report; and
- pursuant to art. 114-*bis* TUF, resolves on any share-based compensation plans or other financial instruments.

II. Board of Directors

The Board of Directors of Unieuro S.p.A., availing itself of the advisory and propositional function of the Remuneration and Appointments Committee and - where necessary - the Sustainability Committee, ensures that the remuneration and incentive systems adopted are consistent with the overall choices in terms of risk-taking, strategies, long-term objectives, corporate governance structure and internal controls.

Within this framework, without prejudice to the decisions to be taken by Shareholders at the Shareholders' Meeting, the Board of Directors:

- sets the remuneration of Directors within the remit of that resolved by the Meeting;
- in accordance with art. 2389, para. 3 Civil Code, sets the remuneration of Directors entrusted with specific offices, on the proposal of the Remuneration and Appointments Committee having heard to the opinion of the Board of Statutory Auditors;

- draws up and approves a policy for the remuneration of Directors, the General Manager, members of the Board of Statutory Auditors and Managers with Strategic Responsibilities, which is functional for the creation of long-term value for shareholders, taking into account the interests of other stakeholders of the Company, and which considers the need to attract, retain and motivate personnel having the skills and professionalism required by the positions held in the Company;

- monitors proper execution of and compliance with the remuneration policy, taking care - in particular - that remuneration paid and accrued is consistent with the principles and criteria defined in said policy, in the light of the results achieved and other circumstances relevant to its implementation; and

- draws up, approves and submits to the Shareholders' Meeting, the remuneration plans based on financial or monetary instruments for the long or short term, having as its recipients Directors, the General Manager, Managers with Strategic Responsibilities, and other employees of the Company and of the Group.

III. Executive Directors

With regard to remuneration, the Executive Directors:

- submit any proposal for compensation plans based on shares or other financial instruments to the Remuneration and Appointments Committee and to the Board of Directors, or where appropriate assist the Remuneration and Appointments Committee with the drawing up of said plans;

- provide the Remuneration and Appointments Committee and to the Board of Directors with all information as may be useful so as to enable said parties to assess the adequacy and actual implementation of the general remuneration policy, with particular regard to the remuneration of Managers with Strategic Responsibilities.

IV. Board of Statutory Auditors

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

V. External Auditing Firm

As provided for by art. 123-*ter*, para. 8-*bis* TUF, the external Auditing Firm shall verify that the Directors have prepared the second section of the Report.

VI. Remuneration and Appointments Committee

Pursuant to the guidelines set forth in art. 5 of the Corporate Governance Code, the Remuneration and Appointments Committee is responsible for providing advice and offering suggestions to the Board of Directors in evaluating and deciding, *inter alia*, the remuneration of Directors and Managers with Strategic Responsibilities.

For more details on the Remuneration and Appointments Committee, see Paragraph B. of this Report.

VII. Related Parties Transactions Committee

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

In particular, in the event that, upon the occurrence of exceptional circumstances, the Company intends to take decisions in derogation of the Policy, as better explained in Paragraph Q below, such derogations shall be approved in compliance with the aforementioned procedure, with the involvement of the RPT Committee.

VIII. Sustainability Committee

As provided for in the Sustainability Committee Regulations, said Committee plays an advisory role regarding ESG performance objectives to be achieved with reference to annual and long-term incentive plans in coordination with the Remuneration and Appointments Committee.

IX. Human Resources Department

Unieuro's Human Resources Department supports top management in the definition of the Remuneration Policy. Together with the Remuneration and Appointments Committee, the other Corporate Functions involved and the top management, it also oversees that the implementation of the Remuneration Policy is consistent with the need to attract and retain personnel having the professional skills as are necessary to achieve long-term objectives and, at the same time, ensure sound and prudent risk management.

Within this remit, the Human Resources Department:

- draws up and submits to the Remuneration and Appointments Committee the revised Remuneration Policy and Report;
- availing itself of the contribution of the Corporate Functions, ensures due compliance with applicable regulations of this Policy and the proper application thereof;
- proposes the performance appraisal system, remuneration criteria and career pathways in accordance with the Remuneration Policy; in this regard, it also coordinates the determination and assignment of performance objectives within the incentive systems;
- availing itself of the contribution of the Corporate Functions, verifies due achievement of the objectives and that the conditions are met to access the variable remuneration components;

- monitors the relevant labour market trends and practices in order to put forward proposals to revise the Policy and solutions to revise the remuneration and incentive system in terms of tools, methods, operating mechanisms and parameters adopted by the Group.

X. Legal Department

Unieuro's Legal Department carries out activities of preventive control and monitoring of the Remuneration Policy so as to ensure its compliance with the regulatory framework; it also verifies the consistency between this Policy and internal regulations and procedures.

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

On 7 February 2017, the Board of Directors, in conformity with the corporate governance recommendations contained in the then current Self-Regulation Code for Listed Companies, resolved, with effect from the Trading Start Date, to establish a Remuneration and Appointments Committee, and approved the regulations for the operation of such committee. Such regulations were last updated on 13 May 2021.

a) Composition of the Remuneration and Appointments Committee

Following the appointment of a new Board of Directors which occurred at the Shareholders' Meeting held on 21 June 2022, on 28 June 2022, the Board of Directors moved to appoint the members of the Remuneration and Appointments Committee, and appointed: Pietro Caliceti, Alessandra Stabilini and Paola Elisabetta Galbiati, this latter in the office of Chairman. In accordance with the provisions of the Corporate Governance Code, the Remuneration and Appointments Committee is deemed to be made up of Independent Directors and at least one member who possesses knowledge and experience in financial matters and remuneration policies.

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

In view of the Company's organisational needs, its manner of operation and the size of its Board of Directors, the Company has established a single committee for remuneration and appointments pursuant to the Corporate Governance Code, which is responsible for making enquiries, providing advice and offering suggestions to the Board of Directors.

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

Specifically, with reference to remuneration, the Remuneration and Appointments Committee is entrusted with the following tasks:

- supporting the Board of Directors in the development of the remuneration policy and the compensation paid; more specifically, the Committee seeks approval of the remuneration report inclusive of the relative remuneration policy from the Board of

Directors in view of its presentation at the Shareholders' Meeting of the Company in conformance with the legislation in force and the Corporate Governance Code;

- expresses its opinion on the remuneration of Executive Directors and other Directors who hold specific offices as well as on the setting of performance objectives related to the variable component of such remuneration and on the verification of the effective achievement of the performance objectives of the aforementioned Directors, in agreement with the Sustainability Committee if the aforementioned objectives concern ESG indicators;
- monitoring actual application of the remuneration policy and periodically assessing the adequacy and overall consistency of the remuneration policy as concerns Directors and Managers with Strategic Responsibilities;
- evaluating and drawing up proposals to the Board of Directors regarding the projects for periodic short and medium-long term incentive plans, including those based on share, stock options, public shares and similar such incentive and loyalty plans for the benefit of Company management and employees, also with reference to the suitability of such incentives to achieve the objectives of the plans, giving its opinion on the manner in which the above-mentioned instruments may be provided to beneficiaries;
- performing any additional tasks as may be entrusted to it by the Board of Directors, monitoring the application of decisions adopted by the Board on the subject of remuneration.

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

The Remuneration and Appointments Committee is able to access the information and corporate functions necessary to carry out its duties, as well as avail itself of external consultants, within the limits established by the Board of Directors, in conformance with the provisions of recommendation No. 17 of the Corporate Governance Code.

The Chairman shall report to the Board of Directors at its very next sitting on the relevant activities carried out by the Remuneration and Appointments Committee. Nevertheless, in accordance with art. 19 of the Articles of Association and art. 2389, para. 3, of the Civil Code, the Remuneration and Appointments Committee may only performs advisory and recommendation functions, whereas the power to set the remuneration of the Directors entrusted with specific offices remains in all cases with the Board of Directors, in consultation with the Board of Statutory Auditors, without prejudice to the right of Shareholders to decide at Shareholders' Meeting on the overall amount of the remuneration of all the Directors, including those entrusted with specific offices.

To neutralise any possible conflicts of interests, in conformity with the provisions of Recommendation No. 26 of the Corporate Governance Code, no Director can take part in the Remuneration and Appointments Committee meetings in which proposals are made to the Board of Directors regarding said Director’s remuneration, unless the proposals regard all members generally of the committees established within the remit of the Board of Directors.

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

As already mentioned in the description of the "Our People" Pillar Policy, Unieuro also takes into strong consideration the compensation and working conditions of its employees, in its determination of its Remuneration Policy. This on grounds that the Company's purpose is to foster continuous development of its resources and create sustainable value, also through the preparation of ESG objectives for which in-depth information is also provided in the annual Non-Financial Statement. It follows that by focussing on maximum enhancement of professional skill sets and recognition of individual merits, the Company's remuneration policy ensures competitive levels on the market, in full compliance with the fundamental principles of equal opportunity, equality and non- discrimination.

To such ends, Unieuro employs multiple tools to motivate and promote loyalty its people, such as:

- promoting actions and behaviour that are an expression of the corporate culture, in compliance with the principles of plurality, equal opportunities, personnel knowledge enhancement, professionalism, fairness and non-discrimination as set forth in Unieuro's Code of Ethics;
- recognising the responsibilities assigned, results achieved and quality of each professional contribution made, taking into account the context and market references applicable for similar positions or roles of a similar level in terms of responsibility and complexity as well as the individual's experience and professional background;
- stressing the attribute of merit as the basis of management as well as rewarding actions in terms both of professional development and of career opportunities having equal footing as benchmarks so personnel management meets fairness and sustainability criteria;
- basing the variable remuneration structure on different components, both short-term and medium to long-term, grounded as much in the economic-financial component as the sustainability one, to attract, retain and motivate qualified resources as well as to protect company assets by way of non- compete undertakings for persons holding specific positions;
- to set the remuneration of all Company employees in conformance with the remuneration parameters provided for in the National Collective Bargaining Agreement applicable from time to time (the "NCBA”).

Recognising the value of flexible and hybrid working arrangements, in 2021 Unieuro introduced the smart working tool into its organisation structure for those staff in the offices of Forlì, Piacenza, Milan and Carini, thus maintaining an employee-centric work experience and ensuring sustainable growth for the company. This strategy promotes the well-being of employees both inside and outside the office which has enhanced the ability to attract new talent, retain current personnel and promote a sense of belonging. For this purpose, the corporate structure has taken care to provide all its personnel with the appropriate technological and information technology tools to ensure a proper and comfortable work experience.

Further description of Unieuro’s commitment to its employees can be found in the “Our People” section of this Policy.

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

For the preparation of the Remuneration Policy, the Company has not been supported by independent experts.

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

In accordance with the Corporate Governance Code recommendations, the Remuneration Policy is mainly designed to:

- attract, motivate and retain adequate human resources and professional skills to successfully pursue the Company’s objectives;
- align the interests of management with those of the Company and its shareholders; and
- promote the creation of sustainable medium/long term values.

The duration of this Remuneration Policy is annual.

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

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

In drawing up its Policy, Unieuro has been mindful of art. 2.2.3, para. 3, lett. o) set forth in the Rules of the Markets Organised and Managed by Borsa Italiana approved by Consob with Resolution No. 22008 dated 22 September 2021 as most recently updated, so as to obtain and maintain STAR status. Moreover, with particular regard to the remuneration of Directors, Unieuro has taken into account the principles and recommendations of the Corporate Governance Code.

In order to pursue these objectives, under the Remuneration Policy the compensation of Directors, Statutory Auditors, the General Manager and other Managers with Strategic Responsibilities may be determined on the basis of the following components:

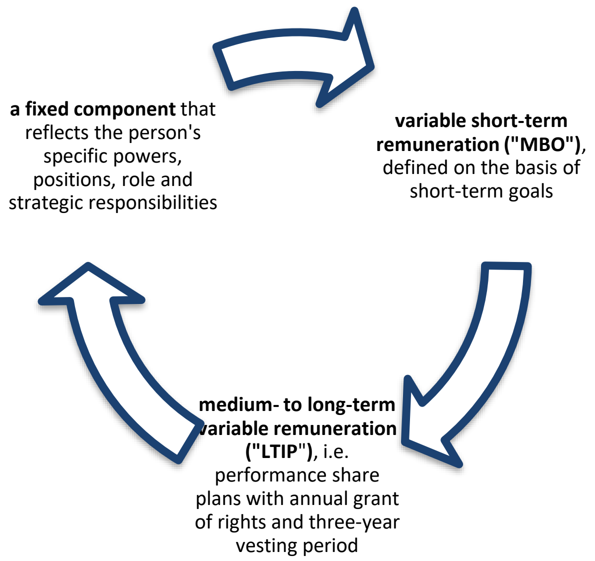
(i) a fixed annual component, commensurate with the position and the commitment required;
(ii) a variable component, measured on the performance of the Company, in the form of equity, equity-based or cash-based incentive plans in the case of Executive Directors, the General Manager and other and Managers with Strategic Responsibilities;
(iii) non-monetary benefits (fringe benefits), such as the provision of a company telephone, computer or vehicle, as well as participation in welfare and insurance plans that include:
    a. for Managers with Strategic Responsibilities of the Company, ordinary welfare and social security protection (as per the applicable national collective bargaining agreement) and insurance coverage against the risk of death, permanent disability and temporary incapacity;
    b. for Directors, insurance protection in relation to the position held on the Board of Directors;
(iv) compensation payable in connection with the termination of the employment relationship within the limits of the applicable NCBA or as consideration for any non-compete obligations agreed with the Managers with Strategic Responsibilities;
(v) retention bonuses recognised to guarantee continuity of the employment relationship, ensure greater corporate stability and help further incentivise high-quality professional performance by staff members considered significant.

With regard to the new provisions of this Remuneration Policy with respect to the previous year and to the feedback from proxy advisors on the shareholders' votes cast, we refer you to the above Introduction concerning the Pillars and dedicated to "Shareholders and Investor" (page 13).

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

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

In particular, the remuneration structure comprises the following components:



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

Regarding Managers with Strategic Responsibilities and Executive Directors, when determining the relevant Remuneration Policy, the Board of Directors takes as a base starting point an assessment of the current agreed remuneration with each Executive Director and each Manager with Strategic Responsibilities, which includes, inter alia, benefits, variable short-term remuneration connected to the achievement of company performance objectives set for each financial period, as well as a variable medium-long term component linked to achievement of company performance objectives laid down for company strategic objectives, the payment of which is conditional upon executive's remaining with the Company for the relevant period, as better described below.

As part of the talent retention compensation strategy, retention bonuses may also be awarded in order to attract key figures from the market. These retention bonuses may be granted following a specific decision-making process to ascertain the existence of substantiated reasons for the retention of the key figure. As such, these bonuses are paid no earlier than the end of a predetermined period or the occurrence of a predetermined event. Retention bonuses constitute forms of variable remuneration and as such are subject to all the rules applicable to them, including those on the limit to the variable/fixed ratio and on ex ante and ex post correction mechanisms (e.g. in case of conduct that does not comply with legal, regulatory or statutory provisions or with any codes of ethics or conduct applicable to Unieuro).

Please see the sections regarding the General Manager and Managers with Strategic Responsibilities for details of retention bonuses under the Policy.

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

- take into account the requirement that a significant part of the remuneration of Executive Directors, the General Manager and Managers with Strategic Responsibilities must be linked to economic results and sustainability achieved by the Issuer and/or the achievement of targets set in advance by the Board of Directors;
- ensure that the interests of the Executive Directors, the General Manager and Managers with Strategic Responsibilities are in line with the priority objective of creating medium/long-term value for the Company and its shareholders also taking into account the interests of other key stakeholders; and
- retain and motivate staff holding the required qualities to manage the Company successfully, including through the use of retention conditions.

I. <u>Pay mix</u>

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

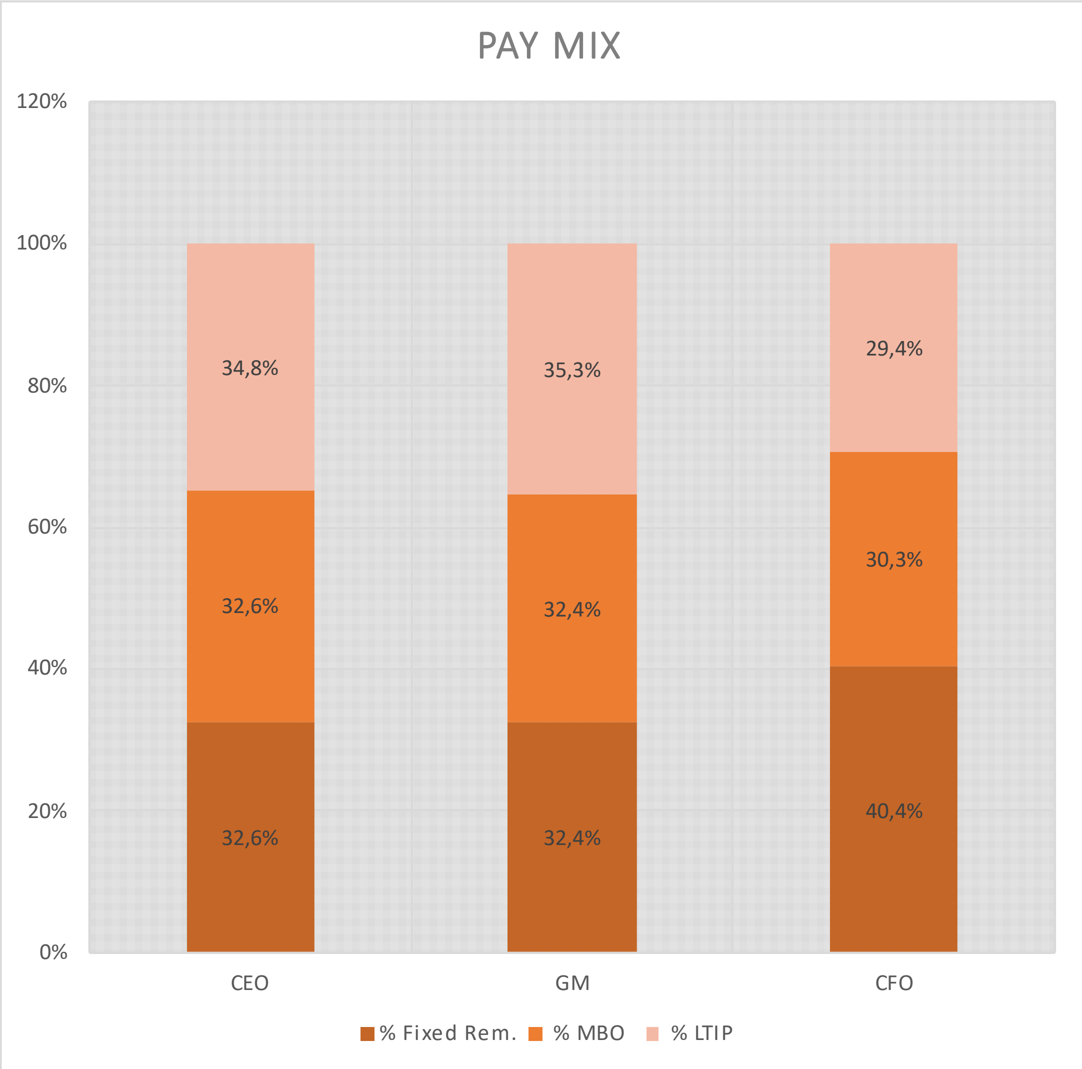
The below graph set out the components calculated as follows:

- **Fixed component**: equal to the gross annual compensation of Managers with Strategic Responsibilities[9] or the compensation awarded to the Director[10].
- **Variable component:**
    - short-term ("MBO"): the annual value of the incentive obtainable upon reaching the target is shown;
    - medium- to long-term, comprising the following items:
        - Performance Shares Plan ("LTIP"): the entire value of the incentive over three years is shown in terms of the number of shares as shall be allocated upon achievement of the objective **<u>target values</u>** for the 2nd Cycle of the three-year period of the Performance Shares Plan 2023-2028. This incentive was quantified using the value of the shares as at 10 May 2024 (grant date in regard to the right to receive shares for the 2nd cycle[11]) equal to Euro 9.34 (including the value of the cash bonus) for the number of rights reported to the Chief Executive Officer, the General Manager and the Chief Financial Officer. The value with regard to the pay mix of shares for the 2nd cycle of the

[9] For the GM and the CFO, the fixed component does not include the amount provided for their positions as Chairman of the Board of Directors and Executive Director of Covercare S.p.A., respectively.
[10] Please note that the fixed component for the CEO includes the amount of Euro 350,000 (also including any advance payments on an annual basis of non-compete undertakings) that the Board of Directors granted to Giancarlo Nicosanti Monterastelli on 12 July 2023, following the approval granted by the Shareholders' Meeting on 22 June 2023 to increase the overall compensation of the Board of Directors. The fixed component of the General Manager does not include any compensation as Director, since Maria Bruna Olivieri has waived her right thereto.
[11] Please note that on 10 May 2024, the Board of Directors granted the following rights to receive Unieuro shares in relation to the 2nd cycle of the Performance Shares Plan 2023-2028 to Managers with Strategic Responsibilities: (i) Chief Executive Officer: 40,000, (ii) General Manager: 27,000, (iii) Chief Financial Officer 13,000.

Performance Shares Plan 2020-2025, whose vesting period expired on 29 February 2024, is included in the pay mix for the grant year of said cycle.

- Retention bonus: the annual pro rata value of the total incentive has been indicated, it being understood that this may be disbursed in full only at the end of the financial year ending February 28, 2026, upon the beneficiary's continued employment and provided that the beneficiary has not pre-announced their resignation. It should be noted that the annual pro rata value of the Retention bonus impacts the annual total compensation as represented in the pay mix of the General Manager and the CFO by 8.1% and 11.2%, respectively.



Please note that, as concerns the CEO, should the target be achieved, the percentage incidence of the entire value of the LTIP incentive over three years compared to fixed annual remuneration shall be 106.7%. In the event of over-achievement, then the incidence shall be 160.1%. Such percentages were calculated with reference to the share price on 10 May 2024 (Euro 9.34)

As concerns the incidence of the variable component on fixed remuneration, we draw your attention to the fact that the Company's remuneration policy has the purpose of incentivising Executive Directors and Managers with Strategic Responsibilities to achieve increasingly challenging levels of performance. To this end, a greater weight has been imputed to the variable part, both for the short and medium-long term.

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

II. Management By Objectives ("MBO")

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

The current MBO system envisages payment of a variable monetary component (cash bonus), payable upon achievement of the 100% of targets, in an amount determined specifically for each beneficiary manager. The recognition of the bonus is conditional upon the continuance of relations for the reporting year and reaching the performance objectives which are given predetermined weighting, and its payment is conditional upon overcoming of specific entry levels. The bonus effectively due is calculated according to a linear progression system, bearing in mind the actual performance achieved with respect to the performance targets.

The MBO system for the year 1 March 2024 - 28 February 2025, as approved by the Board of Directors on 10 May 2024 upon the proposal of the Remuneration and Appointments Committee and by way of continuation of that provided for in the MBO applicable to the Financial Year closed on 29 February 2024, is subject to a gateway condition that subjects activation of the bonus to the condition precedent that actual Consolidated Adjusted EBITDA must be at least 70% of the target Consolidated Adjusted EBITDA set for the year and is structured on the basis of the following parameters and criteria:

- the performance objectives are connected to targets with reference to (i) Consolidated Adjusted EBITDA[12] (common to all Managers with Strategic Responsibilities) ("Consolidated Adjusted EBITDA Performance Target") and (ii) the net Consolidated Net Financial Position - As per IAS 17[13] (depending on the corporate role performed) ("NFP Performance Target") and (iii) Net Promoter Score, a criterion based on customer satisfaction as resulting from questionnaires obtained from to customers ("NPS Performance Target")[14];

[12] As described in the annual financial report
[13] (As per IAS 17). As described in the annual financial report
[14] The final determination of achievement of the Net Promotor Score objective is made by way of adjustment of the results of those survey collected online through a "proprietary" platform and subtracting the number of "detractors" from the number of "promoters".

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

- the accrual of and payment of the Consolidated Adjusted EBITDA Target Bonus, the NFP Target Bonus and the NPS Target Bonus are conditional upon (i) the reaching of predetermined entry levels, below which levels the beneficiary shall not have the right to receive any compensation and (ii) the beneficiary being employed by the Issuer at the closing date of the reporting year, except in the event of good leaver situations, in which case the bonus will be readjusted proportionally ratione temporis[15].

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

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

b) equal to 80% of the Consolidated Adjusted EBITDA Performance Target, then 50% of the Consolidated Adjusted EBITDA Target Bonus will be due;

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

d) 100% of the Consolidated Adjusted EBITDA Performance Target, then an amount equal to the Consolidated Adjusted EBITDA Target Bonus will be due;

e) between 101% and 120% of the Consolidated Adjusted EBITDA Performance Target, then a sum in addition to the Consolidated Adjusted EBITDA Target Bonus will be due, equal to 2.5% of the Consolidated Adjusted EBITDA Target Bonus for each additional percentage point of the Consolidated Adjusted EBITDA Actual Performance between 101% and 120% (inclusive) of the Performance Target and equal to 3% for each additional percentage point of the Consolidated Adjusted EBITDA Actual Performance above 120% of the Consolidated Adjusted EBITDA Performance Target. A maximum performance threshold (cap) is provided for, set at 150% (inclusive) of the target goal, upon reaching or exceeding which a maximum of 150% of the EBITDA Target Bonus will be granted.

The NFP Target Bonus is due exclusively on condition that 70% of the Consolidated Adjusted EBITDA Performance Target is achieved; in the event that this threshold is not reached, the right to receive the NFP Target Bonus will not accrue, despite the achievement of the Target Performance relating to the Net Financial Position. Notwithstanding the foregoing, in the event that the actual consolidated

[15] Pursuant to the FY 2024-2025 MBO Regulations, it is understood that:

- in the event of cessation of the relationship due to: (i) dismissal/revocation without just cause; (ii) the Beneficiary's retirement, death or invalidity of a nature such as to render him/her incapable of any realistic continuation of the relationship - or, for the Executive Director, the natural conclusion of their mandate - (items (i) and (ii) a) each a "**Good Leaver**" event), during the reference period, then the Beneficiary (or his/her heirs as the case may be) shall, in accordance with the other conditions set out in above-mentioned MBO Regulation, retain the right to a pro-rata portion of the bonus.
- in the event of cessation of the relationship due to (i) the Beneficiary's voluntary resignation from office/role or (ii) dismissal/revocation of the Beneficiary for just cause or (iii) events other than those referred to in lett. a) above (items (i) to (iii) b) each a "**Bad Leaver**" event) during the reference period, then the Beneficiary shall definitively and fully lose the right to receive the bonus.

performance of the reporting year relative to the Net Financial Position ("**NFP Actual Performance**") is:

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

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

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

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

e) between 101% and 120% of the NFP Performance Target, then a sum in addition to the NFP Target Bonus would be due equal to 2.5% of the NFP Target Bonus for each plus percentage point of NFP Actual Performance between 101% and 120% (inclusive) of the Performance Target and equal to 3% for each plus percentage of the NFP Actual Performance above 120% of the NFP Performance Target. A maximum performance threshold (cap) is provided for, set at 150% (inclusive) of the target goal, upon reaching or exceeding which a maximum of 150% of the NFP Target Bonus will be granted.

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

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

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

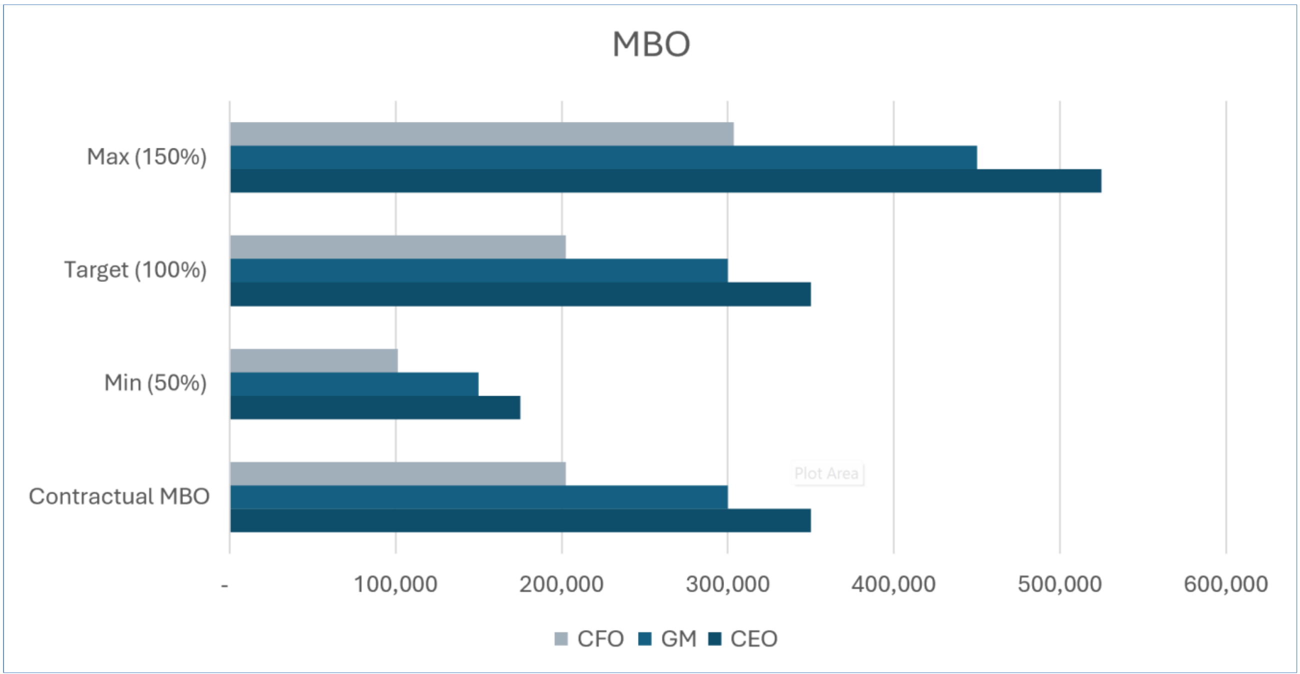
c) between 81% and 99% of the NPS Performance Target, then - in addition to that indicated in point b) above - 2.5% of the NPS Bonus Target for each plus percentage point of NPS Actual Performance greater than 80% of the NPS Performance Target would be recognised;

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

e) between 101% and 120% of the NPS Performance Target, then an additional sum would be recognised, - equal to 2.5% of the NPS Target Bonus for each plus percentage point of the NPS Actual Performance between 101% and 120% (inclusive) of the NPS Performance Target, and equal to 3% for each plus percentage point of the NPS Actual Performance above 120% of the NPS Performance Target. A maximum performance threshold (cap) is provided for, set at 150% (inclusive) of the target goal, upon reaching or exceeding which a maximum of 150% of the NPS Target Bonus will be granted.

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

The actual value of this component is:



Please note that both for the CEO and the GM the ratio between the MBO and the fixed component is equal to min 50% - target 100% - max 150%.

Please also note that, unlike in the last reporting year, for the CFO, the ratio between the MBO and the fixed component is equal to min 37.5% - target 75% - max 112.5%.

	EBITDA (WEIGHTING 70%)	NFP (WEIGHTING 20%)	NPS (WEIGHTING 10%)
	Bonus Allocation	**Bonus Allocation**	**Bonus Allocation**
FOR A BONUS TO BE TRIGGERED, THE EBITDA LEVEL REACHED MUST BE AT LEAST 70% OF THE EBITDA TARGET			
80%	**50%**	**50%**	**50%**
BETWEEN 81% AND 99%	**50% + 2.5%** for each percentage point of improvement	**50% + 2.5%** for each percentage point of improvement	**50% + 2.5%** for each percentage point of improvement
100% (TARGET)	**100%**	**100%**	**100%**
BETWEEN 101% AND 120% (INCLUSIVE)	**100% + 2.5%** for each percentage point of improvement	**100% + 2.5%** for each percentage point of improvement	**100% + 2.5%** for each percentage point of improvement

+120%	100%+ 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement (up to 150% of the target, inclusive)	100%+ 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement (up to 150% of the target, inclusive)	100%+ 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement (up to 150% of the target, inclusive)
CAP ON TOTAL CASH BONUS: 150% OF THE MAXIMUM AMOUNT PAYABLE IN THE EVENT OF ACHIEVING 100% OF THE OBJECTIVES			

For the sake of clarity, in the case of:

(i) extraordinary transactions that concern the Company;

(ii) events or circumstances, including those that are exogenous, of an exceptional or extraordinary nature;

(iii) changes to the legislative or regulatory context

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

III. Long Term Incentive Plan (LTIP)

Unieuro has put in place a new medium-long term incentive scheme in the form of the performance shares:

- Performance Shares Plan 2020-2025;
- Performance Shares Plan 2023-2028.

The details of these Plans are given below.

Performance Shares Plan 2023-2028

Unieuro has in place a medium-long-term incentive system based on performance shares, approved at the Shareholders' Meeting held on 21 June 2022.

You are reminded that the Shareholders' Meeting held on 22 June 2023 resolved to update the performance targets of the 1st cycle of the Performance Shares Plan 2023-2028 (the "**Plan**"), with 98.97% of the participants voting in favour.

As described in detail in the published disclosure document, on May 19, 2023, with the above additions (the “**Disclosure Document**”), the Plan is entirely based on Unieuro ordinary shares and envisages the following objectives:

(i) to focus the attention of Beneficiaries on factors of strategic interest of the Company and direct key resources towards the pursuing of medium-long term results with a view to sustainability of the Group's economic and financial performance;

(ii) build loyalty among the Plan Beneficiaries and incentivise their continuance with the

Company by developing retention policies;

(iii) to align the interests of the Beneficiaries with those of the shareholders, with a view to developing growth of the Company's value in the medium/long term; and

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

The Plan is intended for Executive Directors, Managers with Strategic Responsibilities as well as directors of the Company or of the Group and employees of first level (‘*impiegatizio’*) (or higher) of the Company or of Group (“**Beneficiaries**”). Naming of Beneficiaries shall be carried out by the Board of Directors having received the opinion of the Remuneration and Appointments Committee and having regard to the relevance of the respective position covered within the Company and the Group and taking into account the particular Beneficiary’s contribution to enhancing them Company’s value.

The Plan envisages the grant to each Beneficiary of rights to be allotted Unieuro ordinary shares on a gratuitous basis, *inter alia* upon achievement of certain performance objectives and conditional upon occurrence of the vesting conditions with a three-year vesting period. AS regards Beneficiaries who are members of the Board of Directors and/or managers with strategic responsibilities are subject to a lock-up commitment of 24 months of share delivery date.

The free allocation of shares shall take place, for each three-year period: in 2026 for the 1st Cycle (2023 - 2026), in 2027 for the 2nd Cycle (2024-2027) and in 2028 for the 3rd Cycle (2025-2028). The material allocation of shares for each of the three cycles shall be carried out in accordance with the terms and conditions set forth in the Plan, by virtue of a Board of Directors’ resolution taking into account the degree of achievement of the performance objectives.

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

Performance objectives of the 2nd Cycle of the Performance Share Plane LTIP 2023-2028

With reference to the 2nd cycle of the plan, FY2024-FY2027, the performance objectives relate to Adjusted EBIT, Adjusted Free Cash Flow and the ESG Indicator. Specifically:

- **Consolidated Adjusted EBIT indicator**

  The Performance Objective based on Consolidated Adjusted EBIT indicator has a percentage weighting equal to 50% of the total shares subject to allocation. It coincides with the consolidated adjusted cumulative EBIT relating to the accounting periods of a cycle. Achievement of Performance Objectives shall be calculated in accordance with the methodology illustrated in the below table.

  The definition of Consolidated Adjusted EBIT can be found in the annual financial report.

- **Consolidated Adjusted Free Cash Flow indicator**

  The Performance Objective based on Consolidated Adjusted Free Cash Flow indicator has a percentage weighting equal to 25% of the total shares subject to allocation. It coincides with the consolidated cumulative adjusted Free Cash Flow relating to the accounting periods of a cycle. Achievement of Performance Objectives shall be calculated in accordance with the methodology illustrated in the below table.

The definition of Consolidated Adjusted Free Cash Flow can be found in the annual financial report.

- **ESG indicator**

This is the composite ESG performance indicator based on KPIs traceable to 3 specific projects[16]: 1st KPI: number of contacts (audience) reached by #cuoriconnessi initiatives against cyberbullying; 2nd KPI: green energy purchases from certified renewable sources; 3rd KPI: female managers (with executive and middle management status) as a percentage of total executives and middle managers.

Overall, this indicator illustrates Unieuro's level of sustainability consistent with its ESG strategy as set forth in the Sustainability Plan 2022-2026 adopted by the Company and reflects due integration of environmental, social and governance matters into business activities.

The ESG indicator has a percentage weighting equal to 25% of the total shares subject to allocation and shall be measured according to the methodology described in the table below.

ESG indicator calculation methodology:

$$\boldsymbol{ESG\ indicator}$$

$$= \left(\frac{\boldsymbol{Audience\ \#Cuoriconnessi}}{\boldsymbol{Target}} * \frac{1}{3}\right) + \left(\frac{\boldsymbol{Green\ Sources}}{\boldsymbol{Target}} * \frac{1}{3}\right) + \left(\frac{\boldsymbol{Diversity\ \&\ Inclusion}}{\boldsymbol{Target}} * \frac{1}{3}\right)$$

Project no. 1 – Community Pillar
- KPI name: Audience #cuoriconnessi
- KPI description: the number of annual contacts[17] reached through the #cuoriconnessi anti-cyberbullying initiatives
- KPI target: 2 million contacts. Average data over the three years of the cycle.

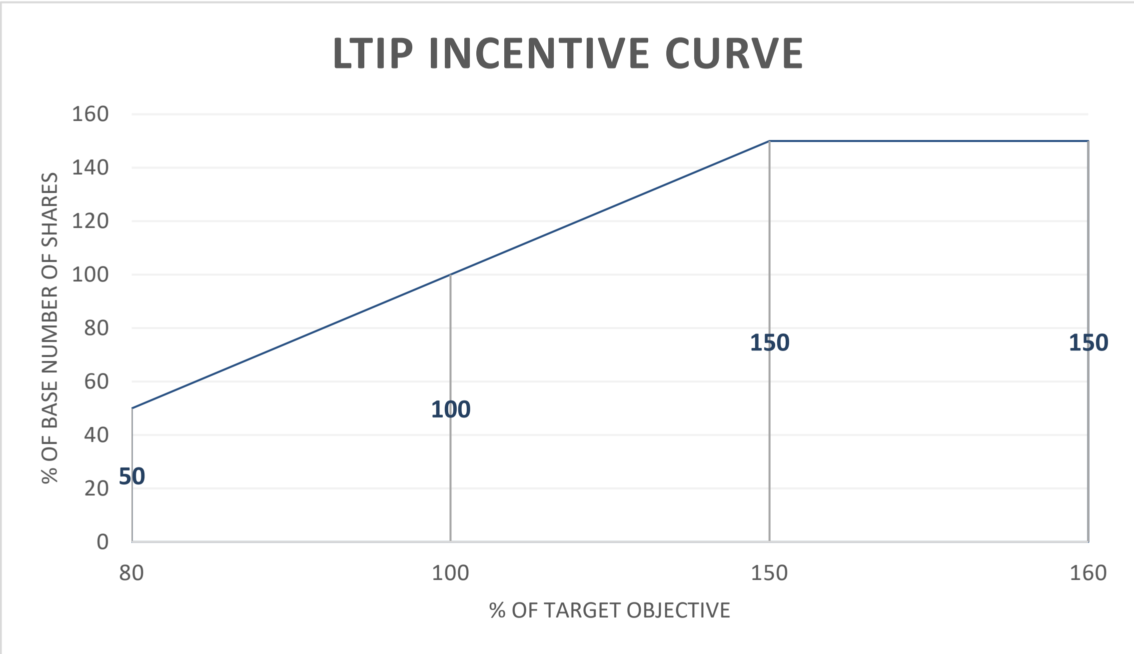
Project no. 2 – Sustainable Innovation Pillar
- KPI name: Green Energy
- KPI description: % energy purchased with green certificate from supplier
- KPI target: purchase of 100% of energy with certificate of origin from renewable sources in each cycle year[18]

Project no. 3 – Talent Pillar
- KPI name: Diversity & Inclusion
- KPI description: percentage of female managers (executives + middle managers) to total executives and middle managers
- KPI target: female managers representing 30% of total managers, executives and middle managers (men and women) at the end of the reporting period[19].

[16] ESG indicators refer to targets achievable by Unieuro S.p.A.
[17] The number of contacts of the #cuoriconnessi initiatives is defined as the total number of project contacts understood as: visits to the cuoriconnessi.it website, views of video content on the YouTube channel and/or other sites or digital platforms, downloads, video streaming and audio streaming of media content from the cuoriconessi.it website and/or other sites or digital platforms, printed and/or digital edition copies of *cuoriconnessi* publications, number of users participating in online/offline events, and additional communication initiatives and activities launched during the three-year period. Three were 1.99 million total direct contacts during FY2023/24. In the three-year period under review, the average number of annual contacts is expected to be 2 million.
[18] Baseline FY 2023/24: 100%
[19] Baseline: 27.6% as at 1 March 2024

The values achieved for each individual ESG targets will be reported in the sustainability report prepared by the Company according to the applicable regulation from time to time. The values achieved in the economic/financial targets will be reported in the Annual Financial Report drawn up in compliance with the provisions of art. 154-*ter*, para. 5 of Legislative Decree No. 58/98 (TUF) and subsequent modifications and additions.

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



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

The table below contains the targets for the performance objectives set for the 2nd cycle of the 2023-2028 Plan:

	Consolidated Adjusted EBIT (Weighting 50%)		Consolidated Adjusted Free Cash Flow (Weighting 25%)		ESG Index (Weighting 25%)	
	Result Euro/million	Share allocation	Result Euro/million	Share allocation	Result	Share allocation

Threshold 80%	110.8	50%	76.7	50%	0.8	50%
Target 100%	138.5	100%	95.9	100%	1.0	100%
Cap 150% or +150%	207.8	150%	143.8	150%	1.5	150%

Manner of Allocation

The shares shall be allocated at the end of the vesting period and in any case no later than the 30th (thirtieth) calendar day following the date of the Shareholders' Meeting which approves the annual financial report as at 28 February 2026 for the 1st cycle of the plan, at 28 February 2027 for the 2nd cycle of the plan and at 29 February 2028 for the 3rd cycle of the plan. Allocation shall occur provided that the Board of Directors is satisfied that the following vesting conditions have been fulfilled:

- on the share allocation date, the Beneficiary's relationship with the Company and/or with a Group company is still in continuance, unless the beneficiary is deemed a Good Leaver (as defined in the Disclosure Document pertaining to said Plan, to which reference should be made);
- the minimum performance threshold has been achieved for at least one of the performance objectives during the vesting period;
- in consideration of the individual allocations to be made by the Board of Directors or by any other body they may entrust with such task, there is from time-to-time sufficient available reserves, as reported in the last approved accounting situation of the Company, to carry out the capital increase or the purchase of shares pursuant to arts. 2357 and 2357-*ter* of the Civil Code to service the Plan. It is understood that the Board of Directors may, at its sole discretion, proportionally reduce the number of shares to be made available for allocation to Beneficiaries for each cycle of the Plan.

The rights granted entitle Beneficiaries to a cash bonus calculated with reference to any cash dividend as may have been distributed and paid out by the Company, for each of the three cycles of the plan. Said cash bonus shall be payable subject to the Delivery for each Plan cycle (as described in the Disclosure Document pertaining to said Plan) and provided that the vesting conditions have been met.

Said rights are linked to the requisite of continuance of the relationship between Beneficiary and Company and, therefore, in the event of cessation of the relationship[20] - unless determined otherwise in favour of the Beneficiary by the Board of Directors in those cases strictly provided for under the Plan Regulations - the following provisions shall apply:

a) in the event of cessation of the relationship due to: (i) dismissal without just cause; or (ii) the Beneficiary's retirement, death or invalidity of a nature such as to render him/her incapable of any realistic continuation of the relationship (items (i) and (ii) a) each a "**Good Leaver**" event), during the vesting period and in any case before the date of share allocation, then the Beneficiary (or his/her heirs as the case may be) shall, in accordance with the other conditions set out in the Plan Regulations, acquire the right to be allocated a number of shares to be determined *pro rata temporis* and *pro rata performance*; calculated in accordance with the criteria set forth in the Regulations for Plan Cycle;
b) in the event of cessation of the relationship due to (i) the Beneficiary's voluntary resignation from office /role or (ii) dismissal of the Beneficiary for just cause or (iii) events other than those referred to in lett. a) above (items (i) to (iii) b) each a "**Bad Leaver**" event) during the vesting period or in any case before the date of allocation of the shares, then the Beneficiary shall automatically and definitively forfeit his/her rights to any share rights granted to him/her.

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

The Board of Directors having: obtained the favourable opinion of the Remuneration and Appointments Committee and made an assessment on a case-by-case basis, and in any event within 30 days of termination of the Relationship, may waive, to the extent any such waiver is positive, any one or more of the provisions referred to in letters a) and b) of the previous paragraph, under the conditions described in the Regulations for each Plan Cycle.

We draw you attention to the fact that the Board of Directors may, having heard the opinion of the Remuneration and Appointments Committee, make all amendments or integrations it deems necessary and/or appropriate to maintain unaltered the substantial and economic contents of the Plan having regard to most effective way to achieve the purposes of the Plan, mindful of interests of the Company and the Beneficiaries; the desire to maintain intact the substantive and economic contents of the Plan to the extent permitted by the regulations applicable from time to time, mindful of the interests of the Company and the Beneficiaries in case of events such as:

(i) extraordinary transactions concerning the Company's capital;

(ii) events or circumstances of an exceptional or extraordinary nature whether or not exogenous (e.g. COVID-19) which impact or may impact on the Company results/performance and/or that of the Group;

(iii) mergers or company splits, purchase or sales of equity investments, companies or any part of company business; or

(iv) legislative or regulatory changes or other events likely to affect the rights, the shares and/or the Company and/or Group companies.

For further information on the Performance Shares Plan 2023-2028, please refer to the Disclosure Document drawn up pursuant to art. 114-*bis* TUF and art. 84-*bis* Issuers' Regulation, available to the

[20] As concerns employees, the date of termination of the relationship shall be that on which the employment relationship effectively ceases, regardless of the expiry of the notice period.

public on the Company's corporate website (www. unieurospa.com) section "Corporate Governance/Shareholders' Meetings/Meeting 2023", as well as on the authorised storage mechanism "EMARKET STORAGE" (www.emarketstorage.com).

Performance Shares Plan 2020-2025

This plan is intended for Executive Directors and/or Managers with Strategic Responsibilities and/or employees of the Company or of Group companies classified as management (at '*quadro*' level) as well as, for the 3rd and final cycle only, those employees classed as at or higher than first clerical level ('*impiegatizio*') (the "Beneficiaries"). Naming of Beneficiaries shall be carried out by the Board of Directors having received the opinion of the Remuneration and Appointments Committee and having regard to the relevance of the respective position covered within the Company and the Group and taking into account the particular Beneficiary's contribution to enhancing them Company's value.

The Performance Shares Plan 2020-2025 provides for the grant of rights on a gratuitous basis which, conditional on achievement of certain performance objectives and Vesting Conditions, entitle the beneficiary to be allotted ordinary shares in Unieuro. Said Plan envisages a three -year vesting period and, as applicable to Managers with Strategic Responsibilities only, a lock-up period of 24 months from share delivery date.

Free share allocations relating to the 3rd Cycle will be made in 2025 (for the three-year period FY2023-FY2025). The actual allocation of shares for each of the three cycles is carried out as set forth in the relative Board of Directors' resolution, taking into account the degree of achievement of the performance objectives and, in general, subject to the continuance of the Vesting Conditions.

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

For further information on the Performance Shares Plan 2020-2025, please refer to the related Disclosure Document drawn up pursuant to art. 114-*bis* TUF and art. 84-*bis* Issuers' Regulation, available to the public on the Company's corporate website (www. unieurospa.com) in the "Corporate Governance/Shareholders' Meetings/Shareholders' Meeting December 2020" section.

* * *

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

- the malus clause allows the variable component to be reduced or not paid out at all in the event that, in the period between accrual of the variable element of recompense and actual payment thereof, it is found that the allocation was determined either based on data or information that transpires to be manifestly wrong or in the presence of fraudulent conduct or gross negligence on the part of the recipient;

- the clawback clause allows the Company to demand: (i) the return of all or part of the shares, less a number of shares having a value commensurate to the value of the tax, social security and welfare charges connected with the delivery of the shares; (ii) restitution of any cash bonus paid out; or (iii) payment of the proceeds of the share sale, less the amount commensurate to the tax, social security and welfare charges relating to the delivery of the shares, in the case that the shares have already been sold, transferred or otherwise disposed of. Such proceeds may be offset against the salaries and/or any severance pay of the Beneficiary within 3 years of the said payment in the scenario in which the allocation was determined either based on data or information that transpires to be manifestly wrong or in the event of fraudulent conduct or gross negligence on the part of the recipient.

* * *

Retention Bonus

To strengthen value creation by effectively overseeing the integration into the Unieuro ecosystem of the newly acquired company Covercare, and to ensure coverage of roles with strategic responsibility in a particularly dynamic business and market environment, the Remuneration Policy for FY 2024-2025 provides for a retention bonus for the General Manager and CFO for the period FY 2024-2025 and FY 2025-2026. This bonus is contingent on the continued employment of the two Senior Managers at the end of FY 2025-2026.

The retention bonus will be paid in monetary form (only if the beneficiary continues to be employed at 28 February 2026 and provided they are not resigning) by the 15th day after that date and will be equal, for each year included in the Retention Plan, to 25% of the gross annual remuneration for the General Manager and 28% of the gross annual remuneration for the CFO, subject to the good leaver and bad leaver clauses described above.

* * *

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

a) *Chairman of the Board of Directors*

Fixed component

The remuneration of the Chairman is determined as follows: (i) as concerns his office as Director, on the basis of the compensation established at the Shareholders’ Meeting in accordance with art. 2389, para. 1 Civil Code, and (ii) as concerns any other particular office, as the Board of Directors may decide having heard the Board of Statutory Auditors in accordance with art. 2389, para. 3 Civil Code. The Shareholders’ Meeting may set an overall amount for the remuneration of all of the Directors, including those assigned specific offices.

It should be noted that the Shareholders' Meeting of 21 June 2022 approved a gross annual fee for the office of Euro 186,000, net of VAT and social security charges where applicable.

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

Variable component

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

Non-monetary benefits

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

b) Vice Chairman

The above provisions applicable to remuneration of the Chairman of the Board of Directors shall likewise apply also to the Vice Chairman of the Board of Directors, where appointed.

To date, a Vice Chairman has not been appointed.

c) Directors

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

Executive Directors

The remuneration of Executive Directors is adequately balanced to ensure alignment between short-term growth objectives and the sustainable creation of value in the medium-long term. It should be noted that, considering the commitment required from time to time and the related responsibilities, the remuneration of Executive Directors may provide for compensation granted by the competent corporate bodies of Unieuro's subsidiaries and/or investees for the Directors' participation on the Boards of Directors of such companies.

As at the date of this Report, the Company's sole Executive Directors are Giancarlo Nicosanti Monterastelli as Chief Executive Officer and Maria Bruna Olivieri as General Manager.

It should be noted that, on 12 June 2023, the Board of Directors - taking into account the relevant resolutions passed by the Shareholders' Meetings of 21 June 2022 and 22 June 2023 - awarded the Chief Executive Officer fixed annual remuneration of (i) Euro 50,000 as a member of the Board of Directors and (ii) Euro 300,000 as compensation for the Powers Granted to him and including the gross annual amount of Euro 40,000 as an advance share of the non-compete undertaking, in addition to reimbursement of expenses, any benefits and insurance policies.

As regards Maria Bruna Olivieri, we note that:

(i) in virtue of her employment relationship with the Issuer and in particular the gross annual remuneration paid to her in her capacity as General Manager, she has elected to waive the remuneration resolved on at the Shareholders' Meeting in her favour for her position as Unieuro S.p.A. Director.

(ii) following the acquisition of the Covercare Group by Unieuro on 4 December 2023, the Shareholders' Meeting of Covercare appointed Maria Bruna Olivieri as Chairman of its Board of Directors, granting her gross annual remuneration of Euro 30,000, subject to the approval of this Policy.

We underline that the variable component constitutes a relevant part within the pay mix in order to recognise and enhance the results achieved in a sustainable way over time, aligning management behaviour with corporate strategy and thus creating value for stakeholders.

Fixed component

Without prejudice to the above provisions regarding participation on Boards of Directors of Unieuro's subsidiaries and/or investees, the fixed component of Executive Directors' compensation is set by the Shareholders' Meeting (i) for the office of Director, on the basis of the amount of compensation available for distribution established by the Meeting pursuant to art. 2389, para. 1 Civil Code and (ii) for any particular duty, as may be carried out by the Board of Directors in consultation with the Board of Statutory Auditors in accordance with art. 2389, para. 3 Civil Code. The Shareholders' Meeting may set an overall amount for the remuneration of all of the Directors, including those assigned specific offices.

Variable component

In continuance with past practice, the Executive Directors Giancarlo Nicosanti Monterastelli and Maria Bruna Olivieri shall participate in the short-term incentive plan. On 10 May 2024, the Chief Executive Officer, in his capacity as Executive Director, was identified as a Beneficiary of the 2nd cycle of the Performance Shares Plan 2023-2028.

As regards Maria Bruna Olivieri, see the section of this Policy concerning the General Manager.

Non-monetary benefits

The non-monetary benefit recognised to Executive Directors is the Directors' and Officers' Liability Insurance coverage ("D&O") and a company car for mixed use.

Non-Executive and Independent Directors

As at the date of this Report, the Independent Directors as provided for under TUF and the Corporate Governance Code are Stefano Meloni, Pietro Caliceti, Paola Elisabetta Galbiati, Alessandra Stabilini, Alessandra Bucci, Laura Cavatorta and Daniele Pelli. Benedetto Levi and Giuseppe Nisticò are Non-Executive and Non-Independent Directors.

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

Following the Shareholders' Meeting held on 21 June 2022 at which the new composition of the Board of Directors was determined to hold office until approval of the financial statements as at 28 February 2025, the Board of Directors resolved on 24 June 2022 that the gross annual amount of Euro 50,000 be paid to each Non-Executive Director, save for Benedetto Levi and Giuseppe Nisticò, who both waived their right to gross annual remuneration. Remuneration of the Chairman of the Board of Directors is illustrated in the dedicated paragraph herein. All such amounts are net of VAT and social security contributions, where applicable.

In any case, all Non-Executive Directors shall be entitled to reimbursement of food, lodging and travel expenses as required in the performance of their duties. An attendance fee for participation in board meetings is not envisaged.

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

Compensation for participation on Committees

Following the Shareholders' Meeting held on 21 June 2022 which determined the new Board of Directors to hold office until approval of the financial statements as at 28 February 2025, the Board of Directors resolved on 24 June 2022 to pay an annual gross sum of:

- Euro 15,000 for each member of the Remuneration and Appointments Committee, of the Control and Risk Committee, and the Sustainability Committee, with the exception of the Chairman of the relevant Committee;
- Euro 12,000 for the members of the Related Parties Transactions Committee, with the exception of the Chairman of the Committee;
- Euro 20,000 for the Chairman of the Control and Risk Committee, of the Remuneration and Appointments Committee and of the Sustainability Committee;
- Euro 15,000 for the Chairman of the Related Parties Transactions Committee.

All such amounts are net of VAT and social security contributions, where applicable.

d) General Manager

Taking into account the appointment of the current General Manager as a company Director following the Shareholders' Meeting held on 21 June 2022, and thus without prejudice to the provisions in the section herein dedicated to Executive Directors, we draw your attention to the following.

Fixed component

The remuneration of the General Manager is made up of a gross annual fixed component, which is comprehensive of consideration for the non-compete undertaking, an item paid separately to the other elements of the remuneration (see above point (c), Part One, Section II).

It should be noted that, considering the commitment required from time to time and the related responsibilities, the remuneration of the General Manager may also provide for compensation granted by the competent corporate bodies of Unieuro's subsidiaries and/or investees for the GM's participation on the Boards of Directors of such companies.

We note that, following the acquisition of the Covercare Group by Unieuro on 4 December 2023, the Shareholders' Meeting of Covercare appointed Unieuro's General Manager as Chairman of its Board of Directors, granting her gross annual remuneration of Euro 30,000, subject to the approval of this Policy.

It should be noted that, considering the commitment required from time to time and the related responsibilities, the remuneration of the General Manager may also provide for compensation granted by the competent corporate bodies of Unieuro's subsidiaries and/or investees for the GM's participation on the Boards of Directors of such companies.

Variable component

The General Manager's remuneration includes the following variable components:

(i) an annual variable component ("MBO") (to be significantly greater than the RAL in percentage terms) which is applicable on achievement of an entry gate and of company performance objectives laid down for each business year by the Board of Directors. The payment thereof is dependent on the continuance in office of said manager for the duration of the reference period (see above point (c), Part One, Section II).

(ii) A medium/long-term variable component since, following approval at the Shareholders' Meeting held on 22 June 2023, the General Manager was identified on 10 May 2024 as a Beneficiary of the 2nd cycle of the Performance Shares Plan 2023-2028.

To improve the retention and loyalty of staff that are key to the Company's growth and development and to adapt to potential changes in the market, the Board of Directors of 23 April 2024, following consultation with the Remuneration and Appointments Committee, without prejudice to the safeguards on Related Party Transactions and having consulted the Board of Statutory Auditors, recognised a 24-month monetary Retention Bonus for the General Manager, subject to the approval of this Remuneration Policy.

The retention bonus will be paid in monetary form - if the beneficiary continues to be employed at 28 February 2026 and provided they are not resigning - by the 15th day after that date and will be equal, for each year included in the Retention Plan, to 25% of the gross annual remuneration for the General Manager.

We underline that the variable component constitutes a relevant part within the pay mix in order to recognise and enhance the results achieved in a sustainable way over time, aligning management behaviour with corporate strategy and thus creating value for stakeholders.

Non-monetary benefits

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

e) Managers with Strategic Responsibilities

At the date of this Report, the Issuer identified two Managers with Strategic Responsibilities as individuals who, in the Issuer's judgment, have the power and responsibility, directly or indirectly, for planning, directing, and controlling Unieuro's activities; these are the executives who currently hold the positions of: (i) General Manager (ii) Chief Financial Officer

It should be noted that, considering the commitment required from time to time and the related responsibilities, the remuneration of Managers with Strategic Responsibilities may also provide for compensation granted by the competent corporate bodies of Unieuro's subsidiaries and/or investees for the Managers' participation on the Boards of Directors of such companies.

Managers with Strategic Responsibilities are entitled to the following remuneration:

Fixed component

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

Following the acquisition of the Covercare Group by Unieuro on 4 December 2023, the Shareholders' Meeting of Covercare appointed Unieuro's General Manager and Chief Financial Officer as members of its Board of Directors, in the role of Chairman and Executive Director of Covercare, respectively, granting them gross annual remuneration of Euro 30,000, subject to the approval of this Policy.

Variable component

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

Following approval at the Shareholders' Meeting held on 22 June 2023, Managers with Strategic Responsibilities were identified on 10 May 2024 as Beneficiaries of the 2nd cycle of the Performance Shares Plan 2023-2028.

To improve the retention and loyalty of staff that are key to the Company's growth and development and to adapt to potential changes in the market, the Board of Directors of 23 April 2024, following consultation with the Remuneration and Appointments Committee, without prejudice to the safeguards on Related Party Transactions and having consulted the Board of Statutory Auditors, recognised a 24-month monetary Retention Bonus for the General Manager and the CFO, subject to the approval of this Remuneration Policy.

The retention bonus will be paid in monetary form - if the beneficiary continues to be employed at 28 February 2026 and provided they are not resigning - by the 15th day after that date and will be equal, for each year included in the Retention Plan, to 25% of the gross annual remuneration for the General Manager and 28% of the gross annual remuneration for the CFO.

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Non-monetary benefits

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

f) *Members of the Board of Statutory Auditors*

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

Following the appointment of the Board of Statutory Auditors at the Shareholders' Meeting held on 21 June 2022, the Chairman of the Board of Statutory Auditors shall be entitled to gross annual compensation of Euro 45,000; each Statutory Auditor shall be entitled to a gross annual compensation of Euro 30,000. All such amounts are net of VAT and social security contributions, where applicable.

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

G. POLICY ON NON-MONETARY BENEFITS

The recognition of non-monetary benefits is intended to ensure that the compensation package remains competitive and is carried out in accordance with market practices.

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

H. FINANCIAL AND NON-FINANCIAL PERFORMANCE OBJECTIVES BASED ON WHICH THE VARIABLE COMPONENTS OF REMUNERATION ARE ATTRIBUTED; INFORMATION ON THE LINK BETWEEN CHANGES IN RESULTS AND CHANGES IN REMUNERATION

Refer to letters D. and F. above.

I. CRITERIA USED TO ASSESS THE PERFORMANCE OBJECTIVES ON WHICH BASIS SHARE GRANTS, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER VARIABLE COMPONENTS OF REMUNERATION ARE AWARDED WITH AN INDICATION OF THE MEASUREMENT OF THE VARIABLE COMPONENT ENVISAGED ACCORDING TO THE LEVEL OF ACHIEVEMENT OF SUCH OBJECTIVES

Refer to letters E. and F. above.

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

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

On this subject, you are referred to the Pillar "Link between Remuneration and the Strategic Plan" in the Introduction hereto and under the preceding letters E. and F.

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

With reference to the Performance Shares Plan 2020-2025, as better detailed in letter F. above, there is a three-year vesting period. Moreover, the shares servicing the plan were allocated by the 30th calendar day following the date of the Shareholders' Meeting that approved the annual Financial Statements for the year ended 28 February 2023 for the 1st cycle of the plan, and shall be allocated no later than the 30th calendar day following the date of the Shareholders' Meeting that approves the annual Financial Statements for the years ending 29 February 2024 for the 2nd cycle of the plan and 28 February 2025 for the 3rd cycle of the plan, subject to verification by the Board of Directors that the vesting conditions provided for in the plan have been met.

With reference to the Performance Shares Plan 2023-2028, as better detailed in letter E. above, there is a three-year vesting period. Moreover, the shares that may be allocated according to the terms and conditions of the plan shall be allocated no later than the 30th calendar day following the date of the Shareholders' Meeting at which the annual Financial Statements have been approved with reference to those closed on: 28 February 2026 for the 1st cycle of the plan; 28 February 2027 for the 2nd cycle of the plan; 29 February 2028 for the 3rd cycle of the plan, subject to verification on the part of the Board of Directors that the vesting conditions provided for in the plan have been met.

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

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

As concerns both the Performance Shares Plan 2020-2025 and the Performance Shares Plan 2023-2028, Beneficiaries who are also members of the Board of Directors and/or Managers with Strategic Responsibilities are required to commit on the shares' delivery date to a lock-up period in accordance with the specific plan. Such obligation requires the beneficiary to continuously hold 100% of the said shares (less a number of shares of a value corresponding to the tax, social security and welfare charges arising in virtue of delivery of the shares which instead may instead be freely disposed of) for a period of at least 24 months from the shares' delivery date.

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

At the date of this Report, there are no agreements between the Company and members of the Board of Directors and/or the Board of Statutory Auditors that provide for the payment of any compensation in the event of their discontinuance of office, save for that already mentioned above.

On 9 May 2023, the Board of Directors, having received the favourable opinion of the Remuneration and Appointments Committee, resolved, subject to approval of this Policy at the Shareholders' Meeting, on the payment of end of office compensation ("**EOC**") for the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, in the amount of Euro 50,000 gross per year. Such annual amount shall be adjusted *pro rata* in line with the effective period of office held; fractions of a month equal to or greater than 15 days shall be calculated as a full month. An amount for EOC shall be earmarked in the Company's financial statements. Accrued EOC shall be paid upon termination of office. Such amount is substantially equivalent to that as would be due to Giancarlo Nicosanti Monterastelli as annual severance pay granted to an employee relationship and the allocation to funds for executives envisaged under the provisions of the National Collective Bargaining Agreement for executives of industry, distribution and services companies.

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

Non-compete undertaking may also be entered into with Executive Directors and/or Managers with Strategic Responsibilities - in compliance with the provisions and within limits of the laws in force - whereunder the Executive Director and/or the Manager undertakes for the period following the expiry of office and/or cessation of his/her employment with the company, not to work for and/or be employed by and/or manage and/or in any way act in the interests of and/or control and/or invest in, whether directly or indirectly, any company in competition with Unieuro. The non-compete undertaking shall concern the territory of the Italian Republic and shall envisage a duration not exceeding 24 months to run as of the date of cessation of the employment relationship for whatsoever reason. The gross annual amount of Euro 30,000 or Euro 40,000 is provided as consideration for accepting the non-compete undertaking. Such consideration is paid in 12 or 14 monthly instalments for as long as the mandate and/or employment relationship is ongoing, depending on the Beneficiary's gross annual remuneration.

Solely for Managers with Strategic Responsibilities, thus those persons having a subordinate employment relationship with the Company, it is envisaged - with a view to aligning their consideration with the principles laid down in art. 2125 of the Civil Code - that if, on the date the employment relationship is terminated, the consideration paid by the Company during the term of the relationship is lower - with respect to the applicable amount for each year of the duration of the non-compete undertaking -, than a percentage of between 25%-30% of the gross annual remuneration paid to the particular Manager with Strategic Responsibilities at the time of termination, then the Company shall pay said Manager an adjustment calculated at the difference between the consideration actually paid during the term of the relationship and the above-mentioned percentage. The General Manager, having already achieved the minimum fixed percentage, shall not be entitled to receive any adjustment.

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

In the case of infringement of non-compete undertakings, and in accordance with art. 1382 of the Civil Code, the Executive Director and/or the Manager with Strategic Responsibilities shall be liable to pay the Company liquidated damages in an amount equal to 3 (three) times the consideration received by said person such calculation inclusive of any adjustment referred to above. In addition to liquidated damages, the Company is entitled to seek compensation for any greater damage as may be suffered and is entitled to seek all measures so as to protect the Company, including the obtaining of injunctive relief.

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

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

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

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

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

Additional annual compensation is due if the Directors are members of intra-board committees, including in accordance with the Corporate Governance Code.

For further details refer to that stated under letter F. above.

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

Save for the reference to the correlation of market practices and remuneration policies, this Remuneration Policy has not been determined on the basis of remuneration policies of any other particular company.

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

Without prejudice to the provisions under letters F.I. and F.II above with reference to short and medium-long term incentive plans respectively, in accordance with the provisions of art. 123-*ter* para. 3-*bis* TUF, the Company may, on the occurrence of any exceptional circumstances, vary - on a temporary basis - the variable components (and consequently the pay-mix) as set forth in this Policy.

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

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

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

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

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

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

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

SECTION II

This section, as shall be subject to the non-binding vote of the Meeting in accordance with art. 123-*ter*, para. 6 TUF, is made up of two parts:

a) the first part provides a brief deceptive overview of the compensation relative to the 2023-2024 Financial Year of those intended recipients of the remuneration Policy;

b) the second part, sets out the above-mentioned compensation in table form and includes Table No. 1 and Table No. 2 as provided for under Annex 3A Schedule 7-*ter* of the Issuers' Regulation which concerns investments held, whether directly or indirectly, in the Company or in other connected companies controlled by the Directors, the Statutory Auditors, the General Manager and other Managers with Strategic Responsibilities (as well as persons closely related thereto, meaning any spouse not legally separated and minor children) in conformance with art. 84-*quater*, para. 4 Issuers' Regulation.

This remuneration was determined based on the principles followed by the Company in determining the remuneration of members of management and supervisory bodies and Managers with Strategic Responsibilities. Such principles are in line with the recommendations set forth in the Corporate Governance Code.

Part one

a. <u>REMUNERATION OF THE BOARD OF DIRECTORS</u>

<u>Fixed remuneration</u>

For the fiscal year 2023-2024, please note the following:

– at the Shareholders' Meeting held on 21 June 2022[21], it was resolved that the Board of Directors in office from that date be granted maximum gross annual fixed remuneration of Euro 710,000. On 24 June 2022, the Board of Directors resolved to distribute part of the above-mentioned compensation pot as follows: (i) Euro 50,000 for each Non-Executive Director[22], (ii) Euro 15,000 for the members of the Remuneration and Appointments Committee, the Control and Risk Committee and the Sustainability Committee, (iii) Euro 12,000 for the members of the Related Parties Transactions Committee, (iv) Euro 20,000 for the Chairman of the Control and Risk Committee, of the Remuneration and Appointments Committee and of the Sustainability Committee; (v) Euro 15,000 for the Chairman of the Related Parties Transactions Committee. As concerns the remuneration of the Chairman of the Board of Directors, following the appointment of Mr Stefano Meloni, as approved at the Shareholders' Meeting of 21 June 2022, the annual gross remuneration is Euro 186,000.

– On 22 June 2023, the Shareholders' Meeting unanimously approved the proposal to increase the total gross annual remuneration due to the Board of Directors by Euro 350,000, plus VAT and social security charges, thus bringing it to a total gross amount of Euro 1,060,000. The Shareholders' Meeting resolution was taken so as to fully allocate the increase in Giancarlo Nicosanti Monterastelli's remuneration as Director and Chief Executive Officer. Previously, Mr Monterastelli had waived the remuneration awarded to him by the Shareholders' Meeting and

[21] The amounts indicated do not include social security contribution and VAT, where applicable.
[22] Excluding Benedetto Levi and Giuseppe Nisticò, who waived their fixed gross annual remuneration.

received solely that for his role of Chief Strategy Officer, considering his retirement as of 1 June 2023. On 12 July 2023, the Board of Directors therefore resolved to award Giancarlo Nicosanti Monterastelli a gross annual amount of Euro 350,000 for his position as Chief Executive Officer. This amount includes any anticipated portion on an annual basis of non-compete undertakings, the reimbursement of expenses, benefits, if any, and insurance policies.

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

It should be noted that the General Manager, by virtue of the undertakings in her employment relationship with the Issuer, has waived the compensation awarded to her for her position as Director. By virtue of such agreements, and in particular for the remuneration paid to the General Manager with reference to her executive position, the amount of remuneration paid in FY 2023-2024 is included in the remuneration paid to Managers with Strategic Responsibilities as is shown in detail in the attached tables.

Variable remuneration

The members of the Board of Directors, with the exception of the Chief Executive Officer and General Manager, have not participated in the Stock Option Plan, the Performance Shares Plans, the MBO system or other forms of variable remuneration.

It should be noted that the Chief Executive Officer and the General Manager participated in the 1st, 2nd, and 3rd cycles of the Performance Shares Plan 2020-2025, were identified as Beneficiaries of the 1st cycle of the Performance Shares Plan 2023-2028 and participated in the stock option Long Term Incentive Plan 2018-2025 as Managers with Strategic Responsibilities. Details of their participation in the incentive plans are explained in the section on compensation of Managers with Strategic Responsibilities.

It should be noted that as the vesting period of the 1st cycle of the Performance Shares Plan 2020-2025 expired on 28 February 2023, and following the 22 June 2023 Shareholders' Meeting's approval of the annual financial report as at 28 February 2023, on 12 July 2023, and after consultation with the Remuneration and Appointments Committee, the Board of Directors allocated 64,950 shares to Giancarlo Nicosanti Monterastelli. The actual delivery of the shares was carried out in August 2023, along with the award of the cash bonus of Euro 288,378, in the manner set forth in the Disclosure Document for the "Performance Shares Plan 2020-2025". For information on the awards to the General Manager, please refer to the section regarding that position.

It should be noted that as the vesting period of the 2nd Cycle of the Performance Shares Plan 2020-2025 expired on 29 February 2024, the Board of Directors, after consultation with the Remuneration and Appointments Committee and based upon the draft financial statements as at 29 February 2024, identified: i) 14,064 shares to be allocated to Giancarlo Nicosanti Monterastelli (Chief Executive Officer); ii) 8,790 shares to be allocated to Maria Bruna Olivieri (General Manager). The actual delivery of the shares shall take place following approval at the Shareholders' Meeting called to approve the annual financial statement as at 29 February 2024. Further to the actual delivery of the shares, the cash bonus shall be paid in the manners set forth in the Disclosure Document for the "Performance Shares Plan 2020-2025".

Non-monetary benefits

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

b. REMUNERATION OF THE BOARD OF STATUTORY AUDITORS

On 21 June 2022 the Shareholders' Meeting resolved to appoint a Board of Statutory Auditors[23] consisting of three Statutory Auditors and two Alternate Auditors, for the duration of three fiscal years (and thus until the Shareholders' Meeting to approve the financial statements as at 28 February 2025), composed of Giuseppina Manzo, as Chairman, Paolo Costantini, as Statutory Auditor, Stefano Antonini, as Statutory Auditor, Emiliano Barcaroli, as Alternate Auditor, Davide Barbieri, as Alternate Auditor.

Fixed remuneration

On 21 June 2022, the Shareholders' Meeting resolved to award to the members of the Board of Statutory Auditors in office as at the date of this Report, for the entire term of their office, a total remuneration of Euro 105,000. At the same meeting, the Shareholders' Meeting allocated the said compensation as follows: (i) to the Chairman an amount equal to Euro 45,000, (ii) to each Statutory Auditor an amount equal to Euro 30,000[24].

Please note that at Shareholders' Meeting held on 18 June 2019, it was resolved that the same amounts be awarded to the Board of Statutory Auditors in office until 21 June 2022.

Variable remuneration and non-monetary benefits

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

c. REMUNERATION OF THE GENERAL MANAGER

The Shareholders' Meeting held on 21 June 2022 appointed General Manager Maria Bruna Olivieri as Executive Director of the Company. Without prejudice to that set forth in the section on the Board of Directors' compensation, the following should be noted.

Fixed component

The remuneration of the General Manager is made up of a gross annual fixed component, which is comprehensive of consideration for the non-compete undertaking, an item paid separately to the other elements of the remuneration (see above point (c), Part One, Section II).

Variable component

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

[23] Part of the former Board of Statutory Auditors were Giuseppina Manzo, as Chairman, Maurizio Voza and Federica Mantini both as Statutory Auditors.
[24] The amounts indicated do not include social security contribution and VAT, where applicable.

The Board of Directors designated the General Manager as one of the beneficiaries of the 1st cycle of the Performance Shares Plan 2023-2028 on 14 July 2022, with the favourable opinion of the Remuneration and Appointments Committee. This designation was confirmed on 9 May 2023.

It should be noted that as the vesting period of the 1st cycle of the Performance Shares Plan 2020-2025 expired on 28 February 2023, and following the 22 June 2023 Shareholders' Meeting's approval of the annual financial report as at 28 February 2023, on 12 July 2023, and after consultation with the Remuneration and Appointments Committee, the Board of Directors allocated 25,980 shares to Maria Bruna Olivieri. The actual delivery of the shares was carried out in August, along with the award of the cash bonus of Euro 115,351.20, in the manner set forth in the Disclosure Document for the "Performance Shares Plan 2020-2025".

Kindly note that, since the vesting period of the 2nd Cycle of the Performance Shares Plan 2020-2025 expired on 29 February 2024, the Board of Directors, subject to the opinion of the Remuneration and Appointments Committee and based upon the draft financial statements as at 29 February 2024, has earmarked 8,790 shares for Maria Bruna Olivieri. The actual delivery of the shares shall take place following approval at the Shareholders' Meeting called to approve the annual financial statement as at 29 February 2024. Further to the actual delivery of the shares, the cash bonus shall be paid in the manners set forth in the Disclosure Document for the "Performance Shares Plan 2020-2025".

Non-monetary benefits

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

d. REMUNERATION OF MANAGERS WITH STRATEGIC RESPONSIBILITIES

During 2023-2024, the Issuer identified two Managers with Strategic Responsibilities as individuals who, in the Issuer's judgment, have the power and responsibility, directly or indirectly, for planning, directing, and controlling Unieuro's activities[25]; these are the executives who currently hold the positions of:

- General Manager;
- Chief Financial Officer.

Without prejudice to that specifically provided for in paragraphs a. and c. above of this Section with reference, respectively, to the Chief Executive Officer and the General Manager, this chapter describes the remuneration of the Managers with Strategic Responsibilities identified during the reporting year.

Fixed remuneration

[25] Please note that, as of 1 June 2023, the responsibilities entailed for the office of Chief Strategy Officer (identified as Manager with Strategic Responsibilities) were entrusted to the Chief Executive Officer as Executive Director. Therefore, the office has been removed from the Company's organisational chart.

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

During the year ended 29 February 2024, the two Managers with Strategic Responsibilities (Maria Bruna Olivieri, as General Manager, and Marco Deotto, as Chief Financial Officer) were paid a total of Euro 586,016.70 as their share of the fixed remuneration.

Variable remuneration

The Managers with Strategic Responsibilities participated in the MBO programme and were identified by the Board of Directors as beneficiaries of the 1st cycle of the Performance Shares Plan 2023-2028 on 9 May 2023, with the favourable opinion of the Remuneration and Appointments Committee.

In this regard, total gross variable remuneration paid out (relating the MBO scheme applicable to financial period ending 29 February 2023 and actually paid out in the financial period ending 29 February 2024) was Euro 353,437.50.

It should be noted that the current Chief Financial Officer is not included among the beneficiaries of the 1st and 2nd cycles of the Performance Shares Plan 2020-2025, as he was hired later. As regards the General Manager, please refer to the dedicated section.

Stock Option Plan

In relation to the Stock Option Plan, on 18 June 2020, the Board of Directors granted, on the basis of the results achieved, a total of 849,455 share rights (of which 572,859 to the Chief Executive Officer and Managers with Strategic Responsibilities; of which 250,887 to the Chief Executive Officer who performed the role of Chief Strategy Officer, and therefore Manager with Strategic Responsibilities, until 1 June 2023; 83,629 to the General Manager and the residual part of 238,343 to Managers with Strategic Responsibilities in office until 15 April 2021) to subscribe for against payment, newly issued Unieuro ordinary shares up to a maximum number of 849,455.

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

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

Performance Shares Plan 2020-2025

As noted in the Disclosure Document for the Performance Shares Plan 2020-2025, all rights relating to the 1st, 2nd and 3rd cycles of the Plan have been granted.

With regard to the 2nd Cycle of the Plan, we point out that the vesting period ended on 29 February 2024. On 10 May 2024 and upon the proposal of the Remuneration and Appointments Committee, the Board of Directors ascertained the performance conditions to have been duly achieved.

With reference to the incentives of Executive Directors/Managers with Strategic Responsibilities, the diagram below illustrates the performance objectives pertaining to the 2nd Cycle of the Performance Shares Plan 2020-2025 and the results obtained on the performance curve[26].

Performance Objectives		**results of the 2nd Cycle**	**Level of achievement**
Chief Executive Officer and General Manager	Adjusted EBIT consolidated (weighting 50%)	€141.7m	*0.0[27]%*
	Adjusted Free Cash Flow consolidated (weighting 25%)	€83.1m	*0.0[27]%*
	ESG index (weighting 25%)	1.2	*+ 17.4% of the target value (over-performance)*

Please see the individual subject sections of this Report for further information on the application of incentive plans.

<u>Short-term variable compensation MBO</u>

Specifically, the actual compensation paid to the Chief Executive Officer in FY 2023-2024 (1 March 2023 to 29 February 2024) relating to the short-term variable component for FY 2022-2023 (1 March 2022 to 28 February 2023) amounted to Euro 284,375 after the Board of Directors on 9 May 2023, upon the proposal of the Remuneration and Appointments Committee, ascertained the achievement of the specific performance conditions[28].

With reference instead to FY 2023-2024, the table below illustrates the performance objectives linked to short -term variable remuneration and the effects deriving from the performance curve, with reference to the MBOs of Managers with Strategic Responsibilities. The final results were considered net of the economic and financial impacts of the corporate transaction to acquire Covercare S.p.A., as approved by the BoD on 10 May 2024.

[26] The table takes into account the achievement of the performance objectives for Giancarlo Nicosanti Monterastelli and Maria Bruna Olivieri, who at the date of the close of the vesting period held the position of Chief Executive Officer/Manager with Strategic Responsibilities. The current Chief Financial Officer was not a beneficiary of the 2nd cycle of the Performance Shares Plan 2020-2025.
[27] Minimum performance threshold (threshold) set at 80% of the target not reached
[28] Specifically, a variable compensation of 102.8% of the contractually stipulated amount was due to the above-mentioned Beneficiaries.

	Performance objectives[29]	Results FY 2022-2023	Level of achievement (target value = 100%)
Chief Executive Officer **and other Managers with Strategic Responsibilities**	EBITDA (Weighting 70%)	€65.7m	*91.1%* *(under-performance)*
	NFP (weighting 20%)	€113.9m	*96.0%* *(under-performance)*
	NPS (weighting 10%)	53.1	*99.0%* *(under-performance)*

Please refer to the attached tables for specific indications of each Beneficiary's variable remuneration.

Non-monetary benefits

As regards non-monetary benefits, all Executive Directors/Managers with Strategic Responsibilities are awarded a series of benefits, including – according to the provisions of the applicable national collective bargaining agreements and individual employment contracts – a motor vehicle for personal and business use, contributions for mandatory social security funds and supplementary medical cover, insurance coverage against death, injury and illness relating to professional and non-professional activity, D&O liability insurance, and in some cases a house allowance.

Payments provided in the event of resignation from office or termination of employment and for non-compete undertakings

During the 2023-2024 financial year, no Director or member of the Board of Statutory Auditors resigned from office and no Manager with Strategic Responsibilities ceased his/her employment relationship, with the sole exception of Giancarlo Nicosanti Monterastelli, who retired and therefore left his employment position as Chief Strategy Officer as of 1 June 2023. We underline that no indemnity or other benefits have been paid to Mr Nicosanti, other than those set forth in the applicable national collective bargaining agreement.

On 9 May 2023, the Board of Directors, having received the favourable opinion of the Remuneration and Appointments Committee, resolved, subject to approval of this Policy at the Shareholders' Meeting, on the payment of end of office compensation ("**EOC**") for the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, in the amount of Euro 50,000 gross per year. Such annual amount

[29] The definition of EBITDA can be found in the annual financial report.
The definition of Net Financial Position (NFP) can be found in the annual financial report. The Net Promoter Score (NPS) measures the customer experience and predicts business growth. It can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

shall be adjusted *pro rata* in line with the effective period of office held; fractions of a month equal to or greater than 15 days shall be calculated as a full month. An amount for EOC shall be earmarked in the Company's financial statements. Accrued EOC shall be paid upon termination of office. Such amount is substantially equivalent to that as would be due to Giancarlo Nicosanti Monterastelli as annual severance pay granted to an employee relationship and the allocation to funds for executives envisaged under the provisions of the National Collective Bargaining Agreement for executives of industry, distribution and services companies.

The Company has non-compete undertakings in place with Managers with Strategic Responsibilities entered into in accordance with art. 2125 of the Civil Code. The non-compete obligations therein provide an undertaking that Managers shall not work for companies in competition with Unieuro (therefore any entity in the specific product sector in which the Company operates in the large-scale retail trade and including online sales channels) following termination of their employment relationship. This non-compete obligation is binding within the territory of the Italian Republic. The non-compete undertaking is applicable for 24 months from date of termination of the employment. The gross annual amount of Euro 40,000 is provided as consideration for accepting the non-compete undertaking. Such consideration is paid in 14 monthly instalments for as long as the employment relationship is ongoing. In the event that, on the date the employment relationship is terminated, the consideration paid by the Company during the term of the relationship is lower than such amount for each year of the duration of the non-compete undertaking, than a percentage of between 25%-30% of the gross annual remuneration paid to the particular Manager at the time of termination, then the Company shall pay said Manager an adjustment calculated at the difference between the consideration actually paid during the term of the relationship and the above-mentioned percentage. At the date of this Report, the General Manager Maria Bruna Olivieri had already achieved the minimum fixed percentage.

In the event of a breach of the non-compete undertaking on the part of the Manager, in conformance with art. 1382 of the Civil Code, the breaching manager shall pay the Company liquidated damages of three times the consideration paid to him/her relationship for the non-compete undertaking during the employment as well as any final adjustments paid.

<u>Derogations from the remuneration policy relating to the 2023 financial year</u>

There were no derogations from the remuneration policy relating to the 2022-2023 financial year.

<u>Application of ex post correction mechanisms</u>

In FY 2023-2024, no *ex-post* correction mechanisms were applied to the variable remuneration component.

<u>Salary variations and comparison information</u>

The table below summarises the comparison information concerning annual variations in the last five financial years: (i) of the total remuneration as regard this section of this Report of each of the persons named therein, (ii) the results of the Company, (iii) the average gross annual remuneration of employees different to those under point (i).

Total remuneration [30]	FY 2024	FY 2023	FY 2022[31]	FY 2021[32]	FY 2020
Board of Directors[33]					
Stefano Meloni – Chairman	130,500.00	186,166.67	160,000.00	160,000.00	33,261.49
Giancarlo Nicosanti Monterastelli[34] - Chief Executive Officer	1,148,654.17[35]	659,561.34	718,569.26	1,188,510.72[36]	740,445.92
Maria Bruna Olivieri[37]- General Manager	677,430.32[38]	564,133.38	872,641.98[39]	-	-
Michele Bugliesi - Director[40]	-	8,958.34	61,718.75	47,250.00	1,257.18
Catia Cesari - Director[41]	-	24,791.67	79,677.08	57,750.00	37,625.00
Pietro Caliceti – Director	60,000.00	82,458.34	73,135.42	63,750.00	38,285.92

[30] Inclusive of fixed remuneration, participation in committees, bonuses and other incentives, except for social contribution or reimbursement of expenses.
[31] Compensation proportionate to the months actually spent in the office.
[32] Compensation proportionate to the months actually spent in the office.
[33] The amounts are given by the sum of the *pro rata temporis* resolved on at the Shareholders' Meeting held on 15 June 2021 as of 15 June 2021 and the *pro rata temporis* resolved on at the Shareholders' Meeting held on 21 June 2022.
[34] Until FY 2023, the remuneration of Giancarlo Nicosanti Monterastelli was determined on the basis of the managerial relationship in place, as the Chief Executive Officer waived his right to the compensation granted to him pursuant to art. 2389 para. 3 Civil Code. from FY 2024, upon termination of the executive relationship as of 1 June 2023, the remuneration paid is equal to that approved by the Board of Directors on 12 July 2023
[35] Of which 512,078.04 as fixed remuneration (also including untaken vacation paid upon termination of employment, 298,375 for the MBO FY23, 288,375 cash bonus LTIP 2020-25 and 45,980.65 Severance pay.
[36] The total remuneration also includes the 2018-2025 LTIP cash bonus equal to Euro 307,000.
[37] The remuneration of Maria Bruna Olivieri is determined on the basis of the managerial relationship in place, as she waived her right to the compensation granted to her pursuant to art. 2389 para. 3 Civil Code.
[38] Of which 306,324.12 as fixed remuneration, 255,750 referred for the MBO FY23, and 115,351.20 LTIP 2020-2025 cash bonus.
[39] Of which 302,919.91 as fixed remuneration, 90,229.55 as contribution reimbursement on the portion exceeding the contribution ceiling (art. 2 para. 18, Law 335/1995) for the period from 2015 to 2018, 308,250 referred to MBO FY22 and 256,741.03 cash bonus LTIP 2018-2025
[40] The Director concluded his mandate as at the Shareholders' Meeting held on 21 June 2022.
[41] The Director concluded her mandate as at the Shareholders' Meeting held on 21 June 2022.

Paola Elisabetta Galbiati – Director	60,000.00	98,333.34	75,260.42	57,250.00	1,257.18
Marino Marin – Director [42]	-	30,625.00	98,802.08	83,750.00	85,625.00
Monica Luisa Micaela Montironi – Director[43]	-	22,458.34	73,135.42	63,750.00	44,625.00
Alessandra Stabilini – Director	67,750.00	87,333.34	48,177.08	43,750.00	30,625.00
Alessandra Bucci – Director [44]	76,500.00	57,750.00	-	-	-
Laura Cavatorta – Director[45]	79,500.00	60,000.00	-	-	-
Daniele Pelli – Director[46]	68,000.00	52,500.00	-	-	-
Benedetto Levi[47] – Director	-	-	-	-	-
Giuseppe Nisticò[48] - Director	-	-	-	-	-
Board of Statutory Auditors[49]					

[42] The Director concluded his mandate as at the Shareholders' Meeting held on 21 June 2022.
[43] The Director concluded her mandate as at the Shareholders' Meeting held on 21 June 2022.
[44] The Director was appointed at the Shareholders' Meeting held on 21 June 2022.
[45] The Director was appointed at the Shareholders' Meeting held on 21 June 2022.
[46] The Director was appointed at the Shareholders' Meeting held on 21 June 2022.
[47] It should be noted that said Director waived the right to the compensation awarded by the Board pursuant to art. 2389, para. 1 of the Civil Code, as stated in the Minutes of the Shareholders' Meeting of 15 June 2021.
[48] It should be noted that said Director waived the right to the compensation awarded by the Board pursuant to art. 2389, para. 1 of the Civil Code, as stated in the Minutes of the Shareholders' Meeting of 15 June 2021.
[49] The sum is comprised of the amount resolved on at the Shareholders' Meeting held on 15 June 2021 *pro rata temporis* as of 15 June 2021 and that *pro rata temporis* resolved on at ordinary and extraordinary Shareholders' Meeting of 21 June 2022.

Giuseppina Manzo – Chairman of the Board of Statutory Auditors	33,450.00	46,875.0 0	39,458.33	26,000.00	18,164.38
Maurizio Voza – Statutory Auditor[50]	-	8,750.00	26,208.33	17,000.00	19,712.33
Federica Mantini – Statutory Auditor[51]	-	8,750.00	26,208.33	17,000.00	11,876.61
Paolo Costantini – Statutory Auditor[52]	14,500.00	22,500.0 0	-	-	
Stefano Antonini – Statutory Auditor[53]	21,900.00	22,500.0 0	-	-	
Company results[54]	**FY 2024**	**FY 2023**	**FY 2022**	**FY 2021**	**FY 2020**
EBITDA	65.7	67.7	101.3	111.0	82.1
NFP	113.9	124.4	135.7	154.8	29.6
NPS	53.1	51.9	48.5	45.8	46.3
	FY 2024	**FY 2023**	**FY 2022**	**FY 2021**	**FY 2020**

[50] The Statutory Auditor concluded his mandate as at the Shareholders' Meeting held on 21 June 2022.
[51] The Statutory Auditor concluded her mandate as at the Shareholders' Meeting held on 21 June 2022.
[52] The Statutory Auditor was appointed at the Shareholders' Meeting held on 21 June 2022.
[53] The Statutory Auditor was appointed at the Shareholders' Meeting held on 21 June 2022.
[54] The EBITDA is given by the Consolidated EBITDA before the adoption of IFRS16 adjusted by (i) non-recurring expenses / (income) and (ii) the effects deriving from the adjustment of revenues for warranty extension services net of the related future costs estimated for the provision of the assistance service, as a consequence of the change in the business model for directly managed assistance services.
39 The Net Financial Position (NFP) indicates the (Net financial debt) / Consolidated net cash without incorporating the effects related to the application of IFRS 16.
The Net Promoter Score (NPS) measures the customer experience and predicts business growth. It can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

Average remuneration FTE[55]	27,670.96	26,974.51	26,684.22	26,618.34	26,455.92

<u>Votes cast at the Shareholders' Meeting of the previous year on this section</u>

At the Ordinary Shareholders' Meeting held on 22 June 2023, the second section of the Remuneration Report for the year ended 29 February 2023 was approved with 5,994,357 votes in favour, representing 100% of those in attendance.

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[55] The contractual gross annual fixed salary in relation to Full Time Equivalents ("FTE") has been considered, with the exclusion of the gross fixed remuneration due to the Chief Executive Officer. It should be noted that in FY21 the average company population was 4,485 FTEs, of which 4,160 worked in the retail outlets having the role of sales staff while 325 were employees at the headquarters. In FY22 the average company population was 4,822 FTEs, of which 4,470 worked in the retail outlets having the role of sales staff while 352 were employees at the headquarters. In FY23 the average company population was 4,843 FTEs, of which 4,457 worked in the retail outlets having the role of sales staff while 386 were employees at the headquarters. In FY 24 the average company population was 4,614 FTEs of which 4,214 work in the retail outlets having the role of sales staff while 400 are employees at the headquarters. We note that since FY23, fixed annual pay from the accounting statement has been taken into account rather than the contractual gross annual fixed remuneration.

Part two

The tables below provide an itemised breakdown of the compensation paid by the Company during the year ended 29 February 2024 of whatever nature and grounds or by the Company or by any company controlled by or connected to the Issuer.

TABELLA 1: COMPENSATION PAID TO MEMBERS OF MANAGEMENT AND CONTROL BODIES AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES[56]

Legend: BoD: Board of Directors RAC: Remuneration and Appointments Committee CRC: Control and Risk Committee RPTC: Related-Party Transactions Committee SC: Sustainability Committee

Name and surname	Office	Period office held	End of period in office	Fixed compensation	Compensation for participation in committees	Variable non-equity compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Severance pay on cessation of employment relationship or office.
						Bonuses and other incentives	Share of profits					
Stefano Meloni	Chairman BoD	01/03/2023 28/02/2024	Appr. 2025 fin. statements	186,000[57]	-	-	-	-	-	186,000	-	-
Pietro Caliceti	Independent Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	50,000[58]		-	-	-	-	80,000	-	-
	Chairman RPTC	01/03/2023 29/02/2024			15,000[59]							
	Member RAC	01/03/2023 29/02/2024			15,000[60]							
Alessandra Stabilini		01/03/2023 29/02/2024	Appr. 2025	50,000[61]	-	-	-	-	-	97,000	-	-

56 All compensation is paid by the Company in charge of preparing the financial statements. Amounts are given in Euro.
57 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 130,500 paid in FY24 and Euro 46,500 paid in FY25.
58 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 37,500 paid in FY24 and Euro 12,500 paid in FY25.
59 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 11,250 paid in FY24 and Euro 3,750 paid in FY25.
60 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 11,250 paid in FY24 and Euro 3,750 paid in FY25.
61 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 32,500 paid in FY24 and Euro 12,500 paid in FY25.

	Chairman CRC	01/03/2023 29/02/2024	fin. statements		20,000[62]							
	Member RAC	01/03/2023 29/02/2024			15,000[63]							
	Member RPTC	01/03/2023 29/02/2024			12,000[64]							
Paola Elisabetta Galbiati	Independent Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	50,000[65]	-	-	-	-	-	100,000	-	-
	Chairman RAC	21/06/2022 28/02/2023			20,000[66]							
	Member CRC	21/06/2022 28/02/2023			15,000[67]							
	Member SC	21/06/2022 28/02/2023			15,000[68]							
Benedetto Levi	Non-Executive Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	-[69]	-	-	-	-	-	-	-	-
	Member CRC	01/03/2023 29/02/2024	Appr. 2025	-[70]	-	-	-	-	-	-	-	-

62 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 15,000 paid in FY24 and Euro 5,000 paid in FY25.
63 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 11,250 paid in FY24 and Euro 3,750 paid in FY25.
64 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 9,000 paid in FY24 and Euro 3,000 paid in FY25.
65 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 22,500 paid in FY24 and Euro 12,500 paid in FY25.
66 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 15,000 paid in FY24 and Euro 5,000 paid in FY25.
67 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 11,250 paid in FY24 and Euro 3,750 paid in FY25.
68 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 11,250 paid in FY24 and Euro 3,750 paid in FY25.
69 At the Shareholders' Meeting of 21 June 2022, the Director waived his right to the compensation granted to him pursuant to art. 2389 para. 1 Civil Code.
70 At the Shareholders' Meeting of 21 June 2022, the Director waived his right to the compensation granted to him pursuant to art. 2389 para. 1 Civil Code.

			fin. statements									
Giuseppe Nisticò	Non-Executive Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	-[71]	-	-	-	-	-	-	-	-
Alessandra Bucci	Independent Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	50,000[72]	-	-	-	-	-	77,000	-	-
	Member RPTC	01/03/2023 29/02/2024			12,000[73]							
	Member SC	01/03/2023 29/02/2024			15,000[74]							
Laura Cavatorta	Independent Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	50,000[75]	-	-	-	-	-	80,000	-	-
	Member CRC	01/03/2023 29/02/2024			15,000[76]							
	Member SC	01/03/2023 29/02/2024			15,000[77]							
Daniele Pelli	Independent Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	50,000[78]	-	-	-	-	-	70,000	-	-
	Chairman SC	01/03/2023 29/02/2024			20,000[79]							
Giuseppina Manzo	Chairman Board of Statutory Auditors	01/03/2023 29/02/2024	Appr. 2025 fin.	45,000[80]	-	-	-	-	-	45,000	-	-

71 At the Shareholders' Meeting of 21 June 2022, the Director waived his right to the compensation granted to him pursuant to art. 2389 para. 1 Civil Code.
72 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 49,500 paid in FY24.
73 Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY24
74 Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY24
75 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 49,500 paid in FY24.
76 Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY24
77 Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY24.
78 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 48,000 paid in FY24.
79 Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY24
80 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 33,450 paid in FY24 and Euro 11,250 paid in FY25.

			statements									
Paolo Costantini	Statutory Auditor	01/03/2023 29/02/2024	Appr. 2025 fin. statements	30,000[81]	-	-	-	-	-	30,000	-	-
Stefano Antonini	Statutory Auditor	01/03/2023 29/02/2024	Appr. 2025 fin. statements	30,000[82]	-	-	-	-	-	30,000	-	-
Giancarlo Nicosanti Monterastelli[83]	Chief Executive Officer - Executive Director	01/03/2023 28/02/2024	Appr. 2025 fin. statements[84]	512,078.04[85]	-	572,753 [86]	-	3,842.48	-	1.088,673,52	-	45,980.65[87]
Maria Bruna Olivieri [88]	General Manager - Executive Director	01/03/2023 29/02/2024	Appr. 2025 fin. statements	301,428.70	-	359,101.20[89]	-	4,900.42	-	665,430.32	-	-
Marco Deotto	Chief Financial Officer	01/03/2023 29/02/2024	-	284,588[90]	-	109,688[91]	-	3,388.26	-	397,664.26	-	-

81 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro Euro14.500 paid in FY24 and Euro 15,000 paid in FY25.
82 Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 21,900 paid in FY24 and Euro 7,500 paid in FY25.
83 It is noted that Nicosanti Monterastelli, in virtue of his office held as CEO and, since May 2021, as Chief Strategy Officer and of the agreements inherent to his subordinate employment relationship with the Issuer and, more specifically, the agreed omni-comprehensive nature of his gross annual remuneration inclusive of any other compensation deriving also as a result of his additional positions and company duties, waived his right to compensation resolved in his favour in connection with the office of Executive Director held during year 2023.
84 Limited to the office of Executive Director.
85 Of which Euro 139,244.59 relating to leave not used upon conclusion of employment.
86 Euro 284,375 referring to the MBO FY24 not yet disbursed, pending approval of the Financial Statements and Euro 288,378 disbursed under the Long Term Incentive Plan 2020-2025 as a monetary bonus. This in an amount equal to the dividends that the Executive would have received from the date of approval of the above-mentioned plan until the end of the vesting period with the exercise of the share rights due to the shares obtained in the year through the exercise of subscription rights. It is noted that in FY2024, Euro 293,375 was paid out by way of MBO applicable for the year 2023.
87 Severance pay
88 It is noted that Ms Olivieri, in virtue of the office held as General Manager and of the agreements inherent to her subordinate employment relationship with the Issuer and, more specifically, the agreed omni-comprehensive nature of her gross annual remuneration inclusive of any other compensation deriving also as a result of her additional positions and company duties, waived her right to compensation resolved in her favour in connection with the office of Executive Director held during year 2023.
89 Euro 243,750 referring to the MBO FY24 not yet disbursed, pending approval of the Financial Statements and Euro 115,351.20 disbursed under the Long Term Incentive Plan 2020-2025 as a monetary bonus. This in an amount equal to the dividends that the Executive would have received from the date of approval of the above-mentioned plan until the end of the vesting period with the exercise of the share rights due to the shares obtained in the year through the exercise of subscription rights. It is also specified that in FY2024, Euro 255,750 was paid out by way of MBO applicable for the year 2023;
90 Of which Euro 30,000 as one-off non-compete undertaking.
91 Euro 109,688 refers to MBO FY24 not yet paid, pending approval of the Financial Statements.

TABLE 2: STOCK OPTIONS GRANTED TO THE MEMBERS OF THE BOARD OF DIRECTORS, TO GENERAL MANAGERS AND TO THE OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES[92]

			Options held at the start of the financial year			Options granted during the financial year						Options exercised during the financial year			Options expiring during the financial year	Options held at the end of the financial year	Options accruing in the financial year
Name and surname	Office	Plan[93]	No. options	Exercise price	Period of possible exercise (from - to)	No. options	Exercise price	Period of possible exercise (from - to)	Fair value at grant date	Grant date[94]	Market price of the underlying shares at the grant date[95]	No. options	Exercise price	Market price of underlying shares at the exercise date	No. options	No. options	Fair value[96]
Giancarlo Nicosanti Monterastelli	CEO - Exec. Director	Long Term Incentive Plan 2018-2025	150,887	11 Euro	From 31/07/20 to 31/07/25	-	-	-	-	-	-	-	-	-	-	150,887	1,075,220.76

[92] All compensation is paid by the Company in charge of preparing the financial statements. Amounts are given in Euro.
[93] Long Term Incentive Plan 2018-2025: Plan approved at the Extraordinary Shareholders' Meeting held on 06 February 2017; the regulation of the Plan was approved by the Board of Directors on 29 June 2017.
[94] Long Term Incentive Plan 2018-2025: The grant letter was delivered on 23 October 2017 with retroactive effect to 29 June 2017.
[95] Market price as of 29 June 2017 for the Long Term Incentive Plan 2018-2025.
[96] Value of reserves as at 29 February 2024 for share-based payments inclusive of possible exit of Plan beneficiaries.

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

Table 3A: Incentive plans based on financial instruments, other than stock options, in favour of members of the management body, General Managers and other managers with strategic responsibilities[97]

			Financial instruments granted in previous years and not vested during the financial period		Financial instruments granted during the financial period					Financial instruments vested during the financial period and not allocated	Financial instruments vested during the financial period and allocated		Financial instruments for the financial period
Name and surname	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at grant date	Vesting period	Grant date	Market price at grant	Number and type of financial instruments	Number and Type of financial instruments	Value at maturation date[98]	Fair value
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	1st Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023	-	-	-	-	-		64,950[99]	935.930	
Maria Bruna Olivieri	COCO	1st Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023	-	-	-	-	-		25,980[100]	374,372	

[97] All compensation is paid by the Company in charge of preparing the financial statements. As such, a description is provided of the remuneration of Managers with Strategic Responsibilities who were identified as such at the time of the grant of the rights.
[98] Value of the reserve as at 29 February 2024 for share-based payments including the probability of achieving the objectives and leaving the Plan beneficiaries.
99 Allocated 64,950 shares against 50,000 rights granted
100 Allocated 25,980 shares against 20,000 rights granted

Total granted to Managers with Strategic Responsibilities		1st Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023		-	-	-	-		90,930	1,310,302	
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	2nd Cycle Performance shares plan 2020-2025	48,000	From 01/03/2021 to 29/02/2024						14,064	-	-	350,053
Maria Bruna Olivieri	General Manager	2nd Cycle Performance shares plan 2020-2025	30,000	From 01/03/2021 to 29/02/2024						8,790	-	-	218,783
Total granted to Managers with Strategic Responsibilities		2nd Cycle Performance shares plan 2020-2025	78,000	From 01/03/2021 to 29/02/2024						22,854	-	-	568,836
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	3rd Cycle Performance shares plan 2020-2025			44,000	18.14	From 01/03/2022 to 28/02/2025	23/03/2022	16.65	-	-	-	47,391
Maria Bruna Olivieri	General Manager	3rd Cycle Performance shares plan 2020-2025			27,000		From 01/03/2022 to 28/02/2025	23/03/2022	16.65	-	-	-	29,081
Total granted to Managers with Strategic Responsibilities		3rd Cycle Performance shares plan 2020-2025			71,000		From 01/03/2022 to 28/02/2025			-	-	-	76,471
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	1st Cycle Performance Shares Plan 2023-2028			40,000	10.83	From 01/03/2023 to 28/02/2026	14/07/2022	12.32	-	-	-	92,597
Maria Bruna	General Manager	1st Cycle Performance			27,000	10.83	From 01/03/2023 to	14/07/2022	12.32	-	-	-	62,503

Olivieri		Shares Plan 2023-2028					28/02/2026						
Marco Deotto	Chief Financial Officer	1st Cycle Performance Shares Plan 2023-2028			13,000	10.83	From 01/03/2023 to 28/02/2026	23/12/2022	12.01				30,094
Total granted to Managers with Strategic Responsibilities		1st Cycle Performance Shares Plan 2023-2028			80,000		From 01/03/2023 to 28/02/202		-	-	-		185,193

Table 3B: Monetary incentive plans for members of the management body, General Managers and other managers with strategic responsibilities.[101]

			Annual bonus		Bonuses paid out in previous years				Other bonuses
Name and surname	Office	Plan	Payable[102] / Paid	Deferred	Deferral period	No longer payable	Payable / Paid[103]	Still deferred	
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	MBO Cash Bonus LTIP 2020-2025	284,375.00 288,378.00	-	-	-	298,375.00	-	-
Maria Bruna Olivieri	General Manager	MBO Cash Bonus LTIP 2020-2025	243,750.00 115.351.20	-	-	-	3255,750.00	-	-
Marco Deotto	Chief Financial Officer	MBO	109,688.00	-	-	-	-	-	-
Total	-	-	1,041,542.20	-	-	-	8,554,125.00	-	-

[101] All compensation is paid by the Company in charge of preparing the financial statements. Amounts are given in Euro.
[102] Amounts referred to FY24 MBO.
[103] Amounts referred to FY23 MBO.

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

Name and surname	Office	Investee	Number of shares held at 28 February 2023	No. of shares purchased	No. of shares sold[104]	Number of shares held at 29 February 2024[105]
Giancarlo Nicosanti Monterastelli	Chief Executive Officer and	Unieuro S.p.A.	296,977	-	27,825	334,102
Maria Bruna Olivieri	General Manager	Unieuro S.p.A.	-	-	11,166	14,814
Stefano Meloni[106]	Chairman of the Board of Directors	Unieuro S.p.A.	100,000	-	-	100,000

[104] This column also includes the sale of shares subscribed under the medium-/long-term variable incentive plans.
[105] This column also includes the possession of shares subscribed under the medium-/long-term variable incentive plans.
[106] Shareholding held through the subsidiary Melpart S.p.A.

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

Number of Managers with Strategic Responsibilities	Investee	Number of shares held at 28 February 2023	No. of shares purchased	No. of shares sold[107]	Number of shares held at 29 February 2024[108]
1	Unieuro S.p.A.	0	2,200	-	2,200

[107] This column also includes the sale of shares subscribed under the medium-/long-term variable incentive plans.
[108] This column also includes the possession of shares subscribed under the medium-/long-term variable incentive plans.

ANNEX PURSUANT TO ART. 84-*BIS* OF THE ISSUERS' REGULATION – TABLE NO. 1 OF SCHEDULE 7 OF ANNEX 3A OF REGULATION NO. 11971/1999 ISSUERS

Long Term Incentive Plan 2018-2025

PART 2, SECTION 1 – Stock Options [109]

Options related to plans, currently valid, resolved based on previous Shareholders' Meetings

Name and surname or category	Office	Shareholders' Meeting resolution date	Description of instrument[110]	Number of options	Grant date[111]	Exercise price	Market price of underlying shares at the grant date	Period of possible exercise (from-to)[112]
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	6/02/2017	Subscription rights	250,887	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Maria Bruna Olivieri	General Manager	6/02/2017	Subscription rights	83,629	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025

[109] All compensation is paid by the Company in charge of preparing the financial statements. As such, a description is provided of the remuneration of the Managers with Strategic Responsibilities identified as such at the date of this Report.
[110] Subscription rights for Unieuro shares.
[111] The grant letter was delivered on 23/10/2017 with retroactive effect to 29/06/2017.
[112] It should be noted that there are 150,887 rights not yet exercised as at 29 February 2024.

Long-Term Incentive Plan 2020-2025

PART 1, SECTION 1 – Financial instruments other than stock options[113]

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

Name and surname or category	Office	Shareholders' Meeting resolution date	Type of financial instruments	Number of financial instruments	Grant date	Possible instrument purchase price	Market price at grant	Vesting period
1st cycle (2020-2025)[114]								
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	17/12/2020	shares	50,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Maria Bruna Olivieri	General Manager	17/12/2020	shares	20,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
2nd cycle (2020-2025)								
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	17/12/2020	shares	48,000	14/07/2021	-	24.89	From 01/03/2021 to 29/02/2024
Maria Bruna Olivieri	General Manager	17/12/2020	shares	30,000	14/07/2021	-	24.89	From 01/03/2021 to 29/02/2024
3rd cycle (2020-2025)								
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	17/12/2020	shares	44,000	23/03/2022	-	17.12	From 01/03/2022 to 28/02/2025
Maria Bruna Olivieri	General Manager	17/12/2020	shares	27,000	23/03/2022	-	17.12	From 01/03/2022 to 28/02/2025

[113] All compensation is paid by the Company in charge of preparing the financial statements. As such, a description is provided of the remuneration of the Managers with Strategic Responsibilities identified as such at the date of this Report.
[114] Shares relating to the 1st Cycle of the LTI Plan (2020-2025) were allocated to beneficiaries in FY24.

Long-Term Incentive Plan 2023-2028

PART 1, SECTION 1 – Financial instruments other than stock options[115]

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

Name and surname or category	Office	Shareholders' Meeting resolution date	Type of financial instruments	Number of financial instruments	Grant date	Possible instrument purchase price	Market price at grant	Vesting period
1st Cycle (2023-2028)								
Giancarlo Nicosanti Monterastelli	Chief Executive Officer		shares	40,000	14/07/2022		12.32	From 01/03/2023 to 28/02/2026
Maria Bruna Olivieri	General Manager		shares	27,000	14/07/2022		12.32	From 01/03/2023 to 28/02/2026
Marco Deotto	Chief Financial Officer		shares	13,000	23/12/2022		12.01	From 01/03/2023 to 28/02/2026

Giancarlo Nicosanti Monterastelli
CEO
Unieuro S.p.A.

[115] All compensation is paid by the Company in charge of preparing the financial statements. As such, a description is provided of the remuneration of the Managers with Strategic Responsibilities identified as such at the date of this Report.

Unieuro S.p.A. - Registered Office in Forlì, Palazzo Hercolani, via Piero Maroncelli, 10
Share Capital euro 4,139,724.20 fully paid-up
Registration number with the Companies' Register of Forlì-Cesena and tax code no. 00876320409

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL REFERRED TO IN ITEM 4 ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF UNIEURO S.P.A., CONVENED FOR 20 JUNE 2024 IN SINGLE CALL

4. Authorisation for the buy back and disposal of treasury shares, upon revocation of the previous authorisation resolved on at the Ordinary Shareholders' Meeting held on 22 June 2023. Resolutions thereon.

Dear Shareholders,

This report has been drafted pursuant to article 125-*ter* of Legislative Decree 24 February 1998 No. 58 ("**TUF**") as well as article 73 of the Regulation adopted by Consob resolution No. 11971 of 14 May 1999 ("**Issuers Regulations**") and in accordance with Annex 3A - Scheme 4 thereto.

We would like to remind you that the Shareholders' Meeting of 22 June 2023 granted the Board of Directors the authorisation to purchase treasury shares for a period of eighteen months from the date of the shareholders' resolution. The authorisation to purchase treasury shares will therefore expire on 22 December 2024, while the authorisation to dispose of shares was granted without time limits.

In light of the imminent expiry of the above-mentioned resolution authorising the buy back of shares, the Board of Directors deems it appropriate to propose to the Shareholders' Meeting to issue a new authorisation on the terms and conditions set forth in this report ("**Report**"), subject to the revocation, for the period still outstanding, of the authorisation approved by the Shareholders' Meeting of 22 June 2023, which has not been used to date.

* * * * *

With reference to item 4 on the agenda of the Shareholders' Meeting, the Board of Directors is desirous to submit for Shareholders' consideration and approval, pursuant to articles 2357 and 2357-*ter* Civil Code and 132 TUF, its proposal that authorisation be granted to allow, in one or more tranches, the purchase and disposal of a number of (own) shares equal to 2,000,000. It is understood that the number of ordinary shares held from time to time in the portfolio of the Company and of its controlled companies may not in any case exceed 10% of the Company's then current share capital (in compliance with the limits laid down under article 2357 paragraph 3 Civil Code).

This Report illustrates the reasons underlying the request for authorisation, as well as the terms and the manner according to which the purchase and disposal of treasury shares would be carried out.

1. Reasons underlying the request for the authorisation to purchase and dispose of treasury shares

Authorisation for the purchase and disposal of treasury shares as per this Report is required in general to avail of any opportunities that the market may offer in the future, and in particular to allow the Company to carry out the transactions listed below:

a) disposal of and/or use of treasury shares, in line with the strategic plan that the Company is desirous to pursue in the context of extraordinary transactions, including by way of example and not by way of limitation: share swaps; exchanges; contributions; support for capital transactions; in the context of swaps or sale of share packages and/or to enter into commercial and/or strategic alliances or for any other use deemed to be of financial and/or management interest for the Company; and/or

b) buy back of shares in the context of medium and long-term investment, or in any case to avail of market opportunities including by way of the purchase and resale of shares whenever such activity is deemed appropriate both on the market (as regards the sale) and in the 'over the counter' market or outside the market provided that the transaction is on market conditions and in compliance with the applicable laws and regulations; and/or

c) buy back of shares to be used, where deemed appropriate, for servicing existing and future stock incentive plans, including for the long-term, for the benefit of directors and/or employees and/or collaborators of the Company or of companies controlled by Unieuro; and/or

d) carrying out of activities to support market liquidity where necessary and in compliance with the provisions in force (including for the purposes contemplated by market practice), to favour regular trading conduct and avoid anomalous price movements, as well as regularize trading and price trends against any temporary distortionary phenomena linked to an excess of volatility or poor trading liquidity; and/or

e) launching of share buyback programmes for the purposes set out in article 5 of Regulation (EU) no. 596 of 16 April 2014 on market abuse ("**MAR**") - i.e., reduction of share capital, fulfilment of obligations deriving from debt instruments convertible into shares or from share option programmes or any other assignments of shares to employees or members of the management and control bodies of the Company or its connected companies or any other purpose contemplated by the latest version of said regulation and/or for the purposes contemplated by permitted market practices pursuant to article 13 MAR, in accordance with the terms and in the manner as may be approved by the Board of Directors,

it being understood that should the grounds for the buy back no longer apply, then treasury shares in the portfolio or purchased in execution of this authorisation may be used for one of the other purposes indicated above and/or otherwise disosed off.

2. Maximum number, class and nominal value of the shares subject of the authorization

The Board of Directors requests authorisation for the purchase of ordinary shares (fully paid up) of the Company, including in one or more tranches, to an extent that the Board of Directors shall be free to determine, up to a fixed maximum equal to 2,000,000. It is understood that the number of ordinary shares held from time to time in the portfolio of the Company and of its controlled companies may not in any case exceed may not in any case exceed 10% of the Company's then current share capital (in compliance with the limits laid down under article 2357 paragraph 3 Civil Code).

Said authorisation shall include the powers to subsequently dispose of the shares in the portfolio, in whole or in part and in one or more tranches, whether or not the maximum quantity of shares as may be purchased, has been exhausted and on the understanding that the Company shall not be permitted to effect any further purchases once the aggregate limit of 2,000,000 ordinary Unieuro shares has been reached, which is the absolute maximum limit on buy back purchases, which remains unvaried irrespective of the sale or use of the treasury shares held in the portfolio.

3. Information for the purpose of a complete assessment of compliance with the provisions of article 2357 paragraphs 1 and 3 Civil Code

In accordance with the provisions of article 2357, paragraph 3 Civil Code, the nominal value of buy back shares the Company may purchase shall not exceed one fifth of its share capital, including shares held by controlled companies.

The share capital of the Company is 4,139,724.20 divided into 20,698,621 ordinary shares having no par value.

As at the date of this Report:

(i) the Company holds 368,776 treasury shares which represent 1.78% of the Company's share capital, and
(ii) no company controlled by Unieuro holds shares in the Company.

You are reminded that pursuant to article 2357 first paragraph Civil Code, the buy back of shares is permitted within the limits of distributable profits and available reserves reported in the most recent duly approved financial statements.

Please note that the draft financial statements as at 29 February 2024 as shall be submitted for approval at the Shareholders 'Meeting convened in single call on 20 June 2024 (assuming the Shareholders give their approval as per the terms proposed by the Board), report available and freely distributable reserves of Euro 81.1 million, before the loss for the year ended 29 February 2024, amounting to Euro 15.8 million and the distribution of the dividend to be paid in June 2024, amounting to Euro 9.4 million.

Furthermore, we underline that the Board of Directors is required to verify compliance with the conditions required by the first and third paragraphs of article 2357 Civil Code concerning buy back of shares prior to completion of each authorised purchase, thus checking the sufficiency of the available reserves from time to time. In the event of share: purchase; sale, swap; contribution; devaluation, the appropriate accounting entries must be made in compliance with the provisions of law and applicable accounting principles.

4. Requested authorisation duration

The authorisation for the buy back of treasury shares is requested for the maximum duration allowed by article 2357 second paragraph Italian Civil Code and therefore for a period of 18 (eighteen) months from the date of approval of this proposal at the Shareholders' Meeting.

Without prejudice to the limits referred to in paragraph 2 above, during such period, the Company may carry out the transactions envisaged herein in relation to treasury shares in one or more tranches.

The authorization for the sale, disposal and/or use of any treasury shares as may be purchased is requested without any time limits, mindful that there are no regulatory constraints in this regard and in order to allow maximum flexibility, also in terms of timing, for any share disposal.

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5. Minimum and maximum economic consideration and the market valuations upon which they were determined

The Board of Directors proposes that the purchases of treasury shares be made, mindful of the manner chosen for the carrying out of the transaction, in compliance with the terms and conditions established by applicable legislation also taking into account the conditions provided for by article 3 of the Delegated Regulation (EU) 2016/n. 1052 of 8 March 2016 ("**Delegated Regulation**")implementing the MAR and the accepted market practices from time to time, if and to the extent applicable for the purposes referred to in Paragraph 1 above. The Company shall also comply, where applicable, with the limitations and requirements concerning purchase price provided for by the accepted applicable market practices from time to time where the conditions therefor subsist and it is deemed opportune to make use of them.

In this regard, it is proposed that the unit price for share purchase be established from time to time for each individual transaction, it being understood that:

- shares' purchase may be carried out for consideration not lower than a minimum of 10% and not higher than a maximum of 10% of the share reference price recorded in the trading session of the day preceding each individual transaction or in the stock exchange session on the day preceding the date of announcement of the transaction, depending on the technical modalities identified by the Board of Directors; and in any case
- shares' purchase price, where purchases are made through orders on the regulated market, shall comply with the provisions of article 3 paragraph 2 Delegated Regulation which, as at the date of this Report, means a price not higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out or in conformity with the regulations in force from time to time.

The assignment or other disposal transaction or use of treasury shares acquired in virtue of the authorization proposed herein shall be:

- where executed in cash, then at a price per share to be established on the basis of the criteria set forth in the applicable legislation and/or pursuant to acceptable market practices from time to time and in any case at a price not lower than 10% of the price reported on the Market Euronext Milan organized and managed by Borsa Italiana S.p.A. in the trading session preceding each individual transaction; that this price limit may be waived in the event of the sale of shares in execution of stock incentive plans and, in any case, plans pursuant to Article 114-bis of the TUF or as part of extraordinary operations;
- where carried out in the context of any extraordinary transaction, by way of example but not limited to, share swap, exchange, contribution or to service capital transactions or other corporate and/or financial transactions and/or other transactions of an extraordinary nature or in any case any other non-cash disposition, then according to the economic terms that shall be decided by the Board of Directors taking into account the nature and characteristics of the transaction and the market trend of Unieuro stock;

- as regards shares required to serve stock incentive plans, then according to the terms and conditions indicated by the regulations of the said plans made available by the Company within the timelines and in the manner provided for by the legislation in force;

and in any case in compliance with the terms, conditions and requirements established by current legislation and, where applicable, by market practices accepted from time to time.

6. Manner in which the purchases and disposals will be made

Share buy back shall be made in the manner as shall be determined from time to time by the Board of Directors, who shall ensure equal treatment among the shareholders and respect of the operating procedures established by the organization and management regulations of markets and who shall also ensure compliance with article 132 TUF and article 144-*bis* Issuers' Regulation, within the remit and operating limits of the MAR, including permitted market practices pursuant to article 13 MAR, of Delegated Regulation and of the applicable legislation generally applicable to the sector (including the provisions under Regulation (EU) 2019/2115 or published by CONSOB or ESMA).

The Company may delegate the task of coordinating and executing treasury share transactions to a specialised intermediary.

The above-mentioned operating procedures are exempted by article 132 paragraph 3 TUF as concerns the purchase of treasury shares held by employees of the Company or of companies controlled by Company and assigned or subscribed pursuant to of articles 2349 and 2441 paragraph 8 Civil Code or deriving from compensation plans approved pursuant to article 114-*bis* TUF. Shares serving stock incentive plans shall be allocated in the manner and within the term provided for by the relative plan regulations.

Mindful of the various purposes that may be pursued through treasury share transactions, the Board proposes that the authorization be granted to allow purchases in any manner allowed by the legislation, including regulations, in force from time to time as the board shall identify at its discretion, which at the date of this Report may be:

(i) through public bids or exchange tender offerings;

(ii) by purchases made on regulated markets, in accordance with the procedures established by Borsa Italiana S.p.A., which do not allow the direct matching of buy orders with predetermined sell orders;

(iii) through the purchase and sale of derivative instruments traded on those regulated markets or multilateral trading systems that provide for the physical delivery of the shares under the conditions established by article 144-*bis* letter c) Issuers' Regulations[1];

(iv) through the grant to shareholders of put options proportionate to number of shares held;

[1] In any case, authorised financial intermediaries will be appointed to carry out the purchase and sale of derivative instruments. The amount of shares that may be purchased shall be a maximum of 600,000 ordinary shares, with no par value, approximately equal to 2.6% of the shares currently outstanding.

(v) in carrying out the systematic internalization activity in a non-discriminatory manner and which provides for the automatic and non-discretionary execution of transactions based on pre-set parameters;

(vi) the methods established by market practices accepted by Consob pursuant to article 13 of MAR;

(vii) under the conditions indicated in article 5 MAR;

(viii) in the manner prescribed by market practices accepted by Consob or ESMA.

Those shares serving stock incentive plans shall be allocated in the manner and within the term indicated by the regulations of said plans in force from time to time.

With regard to disposals, the Board of Directors proposes that the authorization allow that any process be adopted as may be deemed opportune to achieve the pursued objectives - including the use of treasury shares to service share incentive plans and/or the assignment of rights in rem or personal rights or securities lending – whether carried out directly or through intermediaries, in adherence with the provisions of the law and regulations in force on the subject.

Notice will be given of any transaction for purchase and disposal of treasury shares in conformance with the applicable disclosure obligations provided for under domestic and EU provisions.

We remind you that for as long as they remain the property of the Company, treasury shares shall not carry voting rights, dividend rights or option rights; such rights shall be assigned in proportion to the other shares held.

7. Further information should the purchase transaction be instrumental to a reduction of share capital by cancellation of the shares subject of the buy back

We confirm that the buy back of shares is not deemed instrumental to a reduction of the share capital of the Company. This is without prejudice to the Company's right to execute any share reduction as may be approved at a future Shareholders' Meeting, by cancelling treasury shares in the portfolio as well as cancelling treasury shares without a reduction in capital, as likewise may be approved at a future Shareholders' Meeting.

* * *

In consideration of all the foregoing, the Board of Directors respectfully submits the following resolution proposal for your approval:

"The Shareholders of Unieuro S.p.A., at the ordinary Shareholder's meeting:

- *having examined the Report of the Board of Directors drawn up pursuant to article 125-ter D. Legislative Decree No. 58 of 24 February 1998 ("TUF"), and article 73 of Regulations adopted by Consob resolution no. 11971 of 14 May 1999 (the "Issuers' Regulation") and in accordance with Annex 3A - Scheme No. 4 thereto;*

- *having regard to the financial statements for the year ended 29 February 2024 approved by today's shareholders' meeting;*

- *having noted that it would be opportune to grant authorisation for the purchase and disposal of treasury shares for the purposes and in the manner set forth in the Board of Director's Report;*

- *acknowledging the provisions of articles 2357 and 2357-ter Civil Code and article 132 of TUF;*

- *having regard to: the provisions of articles 2357 et seq of the Civil Code; article 132 TUF; article 144-bis Issuers' Regulations; the provisions of Regulations (EU) No. 596 of 16 April 2014 on market abuse ("MAR"); the Delegated Regulation (EU) No. 1052 of 8 March 2016; ("Delegated Regulation") and accepted market practices from time to time;*

resolve

1. *to revoke, as of the date of this resolution, the authorisation to purchase and dispose of treasury shares granted by the Ordinary Shareholders' Meeting of Unieuro S.p.A. on 22 June 2023;*
2. *that they authorise the Board of Directors, pursuant to and for the purposes of article 2357 Civil Code and the combined provisions of article 132 TUF and article 144-bis Issuers' Regulations, to buy back, in one or more tranches, a maximum of 2,000,000 ordinary shares in Unieuro, on the proviso that*

    (i) the buy backs shall cease at such time as the aggregate limit of 2,000,000 ordinary Unieuro shares has been reached (which is the absolute maximum limit on purchases, which remains unvaried irrespective of any sale or use of treasury shares held in the portfolio); and in any event

    (ii) the number of ordinary shares held in the portfolio from time to time by the Company and by its controlled companies may not in any event exceed 10% of the Company's then current share capital, in compliance with the limits laid down under article 2357 paragraph 3 Civil Code;

    To facilitate pursuit of the purpose set out in the Report of the Board of Directors and on the following terms and conditions:

    a) the purchase may be made in one or more tranches within 18 (eighteen) months of the date this resolution is passed, such purchase in accordance with any manner envisaged by the combined provisions of article 132 TUF and article 144-bis Issuers' Regulations, taking into account the specific exemption provided for by paragraph 3 of said article 132 TUF and, in any case, in any other manner permitted by the legal and regulatory provisions in force from time to time, also considering the remit and operating limits of the MAR, including permitted market practices pursuant to article 13 MAR, of Delegated Regulation and of the applicable legislation generally applicable to the sector (including the provisions under Regulation (EU) 2019/2115 or published by CONSOB or ESMA);

b) *buy back of own shares shall be made within the limits of distributable profits and available reserves reported in the latest duly approved financial statements at the time of the transaction;*

c) *the purchase price of each share shall not be less than a minimum of 10% and not more than a maximum of 10% of the reference price recorded for that share in the trading session of the day preceding the individual transaction or in the stock exchange session on the day preceding the date of announcement of the transaction, depending on the technical modalities identified by the Board of Directors. Furthermore, buy back of shares on the market will be carried out in compliance with the terms, conditions and requirements established by the applicable EU legislation and permitted market practices from time to time in force; and*

d) *in any case, the shares' purchase price, where purchases are made with orders on the regulated market, must comply with the provisions of article 3 paragraph 2 of Delegated Regulation which, as at the date of this report, means a price not higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out or in conformity with the regulations in force from time to time;*

3. *that they authorise, pursuant to and for the purposes of article 2357-ter of the Civil Code, any disposal in whole or in part of the treasury shares purchased and held in the Company's portfolio in one or more tranches, in compliance with the laws and regulations in force from time to time, to facilitate pursuit of the purposes set out in the Report of the Board of Directors and on the following terms and conditions:*

   a) *the shares may be disposed of or otherwise assigned at any time without time limits;*

   b) *in the event that the transaction, and in particular the sale of treasury shares, is executed in cash, it must be carried out at a price per share established on the basis of the criteria set out in the applicable legislation and/or permitted market practices from time to time and in any case, at a price not less than 10% under the reference price recorded on the Market Euronext Milan organized and managed by Borsa Italiana S.p.A. in the trading session prior to the individual transaction; that this price limit may be waived in the event of the sale of shares in execution of stock incentive plans and, in any case, plans pursuant to article 114-bis of the TUF or as part of extraordinary operations;*

   c) *in the event the shares are used in the context of any extraordinary transaction, by way of example but not limited to, share swap, exchange tender offering, contribution or to service capital transactions or other corporate and/or financial transactions and/or any other transactions of an extraordinary nature or in any case any other disposal not for cash consideration, then the economic terms shall be determined by the Board of Directors taking into account the nature and characteristics of the transaction and the market trend of Unieuro stock;*

   d) *shares to perform stock incentive plans shall be allocated to the plan recipients in the manner and within the timelines set forth in the regulations for the said plans;*

and in all cases, in compliance with the terms, conditions and requirements established by current legislation and, where applicable, by the accepted market practices from time to time, in particular if the shares are to be used for activity to support market liquidity;

4. *that they grant the Board of Directors the powers to:*
   - *determine the reserves to be earmarked for the purchase of own shares;*
   - *establish the manner and timelines as well executive and ancillary terms of purchases and disposal transactions concerning treasury shares, provided that such are in conformance with the conditions and limits provided in this resolution and in the regulations in force from time to time, including if such regulations differ from those currently in force;*
   - *entrust to the Chairman of the Board of Directors and the Chief Executive Officer pro tempore in office, individually and with the right of each of them to sub-delegate individual items or categories of items to third parties outside the Board:*
     - *the carrying out of any necessary and/or appropriate accounting registration for transactions involving treasury shares in compliance with the provisions of the law in force and the applicable accounting principles;*
     - *the entering into of any deed or document to fulfil any and all formalities, including vis-à-vis third parties, as deemed necessary or in any case appropriate to execute this resolution and executive resolutions of the Board of Directors;*
     - *powers to enable them to carry out the purchase and disposal of treasury shares, including through authorized intermediaries and approving any and all executive provisions of the related purchase programme, and disclose information to the market as permitted by current legislation and market practices from time to time".*

* * *

Forlì, 10 May 2024

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

Unieuro S.p.A. - Registered Office in Forlì, Palazzo Hercolani via Piero Maroncelli, 10
Share capital: Euro 4,139,724.20 fully paid-in
Registration Number with the Companies' Register of Forlì-Cesena and Tax Code 00876320409

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL UNDER ITEM NO. 5 ON THE AGENDA OF THE SHAREHOLDERS' MEETING OF UNIEURO S.P.A. CONVENED IN FIRST AND ONLY CALL ON 20 JUNE 2024

5. Granting of the new legally-required audit engagement for the fiscal years from 1 March 2025 to 28 February 2034 and establishment of the respective fee. Resolutions thereon.

Dear Shareholders,

you are reminded that the approval of the financial statements as at 28 February 2025 will bring to an end the engagement of KPMG S.p.A. as external audit firm for the financial years from 1 March 2016 to 28 February 2025, as per the Shareholders' Meeting resolution of 12 December 2016.

Pursuant to the applicable regulations, and in particular pursuant to art. 17 of Legislative Decree No. 39/2010 (as amended by Legislative Decree No. 135/2016, "**Legislative Decree No. 39/2010**"), an external Auditing Firm is engaged for a term of nine financial years and cannot be reappointed unless at least four financial years have elapsed since the conclusion of the previous engagement.

As the terms of the aforementioned appointment expire with the approval of the financial statements as at 28 February 2025, the Shareholders' Meeting of Unieuro S.p.A. ("**Unieuro**" or the "**Company**") will be called upon to resolve, *inter alia*, on the appointment of a new auditor for the financial years ending 28 February 2026 to 28 February 2034 (both inclusive) and establish the respective fee.

As is now common practice among listed companies, Unieuro's Board of Statutory Auditors, in its capacity as the "Internal Control and Audit Committee" pursuant to art. 19 of Legislative Decree No. 39/2010, has deemed it appropriate to begin the procedure to select the new external Auditing Firm for the financial years 1 March 2025 to 28 February 2034 one year early. In addition to compliance with the cooling-in period rule established by art. 5 of European Regulation No. 537/2014 (the "**European Regulation**") to safeguard the independence of the incoming auditor, bringing this procedure forward allows for a more efficient handover between the outgoing and incoming firm.

In order to make the auditing process more efficient, the Company has opted for a sole External Auditor for the entire group, thus putting forward requests for proposals, encompassing all its controlled entities. The most qualified independent audit firms took part in the selection process, and an assessment of the most significant technical and economic parameters was carried out for each bid submitted.

Based on the selection procedure, the Board of Statutory Auditors prepared and submitted to the Board of Directors its reasoned recommendation pursuant to art. 16 of the European Regulation, which is attached to this report under Appendix 1, and to which reference should be made in full. Specifically, the Board of Statutory Auditors identified PricewaterhouseCoopers S.p.A. and Deloitte Touche S.p.A as potential candidates for the appointment as external audit firm for the financial years 2026-2034, expressing its preference for PricewaterhouseCoopers S.p.A.

Considering the above, and taking into account the reasoned recommendation of the Board of Statutory Auditors, the Board of Directors informs the Shareholders' Meeting that the proposal to appoint the company PricewaterhouseCoopers S.p.A (Section A.1) as the external audit firm for the nine-year period 1 March 2025 to 28 February 2034 will be put to a vote first. Should this proposal not obtain the votes required for approval, the proposal to appoint the company Deloitte Touche S.p.A. (Section A.2) to the same position will be put to a vote.

On the basis of the above, we propose the following motion:

SECTION A.1

"*The Shareholders' Meeting of Unieuro S.p.A., by virtue of the foregoing*:

- *having reviewed the Board of Directors' Explanatory Report,*
- *having noted the reasoned recommendation made by the Board of Statutory Auditors regarding the appointment of the external auditor of Unieuro S.p.A. for the financial years 2026-2034, pursuant to art. 13 of Legislative Decree No. 39/2010 and art. 16 of European Regulation No. 537/2014,*

resolves

(i) *to appoint as external Auditing Firm the company PricewaterhouseCoopers S.p.A, for the financial years from 1 March 2025 to 28 February 2034, according to the conditions set forth in the offer made by said external Auditing Firm and attached to the reasoned recommendation of the Board of Statutory Auditors;*

(ii) *to grant the Chairman of the Board of Directors and the Chief Executive Officer the power to carry out, jointly and severally, with the power to delegate to third parties, any action required, necessary or useful to execute the above resolution, and to perform the related formalities necessary with the competent bodies and/or offices. They shall also have the power to make any non-substantial amendments that may be required for the purpose, and in general to carry out any action necessary to fully implement this Shareholders' Meeting resolution, with any and all powers necessary and appropriate, in compliance with the applicable regulatory provisions*."

* * *

SECTION A.2

In the case where the Shareholders do not approve the above mentioned proposal, thus subject to the outcome of the above resolution, we propose the following motion:

"The Shareholders' Meeting of Unieuro S.p.A., by virtue of the foregoing:

- *having reviewed the Board of Directors' Explanatory Report,*
- *having noted the reasoned recommendation made by the Board of Statutory Auditors regarding the appointment of the external auditor of Unieuro S.p.A. for the financial years 2026-2034, pursuant to art. 13 of Legislative Decree No. 39/2010 and art. 16 of European Regulation No. 537/2014,*

resolves

(i) *to appoint as external Auditing Firm the company Deloitte Touche S.p.A., for the financial years from 1 March 2025 to 28 February 2034, according to the conditions set forth in the offer made by said external Auditing Firm and attached to the reasoned recommendation of the Board of Statutory Auditors;*

(ii) *to grant the Chairman of the Board of Directors and the Chief Executive Officer the power to carry out, jointly and severally, with the power to delegate to third parties, any action required, necessary or useful to execute the above resolution, and to perform the related formalities necessary with the competent bodies and/or offices. They shall also have the power to make any non-substantial amendments that may be required for the purpose, and in general to carry*

out any action necessary to fully implement this Shareholders' Meeting resolution, with any and all powers necessary and appropriate, in compliance with the applicable regulatory provisions."

Annex 1: Reasoned Recommendation of the Board of Statutory Auditors regarding the appointment of the external Auditing Firm for the financial years 2026-2034.

Forlì, 10 May 2024

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

REASONED PROPOSAL OF THE BOARD OF STATUTORY AUDITORS

Dear Shareholders,

you are reminded that the approval of the financial statements as at February 28, 2025 will bring to an end the engagement of KPMG S.p.A. as independent audit firm for the financial years from March 1, 2016 to February 28, 2025, as per the Shareholders' Meeting resolution of December 12, 2016.

Pursuant to the applicable regulations, and in particular pursuant to art. 17 of Legislative Decree No. 39/2010 (as amended by Legislative Decree No. 135/2016, "Legislative Decree No. 39/2010"), an Independent Audit Firm is engaged for a term of nine financial years and cannot be reappointed unless at least four financial years have elapsed since the conclusion of the previous engagement.

As the terms of the aforementioned appointment expire with the approval of the financial statements as at February 28, 2025, the Shareholders' Meeting of Unieuro S.p.A. ("Unieuro" or the "Company") will be called upon to resolve, *inter alia*, on the appointment of a new auditor for the financial years ending February 28, 2026 to February 28, 2034 (both inclusive), and establish the respective fee.

As is now common practice among listed companies, Unieuro's Board of Statutory Auditors, in its capacity as the "Internal Control and Audit Committee" (ICAC) pursuant to art. 19 of Legislative Decree No. 39/2010 and in agreement with the competent company departments, has deemed it appropriate to begin the procedure to select the Group's new Independent Audit Firm for the financial years March 1, 2025 to February 28, 2034 one year early. In addition to compliance with the cooling-in period rule established by art. 5 of European Regulation No. 537/2014 (the "European Regulation") to safeguard the independence of the incoming auditor, bringing this procedure forward allows for a more efficient handover between the outgoing and incoming firm and for an auditor to be appointed for the Unieuro Group's subsidiary companies.

The most qualified independent audit firm took part in the selection procedure, and an assessment of the most significant technical and economic parameters was carried out for each bid submitted.

The Shareholders' Meeting is also called upon to decide on the remuneration of the Independent Audit Firm, as well as on any criteria for adjusting the fees, again subject to the reasoned proposal of the Board of Statutory Auditors.

In accordance with the provisions of the aforementioned art. 16 of the European Regulations, since it is a matter of granting the legally-required audit engagement for a Public Interest Entity (PIE), the proposal drawn up by the Board of Statutory Auditors, submitted for approval, provides for at least two possible alternatives for the engagement and indicates the reasoned preference for one of them.

Subject of the tender

In agreement with the Board of Statutory Auditors, Unieuro has chosen a sole auditor for the Group, also in order to increase the efficiency of the Group's auditing process, since the independent audit firm in charge of auditing the consolidated financial statements is entirely responsible for expressing the relevant opinion (European Directive 2006/43/EC and, for Italy, Legislative Decree No. 39/2010).

In any case, the procedure ensures decision-making autonomy for the relevant bodies of Group companies. The Unieuro Shareholders' Meeting will be called to deliberate only on the appointment of the Company's new auditor and the determination of the related remuneration for the entire duration of the appointment. For the subsidiaries, the appointment of independent audit firms and the determination of the related fees for the entire duration of the audit appointments will be decided by the Shareholders' Meeting of each company, upon the reasoned proposal of the relevant control board, pursuant to art. 13 Legislative Decree No. 39/2010.

The process to select an auditor began in December 2023 and was coordinated by the Executive Officer for Financial Reporting (Group CFO), the Group Administration Director and the General Accounting Manager (the "Working Group"). It was conducted in accordance with European Regulations and the Company's "Procedure for the conferral of audit engagements and approval of services to be conferred on the Independent Audit Firm and its network" (the "Internal Procedure"), under the supervision of the Board of Statutory Auditors in its capacity as ICAC. The Board of Statutory Auditors, as the ultimate manager of the selection process, interacted on an ongoing basis with the Working Group, which met nine times in order to constantly monitor the progress of the entire process (the "Tender"). The Board also held two meetings and several conference calls to discuss the issue and met with the candidate Independent Audit Firms with the support of the Executive Officer for Financial Reporting's department.

With the support of the Working Group, the Executive Officer for Financial Reporting prepared a methodological proposal for the process to appoint the auditor in compliance with regulatory requirements. This process consists of:

(i) scope of the Tender;

(ii) pre-selection criteria and minimum requirements, including the qualitative and quantitative factors to be adopted to select the auditor, in accordance with the principles of transparency and non-discrimination, as defined in consultation with the ICAC. Specifically:
  - criteria for the assessment and listing of the information required to ensure a procedure based on transparency and traceability of the activities undertaken and of the decisions. In defining the selection criteria, account was taken of (A) qualitative elements, such as: (a) the characteristics of the audit firm and its network, (b) the composition of the audit team, and (c) the methodological approach; (B) quantitative elements, such as: (a) fees, (b) the breakdown of the overall hours, and (c) the areas of intervention. Each of the assessment categories was also given a weighting, expressed as a percentage of the total marks attributable to the candidates;
  - description of the audit services or voluntary services to be quoted;
  - list of Independent Audit Firms to be invited to submit bids for the Audit Engagement;
  - timetable of activities to appoint the new auditor.

The proposed methodology and Internal Procedure were prepared under the supervision of Unieuro's Board of Statutory Auditors and in consultation with the Board of Statutory Auditors of its subsidiary Covercare S.p.A.

It should be noted that: (i) as of the date of this procedure, Covercare Center S.r.l. and Cybercare S.r.l., have not appointed a supervisory body as they do not exceed the requirements of the Civil Code and (ii) Monclick

S.r.l. in liquidation is not included in the scope of work because it entered liquidation by Board of Directors' resolution on October 16, 2023.

The Tender carried out to award the statutory audit engagement, covered the following activities in relation to the nine-year period from 2025/2026 to 2033/2034:

A) Audit services for the parent company Unieuro for the financial years 2025/2026 to 2033/2034:
   (i) Audit of Unieuro's financial statements pursuant to art. 14 of Legislative Decree No. 39/2010 and art. 10 of Regulation (EU) 537/2014, in accordance with the International Financial Reporting Standards ("**IFRS**") as adopted by the European Union;
   (ii) Audit of the Unieuro Group's consolidated financial statements pursuant to art. 14 of Legislative Decree No. 39/2010 and art. 10 of Regulation (EU) 537/2014, in accordance with the International Financial Reporting Standards ("**IFRS**") as adopted by the European Union;
   (iii) Report of the Independent Audit Firm on the Consolidated Non-Financial Statement, pursuant to Legislative Decree No. 254/2016 and the "Corporate Sustainability Reporting Directive - CSRD" Directive 2022/2464;
   (iv) Issuance of an opinion on compliance with the provisions of Delegated Regulation (EU) 2019/815;
   (v) Issuance of an opinion on compliance of the Report on Corporate Governance and Proprietary Shareholdings and the Management Report with the Consolidated Financial Statements and Separate Financial Statements pursuant to art. 14, para. 2e) of Legislative Decree No. 39/2010 and art. 123-*bis*, para. 4 of Legislative Decree No. 58/1998;
   (vi) Limited audit of the Unieuro Group's condensed consolidated financial statements for the periods from March 1 to August 31 each year, in accordance with IFRS and Italian regulations, as recommended by Consob in Communication No. 97001574 of 02/20/1997, point 1.2.d;
   (vii) Audit of the reporting package in order to audit the consolidated financial statements and condensed consolidated half-year financial statements of Unieuro's subsidiaries, as shown in Table A below;

   Table A

Component	**% held**	**Country**	**Type of activity**
Covercare S.p.A.[1-2]	100%	Italy	Full Audit (RP and Statutory)
Covercare Center S.r.l.[2-3]	70%	Italy	Full Audit (RP and Statutory)
Cybercare S.r.l. [2-3]	60%	Italy	Full Audit (RP and Statutory)

   (viii) Work alongside the current Independent Audit Firm from appointment to the approval of the financial statements as at February 28, 2025, in order to acquire the operational methodology currently applied within the Unieuro Group and facilitate the transfer of know-how.
   (ix) Verification of correct accounting records for the Group's Italian companies and the correct recording of operational activities in the underlying accounting entries;
   (x) Activities involved in signing tax returns, as required by current Italian legislation, including potentially attaching certifications of compliance to the VAT, UNICO, IRAP, CNM and 770 forms;

[1] The company applies International Financial Reporting Standards ("IFRS") from January 1, 2023.
[2] The company's financial year has been aligned with that of the Group and ends on February 28 of each year.
[3] The company will prepare its first financial statements in accordance with national accounting standards ("OIC") on February 29, 2024.

(xi) Verification of tax credits, where applicable, as required under current Italian legislation, and the relative endorsement and attestation (e.g. R&D credit, technological innovation, design and aesthetic conception);
(xii) Verification of the adequacy of the internal control system in terms of the inclusion of the sales network and after-sales related activities in the current ERP, SAP 4/HANA[4].

B) Audit services for the subsidiary companies as per Table A for the financial years 2025/2026 to 2027/2028:
(i) Audit of the financial statements of Unieuro's subsidiaries listed in Table A below, pursuant to art. 13 of Legislative Decree No. 39/2010 and in accordance with local regulatory requirements;
(ii) Work alongside the current Independent Audit Firm from appointment to the approval of the financial statements as at February 28, 2025, in order to acquire the operational methodology currently applied and facilitate the transfer of know-how.
(iii) Verification of correct accounting records for the Group's Italian companies and the correct recording of operational activities in the underlying accounting entries;
(iv) Activities involved in signing tax returns, as required by current Italian legislation, including potentially attaching certifications of compliance to the VAT, UNICO, IRAP and 770 forms;
(v) Verification of tax credits, where applicable, as required under current Italian legislation, and the relative endorsement and attestation (e.g. R&D credit, technological innovation, design and aesthetic conception).

C) Additional services for the Unieuro Group:
(i) Agreed upon procedures regarding the chargeback of intercompany revenues and costs as at February 28, 2026 as per Annex 1 of the Notice of Tender;
(ii) Agreed upon procedures regarding information on the covenant as per Annex 1 of the Notice of Tender;
(iii) Agreed upon procedures regarding the Covercare S.p.A. Group's consolidated position at February 28, 2026 as per Annex 1 of the Notice of Tender;
(iv) Agreed upon procedures regarding the Adjusted indicators detailed in the Unieuro Group Management Report as per Annex 1 of the Notice of Tender;
(v) Other periodic legal review/audit services required by law, contractual agreements and regulations and/or related to the services listed above (e.g. certification of individual store fees as the basis for calculating variable rent where required).

Procedure for selecting firms to invite to the tender

The selection procedure and the request for quotations were defined and conducted in compliance with art. 16 of the EIP (public-interest entity) Regulations, in order to ensure a high-quality statutory audit service, appropriate to the size and complexity of Unieuro and the Unieuro Group.

The Working Group first shared with the Board of Statutory Auditors (i) the criteria for identifying independent audit firms to be invited to bid, (ii) the structure of the proposal request, (iii) the criteria to evaluate the proposals received and (iv) how to assign them a score.

[4] The project to introduce SAP 4/HANA for Retail and After-Sales processes comprises an assessment phase and an implementation phase. The store roll-out process is planned for H2 2025/2026, in several waves involving groups of approx. 19 stores, for a total of around 270 stores to be completed in a timeframe of 18 to 24 months.

Preparation of the list of independent audit firms to be invited to tender

The list of independent audit firms invited to participate in the tender was prepared considering the provisions of art. 17, para. 3 of the EIP Regulations.

In accordance with this principle, independent audit firms invited to bid were selected on the basis of, among others, the following aspects:

- (i) skills demonstrated, with a focus on professional assignments/work conducted on behalf of public-interest entities, particularly those listed on regulated markets subject to Consob oversight;
- (ii) transparency report published in accordance with art. 13 of the EIP Regulations for financial year 2023;
- (iii) international nature of the relevant network;
- (iv) knowledge of the Unieuro Group gained through recent projects.

Following the investigations, conducted based on the objective and non-discriminatory parameters described above, the following companies were identified as potentially eligible to be invited to participate in the Tender (the "Invited Companies"):

1. PricewaterhouseCoopers S.p.A.

2. Deloitte & Touche S.p.A.

3. Ernst & Young S.p.A.

4. BDO Italia S.p.A.

5. Ria Grant Thornton S.p.A.

6. Mazars Italia S.p.A.

Assessment and selection criteria

The selection criteria respond to the need to define the reference criteria and the related assessment and weighting procedures, while also ensuring *ex ante* objectivity in the selection process.

Two pre-selection criteria were defined in the Internal Procedure:

- enrolment on the Register of Statutory Auditors with the Ministry for the Economy and Finance (or EU equivalent);
- performance in the three-year period 2021-2023 of statutory audit activities for at least one company listed on the Euronext Milan (EXM) market with annual revenues of not less than Euro 500 million.

In the request for proposals, the Invited Companies were asked to structure their respective framework proposals ("Framework Proposals" or "Framework Bids") into the following four sections: (i) characteristics of the independent audit firm and its network, (ii) composition of the audit team, (iii) methodological approach - technical section, and (iv) economic section.

The Framework Bids were assessed by awarding a total score of 100 points, which was divided into a qualitative aspect (75 points - 25 points for each section) and a quantitative aspect relating to the economic proposal (25 points).

The assessment criteria adopted were stated in a transparent and non-discriminatory manner.

Functioning of the tender

In accordance with the Internal Procedure and also on behalf of the subsidiaries, on February 9, 2024 Unieuro sent a special PEC (certified email) requesting that proposals for the activities covered by the Tender ("Request for Bid") be sent via PEC to amministrazione@pec.unieuro.com and in cc to the Chairperson of the Board of Statutory Auditors, at giuseppina.manzo@odcecmilano.it, by 12:00 noon on February 29, 2024.

In accordance with the provisions of the EIP Regulations, the Request for Bid included, among other matters:

- the selection criteria defined to assess Framework Proposals;
- information enabling the Invited Companies to understand the scope and activities to be carried out as part of the statutory audit to be conducted for the financial years 2025/2026 to 2033/2034, and
- the terms of the Selection Procedure and how to submit Framework Bids.

Of the Invited Companies, the following produced the required documents and formulated a Framework Bid by February 29, 2024 (the "Bidding Companies"): PricewaterhouseCoopers S.p.A. ("PwC"), Deloitte & Touche S.p.A. ("Deloitte") and BDO Italia S.p.A. ("BDO").

Ernst & Young S.p.A. ("EY") informed the Company via PEC on February 12, 2024 that its current engagements with Unieuro are not compatible with the potential award of the legal audit engagement to EY and that, in order to comply with the "cooling in" period, removing the causes of incompatibility would require significant services to be discontinued by February 29, 2024. Such an interruption, while manageable in the abstract, would potentially create significant operational difficulties for Unieuro Group companies.

Mazars Italia S.p.A. ("Mazars") informed the Company via PEC on February 19, 2024 that it did not meet the following requirement to participate in the selection procedure: *"performance in the three-year period 2021-2023 of statutory audit activities for at least one company listed on the Euronext Milan (EXM) market with annual revenues of not less than Euro 500 million".*

RIA Grant Thornton S.p.A. ("RIA"), did not respond or provide documentation.

Bid assessment and outcome of tender

In order to assess the Framework Proposals received, detailed reviews and verifications were undertaken in relation to the declarations provided by the Bidding Companies;

In collaboration with the Board of Statutory Auditors, the Working Group first analysed the Framework Bids received from PwC, Deloitte, and BDO, based on the selection criteria set forth in the Internal Procedure, and discussed their findings.

Specifically, following preliminary analysis of the bids received, it was decided to limit the subsequent assessment to the two independent audit firm bids which demonstrated, among other qualities, the greatest experience with clients of comparable size and characteristics to the Unieuro Group and the largest international network, thus excluding the bid from BDO.

The Board of Statutory Auditors and the Executive Officer for Financial Reporting, based on the analyses performed by the Working Group, further examined the bids received from PwC and Deloitte and discussed their respective assessments (which, regarding the teams' technical expertise, involved analysing the technical skills of individual team members, including those gained within the Group, to reach an overall qualitative evaluation of the teams based on individual experience), separately meeting with their representatives to assess additional evaluative elements beyond those already included in the set of proposal documents, which were subsequently supplemented.

Specifically, the Working Group met with the Bidding Companies PwC and Deloitte for in-depth interviews on the Framework Bids received on March 26, 2024 and April 3, 2024 (PwC) and March 27, 2024 (Deloitte) while the Board of Statutory Auditors met with PwC and Deloitte on April 18, 2024.

The documentation collected, meetings held, and analyses conducted highlighted the high quality of the bids received and the professionalism of the audit teams.

The analyses performed on the Framework Proposals highlighted, among other matters:

a) that the audit methodology outlined in the Framework Proposals - including in terms of the hours, the professional resources provided, the range of seniority levels, and the operational and information technology tools available for conducting the audit and identifying audit risk - are generally adequate in relation to the scope and complexity of the engagement;
b) that the Framework Proposals contain a specific declaration concerning the audit firms' commitment to demonstrate their possession of the independence requirements provided for by law, particularly with reference to arts. 10 and 17 of Legislative Decree No. 39/2010, in accordance with the provisions of the regulations in force; and, on the whole, that the Invited Companies have an adequate monitoring and information management system to oversee the maintenance of the independence requirement and the prevention of conflicts of interest, including at the international network level;
c) that the Bidding Companies, while in objectively different manners and with important distinctions that are considered in the assessment, have (i) organisation and technical-professional suitability appropriate to the size and complexity of the assignment under Legislative Decree No. 39/2010 and possession of the requirements of the EIP Regulations, and (ii) an adequate network reach (regional, national and international).

Following the assessments conducted on the basis of the scores assigned to each Framework Proposal, the following ranking was drawn up:

1. PwC (overall score 95.0);
2. Deloitte (overall score 94.1).

The table below summarises the ratings given to the qualitative - including technical - and economic characteristics extrapolated from the Framework Bids received.

		Criteria	Weight	pwc	Deloitte.
Requirements		Compliance with minimum requirements		✓	✓
Criteria (max score per criterion 25)	i	Characteristics of the independent audit firm and its network	25%	24.2	24.0
	ii	Composition of the audit team	25%	23.7	23.5
	iii	Methodological Approach - Technical Section	25%	23.1	23.1
	iv	Economic section	25%	24.1	23.5
		Total (max 100)		**95.0**	**94.1**

The tables below present the main economic components - in terms of cost and hours - of the Framework Bids received from the two selected companies.

(in Euro thousands)	PwC[5]				Deloitte[6]				
Fees for work	**Fee 1st year**	**Fee from 2nd year**	**Average annual fee**	**Nine-year total**	**Fee 1st year**	**Fee 2nd year**	**Fee from 3rd year**	**Average annual fee**	**Nine-year total**
Audit of Unieuro's consolidated and separate financial statements	440	440	**440**	3,960	653	592	517	**540**	4,864
Audit of the separate financial statements of the subsidiary companies	56	56	**56**	504	52	52	52	**52**	468
Total audit service fees	**496**	**496**	**496**	**4,464**	**705**	**644**	**569**	**592**	**5,332**
Agreed Upon Procedures	14	8	9	78	45	31	31	33	293
Total	**510**	**504**	**505**	**4,542**	**750**	**675**	**600**	**625**	**5,625**

[5] The economic conditions also include a maximum fee cap for adjustments to the ISTAT index of Euro 20 thousand annually and total secretarial and technology expenses in the amount of 9% of the audit fees.
[6] The economic conditions also include a maximum fee cap for adjustments to the ISTAT index of 3% of the audit fees and total secretarial and technology expenses in the amount of 5% of the audit fees.

(in Euro thousands)	PwC				Deloitte				
Estimated hours by activity type	**Hours 1st year**	**Hours from 2nd year**	**Average annual hours**	**% hours Partners and Managers**	**Hours 1st year**	**Hours 2nd year**	**Hours from 3rd year**	**Average annual hours**	**% hours Partners and Managers**
Audit of Unieuro's consolidated and separate financial statements	4,800	4,800	4,800	26%	6,710	6,060	5,310	**5,549**	30%
Audit of the separate financial statements of the subsidiary companies	640	640	640	26%	530	530	530	**530**	30%
Total annual hours	**5,440**	**5,440**	**5,440**		**7,240**	**6,590**	**5,840**	**6,079**	
Agreed Upon Procedures	160	90	98		460	310	310	**327**	
Estimated total hours	**5,600**	**5,530**	**5,538**		**7,700**	**6,900**	**6,150**	**6,406**	

On the basis of that stated above, the Board of Statutory Auditors, in relation to the assignment of the legally required audit of Unieuro S.p.A. for the nine-year period 2025/2026-2033/2034, based on the selection procedure, the bids received, the assessments carried out and the outcomes of such, considering that art. 16 of European Regulation No. 537/2014 requires that the reasoned proposal to the Shareholders' Meeting contain at least two possible alternatives for the appointment and requires the expression of a duly justified preference for one of them,

SUBMITS

to the Shareholders' Meeting of Unieuro S.p.A., pursuant to art. 16, para. 2, of European Regulation No. 537/2014 and arts. 13 and 17 of Legislative Decree No. 39/2010, alternatively, the two proposals regarding the mandate for the legally-required audit of Unieuro S.p.A. for the nine-year period 2025/2026-2033/2034, drawn up by PricewaterhouseCoopers S.p.A. and Deloitte S.p.A., the economic components of which have been summarised above,

EXPRESSING

unanimously its preference for the company PricewaterhouseCoopers S.p.A., as it achieved a higher score in terms of quality and was more economically advantageous for the Group. Key elements within the bid that justified and prompted the preference for this bidder included:

- the firm's experience with clients of comparable size and complexity levels and with companies operating in the large-scale retail & Retail and Consumer sector, which was found to be an important element in assessing its ability perform the audit of the Unieuro Group;
- the dedicated audit team consists of Partners, Managers and Specialists with significant experience in companies comparable to the Unieuro Group and within the Group itself;
- the estimated hours required and their distribution across the various professionalism levels is appropriate for the scope and complexity of the assignment;
- the fees ensure the quality and reliability of the work and the independence of the auditor;
- the company meets the independence and objectivity requirements set forth in the applicable regulation; according to the available information, there are currently no situations of

incompatibility;

- the partner in charge of the audit is Mr. Giuseppe Ermocida, who has specific technical experience in audit assignments in the Unieuro Group's industry and in other listed companies.

In compliance with art. 16, para. 2 of Regulation (EU) 537/2014, the Board of Statutory Auditors declares that this recommendation has not been influenced by third parties and that none of the type of clauses referred to in paragraph 6 of the aforementioned art. 16 of the Regulation have been applied.

The Board therefore invites the Unieuro Shareholders' Meeting to approve the proposal to entrust PricewaterhouseCoopers S.p.A. with the assignment of the Company's "statutory audit services", as defined above, for the financial years 2025/2026- 2033/2034. This assignment shall be in accordance with the content, terms - including the criteria for adjustment of fees - and procedures described above, for an annual fee (net of ISTAT increases, out-of-pocket expenses, VAT and supervisory fee) of Euro 510.0 thousand for 5,600 hours of work in the first year (Euro 504.0 thousand, for 5,530 hours of work in subsequent years), composed as follows:

- Euro 440.0 thousand for the consolidated and separate financial statements of Unieuro and other professional services relating to this audit engagement (including the non-financial statement and other matters), for a total 4,800 hours of work;
- Euro 56.0 thousand to audit the subsidiary companies' separate financial statements, for a total 640 hours of work;
- Euro 14.0 thousand for other additional services (i.e. AUP), for a total 160 hours of work (Euro 8.0 thousand for 90 hours of work from the second year).

Should this proposal not obtain the votes required for its approval, a vote will be taken on the proposal to grant the same assignment to Deloitte S.p.A., for fees for the first year of Euro 750 thousand for a total 7,700 hours of work (decreasing in the second and third years).

Milan, May 3, 2024

THE BOARD OF STATUTORY AUDITORS

Ms. Giuseppina Manzo

(Chairperson)

Mr. Paolo Costantini

(Statutory Auditor)

Mr. Stefano Antonini

(Statutory Auditor)

Annex L

Unieuro S.p.A. – Registered office in Forlì, Palazzo Hercolani, Via Piero Maroncelli, 10, 47121 Forlì
Share Capital Euro 4,139,724.20 fully paid-up
Registration Number with the Companies' Register of Forlì-Cesena and Tax Code 00876320409

REPORT ON CORPORATE GOVERNANCE AND PROPRIETARY SHAREHOLDINGS

pursuant to art. 123-*bis* of Legislative Decree No. 58 of 24 February 1998

Traditional management and control model

Issuer: Unieuro S.p.A.

Website: www.unieurospa.com

This Report refers to the Financial Year ended 29 February 2024

CONTENTS

1. DEFINITIONS

Articles of Association	The Articles of Association of the Company approved at the extraordinary Shareholders' Meeting of 12 December 2016, as amended and supplemented.
Board of Statutory Auditors	The Company's Board of Statutory Auditors.
Board/Board of Directors	The Issuer's Board of Directors.
Borsa Italiana	Borsa Italiana S.p.A. with its registered office in Milan at Piazza degli Affari No. 6
Civil Code	The Italian Civil Code.
Code/Corporate Governance Code	The Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee (and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria).
Consob	The national commission on companies and the stock exchange, based in Rome at Via G.B. Martini, No. 3.
Consob Related Parties Regulation	The Regulation on transactions with related parties approved by Consob with Resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented.
Control and Risk Committee	The committee set up within the Board of Directors in compliance with the Recommendations of the Corporate Governance Code.
EXM STAR	Euronext STAR Milan – formerly Mercato Telematico Azionario - STAR Segment - organised and managed by Borsa Italiana S.p.A.
Financial Year or Reporting Year	The financial year of the Company is from 1 March 2023 to 29 February 2024.
Instructions to the Stock Market Regulation	Instructions accompanying the Rules of the Markets organised and managed by Borsa Italiana S.p.A.
Issuer/Company/Unieuro	Unieuro S.p.A., with its registered office in Forli at via Piero Maroncelli 10, 47121-Forlì (FC).
Issuers' Regulation	The Regulation approved by Consob with Resolution No. 11971 of 1999 on issuers, as subsequently amended and supplemented.
Italian Consolidated Finance Act/TUF	Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented.

MAR	Regulation (EU) No.596/2014 on market abuse as subsequently amended and supplemented.
Related-Party Committee	The committee for related party transactions, set up within the Board of Directors pursuant to the Consob Related Parties Regulation.
Remuneration and Appointments Committee	The committee set up within the Board of Directors in compliance with the Recommendations of the Corporate Governance Code.
Remuneration Report	The report concerning the policy for remuneration and recompense paid prepared pursuant to art. 123-*ter* TUF and art. 84-*quater* of the Issuers' Regulation.
Report	The present Report on Corporate Governance and Proprietary Shareholdings that the companies are required to draw up, pursuant to art. 123-*bis* TUF.
Self-Regulation Code	The Self-Regulation Code for listed companies approved in July 2018 by the Corporate Governance Committee (and approved by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria).
Shareholders' Meeting	The Company Shareholders' Meeting.
Stock Market Regulation	The Regulation of the Markets organised and managed by Borsa Italiana S.p.A.
Sustainability Committee	The internal committee of the Board of Directors established in compliance with the Recommendation 1 lett. a) of the Corporate Governance Code.
Trading Start Date	The first day on which the shares of Unieuro were traded on the Electronic Stock Exchange STAR Segment (now Euronext STAR Milan), organised and managed by Borsa Italiana S.p.A., i.e. 4 April 2017.

2. INTRODUCTION

Since 4 April 2017, Unieuro ordinary shares have been traded on the Euronext STAR Milan market – STAR segment – organised and managed by Borsa Italiana S.p.A.

This report on corporate governance and proprietary shareholdings ("**Report**") aims at providing a general and complete overview of the corporate governance system adopted by Unieuro S.p.A. ("**Unieuro**" "**Company**" or "**Issuer**").

Unieuro adheres to the Corporate Governance Code in force as at the date of the Report and applicable to the financial year 2021/2022, which is accessible to the public on the website of the Corporate Governance Committee at the following page: https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf.

In compliance with the legal and regulatory[1] requirements on this topic in line with the guidelines and recommendations of Borsa Italiana S.p.A. ("**Borsa Italiana**"), this Report contains information on the proprietary shareholdings and on Unieuro's adherence to the Corporate Governance Code, explaining the choices made in the application of the self-regulatory principles, as well as the corporate governance practices actually applied and following the indications referred to in the "Format for the Report on Corporate Governance and Proprietary Shareholdings" drawn up by Borsa Italiana (Edition IX January 2022).

Please note that, in the Management Report which forms a part of Unieuro's Annual Financial Report relating to the 2023/2024 year[2], there is a chapter on Governance which describes the corporate governance system of Unieuro whereas for further information on the topic of remuneration, we invite you to view the Report concerning remuneration and recompense paid, published in the manner and within the timescales envisaged by current legislation.

The information contained in this Report relates to the financial year ended 29 February 2024 and, in relation to specific issues, has been updated to the date of the Board of Directors that approved it.

The Report was approved by the Board of Directors on 10 May 2024 and can be consulted on the Company's corporate website www.unieurospa.com, in the Section "Corporate Governance / Shareholders' Meeting / Shareholders' Meeting 2024".

[1] Art. 123-*bis* TUF.
[2] Published on the Company's corporate website: www.unieurospa.com, in the section "Investor Relations / Reports".

1. ISSUER PROFILE

Today Unieuro is the Italian market leader in the distribution of consumer electronic products and household appliances. The Group[3] operates as an integrated omnichannel distributor in four main product segments: Grey (telephony and computer), White (large and small domestic appliances), Brown (consumer electronics), other products (consoles, video games, bicycles), offering in parallel a wide range of services such as delivery and installation, extended warranty, repair services and consumer financing. With the acquisition of the Covercare Group, completed in December 2023, Unieuro strengthened its market leadership through an even more comprehensive and integrated offer of products and services, accompanying customers before, during and after purchase. For more details regarding the acquisition, please refer to the Annual Financial Report submitted to the Shareholders' Meeting on June 20, 2024.

As of the date of this Report, Unieuro is operating on a national scale through the following distribution channels: (i) its retail channel consisting of 271 stores distributed throughout city centres and in high-affluence shopping centres located mainly in northern and central Italy; (ii) its online channel strengthened by the unieuro.it digital platform; (iii) its indirect channels consisting of 254 sales outlets managed by third-party associated businesses; (iv) its business-to-business channel focused on wholesale sales to professional clients.

The Issuer's business model is based on an omnichannel business strategy, enabling it to exploit the opportunities of integration between physical sales outlets and the online channel. Therefore, the Issuer operates as a single Strategic Business Unit within which all services and products offered flow together. This approach is supported: (i) by the model of operational control of the Issuer which considers the entire business as a whole, irrespective of individual distribution channels, product lines, or geographic spread, and (ii) by the capillary network of sales outlets, which is distributed over the territory both in terms of location, following the principle of proximity and closeness to customers, as well as in functional terms, using different formats at the individual sales outlets in order to satisfy the preferences of each customer category.

The Company's goal is to create a personalised shopping experience aimed at eliminating the spatial limits of individual physical sales outlets and at rebuilding individual customer preferences.

The Company has adopted a corporate governance system in line with the legal and regulatory provisions applicable to it: the central role of the Board of Directors and the objectives of proper management of any eventual situations of conflict of interest, as well as of efficiency of the internal control system and of transparency in relation to the market are highlighted.

Unieuro adopts a so-called 'traditional' management system, which enhances the role of the Board of Directors as an executive body, whereas the audit function is delegated to the Board of Statutory Auditors. The governance structure and the overall organisational structure are also in line with the goals of maximising management efficiency and creating ever greater value for all shareholders.

The Company's corporate bodies are the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors. The powers and operating methods of the corporate bodies are governed by law, by the Articles of Association, the Shareholders' Meeting Regulation, the Board of Directors' Regulation and by the resolutions adopted by the appropriate bodies, as the case may be.

The Board of Directors has set up four internal committees with consultative and proposal functions, being the Remuneration and Appointments Committee, the Control and Risk Committee, the Sustainability

[3] The Unieuro Group (hereinafter also the "Group" or the "Unieuro Group") consists of the companies Unieuro S.p.A. and Covercare S.p.A., along with its subsidiaries Covercare Center S.r.l. and Cybercare S.r.l. (hereinafter also the "Covercare Group"), consolidated as of December 4, 2023, and Monclick S.r.l. in liquidation.

Committee, and the Related Party Transactions Committee to which the tasks and functions provided for by Corporate Governance Code and, as for the Related Parties Transactions Committee, also by Consob Related Parties Regulation are entrusted.

By resolution adopted on 12 December 2016, the Shareholders' Meeting of the Issuer conferred on the Independent Audit Firm the mandate to undertake the statutory audit of the financial statements for the financial years ending from 28 February 2017 to 28 February 2025 pursuant to arts. 14 and 16 of Legislative Decree No. 39 of 27 January 2010 and for the auditing tasks limited to the interim half-year financial statements for the half-year periods ending from 31 August 2017 to 31 August 2024. Taking into consideration the further activities requested by the Independent Auditors as a result of, inter alia, the acquisition of the equity investment in Monclick S.r.l. in liquidation, the Issuer appointed the Independent Auditors to conduct the statutory audit of the consolidated financial statements for the financial years ending from 28 February 2017 to 28 February 2025, and the limited audit of the abbreviated, half-year consolidated financial statements for the half-years ending between 31 August 2017 and 31 August 2024[4].

The Issuer's ordinary shares have been traded on the Euronext STAR Milan market, as of 4 April 2017.

The "sustainable success" objective is that which guides the actions of the Board of Directors. The growing focus on the interdependency between company success and its role in social issues has led Unieuro to adopt a strategic approach to sustainability, mindful of the importance thereof as an essential asset for the Company's competitiveness in the medium-long term and as a tool for creating value to the benefit of shareholders that takes into account the interests of other key stakeholders.

In order to fully integrate environmental, social and governance factors into the Group's business model and strategies (see Section 4.1 below), into its remuneration (see Section 8 below) and into the system of internal control and risk management (see Section 9 below), a Sustainability Plan (2022-2026) has been drawn up. As further confirmation of the increasing relevance of sustainability, the new "Beyond Omni-Journey" strategic plan establishes "responsible innovation" as an enabling and cross-cutting factor in the value creation process.

At the governance level, following the establishment in late 2020 of the intra-board Sustainability Committee (see Section 6 below), the creation of the Sustainability and M&A Department and the establishment of a cross-functional Sustainability Committee in 2021, to formalise the Group's commitment in the ESG field and render the Group's approach to sustainability more organic and structured, a four-year Sustainability Plan based on over 30 projects was drawn up in May 2022. The development of this plan will contribute to the gradual integration of sustainability into the Group's business activities, organisation and corporate culture. Its timeframe coincides with that of the Strategic Plan. In addition to being the principal management tool for planning and supervising those projects linked to sustainable matters, said Plan also offers a set of possible performance indicators as may become future sustainability targets to which the medium-long term remuneration of company management is linked.

For more information on these initiatives, the activities carried out and the progress thereof in the remit of sustainability, please refer to the Consolidated Non-Financial Statement ("**NFS**") drawn up as required pursuant to Legislative Decree No. 254/2016 and available on the Company's corporate website in the section "Corporate Governance / Shareholders' Meetings / Shareholders' Meeting 2024".

It should be noted that, as of the date of this Report, also for the purpose of applying certain rules on

[4] The Board of Directors has decided to submit the appointment of the Group independent audit firm for the financial years from 1 March 2025 to 28 February 2034 to the Shareholders' Meeting called to approve the 2024 financial statements, one year ahead of the expiration of the current external auditor's mandate.

corporate governance and proprietary shareholdings envisaged by the TUF, Unieuro falls within the definition of small and medium-sized enterprises (SME) pursuant to art. 1, para. 1, lett. w-*quater*.1) TUF and art. 2-*ter* of the Issuers' Regulation[5], as stated in the list published by Consob and last updated in January 2024[6].

With reference to the categories set forth in the Corporate Governance Code, Unieuro – based on its capitalisation and its ownership structure respectively – is not classified as "large company" nor a "concentrated ownership company". Notwithstanding that, Unieuro decided not to take advantage of the flexibility options recognised by the Corporate Governance Code for "non-large" and "non- concentrated ownership" companies, with the sole exception of the Lead Independent Director whom the Board of Directors decided not to appoint, being the conditions set forth in Recommendation No. 13 of the Corporate Governance Code, as detailed in Section 4.8 below, not met.

[5] Pursuant to art. 1, para. 1, lett. w-*quater*.1) TUF, as most recently modified by Law No. 21 of 5 March 2024, "SMEs" are defined as: "without prejudice to the provisions of other legal provisions, small and medium-sized enterprises, issuers of listed shares, whose turnover, including prior to their shares being admitted to trading, is less than Euro 300 million or which have a market capitalisation of less than Euro 1 billion". Issuers of listed shares exceeding both of these limits for three consecutive years are not considered as SME. Consob establishes by regulation the implementing provisions concerning said letter, including the disclosure requirements for such issuers in relation to the acquisition or loss of SME status. Consob publishes the list of SMEs on its website on the basis of the information provided by issuers.

[6]More specifically, for SME classification purposes, Unieuro's values are:

- Capitalisation as at 29 February 2024: Euro 187.9 million.
- Consolidated turnover for the year ended 29 February 2024: Euro 2,634.9 million.

2. INFORMATION ON THE PROPRIETARY SHAREHOLDINGS (PURSUANT TO ART. 123-*BIS*, PARA. 1 TUF)

a) Structure of the share capital (pursuant to art. 123-*bis*, para. 1, lett. a) TUF)

At the date of this Report, the subscribed and paid-up share capital of Unieuro is Euro 4,139,724.20 divided into 20,698,621 ordinary shares with no par value, of which 368,776 shares carry no voting rights - due to their suspension pursuant to art. 2357-*ter*, para. 2 of the Civil Code since they are Company treasury shares - and 20,329,845 shares carrying voting rights.

There are no categories of shares other than ordinary shares[7].

b) Restrictions on the transfer of securities (pursuant to art. 123-*bis*, para. 1, lett. b) TUF)

No restrictions on the transfer of the Company's shares, limits on share ownership or approval conditions to access the shareholding structure are envisaged, with the exception of the 24-month lock-up commitment as regards shares allocated to Executive Directors/Managers with Strategic Responsibilities pertaining to the medium-long term variable incentive plans "2020-2025 Performance Shares Plan" and "2023-2028 Performance Shares Plan".

c) Relevant equity interests in the share capital (pursuant to art. 123-*bis*, para. 1, lett. c) TUF)

Below are the percentages of Unieuro ordinary shares owned at the date of this Report, both directly and indirectly, by shareholders or by parties at the peak of the holding chain who have declared a significant holding threshold (at least equal to 5%) to have been exceeded pursuant to art. 120 TUF and the Consob Issuers' Regulation;

said percentages are updated to the best of the Company's knowledge based on the information available:

Person placed at the top of the shareholding chain	Direct shareholder	No. ordinary shares	% of ordinary share capital	% of voting share capital
Xavier Niel	• Iliad Holding S.p.A. • Iliad SA	2,520,374	12.177%	12.177%
Giuseppe Silvestrini	• Victor S.r.l. • Giuseppe Silvestrini	1.275,395	6.162%	6.162%
Amundi Asset Management	• Amundi Società di Gestione del	1.199,708	5.796%	5.796%

[7] Shares resulting from the latest certification of the share capital filed with the Chamber of Commerce.

	Risparmio S.p.A. • Amundi Asset Management			

Considering this ownership structure, Unieuro clearly constitutes a public company. Unieuro's Board of Directors periodically ascertains its classification as a public company monitoring the existence of any related party control relationships.

d) Securities that confer special rights (pursuant to art. 123-*bis*, para. 1, lett. d) TUF)

No securities that confer special rights of control have been issued. Nor are there any special rights holders as envisaged by the laws and statutory provisions in force.

e) Shareholding by employees: mechanisms for exercising voting rights (pursuant to art. 123-*bis*, para. 1, lett. e) TUF)

There is no mechanism that would exclude or limit the direct exercise of voting rights by the beneficiaries of the incentive plans of the Company, specifically: (i) of the stock option plan of 6 February 2017 entitled “Long Term Incentive Plan 2018-2025”; (ii) of the equity incentive plan of 17 December 2020 entitled “2020 – 2025 Performance Share Plan” and/or (iii) of the equity incentive plan of 21 June 2022 entitled “2023-2028 Performance Share Plan”.

For further information, please see the first section of the Report concerning the policy for remuneration and recompense paid drawn-up pursuant to art. 123-*ter* TUF and made available to the public within the timelines and in the manner provided for by the laws and regulations in force.

f) Restrictions on voting rights (pursuant to art. 123-*bis*, para. 1, lett. f) TUF)

No restrictions on voting rights of shareholders are envisaged save for the terms and conditions governing the right to attend and vote at the Shareholders’ Meeting referred to in Section 13.1 of this Report below and restrictions on voting rights pursuant to art. 2357-*ter*, para. 2 Civil Code (suspended voting rights) on the Company's treasury shares as better described in Section 2 a) of this Report.

g) Agreements between shareholders (pursuant to art. 123-*bis*, para. 1, lett. g) TUF)

At the date of this Report, no agreements between shareholders pursuant to art. 122 TUF have been notified to the Company.

h) Change of control clauses (pursuant to art. 123-*bis*, para. 1, lett. h) TUF) and Articles of Association provisions on the subject of public tender offers (PTO) (pursuant to art. 104, para. 1-*ter* and 104-*bis*, para. 1 TUF)

Change of control clauses

On 3 January 2021, the Company entered into four different medium and long-term revolving cash loan agreements, respectively with: (i) Unicredit S.p.A, for the amount of Euro 50,000,000.00 ("**UCI Credit Line**"); (ii) Intesa San Paolo S.p.A. for Euro 40,000,000.00 ("**ISP Credit Line**"); (iii) Banco BPM S.p.A., for Euro 30,000,000.00 ("**BBPM Credit Line**") and (iv) Credit Agricole Italia S.p.A., for Euro 30,000,000.00 ("**CAI Credit Line**"). Pursuant to such loan agreements, "Change of Control" means:

"the occurrence of any of the following circumstances: (a) one or more persons acting individually or in concert with third parties acquire - whether directly or indirectly - (x) the majority of the voting rights at the ordinary and extraordinary Shareholders' Meetings of the Beneficiary; and/or (y) the right to determine the composition of the majority of the Board of Directors or the equivalent administrative body of the Beneficiary; (b) following the purchase of shares of the Beneficiary on the market, a total public offer on the shares of the Beneficiary is required to be, and is, made.

In the event of a Change of Control, the Beneficiary shall repay the loan in full to the Finance Parties under the Finance Documents together with interest thereon and any other amounts due up to that time, such payment to be made within 5 (five) Business Days of the occurrence of such event, and in any event, the Final Maturity Date shall not be exceeded".

On 1 December 2023, Unieuro entered into an agreement with Banca Nazionale del Lavoro S.p.A. for a one-year cash credit line totalling Euro 40 million, to enable the completion of the Covercare S.p.A. acquisition. Art. 7.3 of the above-mentioned contract reads:

"*(a) The Grantee shall give immediate written notice to the Agent Bank of any Change of Control*.

(b) In the event of a Change of Control, the Available Equity Units shall be automatically and fully cancelled and no longer available, and the Grantee shall repay the Use in full within 5 Business Days of the notice referred to in Section (a) above or the date on which a Financial Party otherwise became aware of the Change of Control.

(c) For the purposes of this Contract "Change of Control" means the occurrence of even one of the following circumstances:

(i) a person (or persons acting in concert pursuant to art. 101-bis *of the TUF) acquires control (including pursuant to art. 93 of the TUF) of the Grantee;*

(ii) a person (or persons acting in concert pursuant to art. 101-bis *of the TUF) is obligated to make a mandatory public tender offer for the shares of the Beneficiary*."

Without prejudice to the above, the Company, within the remit of its commercial activities, is party to trade agreements which, as is customary (*i.e.,* business leases, real estate leases, supply agreements etc.), include the right for one or both parties to terminate or withdraw from the agreement, if there is a direct or indirect change in control involving the other party.

Articles of Association provisions on the subject of public tender offers

The Issuer's Articles of Association do not contain provisions that derogate from the passivity rule set forth in art. 104, paras. 1 and 1-*bis* TUF nor provisions that provide for application of the neutralisation rules provided for in art. 104-*bis*, paras. 2 and 3 TUF.

i) Delegated powers to increase the share capital and authorisations to acquire treasury shares (pursuant to art. 123-*bis*, para. 1, lett. m) TUF)

At the Extraordinary Shareholders' Meeting held on 17 December 2020, the Shareholders resolved, that the Board of Directors be granted powers pursuant to arts. 2443 and 2349 Civil Code to increase the share capital on a gratuitous basis for a period of five years to run as of the date of the relative resolution, in order to implement the "2020-2025 Performance Share Plan". It was envisaged that such capital increase may take place in one or more tranches up to a maximum amount of Euro 180,000.00 to be imputed in full to capital by way of a new share issuance of up to 900,000 ordinary Unieuro Shares with no express indication of their par value. Such new shares will have the same characteristics as the Unieuro ordinary shares already in circulation and carry regular dividend rights. A commensurate maximum amount of the profits/profit reserves reported in the last financial statements approved from time to time was to be earmarked to that end, within the term, on the conditions and in the manner provided for in the "2020-2025 Performance Share Plan".

On 14 October 2021, the Board of Directors made a partial exercise of said powers as were granted at the Extraordinary Shareholders' Meeting of 17 December 2020, and resolved to increase the share capital on a gratuitous basis by Euro 1,750.00 by issuing 8,750 ordinary shares, with no express indication of par value. Such shares have the same characteristics as those already in circulation and carry regular dividend rights in favour of Mr. Italo Valenti (who held office as Chief Financial Officer until 1 June 2021) as beneficiary of the 1st Cycle of the 2020-2025 Performance Share Plan.

At the Extraordinary Shareholders' Meeting held on 21 June 2022, the Shareholders resolved, that the Board of Directors be granted powers pursuant to arts. 2443 and 2349 Civil Code to increase the share capital on a gratuitous basis for a period of five years to run as of the date of the relative resolution, in order to implement the "2023-2028 Performance Share Plan". It was envisaged that such capital increase may take place in one or more tranches up to a maximum amount of Euro 180,000.00 to be imputed in full to capital by way of a new share issuance of up to 900,000 ordinary Unieuro Shares with no express indication of their par value. Such new shares will have the same characteristics as the Unieuro ordinary shares already in circulation and carry regular dividend rights. A commensurate maximum amount of the profits/profit reserves reported in the last financial statements approved from time to time was to be earmarked to that end, within the term, on the conditions and in the manner provided for in the "2023-2028 Performance Share Plan".

Without prejudice to the foregoing, as at the date of this Report, no Director has been granted powers to make a capital increase in one or more tranches, nor is any Director empowered to issue convertible bonds, whether for ordinary shares or savings yielding share option rights.

On 22 June 2023, the Shareholders' Meeting authorised the Board of Directors to purchase, on one or more occasions, subject to revocation of the previous authorisation granted by the Shareholders' Meeting on 21 June 2022 for the portion not executed, a maximum of 2,000,000 Unieuro ordinary shares, it being understood that (i) purchases would cease once they reach in total the limit of 2,000,000 Unieuro ordinary shares, this being understood as an absolute maximum limit to purchases, and which therefore would remain unchanged even in the event of sale or use of treasury shares in portfolio; and in any case (ii) the number of ordinary shares from time to time held in the Company's portfolio and that of its subsidiaries may not in any case exceed 10% of the Company's pro tempore share capital, in accordance with the provisions of art. 2357, para. 3 of the Civil Code. The authorisation envisaged that: Such buy back would be effected within 18 (eighteen) months of the date the resolution was passed and in any manner envisaged by the combined provisions of art. 132 TUF and art. 144-*bis* Issuers' Regulation, taking into account the specific exemption provided for by para. 3 of art. 132 TUF and, in any case, in any other manner permitted by the legal and regulatory provisions in force from time to time. Said authorisation was also required to take into account the procedures and operating limits of the MAR, including market practices permitted pursuant to art. 13 MAR, the Delegated Regulation (EU) No. 1052 of 8 March 2016 ("**Delegated Regulation**") and the applicable general and sector legislation (including the provisions referred to in Regulation (EU) 2019/2115 or provided for by Consob or ESMA).

The shares' purchase unit price was to be for consideration not lower than a minimum of 10% and not higher than a maximum of 10% of the share reference price recorded in the trading session on the stock exchange of the day preceding each individual transaction or in the trading session on the day preceding the date of announcement of the transaction, depending on the technical modalities identified by the Board of Directors. Any such buy back was to be in compliance with applicable EU law and accepted applicable market practices from time to time. Moreover, the shares' purchase price was required to comply with the provisions of art. 3 para. 2 of the Delegated Regulation which, with reference to the date on which the Explanatory Report of the Board of Directors was presented to the Shareholders, refers to a price not higher than the higher of the price of the last independent trade and the then highest current independent purchase bid on the trading venue where the purchase is carried out or in conformity with the regulations in force from time to time.

In this regard, it should be noted that on 11 November 2021, in execution of the authorisation granted by the Shareholders' Meeting of 17 December 2020, the Board of Directors resolved to begin a treasury share purchase program as a result of which Unieuro came to hold 600,000 treasury shares. In FY 2023/24, the company assigned and granted 231,224 shares to the recipients of the 2020-2025 Performance Shares Plan, on the basis of the achievement of the first cycle targets set out in that plan. Therefore, at 29 February 2024, 368,776 treasury shares were held, accounting for 1.78% of the share capital.

For further information on the above matter, please refer to the Information Documents for the Plans and the Explanatory Reports published by the Company in the section concerning the respective Shareholders Meeting.

j) Management and coordination activities (pursuant to arts. 2497 et seq. Civil Code)

On 12 December 2016, the Board of Directors deemed that the Company was no longer subject to management and coordination activities, as contemplated under arts. 2497, *et seq*. Civil Code, by International Retail Holding S.à.r.l. and decided to expressly declare this circumstance, also in fulfilment of the required disclosure formalities. In particular, on 12 December 2016, the Issuer's Board of Directors deemed that: (i) the main decisions relating to management of the Issuer's company are made within the Issuer's own bodies; (ii) the Issuer's Board of Directors is responsible, inter alia, for examining and approving the Issuer's strategic, industrial and financial plans and budgets, examining and approving the Issuer's financial and credit access policies, examining and approving the Issuer's organisational structure, assessing the adequacy of the organisational, administrative and accounting structure of the Company; (iii) the Issuer operates in full autonomy with respect to the management of relations with customers and suppliers without any interference from entities outside of the Issuer; (iv) International Retail Holding S.à.r.l. does not perform any centralised cash management function for the Issuer.

By virtue of a reverse merger transaction that took place during the financial year ending 28 February 2018, International Retail Holdings S.à.r.l. was merged by incorporation into Italian Electronics Holdings S.à.r.l. (“**IEH**”).

Following the accelerated bookbuilding procedure carried out on 6 September 2017 by IEH and the demerger, the stake held by IEH in Unieuro decreased from 65.492% to 33.815%.

During the financial year to 28 February 2018, Italian Electronic Holdings S.r.l. moved its registered office to Luxembourg, assuming the status of a company incorporated under Luxembourg law and the new name of Italian Electronics Holdings S.à.r.l.

On 13 November 2019, IEH carried out a further accelerated bookbuilding procedure, disposing of 16.25% of the Company's existing share capital to institutional investors. On 22 January 2020, IEH disposed of the remaining 17.6% of its capital to institutional investors, through an analogous accelerated bookbuilding process, as a consequence ceasing to be a Company shareholder.

On 13 April 2022, the Board of Directors confirmed to the extent it is able, that the Company is not subject to any management or coordination pursuant to arts. 2497 *et seq*. Civil Code.

Thereafter, on 24 June 2022 and on 15 December 2022, the Board of Directors noted that the Company is not subject to control pursuant to art. 93 TUF or management and coordination activities pursuant to arts. 2497 et seq. Civil Code.

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The Issuer specifies that:

- the information required by art. 123-*bis*, para. 1, lett. I) of TUF ("*agreements between the company and the Directors (...) that provide for compensation in the event of resignation or dismissal without just cause or if the employment relationship ceases as a result of a public tender offer*") are described in the Report concerning the policy of remuneration and recompense drawn up pursuant to art. 123-*ter* TUF;
- the information required by art. 123-*bis*, para. 1, lett. l), first part TUF ("*the rules applicable to the appointment and replacement of Directors […], if different from the applicable supplementary legislative and regulatory rules*") is described in the section of the Report dedicated to the Board of Directors (Section 4.2);
- the information required by art. 123-*bis*, para. 1, lett. I), second part TUF (in relation to “*the rules applicable […] to the amendment of the Articles of Association, if different from the laws and regulations applicable by way of substitution thereof*") are explained in the section of this Report devoted to the Shareholders' Meeting (Chapter 13 below).

3. COMPLIANCE (PURSUANT TO ART. 123-*BIS*, PARA. 2, LETT. A TUF)

This Report has been prepared also taking into account the guidelines in the “Format for the Report on Corporate Governance and Proprietary Shareholdings” developed by the Borsa Italiana (Edition IX January 2022).

On 18 March 2021, the Board of Directors of Unieuro approved the adoption of the new Corporate Governance Code - accessible to the public on the website of the above-mentioned Corporate Governance Committee at the page: https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf - in force at the date of this Report and which became applicable commencing as of the first financial year starting after 31 December 2020 (in Unieuro's specific case, starting from 1 March 2021).

This Report contains details of decisions taken by Unieuro's Board of Directors in compliance with the principles of the Corporate Governance Code.

The rules contained in the Articles of Association, the specific Shareholders' Meeting Regulations, the Board of Directors' Regulation and the Regulations of the Board Committees are an integral part of, and complete, the Company's corporate governance system.

The Issuer is not subject to any non-Italian law provisions that affect the corporate governance structure.

4. BOARD OF DIRECTORS

4.1. Role of the Board of Directors

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary administration and management of the Company and has the power to perform all the acts deemed necessary and useful for the achievement of the corporate purpose, with the exception of the powers reserved by law and the Articles of Association to the Shareholders' Meeting.

Pursuant to the regulations in force for companies with shares listed on regulated markets and in accordance with the recommendations of the Corporate Governance Code, the Board of Directors plays a central role in the Company's governance system and is responsible for determining and pursuing the Company's strategic objectives, as well as verifying the existence of the controls necessary to monitor the Company's performance.

The Board of Directors guides the company by pursuing sustainable success in the development of its strategic plan, taking into consideration the impact on the environment, shareholders, consumers and all other stakeholders who are affected by the conduct of the Company and the Group. To confirm the close link between Unieuro's business and ESG issues, the Board of Directors, after consulting the Sustainability Committee, approved a four-year Sustainability Plan on 11 May 2022. The "Beyond Omni-Journey" Strategic Plan, approved by the Board of Directors at its meeting on 9 May, 2023, recognises "responsible innovation" as an enabling factor because of its cross-cutting nature and confirms the four areas of commitment (Community, Culture, Sustainable Innovation, and Talents) set out as ESG guidelines and the basis for the projects in the 2022-2026 Sustainability Plan.

During the 2023-2024 financial year and in any case up to the date of this Report, the Board of Directors was also called upon to approve, subject to the opinion of the Sustainability Committee (i) the updating of the materiality analyses, to identify the most relevant issues in the ESG area both from the point of view of the Group and of internal and external stakeholders as well as (ii) the Consolidated Non-Financial Statement ("**NFS**"), subject to the opinion of the Sustainability Committee.

Furthermore, in order to pursue the sustainable success of the Company, the Board of Directors, has identified non-financial objectives within the remit of the Remuneration Policy to which part of the variable component of remuneration is linked, both in the short and medium-long term, related to ESG issues.

With reference to the Remuneration Policy and the Sustainability Committee, please refer to the respective Chapters of this Report.

To date, the current corporate governance system adopted by the Company has been deemed by the Board to be appropriate with respect to its size and needs. No changes in the corporate governance system are planned to be submitted at the Shareholders' Meeting.

The Board is updated and supervises the way information is managed vis a vis the financial community. Furthermore, it should be noted that - in line with the provisions introduced by the Corporate Governance Code - the Board of Directors has adopted, on the proposal of the Chairman, in agreement with the Chief Executive Officer and subject to the favourable opinion of the Sustainability Committee, its Policy for the management of dialogue with shareholders and other Interested Parties (for further details see Section 12 of this Report).

In accordance with art. 16 of the Articles of Association, the Board of Directors is vested with all powers for the ordinary and extraordinary management of the Issuer. The Board of Directors is also responsible for adopting resolutions concerning: (i) mergers in the cases envisaged by arts. 2505 and 2505-*bis* Civil Code according to the terms and conditions described therein; (ii) the opening and closing of secondary offices; (iii) the designation of the Directors duly authorised to represent the company; (iv) a reduction in the share capital in the event of withdrawal of a shareholder; (v) amendments to the Articles of Association to comply with laws and regulations; and (vi) the relocation of the registered office within Italy.

In accordance with the provisions of the Corporate Governance Code, on 20 December 2021 the Board of Directors adopted its own regulations governing, *inter alia*, the duties of the management body, which include:

- examination and approval of the strategic, business and financial plans of the Company and of Unieuro Group, with the possible support by a committee entrusted with analysis of matters that are relevant to the generation of long-term value;
- periodic verification of the implementation of the business plan and assessment of general management performance, periodically comparing the results achieved with those planned;
- determination of the nature and level of risk compatible with the Company's strategic objectives, including in its evaluations all elements as may be relevant, with a view to creating long-term value for the benefit of shareholders, taking into account the interests of other stakeholders that are material to the Company;
- determination of the corporate governance system most suitable for carrying out business activity and pursuing the strategies of the Company and of Unieuro Group, as well as the assessment of the adequacy of the organisational, administrative and accounting structures of the Company and of any subsidiary companies having strategic importance, with particular reference to the Internal Control and Risk Management System;
- passing of resolutions on transaction of the Company and its subsidiaries that have a significant strategic, economic, equity or financial importance for the Company, as shall be identified according to criteria decided by the Board of Directors from time to time;
- adoption of regulations, procedures and internal policies deemed necessary or appropriate for the organisation of the company, or for compliance with the Law or to makes adjustments in line with the Code, including, by way of example: (i) one or more regulations setting forth the operative rules of the Board of Directors and its committees; (ii) the procedure for internal management and disclosure of insider information pursuant to the Law; (iii) a policy for the management of dialogue with all shareholders.

Throughout the Financial Year and in accordance with the provisions of the Corporate Governance Code, the Board followed up on the Company's five-year Strategic Plan approved on 9 May 2023, and duly commenced its evaluations concerning updates thereto. The Board resolved to approve the annual budget as well as those corporate transactions having a significant strategic, economic, capital or financial importance for the Group; moreover, the Board has been kept updated on issues of a strategic nature or in any case relevant to business development, by way of dedicated in-depth sessions and a periodic comparison between results achieved and those planned. As of this Report date, the Board has not established any general criteria for identifying transactions that have a significant strategic, economic, capital or financial impact on the Issuer. All transactions beyond the remit of the powers conferred upon the Executive Director are subject to approval by the Board of Directors.

The Board, with the support of the Control and Risk Committee, has laid down the guidelines for the Internal Control and Risk Management System in line with the Company's strategies. Said Board has assessed the adequacy of the system with respect to the characteristics of the company and the risk profile assumed, as well as its effectiveness and the adequacy of the organisational, administrative and accounting structures of the Issuer drawn up by the Chief Executive Officer.

4.2. Appointment and replacement of Directors (pursuant to art. 123-*bis*, para. 1, lett. l) TUF)

Pursuant to art. 12 of the Articles of Association, the management of Unieuro is conferred to a Board of Directors consisting of an odd number of members not less than 7 (seven) and not more than 15 (fifteen). The Shareholders' Meeting determines the number of Board members from time to time, prior to their appointment. Within the limits indicated above, the Shareholders' Meeting may increase the number of Directors including during the term of office of the Board of Directors; the term of office of the additional Directors thus appointed cease as per the term of those already in office. Directors remain in office for the term set by the shareholders' resolution appointing them, subject to a maximum of 3 (three) financial years. Directors are re-eligible for office.

The members of the Board of Directors must meet the requirements of professionalism and integrity provided for by the rules and regulations in force. A minimum number of Directors not less than that established by the regulation in force *pro tempore* should satisfy the requirements of independence established by the Corporate Governance Code, without prejudice to the fact that at least 2 (two) Directors, in addition to the Chairman of the Board of Directors, satisfying the requirements of independence established by the law and by the regulatory provisions and/or by the Corporate Governance Code of listed companies should be part of the Board of Directors ("**Independent Director**" or "**Independent Directors**"). A failure to fulfil such prerequisites shall cause the Independent Director to forfeit his/her office. A failure to fulfil the prerequisite of independence prescribed by art. 148, para. 3 TUF on the part of an Independent Director shall not cause him/her to forfeit the office to the extent that the prerequisites are in any event still met by the minimum number of Independent Directors who, according to the rules in force, must meet such requirement. Independent Directors are required to maintain independence for the duration of their term of office and in any event to inform the Board of Directors without delay as to any eventual intervening loss of the requirements of independence.

In accordance with the provisions of art. 147-*ter* TUF, the Company's Articles of Association provide for the appointment of Directors through the list-vote mechanism.

Art. 13 of the Articles of Association provide that lists may be submitted by the Board of Directors in office and the shareholders who hold, whether individually or jointly with others, the share capital percentage established by law or regulations in force from time to time (4.5%, pursuant to the Consob Management Deliberation No. 98 of 22 March 2024).

The lists are filed within the time limits provided for by the *pro tempore* rules in force as shall be indicated in the notice of call, at the registered office of the Company or otherwise by such remote means of communication as may be indicated in the notice of call.

The following shall be submitted together with the lists, it being specified that any changes as may occur prior to the actual date of the Shareholders' Meeting shall be promptly notified to the Company: (i) information as to the shareholders who have submitted the list and indication of the percentage of share capital held; (ii) a statement by shareholders other than those who hold, including jointly, either a controlling interest or a relative majority, attesting to the absence of any connected relationships with the latter, even if indirect, within the meaning of the *pro tempore* rules, including regulatory rules, in force; (iii) the candidates' *curriculum vitae* as well as a declaration by which each candidate attests, under his or her responsibility, that there are no grounds of ineligibility and conflict of interest, and confirms fulfilment of the prerequisites for their respective posts; (iv) indication of the management and control posts held in other companies and any indication of suitability for qualification as Independent Director in accordance with the rules in force and the codes of conduct relating to corporate governance that may eventually be adopted by the Company; (v) a statement by which each candidate accepts his or her own candidacy; (vi) any other further or differing statement, report and/or document as provided for by the *pro tempore* rules, including regulatory rules, in force, including a declaration of any relationship with the "relative majority" shareholder.

Election of the Board of Directors shall be carried out according to the following criteria:

a) members making up five-sevenths of the members up for election, as this number may be rounded down in the case the result is a fractional number, shall be taken, based on the progressive order in which they were listed, from the list that obtained the highest number of votes ("majority list");
b) the remaining Directors will be taken from the other lists ("minority lists"), and to that end, votes for each of the minority lists shall be divided by one, two, three, four and so forth according to the number of Directors to be elected. The ratios thus obtained shall be applied sequentially to the candidates on each of these lists in the progressive order envisaged therein. The ratios thus attributed to the candidates on the various lists shall be ranked in descending order. The Directors elected shall be those obtaining the highest ratios. In the event of a ratio tie between candidates, the elected candidate shall be taken from the list from which no Director has yet been elected or from that which the lowest number of Directors has been elected.

If no Director has yet been elected from said lists or if there is a tie between the number of Directors voted on in relation to the lists, then the candidate obtaining the highest number of votes on such lists shall be elected. In the event of a tie in terms of both list vote and ratio, then a Shareholders' Meeting shall be called to vote on the election and the candidate who obtains a simple majority of votes shall be deemed elected. The above procedure is subject to the requirement that at least one Director must be taken, if put forward and voted on, from a list submitted by shareholders who have no connection, whether directly or indirectly, with those who presented or voted on the list that obtained the majority of the votes cast.

In the event the majority list contains an insufficient number of candidates to cover the seats to be filled in accordance with the above paragraphs, notwithstanding application of the election mechanism above: (i) all candidates on the majority list; and (ii) the residual candidates, taken from the minority list which is second in terms of the number of votes required to complete the Board of Directors according to the progressive order indicated therein, shall be deemed elected.

If it is not possible to complete the Board of Directors in the manner described above - thus the minority list that is second based on number of votes leads to a number of candidates lower than that required, the remaining Directors shall be taken from the other minority lists in descending order starting with the highest voted first and moving down to the next lists as the candidates are exhausted in the preceding list based on number of votes.

If, after the voting and the application of preceding paragraphs, gender balance and/or the independence requisites are not met as provided for under the applicable legislation and regulations, the necessary number of elected candidates shall be excluded and substituted by candidates from the under-represented class in progressive order of their listing, as shall be taken from the same list on which the excluded candidates appear. Replacements shall be made with reference firstly to those belonging to the under-represented gender and secondly to those in possession of the independence requisites. This replacement mechanism shall be firstly applied in sequential order, to the lists from which no Director of the missing class has been chosen, starting with that which has obtained the most votes. Should this process not be sufficient or should all the lists submitted list at least one Director in possession of the requisites of the missing class, the replacement shall be applied, in sequential order, to all the lists, starting with that which received the most votes. Within the lists, the replacement of excluded candidates shall be effected starting from the candidates having the highest progressive number. The replacement mechanism is not operative in relation to candidates taken from lists that put forward fewer than three candidates.

If only one list is submitted, the entire Board of Directors shall be elected from that list in accordance with applicable legislation and regulations. If no list is submitted, the Shareholders' Meeting will shall resolve on the appointment by statutory majority.

In all those cases in which, as a result of the application of the preceding provisions: (a) it is not possible to complete the Board of Directors and/or (b) gender balance is not achieved or an insufficient number of Directors in possession of the independence requisites are elected, having regard to the legislation and regulations in force, then the completion or replacement, as the case may be, shall be effected pursuant a resolution passed at the Shareholders' Meeting by simple majority on those candidates put to vote individually.

If no lists are submitted or if the entire Board of Directors is not elected, the shareholder at the Shareholders' Meeting shall resolve on a majority vote in accordance with the law, respecting any minimum allotment ratio between genders (male and female) provided by law and regulations.

The list-vote system only applies when the entire Board of Directors is being replaced. If the Board of Directors must, during the course of the financial year, proceed to replace one or more Directors, it shall appoint by co-optation pursuant to art. 2386 Civil Code, ensuring compliance with the requirements of law and of the Articles of Association regarding the composition of the board.

It is noted that the Issuer is not subject to any further provisions regarding the composition of the Board of Directors in accordance with the rules provided for by the TUF.

Lastly, it should be noted that, in terms of gender balance, on 1 January 2020 the provisions of the Budget Law 2020 entered into force amending arts. 147-*ter*, para. 1-*ter*, and 148 para. 1-*bis* TUF. In particular, as concerns the renewal of corporate bodies that occurs subsequent to 1 January 2020, this law has: (i) increased the percentage of body members that must be taken up by the under-represented gender from at least one third to at least two fifths; this applies to both the administrative body and the control body; and

(ii) extended the period of validity of this new criteria (minimum two fifths) - from the previous three consecutive terms of holding office - to six consecutive terms of holding office. In addition, it should be noted that, by means of Resolution No. 21359 of 13 May 2020, Consob amended art. 144-*undecies* of the Issuers' Regulation to provide that where the application of gender division criteria does not result in a whole number of members of the administrative body belonging to the under-represented gender, this number shall be rounded up, except for the corporate bodies made up of three members, for which the rounding takes place by default to the lower unit (without prejudice, in other cases, to the criterion of rounding up to the higher unit).

For information on the role of the Board of Directors and Board committees in the processes concerning self-assessment, appointment and replacement of Directors, please see Section 7 of this Report.

4.3. Composition (pursuant to art. 123-*bis*, para. 2, lett. d), d-*bis*) TUF)

The current Board of Directors is made up of eleven members having appropriate diverse professional profiles and skills. Indeed, said Board comprises members from the following areas: business; managers from other sectors; finance; professionals; academia. 7 of the 11 members of the Board are Independent Directors and there are two Executive Directors, namely the Chief Executive Officer and the General Manager. Thus, the number and skills of Non-Executive Directors are deemed such to ensure they have significant weight in the passing of board resolutions and safeguard the effective monitoring of management.

In view of the Shareholders' Meeting of 21 June 2022, which appointed the new Board of Directors, the outgoing Board furnished its guidelines on the quantitative and qualitative composition it deems optimal, in compliance with the recommendations of art. 4 of Recommendation 23 of the Corporate Governance Code, having taken into account the results of the self-assessment process for the financial year 2021-2022 and having heard the Remuneration and Appointments Committee.

The Company disclosed said guidelines to the market well in advance of the shareholders' meeting. More specifically, from 13 January 2022 the document entitled "GUIDELINES FROM THE BOARD OF DIRECTORS OF UNIEURO S.p.A. TO THE SHAREHOLDERS ON THE SIZE AND COMPOSITION OF THE NEW BOARD OFDIRECTORS" (the "**Guidelines**") was available on the Unieuro corporate website to allow Shareholders ample time to select the candidates to be put forward taking into account the results of the prior analyses undertaken by the outgoing Board on the quantitative and qualitative composition considered optimal for effective performance of the Board's duties and responsibilities, providing grounds for any differences with respect to the analyses undertaken by the Board.

Therefore, with reference to said Guidelines, the outgoing Board submitted its own candidates' list in accordance with the envisaged the process on the Company's corporate website.

Considering these Guidelines, the Shareholders resolved at the Shareholders' Meeting held on 21 June 2022:

- to set the number of members of the Board of Directors at 11 (eleven);
- to fix the term of office of the Board of Directors at three business years, thus until such time as the Shareholders' Meeting approves the financial statements for the year ending 28 February 2025;
- to appoint Stefano Meloni as Chairman of the Board of Directors of Unieuro S.p.A., having considered art. 17.1 of the Articles of Association and the Explanatory Report furnished by the Board of Directors.

The composition of the Board of Directors at the closing date of the Financial Year, is as shown in the following table:

STRUCTURE OF THE BOARD OF DIRECTORS AT THE CLOSING DATE OF THE FINANCIAL YEAR

Name and Surname	Office Held	Year of birth	Date of first appointment	In office since	In office until	List (presenters)[8]	List[9]	Executive	Non-Executive	Indep. Code	Ind. TUF	Participation [10]	Nr. of other positions[11]
Stefano Meloni	Chairman	1949	06/02/2017	20/02/2020	Approval of separate financial statements as at 28 February 2025	Board of Directors	M	-	X	X	X	13/13 (100%)	7 (of which 1 relevant)
Giancarlo Nicosanti Monterastelli	Chief Executive Officer (●)	1959	29/01/1998	12/12/2016	Approval of separate financial statements as at 28 February 2025	Board of Directors	M	X	-	-	-	13/13 (100%)	1
Alessandra Bucci	Independent Director	1966	21/06/2022	21/06/2022	Approval of separate financial statements as at 28 February 2025	Shareholders	m	-	X	X	X	13/13 (100%)	4 (of which 1 relevant)

(●): Director in charge of the Internal Control and Risk Management System

[8] This column indicates whether the list from which each Director was drawn was submitted by shareholders (indicating "Shareholders") or by the Board of Directors (indicating "Board of Directors")
[9] This column indicates M/m depending on whether the member was elected from the list voted by the majority (M) or by a minority (m).
[10] This column shows the percentage of Directors' attendance at meetings of the Board of Directors (No. of attendances/No. of meetings held during the effective period of office of the person concerned in the Reporting Year).
[11] This column shows the number of offices held at the date of the Report by the person concerned in other companies compared to those held in UNIEURO. In brackets, if applicable, the offices of Director or Statutory Auditor held in companies of significant size are indicated (meaning: (i) companies with shares listed on regulated markets, including foreign markets; (ii) Italian or foreign banks, insurance companies or financial companies, meaning financial companies that are relevant for the purposes of this guideline, financial intermediaries as defined in art. 106 of Legislative Decree No. 385 1993 (Consolidated Banking Act - TUB) and companies undertakings that provide investment or collective asset management services pursuant to Legislative Decree No. 58 of 1998 (Testo Unico Finanza - TUF) it being understood that, in the case of foreign companies, a substantial equivalence assessment shall be made (iii) other Italian or foreign companies with shares not listed on regulated markets which, although operating in sectors other than those indicated in letter b) above, have a net worth in excess of EUR 10 billion).

Pietro Caliceti	Independent Director	1965	18/06/2019	18/06/2019	Approval of separate financial statements as at 28 February 2025	Shareholders	m	-	X	X	X	13/13 (100%)	1 (of which 1 relevant)
Laura Cavatorta	Independent Director	1964	21/06/2022	21/06/2022	Approval of separate financial statements as at 28 February 2025	Shareholders	m	-	X	X	X	13/13 (100%)	2 (of which 2 relevant)
Paola Elisabetta Galbiati	Independent Director	1958	20/02/2020	20/02/2020	Approval of separate financial statements as at 28 February 2025	Board of Directors	M	-	X	X	X	13/13 (100%)	4 (of which 3 relevant)
Benedetto Levi	Non-Executive Director	1988	15/06/2021	15/06/2021	Approval of separate financial statements as at 28 February 2025	Board of Directors	M	-	X	-	-	13/13 (100%)	4
Daniele Pelli	Independent Director	1983	21/06/2022	06/02/2017	Approval of separate financial statements as at 28 February 2025	Shareholders	m	-	X	X	X	12/13 (92.31%)	7
Maria Bruna Olivieri	Executive Director (General Manager)	1971	21/06/2022	18/06/2019	Approval of separate financial statements as at 28 February 2025	Board of Directors	M	X	-	-	-	13/13 (100%)	1

Giuseppe Nisticò	Non-Executive Director		1979	15/06/2021	15/06/2021	Approval of separate financial statements as at 28 February 2025	Board of Directors	M	-	X	-	-	13/13 (100%)	-
Alessandra Stabilini	Independent Director		1970	18/06/2019	18/06/2019	Approval of separate financial statements as at 28 February 2025	Board of Directors	M	-	X	X	X	13/13 (100%)	5 (of which 5 relevant)

Number of meetings held during the Reporting Year:	**13**
Indicate the quorum required for submission of lists by minority shareholders for the election of one or more members (pursuant to art. 147-*ter* TUF):	**4.5%**

STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR

Name and Surname	Office Held		RPT Committee		Control and Risk Committee		Remuneration and Appointments Committee		Sustainability Committee	
			(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Stefano Meloni	Chairman of the BoD / Non-Executive Director / Independent pursuant to the Code and TUF		-	-	-	-	-	-	-	-
Giancarlo Nicosanti Monterastelli	Chief Executive Officer		-	-	-	-	-	-	-	-
Alessandra Bucci	Non-Executive Director / Independent pursuant to the Code and TUF		5/5 (100%)	M	-	-	-	-	7/9 (77.78%)	M
Pietro Caliceti	Non-Executive Director / Independent pursuant to the Code and TUF		5/5 (100%)	C	-	-	12/12 (100%)	M	-	-
Laura Cavatorta	Non-Executive Director / Independent pursuant to the Code and TUF		-	-	9/9 (100%)	M	-	-	9/9 (100%)	M
Paola Elisabetta Galbiati	Non-Executive Director / Independent pursuant to the Code and TUF		-	-	9/9 (100%)	M	12/12 (100%)	C	9/9 (100%)	M

Benedetto Levi	Non-Executive / Non-Independent Director	-	-	9/9 (100%)	M	-	-	-	-
Daniele Pelli	Non-Executive Director / Independent pursuant to the Code and TUF	-	-	-	-	-	-	9/9 (100%)	C
Maria Bruna Olivieri	Executive Director / General Manager	-	-	-	-	-	-	-	-
Giuseppe Nisticò	Non-Executive / Non-Independent Director	-	-	-	-	-	-	-	-
Alessandra Stabilini	Non-Executive Director / Independent pursuant to the Code and TUF	5/5 (100%)	M	9/9 (100%)	C	12/12 (100%)	M	-	-
Number of meetings held during the Financial Year		5		9		12		9	

(*) This column shows the participation of Directors in committee meetings (number of meetings attended by the Director compared to the total number of meetings the Director could have attended).

(**) This column indicates the status of the Director within the committee: "C": Chairman; "M": member.

Personal and professional characteristics of each Director (art. 144-*decies* of the Consob Issuers' Regulation)

Below is a list of other offices held by the Directors at the date of this Report as well as a brief curriculum vitae for each of them illustrating their personal characteristics, competence and experience gained.

Name and Surname	Company	Office Held
Stefano Meloni	Melpart S.r.l.	Chairman of the Board of Directors
	Populonia Italica S.r.l.	Chairman of the Board of Directors
	Populonia Green Park Sabrl	Chairman of the Board of Directors
	Fondazione di Venezia	Director
	Early Bird	Senior Advisor
	Smart Capital S.p.A.	Chairman of the Advisory Board
	Tozzi Green S.p.A.	Vice Chairman of the Board of Directors
Giancarlo Nicosanti Monterastelli	Pallacanestro Forlì 2.015	Chairman
Pietro Caliceti	Custodia Valore S.p.A.	Director
Paola Elisabetta Galbiati	Illimity Bank	Director
	Arnoldo Mondadori Editore S.p.A.	Director

	Illimity Sgr S.p.A.	Director
	Fondazione Dr. Ambrosoli Memorial Hospital	Director
Benedetto Levi	Iliad Italia S.p.A..	Chief Executive Officer
	Iliad Italia Holding S.p.A.	Chief Executive Officer
	Iliad Customer Care S.r.l.	Sole Director
	Iliad 1 S.r.l.	Sole Director
Alessandra Stabilini	COIMA SGR S.p.A.	Independent Director
	Enel S.p.A.	Independent Director
	Banca Aidexa S.p.A.	Independent Director
	Illy Caffè Società Benefit S.p.A.	Statutory Auditor
	Hitachi Rail STS S.p.A.	Chairman of the Board of Statutory Auditors
Laura Cavatorta	INWIT S.p.A.	Independent Director
	SNAM S.p.A.	Independent Director
Alessandra Bucci	JOIN GROUP S.r.l. – Business Advisory	Chairman of the Board of Directors
	UNIDATA S.p.A.	Director

	Ferrovie dello Stato Italiane S.p.A.	Director
	Cy4gate S.p.A.	Director
Daniele Pelli	"Luiss Guido Carli" University	Director
	Inpiù	Chief Executive Officer
	Editorial Marketing Agency	Chief Executive Officer
	Luiss Alumni Network	Chairman of the Board of Directors
	Luiss Alumni 4 Growth	Chief Executive Officer
	Luxy S.p.A.	Chief Executive Officer
	Askanews S.p.A.	Chief Executive Officer
Maria Bruna Olivieri	Covercare S.p.A.	Chairman of the Board of Directors

STEFANO MELONI

Stefano Meloni graduated in Economics and Business from the Luigi Bocconi University of Milan, where he was also a professor of Extraordinary Finance. He started his career in Citibank N.A. in 1970, holding roles of ever-increasing responsibility both in Italy and abroad, becoming General Manager in Capital Markets and subsequently General Manager of Citibank's activities for Italy. Having created and managed the business and financial banking services for Eptaconsors, he was appointed General Manager of Banco di Sardegna and Montedison, as well as Chairman and General Manager of the Eridania Bèghin-Say Group. In 2001 he founded Hedge Invest SGR of which he was Chairman until 2010. From 2002 to 2004 he was part of the Ferrero Group in the role of Executive Vice President of Ferrero International Luxembourg and Executive Vice President of P. Ferrero & C. Alba. In 2004 he founded Valore Reale SGR of which he was Chairman until 2013. Until 2007 he was Senior Advisor for Italy for CVC Capital Partners and up to 2014 Chairman of GGP (formerly Castelgarden) and President of Sardex up to 2017. He is currently Senior Advisor to Early Bird, a Luxembourg Venture Capital fund for investments in Central Europe and Turkey. During his career he has been a member of the Board of Directors of important and prestigious Italian and international companies, many of which are listed corporations, including Edison, La Fondiaria Assicurazioni, Milano Assicurazioni, Burgo, Banca Mercantile, Bonifiche Ferraresi, Polynt, Barclays Private Equity, as well as Banque de France and the CMF (*Conseil des Marchés Financiers*). Finally, he has been a Director of ABI and a member of technical commissions within this organisation. A former member of the Board of Directors of Unieuro S.p.A. from 2016 to 2019, Mr Meloni also currently chairs the Boards of Melpart S.r.l., Populonia Italica S.r.l. and Populonia Green Park Sabrl and is Vice-Chairman of Tozzi Green S.p.A.

GIANCARLO NICOSANTI MONTERASTELLI

Giancarlo Nicosanti Monterastelli has built his entire career within Unieuro S.p.A. and has been Chief Executive Officer since 2005. Having gained an accounting degree in 1982 he was hired as a member of the administrative staff in the retail sale and distribution of household appliances and consumer electronic goods in the company then known as Sgm Distribuzione S.r.l. In 1986, he moved into the commercial department in the role of Buyer, just four years later becoming Commercial Director. In 2005, in conjunction with the entry of the private equity operator Rhône as a shareholder, Mr Nicosanti Monterastelli was appointed Chief Executive Officer and he guided the company through an intense expansion and development process leading to acquisition of the former UniEuro (2013), listing on the STAR segment of Borsa Italiana in April 2017, obtaining the market leadership position (2019) and the transformation into a public company (2020).

MARIA BRUNA OLIVIERI

Maria Bruna Olivieri was born in Altamura (Bari) 14 February 1971. In 1998, she graduated in Nuclear Physics from the University of Pavia *summa cum laude*.

Initially, she collaborated with the National Institute of Nuclear Physics and the Faculty of Physics of Pavia. As of 2002 she commenced a managerial path strongly focused on corporate digital transformation, first in Unisys Italia and from 2006, in Seat Pagine Gialle.

She has been with Unieuro since September 2015, at first holding the office of Director of the Company's Digital Business Unit, accelerating the growth of the Online Channel and launching digital marketing activities. In 2016, she was appointed Chief Omni-Channel Officer, with duties extended to strategic marketing, mainstream marketing, CRM and information systems.

Since 1 March 2021 she has held the office of General Manager and as such is responsible for all company functions with the exception of Finance, to ensure maximum coordination and development from the omnichannel perspective and to accelerate the ever increasingly essential digital transformation, which is already underway. The Shareholders' Meeting of 21 June 2022 appointed Maria Bruna Olivieri as a member of the Board of Directors of Unieuro S.p.A. On 4 December 2023, following the acquisition of the Covercare Group by Unieuro S.p.A., Maria Bruna Olivieri was appointed Chairman of the Board of Directors of Covercare S.p.A.

PIETRO CALICETI

Pietro Caliceti has practised as a lawyer since 1992. Admitted to represent clients before the Italian Supreme Court, he specialises in corporate and financial law with a particular focus on mergers and acquisitions.

After collaborating with leading Italian law firms, he founded his own firm in 2002, since 2015 Mr Caliceti has been a partner in the law firm Greenberg Traurig Santa Maria.

He has held positions as both Director and Statutory Auditor in numerous companies, including listed Italian and foreign corporations. In addition to his role on the Board of Directors of Unieuro S.p.A., he currently sits on the board of Custody Valore S.p.A., an institution specialised in collateral backed finance.

Mr Caliceti is author of numerous publications on legal matters and in addition to being a lawyer, he is also a writer.

PAOLA ELISABETTA GALBIATI

Paola Elisabetta Galbiati graduated in Business Administration from the Luigi Bocconi University of Milan, where she has been a professor of Corporate Finance since 1996. As of 1994 she has been a chartered accountant and external auditor in Milan.

She practised her professional activity from 1982 to 2005 in Brugger & Associati (formerly Finlexis) as project manager and team leader (also taking on occasional temporary management roles - Chief Executive Officer in Dianos S.p.A. from 2003 to 2005) and from 2005 to 2012 in AlixPartners as Independent Consultant.

Ms Galbiati has previously held administration and control positions in numerous industrial companies including those on regulated markets, such positions including Independent Director of Fullsix S.p.A. (2013-2014), Silver Fir SGR (2016-2017), Servizi Italia S.p.A. (2012-2018), Teze Mechatronics (2013-2018) and Statutory Auditor in Tamburi Investment Partners S.p.A. (2015-2018), Independent Director of Banca Popolare di Milano (2016), Banco BPM (2017-2020) and Banca Akros (2020).

Currently, in addition to her role on the Board of Directors of Unieuro S.p.A., she sits on the board of Illimity Bank S.p.A. (since 2021) Arnaldo Mondatori Editore S.p.A (since 2021) Illimity Sgr (since 2020) and Dr. Ambrosoli Memorial Hospital Foundation (since 2010).

BENEDETTO LEVI

Benedetto Levi gained his degree in Logistics and Production Engineering from the Polytechnic University of Turin and a master’s degree in management from the Ecole Supérieure de Commerce in Paris.

After several experiences in Turin and London, he moved to Paris, where he gained significant experience as a successful entrepreneur and manager: in 2013 he founded ExtraVerso, a startup specialising in the sale of accessories for smartphones, and in 2015 he took on the role of Country Manager Italy and Deputy General Manager International of Captain Train, later acquired by the British group Trainline, European leader in the online sale of train tickets. In 2018, at the age of just 29, he was engaged to manage the Italian launch of telecommunications operator Iliad, taking over as Chief Executive Officer and quickly making it Italy's fourth largest mobile operator.

GIUSEPPE NISTICO'

Giuseppe Nisticò gained a degree in Business Administration from Bocconi University in Milan.

A manager with many years of experience in the telecommunications sector, Nisticò began his career in 2004 at H3G, covering roles of increasing responsibility until becoming Senior Account Manager GDO in 2011, managing in particular the profitable collaboration with its client Unieuro.

In 2017, following the merger between Wind and H3G, he was appointed Head of Large Retail and Special Channel at Wind Tre. After a brief experience in Samsung Electronics Italia as Senior Key Account Manager he joined Iliad Italia in 2018 and was appointed as Head of Distribution & Logistics B2C. Today he holds the position of Sales & Customer Care Director, with responsibility for the management and development of retail sales channels and customer care.

LAURA CAVATORTA

Laura Cavatorta gained a degree in sociology *summa cum* laude from Rome "La Sapienza" University.

In addition to over twenty years' of experience in air transport, in Alitalia between 1995 and 2017 in roles of ever increasing responsibility, including that of Managing Director of Air One, which she brought back to breaking even from 2012 to 2014, she was Transport and Tourism Director of the Rome 2024 Olympic Committee where she broadened her skills to digital innovation, sustainable intermodal mobility and integrated platforms (commercial and operational) for transport and tourism, both from the metropolitan city and country system perspectives.

She currently holds office as Independent Director of Snam S.p.A. and Inwit S.p.A. In addition to dealing with governance and sustainability matters, she follows the B Corps and their sustainable business paradigm and supports gender equality, for the full integration of women in all sectors and at all levels of society.

DANIELE PELLI

Daniele Pelli gained a degree in Economics and Business Management from "Luiss Guido Carli" University Rome.

He joined the askanews team in 2014, responsible for innovation and strategic development and has been its Chief Executive Officer since 2017.

Having held the office of Chairman of the Luiss Graduates Association from 2015 to 2019, he founded the Luiss Alumni 4 Growth investment club in 2019, of which he is still the Chief Executive Officer. It brings together around 100 Luiss alumni and professors and also involves leading investors from the corporate world. Since 2015 he has also been a member of the Board of Directors of "Luiss Guido Carli" University.

Since 2013 he has also held the office of Chief Executive Officer of Inpiù and of Editorial Marketing Agency and, as of June 2022 of Luxy S.p.A. having covered the role of Executive Vice-Chairman in the previous two years.

He has been the Chairman of Luiss Alumni Network since June 2023.

In 2022 he was awarded the honour of Knight of the Order of Merit of the Italian Republic by President Mattarella.

ALESSANDRA BUCCI

Alessandra Bucci is a Senior Manager with over 30 years of experience in marketing, sales and operations. She has worked in the consumer goods (Unilever), pharmaceutical (Bristol Myers Squibb), telecommunications (TIM) and transport (Trenitalia) sectors.

She is currently a strategic consultant for large and medium-sized service companies, a member of the Board of Directors of various companies that are listed or in which Ministry of Economy and Finance has a shareholding, including Unieuro, Cy4gate S.p.A., Ferrovie dello Stato and Unidata S.p.A. She supports the EBRI – Rita Levi Montalcini Foundation in marketing and fundraising activities.

Ms Bucci is a contract professor in International Marketing Management at the La Sapienza University Rome as well as Chairman and Senior Partner of Join Group - Business Advisory, a company which provides corporate strategic and operational consultancy, supporting management in its Sustainability journey, digital transformation and change management.

In her long career, Ms Bucci has acquired skills in marketing, CRM, sales policies, planning, customer experience, income statement management, budgeting, pricing, revenue management, commercial processes, governance and sustainability.

ALESSANDRA STABILINI

Alessandra Stabilini is a lawyer specialised in corporate law, financial market law, banking regulation, corporate governance, and banks in crisis and financial intermediaries.

She was born in Milan on 5 November 1970 and holds a PhD in Commercial Law from the Bocconi University Milan, a Master of Laws from the University of Chicago and a law degree from the University of Milan.

She was an associate professor for various subjects at the University of Milan and currently lectures on corporate governance and corporate social responsibility. Her research activity focuses on company law, corporate governance, corporate social responsibility and sustainability and competition law.

In 2022 she founded her own law firm in Milan, Stabilex Law Firm - Avvocato Alessandra Stabilini, having previously been an equity partner at Advant Nctm Studio Legale and Nctm Studio Legale.

She currently holds various corporate offices as Independent Director and Statutory Auditor in various companies such as Enel S.p.A., COIMA SGR S.p.A., Unieuro S.p.A., Banca Aidexa S.p.A., IllyCaffè S.p.A. Benefit Corporation, Hitachi Rail STS S.p.A.

Criteria and diversity policy in the composition of the Board and corporate organisation

As regards the composition of the Board of Directors, the presence of differentiated and diverse professional backgrounds ensures compliance with the applicable recommendations of the Corporate Governance Code and is assessed annually as part of the self-assessment process.

The outcomes of the board evaluation show a positive assessment was made by the Directors in relation to the size, numerical composition, combination of age, gender and experience and professional and personal characteristics of the members of the Board of Directors. Overall, the Directors considered the Board to have performed sufficient activities during the Reporting Year, duly dealing with relevant business and financial issues, and able to rely on board members having a good mix of skills sets, sharing a willingness of service and united by a sense of commitment and responsibility in carrying out their roles.

For further details on the outcomes of the self-assessment, please refer to the "board evaluation" section of this Report.

Please also note that for the composition of the Committees, in accordance with the Unieuro Board of Directors' Regulation, the Board takes into account the independence requisites, the professional characteristics of Directors and their experience, so that each Committee is made up of members whose skill set and professionalism is deemed adequate for the duties entrusted to the Committee on which they serve. The Board of Directors also takes into account the respect of gender equality and recommends that the chair of its Committees be divided equally between genders.

On 17 April 2023, the Board of Directors, following a prior assessment on the part of the Remuneration and Appointments Committee, evaluated the advisability of adopting a specific policy on the diversity in corporate bodies.

More specifically, during the above-mentioned meeting, the Board of Directors decided, in continuity with the previous year, not to adopt any specific policy on grounds that the suite of legal and regulatory provisions, including those under the Corporate Governance Code, for the composition of the administration, management and control bodies of the Company, allow for the adequate composition of the Board on matters such as gender, age, experience, professional and personal characteristics.

In any event, it should be noted that the Board of Directors is currently made up of 6 members belonging to the most represented gender and 5 members belonging to the under-represented gender.

In the context of protecting and safeguarding human resources, as indicated in the Code of Ethics, diversity and inclusion represent at Unieuro an opportunity for enrichment and innovation fundamental to ensuring that business activities are performed out in a concrete and sustainable manner.

The Issuer is committed to promoting equal opportunities in all aspects of employment relations commencing as of the recruiting stages, ensuring that candidates are selected solely on the basis of their skills, conducting a selection process that is clear, transparent, evidence-based and free of any discriminatory parameters.

For further information, please refer to the Code of Ethics adopted by the Company and made available to the public on the corporate website in the section "Corporate Governance / Corporate Documents and Procedures".

Maximum number of offices held in other companies

The Board of Directors, having considered that:

- each member of the Board of Directors resolves with knowledge of the facts and in autonomy, pursuing the objective of creating value for the Shareholders over a medium to long-term horizon, and - in accordance with the recommendations of the Corporate Governance Code - ensures that he/she gives adequate time and availability for the diligent performance of his/her duties, regardless of the positions held outside Unieuro Group with full awareness of the responsibilities inherent to the office held;
- to this end, prior to accepting office at the Company and notwithstanding the limitations established by the provisions of law and regulations regarding the accumulation of posts, each candidate for the position of Director must carry out an assessment of his/her ability to perform the tasks so assigned

with due attention and effectiveness, taking into account, in particular, the overall commitment required by those posts held outside of the Unieuro Group

deemed it unnecessary to express any stance with regard to the maximum number of administrative posts held by board members in other companies, considering it more appropriate that a check be conducted from time to time, as to the overall number of actually offices held.

Without prejudice to that stated above, on 14 April 2020 the Board of Directors issued its guidance regarding the maximum number of administration and control offices deemed compatible with effective performance of the office of Executive Director or member of one or more Company intra-board committees ("**Guidance**").

On 20 March 2024, the Board of Directors conducted the annual Guidance adequacy survey. Following consultation with the Remuneration and Appointments Committee, the Board updated the Guideline in the text shown below.

Executive Directors of Unieuro, being those Directors holding positions on any of the Company's intra-board committees - may accept and retain the office provided that they believe they can devote the necessary time to ensure the effective performance of their duties. Such evaluation shall take into account both the number and nature of the positions held in the administration and control bodies of the Relevant Companies (as defined below) and the commitment required of them to carry out their further professional activities and corporate offices.

The companies considered as relevant for the purpose of the calculation of the accumulation of positions held in them are:

a) Italian or overseas companies with shares listed on regulated markets;
b) Italian or overseas companies which prevalently operate in the insurance, banking, securities brokerage, asset management or financial sectors, collectively, "Relevant Companies".

The Guidance approved by the Board provides for the following:

a) **those persons holding the role of Executive Director** of Unieuro may hold up to a maximum of two positions as Director or Statutory Auditor in Relevant Companies, in addition to the position held in Unieuro.
b) **Unieuro Directors who are members of the Unieuro intra-board committees** may hold up to a maximum of five positions as Director or Statutory Auditor in Relevant Companies, in addition to the position held in Unieuro.

For the purposes of counting the offices indicated above, any offices held in non-profit entities or companies directly and/or indirectly controlled by or associated with Unieuro are not taken into account.

The Directors are required to provide the Board of Directors an annual update stating the administrative and/or control positions held. The Directors shall promptly inform the Board of Directors in the event the roles held by them exceed the limits indicated.

Should the number of offices actually held exceed the limits set out above, the Board of Directors of Unieuro shall evaluate the situation from the viewpoint of the Company interests and may agree to exemptions (including temporary exemptions), giving reasons therefor.

For completeness, please note that on 23 April 2024, the Board of Directors verified that each Director who is a member of a Committee as well as the Executive Directors comply with said Guidance.

4.4. Function of the Board of Directors (pursuant to art. 123-*bis*, para. 2, lett. d) TUF)

On 20 December 2021, in the context of adjusting corporate governance matters line with the Corporate Governance Code, the Board of Directors adopted a set of procedural rules that set forth their correct functioning ("**Regulations**"), also with a view to ensuring effective management of board information available to the public on the Company's corporate website in the section "Corporate Governance / Corporate Documents and Procedures".

Said Regulations govern the role, organisation and operating methods of the Board of Directors, as well as the main organisational profiles of the Company's corporate governance model, to ensure, inter alia, the effective management of information amongst the corporate bodies. The Regulations further provide that operating procedures of the Committees shall be governed by specific regulations, approved by the Board of Directors upon the proposal of said Committees.

As regards meeting minutes, discussions and relative resolutions shall be recorded in meeting minutes drawn up in the Italian language, signed off by the Chairman and the Secretary (and by the Notary in those cases provided for by law).

Said minutes shall be drawn up as a short-form report of the business discussed and shall set forth: The principal interventions, as shall be summarised by the Secretary and, more specifically, those parts of any illustrations made that are deemed essential supplementary elements to the documentation submitted; the questions and answers deemed apposite to clarify the documentation; any comments deemed relevant or which are specifically requested be recorded in the minutes; the votes cast by Directors.

The draft minutes shall be prepared by the Secretary and submitted to the Chairman for his/her validation and subsequent circulation to the Board of Directors. The Chairman may arrange the immediate recording of the minutes without prior approval on the part of all the other members in the event there are objective grounds of an urgent nature that render this necessary. In all cases the minutes shall be signed off by the Secretary.

Prior to approval, the draft minutes shall be circulated to the other members of the Board of Directors, and of the Board of Statutory Auditors to allow them to make any observations thereon by way of the Company Secretary, who shall then circulate them amongst the other meeting attendees. As a general rule, the draft minutes shall be put forward for approval at the very next Board meeting.

The minutes shall be kept by the Company Secretary in paper form on the corporate books containing meeting documentation and resolutions and shall also be made available for consultation by Directors or Statutory Auditors on the IT platform. The supervisory body may consult the minutes on request.

The Chairman the Secretary or Company Secretary may raise certified parts or extracts of those sections of the minutes pertaining to resolutions adopted for immediate execution prior to completion of the verification process of the complete version of the minutes. Said complete version shall indicate the interventions made.

To facilitate discussion of the items on the agenda, the Secretary or the Company Secretary shall make available to the Directors and Statutory Auditors such documentation as is deemed reasonably necessary to provide adequate information on the items on the agenda.

Preparation and subsequent sending of supporting documentation by the Company Secretary is governed by the “Procedure for the management of information flows to Board members of Unieuro S.p.A.” duly adopted by the Company.

The Company Secretary's Office shall make the available documents relating to the matters to be discussed, together with the notice of call for the meeting, available to the Board of Directors and the Board of Statutory Auditors, as a rule at least five days before the meeting.

For any extraordinary meetings not scheduled on the annual calendar that are convened on less than five days' notice, or in any case convened in a manner not in compliance with the above-mentioned deadline, the documentation shall be made available as soon as possible, and in any case prior to board meeting commencement.

Said documentation shall be accessible by the Board of Directors and the Board of Statutory Auditors though an IT platform with restricted access and that ensures that the data and information are sufficiently safeguarded. In case of specific requirements, the information may be made available in an alternative manner provided that such manner allows the complete documentation to be kept confidential and accessed in a timely way.

Directors and Statutory Auditors are under a duty to treat all information made available pursuant to the previous article as confidential, as is equally confidential all information acquired by them for the purpose of their offices as specified under art. 8 of the Regulations.

Should any Director or Statutory Auditor deem additional documentation necessary, then he/he shall inform the Company Secretary in writing in good time to allow said Company Secretary to liaise with the relevant company functions and procure the necessary information, preferably no later than the day prior to that fixed for the meeting. The Company Secretary shall send any additional information, where available, by commencement of the meeting.

Should it not prove feasible to provide documentation well in advance, the Chairman, with the support of the Secretary, shall ensure that a timely and thorough explanation be given on the issue/s during the board meeting.

The Chairman may check with the Company Secretary that the above-mentioned information has been duly made available to the Directors and Statutory Auditors. Such information may be supplemented with any illustrations as may be provided during the board meeting, or in any specific preparatory meetings to clarify any issues and ensure that Directors are able to perform their functions in an informed manner.

For the Reporting Year, and as of the date of this Report, the Directors and the Statutory Auditors have been provided supporting documentation in relation to the matters under discussion, particularly the resolution envisioned, in sufficient advance time, save for in cases of an exceptional and exogenous nature. Any urgency for the convening of board meeting and any extension of deadlines for the transmission of documents is always shared in advance with all the board members. Said members have declared that they consider themselves duly informed of the facts and of those in relation to which adequate and timely further in-depth information is generally obtained as a matter of course during the work of the board.

During the self-assessment process conducted at the end of the 2023-2024 financial year, the adequacy and timeliness of pre-meeting information was specifically addressed by the Directors, who agreed that such disclosures were consistently made in a timely and sufficient manner.

Pursuant to art. 18 of the Articles of Association, the Board of Directors shall meet at the Company registered office or at any other place as shall be indicated in the notice of call provided that such place is within Italy whenever the Chairman deems such meeting to be necessary, or by the vice chairman should the former be absent or prevented from calling a meeting.

The Board of Directors shall also meet where requested in writing by at least 3 (three) of its members (if the Board has seven 7 (seven) or 9 (nine) members) or by at least 4 (four) of its members (if the Board has 11 (eleven) to 15 (fifteen) members), to resolve on any specific management issue they deem of particular importance; this issue shall be mentioned in the notice of meeting.

For the purpose of providing appropriate further details regarding the items for discussion on the agenda, invitations to attend board meetings held during the Financial Year were given to several senior staff of the Issuer in charge of pertinent corporate functions as well as several outside consultants. This enabled said board meetings to be used also as opportunities for the Directors to obtain adequate information with regard to the management of the Company.

More specifically, the Legal Director - today also the Board Secretary - is an established participant in the meetings of the Board of Directors and he or she describes the topics pertinent to his or her function in relation to the matters on the agenda for the Board of Directors. The General Manager (currently also the Executive Director), Chief Financial Officer and the Executive Officer for Financial Reporting also participate in most meetings of the Board of Directors, as does the Internal Audit Director or the Company's employees from time to time depending on the matters on the agenda, to describe specific topics connected with its business, upon request of the Board Chairman.

In accordance with art. 18 of the Articles of Association, the Board of Directors’ meeting is quorate if the majority of its members are present. Meetings of the Board of Directors may also take place by videoconference or conference call, provided that each participant can be identified by all the others and that each participant is able to participate in the discussion of business in real time, as well as to send, receive and view documents. Provided these conditions are met, the meeting is deemed to be held at the venue from which the Chairman and Secretary take part.

The Board of Directors passes resolutions with the favourable vote of the absolute majority of board members present.

The Board of Directors meets regularly: during the Reporting Year it met 13 times (with meetings lasting an average of around 3.25 hours each) and attendance stood at around 99.30% for Directors and 98.90% for Independent Directors. During the current financial year, at least 8 meetings are scheduled (3 of which have already been held as of the date of this Report). Meetings were held both by electronic means and at Unieuro’s premises.

The Directors have ensured that they have sufficient time and availability to diligently fulfil the duties entrusted to them.

4.5. Role of the Chairman of the Board of Directors

Pursuant to art. 17 of the Articles of Association, if not duly appointed at the Shareholders' Meeting, the Board shall elect the Chairman and may appoint one or more Vice Chairmen from amongst its members, to hold office for the same terms as that of the Board of Directors.

The Chairman may not assume executive responsibilities on the Board of Directors and shall exercise the functions required under applicable legislation and regulations.

More specifically, the Chairman of the Board of Directors: (i) has the power to represent the Company; (ii) presides over Shareholders’ Meetings; (iii) convenes and chairs the Board of Directors meetings, sets the agenda, coordinates its activities and ensures that all Directors receive adequate information about the items on the agenda; (iv) monitors the implementation of the Board’s resolutions.

The Chairman shall carry out his/her duties on the basis of the powers granted by law and the Articles of Association, without delegating any management powers, and may enlist the support of the Secretary of the Board of Directors, ensuring adherence with the Board of Directors' Regulation and all the matters pertaining thereto.

The Chairman shall liaise between Executive and Non-Executive Directors and, with the support of the Secretary, ensure the effective functioning of board proceedings. In this regard, the Chairman shall promote opportunities for in-depth training involving both Executive and Non-Executive Directors, and, with the support of the Secretary, shall ensure there are opportunities for dialogue and exchange of information between the two components, including at board meetings.

During the financial year 2023/2024, in compliance with the Corporate Governance Code recommendations, the Chairman, oversaw with the support of the Secretary:

- that pre-meeting information and supplemental information provided during meetings were adequate to enable Directors to act in an informed manner in the performance of their offices. In this regard, during the self-assessment process, the Directors gave a favourable opinion on the completeness and accuracy of the topics discussed and the information flows addressed to the Board of Directors;
- that the activities of the board committees having assessment, propositional and advisory functions were coordinated with the activities of the Board of Directors, also by way of attendance at meetings of said committees. Moreover, the Chairman of each committee reported promptly to the Board of Directors on activities carried out so as to coordinate the respective works;
- in agreement with the Chief Executive Officer, that the Company's executives, managers of the company departments competent as regards the specific topics, or consultants with proven track record of experience and professionalism, attended Board meetings, also upon request of individual Directors, so as to provide the appropriate in-depth analyses or clarifications on the items on the agenda;
- that all members of the Board of Directors and the Board of Statutory Auditors may take part, after their appointment and during their term of office, in initiatives aimed at providing them with adequate knowledge of the business sectors in which the Company operates, of corporate dynamics and changes therein, including as regards the Company's sustainable success, in addition to the principles of proper risk management and of the reference regulatory and self-regulatory framework. Periodic briefings and in-depth sessions were conducted during individual Board meetings, whenever deemed necessary on grounds of legislative and regulatory changes concerning the Company and its corporate bodies. During the course of the business year, Company management were provided with, *inter alia*, in-depth information on topics relating to the business, organisational developments, innovation and company organisation and certain other specific matters deemed of interest, as well as a specific induction session concerning the Company's new business plan;
- the adequacy and transparency of the Board's self-assessment process, with the support of the Remuneration and Appointments Committee. More specifically, the Chairman, with the support of said Remuneration and Appointments Committee, ensured that the Board's self-assessment process for the 2023-2024 financial year was managed by an external consultant of primary standing and that, in any case, it was conducted in an adequate and transparent manner;
- pursuant to the Policy for Dialogue with Shareholders and other stakeholders (the "**Dialogue Policy**"), no requests for dialogue with the Board of Directors were received, while the Company conducted

pre-meeting engagement activities with proxy advisors and major shareholders. As per the Dialogue Policy, the Investor Relations Director regularly briefed the Board of Directors at one meeting per half year on shareholder dialogue activities and on investor relations activities more generally.

Secretary of the Board

Unieuro appointed its Secretary of the Board whose requisites and powers are set forth in art. 6 of the Board of Directors' Regulation.

The Secretary shall be appointed by the Board of Directors and may be non-Board member. He/she shall remain in office until the appointment is revoked by the Board of Directors or until his/her resignation. The Secretary shall have at least five years of work experience in the legal field, with particular reference to corporate governance and/or corporate secretarial duties for listed companies. Currently, the position of Secretary of the Board of Directors is held by Legal Director Filippo Fonzi, who fulfils the above-mentioned requirements.

In accordance with the provisions of the Board Regulations, during the Year the Secretary supported the activities of the Chairman and provided impartial assistance and advice to the Board of Directors on every aspect relevant to the proper functioning of the corporate governance system, also ensuring the appropriate information flows between the various committees and the Board and supporting the supervisory body, thus facilitating the correct functioning of the administrative body and of corporate governance.

4.6. Executive Directors

Chief Executive Officer

Pursuant to art. 20 of the Articles of Association, the Board of Directors may delegate, within the limits of art. 2381 Civil Code, certain of its powers to one or more of its members, establishing their powers and, after consulting the Board of Statutory Auditors, the related remuneration. The Board of Directors may also require an executive committee to be appointed, composed of some of its members.

Following appointment of the new Board of Directors on 21 June 2022, on 24 June 2022, said Board conferred the powers and duties of the Chief Executive Officer upon Director Giancarlo Nicosanti Monterastelli.

Thus, the powers and delegated duties attributed to the Chief Executive Officer on 24 June 2022, are:

A) (Contracts) The power to make, implement, enter into, negotiate, conclude, sign, finalise, amend and terminate:
    a. Leasing of businesses or lines of business (including so-called "shop in shop" set ups), lease agreements involving real estate; said power shall be performed with the following limits: by single and separate signature for total amounts not exceeding the maximum limit of Euro 1,000,000 (one million) per single item, meaning the amount of rental agreed (including expenses) for each individual year of the term of lease (if the rental increases, the total amount is upwardly adjusted; if the rental is a percentage of revenues, then the amount is calculated with reference to the store business plan) and for leases not having an overall duration exceeding 12 months, inclusive of the period of any renewal thereof;

b. Contracts relating to the provision of services, for, marketing, IT systems, call centre and customer care, security and surveillance, with single and separate signature to the extent the contract involves commitments for the Company for total amounts not above the maximum limit of Euro 2,000,000 (two million) per individual item;
c. Appointment of professionals and/or consultants (including contracts for the provision of services of an intellectual nature) with single and separates signature to the extent the contract involves commitments for the Company for total amounts not exceeding the maximum limit of Euro 2,000,000 (two million) per individual item;
d. Advertising and promotion contracts, including those entered into through third parties (including the acceptance of regulations for prize-awarding competitions as set out in para. 3 of art. 10 of DPR 430/2001), with single and separate signature where they involve commitments for the Company for overall amounts not above the maximum limit of Euro 30,000,000 (thirty million) per single item;
e. Any gift or donation for charitable purposes or sponsorship with single and separate signature where they involve commitments for the Company for overall amounts not above the maximum limit of Euro 300,000 (three hundred thousand) per single charitable initiative/sponsorship. However, sponsorship agreements concluded with Related Parties as defined in the "Related Party Transactions" Regulations approved by Consob Resolution No. 17221 of 12 March 2020, as amended from time to time, are not within the remit of this power and the Board of Directors remains exclusively and collectively responsible therefor;
f. Private insurance contracts or mandates including credit insurance. The power granted entitles the holder to sign the relative policies, make amendments thereto and provide receipts for any amounts paid out thereunder with single and separate signature where they involve commitments for the Company for overall amounts not above the maximum limit of Euro 2,000,000 (two million) per single item;
g. Tender contracts involving, by way of example, building works and plant facilities at sales outlets or the head office, as well as involving routine and extraordinary maintenance of Company real estate assets and real estate-related in general (such as, by way of example only, leases, bailment agreements, other) held by the Company, with single and separate signature where they involve commitments for the Company for overall amounts not above the maximum limit of Euro 1,000,000 (one million) per single item;
h. Contracts for the supply of energy and telecommunications with single and separate signature, without limit on the value;
i. Agreements for commercial franchises or supply of goods and/or services with the granting of licences to use the brand/logo owned by the Company, corresponding to either the Unieuro or Unieuro City brand/format, with single and separate signature, without limit on the value;
j. Framework agreements with suppliers concerning the purchase of goods destined for sale, within the scope of ordinary business, by single and separate signature, without limit on the amount;
k. Purchase, sale or trade in contracts concerning movable assets destined for sale within the scope of ordinary business, the negotiation of the terms and conditions thereof. Such agreements include those for: selective distribution; procurement of private label products from Italian or foreign suppliers; management of product procurement as well as those to ensure: correct usage of third-party property rights; respect for consumer rights: that manufacturers hold the relevant licences, by single signature, without limit on the amount;

l. Tender contracts for logistics services (by way of example only and not by way of exhaustive list, porterage, transportation, handling of goods and materials, warehouse management and so forth) with single and separate signature, without limit on the amount;
m. Purchase, sales or trade in contracts concerning movable assets (other than those mentioned above), including equipment for Company plant, office furniture, raw materials and every other type of movable asset whether or not such asset is required to be registered, with the exception of motor vehicles and cars, by single and separate signature for total amounts not above the maximum limit of Euro 2,000,000 (two million) per single item (as regards lease agreements, this means the sum of the rentals agreed for the entire effective duration of the lease);
n. Purchase, sales, trade in or leasing contracts concerning motor vehicles and cars, with the broadest powers to decide the relative manner, price and conditions and to perform all necessary procedures in the relevant public register and any other competent office. Powers to permit registration and cancellation of any charges over vehicles, obtaining the relative documents and performing appropriate formalities at the competent offices and exonerating such offices and the competent public registrars of vehicles from liability, with single and separate signature for total amounts not exceeding the maximum limit of Euro 100,000 per single item;
o. Out of court settlement agreements concerning trade receivables and/or payables disputes with single and separate signature for overall amounts not greater than the maximum limit of Euro 500,000 (five hundred thousand) per single claim;
p. Participate in public procurement bids for the sale of Company products to public entities, sign the relative offers and any documentation necessary for the bid project. Organise temporary company groupings for the purpose of participating in the bid assuming the role of agent or principal. Draw up, sign and withdraw regulations for any temporary company grouping, with single and separate signature for total amounts not exceeding the maximum limit of Euro 500,000 (five hundred thousand) per single item;
q. Provide the signature of validation for transfer of ownership in company shares held by shareholders and perform all acts as may be necessary for the centralised management of company shares in virtue of their dematerialisation in accordance with current legislation, with single and separate signature, without limit on the value;

B) (Finance) The power to carry out any debit or credit transaction in Italy or abroad, with Banks, Financial Institutions and Postal Administrations in domestic or foreign currency, and in particular the power to:
  a. Negotiate, enter into, amend, terminate and settle: credit agreements, mortgage secured and unsecured loans, financing with authorised parties by single and separate signature provided the amount of the single transaction does not exceed the maximum amount of Euro 15,000,000 (fifteen million);
  b. Use all lines of credit granted to the Company, within the maximum agreed limit (by way of example, but not by way of exhaustive list, revolving lines of credit, facilities, etc.) without a limit on the amount of the individual transaction, with single and separate signature;
  c. Negotiate, enter into, amend, settle, terminate finance lease agreements, with single and separate signature, provided that the amount of the individual transaction does not exceed the sum of Euro 2,000,000 (two million);
  d. Negotiate, enter into, amend, terminate and settle factoring agreements and, generally, for credit assignment, whether transfer or acquisition thereof, sign any debt assignment, payment mandate, an authorisations of anticipation note or discount transactions, establish guarantees and perform any and all other actions within the usage of factoring, with the

power to delegate such duties to third parties with single and separate signature up to the maximum amount of Euro 10,000,000 (ten million);

e. Negotiate, enter into, amend, settle, terminate contracts relating to consumer credit, with single and separate signature without limit on the amount;
f. Demand, receive and collect any and all amounts due to the company on whatever grounds and for whatever reason and furnish receipts for full or partial collection. Pay amounts into the Company bank and postal office accounts, encash postal and telegraphic money orders, standing orders, cheques, bills of exchange, endorse cheques for payment onto such accounts, endorse negotiable instruments solely for their payment, discounting, quitclaim or dishonours as well as provide bank approvals, with single and separate signatures without limit on the value;
g. Pay any amount due from the Company for any single transaction, by way of example and not by way of limitation, by issuing cheques, effecting wire transfers, issuing bills of exchange, withdrawing bills or direct debits, and generally operating the Company's current bank and post office accounts, not by way of limitation, for payments to: suppliers, service providers, professionals, employees, supplementary pension funds, social security institutions, the treasury, customer reimbursements and so forth, all from immediately available funds or overdraft facilities with credit institutions and in all cases in accordance with the contractual provisions which govern relations with said credit institutions;
h. Transfers funds between Company current accounts from immediately available funds or overdraft facilities at credit institutions, in all cases in accordance with the contractual provisions which govern relations with said credit institutions;
i. Apply to credit and insurance institutes for the issuance of guarantees or performance bonds to guarantee fulfilment of the Company's obligations, with single and separate signature up to the maximum amount of the credit line;
j. Issue guarantees or letters of patronage in the interest of other Group Companies with single and separate signature for total amounts not exceeding the maximum limit of Euro 1,000,000 (one million) per single item;
k. Open, use, close (agreeing the relative terms and conditions) deposits on current accounts at banks, financial institutions and postal administrations, both in Italian and foreign currency, if necessary, designating the persons (also from employees or para-subordinate contractors pursuant to art. 409, no. 3 of the Code of Civil Procedure, and excluding agents and commercial representatives of the Company and other Unieuro Group companies) who are permitted to operate on these accounts, conferring upon them the necessary powers to carry out deposit and withdrawal transactions within available limits previously agreed – with single and separate signature;
l. Enter into service agreements for the management of electronic money, transport of currency and all other matters to ensure the correct management of store takings, including those through e-commerce platforms with single and separate signature, for total amounts not exceeding the maximum limit of Euro 10,000,000 (ten million) per single item;
m. Represent the Company, before any financial administration office, administrative or tax commission at any level, in all procedures, including assessment and judicial proceedings at any level and before any venue, relating to duties, tax and contributions of any kind, with the right to endorse, present and discuss declarations, appeals, claims, briefs, applications and opposition documents before the competent authorities and commissions, including central commissions, as well as agree, reconcile and settle, demand and collect repayments of duties, taxes, charges and contributions, with single signature. Represent the Company in administrative and judicial proceedings with the power to bring court action before any level

of court and before any venue, including the Italian supreme court of Cassation, to bring actions before any other authority, whether of an administrative or tax nature, by any process whatsoever, to defend against the actions and any act of the Finance Administration and against any applications brought against the Company and to appoint for such purpose attorneys-at-law, registered and chartered accountants, attorneys-in-fact and experts.

C) (Staff) With regard to the staff of the Company, and for the carrying out of Company business, except as otherwise provided for below, the powers - in relation to operations of any amount to:

a. Negotiate and enter into collaboration and contractor agreements for the supply of labour with authorised Employment Agencies, or contracts with autonomous labour resources (including job contracts, coordinated and continuous outside contractor agreements and quasi-subordinate work contracts pursuant to art. 409, no. 3 of the Code of Civil Procedure);
b. Negotiate and enter into contracts with agents, dealers and commission agents and representatives for sales, with or without goods' storage facilities, whether in Italy or abroad;
c. Negotiate and enter into employment contracts for employees with the exception of relationships relating to (i) managers with strategic responsibilities of the Company ("Managers with Strategic Responsibilities") as defined by the legislation currently in force (IAS 24, para. 9 and Consob Regulation No. 17221 of 12.03.2010 updated from time to time), since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the General Manager shall be required;
d. Negotiate and determine the conditions and modalities of the employment relationship (also amending any such agreement in force), including remuneration, promotions, transfers, and amendments to duties and working hours, with the exception of relationships relating to (i) Managers with Strategic Responsibilities, since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the General Manager shall be required;
e. Prosecute disciplinary offences and adopt disciplinary measures; with the exception of relationships relating to (i) Managers with Strategic Responsibilities, since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the General Manager shall be required;
f. Terminate the labour and contractor relationships with the Company with the exception of relationships relating to (i) Managers with Strategic Responsibilities, since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the General Manager shall be required;
g. Represent the Company before any appropriate labour and social security Authority, both with regard to independent personnel as well as employees, as well as before any Entity and/or Institutions provided for by law (such as, by way of example but not by way of exhaustive list, INPS, INAIL, pension and supplementary healthcare funds, Enasarco, the Labour Centre, the Labour Inspectorate, the Ministry of Labour, and the Territorial Labour Administration) as well as before any appropriate territorial labour office or body, with respect to the management of staff and the completion of the processes inherent thereto

(including, by way of example and by way of exhaustive list, notification of hiring and firing, apprenticeship agreements, apprenticeship projects, opening new INAIL-INPS positions, reporting of accidents and of disabilities), with the power for such purpose to freely agree on any covenant or condition that he or she deems necessary for the performance of the tasks entrusted to her/him;

h. Sign off the tax and social security certification relating to contributions and remuneration as well as prepare, sign and submit forms for the payment of social security contributions and taxes;
i. Sign settlement agreements relating to the labour relationship of employees, quasi-subordinate workers and autonomous workers pursuant to art. 409, no. 3 of the Code of Civil Procedure, for the Company, without any limit on the amount thereof;
j. File appearances in court and in any extrajudicial venue in any dispute relating to labour, pensions or social security with the fullest powers to reach settlement;
k. Represent the company in any type of relations with company trade union representatives and with the local and national trade union organisations and sign labour union agreements;
l. Appoint, retain and remove attorneys-at-law, attorneys-in-fact and counsel, manage the enforcement of judgements and do whatever else is necessary and appropriate without exclusion or exception;
m. Sign and submit to the appropriate offices and authorities, applications for financial facilities, facilitated financing grants, as well as funds, grants, contributions or incentives provided for by EU, domestic or regional rules for the training and updating of personnel, providing all relevant information at the fact-finding level for the individual applications and signing off any communication or document relating to the management and progress of the investment programmes, including communications relating to the final accounting of investment programmes;

D) (Fiscal, tax and social security compliance) The power to manage and put in place all necessary activities in order to comply with the provisions of the various laws, regulations and administrative rules on fiscal, tax and social security matters, with the power to prepare and sign any pertinent record and declaration required by law;
E) (Italian Antitrust Authority) The power to manage and put in place all necessary activities in order to comply with the provisions of the various laws and regulations to ensure protection against infringement of competition law, with powers to prepare and sign any pertinent record and declaration;
F) (Workplace safety) Considering the type and structure of the corporate organisation and the effective exercise of decision-making and spending powers, for the purposes of ensuring an ever more efficient and strict compliance with the legal occupational health and safety obligations, to identify the Chief Executive Officer, Giancarlo Monterastelli Nicosanti - considering his position on the corporate organisational chart as the person most appropriate for assuming the tasks inherent to the role of employment provider as defined by art. 2, para. 1, letter b), of Legislative Decree No. 81 of 9 April 2008 as amended ("Consolidated Act") for all areas of business activity and those relative to the workplace as well as those workplace appurtenances for which the Company has legal title to disposal of (the "Employment Provider"), without prejudice to the right of the Board of Directors to identify other employers for specific company sectors, granting to him/her all necessary powers of decision-making and expenditure for all aspects relating to the health and safety of employees, meaning that the above-mentioned Employment Provider may, at his discretion, dispose of property of the Company with no limitation on such power, insofar as he/she deems it necessary to guarantee the best possible conditions of safety and health for employees; as Employment Provider, he/she shall also have, among other things, the power to represent the Company in matters of social security

and workplace personal injury prevention before all appropriate bodies, including supervisory bodies and judicial authorities, as well as in relation to employees and their representatives, suppliers, outside contractors and other contractors working in cooperation with the Company, in general. Notwithstanding the foregoing, the powers of the Employment Provider to delegate certain of his/her functions within the limits and pursuant to the conditions set forth in arts. 16 and 17 of the Consolidated Act, remain unaffected and are without prejudice to the supervision obligations, as well as the powers for appointing managers and supervisors. For an exhaustive list of the powers and duties of the employer, we refer you to the detailed indications at art. 17 (on the topic of non-delegable duties) and at art. 18 para. I of Legislative Decree No. 81/2008.

G) (Environmental protection) All powers regarding environmental protection and protection against noise, electromagnetic, water, atmospheric and soil pollution, complying with the rules in force, including the power to organise and coordinate corporate functions regarding ecology and environmental protection and to manage the waste produced by the company business or in any manner deriving from it, as well as the disposal thereof, with full powers of sub-delegation; He/she shall arrange a delegation of powers and ensure that each such delegation is granted in full conformance with the following criteria: (i) it shall be granted to a delegee having the professional and experience requisites necessary for the specific power so delegated; (ii) it shall grant the delegee all powers of organisation, management and supervision as required by the specific nature of the delegated functions; (iii) it shall provide that the delegee had autonomy as regards expenditure as may be necessary to carry out the delegated function/s; (iv) it shall be accepted in writing by the delegee; (v) timely disclosure thereof shall be made in the organisational model. The delegation of functions has the core aims of: organising and coordinating the company functions in the fields of ecology and environmental protection; managing the Waste Electrical and Electronic Equipment (W.E.E.E.) produced by or in any case arising out of company business and the related disposal thereof. The delegation shall provide for powers representation and autonomous management of financial resources as well as of employees or collaborators, to the extent deemed appropriate, depending on the need for technical specialisation or particular professional qualification, mindful also of compliance with the provisions referred to in Legislative Decree No. 152/2006 ("Environmental Rules") and the subsequent amendments thereto, as well as the power to use consultants and to enter into contracts with them without limitation on expense and by single and separate signature. The Chief Executive Officer shall also be vested with the power to exercise an effective supervisory function embodied in an apposite system that monitors the functioning of the model and the execution of the delegated powers;

H) (Privacy protection)

(i) Take decisions on behalf of the Company regarding the processing of personal data owned by the Company and implement all the technical and organisational measures necessary to guarantee, and be able to demonstrate, that the processing is carried out by the Company in accordance with Regulation (EU) 2016/679 ("**Regulation**") and in general with the applicable legislation, including Legislative Decree No. 196/2003, as amended by Legislative Decree No. 101/2018 and the provisions of the regulatory authorities regarding the protection of personal data *pro tempore* applicable (hereinafter "applicable legislation");

(ii) appoint the data protection officer ("**DPO**") pursuant to art. 37 of the Regulation and interact with them in accordance with the provisions of art. 38 of the Regulation;

(iii) designate the persons authorised to process personal data, who will operate under his direct authority and in accordance with his instructions, as well as any person(s) who may be in charge of a unit for which the scope of the data processing allowed to its employees is identified, and give them the necessary instructions so that they may operate in compliance with the regulations in force at the time and carry out their training on protection of personal data;

(iv) identify, if necessary, within the company organisation, the names of persons who, due to experience, ability and reliability, can suitably guarantee full compliance with the applicable legislation, including in terms of security and authorising them to process personal data belonging to the company and delegating to them all the necessary and appropriate powers, so that each of them shall, in the name and on behalf of the same company do the apposite tasks, by way of example only, prepare and disclose in the manner ascribed by the applicable legislation, information concerning the processing of personal data and, where requested, the collection of any consents necessary for the processing of personal data, according to the procedures provided for by the applicable legislation; select the service providers in the manner indicated in Section (v) below, and enter into data processing agreements, pursuant to art. 28 of the Regulation; draw up, where required with the support of the data protection officer, the requisite data protection impact assessment ("**DPIA**") pursuant to art. 35 of the Regulation; in the event processing is in legitimate interests of the company pursuant to art. 6 (1) (f) of the Regulation, then draw up the necessary assessment illustrating the balancing of the legitimate interest of the company with the rights and freedoms of the interested parties ("legitimate interest assessment" or "**LIA**");

(v) when choosing external service providers and professionals to process personal data owned by the company, to select subjects of which their experience, ability and reliability provides a suitable guarantee of full compliance with the applicable legislation, concerning the processing of personal data, including in terms of security, and entering into agreements with them for the processing of personal data pursuant to art. 28 of the Regulation;

(vi) negotiate, enter into, subscribe to, sign, renew, terminate and modify collaboration, consultancy agreement for the provision of professional services in the field related to the processing of relevant personal data pursuant to the applicable legislation on the protection of personal data, commission studies and codes of conduct pursuant to art. 40 of the Regulation, by signing the relative contracts and documents as well as confer and revoke professional appointments in relation to the foregoing;

(vii) maintain and control the personal data being processed, in such a way as to reduce to a minimum, through the adoption of appropriate and preventive security measures, including the application of the procedure on the management of data breach pursuant to arts. 33 and 34 of the Regulation, the risks of infringement of personal data laws;

(viii) adopt, in compliance with the regulations in force at the time, the technical and organisational measures, including all the procedures contained in the company's privacy organisational model that shall be suitable to, and shall, guarantee compliance of the processing with the principles of, the applicable legislation;

(ix) draw up the Processing of Data Register pursuant to art. 30 of the Regulation and keep it constantly updated;

(x) plan and execute, in agreement and collaboration with the Data Protection Officer and with the relevant internal functions, the audits envisaged by the applicable legislation, in particular with reference to the security measures and the obligations relating to system administrators (where applicable);

(xi) perform whatever activity as may be necessary to correct any non-conformities reported by the Data Protection Officer in the exercise of his functions and those reported by the relevant functions or during audit with a view to continuous improvement required by the most recent security standards (for example: ISO/IEC 27001);

(xii) represent the Company in disputes, both judicial and extrajudicial, in the cases provided for by the applicable legislation on data protection, vested with the broadest powers, including those for appointing and revoking lawyers, counsel to bring/defend disputes, arbitrators and experts, as well as those to conciliate and settle disputes, ensure enforcement of judgements, and do whatever is necessary and appropriate, with no exceptions or exclusions;

(xiii) manage, together with the Data Protection Officer, relations with the Regulatory Authority (the "**Privacy Regulator**"), on behalf of the Company, in accordance with the provisions set out in the "procedure for cooperation with the authority" and to file appeals, complaints, requests for prior consultation, opinions or other;

(xiv) in any case, carry out any activity, adopt any decision and implement any necessary initiative to guarantee, and be able to demonstrate, that the processing is carried out by the Company in compliance with the applicable legislation;

for matters not expressly mentioned above, to fully implement the applicable legislation, including the provisions adopted by the Privacy Regulator or any other authority regarding the protection of personal data, in Italy and abroad, where applicable;

I) (Openings) All powers necessary to represent the Company before administrations, authorities, entities and offices whether national, regional, provincial or municipal in the handling, presentation and signature of all operations aimed at opening, restructuring, expanding and adapting shops and central offices;

J) (Reporting) Sign and/or submit reports to any appropriate authority (including- by way of example only – to public safety, security and judicial authorities) in relation to thefts and burglaries of goods, missing cash and other such events at sales outlets, warehouses, the central office or any place where the Company may do business;

K) (Exports) Carry out, with representatives of the Bank of Italy, customs, consulates, chambers of commerce and any public or private entity, all operations of shipping, clearance, withdrawal of goods, securities or instruments, valuables, parcels, and letters, including where registered/certified and insured, and/or in any manner inherent to importing and exporting in general (whether or not subject to specific regulation), including temporary operations, operations in transit and free-of-charge operations, for any goods, including for warehouse), with the power to issue receipts by way of discharge and declarations of release, to grant restrictions and discharges, to sign the documentation required for customs and consular purposes, as well as to pay and collect amounts relating to customs fees;

L) (Representation before the courts)

a. Represent the Company before any judicial, administrative, tax, ordinary and special authority in any proceeding at any level and venue, and before mediation bodies, with the power to sign petitions, appeals, declarations of concordance under Legislative Decree No. 218 of 19 June 1997 as amended, claims for exemption and refund, both verbal and written, on any subject matter, bringing and maintaining actions in the civil, criminal and administrative courts, of whatever nature, including declaratory actions, enforcement, currency exchange actions, joinder as civil party, and, as well, proceedings for bankruptcy, composition and judicial administration and moratorium and extraordinary administration fulfilling the pertinent formalities and thus managing the appointment of special delegation parties, attorneys-in-fact and attorneys-at-law, attorneys-in-fact for actions and proceedings, arbitrators, experts and referees, to elect domicile, to commit to arbitration, including amicable ADR, for any and all disputes in which the Company may have an interest;

b. Validly propose and sign settlements, whether for in court or out of court settlements, and records of conciliation, including under art. 48 of Legislative Decree No. 546 of 31 December 1992 as amended, arranging the payment of damages and concluding active and passive third party claims, including those of outlet customers, appointing experts, medical experts and lawyers and with the power to agree settlements envisaging an obligation for the Company of up to the limit of Euro 5,000,000 (five million) (or the equivalent thereof in another currency) for each claim;

c. Represent the Company in any and all tax issues or matters, before any authority or office, including tax, registry and customs commissions and expert panels;

M) (Intellectual Property)

a. Enter into and amend contracts providing for all appropriate clauses, including arbitration clauses, for the acquisition and exchange of intellectual property rights (trademarks, patents, models, copyright and so forth), and to manage confidential know-how and research projects, plant construction and engineering works generally and with the power to license the Unieuro and Unieuro City trademarks or tradename for fixed periods, initiatives and specific online sectors in line with the corporate vision, mission and values. This power excludes any disposal of trademarks;

b. Perform any and all acts as may be required by the legislation in force in the individual place of registration, to carry out patenting procedures to obtain, manage and protect patent, trademark and other individual property rights in Italy and overseas; perform any and all acts as may be required for the recognition and protection of the company's intellectual property rights, including bringing and defending disputes, duly appointing patent agents whether in Italy or overseas and granting such agents the relative powers;

N) (Legal Representation)

a. Represent the company at shareholders' meetings of those companies in which Unieuro holds shares, with the widest powers of representation in this regard; lodge and withdraw securities for the purpose of participating at such meetings;

b. Represent the company in relations with institutional and non-institutional investors, as well as qualified operators in compliance with the Policy for the Management of Dialogue with Shareholders and other Interested Parties;

c. legal representation of the Company, subject to the same limitations as the matters entrusted to the Chief Executive Officer as set forth above, and always within those limitations, the power to sign administrative correspondence of the Company.

The Chief Executive Officer holds the office of principal executive in charge of management of the enterprise pursuant to the Corporate Governance Code.

Effective 1 June 2023, following his retirement, Giancarlo Nicosanti Monterastelli terminated his existing subordinate employment relationship with the Company as Chief Strategy Officer, while maintaining the role of Chief Executive Officer.

Chairman of the Board of Directors

In accordance with the provisions of the Articles of Association, the Chairman has not been entrusted with any management powers, nor does he/she perform a specific role in the development of corporate strategies and is not the Issuer's controlling shareholder.

Executive Committee

Pursuant to art. 20 of the Articles of Association, the Board of Directors may also decide that an executive committee be created, such committee composed of several of its members.

At the date of this Report no executive committee has been created.

Reporting to the Board

As provided for by art. 2381, para. 5, Civil Code, and art. 20.2 of the Articles of Association, delegated bodies are required to report to the Board of Directors - promptly and at least quarterly - duly reporting during the Board meetings at which at least one representative of the Board of Statutory Auditors is present, on the activities carried out, the overall performance of the management and the foreseeable evolution thereof, as well as the most significant transactions in terms of size and characteristics carried out by the Company.

The Articles of Association also state that the Directors promptly report, at least on a quarterly basis, to the Board of Statutory Auditors on the activities carried out and on the most significant economic, financial and asset transactions carried out by the Company or its subsidiaries and, in particular, on transactions in which such Directors have an interest, be it on their own behalf or on behalf of third parties, or which are influenced by the party who may exercise direction and coordination. Such information is usually given at meetings of the Board of Directors.

Other Executive Directors

On 21 June 2022, the General Manager Maria Bruna Olivieri was appointed as Board member. On grounds she holds a management position within the Issuer, she falls within the classification of Executive Director pursuant to the Corporate Governance Code.

As at the date of this Report, the powers conferred by the Board of Directors on the General Manager are set forth below:

A) (Contracts) The power to make, implement, enter into, negotiate, conclude, sign, finalise, amend and terminate:
    a. Leasing of businesses or lines of business (including so-called “shop in shop” set ups), lease agreements involving real estate; said power shall be performed with the following limits: by single and separate signature for total amounts not exceeding the maximum limit of Euro 1,000,000 (one million) per single item, meaning the amount of rental agreed (including expenses) for each individual year of the term of lease (if the rental increases, the total amount is upwardly adjusted; if the rental is a percentage of revenues, then the amount is calculated with reference to the store business plan) and for leases not having an overall duration exceeding 12 months, inclusive of the period of any renewal thereof;
    b. Contracts relating to the provision of services, for marketing, IT systems, call centre and customer care, security and surveillance, with single and separate signature to the extent

the contract involves commitments for the Company for total amounts not exceeding the maximum limit of Euro 2,000,000 (two million) per individual item;

c. Appointment of professionals and/or consultants (including contracts for the provision of services of an intellectual nature) with single and separates signature to the extent the contract involves commitments for the Company for total amounts not exceeding the maximum limit of Euro 2,000,000 (two million) per individual item;
d. Advertising and promotion contracts, including those entered into through third parties (including the acceptance of regulations for prize-awarding competitions as set out in para. 3 of art. 10 of DPR 430/2001), with single and separate signatures where they involve commitments for the Company for overall amounts not above the maximum limit of Euro 20,000,000 (twenty million) per single item;
e. Any gift or donation for charitable purposes or sponsorship with single and separate signature where they involve commitments for the Company for overall amounts not above the maximum limit of Euro 300,000 (three hundred thousand) per single charitable initiative/sponsorship. However, sponsorship agreements concluded with Related Parties as defined in the "Related Party Transactions" Regulations approved by Consob Resolution No. 17221 of 12 March 2020, as amended from time to time, are not within the remit of this power and the Board of Directors remains exclusively and collectively responsible therefor;
f. Tender contracts involving, by way of example, building works and plant facilities at sales outlets or the head office, as well as involving routine and extraordinary maintenance of Company real estate assets and real estate-related in general (such as, by way of example only, leases, bailment agreements, other) held by the Company, with single and separate signature where they involve commitments for the Company for overall amounts not above the maximum limit of Euro 1,000,000 (one million) per single item;
g. Contracts for the supply of energy and telecommunications with single and separate signature, without any limit on the value;
h. Agreements for commercial franchises or supply of goods and/or services with the granting of licences to use the brand/logo owned by the Company, corresponding to either the Unieuro or Unieuro City brand/format, with single and separate signature, without limit on the value;
i. Framework agreements with suppliers concerning the purchase of goods destined for sale, within the scope of ordinary business, with single and separate signature, for total amounts not above the maximum limit of Euro 50,000,000 (fifty million) per individual item;
j. Purchase, sale or trade in contracts concerning movable assets destined for sale within the scope of ordinary business, the negotiation of the terms and conditions thereof. Such agreements include those for: selective distribution; procurement of private label products from Italian or foreign suppliers; management of product procurement as well as those to ensure: correct usage of third-party property rights; respect for consumer rights: that manufacturers hold the relevant licences, with single and separate signature, for total amounts not above the maximum limit of Euro 30,000,000 (thirty million) per individual item;
k. Tender contracts for logistics services (by way of example only and not by way of exhaustive list, porterage, transportation, handling of goods and materials, warehouse management and so forth) with single and separate signature, without limit on the amount;
l. Purchase, sales or trade in contracts concerning movable assets (other than those mentioned above), including equipment for Company plant, office furniture, raw materials and every other type of movable asset whether or not such asset is required to be registered, with the exception of motor vehicles and cars, by single and separate signature for total amounts not above the maximum limit of Euro 2,000,000 (two million) per single item (as regards lease

agreements, this means the sum of the rentals agreed for the entire effective duration of the lease);

m. Purchase, sales, trade in or leasing contracts concerning motor vehicles and cars, with the broadest powers to decide the relative manner, price and conditions and to perform all necessary procedures in the relevant public register and any other competent office. Powers to permit registration and cancellation of any charges over vehicles, obtaining the relative documents and performing appropriate formalities at the competent offices and exonerating such offices and the competent public registrars of vehicles from liability, with single and separate signature for total amounts not exceeding the maximum limit of Euro 100,000 per single item; items hereunder which relate to the same subject matter and occur between the same parties, notwithstanding they have an individual value which is less than such threshold, shall be deemed a fraction of a single transaction and the value thereof, when aggregated to previous fractioned items for that single transaction, shall not exceed the same threshold of Euro 100,000; Out of court settlement agreements concerning trade receivables and/or payables disputes with single and separate signature for overall amounts not greater than the maximum limit of Euro 500,000 (five hundred thousand) per single claim;

n. Participate in public procurement bids for the sale of Company products to public entities, sign the relative offers and any documentation necessary for the bid project. Organise temporary company groupings for the purpose of participating in the bid assuming the role of agent or principal. Draw up, sign and withdraw regulations for any temporary company grouping, with single and separate signature for total amounts not exceeding the maximum limit of Euro 500,000 (five hundred thousand) per single item.

B) (Finance) The power to carry out any debit or credit transaction in Italy or abroad, with Banks, Financial Institutions and Postal Administrations in domestic or foreign currency, and in particular the power to:

a. Negotiate, enter into, amend, terminate and settle: finance lease agreements with single and separate signature provided the amount of the single transaction does not exceed the maximum amount of Euro 2,000,000 (two million); items hereunder which relate to the same subject matter and occur between the same parties, notwithstanding they have an individual value which is less than such threshold, shall be deemed a fraction of a single transaction and the value thereof, when aggregated to previous fractioned items for that single transaction, shall not exceed said the said threshold of Euro 2,000,000 (two million);

b. Demand, receive and collect any and all amounts due to the company on whatever grounds and for whatever reason and furnish receipts for full or partial collection. Pay amounts into the Company bank and postal office accounts, encash postal and telegraphic money orders, standing orders, cheques, bills of exchange, endorse cheques for payment onto such accounts, endorse negotiable instruments solely for their payment, discounting, quitclaim or dishonours as well as provide bank approvals, with single and separate signatures without limit on the value;

c. Pay any amount due from the Company for any single transaction, by way of example and not by way of limitation, by issuing cheques, effecting wire transfers, issuing bills of exchange, withdrawing bills or direct debits, and generally operating the Company's current bank and post office accounts, not by way of limitation, for payments to: suppliers, service providers, professionals, employees, supplementary pension funds, social security institutions, the treasury, customer reimbursements and so forth, all from immediately available funds or overdraft facilities with credit institutions and in all cases in accordance with the contractual provisions which govern relations with said credit institutions;

C) (Staff) With regard to the staff of the Company, and for the carrying out of Company business, except as otherwise provided for below, the powers to:

   a. Negotiate and enter into collaboration and contractor agreements for the supply of labour with authorised Employment Agencies, or contracts with autonomous labour resources (including job contracts, coordinated and continuous outside contractor agreements and quasi-subordinate work contracts pursuant to art. 409, no. 3, of the Code of Civil Procedure) not exceeding the maximum amount of Euro 1,000,000 (one million) per single item;
   b. Negotiate and enter into contracts with agents, dealers and commission agents and representatives for sales, with or without goods' storage facilities, whether in Italy or abroad, not exceeding the maximum amount of Euro 1,000,000 (one million) per single item;
   c. Negotiate and enter into employment contracts for employees with the exception of relationships relating to (i) managers with strategic responsibilities of the Company ("Managers with Strategic Responsibilities") as defined by the legislation currently in force (IAS 24, para. 9 and Consob Regulation No. 17221 of 12.03.2010 updated from time to time), since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the Chief Executive Officer shall be required;
   d. Negotiate and determine the conditions and modalities of the employment relationship (also amending any such agreement in force), including remuneration, promotions, transfers, and amendments to duties and working hours, with the exception of relationships relating to (i) Managers with Strategic Responsibilities, since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the Chief Executive Officer shall be required;
   e. Prosecute disciplinary offences and adopt disciplinary measures; with the exception of relationships relating to (i) Managers with Strategic Responsibilities, since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the Chief Executive Officer shall be required;
   f. Terminate labour and contractor relationships with the Company with the exception of relationships relating to (i) Managers with Strategic Responsibilities, since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the Chief Executive Officer shall be required;
   g. Represent the Company before any appropriate labour and social security Authority, both with regard to independent personnel as well as employees, as well as before any Entity and/or Institutions provided for by law (such as, by way of example but not by way of exhaustive list, INPS, INAIL, pension and supplementary healthcare funds, Enasarco, the Labour Centre, the Labour Inspectorate, the Ministry of Labour, and the Territorial Labour Administration) as well as before any appropriate territorial labour office or body, with respect to the management of staff and the completion of the processes inherent thereto (including, by way of example and by way of exhaustive list, notification of hiring and firing, apprenticeship agreements, apprenticeship projects, opening new INAIL-INPS positions, reporting of accidents and of disabilities), with the power for such purpose to freely agree

on any covenant or condition that he or she deems necessary for the performance of the tasks entrusted to her/him;

h. Sign off the tax and social security certification relating to contributions and remuneration as well as prepare, sign and submit forms for the payment of social security contributions and taxes, up to the limit of Euro 500,000.00 (five hundred thousand) per single item;
i. Sign settlement agreements relating to the labour relationship of employees, quasi-subordinate workers and autonomous workers pursuant to art. 409, no. 3 of the Code of Civil Procedure, for the Company, up to the maximum limit of Euro 200,000.00 (two hundred thousand) per single item; with the exception of relationships relating to (i) Managers with Strategic Responsibilities, since such powers are the exclusive competence of the Board of Directors collectively; (ii) executives other than Managers with Strategic Responsibilities awarded a gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for the exercise of this power the joint signature of the Chief Executive Officer shall be required;
j. File appearances in court and in any extrajudicial venue in any dispute relating to labour, pensions or social security with the fullest powers to reach settlement up to the limit of Euro 200,000.00 (two hundred thousand) per single item;
k. Represent the company in any type of relations with company trade union representatives and with the local and national trade union organisations and sign labour union agreements up to the limit of Euro 500,000.00 (five hundred thousand) per single item;
l. Appoint, retain and remove attorneys-at-law, attorneys-in-fact and counsel, manage the enforcement of judgements and do whatever else is necessary and appropriate without exclusion or exception, up to the limit of Euro 200,000.00 (two hundred thousand) per single item;
m. Sign and submit to the appropriate offices and authorities, applications for financial facilities, facilitated financing grants, as well as funds, grants, contributions or incentives provided for by EU, domestic or regional rules for the training and updating of personnel, providing all relevant information at the fact-finding level for the individual applications and signing off any communication or document relating to the management and progress of the investment programmes, including communications relating to the final accounting of investment programmes;

D) (Fiscal, tax and social security compliance) The power to manage and put in place all necessary activities in order to comply with the provisions of the various laws, regulations and administrative rules on fiscal, tax and social security matters, with the power to prepare and sign any pertinent record and declaration required by law
E) (Italian Antitrust Authority) The power to manage and put in place all necessary activities in order to comply with the provisions of the various laws and regulations to ensure protection against infringement of competition law, with powers to prepare and sign any pertinent record and declaration;
F) (Environmental protection) All powers regarding environmental protection and protection against noise, electromagnetic, water, atmospheric and soil pollution, complying with the rules in force, including the power to organise and coordinate corporate functions regarding ecology and environmental protection and to manage the waste produced by the company business or in any manner deriving from it, as well as the disposal thereof, with full powers of sub-delegation; He/she shall arrange a delegation of powers and ensure that each such delegation is granted in full conformance with the following criteria: (i) it shall be granted to a delegee having the professional and experience requisites necessary for the specific power so delegated; (ii) it shall grant the delegee all powers of organisation, management and supervision as required by the specific nature of the

delegated functions; (iii) it shall provide that the delegee had autonomy as regards expenditure as may be necessary to carry out the delegated function/s; (iv) it shall be accepted in writing by the delegee; (v) timely disclosure thereof shall be made in the organisational model. The delegation of functions has the core aims of: organising and coordinating the company functions in the fields of ecology and environmental protection; managing the Waste Electrical and Electronic Equipment (W.E.E.E.) produced by or in any case arising out of company business and the related disposal thereof. The delegation shall provide for powers representation and autonomous management of financial resources as well as of employees or collaborators, to the extent deemed appropriate, depending on the need for technical specialisation or particular professional qualification, mindful also of compliance with the provisions referred to in Legislative Decree No. 152/2006 ("Environmental Rules") and the subsequent amendments thereto, as well as the power to use consultants and to enter into contracts with them without limitation on expense and by single and separate signature. The General Manager shall also be vested with the power to exercise an effective supervisory function embodied in an apposite system that monitors the functioning of the model and the execution of the delegated powers;

G) (Openings) All powers necessary to represent the Company before administrations, authorities, entities and offices whether national, regional, provincial or municipal in the handling, presentation and signature of all operations aimed at opening, restructuring, expanding and adapting shops and central offices;

H) (Reporting) Sign and/or submit reports to any appropriate authority (including- by way of example only – to public safety, security and judicial authorities) in relation to thefts and burglaries of goods, missing cash and other such events at sales outlets, warehouses, the central office or any place where the Company may do business;

I) (Exports/Import) Carry out, with representatives of the Bank of Italy, customs, consulates, chambers of commerce and any public or private entity, all operations of shipping, clearance, withdrawal of goods, securities or instruments, valuables, parcels, and letters, including where registered/certified and insured, and/or in any manner inherent to importing and exporting in general (whether or not subject to specific regulation), including temporary operations, operations in transit and free-of-charge operations, for any goods, including for warehouse), with the power to issue receipts by way of discharge and declarations of release, to grant restrictions and discharges, to sign the documentation required for customs and consular purposes, as well as to pay and collect amounts relating to customs fees

J) (Representation before the courts)

   a. Represent the Company before any judicial, administrative, tax, ordinary and special authority in any proceeding at any level and venue, and before mediation bodies, with the power to sign petitions, appeals, declarations of concordance under Legislative Decree No. 218 of 19 June 1997 as amended, claims for exemption and refund, both verbal and written, on any subject matter, bringing and maintaining actions in the civil, criminal and administrative courts, of whatever nature, including declaratory actions, enforcement, currency exchange actions, joinder as civil party, and, as well, proceedings for bankruptcy, composition and judicial administration and moratorium and extraordinary administration fulfilling the pertinent formalities and thus managing the appointment of special delegation parties, attorneys-in-fact and attorneys-at-law, attorneys-in-fact for actions and proceedings, arbitrators, experts and referees, to elect domicile, to commit to arbitration, including amicable ADR, for any and all disputes in which the Company may have an interest;
   b. Validly propose and sign settlements, whether for in court or out of court settlements, and records of conciliation, including under art. 48 of Legislative Decree No. 546 of 31 December 1992 as amended, arranging the payment of damages and concluding active and passive

third party claims, including those of outlet customers, appointing experts, medical experts and lawyers and with the power to agree settlements envisaging an obligation for the Company of up to the limit of Euro 5,000,000 (five million) (or the equivalent thereof in another currency) for each claim;

c. Represent the Company in any and all tax issues or matters, before any authority or office, including tax, registry and customs commissions and expert panels;

K) (Intellectual Property)

a. Enter into and amend contracts providing for all appropriate clauses, including arbitration clauses, for the acquisition and exchange of intellectual property rights (trademarks, patents, models, copyright and so forth), and to manage confidential know-how and research projects, plant construction and engineering works generally and with the power to license the *Unieuro* and *Unieuro City* trademarks or tradename for fixed periods, initiatives and specific online sectors in line with the corporate vision, mission and values. This power excludes any disposal of trademarks;

b. Perform any and all acts as may be required by the legislation in force in the individual place of registration, to carry out patenting procedures to obtain, manage and protect patent, trademark and other individual property rights in Italy and overseas; perform any and all acts as may be required for the recognition and protection of the company's intellectual property rights, including bringing and defending disputes, duly appointing patent agents whether in Italy or overseas and granting such agents the relative powers.

For the sake of clarity, single items under the above powers which relate to a transaction on the same subject matter and occur between the same parties shall be deemed a fraction of and a part of that transaction. Thus, all fractional parts shall not in aggregate exceed the relative threshold limit provided for that nature of transaction. For long-term contracts, the entire cost thereof on the company shall be taken into account. Such cost shall be determined on the basis of the fixed cost or business plan for the period up to contract expiry or up to the first term on which the Company may withdraw from said contract, without prejudice to any different terms indicated above.

4.7. Independent Directors

Pursuant to the provisions of art. 147-*ter*, para. 4 TUF, where the Board is made up of more than seven members, then at least two of them must meet the independence requirements established for the Board of Statutory Auditors under art. 148, para. 3 TUF.

Furthermore, according to the provisions of art. 2.2.3, para. 3 letter m) of the Stock Market Regulations and of art. IA.2.10.6 of the Instructions to the Stock Market Regulation, where the Boards consist of 9 to 14 members, at least three of them must satisfy the requirements of the Corporate Governance Code.

The Corporate Governance Code provides that an adequate number of Non-Executive Directors must be independent, which means that they must not have, or have had recently, any direct or indirect dealings with the issuer or with any issuer-related party that could be such as to compromise their impartiality of judgement.

The Board verifies the continued application of the above requirements based on the information that the interested parties are required to provide under their own responsibility pursuant to art. 12 of the Articles of Association and in any case information that is available to the Board.

The Board's finding during the first meeting after its appointment, such meeting being held on 24 June 2022 in the presence of the Board of Statutory Auditors, was that it considers Pietro Caliceti, Paola Elisabetta Galbiati, Alessandra Stabilini, Benedetto Levi, Giuseppe Nisticò, Laura Cavatorta, Daniele Pelli, Alessandra Bucci and Stefano Meloni to be persons satisfying the requirements to qualify as Independent Directors according to the application criteria defined in the Corporate Governance Code and the criteria of art. 147-*ter*, para. 4 TUF which reiterates the criteria set forth in art. 148, para. 3 TUF[12].

More specifically as concerns the Directors in office, the Board of Directors on the basis of the declarations made by the Directors and the information available to the Company - determined most recently on 23 April 2024 - that 7 Directors meet the independence requisites provided for by law, referred to in the Company's Articles of Association, and the Corporate Governance Code (Stefano Meloni, Pietro Caliceti, Paola Elisabetta Galbiati, Alessandra Stabilini, Alessandra Bucci, Laura Cavatorta, Daniele Pelli), who, as referred to in Recommendation No. 7 of the Corporate Governance Code:

a) are not significant shareholders of the Company;

b) have not been an Executive Director or employee in the previous three financial years:

- of the Company, a subsidiary having strategic relevance or of a company under common control;
- of a significant shareholder of the company;

c) have not had in the previous three financial years, a significant commercial, financial or professional relationship, directly or indirectly (for example through subsidiaries or through companies of which he or she is an Executive Director, or as a partner of a professional or a consulting firm):

- with the Company or its subsidiaries or its Executive Directors or top management;
- with a person who alone or together with others under a shareholders' agreement, controls the Company; or, if the controlling party is a company or other entity, then with controlling party's Executive Directors or top management;

d) have not received from the Company, any of its controlled or controlling companies including in the preceding three company financial years, any significant remuneration other than fixed remuneration for the office and that provided for the position held on committees recommended by the Code or required by law in force;

e) have not served as Directors of the Company for more than nine financial years, whether or not consecutive, in the last twelve financial years;

f) have not held the office of Executive Director in another company in which an Executive Director of the Company holds the office of Director;

[12] On grounds Giancarlo Nicosanti Monterastelli holds the office of Chief Executive Officer, and Maria Bruna Olivieri that of General Manager, they are not deemed independent. The Board has not carried out any further investigation on said persons as regards the requirements described in this section.

g) are not shareholders or Directors of a company or an entity belonging to the network of companies that has been entrusted to carry out the external legal audit of the Company;

h) are not connected family members of a person in one of the situations referred to in the previous points.

Please note that, in application of Recommendation No. 7 of the Corporate Governance Code - which specifies determined circumstances deemed to compromise or that would appear to compromise, the independence of a Director (as well as that of a Statutory Auditor, pursuant to Recommendation No. 9) - the Board of Directors on 15 April 2021 following a preliminary assessment carried out by the Remuneration and Appointments Committee, laid down the assessment criteria to measure the relevant nature of commercial, financial or professional relations of Independent Directors with the Company, as well as any additional remuneration received by said Directors in relation thereto. More specifically, the Board of Directors deems a Director to satisfy the independency requirements based on the following factors, without prejudice to any particular circumstances to be considered based on the specific case:

- the total value of any commercial, financial or professional relationships maintained during the current year or in the three previous years with the Company and/or its subsidiaries or with its Executive Directors or top management or with a person who controls the company or with the related Executive Directors or top management, does not exceed the lesser amount between:
    - 5% of the annual turnover of the company or entity of which the Director has control, or is a key representative of, or of the professional firm or consulting company which he/she is a partner in;
    - (i) Euro 300,000 (meaning an annual fee for professional services rendered to the Company by the company or body over which the Director has control of or of which he/she is a key representative or by the professional firm or company consultancy of which he/she is a partner in or (ii) Euro 150,000 (meaning an annual fee for the professional services rendered to the Company by the Director as an individual professional).
- the additional remuneration paid directly to the Director during the current financial year or in the three previous financial years (i) by the Company or (ii) by its parent company or any subsidiaries thereof, does not exceed the overall remuneration he/she receives due to his/her office and participation in those committees recommended by the Corporate Governance Code or envisaged by the legislation in force.

The Board also specified that the fact of being a "close family member" of a person who exceeds one of the above-mentioned thresholds is also a circumstance deemed relevant to the compromising of a Director's independence, whereby "close family members" are deemed to be parents, children, spouses who are not legally separated and cohabitants, in alignment with that set forth in the Q&A to the Corporate Governance Code published in November 2020 by the Corporate Governance Committee.

On 20 March 2024, and with the opinion of the Remuneration and Appointments Committee provided at its meeting of 7 March 2024, the Board of Directors confirmed the adequacy of the above-mentioned criteria and therefore, as specified above, on 23 April 2024 the Board of Directors, following a preliminary investigation by the Remuneration and Appointments Committee, assessed on the basis of the information made available by the interested parties and/or in any case available, those relationships that are generally deemed to compromise independence. During the self-assessment process, said Board considered that 7 Directors out of 11 and the competencies of the Independent Directors, are adequate for the needs of the company, the functioning of the administrative body and the intra-board committees.

Therefore, the Board of Directors has confirmed the previous assessment in relation to as to whether the Chairman Stefano Meloni and the Directors Pietro Caliceti, Paola Elisabetta Galbiati, Alessandra Stabilini, Laura Cavatorta, Daniele Pelli, Alessandra Bucci, meet the independence requisites laid down by law and the Corporate Governance Code, there not having been an occurrence of any of the circumstances indicated in Recommendation No. 7 of the Corporate Governance Code.

With specific regard to the assessment of the independence of the Chairman Stefano Meloni, please note that he was deemed to hold the independent requisites pursuant to the provisions of TUF on first appointment and that, following the introduction of the Corporate Governance Code - which no longer deems a Director to be non-independent solely on grounds he/she is a "significant officer" - an expression that also included the office of Chairman regardless of whether or not he/she is an executive - it has been possible to classify Mr Meloni as an Independent Director also pursuant to the Corporate Governance Code.

On grounds there have been no changes to the circumstances described above in the Reporting Year, the Chairman is also this Financial Year deemed to meet the independent requisites in accordance with both the law and the Corporate Governance Code.

Each Non-Executive Director has provided all the elements necessary or useful for the Board's evaluations.

The Board of Statutory Auditors, within the remit of the tasks entrusted to it by law, verified the correct application of the confirmation and verification criteria adopted by the Board to assess the independence of its members and the results of these checks will be disclosed to the market within the remit of the Statutory Auditor's report to the Shareholders' Meeting.

During the Financial Year, the Independent Directors met without the other Directors on one occasion at an autonomous' meeting held on 30 January 2024 in order to agree on the guidelines for the performance of their role within the Company's Board of Directors and of the intra-board committees. At that meeting, coordinated by Director Alessandra Stabilini, the Independent Directors expressed unanimous satisfaction with the functioning of the Board of Directors and the effectiveness of its Chairman's work. The Directors reflected on the executive component of the Board and the relationship dynamics between executive and non-executive members, appreciating the top management's ability to manage margins and ensure growth despite market difficulties. They did, however, report some room for improvement in increasing the dialogue between executive and non-executive members. Finally, they identified a desire to expand on the topic of senior management organisation and the consolidation of succession plans, including for the company's front line.

4.8. Lead Independent Director

In consideration of the fact that the offices of Chairman and Chief Executive Officer are held by different persons and mindful that the office of Chairman is held by a person who does not control the issuer nor hold an executive office, the Company has not designated an Independent Director as Lead Independent Director on grounds that the conditions set forth in Recommendation No. 13 of the Corporate Governance Code are not met. This decision was also confirmed at the meeting of the Board of Directors held on 28 June 2022.

5. PROCESSING OF COMPANY INFORMATION

The Board of Directors of the Company, at its meeting on 12 July 2018, approved the new releases of:

(i) the "Internal regulation for the management of insider and relevant information";

(ii) the "Internal regulation relating to the keeping of the register of persons who have access to insider and relevant information";

(iii) the "Internal Dealing Regulation";

originally adopted on 12 December 2016.

The above-mentioned regulations are in line with the rules governing market abuse, outlined by MAR and can be found on the Issuer's website in the section "Corporate Governance/Corporate documents and procedures".

5.1. Internal regulation for the management of Relevant Information and Insider Information

The Internal regulation for the management of relevant information and insider information dictates certain procedural safeguards aimed at ensuring correct management of corporate information involving the Issuer and which involve insider information pursuant to the existing regulation. It is also the goal of the regulation to prevent certain recipients of such information, from using it in order to carry out speculative transactions on the market, to the detriment of investors, who are not aware of this information.

Note that: (i) "**Insider Information**" means information of a precise nature which has not been made public and which directly or indirectly concerns the Company or its financial instruments which, if made public, could have a significant influence on the prices of the Company's financial instruments; (ii) "**Relevant Information**" means any information or news not yet classified as Insider Information that the Company deems relevant, as it relates to data, events, projects or circumstances that, continuously, repetitively, periodically, or occasionally, occasional or unexpected, directly concern the Company itself and that can, at a later stage, become Insider Information; and (iii) "**Confidential Information**" means any information or information that cannot be classified as Insider Information concerning, directly or indirectly, the Company and/or its subsidiaries ("**Subsidiaries**"), which is not in the public domain or that it is by its nature confidential or exclusive to the Company and/or its Subsidiaries, acquired by the recipients in the performance of their duties and/or functions.

The Regulation is applicable to all those who have access to Relevant Information and/or Insider Information and/or Confidential Information, in particular: (i) members of the management, administrative and supervisory bodies, the members of the Company's Committees and the members of any Subsidiaries; (ii) employees; (iii) natural and legal persons who, on account of their employment, profession or duties, have regular or occasional access to Confidential Information, Relevant Information and/or Insider Information.

5.2. Internal regulation relating to the keeping of the Registers of persons who have access to Insider Information and Relevant Information

If the information is assessed to be Relevant Information, it must be recorded in a specific section of the Relevant Information Register (“**RIL**”), established and updated by the Company, pursuant to the laws and regulatory provisions in force at the time, indicating the subjects who have access to Relevant Information in virtue of the work or professional activity carried out or the functions performed by them.

The Company has set up a register in an electronic form pursuant to the legal and regulatory provisions in force at the time ("**Register**") which it shall keep updated, indicating the persons who, by virtue of the work or professional activity performed or of the functions performed, have access to Insider Information, also on a delayed basis. The Register is made up of a several distinct sections, one for each set of Insider Information, containing data about the subjects with access to that specific Insider Information. A new section shall be added to the list each time new Insider Information is identified. In addition, a permanent section has been established which lists the names of those persons who always have access to Insider Information because of the functions or tasks performed by them.

The internal regulation concerning the keeping of the Register of persons having access to Insider Information and of the Register of persons having access to Relevant Information sets forth the rules and procedures for keeping and updating the Register and the RIL.

5.3. Internal Dealing Regulation

The Internal Dealing Regulation, amended by the Board of Directors on 12 July 2018 to reflect the changes made to the Consob Regulations by means of resolution No. 19925 of 22 March 2017, sets out a procedure relating to the disclosure obligations imposed on relevant persons and persons closely associated with the relevant persons, who perform transactions on shares, on derivative financial instruments or on related financial instruments.

The "relevant persons" are: (a) members of the Company's administrative or supervisory body; (b) executives who, although not members of the Company's administrative or supervisory bodies, have regular access to Insider Information concerning the Company directly or indirectly and hold the power to adopt decisions that may affect the Company's future evolution and prospects, as from time to time identified by name by the Board of Directors of the Company or by any party delegated by the Board; (c) persons performing the functions referred to in subparagraphs (a) and (b) above in a company controlled directly or indirectly by the Company, if book value of the shareholding is more than 50% of the assets of the Company based on the last approved financial statements; and (d) anyone holding a shareholding, calculated in accordance with art. 118 of the Issuers' Regulation, of least 10% of the Company's share capital, with voting rights attached thereto, as well as any other entity that controls the Company.

The Internal Dealing Regulation, *inter alia*, identifies the relevant transactions for the various persons targeted by the applicable legislation, the materiality threshold of such transactions and contains the rules regarding management, processing and communication of information relating to such transactions.

6. INTRA-BOARD COMMITTEES (pursuant to art. 123-*bis*, para. 2, lett. d) TUF)

In compliance with the Corporate Governance Code recommending that listed companies establish within their Boards of Directors, intra-board committees having competency for specific areas, on 26 June 2019 following its own taking of office, the Board of Directors established the following committees which will submit proposals and provide advice:

- Remuneration and Appointments Committee;
- Control and Risk Committee;
- Related Parties Transactions Committee.

In view of the Company's organisation, operating processes and the size of its Board of Directors, the Company has set up a single remuneration and appointments committee, pursuant to the recommendations of arts. 5 and 6 of the current Self-Regulation Code. This committee has investigative, advisory, and proposal-making functions to the Board of Directors itself.

On 12 November 2020, the Board of Directors, mindful of the growing importance of social and environmental matters in the corporate governance systems of listed companies, approved the establishment of a Sustainability Committee within its organisation, such committee to carry out propositional and consultative functions to said Board on sustainability related matters, evaluating the processes, initiatives and activities to oversee Unieuro's commitment to create long-term value for the benefit of all its stakeholders.

Therefore, as of the date of this Report, Unieuro's intra-board committees are as follows:

Control and Risk Committee (CRC)	Remuneration and Appointments Committee (RAC)	Sustainability Committee (SC)	Related Parties Transactions Committee (RPTC)
Alessandra Stabilini (Chairman) Paola Elisabetta Galbiati Benedetto Levi Laura Cavatorta	Paola Elisabetta Galbiati (Chairman) Alessandra Stabilini Pietro Caliceti	Daniele Pelli (Chairman) Laura Cavatorta Paola Elisabetta Galbiati Alessandra Bucci	Pietro Caliceti (Chairman) Alessandra Stabilini Alessandra Bucci

With regard to the Remuneration and Appointments Committee, please refer to Section 7 of this Report.

6.1. CONTROL AND RISK COMMITTEE

The Control and Risk Committee was established in compliance with the Corporate Governance Code which provides that such committee shall be made up of Independent Directors, or alternatively, Non-Executive Directors, the majority of whom must be independent (in such case the Chairman shall be appointed from amongst the Independent Directors).

*Composition and operation of the Control and Risk Committee (pursuant to art. 123-*bis*, para. 2, lett. d) TUF)*

The members of the Control and Risk Committee in office at the date of this Report, inclusive of its Chairman, were appointed by the Board of Directors on 28 June 2022. More specifically, the following persons were appointed as members of the Control and Risk Committee: Laura Cavatorta, Benedetto Levi, Paola Elisabetta Galbiati and Alessandra Stabilini (as Chairman).

The Control and Risk Committee in office on the date of this Report, is consequently made up entirely of Non-Executive Directors, the majority of whom independent[13].

In compliance with the provisions of the Regulations, one member of the Control and Risk Committee (among whom the Chairman of the Committee, Alessandra Stabilini) must possess knowledge of accounting and finance and/or risk management deemed adequate at the time of their appointment by the Board.

On 23 September 2021 and following a preliminary assessment by the Remuneration and Appointments Committee and the Control and Risk Committee, the Board of Directors updated the Regulations governing said Committee, aligning its operating rules to the recommendations of the Corporate Governance Code.

The Control and Risk Committee Regulations are viewable on the Issuer's corporate website under the section "Corporate Governance / Management and Control Bodies / Committees”. Pursuant to art. 6 of the Corporate Governance Code, during the meeting held on 10 May 2024, the Board of Directors made an assessment that, based on the information provided to the members thereof, the internal control and risk management system adopted by the Company is consistent with the requirements of the Corporate Governance Code.

More specifically, during said meeting, the Chief Executive Officer reported to those present on the operation of the Company's Internal Control and Risk Management System. The Internal Control and Risk Management System has also been evaluated by the Control and Risk Committee, which found it to be in line with the objectives of: safeguarding the company's assets, efficiency and efficacy of the corporate processes, reliability of financial information, compliance with the laws and regulations, the Articles of Association and internal procedures, deeming said system to be consistent with art. 6 of the Corporate Governance Code.

Pursuant to the Committee Regulations, the notice of call, which shall contain the day, time and place of the meeting and the list of matters for discussion, shall be sent to Committee members by the Secretary on the recommendation of the Chairman as a general rule at least five days prior to the date set for the meeting, in such manner that ensures confidentiality and timeliness of the notice and enables due receipt of the notice to be confirmed. On the occurrence of any necessity or urgency, this term may be shortened, providing a minimum notice of 24 hours is given prior to the date set for the meeting. In any event, the Committee shall be deemed quorate, notwithstanding there has not been a formal notice of call, if all the members or the majority thereof are in attendance on condition that the absent members have been informed of the meeting and at least one member of the Board of Statutory Auditors is in attendance.

Any documentation relating to the items on the agenda shall be made available to the members by the Secretary in such manner that ensures confidentiality of the information contained therein, generally at the same time as the notice of call and in any case no later than the third day prior to the date of the meeting, save for in exceptional circumstances.

[13] Benedetto Levi has not declared himself independent pursuant to the Law and the Corporate Governance Code.

Meeting minutes shall be undertaken by the Chairman - or in his/her absence, then by whoever sits in for him/her - with the support of the Secretary (or his/her proxy holder). The draft minutes shall be submitted to the Committee Chairman and to other Committee members for any observations thereon and shall generally be put forward for approval at the next meeting of the Committee.

The drafting and subsequent transmission to the Company Secretary of the documentation supporting the discussion of the items on the agenda of the Committee meeting is governed by the "Procedure for the management of information flows to the Directors of Unieuro S.p.A." adopted by the Company.

The Committee Chairman shall report to the Board of Directors on the activities carried out by the Committee at least every six months and no later than the deadline envisaged for the approval of the annual financial report and the half-yearly report; he/he shall also report to the Board of Directors at its next sitting on those matters deemed of most relevance as examined by the Committee during the meetings.

Functions entrusted to the Control and Risk Committee

Within the remit of the Committee’s duties are: preliminary, consultative and propositional functions in support of the Board of Directors.

More specifically, the Committee shall assist the Board of Directors:

a) in the determination of guidelines for the Internal Control and Risk Management System that are coherent with Company strategies;

b) in its assessment, to be undertaken at least annually, on the adequacy of the Internal Control and Risk Management Systems having regard to the characteristics of the Company and the profile of risk assumed as well as the effectiveness of such systems;

c) in the appointment and removal of the Internal Audit Director, as well as in the determination of his/her remuneration in line with company policies, ensuring that he/she shall be provided with adequate resources to perform his/her duties. Should the Board of Directors decide to entrust the Internal Audit function, whether in its entirety or an operational segment thereof, to a person outside of the Company, the Committee shall support the Board of Directors in establishing that such external person satisfies the appropriate requisites of professionalism, independence and organisation mindful that the Board of Directors is required to provide adequate reasons for its selection of such person in the corporate governance report;

d) in the approval, to be undertaken at least annually, of the work plan prepared by the Internal Audit Director, following prior consultation with the Board of Statutory Auditors and the Chief Executive Officer;

e) in the assessment as to whether it is appropriate to adopt measures to ensure the impartiality of judgement and effectiveness of other corporate functions involved in corporate control activity (by way of example the legal function and the risk management and compliance functions (if any), ensuring that such functions are of an adequate professional level and have access to sufficient resources;

f) in the allocation of the supervisory duties provided for under art. 6 para. 1 lett. b) of Legislative Decree No. 231/2001 to the Board of Statutory Auditors or to a board specifically established for that purpose. In the event the Board of Statutory Auditors is not the body allocated such supervisory duties, then the Committee shall support the Board of Directors in evaluating whether it is opportune to appoint onto the supervisory board established to perform such duties at least one Non-Executive Director and/or a member of the Board of Statutory Auditors and/or a person holding a legal or control office within the company, so as to ensure that activity between the various parties involved in the Internal Control and Risk Management System is duly coordinated;

g) in the evaluation, following prior consultation with the Board of Statutory Auditors, of the results presented by the external auditor in any letter of recommendations and in the additional report addressed to the Board of Statutory Auditors;

h) in drawing up for the corporate governance report, the description of the main characteristics of the Internal Control and Risk Management System and of how coordination between the parties involved in it is undertaken, indicating the reference models and national and international best practices and an overall assessment of the adequacy of the system itself.

Furthermore, the Committee in assisting the Board of Directors, shall:

a) assess whether the accounting principles are being applied correctly and consistently for the purposes of preparing the consolidated financial statements, having consulted with the Executive Officer for Financial Reporting, the external auditor and the Board of Statutory Auditors;

b) evaluate the suitability of the periodic financial and non-financial information to correctly depict the Company business model, strategies, impact of its activities and the level of performance achieved, such evaluation in coordination with the Remuneration and Appointments Committee;

c) examine, also in collaboration with the Sustainability Committee, the content of periodic non-financial information that is relevant to the Internal Control and Risk Management System;

d) give opinions on specific aspects concerning identification of the main business risks and support the assessments and decisions of the Board of Directors on the management of risks deriving from prejudicial issues of which said Board has been made aware;

e) examine the periodic reports and reports deemed of particular importance as prepared by the Internal Audit function;

f) monitor the autonomy, adequacy, effectiveness and efficiency of the Internal Audit function;

g) may entrust checks on specific operating areas to the Internal Audit function at the same time notifying the Chairman of the Board of Statutory Auditors;

h) report to the Board of Directors, at minimum at the time of approval of the annual and half yearly financial reports, on activity carried out and on the adequacy of the Internal Control and Risk Management System.

With regard to the percentage of attendance at meetings on the part of individual members of the Control and Risk Committee, please refer to the Table on page 27 above.

During the current year, the Control and Risk Committee envisages that it shall meet as often as is deemed necessary for the correct and effective performance of its duties.

During the Reporting Year, the Committee sat nine times, each meeting having an average duration of 1 hour and 34 minutes.

During the Financial Year, the Control and Risk Committee sat, *inter alia*, to:

- liaise with the external auditors and the Executive Officer for Financial Reporting to assess: whether the accounting principles are being applied correctly and consistently for the purposes of preparing the draft annual and half-yearly financial reports; any critical issues as may have arisen; correct application of the principles adopted for the drawing up of the non-financial statements (individual or consolidated) prepared pursuant to Legislative Decree No. 254/2016 and/or the completeness and reliability of the statements;

- evaluate the Impairment Test data;
- verify effective compliance with accounting and administrative procedures on the part of the Executive Officer for Financial Reporting (art. 154-*bis*, para. 4 TUF) - Law 262/05;
- give its opinion on the "Report on Corporate Governance and Proprietary Shareholdings", such opinion limited to the adequacy of the Internal Control System;
- agree on the adequacy of the organisational, administrative and accounting structure in relation to the size and structure of the company, taking into account the reports made by the various bodies making up the internal control system;
- examine the Audit Plan proposal prepared by the Internal Audit Director;
- examine the periodic and annual reports put forward by Internal Audit to the Committee and the Board of Directors;
- examine the periodic reports put forward to the Committee and the Board of Directors by the Executive Officer for Financial Reporting responsible for the corporate accounting documents;
- examine the Committee's annual and half-yearly reports to the Board of Directors;
- examine the DPO's reports on privacy compliance;
- express their favourable opinion, jointly with the members of the Sustainability Committee, on the Non-Financial Statement prepared by the corporate functions;
- analyse updates to the Whistleblowing Policy, expressing a positive opinion;
- examine updates to the system of powers related to training on occupational health and safety;
- receive periodic updates on the measures taken by the Antitrust Authority against Unieuro and Monclick S.r.l. in liquidation;
- evaluate the proposal that the list of principal corporate risks be updated for reporting in the Annual Financial Report;
- evaluate updates to enterprise risk mapping and the Enterprise Risk Management process;
- receive updates regarding the implementation of SAP 4/HANA ERP and specifically on the identification of planned interventions.

Please note that in the assessment of results concerning the identification, analysis and calculation of the principal risks (strategic, operational, financial and regulatory) characteristic of the company's business (art. 6 Corporate Governance Code), the same parameters were applied as those applied in the financial year ended as at 28 February 2023, which refer to the methodology recommended by the CoSo report.

The Control and Risk Committee has been regularly attended by the Company's Internal Auditor, who acted as secretary, so as to raise issues under his/her responsibility as well as - as the case may be - attended by the Supervisory Body, the external Auditing Firm and/or consultants or managers of the Company called from time to time to support the Committee in the performance of its functions.

Furthermore, the Director in charge of the Internal Control and Risk Management System, the Executive Officer for Financial Reporting and the Board of Statutory Auditors participated at such Committee meetings on a regular basis, upon invitation of the Chairman.

The Control and Risk Committee is entitled to access information and company functions, as required for such Committee to perform its duties, which includes using external consultants within the limits set by the Board of Directors.

The Board awarded the Control and Risk Committee a budget of Euro 30,000 up to the end of the current Financial Year, to enable it to carry out its tasks. In compliance with the provisions of the Board Regulations, any such budget provided to the Control and Risk Committee may be increased in the event of the occurrence of particular circumstances.

The meetings were all convened by the Chairman of the Committee, who coordinated their tasks. The Secretary duly drew up minutes for all the meetings.

6.2. SUSTAINABILITY COMMITTEE

On 12 November 2020, a Sustainability Committee was established for the first time within the Board of Directors. Said Committee carries out propositional and consultative functions in support of the Board of Directors on sustainability topics, evaluating processes, initiatives and activities to safeguard Unieuro's commitment to create long-term value to the benefit of all its stakeholders.

Composition and functioning of the Sustainability Committee

The members of the Sustainability Committee in office at the date of this Report, inclusive of its Chairman, were appointed by the Board of Directors on 28 June 2022.

More specifically, the following persons were appointed as members of the Sustainability Committee: Laura Cavatorta, Paola Elisabetta Galbiati, Alessandra Bucci and Daniele Pelli (as Chairman). All members of the Sustainability Committee are deemed independent.

On 13 May 2021, the Company Board of Directors approved the text of the Regulations to govern said Committee, following a preliminary assessment on the part of the Remuneration and Appointments Committee and the Sustainability Committee, aligning the content thereof with that of the new Corporate Governance Code and also formally transposing the related indications thereof.

The Sustainability Committee Regulations are viewable on the Issuer's corporate website in the section "Corporate Governance / Management and Control Bodies / Committees".

Pursuant to the aforementioned Regulations, the notice of call, which shall contain the day, time and place of the meeting and the list of matters for discussion, shall be sent to Committee members by the Secretary on the recommendation of the Chairman, usually at least three days prior to the date set for the meeting, in such manner that ensures confidentiality and timeliness of the notice and enables due receipt of the notice to be confirmed. On the occurrence of any necessity or urgency, this term may be shortened, providing a minimum notice of 24 hours is given prior to the date set for the meeting. In any event, the Committee shall be deemed quorate, notwithstanding there has not been a formal notice of call, if all the members or the majority thereof are in attendance on condition that the absent members have been informed of the meeting and at least one member of the Board of Statutory Auditors is in attendance.

Any documentation relating to the items on the agenda shall be made available to the members by the Secretary in such manner that ensures confidentiality of the information contained therein, generally at the same time as the notice of call and in any case no later than the third day prior to the date of the meeting, save for in exceptional circumstances.

Meeting minutes shall be undertaken by the Chairman - or in his/her absence, then by whoever sits in for him/her - with the support of the Secretary (or his/her proxy holder). The draft minutes shall be submitted to the Committee Chairman and to other Committee members for any observations thereon and shall generally be put forward for approval at the next meeting of the Committee.

The drafting and subsequent transmission to the Company Secretary of the documentation supporting the discussion of the items on the agenda of the Committee meeting is governed by the "Procedure for the management of information flows to the Directors of Unieuro S.p.A." adopted by the Company.

The Committee Chairman shall report to the Board of Directors on the activities carried out by the Committee at least every six months and no later than the deadline envisaged for the approval of the annual financial report and the half-yearly report; he/he shall also report to the Board of Directors at its next sitting on those matters deemed of most relevance as examined by the Committee during the meetings.

On 23 April 2024, the Company's Board of Directors resolved to allocate a budget of Euro 30,000 to said Committee for the entire financial year.

In carrying out its functions, the Sustainability Committee has had the opportunity to access the information and company functions as are necessary for the due fulfilment of its duties and has also relied on external consultants within the remit of the terms established by the Board.

Duties conferred on the Sustainability Committee

Within the remit of the Committee’s propositional and consultive functions in support of the Board of Directors, the Sustainability Committee shall:

a) monitor policies and, more generally, issues relating to environmental, social and governance topics, as well as responsible innovation issues related to the exercise of business activities and stakeholder engagement activity;

b) support the Board of Directors in drawing up a sustainability and responsible innovation strategy also by way of:

   - evaluating the most significant environmental, economic and social impacts generated by the company’s activities and identifying material topics relating to these as part of the materiality analysis, co-ordinating where appropriate with the Control and Risk Committee;
   - supporting the Company in the formulation of Business Plans with a view to pursuing the creation of long-term value, taking into account the interests of all relevant stakeholders;
   - indicating the guidelines which shall form the foundations for the structure of the strategic sustainability plan, setting forth those sustainability and innovation matters which are relevant to the Company, the initiatives to be carried out for each of them, the necessary resources therefor and related benefits thereof as well as give opinions/draw up proposals on the content thereof;

c) monitoring the progress of the activities and projects set forth in the above-mentioned action plan;

d) overseeing the evolution of sustainability issues also in light of legislative evolution, guidelines, standards and best practice laid down on the topic, duly monitoring the positioning of the Company with respect to the market;

e) verifying the general layout of the declarations made in the Consolidated Non-Financial Statements, the structuring of its content and the completeness and transparency of the information provided therein; its Chairman shall report on the outcomes of his/her Committee's checks to the Control and Risk Committee which shall be called to evaluate the appropriateness of periodic non-financial information so as to correctly reflect the business model, the strategies of the company, the impact of its activity and the level of performance actually achieved;

f) promoting Company participation in initiatives and events relevant to sustainability and responsible innovation, with a view to consolidating the corporate reputation in the domestic and international arenas;

g) giving opinions on policies and informative documents related to sustainability and responsible innovation matters;

h) on request of the Board of Directors and/or the Chief Executive Officer, giving opinions on questions that may have an impact on sustainability and responsible innovation matters;

With regard to the percentage of attendance at meetings on the part of individual members of the Sustainability Committee, please refer to the Table on page 27 above.

During the Reporting Year, the Committee sat on nine occasions; meetings had an average duration of 1 hour and 19 minutes.

During the Financial Year, the Sustainability Committee met, *inter alia*, to discuss the following:

- updates to the materiality analysis, expressing a favourable opinion on the submission of the material topics identified to the Board of Directors;
- determination of the Consolidated Non-Financial Statement for FY 2022-2023, expressing a favourable opinion on its submission to the Board of Directors;
- initial assessments of regulatory developments in Sustainability Reporting and adoption of the new community standards (ESRS) being developed by EFRAG;
- identification of sustainability indicators for: 1) the second cycle of the 2023-2028 Performance Shares Plan; 2) the short-term variable remuneration for FY 2023-2024, carrying out preliminary work on the selection of ESG indicators to be included among the performance objectives;
- assessments regarding diversity policies in relation to the composition the corporate bodies and company structures;
- insights into the business leadership project;
- update on the execution of the projects under the 2022-2026 Sustainability Plan, including: the three-year sustainability training project for all Group employees; the role of sustainability as a cross-cutting enabler of the company's new long-term plan ("Beyond Omni-Journey") and the connections with the Sustainability Plan 2022-2026; the Carbon Footprint measurement project; developments related to the point-of-sale energy efficiency project and the project relating to the installation of electronic tags; the activities introduced to begin assessing the sustainability profile of some product suppliers; the ERM activity to update the risk analysis, including from a sustainability perspective,

taking into account the Strategic Plan, the Sustainability Plan and the organisational changes that have taken place; the initiatives related to the #cuoriconnessi social project.

- approval of the Sustainability Committee's annual and half-yearly reports to the Board of Directors;

During the current year, the Sustainability Committee envisages sitting as many times as are deemed necessary to ensure the correct and effective performance of its duties.

6.3. RELATED PARTIES TRANSACTIONS COMMITTEE

The Related Parties Transactions Committee was established in conformance with the Company's Internal Regulations Governing Related Party Transactions and in pursuance of the applicable legislation and regulations. It is made up of three members, all of whom are unrelated, non-executive and independent in accordance with TUF and the Corporate Governance Code. The Committee's principal role is to provide grounded opinions on the Company's interest in carrying out certain transactions, and on the appropriateness and substantive correctness of the terms of such transactions.

Composition and functioning of the Related Parties Transactions Committee

The members of the Related Parties Transactions Committee, including its Chairman, were appointed by the Board of Directors on 28 June 2022. More specifically, the following Independent Directors were appointed as members of the Related-Party Committee: Alessandra Bucci, Alessandra Stabilini and Pietro Caliceti (as Chairman).

In carrying out its functions, the Related-Party Committee has had the opportunity to access the information and company functions as are necessary for the due fulfilment of its duties and has also relied on external consultants, within the remit of the terms established by the Board.

On 23 September 2021, the Company's Board of Directors approved the text of the Related Party Transactions Committee Regulations, following a preliminary assessment on the part of the Remuneration and Appointments Committee and the Related Parties Transactions Committee. Said Regulations have been brought in line with the Corporate Governance Code and incorporate the indication made therein.

The Related Parties Transactions Committee Regulations are viewable on the Issuer's corporate website under "Corporate Governance / Management and Control Bodies / Committees".

Pursuant to the aforementioned Regulations, the notice of call, which shall contain the day, time and place of the meeting and the list of matters for discussion, shall be sent to Committee members by the Secretary on the recommendation of the Chairman as a general rule at least three days prior to the date set for the meeting, in such manner that ensures confidentiality and timeliness of the notice and enables due receipt of the notice to be confirmed. On the occurrence of any urgency, this term may be shorter, providing a minimum notice of 24 hours is given prior to the date set for the meeting. In any event, the Committee meeting shall be deemed validly called, notwithstanding there has not been a formal notice of call, if all the members are in attendance and the Chairman of the Board of Statutory Auditors has been duly notified.

Any documentation relating to the items on the agenda shall be made available to the members by the Secretary in such manner that ensures confidentiality of the information contained therein, generally at the same time as the notice of call and in any case no later than the third day prior to the date of the meeting, save for in exceptional circumstances.

Meeting minutes shall be undertaken by the Chairman - or in his/her absence, then by whoever sits in for him/her - with the support of the Secretary (or his/her proxy holder). The draft minutes shall be submitted to the Committee Chairman and to other Committee members for any observations thereon and shall generally be put forward for approval at the next meeting of the Committee.

The drafting and subsequent transmission to the Company Secretary of the documentation supporting the discussion of the items on the agenda of the Committee meeting is governed by the "Procedure for the management of information flows to the Directors of Unieuro S.p.A." adopted by the Company.

The Committee Chairman shall report to the Board of Directors on the activities carried out by the Committee at least every six months and no later than the deadline envisaged for the approval of the annual financial report and the half-yearly report; he/he shall also report to the Board of Directors at its next sitting on those matters deemed of most relevance as examined by the Committee during the meetings.

Duties conferred on the Related Parties Transactions Committee

The Related Parties Transactions Committee carries out the duties provided for under the regulations in force and by the Company's Internal Procedure Governing Related-Party Transactions. More specifically, the Committee is entrusted with the principal task of formulating apposite grounded opinions on Unieuro's interest in carrying out any Related Party Transaction - whether a Transaction of Greater Importance or a Transaction of Lesser Importance - and shall give its opinion on the convenience and substantive fairness of the terms thereof based on timely and adequate information flows.

For any Transaction of Greater Importance, as well as in the other cases within the remit of art. 6 of the Procedure, the Committee is also entitled to request information and formulate observations for the Chief Executive Officer, the RPT Safeguard Team[14] and other persons in charge of conducting the negotiations or assessments regarding the profiles which are the subject of the information flows that have been received on said Transaction of Greater Importance.

In any case, the Committee is entitled to request the information it deems necessary for the performance of its duties. Moreover, the Committee may, at the Company’s charge, engage experts of its choice, provided that said expert’s independence and lack of any conflicts of interest has been established beforehand. Any such experts shall be persons having established professional attributes and competency on matters involving the Related Party Transaction on which the Committee is called to advise on.

During the Financial Year, the Board sat five times, its meetings having an average duration of 34 minutes, to analyse information provided by the Company regarding the performance of any related party transactions during the quarters of the financial year, as well as to provide opinions whenever required to do under the Procedure governing the management of transactions with related parties of Unieuro S.p.A. More specifically, the meetings covered, *inter alia*:

- assessment of the remuneration of strategic executives to this end examining the Report on Remuneration Policy and Remuneration Paid pursuant to art. 123-*ter* TUF;
- updating of the mapping of parties deemed Related Parties of Unieuro S.p.A.;
- approval of the Committee's Half-Yearly Report for submission to the Board of Directors;

[14] The RPT Safeguard Team, composed of the CFO and the Head of Legal, identifies and evaluates Related Party Transactions and manages information flows. If one of them has an interest in the transaction or is unable to perform their function, they must abstain. If both are in conflict or unable to perform, the Head of Internal Audit takes over.

- examination of the new remuneration package due to Giancarlo Nicosanti Monterastelli, in light of the termination of his subordinate employment as Chief Strategy Officer while maintaining the role of Chief Executive Officer;
-
- assessments regarding the additional grant of rights to receive Unieuro shares under the 1st Cycle of the 2023-2028 Performance Shares Plan to the Chief Financial Officer;
- analysis of the planned merger of the subsidiary company Monclick S.r.l. in liquidation and the liquidation procedure;
- periodic review of business relations between Unieuro and its significant shareholders;
- approval of the Related Parties Transactions Committee budget proposal; analyses of, together with the Remuneration and Appointments Committee, and providing a favourable opinion on, the KPIs set forth the budget, on grounds that such KPIs have been automatically inserted at objectives of the incentive system applicable to the Chief Executive Officer, in his capacity as Manager with Strategic Responsibilities and to the other members of top management identified as Related Parties of the Company.

Moreover, the Related Parties Transactions Committee oversaw the preliminary activities for due identification of Unieuro Related Party Transactions and any relations of control as well as any effects as concerns the management and coordination activities carried out by Unieuro with regard its subsidiary Monclick S.r.l. in liquidation and the Covercare Group.

During the current year, the Related-Party Committee envisages sitting as many times as is deemed necessary to ensure the correct and effective performance of its duties.

7. REMUNERATION AND APPOINTMENTS COMMITTEE – SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS

7.1. REMUNERATION AND APPOINTMENTS COMMITTEE

On 7 February 2017, the Board of Directors of the Company, in compliance with the recommendations regarding corporate governance contained within the Self-Regulation Code, resolved to establish a remuneration and appointments committee, pursuant to arts. 5 and 6 of said Self-Regulation Code and duly approved the regulations for the operation of said committee ("**Remuneration and Appointments Committee**").

Composition and functioning of the Remuneration and Appointments Committee (pursuant to art. 123-**bis*****, para. 2, lett. d) TUF)***

The members of the Remuneration and Appointments Committee, including its Chairman, in office as at the date of this Report, were appointed by the Board of Directors on 28 June 2022.

In particular, the following persons were appointed as members of the Remuneration and Appointments Committee: Alessandra Stabilini, Pietro Caliceti and Paola Elisabetta Galbiati (as Chairman).

The Remuneration and Appointments Committee was established pursuant to Corporate Governance Code which provides that said committee shall be composed of Independent Directors or alternatively of Non-

Executive Directors, the majority of whom must be independent (in this case the Chairman is to be appointed from Independent Directors).

At least one member of the committee is required to have knowledge and experience in financial matters or remuneration policies considered adequate by the board as at the time of that person's appointment. Currently, the Chairman of the Committee is deemed to fulfil this requirement.

On 13 May 2021, the Company's Board of Directors, following a preliminary assessment by the Remuneration and Appointments Committee, updated the text of the said Committee Regulations so as to bring it in line with the specific content of the new Corporate Governance Code.

The Remuneration and Appointments Committee Regulation can be viewed on the corporate website of the Issuer under the section "Corporate Governance / Management and Control Bodies / Committees".

Pursuant to the aforementioned Regulations, the notice of call, which shall contain the day, time and place of the meeting and the list of matters for discussion, shall be sent to Committee members by the Secretary on the recommendation of the Chairman as a general rule at least three days prior to the date set for the meeting, in such manner that ensures confidentiality and timeliness of the notice and enables due receipt of the notice to be confirmed. On the occurrence of any urgency, this term may be shorter, providing a minimum notice of 24 hours is given prior to the date set for the meeting. In any event, the Committee meeting shall be deemed validly called, notwithstanding there has not been a formal notice of call, if all the members are in attendance and the Chairman of the Board of Statutory Auditors has been duly notified.

Any documentation relating to the items on the agenda shall be made available to the members by the Secretary in such manner that ensures confidentiality of the information contained therein, generally at the same time as the notice of call and in any case no later than the third day prior to the date of the meeting, save for in exceptional circumstances.

Meeting minutes shall be undertaken by the Chairman - or in his/her absence, then by whoever sits in for him/her - with the support of the Secretary (or his/her proxy holder). The draft minutes shall be submitted to the Committee Chairman and to other Committee members for any observations thereon and shall generally be put forward for approval at the next meeting of the Committee.

The drafting and subsequent transmission to the Company Secretary of the documentation supporting the discussion of the items on the agenda of the Committee meeting is governed by the "Procedure for the management of information flows to the Directors of Unieuro S.p.A." adopted by the Company.

The Committee Chairman shall report to the Board of Directors on the activities carried out by the Committee at least every six months and no later than the deadline envisaged for the approval of the annual financial report and the half-yearly report; he/he shall also report to the Board of Directors at its next sitting on those matters deemed of most relevance as examined by the Committee during the meetings.

On 23 April 2024, the Company's Board of Directors resolved to allocate a budget of Euro 30,000 to the Committee for the entire Financial Year.

The Remuneration and Appointments Committee is able to access the information and corporate functions necessary to carry out its duties, as well as rely on external consultants in accordance with the terms and conditions established by the Board.

Function of the Remuneration and Appointments Committee

The Remuneration and Appointments Committee shall carry out all the duties attributed to it by the Corporate Governance Code and in particular:

Duties and functions of the Committee regarding the appointment of Directors and self-assessment of the Board of Directors

The Committee shall assist the Board of Directors in carrying out the following activities:

a) periodic self-assessment of the size, composition and actual functioning of the Board of Directors and its committees, also considering the role that the Board has played in defining strategies and monitoring management performance and the adequacy of the Internal Control and Risk Management System; in carrying out this assessment, the Committee may be supported, if deemed appropriate, by an independent consultant. As part of this activity, the Committee also supports the Board of Directors in defining the tools and methodology to be used for the self-assessment process of the Board of Directors as well as in verifying compliance with any disclosure obligation inherent to this activity, in order to guarantee the transparency of the process itself. With regard to the composition, the Committee draws up criteria for assessing the independence requirements of the Company's Directors to be submitted to the Board for approval. In relation to the independence requirements, the Committee proposes to the Board of Directors the quantitative and qualitative criteria to be considered, in accordance with the provisions of the Corporate Governance Code;

b) Definition of the optimal composition of the Board of Directors and its committees. In particular, the Committee formulates to the Board of Directors, in view of each renewal of the Board of Directors and taking into account the results of the self-assessment referred to in the previous letter a), its opinion on the optimal quantitative and qualitative composition of the Board of Directors and of the internal board committees as well as on the professional and managerial figures whose presence on the Board is deemed appropriate;

c) identification of candidates for the office of Director in the event of co-optation. In particular, the Committee proposes to the Board of Directors the candidates for the office of Director if, during the year, one or more Directors leave office (art. 2386, para. 1 Civil Code), ensuring compliance with the requirements on the minimum number of Independent Directors and on the shares reserved for the under-represented gender;

d) any presentation of a list by the outgoing Board of Directors to be implemented in a manner that ensures its formation and transparent presentation, in the event that the outgoing Board of Directors, compatibly with the legislative and statutory provisions in force, considers a list of candidates for the renewal of the administrative body; as part of this activity, the Committee participates in the investigation activity, formulating opinions, also making use of the support of any external consultants, in order to identify the candidates from which those who will make up the list presented by the Board of Directors will be chosen;

e) preparation, updating and implementation of any plan for the succession of the Chief Executive Officer and other Executive Directors, which identifies at least the procedures to be followed in the event of early termination of office;

f) verification of the existence of adequate procedures for the succession of Managers with Strategic Responsibilities.

Furthermore, the Committee in assisting the Board of Directors:

a) may express, with the frequency deemed most appropriate, recommendations to the Board of Directors regarding the maximum number of offices as Director or Statutory Auditor in other companies listed on regulated markets (including foreign) compatible with the effective performance of the office of Director of the Company, taking into account the participation of the Directors in the intra-board committees. To this end, the Committee identifies general criteria differentiated on the basis of the commitment connected to each role (Executive or Non-Executive Director), also in relation to the nature and size of the companies in which the offices are held as well as their possible membership in the Group of the Company, expressing its opinion on the preparation and possible update of the orientation, pursuant to the Corporate Governance Code, on the maximum number of directorships or Statutory Auditors that a Director can hold and carrying out the investigation related to related periodic checks and assessments, to be submitted to the Board;

b) indicates to the Board of Directors candidates for the office of Director to be submitted to the Shareholders' Meeting, considering any reports received from shareholders, if it is not possible to draw the required number of Directors from the lists submitted by the shareholders;

c) carries out the investigation relating to the periodic checks of the independence and integrity requirements of the Directors and the absence of causes of incompatibility or ineligibility of the Directors;

d) assists the Board of Directors (where appropriate, also in agreement with the other intra-board committees) in the preparation of any criteria for the designation of Managers with Strategic Responsibilities whose appointment falls within the competence of the Board by virtue of the current regulations and legislation, and provides its assessments to the Board of Directors on the proposals of the Chief Executive Officer;

e) formulates opinions on the assessment of the merits of each matter and problem addressed by the Board relating to the Shareholders' Meeting authorisation of any derogations from the prohibition on competition provided for by art. 2390 (prohibition on competition).

<u>Duties and functions of the Committee regarding the remuneration of Directors, General Managers, Statutory Auditors and Managers with Strategic Responsibilities</u>

The Committee shall carry out the following activities:

a) assists the Board of Directors in the development of the remuneration policy and the remuneration paid (in accordance with the provisions of art. 123-*ter* of Legislative Decree No. 58 of 24 February 1998, "**TUF**"); in particular, the Committee proposes and submits the approval of the Remuneration Report, including the remuneration policy referred to in this letter a), to the Board of Directors, for its presentation to the Shareholders' Meeting of the Company in accordance with current legislation and the Corporate Governance Code;

b) expresses its opinion on the remuneration of Executive Directors and other Directors who hold specific offices as well as on the setting of performance objectives related to the variable component of such remuneration and on the verification of the effective achievement of the performance objectives of the aforementioned Directors, in agreement with the sustainability committee if the aforementioned objectives concern ESG indicators;

c) monitors the application of the remuneration policy referred to in letter to); periodically assesses the adequacy and overall consistency of the remuneration policy for Directors and Managers with Strategic Responsibilities;

d) evaluates and formulates any proposals to the Board of Directors regarding the design of periodic short and medium / long-term incentive plans, including equity, stock options, widespread shareholding and similar incentive and loyalty plans for management and employees of the Company, also with reference to the suitability to pursue the objectives of the plans, expressing an opinion on the methods for assigning the aforementioned instruments to the beneficiaries;

e) performs the additional tasks assigned to it by the Board of Directors, monitoring the application of the decisions adopted by the Board of Directors on the subject of remuneration.

When the Remuneration Committee carries out its consultative and investigative activity on issues relating to the discipline of transactions with related parties, the discussion of the matter will preferably be carried out in agreement with the committee for transactions with related parties of the Company.

A Director is not entitled to take part in the Remuneration and Appointments Committee meetings in which proposals are made to the Board of Directors regarding that Director's own remuneration, unless the proposals regard all members of the Board Committees in general.

The establishment of this Committee ensures the fullest possible information and transparency regarding the remuneration of the Chief Executive Officer and senior management, as well as the procedures for its determination. However, in accordance with art. 19 of the Articles of Association and art. 2389, para. 3 Civil Code, the Remuneration and Appointments Committee shall only perform advisory and recommendation functions, whereas the powers to set the remuneration of the Directors holding specific offices remains with the Board of Directors, in consultation with the Board of Statutory Auditors. This power is subject to the right of the shareholders to set at the Shareholders' Meeting the overall figure for the remuneration of all Directors - including those Directors holding specific offices.

Regarding the level of participation of the individual members of the Remuneration and Appointments Committee at meetings, please see the information provided in the table at page 21 of this Report.

In the current Financial Year, the Remuneration and Appointments Committee envisages sitting whenever necessary to ensure the correct and effective fulfilment of duties.

During the Reporting Year, the Committee sat 12 times each meeting having an average duration of 1 hour and 14 minutes in order to:

Activity of the Remuneration and Appointments Committee:

- complete the activities relating to the self-assessment of the Board of Directors for FY 2022-2023 and FY 2023-2024 regarding its functioning and that of the intra-board committees, as well as on their size and composition pursuant to the Corporate Governance Code, analyse the Report on said self-assessment and submit the outcomes to the Board of Directors;
- evaluate the qualitative and quantitative criteria for the analysis of the relationship between Directors and Unieuro S.p.A. prepared by the corporate structures pursuant to art. 2, Recommendation No. 6 of the Corporate Governance Code of listed companies, such criteria for use in the assessment of the independence requisites. Duly sharing the content of the document to be submitted for Board of Directors' approval;
- support the Board of Directors in carrying out preliminary inquiries to ascertain that the independence and integrity requirements of the Board members are met, as well as to ascertain any causes of incompatibility, ineligibility or forfeiture of such requirements;
- review updates to the corporate leadership model;
- evaluate the adequacy of the Guideline approved by the Board of Directors regarding the number of positions held by the Company's Directors; and support the Board of Directors in carrying out preliminary inquiries to ascertain the maximum number of offices held as Director and Statutory Auditor in other companies;

- inquire into any diversity policies as may have been adopted in relation to the composition of the corporate bodies and note updates regarding Unieuro’s assessment of the Company's positioning with regard to diversity and inclusion (D&I), also in order to update the ESG indices of the Variable Incentive Plan;
- evaluate the Letter of the Italian Committee for Corporate Governance on the application of the Corporate Governance Code of listed companies; giving its positive opinion on the Company's compliance with the observations contained in said document and submitting it to the Board of Directors;
- approve the Committee's annual and half-yearly reports to the Board of Directors;
- approve the Committee's budget proposal confirming the request for a budget of Euro 30,000.00 to be submitted to the Board of Directors.

<u>Activities carried out by the Remuneration Committee</u>

- determination of the Company's Remuneration Policy as well as providing of its opinion on the Report on Remuneration Policy and Remuneration Paid for submission at the Shareholders' Meeting;
- evaluation of the adequacy, overall consistency and concrete application of the Remuneration Policy regarding the variable component of remuneration for Managers with Strategic Responsibilities;
- expressing its opinion on the 2020-2025 <u>Performance Shares</u>: i) declaring itself in favour of the allocation of shares to serve the 1st Cycle of the Plan; ii) expressing a favourable opinion on the use of treasury shares as the payment method for the 1st Cycle of the Plan; iii) positively assessing the proposal regarding the setting of the target value of the E-NPS KPI.
- expressing its opinion on the 2023-2028 Performance Share Plan: (i) declaring itself in favour of keeping both the number of shares serving the 1st Cycle of the Plan unchanged and approving the structure of the Disclosure Document following the resolution passed by the 2023 Shareholders' Meeting, which approved the amendment to the target values of the aforementioned 1st Cycle of the Plan; (ii) expressing a favourable opinion on the Chief Executive Officer’s proposal to increase the number of shares that can be granted for the Chief Financial Officer Marco Deotto; iii) evaluating the proposal made on identifying the beneficiaries of the 1st cycle of the Plan and the allocation of the number of rights to the extent proposed for each beneficiary; iv) expressing a favourable opinion on the update of the Regulation of the 1st Cycle of the Plan, regarding the recalculation of the targets of the 1st Cycle in accordance with the new strategic plan and following the resolution of the Shareholders' Meeting of 2023;
- providing an opinion on the MBO policy to be proposed at the Shareholders' Meeting in conjunction with the Remuneration Policy for FY2023/2024, in compliance with the Corporate Governance Code as well as on the finalisation of the MBO corporate results for the year 2022/2023;
- verifying how the E-NPS indicator is displayed in the Remuneration Policy;
- positively evaluating the proposed update of the MBO Regulations for FY 2023-2024;

- analysing and providing a favourable opinion on the KPIs set forth in the budget, given that such KPIs have been automatically inserted as objectives of the incentive system applicable to the Chief Executive Officer, in his capacity as a Manager with Strategic Responsibilities and to the other members of top management;
- expressing an opinion on how to calculate the level of achievement of MBO goals, with reference to the budget approved from time to time;
- supporting the Board of Directors in evaluations regarding the remuneration of Managers with Strategic Responsibilities following the acquisition of the Covercare Group;
- analysing the remuneration of the Chief Executive Officer following the termination of his subordinate employment as Chief Strategy Officer while maintaining the role of Chief Executive Officer;

Remuneration and Appointments Committee meetings were attended by the Company's Human Resources Director (and the Legal Director) who presented those issues within their remit and, as required, by other managers of the Company, upon proposal of the Chairman of the Committee and duly informing the Chief Executive Officer. The Chairman of the Board of Statutory Auditors and the other Statutory Auditors, among others, attended these meetings.

The meetings were all convened by the Chairman of the Committee, who coordinated their tasks. The Secretary duly drew up minutes for all the meetings.

The Chairman shall provide information regarding the activities of the Remuneration and Appointments Committee at the next sitting of the Board of Directors.

Board Evaluation

In line with the provisions of the Corporate Governance Code to which the Company adheres, the Board of Directors of Unieuro S.p.A. conducted its annual self-assessment with the support of independent consultant Crisci & Partners. On 10 May 2024, a report was prepared that summarised the assessments and reflections that emerged during the process, which involved the administration of anonymous questionnaires and interviews with the Directors, the Chairman of the Board of Statutory Auditors, and the Company Secretary. This report was presented to the Board of Directors after sharing it with the Remuneration and Appointments Committee. The report highlighted strengths, areas for improvement and strategic topics for the last year of the term.

Strengths included, among others, the Board's heterogeneity in terms of experience and skills and its ability to critically analyse performance and market dynamics, in addition to the dedication to the role displayed by all Directors and management's responsiveness in difficult situations. The Directors also recognised the crucial role of the Chairman, whose authority rendered the Board’s work even more effective. By contrast, the assessment identified a desire to strengthen the dialogue channel between Executive and Non-Executive Directors, while respecting their respective roles.

Looking ahead to the last year of its term, the Board will focus its efforts on carrying out the Company's strategic plan in its various forms, and on building retention plans for human resources considered key to the achievement of that plan. The coming months will also see the Board engaged in the process of renewing the management body, whose term will end with the approval of the Annual Financial Report FY 2024/25.

Succession Plan

On 23 February 2022, the Board of Directors, following preliminary activities on the part of the Remuneration and Appointments Committee, laid down the formalities to implement the Chief Executive Officer succession plan ("**Succession Plan**") as well as the Contingency Succession Plan which outlines the process to be followed in the event that the Chief Executive Officer were suddenly unable to perform his/her duties, so as to source the appropriate person to perform the office during the transition period until activation of the Succession Plan. On the same date, the Board of Directors authorised the Chief Executive Officer to monitor the adequacy of the Succession Plan and to submit to the Board of Directors any requests for its amendment as may be necessary or as may be appropriate in the event of significant regulatory or organisational changes. On 7 March 2024, the Remuneration and Appointments Committee noted a pathway designed to structure a process for succession planning for key management positions in Unieuro, which seeks to identify potential successors for top management roles.

8. REMUNERATION OF THE DIRECTORS

8.1. Remuneration policy

For information regarding: the policy for remuneration relative to the Financial Year for Executive and Non-Executive Directors and Managers with Strategic Responsibilities; share-based remuneration plans and their vesting and payment terms; payment of remuneration and any indemnity to Directors in the event of resignation, dismissal or termination of office, please see the Company's report concerning remuneration and recompense paid which was drafted pursuant to art. 123-*ter* TUF and approved by the Board of Directors on 10 May 2024, after having been examined and approved by the Remuneration and Appointments Committee, such report made available to the public within the deadlines and in the manner set forth by the applicable provisions of law and regulations, including by way of publication on the Company website (www.unieurospa.com) under the section "Corporate Governance / Shareholders' Meetings / Shareholders' Meeting 2024".

For further information on the application of the remuneration policy for the Financial Year, please refer to the second section of the Remuneration Report, duly approved by the Board of Directors on 10 May 2024 available to the public within the term and in the manner envisaged by the applicable laws and regulations, which includes publication on the website www.unieurospa.com, under the section "Corporate Governance / Shareholders' Meetings / Shareholders' Meeting 2024".

Please also refer to the first section of said report relating to the proposed remuneration policy for the 2024-2025 Financial Year.

9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In compliance with Corporate Governance Code, the Issuer has adopted an Internal Control and Risk Management System that will allow it to identify, measure, manage and monitor the main risks, in line with best domestic and international practices. The Issuer shall in any case periodically update the corporate risk catalogue.

The internal control and risk management system contribute to protect the company's assets, the efficiency and efficacy of the corporate processes, compliance with the laws and regulations, the Articles of Association, the internal procedures as well as the reliability of the financial information. It follows that, the internal control system, set up with the objective of guaranteeing the reliability, accuracy, integrity and timeliness of the financial information, must therefore be considered as an integrative element rather than separate from the general risk management system adopted by the Company.

Said system is integral to the general organisational and corporate governance structures adopted by the company, taking into consideration as appropriate the best domestic and international practices as well as the models of reference, also in light of the evolution of this subject.

In particular, the planning, implementation and monitoring of the internal control and risk management system determined by the company have been inspired by the CoSo Framework methodology developed on the basis of the guidelines of the Committee of Sponsoring Organizations of the Treadway Commissions; the company plans and carries out ongoing development and streamlining of the system in all its components, in the context of continuous improvement. These components are briefly summarised below.

a) Control environment

The control environment is the organisational context within which the strategies and objectives are established as well as the procedures by which the business activities are structured and the risks are identified and managed. This encapsulates, amongst its many elements, the ethical values of the company, the skills and development of the personnel, the operating style and the procedures with which delegations, powers and responsibilities are conferred.

b) Risk assessment

Risk assessment is considered as a basic element of the system. To this end, in order to acquire instruments that are more in line with the requirements of the control and risk management system required by the organisational model overall, the status as a listed company and the business dynamics, the Company has initiated a structured process aimed at periodically identifying and assessing risks, which provides the base methodology for identifying control system and audit plan priorities.

c) Control activities

The control activities are determined within the framework of regulations, policies, guidelines and procedures that can help to ensure that the decisions for handling risks are executed in an adequate fashion. The Audit Plan, in accordance with principles of conformity with the task of optimising corporate resources and efficiency, has been implemented taking into consideration the main results of the risk assessment activities; these elements were supplemented by control activities that were triggered as a result of the requirements stated by the Executive Officer for Financial Reporting and by the Supervisory Body, for which Internal Audit provides operational support, as explained in more detail below. The Audit Plan was approved by the Board of Directors, after analysis and evaluation by the Control and Risk Committee.

d) Information and Communication

Information is necessary at all corporate levels to identify, evaluate and implement the decisions for the handling of the risks as well as to carry out control activities in compliance with the objectives that have been previously set. The individuals who make up the internal control and risk management system carry out their function also by maintaining a constant flow of executive reporting in line with their roles.

e) Monitoring

The internal control and risk management system is periodically audited and updated in order to coordinate the structure and the implementation procedures with the specific requirements of the organisation and the market in which the Company operates, according to the guidelines expressed by the Board of Directors.

On 23 April 2024, the Board of Directors approved the annual work plan prepared by the Internal Audit Director, having consulted the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System; while on 10 May 2024 it evaluated, based on the information provided to the Directors and having heard the opinion of the Control and Risk Committee, whether the Internal Control and Risk Management System adopted by the Company is consistent with the provisions of art. 6 of the Corporate Governance Code. On 10 May 2024, the Board of Directors passed a resolution regarding updates to the guidelines of the Internal Control and Risk Management System in accordance with the Company's strategies and the evaluation of the system's adequacy. At the meeting, the Chairman of the Control and Risk Committee, Alessandra Stabilini, informed those present of the favourable opinion expressed by the Committee she chairs on the adequacy of the Internal Control and Risk Management System.

9.1. Risk management system in relation to financial reporting

As regards the internal control system in place for the preparation of the financial reports, the Company has undertaken a process of adjustment to the indications set forth in Law 262/05. This process aims to document the accounting and administrative model that has been adopted as well as to put in motion specific audit checks by way of support to the certification process under the Executive Officer for Financial Reporting’s responsibility.

The above-mentioned accounting and administrative audit model constitute the totality of internal procedures and instruments adopted by the Company to ensure achievement of the corporate objectives of reliability, accuracy, integrity and speed in financial reporting.

The methods applied by the Executive Officer for Financial Reporting for the analysis and verification of the administrative and accounting audit system is set forth in a document describing the model, which has been constructed in line with the indications set forth in the "CoSo Report" which is referred to as the model of reference in the ANDAF Guideline for the Executive Officer for Financial Reporting preparing the Company’s accounts.

The valuation of the risks identified by the financial reporting at both the *entity* and process and individual transaction levels, aims to measure the appropriateness of the safeguards in place to efficiently mitigate the risks so identified, that are inherent to the administrative-accounting process.

The approach adopted is mindful both of possible risks arising due to innocent mistake as well as the risks that derive from fraudulent intent, thus providing for the planning and monitoring of safeguards and controls that guarantee coverage of this nature of risk, as well as coordination with those control protocols that have been implemented as part of the overall internal control system.

Furthermore, this approach is mindful of both manual controls and those made by information systems in support of the accounting and administrative processes, in other words, so-called automatic controls at the application system level and IT general controls safeguarding the areas which relates to system access, control of development and modifications and finally, adequacy of the IT structures. At the general IT and infrastructure level, the control system is subject to analyses to reveal issues and carry out initiatives aimed at strengthening it.

Monitoring activities are concentrated on the operating processes which refer to “material” accounting items. Furthermore, *ad hoc* checks are carried out on activities connected to closing of those operations which the company documents, allocates the responsibilities therefor and authorises through a dedicated information system, so as to guarantee the completeness and accuracy thereof.

The Executive Officer for Financial Reporting constantly monitors the adequacy of the controls, initiating corrective actions where necessary.

Based on the results of the activity for the tracking of the processes, risks and controls, the Company determines improvement plans aimed at introducing and/or modifying the controls whether at the general or at the individual process level. Where deemed appropriate, and always taking into account the checks made, the Company may move to determine or update the administrative - accounting procedures.

9.2. Director in charge of the Internal Control and Risk Management System

By way of support to the Issuer’s Internal Control and Risk Management System and in addition to the Control and Risk Committee, the Company’s Board of Directors appointed Giancarlo Nicosanti Monterastelli on 24 June 2022, as the Director in charge of the Internal Control and Risk Management System having the duties listed in Recommendation No. 34 of the Corporate Governance Code. In this regard, the Issuer deems that the appointment of Giancarlo Nicosanti Monterastelli, who also holds office as Chief Executive Officer, is in line with the provisions of the Corporate Governance Code, which provides that said office be expressly covered by the Chief Executive Officer.

In conformity with the provisions of Recommendation No. 34 Corporate Governance Code, the Director in charge of the Internal Control and Risk Management System is required to:

- identify the main corporate risks, taking into account the characteristics of the activity carried out by the Issuer and its Subsidiaries and periodically submit them for examination by the Board of Directors;

- put into effect the guidelines determined by the Board of Directors, as follow-up the planning, realisation and management of the Internal Control and Risk Management System and verify the relative adequacy and efficacy on an ongoing basis;
- deal with any adaptation of the control system to the dynamics of the operating conditions and the legislative and regulatory environment;
- request, at his/her discretion, the Internal Audit function to check specific operating areas and compliance with the internal rules and procedures in executing the corporate operations. In such case he/she shall concurrently inform the Chairman of the Board of Directors, the Chairman of the Control and Risk Committee and the Chairman of the Board of Statutory Auditors;
- immediately inform the Control and Risk Committee (or the Board of Directors) of any problems and critical areas that are flagged up as a result of activities or of which he/she becomes aware so that the committee (or the Board) can take the appropriate actions.

9.3. Internal Audit Director

At its meeting of 14 July 2022, the Board appointed Raffaella Folli as the Issuer's Internal Audit Director, charging her with the Issuer's internal audit operations.

The appointment of the Internal Audit Director is the result of a proposal put forward by the Director in charge of the Internal Control and Risk Management System, after receiving favourable opinions from Control and Risk Committee and the Board of Statutory Auditors.

On the proposal of the Director in charge of the Internal Control and Risk Management System and having received the favourable opinions from the Control and Risk Committee and Board of Statutory Auditors, the Board fixed the remuneration of the Internal Audit Director in line with the corporate policies and ensured that the appropriate resources for the discharge of the relative duties are available to such manager.

The Internal Audit Director reports directly to the Board of Directors and is not responsible for any operating area.

During the Reporting Year, the Internal Audit Director carried out the relative tasks in conformity with Recommendation No. 36 of the Corporate Governance Code in line with the Audit Plan approved by the Board of Directors, the results of which were reported to the Management, the Control and Risk Committee, the Board of Statutory Auditors and the Board of Directors.

The Company believes the incentivising mechanisms for the Internal Audit Director are consistent with the tasks assigned to this office (Recommendation No. 33 Corporate Governance Code).

Specifically, the activities carried out during the Year by Internal Audit and brought to the attention of the Control and Risk Committee included, *inter alia*, (i) audits in the areas of privacy compliance and contractual filings; (ii) updates to corporate risk mapping; (iii) preparation of the Enterprise Risk Management Policy; and (iv) preparation of the Annual Audit Report.

9.4. Organisational model (pursuant to Legislative Decree No. 231/2001)

On 17 May 2016, the Company approved and adopted the Organisation, Management and Control Model, pursuant to Legislative Decree No. 231/2001 (respectively the “**Model**” and the “**Decree**”). Most recently, on 23 February 2023, the Company updated and approved the new Model which it presented at presented at induction sitting of the Board and the Auditors.

The Code of Ethics provides for standards of conduct and guidelines to be followed when conducting business, in the relations between employees of the Company and the Group, and in relations with third parties. This document was prepared mindful of the Company's specific requirements arising in virtue of its operations.

The Organisational model, the Code of Ethics and the aforementioned policies are available on the Company's website www.unieurospa.com in the “Corporate Governance” section.

At its meeting of 24 June 2022, the Board of Directors further resolved to confirm the appointment of the Supervisory Body, the members of which are Giorgio Rusticali (Chairman), Chiara Tebano (Lawyer), and Raffaella Folli (the Company’s Internal Audit Director). The Supervisory Body so constituted fulfils the requirements of autonomy, independence, professionalism and continuity of the applicable activities.

The organisational Model consists of two parts. The first part is general in nature and illustrates the purposes, recipients, members of the preventive control system of the Model itself and - in line with the provisions of the Decree - the structure, operation and duties of the Supervisory Body, which pursuant to art. 6 of the Decree, is in charge of monitoring the functioning and observance of the Model.

This first part of the Model also provides for training and information of the company's personnel to familiarise them with the contents of said Model.

The second part of the Model is of a special nature and contains a description of the types of offences provided for in the Decree as well as the penalties applicable thereto, as concerns those risk areas considered applicable to the Company as a result of risk areas that were identified during the risk assessment process.

The types of criminal offences which the Model aims to prevent, based on the risk mapping which was conducted prior to its adoption, are:

a. Offences involving relations with the Public Administration;

b. Corporate offences;

c. Crimes for the purpose of terrorism or subversion of democratic order, transnational crimes, organised criminality;

d. Handling, laundering or use of goods, money or value from unlawful sources as well as personal laundering;

e. Crimes concerning payment instruments other than cash;

f. Employment of third parties who reside illegally in the country;

g. Crimes against persons, including racism and xenophobia;

h. Market abuse;

i. Culpable offences in violation of occupational health and safety laws;

j. Computer crime and illegal data processing;

k. Counterfeiting money, public credit cards, duty stamps and identification marks, crimes against industry and commerce, smuggling;

l. Crimes involving copyrights;

m. Inducement to withhold information from, or make untruthful declarations to, the Court authorities;

n. Environmental crimes;

o. Corruption between private parties;

p. Tax offences.

Since 2019 the Company has had a Whistleblowing Policy (hereinafter the “Policy”), most recently updated on 12 July 2023 in actuation of Legislative Decree No. 24 of 10 March 2023. The Policy is designed to:

- establish procedures for the reporting of unlawful or illegitimate conduct or behaviour, whether based on acts or omissions, which constitute, may constitute or may facilitate a violation of the Group’s Code of Ethics and/or the Organisation, Management and Control Model in accordance with Legislative Decree No. 231/01 as adopted by the Company and in any case conduct as may violate the policies and/or rules that govern corporate processes, in addition to violations that constitute administrative, accounting, civil or criminal offences or violations of specific national or European regulations;

- ensure a work environment in which employees and internal collaborators are comfortable in reporting any “unlawful conduct” being carried out within the Company.

The main features of the Company's whistleblowing system are:

- two information channels, one of which is computerised, available to top management and members of Unieuro's corporate bodies, shareholders and persons with administrative, management, control, supervisory or representative functions, all employees, self-employed workers and internal collaborators of Unieuro, freelancers and consultants performing their activities at Unieuro, workers or collaborators who provide goods or services or carry out work for the Company, volunteers and interns, whether paid or unpaid, who perform their activities at Unieuro;

- management of reported events in conformance with the provisions of the internal organisational provisions adopted by the Company on Whistleblowing;
- ensuring that the identity of the whistle-blower shall be kept confidential pursuant to Law No. 179/2017;
- prohibiting any direct or indirect retaliatory or discriminatory acts against the whistle-blower for reasons connected directly or indirectly to the unlawful conduct reported;
- applying a system of sanctions to those persons who violate the commitments, obligations and protection guaranteed by the Company.

The whistleblowing IT channel adopted by the company uses an online platform ("Whistleblowing Portal") which allows for the sending of reports in line with the relevant legislative provisions. Access to the Whistleblowing Portal is subject to a "no-log" policy so as to prevent the identification of any whistle-blower who wishes to remain anonymous.

For more information on the other anti-corruption procedural instruments in place, you are invited to consult the “Whistleblowing” section of the Company’s website and the company documentation made available in the “Company Documents and Procedures” section of the same site.

The Company has also adopted an Anti-Corruption Policy, which was most recently updated by the Board of Directors on 12 November 2020. More specifically, such Policy provides personnel with rules they must comply with, so as to strengthen supervision on anti-corruption issues and envisages an obligation that personnel adhere to industry standards. Said Policy furnishes a definition of acts or omission as may be interpreted as corruption and established a reporting obligation for unlawful practices in which personnel may find themselves involved, either actively or passively.

For this purpose, any person who becomes aware of corruption matters or of any other Anti-Corruption Policy infringement can report principally through dedicated communication channels, to the Internal Audit Function by way of the above-mentioned Whistleblowing system or alternatively, to the Legal Department.

9.5. Auditing firm

Pursuant to the applicable definitions and provisions of the law, the Shareholders’ Meeting on 12 December 2016 resolved to appoint the auditing firm KPMG S.p.A. - with legal and administrative offices located at Via Vittor Pisani no. 25 Milan, registered under number 13 of the Register of auditing firms held by the Ministry of Economy and Finance pursuant to art. 161 TUF and number 70623 of the Register of legal auditors - to conduct the legal audit of the annual financial statements for the financial years ending 28 February 2017 until 28 February 2025, pursuant to arts. 14 and 16 of Legislative Decree No. 39 of 27 January 2010, and the abbreviated audit of the abbreviated half-year financial statements for the half years ending from 31 August 2017 until 31 August 2024[15]. In consideration of the further activities required from the Independent Auditors

15 The Board of Directors has decided to submit the appointment of the Group independent audit firm for the financial years from 1 March 2025 to 28 February 2034 to the Shareholders' Meeting called to approve the 2024 financial statements, one year ahead of the expiration of the current mandate.

due to, *inter alia*, the acquisition of the entire shareholding in Monclick S.r.l. in liquidation, the Issuer conferred on the Independent Auditors, the task to carry out legal review of the consolidated financial statements for the financial years ending 28 February 2018 to 28 February 2025. Furthermore, in consideration of the activities required of the Auditing Firm by Legislative Decree No. 39 of 27 January 2010 and by (EU) Regulation No. 537/2014 (due to the entry into force of the new accounting standards IFRS 9, 15 and 16), as a consequence of the acquisition of the business units and above-mentioned shareholding in Monclick S.r.l. in liquidation and following the introduction of the provisions of the Delegated Regulation (EU) 2019/815 of the European Commission on regulatory technical standards relating to the specification of the single electronic communication format (ESEF - European Single Electronic Format), the Company upwardly adjusted the fees payable to the Audit firm, in compliance with the provisions of the relevant engagement letter.[16]

It should be noted that the Board of Statutory Auditors has shared the results presented by the external auditor with the Control and Risk Committee.

9.6. Executive Officer for Financial Reporting and other roles and corporate functions

Art. 20 of the Articles of Association provides that the Executive Officer for Financial Reporting be appointed by the Board of Directors, after the Board has received the mandatory albeit non-binding opinion of the Board of Statutory Auditors. Said corporate articles also provide that the Executive Officer for Financial Reporting shall hold a degree, obtained in Italy or abroad, in an economic or financial subject. He/she shall also have either at least three years of experience in the specific sectors of activity in which the Company operates or in management consultancy which includes administrative and accounting matters. He/she shall satisfy the integrity requirements envisaged for Directors.

In observance of art. 154-*bis* TUF, and in compliance with the procedures for appointments set forth in art. 20 of the Articles of Association, on 20 February 2023, the Issuer's Board of Directors appointed Marco Deotto, current Chief Financial Officer of the Issuer, as the Executive Officer for Financial Reporting pursuant to art. 154-*bis* of Legislative Decree No. 58/1998.

Upon appointment, the Board confirmed that the appointees satisfy the requisites mentioned in the above Articles and vested the Executive Officer for Financial Reporting with the powers and means necessary for the performance of the duties attributed to such office.

The Executive Officer for Financial Reporting:

- holds an executive position, at a hierarchical level reporting directly to top management;
- is directly responsible for the organisational structure and appropriate resources to adequately ensure the performance of its activities. For these purposes, the Executive Officer for Financial Reporting annually informs the Control and Risk Committee, the Board of Statutory Auditors, and the Board of Directors about the means available;
- has adequate access to information relevant to the performance of their duties;

[16] In particular, it should be noted that on 30 September 2019, the auditing firm KPMG was appointed to audit the financial statements from 29 February 2020 to 28 February 2025 of the wholly-owned subsidiary Carini Retail S.r.l. It should be noted that on 5 August 2020, Unieuro and Carini Retail S.r.l. in execution of the resolutions passed on 18 March 2020, respectively, by the Board of Directors of Unieuro, pursuant to arts. 2365 and 2505 of the Civil Code and art. 16 of the Articles of Association, and by the Extraordinary Shareholders' Meeting of Carini Retail, entered into the deed of merger regarding the merger of the subsidiary Carini Retail into the parent company Unieuro.

- has the power to supervise existing corporate procedures and authorise new ones where they have an effect on the financial statements, consolidated financial statements, half-yearly financial report, additional periodic financial information and, in general, documents subject to attestation;
- must be able to rely on company IT systems to access an accounting system which can ensure the adequacy of procedures and controls;
- may make use, where necessary and/or appropriate, of the cooperation of other corporate organisational Units, other than those organised by him/her as a company executive, in performing the assignment in accordance with procedures to be agreed with them.

For the purposes of traceability and transparency, the Executive Officer for Financial Reporting establishes the most appropriate way to file documents affecting accounting information.

The Executive Officer for Financial Reporting has the same inspection and control powers as the Board of Statutory Auditors and the external auditor, within the limits, however, of the powers and functions assigned to him/her. The Executive Officer for Financial Reporting may access any corporate documents including contracts with third parties.

The Executive Officer for Financial Reporting also:

- identifies an appropriate dedicated organisational structure (in terms of number and level of staff);
- may identify a dedicated budget that is approved each year by the Chairman of the Board of Directors. Within the scope of the powers conferred, the Executive Officer for Financial Reporting may also use external consultants, within the budget limits approved by the Chairman of the Board of Directors.

On 17 April 2023, the Board of Directors approved the updating of the Executive Officer for Financial ReportingGuidelines.

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During the Financial Year, the Board did not identify any situations that required the adoption of specific measures to ensure the effectiveness and impartiality of the other corporate functions involved in any supervisory activity controls - also taking into account its evaluation activities as regards the Internal Control and Risk Management System carried out with the support of the Control and Risk Committee.

9.7. Data Protection Officer

As of 25 May 2018, the Company has adopted a Privacy Organisational Model, in compliance with the provisions set forth in Regulation (EU) 2016/679 (GDPR) and, in general, with the regulation on privacy, defining guidelines, inter alia, for the management of corporate and organisational relations and for the necessary coordination of operational and compliance activities regarding personal data processing.

On 15 April 2021, the Company appointed Diego Fulco - founding partner and partner in the law firm, Net For Legal having its registered office in Milan, VAT number IT13218070152 - as its new **DPO** for the Company and its controlled company, Monclick S.r.l. in liquidation with Sole Shareholder and conferred upon such DPO all the powers and functions referred to under art. 39 GDPR. This appointment is effective as of 27 April 2021. On 4 December 2023, Diego Fulco was appointed as DPO of the subsidiary Covercare S.p.A.

9.8. Other supervision roles

At its sitting of 20 December 2021, the Board of Directors entrusted the Chief Executive Officer to establish a Compliance Manager dedicated to consumer protection matters (Consumer Rights Compliance Manager), to give him/her an express mandate in relation to such role and to determine the terms and conditions thereof.

The role of Consumer Rights Compliance Manager is to ensure the correct adoption of and respect of a commercial practices' compliance programme.

More specifically, the Consumer Rights Compliance Manager is required to provide support to company management: to identify and assess any non-compliance risks relating to consumer rights; to prepare the necessary periodic information for company top management. In particular, the Consumer Rights Compliance Manager shall:

- support the corporate functions in adopting appropriate procedures to prevent any risks of non-compliance relating to consumer rights. He/she may request that such procedures be checked to ascertain the adequacy and correct application thereof;
- monitor consumer rights legislation and any updates thereto and assess the impact thereof on processes and procedures. He/she shall furnish information thereon to the interested corporate functions and implement the necessary corporate sector documentation, also ensuring that it is made available as appropriate;
- support the corporate bodies and business functions by interpreting the legislation and assisting in the preventive conformance assessment in the remit of consumer rights as regards innovative projects and the development of products/services/channels;
- identify consumer rights compliance issues that require training and support the competent functions in preparing training plans and their relative content as well as monitor the effective delivery thereof.

By the end of each tax year, the Consumer Rights Compliance Manager shall draw up a Compliance Plan for submission to top management.

The role of Consumer Rights Compliance Manager was entrusted to Corporate Affairs Manager Elisa Petroni on 1 March 2023.

9.9. Coordination between the individuals involved in the Internal Control and Risk Management System

In order to optimise interaction between them and maximise efficiency of the Internal Control and Risk Management System, pursuant to the recommendations of the Corporate Governance Code, the Company has identified the roles and responsibilities of those individuals involved in the Internal Control and Risk Management System, to avoid overlapping of the respective areas of activity and skills or duplication of controls carried out.

Specifically:

- members of the Board of Statutory Auditors are always invited to take part in the meetings of the Control and Risk Committee, as is the Director in charge of the Internal control system;

- the Director in charge of the Internal Control and Risk Management System is required to promptly inform the Control and Risk Committee and the Board of any problems and critical issues that arise during the carrying out of his/her activities or which he/she has otherwise become aware of, so that the Committee and the Board are able to take the appropriate steps;

- the Internal Audit Director shall ensure that there is a periodic flow of information, including for those issues that are particularly significant, such flow not only with the Control and Risk Committee but also with all individuals who, in their various capacities, supervise the Internal Control and Risk Management System, such as the Board, the Executive Officer for Financial Reporting, the Supervisory Body, the Audit Firm and the Director in charge of the Internal Control and Risk Management System, each for the issues within their respective areas of competence;

- the Internal Audit Director shall directly participate at meetings of the Supervisory Body as an internal member and, where required, shall regularly take part in verifications conducted by the Board of Statutory Auditors;

- the Board of Statutory Auditors shall communicate periodically with the Board of Directors, Control and Risk Committee, Supervisory Body, Audit firm and the Executive Officer for Financial Reporting;

- the Supervisory Body may be called to participate in the meetings of the Board of Directors and the Control and Risk Committee as a guest, reporting every half year regarding its own activities;

- the Audit Firm may be invited to take part in the Control and Risk Committee meetings to update the Committee on the activities conducted;

- twice a year, at the half-year and annual closings, a meeting takes place of the control bodies (Control and Risk Committee, Board of Statutory Auditors, Supervisory Body, Internal Audit, Executive Officer for Financial Reporting, Director in charge of the Internal Control and Risk Management System, Independent Auditors) to ensure the alignment and coordination of the control activities carried out by each of them;

- the DPO shall maintain a flow of periodic communication with the Control and Risk Committee, and reports quarterly to the Board of Directors and the Board of Statutory Auditors.

10. INTERESTS OF THE DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

In its meeting held on 24 June 2021, the Board of Directors, having obtained the favourable opinion of the Related Party Transactions Committee, approved new "Internal regulations governing related party transactions" (the "**Procedure**") pursuant to and in accordance with Consob Related Parties Regulations No. 17221 of 12 March 2010, as subsequently amended and supplemented. This Procedure, which replaces and supersedes that adopted in 2017, sets out the principles to which the Company adheres to ensure transparency and substantive and procedural fairness of transactions with related parties whether carried out directly or through its subsidiaries. Said Procedure is viewable on the Company's corporate website at www.unieurospa.com in the "Corporate Governance / Corporate Documents and Procedures" section.

The above-mentioned procedure applies to transactions with related parties (the definition of which is provided in the respective definitions of the Consob Related Parties Regulation, which is expressly referred to in the Procedure) conducted directly by the Company or through subsidiaries.

In conformance with the Consob Related Parties Regulation, the procedure governs, inter alia, the inquiry and approval procedures regarding transactions with related parties of greater importance based on the criteria indicated in Consob's Related Parties Regulation and those transactions with related parties classified as of lesser importance, which are transactions other than those of greater importance and transactions involving modest amounts (individual transactions of not more than Euro 150,000 where the related party is a natural person and not more than Euro 300,000 where the related party is not a natural person).

Pursuant to the provisions of the Consob Related Parties Regulation, the Procedure considers to be transactions of greater importance with related parties those in which at least one of the relevant indexes indicated in attachment 3 of said Regulation is higher than the threshold of 5% and requires that a specific corporate body (comprised of the Chief Financial Officer and the Legal Director) be entrusted with the task of deciding how to apply the Procedure to the specific transaction, including the manner for classifying a transaction as of greater importance or of lesser importance.

Pursuant to the Consob Related Parties Regulations, the Procedure provides that, prior to approval of a transaction with related parties, the Related-Party Committee - which shall be comprised exclusively of unrelated and Non-Executive Directors and a majority of Independent Directors pursuant to the TUF and the Corporate Governance Code - shall give a reasoned, non-binding opinion on the interests of the Company to pursue the transaction as well as the convenience and essential correctness of the terms and conditions related thereto[17].

The rules provided by the Procedure do not apply in the following cases which are deemed as exempt therefrom:

(i) De Minimis Transactions;

(ii) Shareholders' Meeting resolutions provided for by art. 13, para. 1 of the RPT Regulations[18];

[17] See the Related-Party Committee chapter for more details.

[18] Meaning those Shareholders' Meeting resolutions referred to in art. 2389, para. 1 Civil Code, relating to the remuneration of the members of the Board of Directors and of the executive committees as well as resolutions on the remuneration of Directors holding specific offices where such remuneration is within a total amount pre-determined at a Shareholders' Meeting in accordance with art. 2389, para. 3 Civil Code. Shareholders' Meeting resolutions under art. 2402 Civil Code concerning the remuneration of the members of the Board of Statutory Auditors and of the Supervisory Board shall also be taken into consideration as shall also be those Shareholders' Meeting resolutions relating to the remuneration of the members of the management board, if any, taken pursuant to art. 2409-*terdecies*, para. 1, lett. a) Civil Code.

(iii) Transactions resolved on by the Company and presented to all shareholders on equal terms, including those resolutions provided for under art. 13, para. 1-*bis* of the RPT Regulations[19].

Without prejudice to art. 5 para. 8 of the Consob Related Parties Regulation, this Procedure likewise does not apply to:

(i) compensation plans based on financial instruments approved by the Shareholders' Meeting pursuant to art. 114-*bis* TUF and transactions for the enactment thereof;

(ii) resolutions other than those indicated in art. 13, para. 1 of the RPT Regulations concerning the remuneration of Directors and Directors holding specific offices or remuneration of Managers with Strategic Responsibilities provided that:

- the Company has adopted a remuneration policy duly approved at the Shareholders' Meeting;

- a committee made up solely by Independent Directors or by a majority of Independent Non-Executive Board members has been involved in the determination of said remuneration policy;

- the remuneration awarded has been identified in accordance with the Remuneration Policy and quantified on the basis of criteria that do not involve discretionary assessments;

(iii) Ordinary Transactions entered into on Equivalent Market or Standard Terms save for as provided for by art. 13, para. 3, letter c) of the RPT Regulations and specified in para. 3.5 of the Procedure;

(iv) transactions entered into by the Company with any Subsidiary, whether or not jointly, or entered into by a Subsidiary save for to the extent provided for below;

(v) transactions entered into by the Company with any Subsidiary of the Company save for to the extent provided for below.

The Procedure shall not be applicable to the items specified under points (iii), (iv) and (v), however shall apply where the counterparty to the transaction is a related or subsidiary company in which other Related Parties hold a Significant Interest.

[19] Transactions resolved on by the Company and put to all shareholders on equal terms shall include:
a) option-related capital increases, including to service convertible bonds, and gratuitous capital increases provided for under art. 2442 Civil Code;
b) demerger in strict sense, whether total or partial, providing a criterion for attribution of proportional shares;
c) share capital reduction by way of shareholder reimbursement pursuant to art. 2445 Civil Code and purchases of treasury shares pursuant to art. 132 TUF.

11. BOARD OF STATUTORY AUDITORS

11.1. Appointment and Replacement

The Board of Statutory Auditors is appointed at the Company's ordinary Shareholders' Meeting.

Pursuant to arts. 21 and 22 of the Articles of Association, the Issuer has adopted a transparent procedure for the appointment of the Statutory Auditors which guarantees, among other things, adequate and timely information regarding the personal and professional features of the candidates in office.

For as long as the Company's shares are listed on a regulated market in Italy or in another member state of the European Union, the Board of Statutory Auditors will be elected at the ordinary Shareholders' Meeting on the basis of lists submitted by the shareholders as provided below and ensuring a gender balance respecting the applicable laws and regulations.

Shareholders have the right to submit a list to the extent that they hold, whether individually or jointly with others on the date of submission of said list, the share percentage established by law or regulations in force from time to time (4.5%, pursuant to the Consob Management Deliberation No. 98 of 22 March 2024).

The lists have two sections: one for the appointment of Statutory Auditors and the other for the appointment of Alternate Auditors. The first candidate in each section shall be a certified auditor and shall have worked for a minimum of 3 (three) years as an auditor for clients that are legally required to have their financial statements audited. Should the other candidates not meet such requirement for the immediately preceding period, they must meet the other professional requirements under applicable legislation and regulations from time to time. In the event of non-fulfilment of the obligations laid down in this section, the list will be deemed unsubmitted.

Each list that contains 3 (three) or more candidates (mindful that there are two sections), shall also include a number of candidates from the under-represented gender so as to ensure that the list respects the principle of equality between genders and the number is at least the minimum required under the laws and regulatory provisions in force from time to time. In the event of non-fulfilment of the obligations laid down in this section, the list will be deemed unsubmitted.

As concerns gender balance, please refer to that specified at Section 4.2 of this Report.

The lists shall be submitted within the period prescribed by the applicable legislation referred to in the notice of call at the Company's registered office or electronically, as stated in the notice, and made public within the timeline and in the manner laid down by applicable legislation and regulations. If by the deadline for the submission of lists, only one list has been submitted or there are only lists submitted by shareholders acting together within the meaning of art. 144-*quinquies* of the Issuers' Regulation, then lists may be submitted for up to three days after said deadline. In this event, the thresholds indicated in the Articles of Association are reduced by half. Together with the lists, the following shall also be submitted:

(i) information about the shareholders who submitted the list and an indication of the percentage of equity held by them;

(ii) a declaration from shareholders other than those who hold, even jointly, a controlling or relative majority interest, certifying the absence of direct or indirect relationships with such shareholders under applicable legislation and regulations;

(iii) the curriculum vitae of the candidates and a declaration from each candidate attesting that there are no grounds for ineligibility or incompatibility and that he or she meets the requirements for office;

(iv) information about the candidates with an indication of administrative and supervisory positions held in other companies, as well as a declaration by the candidates that they meet the requirements, including those in terms of integrity, professionalism, independence and those concerning concurrent office, provided by applicable legislation and regulations and the Articles of Association, and their acceptance of the nomination and office, if elected;

(v) a declaration whereby each candidate accepts his or her nomination;

(vi) any other declaration, information and/or document as may be required by applicable legislation and regulations.

Any shareholders, who have signed a shareholders' agreement pertaining to the Company and relevant for the purposes of art. 122 of the TUF, parent company, subsidiary companies and companies under common control and any other entities with whom a relationship exists, including indirectly within the meaning of applicable legislation and regulations, may not submit or participate in the submission of more than one list, even through an intermediary or trust company, nor vote for different lists.

Each candidate shall only be included in one list, otherwise he or she shall be considered ineligible.

Any list not complying with the provisions set forth in this section shall be considered as not having been submitted.

The Statutory Auditors will be the first two candidates from the list with the highest number of votes ("**Majority List**") and the first candidate from the list obtaining the second highest number of votes ("**Minority List**") submitted by shareholders who are not related, even indirectly, to the shareholders who submitted or voted for the Majority List, and this candidate will also be appointed Chairman of the Board of Statutory Auditors.

The Alternate Auditors will be the first alternate candidate on the Majority List and the first alternate candidate on the Minority List.

If the gender balance is not achieved as required by applicable legislation including any *pro tempore* regulations, the necessary replacements will be selected from the candidates put forward for the office of Statutory Auditor on the Majority List, in the order in which the candidates are listed.

If fewer candidates are elected based on the lists submitted than there are Auditors to be elected, the remainder will be elected at the Shareholders' Meeting on simple majority ensuring that the gender balance required under applicable legislation, including any *pro tempore* regulations, is achieved.

In the event of a tie between the lists, a tie-breaker vote to decide the between the candidates subject of the tie shall be held for anyone entitled to vote at the Shareholders' Meeting. The candidates who obtain a simple majority of the votes shall be elected.

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

The Chairman of the Board of Statutory Auditors shall be the Statutory Auditor elected from the Minority List, unless only one list is submitted or no list is submitted; in such cases the Chairman of the Board of Statutory Auditors shall be appointed at the Shareholders' Meeting by resolution a voted on simple majority of representative votes.

11.2. Composition and operation (pursuant to art. 123-*bis*, para. 2, lett. d) and d-*bis*) TUF)

Pursuant to art. 21 of the Articles of Association, the Board of Statutory Auditors shall be comprised of 3 (three) Statutory Auditors and 2 (two) Alternate Auditors who satisfy the requirements of professionalism, integrity and independence as required by law and other applicable provisions.

As concerns the requirement of professionalism in particular, pursuant to art. 1, para. 2, lett. b) and c) of Ministerial Decree 162 of 30 March 2000, matters and sectors of activity which are closely related to those of the business carried out by the Company means those matters and sectors of activity connected to or inherent in the operations of the Company, as these are indicated in the corporate objects clause.

The requirements, functions, responsibilities of the Board of Statutory Auditors are governed by law.

Statutory Auditors shall remain in office for three company financial years. Their term of office shall expire on the date of the Shareholders' Meeting convened to approve the financial statements relative to their third year in office. Said auditors may be re-elected.

The Board of Statutory Auditors in office at the date of this Report and appointed at the Shareholders' Meeting on 21 June 2022, is composed of Giuseppina Manzo (Chairman), Stefano Antonini and Paolo Costantini (Statutory Auditors) and Emiliano Barcaroli and Davide Barbieri (Alternate Auditors). Such composition shall remain in office until the approval of the financial statements as at 28 February 2025.

At the Shareholders' Meeting held on 21 June 2022, the Statutory Auditors Stefano Antonini and Paolo Costantini, as well as the Alternate Auditor Emiliano Barcaroli were selected from the list of candidates presented by Fondazione Cassa di Risparmio di Terni e Narni that was voted by the 53.5% of the ordinary shares admitted to vote. The Chairman of the Board of Statutory Auditors, Giuseppina Manzo as well as the Alternate Auditor Davide Barbieri were selected from the list presented by institutional investors that was voted by 28.46% of the ordinary shares admitted to vote.

At the date of this Report, the Board of Statutory Auditors is therefore composed as follows:

Name and Surname	Office Held		Year of birth	Date of first appointment	In office since	In office until	List[20]	Independence as per Code	Attendance at the meetings [21]	Nr. of positions[22]
Giuseppina Manzo	Chairman		1981	18/06/2019	18/06/2019	Approval of separate financial statements as at 28 February 2025	F	X	100%	4 (of which 2 issuers)
Stefano Antonini	Statutory Auditor		1960	21/06/2022	21/06/2022	Approval of separate financial statements as at 28 February 2025	CARIT	X	100%	5 (of which 1 issuers)
Paolo Costantini	Statutory Auditor		1952	21/06/2022	21/06/2022	Approval of separate financial statements as at 28 February 2025	CARIT	X	100%	12 (of which 1 issuer)
Emiliano Barcaroli	Alternate Auditor		1972	21/06/2022	21/06/2022	Approval of separate financial statements as at 28 February 2025	CARIT	X	N/A	3 (of which 1 issuer)
Davide Barbieri	Alternate Auditor		1984	18/06/2019	18/06/2019	Approval of separate financial statements as at 28 February 2025	F	X	N/A	11 (of which 1 issuer)

[20] This column indicates F/CARIT depending on whether the member was elected from the list submitted by a plurality of funds (F) or from the list "CARIT".
[21] This column contains the attendance rate of the auditors at meetings of the Board of Statutory Auditors (ratio between the number of attendances and the number of meetings held during the actual time during which the individual in question was in office).
[22] This column contains the number of offices held by the individual in question as a Director or Statutory Auditor which are deemed relevant for the purposes of art. 148-*bis* TUF and the provisions of the Issuers' Regulation (including the Issuer). The complete list of offices is published by Consob on its own website pursuant to art. 144-*quinquiesdecies* of the Issuers' Regulation. Offices (if any) held in listed companies are indicated in brackets.

For more information about the members of the Board of Statutory Auditors, please refer to the corporate website of the Issuer http://www.unieurospa.com, in the section "Corporate Governance/Board of Statutory Auditors" where the *curriculum vitae* of Statutory Auditors illustrating the professional characteristics of the Auditors are available.

Pursuant to the recommendations made in the Corporate Governance Code and in accordance with applicable laws, the Board of Statutory Auditors shall monitor the financial reporting process, the efficacy of the Internal Control and Risks System, the legal auditing of the annual and consolidated accounts and the independence of the independent auditors, in particular as concerns any non-auditing services this latter may provide. To correctly perform their own activities, the Statutory Auditors may request the Internal Audit Director to carry out checks on specific operating areas or company operations.

During the Financial Year, in the performance of its activities, the Board of Statutory Auditors have coordinated with the Internal Audit Function and the Control and Risk Committee by means of participation in discussions on issues of specific interest.

The Internal Audit function has participated on a regular basis in the checks carried out by the members of the Board of Statutory Auditors.

All Statutory Auditors must satisfy the requirements of eligibility, integrity and professionalism as provided by the applicable laws and regulations.

Furthermore, in application of the recommendations set forth under Corporate Governance Code, the above-mentioned art. 21 of the Articles of Association provides that all Statutory Auditors must satisfy the requirements of independence set forth in the applicable legislation and regulations.

Please note that, in application of Recommendation No. 7 of the Corporate Governance Code - which specifies determined circumstances deemed to compromise or that would appear to compromise, the independence of a Director (as well as that of a Statutory Auditor, pursuant to Recommendation No. 9) - the Board of Directors on 15 April 2021 following a preliminary assessment carried out by the Remuneration and Appointments Committee, laid down the assessment criteria to measure the relevant nature of commercial, financial or professional relations of Independent Directors with the Company, as well as any additional remuneration received by said Directors in relation thereto.

More specifically, the Board of Directors deems a Director to satisfy the independency requirements based on the following factors, without prejudice to any particular circumstances to be considered based on the specific case:

- the total value of any commercial, financial or professional relationships maintained during the current year or in the three previous years with the Company and/or its subsidiaries or with its Executive Directors or top management or with a person who controls the company or with the related Executive Directors or top management, does not exceed the lesser amount between:
    - 5% of the annual turnover of the company or entity of which the Director has control, or is a key representative of, or of the professional firm or consulting company which he/she is a partner in;
    - (i) Euro 300,000 (meaning an annual fee for professional services rendered to the Company by the company or body over which the Director has control of or of which he/she is a key representative or by the professional firm or company consultancy of which he/she is a partner in or (ii) Euro 150,000 (meaning an annual fee for the professional services rendered to the Company by the Director as an individual professional).

- the additional remuneration paid directly to the Director during the current financial year or in the three previous financial years (i) by the Company or (ii) by its parent company or any subsidiaries thereof, does not exceed the overall remuneration he/she receives due to his/her office and participation in those committees recommended by the Corporate Governance Code or envisaged by the legislation in force.

The Board also specified that the fact of being a "close family member" of a person who exceeds one of the above-mentioned thresholds is also a circumstance deemed relevant to the compromising of a Director's independence, whereby "close family members" are deemed to be parents, children, spouses who are not legally separated and cohabitants, in alignment with that set forth in the Q&A to the Corporate Governance Code published in November 2020 by the Corporate Governance Committee.

In application of art. 144-*novies* of the Issuers' Regulation, the holding of the requirements indicated above by the members of the Board of Statutory Auditors shall be assessed by the Board of Statutory Auditors:

(i) after their appointment; the outcomes of this verification shall be disclosed to the market by press release;

(ii) every year, the relative results shall be provided in the report on corporate governance.

11 April 2024 was the last occasion upon which the Board of Statutory Auditors verified that all the members of said Board of Statutory Auditors continue to fulfil the requirements of integrity and professionalism required by art. 148 TUF and the implementation regulation adopted with Decree No. 162/2000 issued by the Ministry of Justice. At the meeting held on 23 April 2024 the Board of Directors also verified the continued fulfilment of the independence requirements under art. 148, para. 3 TUF and the combined provisions of Recommendations 7 and 9 of the Corporate Governance Code, for all members of the Board of Statutory Auditors and found that none of them falls within the remit of the matters under art. 148, para. 3 TUF and the combined provisions of Recommendations No. 7 and 9 of the Corporate Governance Code.

Also on 11 April 2024, the Board of Statutory Auditors examined the outcomes of the self-assessment process pursuant to rule Q.1.7. (Code of Conduct of the Board of Statutory Auditors of listed companies - December 2023) to ascertain the existence and continuance of members' suitability requirements as well as its correct and effective operation. Said Board of Statutory Auditors' self-assessment process, deemed to be successfully concluded, was recorded in minutes and sent to the Board of Directors.

You are reminded that at the Shareholders' Meeting convened on 21 June 2022 to resolve on the renewal of the Board of Statutory Auditors, said Board of Statutory Auditors provided Shareholders with its own Guidelines on the requirements for each of its members as well as on Board composition in terms of balance and complementarity between the experience and skill sets of its members.

The above-mentioned Guidelines were made available to the public on the Company's corporate website under Corporate Governance / Shareholders' Meetings / Shareholders' Meeting 2022 and on the authorised storage mechanism www.emarketstorage.com on 13 January 2022.

During the Financial Year, the Board of Statutory Auditors sat 18 times, with each meeting having an average duration of 1.5 hours and with a percentage attendance as per that indicated in the above Table. For the 2024-2025 financial year, at least 15 meetings have currently been scheduled (6 of which have already been held as at the date of this Report).

Below is a summary on the members of the Board of Statutory Auditors.

GIUSEPPINA MANZO

Giuseppina Manzo, Chairman of the Board of Statutory Auditors of Unieuro has a wealth of extensive professional experience. She has worked as a consultant on financial statements and corporate finance at Wepartner S.p.A. from September 2006 to date, advising medium and large companies, including listed companies, operating principally in the banking, industrial, energy and luxury sectors. Among the most important positions she holds are Statutory Auditor of Ferretti S.p.A., a dual-listing company listed on Borsa Italiana S.p.A. and the Hong Kong Stock Exchange, and D360 Holding S.p.A. She has been Statutory Auditor of Etica Sgr S.p.A. and Alternate Auditor of Inalca S.p.A., as well as Statutory Auditor of Sennder Italia S.r.l and Alternate Auditor of Financit S.p.A., Poste Assicura S.p.A. and MLK Deliveries S.p.A., all companies of the Poste Italiane Group. She has also been Alternate Auditor of Italgas S.p.A. and Banca Ifis S.p.A., both listed on the Italian Stock Exchange. She gained an Executive Masters in Corporate Finance and Banking from the SDA Bocconi School of Management and graduated in Business Law in 2013 and graduated in Law and Business Administration summa cum laude from the Luigi Bocconi University of Milan in 2004. She is admitted to the Milan Order of Chartered Accountants and the Register of Official Auditors. Giuseppina Manzo has also lectured and contributed to industry publications.

STEFANO ANTONINI

Stefano Antonini graduated in Economics from the University of Perugia. He is a Certified Public Accountant with experience in business and corporate consulting, particularly focusing on corporate transactions and reorganisation processes at major industrial Groups.

He is a certified auditor with the Ministry for the Economy and Finance, on the List of Auditors of Local Authorities and at the Ministry of the Interior, and has held Statutory Auditor positions in companies including those with public shareholdings and auditor positions at Public Entities and Local Authorities.

In addition to the position of Statutory Auditor in Unieuro S.p.A., he has held the following main positions: member of the Board of Statutory Auditors of Free Energia S.p.A.; member of the Board of Statutory Auditors of Free Luce&Gas S.p.A.; Alternate Auditor of Banco Desio S.p.A.; member of the Board of Statutory Auditors of AMA Rozzano S.p.A.; member of the Board of Auditors of Azienda Farmaceutica Municipalizzata di Terni; member of the Board of Auditors in Consorzio insediamenti produttivi TNS; Sole Auditor of A.T.A. of ATO 5 Marche; Chairman of the Board of Auditors of the Province of Terni.

PAOLO COSTANTINI

Paolo Costantini is an accountant graduated from the Federico Cesi Commercial Technical Institute in Terni. He is admitted to the Order of Chartered Accountants and Accounting Experts of Terni and the Register of Official Auditors at the Ministry of Justice. He has carried out his professional activities since 1978 in the areas of labour, corporate, tax and corporate consultancy. He is currently a partner of "Costantini Paolo Commercialista S.r.l. S.t.P." and holds various professional offices such as Sole Auditor, member or Chairman on the Boards of Statutory Auditors in various companies, including Unieuro S.p.A., Corso del Popolo S.p.A., Scattolini S.p.A., FAIST Componenti S.p.A. Autoimport S.r.A., Terniauto S.r.l., Free Luce Gas S.p.A., BA & PARTNERS S.r.l., Federazione Italiana Pesca Sportiva e Attività Subacquee - FIPSAS, Interporto CENTRO ITALIA ORTE S.p.A. and ORANGY S.r.l. Previously, he held various institutional offices in the Order of Chartered Accountants and Accounting Experts of Terni.

EMILIANO BARCAROLI

Emiliano Barcaroli is a chartered accountant with experience in corporate and tax consultancy for large and medium-sized companies. He has held various offices, including that of Chairman of the Board of Statutory Auditors, Chairman of the Supervisory Body, Auditor and Advisor for the restructuring of bank debts in various companies including Banco di Desio e della Brianza S.p.A., Ternana Calcio S.p.A., TerniEnergia S.p.A., Comunità Energetiche S.p.A., T.I.T. Europe S.r.l., Unieuro S.p.A., Umbria Film Commission Foundation, Quattrobi S.r.l., Digitalog S.p.A. in liquidation, Tecnomultiservice S.r.l., Interporto Centro Italia Orte S.p.A., Garofoli S.p.A., Astolfi S.p.A.

Emiliano Barcaroli has held offices in various other companies, managing issues such as the drafting of economic-financial plans, supervision, auditing, and syndication. He has experience in various sectors, including energy, engineering, professional football, the film commission and transport.

DAVIDE BARBIERI

Davide Barbieri was born in Cremona on 2 July 1984 and graduated in Business Administration and Management from the University of Parma in 2008.

In 2012 he was admitted to the Order of Chartered Accountants of Parma and to the Register of Auditors. Mr Barbieri is also a Partner of the "Professional Association of Certified Accountants Cerati Giuseppe Laurini Luca Ampollini Carla".

Mr Barbieri acts as Chairman of the Board of Statutory Auditors of Danieli & C. as well as Statutory Auditor and Alternate Auditor of various companies operative in diverse sectors.

He also carries out functions of administrator, receiver and liquidator. He is currently a Senior Partner of the Cerati Laurini & Ampollini firm.

11.3. Diversity criteria and policies

With regard to the diversity policy, as already reported above in relation to the Board of Directors, on 17 April 2023, said Board of Directors assessed whether it would be opportune to adopt a specific diversity policy; they decided that such a specific policy was not necessary on grounds that the set of legislative and regulatory provisions, including the provisions of the Corporate Governance Code concerning the composition of the administrative, management and control bodies of the Company allows for an adequate composition regarding aspects such as gender, age, experiences, professional and personal characteristics.

In this regard, as indicated above, it should be noted that on 20 March 2024, the Board of Directors, after receiving the opinion of the Remuneration and Appointments Committee, updated its guidelines on the maximum number of management and supervisory roles deemed compatible with effective performance of the office of Executive Director or member of one or more intra-board Committees of the Company, as originally adopted on 14 April 2020.

The Chief Executive Officer has ensured that following their appointment and during their term of office, the Statutory Auditors shall be able to participate in the most appropriate way in those initiatives aimed at furnishing them with adequate knowledge of the sector of activity in which the Issuer operates, the Company dynamics and their evolution, the correct risk management principles as well as the reference regulatory and self-regulatory framework.

Remuneration

The compensation of the standing members of the Board of Statutory Auditors is determined at an ordinary Shareholders' Meeting at the time of their appointment. The information on the remuneration of the Statutory Auditors is set forth in the Report concerning the policy of remuneration and recompense paid which has been drawn up by the Company pursuant to art. 123-*ter* TUF and is available on the Company's website.

For further information on remuneration of the Board of Statutory Auditors, we refer you to the Remuneration Policy and Report which the Company has made available on the corporate website.

Interest management

The Statutory Auditors shall carry out their duties autonomously and independently in relation to the Shareholders. For this purpose, any Auditor who has an interest in a specific Company transaction whether on his/her own behalf or on behalf of any third party, shall promptly and comprehensively inform the other Auditors and the Chairman of the Board of Directors as to the nature, terms, origins and scope of his/her such interest.

12.SHAREHOLDER RELATIONS

Access to information

Shareholders have access to the most significant corporate documentation which is provided speedily and on an ongoing basis on the website *https://unieurospa.com/en/_home/*. All price sensitive press releases disclosed to the market can be found on this website as can the periodic accounting documentation of the Issuer as shall be made available in a timely manner following approval by the appropriate corporate bodies (annual financial statements, half year financial statements, interim reports on operations) as well as all documentation as is required to be published by law.

Specifically, the main documents relating to Corporate Governance as well as the Organisational Model pursuant to Legislative Decree No. 231/2001 can be consulted on the above website.

Pursuant to art. 2.2.3, para. 3, letter k) of the Stock Market Regulation, at close of the reference period, Gianna La Rana, Investor Relations Director, is the person appointed to handle relations with all shareholders and institutional investors and also perform any specific duties relating to the management of price sensitive information and the relations with Consob and Borsa Italiana.

Dialogue with shareholders

On 23 February 2022, in compliance with the provisions of art. 1 Recommendation No. 3 Corporate Governance Code, the Unieuro Board of Directors, upon the proposal of the Chairman, in agreement with the Chief Executive Officer and having received the favourable opinion of the Sustainability Committee, approved a Policy for the Management of Dialogue with Shareholders and Other Interested Parties[23].

Said Policy, which may be viewed on the Company's corporate website in the Corporate Governance - Corporate Documents and Procedures section, governs dialogue between the Company and the representatives of the Interested Parties and sets forth the rules of such dialogue, identifying the interlocutors, the topics to be discussed, the timing and the channels of interaction.

Pursuant to the Policy for Dialogue with Shareholders and other stakeholders, no requests for dialogue with the Board of Directors were received, while the Company conducted pre-meeting engagement activities with proxy advisors and major shareholders. As per the Policy, the Investor Relations Director regularly briefed the Board of Directors in at least one meeting per half year on shareholder dialogue activities and on investor relations activities more generally.

[23] Means the Company's current and potential shareholders, the holders of other financial instruments issued by the Company, institutional investors, asset managers, their advisors (such as proxy advisors and rating agencies) and the trade associations to which the above persons adheres.

13. SHAREHOLDERS’ MEETINGS (pursuant to art. 123-*bis*, para. 2, lett. c) TUF)

Pursuant to the provisions of the applicable laws, the ordinary Shareholders’ Meeting is competent to approve the financial statements, appoint and revoke Directors, Statutory Auditors, the Chairman of the Board of Statutory Auditors and establish the remuneration of the Directors and the Statutory Auditors and resolve on any other issues that fall under its competence pursuant to the law. The extraordinary Shareholders’ Meeting resolve on amendments to the Articles of Association as well as any other issues which fall under its exclusive competence pursuant to the law.

Also, mindful of the desired outcomes intended by special legislation regarding listed companies, by Shareholders' Meeting resolution of 6 February 2017, the Company adopted a Shareholders' Meeting Regulation aimed at governing the order and operation of the meetings and ensure that each shareholder is able to give personal input on issues on the agenda. In this regard, it should be noted that, upon the proposal of the Board of Directors, the Shareholders' Meeting of 22 June 2023 adopted a new version of the Shareholders' Meeting Regulation. This was due to the need to align the provisions contained therein with the concrete methods by which the meetings are conducted, taking into account the experience gained, and to make additional formal changes to render the text of the Regulation more systematic. The contents of the Regulation are therefore in line with the latest models which have been specifically created by certain business associations for listed companies, as provided by the aforementioned resolution. The Shareholders’ Meeting Regulation is available on the Company's website at www.unieurospa.com under the section “Corporate Governance”.

In accordance with art. 9 of the Articles of Association, the Shareholders’ Meeting may be ordinary or extraordinary as defined by law and it shall be convened, pursuant to and in the manner provided by the law, at the headquarters of the Company or elsewhere, provided the location is within Italy. The notice of call, which shall contain the information required pursuant to the applicable law and regulations shall be published on the Company's website and advertised in the any other manner provided for by the applicable law and regulations.

The ordinary Shareholders' Meeting must be convened at least once per year for approval of the annual financial statements within 120 (one hundred and twenty) days from the end of the financial year or within 180 (one hundred eighty) days in those cases permitted by law.

During the Financial Year, two Shareholders' Meetings were held, the first on 22 June 2023, with shareholders holding 28.960% of the share capital in attendance.

Participation by those entitled to vote at said Shareholders’ Meeting was carried out by the representative designated pursuant to art. 135-*undecies* TUF, which is Monte Titoli S.p.A. This manner of participation was used on grounds that the Board of Directors deemed it apposite to avail of the option under art. 106 para. 4 of Legislative Decree No 18 of 17 March 2020, converted with amendments by Law of 24 April 2020 No. 27, the effectiveness of which had at the time been extended until 31 July 2023 by Law No. 14 of 24 February 2023.

Members of the Board of Directors and the Statutory Auditors in office participated in the above-mentioned Shareholders' Meeting. During the Meeting, the Chairman of the Board of Directors and the Chief Executive Officer reported on behalf of the Board of Directors on the activities carried out and those that are scheduled, duly furnishing the shareholders with sufficient information so they have knowledge of the facts as required for them to resolve on the decisions under the competence of the Shareholders' Meeting. Prior to the meeting, within the deadlines and in the form prescribed by law and the Articles of Association, shareholders were provided with all documentation prepared in support of the individual items on the agenda.

13.1. Right to participate and vote at the Shareholders' Meeting

Each share carries one vote.

Those entitled to vote may attend Shareholders' Meeting.

The right to attend the Shareholders' Meeting and exercise voting rights is attested by means of a communication to the Company by the intermediary on behalf of the individual evidenced as holding voting rights at the end of the accounting day on the seventh day on which the market is open, prior to the date set for the first convocation of the Shareholders' Meeting. Such communication from the intermediary must be received by the Company by the end of the third day that the market is open prior to the date set for the first convocation of the Shareholders' Meeting or any other deadline set by the applicable laws and regulations. The rights of attendance and vote shall still apply even if the communications have been received by the Company later than the deadlines indicated above, provided such communications are received before commencement of the Shareholders' Meeting upon single convocation.

Individuals entitled to attend the Shareholders' Meeting may be represented by a proxy authorised in accordance with the law. Shareholders are entitled to notify the Company regarding any proxy participation at the Shareholders' Meeting by sending notice thereof by e-mail to the address indicated in the notice of call of the Shareholders' Meeting or by any other manner as may be indicated. Postal voting is permitted in conformity with the applicable laws and regulations and with the methods indicated in the notice of call.

13.2. Conducting of Shareholders' Meetings

The Shareholders' Meeting is deemed quorate and can pass resolutions with the majorities provided for by law.

A Shareholder may vote by post in accordance with the procedures set by law.

The Shareholders' Meeting shall be chaired by the Chairman of the Board of Directors and, in his or her absence, the person designated by the attendees.

The Chairman of the Shareholders Meeting, including by means of any specifically delegated person/s, shall verify that the Shareholders' Meeting is quorate, ascertain the identity and legitimation of the attending shareholders and regulate the proceedings - for such purpose establishing the procedures for discussion and voting (no secret ballots) - and ascertain the results of the vote.

The Chairman will be assisted by a secretary, who does not have to be a shareholder, appointed at the Shareholders' Meeting. In the cases allowed by the law, or when the Shareholders' Meeting so considers appropriate, the functions of the secretary will be exercised by a notary public.

The resolutions passed at the Shareholders' Meeting shall be detailed in the meeting minutes and signed as provided for by law.

In addition to the provisions of the law and the Articles of Association, the Shareholders' Meeting shall also be governed by the Shareholders' Meeting Regulation, which was approved most recently on 22 June 2023, effective from the Trading Start Date of the company shares on the MTA - Star segment.

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As far as changes in the composition of the shareholder structure is concerned, you are referred to that stated in chapter 2 of this Report.

The Board of Directors has not deemed it necessary to determine any corporate governance system more suited to the Company's needs. For such reason it has not submitted any proposals for consideration at the Shareholders' Meeting regarding:

- choice and characteristics of the corporate model;
- size, composition and appointment of the Board and term of office of its members;
- articulation of the administrative and property rights of shares;
- percentages established for the exercise of those prerogatives to protect minorities (as provided for under the Corporate Governance Code by Recommendation No. 2).

14. ADDITIONAL CORPORATE GOVERNANCE PRACTICES (pursuant to art. 123-*bis*, para. 2, letter a) TUF)

The Issuer has not adopted corporate governance practices that are additional to those required by the applicable laws and regulations.

Specifically, please refer to Section 10.4 above of the Report with regard to the model adopted by the company pursuant to Legislative Decree No. 231/2001.

15. CHANGES AFTER THE END OF THE REPORTING YEAR

Between the end of the Reporting Year and the date of this Report, there have been no changes in the corporate governance structure from those indicated in the specific sections of this Report.

16. CONSIDERATIONS ON THE LETTER OF 14 DECEMBER 2023 FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

The recommendations formulated in the annual report of the Italian Corporate Governance Committee on application of the Corporate Governance Code by issuers (the "**2023 Report**") as well as in the communication of 14 December 2023 from the Chairman of the Committee, first of all, submitted to the attention of the Chairman of the Board of Directors, the Chief Executive Officer and the Chairman of the Board of Statutory Auditors (the parties to whom this letter was addressed). Such recommendations were evaluated by the above- mentioned recipients and then were brought to the attention of the Board of Directors and the Board of Statutory Auditors during the meeting held on 22 February 2024, following examination of said recommendations by the Remuneration and Appointments Committee in the meeting held beforehand on 13 February 2024.

The Chairman of the Committee advises that the previous year's Report recommended that issuers assess, and, where appropriate improve, the concrete and substantial application of certain best practices contained in the Corporate Governance Code and in particular:

- <u>Dialogue with shareholders and other relevant stakeholders</u>

  In the 2022 Annual Report, the Committee particularly focused on the goal of adopting an efficient shareholder dialogue policy, also considering the company's size and ownership structure and, therefore, the principle of proportionality. In this regard, companies were invited to consider providing information in their corporate governance reports on the most relevant issues covered in dialogue with shareholders and on any initiatives taken to take into account the issues which emerged.

Analysis of the 2023 Report reveals that the increase in shareholder dialogue policies (74% compared to 60% in 2022) is accompanied by improved reporting on activities carried out to implement the policy, though these are mainly provided for activities conducted by the investor relator and management. However, disclosure of how the outcomes of stakeholder dialogue are conveyed to and evaluated by the Board of Directors continues to be infrequent.

UNIEURO FULLY COMPLIES WITH THE RECOMMENDATION

Firstly, you are reminded that on 23 February 2022, the Board of Directors of Unieuro approved the "Policy for the Management of Dialogue with Shareholders and Other Interested Parties," which provides for dialogue initiated by investors and lays down the manner and procedures for dialogue management. As regards the specific requirement that emerged in the 2023 Report to provide evidence of how the outcome of the dialogue is conveyed to the board, in the Corporate Governance Report published in 2023, information was provided on the actual implementation of the Policy at that date: “Further to the adoption of said Policy, there have been no significant developments or specific requests for dialogue by shareholders directly with the Board or on matters that, in general, fall within the remit of the Board of Directors competencies save for the exchanges as are a usual part of the submission of list by the Board of Directors, with a view to the renewal of said Board.”

Unieuro S.p.A. also engaged in specific dialogue with relevant shareholders in preparation for the Shareholders' Meeting on remuneration issues. Moreover, the Chairman of the Remuneration and Appointments Committee also took part in this dialogue, and the outcomes were subsequently reported to the Board of Directors.

As per the same Policy, the Investor Relations Director periodically reported on these dialogues and on the application of the Policy. This was done at the Board of Directors meetings of 15 December 2022 and 12 July 2023.

Particularly over the past three financial years, several categories of other relevant stakeholders have been regularly involved by Unieuro’s Sustainability and M&A Director in the annual update of the materiality analysis, which is carried out as part of the preparation of the Non-Financial Statement (Legislative Decree No. 254/2016). Full and timely evidence of this activity is provided to both the Sustainability Committee and the Board of Directors and the findings of the materiality analysis are subject to Board approval. For FY 2023/24 year, as part of the above-mentioned materiality analysis, the Company conducted a specific activity to identify: a) the most relevant stakeholder categories in Unieuro's target sector; b) the main engagement strategies. This exercise was supported by a benchmarking analysis and resulted in updates to the Company's map of relevant stakeholders. We also underline Unieuro's attention to the degree of customer satisfaction, which is measured on an ongoing basis by the Net Promoter Score (NPS). The same metric is used in the "UniVersus" project to measure employee satisfaction. Unieuro has included the E parameter in its NPS, thus creating an Employee Net Promoter Score. Meanwhile, the Community focus is mainly evidenced by the *#cuoriconnessi* project to combat cyberbullying. Since 2016, in collaboration with State Police, the project has been raising awareness and informing young students, parents, and teachers about a more conscious and correct use of digital devices. KPIs related to these three initiatives are constantly monitored and are included in both the Company's short-term and medium- to long-term variable incentive systems.

- <u>Vesting of management powers to the Chairman of the Board of Directors</u>

The 2022 Report invited those companies in which the Chairman has been vested with significant management powers to provide adequate reasons for this choice in the Corporate Governance Report, including where the Chairman does not hold the title of CEO.

On this point, the 2023 Report acknowledged an improvement in the disclosure provided by companies in cases where the Chairman is the CEO of the company or otherwise has significant management authority

(59% of cases, compared to 43% in 2022).

THIS RECOMMENDATION DOES NOT APPLY TO UNIEURO

The Company's Articles of Association and the Board of Directors' Regulation provide that the Chairman of the Board of Directors may not perform executive functions on the Board. As such, and in accordance with the TUF, he/she is not vested with powers for the management or elaboration of corporate strategies.

- Pre-meeting information and participation of managers in board meetings

The Committee invited the management body to: (i) establish procedures for the management of pre-meeting information that do not envisage any general exemptions that would allow a party to derogate from prescribed periods on confidentiality grounds, and (ii) provide a detailed description in the corporate governance report on any failure to comply with prescribed notice periods for the furnishing of information, giving the reasons for such failure and illustrating how adequate insights thereon have been ensured at the Board meeting.

The Chairman of the Committee notes that there is still room for improvement both in the ex post information on compliance with the previously adopted notice period and in the provision of generic exemptions to the notice period for confidentiality reasons (a lack of ex post information and the presence of confidentiality exemptions occur in almost 30% of the listed companies).

Regarding the participation of managers in Board meetings, the Annual Report for 2022 suggested that the regulations adopted for the functioning of the Board of Directors and its committees and the manner in which said bodies may gain access to the competent corporate functions having regard to the particular matter to be dealt with be defined under the coordination of the Chairman of the Board of Directors or of the committee, as the case may be, having agreed with or informed the CEO.

The Committee further invited companies to provide information in the corporate governance report on effective participation of managers in board and committee meetings, describing those functions who have been involved and the frequency of involvement.

UNIEURO FULLY COMPLIES WITH THE RECOMMENDATION

It should be noted that on 20 December 2021, the Board of Directors approved the Board of Directors' Regulation and Procedure for the management of information flows to the Directors of Unieuro. This provides for the observance of punctual timelines in the preparation and provision of documentation for the discussion of individual items on the Agenda of meetings as well as the preparation of an annual calendar of corporate bodies' activities, which shall be shared by the Company Secretary with the Corporate Functions to enable adequate planning in the management of documents and information.
During the financial year 2022-2023, documentation was provided to corporate bodies on time. The Company Secretary supplemented the documentation where deemed necessary, including in light of indications provided by committees.
In terms of manager participation, the Chief Executive Officer, General Manager and all of Unieuro's management are always available to corporate bodies for any request for further information or information the Directors and Statutory Auditors may request from time to time.
In line with the provisions of the Code, art. 7.4 of the Board of Directors' Regulation provides that the Chairman - in agreement with the Chief Executive Officer and also on request of one or more Directors - may invite executives of the Company or of Unieuro Group, as well as other individuals or external consultants whose presence is deemed useful in relation to the items on the agenda, to attend individual meetings.

Likewise, the Regulations of the intra-board committees all provide that the Chairman of the Committee may from time to time invite, inter alia, managers of the Company's corporate functions and/or of its subsidiaries, or other persons whose presence may be of assistance to facilitate the best performance of the Committee's own functions.
All of the above aspects were described in the Corporate Governance Report published in 2023.

- Guidelines on the optimal composition

The Committee underlines the importance that the outgoing administrative body, at least of companies other than those having concentrated ownership, furnish guidelines in view of Board renewal, to provide for the composition deemed optimal for the Board and invites companies to publish their guidelines well in advance, to allow those submitting lists of candidates to be able to take them into account for the purpose of compiling their lists.

In this regard, the Chairman reports that there has been a gradual improvement in the Board's commitment to its optimal composition in companies with non-concentrated ownership: this year, in 71% of non-concentrated companies and 43% of concentrated companies that renewed their boards in 2023, the outgoing board provided guidance on its optimal composition (50% and 45%, respectively, in 2020). On this point, however, he points out that there is still significant room for improvement in terms of the publication of these guidelines, which are still very often (in 84% of cases) published less than 30 days before the notice of call (in these cases, the median deadline is eight days in advance).

UNIEURO FULLY COMPLIES WITH THE RECOMMENDATION

On 13 January 2022 (ahead of the June 2022 Shareholders' Meeting), Unieuro's Board of Directors approved and published the Document entitled "Guidelines from the Board of Directors to the Shareholders on the size and composition of the new Board of Directors”. This sought to provide a guideline for the submission of lists for the renewal of the management body, five months before the date of the Shareholders' Meeting. The outgoing Board of Directors put forward its own list of candidates for the office of Director on 11 May 2022, ensuring compliance with said guidelines on such occasion.
In addition, when the documents were made available to shareholders for the submission of lists to the Shareholders' Meeting on 21 June 2022, formal compliance with the regulations referred to therein was also required.

- Criteria for assessment of the significance of relationships that may influence the independence of a Director

In the 2022 Report, the Committee highlighted the significance of outlining and revealing the quantitative measures and qualitative criteria utilised to evaluate the importance of business, financial, or professional relationships in the Corporate Governance Report. This should be accompanied by any other remuneration given to ensure a Director's independence. The Committee therefore invited companies to consider the appropriateness laying down quantitative parameters, also determined in monetary terms or as a percentage of remuneration imputed to the office and for participation on committees as recommended by the Code.

The Chairman reports that in 2023, there was an improvement in the process of Boards formalising the criteria to assess the significance of commercial, financial and professional relationships and additional remuneration (71% of companies, compared to 55% in 2022, 25% in 2021 and 9% in 2020).

UNIEURO FULLY COMPLIES WITH THE RECOMMENDATION

On 15 April 2021, the Board of Directors of Unieuro, determined the criteria for assessing the significance of commercial, financial or professional relationships of Independent Directors of the Company, as well with regard to any additional remuneration.
Said criteria were confirmed by the Board of Directors on 24 June 2022, following the appointment of said Board at the Shareholders' Meeting held on 21 June 2022.
Moreover, in the calendar of meetings of the corporate bodies, it is envisaged that the Remuneration and Appointments Committee shall carry out its annual preliminary assessment on the adequacy of the criteria mentioned above and shall propose any amendments thereto it deems appropriate, for submission to the Board of Directors.

- Remuneration policies

The Committee invited companies to include in the remuneration policy for the offices of CEO and other Executive Directors, an executive summary in table form, which explains: the composition of the remuneration package; the characteristics and weighting of the fixed, short-term and long-term components on overall remuneration, and at minimum a reference to the achievement of the target objective linked to the variable components.

The 2023 Report clarifies the need to introduce an improvement process in the area of remuneration: in particular, it notes the importance of clear information on the target weighting of variable components, possibly summarised in an executive summary, which is currently provided by only around 42% of listed companies (39% in 2022); in addition, it suggests that information on the measurability of sustainability-related goals be clarified; this information is currently provided in about 41% of listed companies with at least one ESG parameter (essentially equivalent to 2021 figure).

Finally, the Chairman reports that there has been a modest improvement in compliance with the Code's recommendation urging a long-term component in Director remuneration, which is found in 74% of listed companies (up from 69% in 2022).

UNIEURO COMPLIES WITH THE RECOMMENDATION (ONGOING)

Unieuro adopts medium- to long-term share-based remuneration plans in line with the recommendations of Borsa Italiana S.p.A.'s Corporate Governance Code on the remuneration of Executive Directors and Managers with Strategic Responsibilities as well as other beneficiaries identified from among company Executives and managers.
Unieuro also provides in its Remuneration Policy an Executive Summary in table form which summarises the main elements of the remuneration of Executive Directors and Managers with Strategic Responsibilities, in addition to a specific section on pay mix, clearly illustrating the percentage weighting of the various short and medium/long-term variable components with respect to overall remuneration paid. This ensures that the goals related to sustainable success are measurable.

Main areas of improvement identified in 2023 for 2024

This year, the Committee found it useful to prepare the recommendations for 2024 to facilitate the refinement of the methods used to enact the new Code, thus ensuring the application of the principles contained therein, as shown in the table below:

AREA	RECOMMENDATION	ACTIVITIES of UNIEURO
Business Plan *The Committee invites companies to:*	*provide adequate disclosure regarding the Board's involvement in the review and approval of the Business Plan and in the analysis of issues relevant to long-term value creation.*	***UNIEURO FULLY COMPLIES WITH THE RECOMMENDATION*** • *Unieuro's Strategic Plan focuses on the medium to long term, in order to stimulate and guarantee value growth. Sustainability is considered an enabler and cross-cutting element of the Strategic Plan and is the subject of a dedicated long-term plan that integrates with the Business Plan.* • *Unieuro's current Strategic Plan was the subject of a Board of Directors induction session before its approval.* • *The actions set out in the Strategic Plan are subject to in-depth review and alignment with the Board of Directors at periodic top management refreshers.*

<u>Pre-meeting access to information</u> *The Committee invites companies to:*	*give adequate reasons in the corporate governance report when departing from the timely provision of pre-board meeting information, for confidentiality reasons, provided for in the Board regulations and/or adopted in practice.*	***<u>UNIEURO FULLY COMPLIES WITH THE RECOMMENDATION</u>*** *The Board of Directors did not, on any occasion during the Reporting Year and until the date of this Report, receive documentation late for confidentiality reasons.*
<u>Guidelines on the optimal composition</u> *The Committee invites companies to:*	*clearly indicate and provide adequate reasons in their corporate governance report for not expressing, on renewal of the Board of Directors, guidance on its quantitative or qualitative composition and/or not requesting that those who submit a "long" list provide adequate information on whether the list complies with the guidance expressed.* *The Committee further urges companies to indicate whether the guidance publication times were considered consistent to allow adequate consideration by those submitting the list of candidates.*	***<u>THIS RECOMMENDATION DOES NOT APPLY TO UNIEURO</u>*** *On the occasion of the renewal of the Board of Directors, i.e. the Shareholders' Meeting of 21 June 2022, the outgoing Board of Directors expressed its guidelines on the qualitative-quantitative composition deemed optimal and requested those who had submitted a "long" list to provide adequate information on whether it met the above guidelines. These guidelines were made available to the market well in advance, from 13 January 2022, through publication on Unieuro's corporate website.*

Increased voting rights *The Committee invites companies to:*	*give adequate disclosure in the Board of Director's proposals to the Shareholders' Meeting on the introduction of increased voting rights, the purpose of the choice and the expected effects on ownership and control structures and future strategies, and to provide adequate reasons for any failure to disclose these elements.*	***THIS RECOMMENDATION DOES NOT APPLY TO UNIEURO*** *The Company's Articles of Association do not provide for increased voting rights.*

TABLE 1

STRUCTURE OF THE SHARE CAPITAL

	No. ordinary shares	% compared to SC	Listed share capital: % of ordinary share capital	Rights and obligations
Ordinary shares	20,698,621[24]	100%	100%	ordinary

MATERIAL HOLDINGS IN SHARE CAPITAL
Reference date: 2022 dividend payment

Person placed at the top of the shareholding chain	Direct shareholder	No. ordinary shares	% of ordinary share capital	% of voting share capital
Xavier Niel	• Iliad Holding S.p.A. • Iliad SA	2,520,374	12.177%	12.177%
Giuseppe Silvestrini	• Victor S.r.l. • Giuseppe Silvestrini	1.275,395	6.162%	6.162%
Amundi Asset Management	• Amundi Società di Gestione del Risparmio S.p.A. • Amundi Asset Management	1.199.708	5,796%	5,796%

Giancarlo Nicosanti Monterastelli
Chief Executive Officer of Unieuro S.p.A.

[24] Shares resulting from the latest certification of the share capital filed with the Chamber of Commerce.

Annex M

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 1.1

Separate Financial Statements for the fiscal year ended February 29, 2024; resolutions thereon: Approval of the Financial Statements as at 29 February 2024, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm. Presentation of the Consolidated Financial Statements as at 29 February 2024 and the Consolidated Non-Financial Statements drawn up pursuant to Legislative Decree No. 254/2016.

	Votes	% votes total present	% vote rights
Meeting consitutive quorum	6.729.093	100%	33,100%
Votes for which RD has no istructions for current PoA (quorum for results):	6.729.093	100,000%	33,100%
Votes for which RD has no istructions:	0	0,000%	0,000%

	Votes	% of participant capital	% vote rights
In Favour	6.729.093	100,000%	33,100%
Against	0	0,000%	0,000%
Abstain	0	0,000%	0,000%
Total	6.729.093	100,000%	33,100%

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 1.1

Separate Financial Statements for the fiscal year ended February 29, 2024; resolutions thereon: Approval of the Financial Statements as at 29 February 2024, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm. Presentation of the Consolidated Financial Statements as at 29 February 2024 and the Consolidated Non-Financial Statements drawn up pursuant to Legislative Decree No. 254/2016.

List of partecipants at the vote through the appointed representative Monte Titoli S.p.A. in person of Claudia Ambrosini

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
1852224	ALASKA PERMANENT FUND CORPORATION		142	0,002%	F
176847	ALGEBRIS UCITS FUNDS PLC - ALGEBRIS CORE ITALY FUND		75.000	1,115%	F
30031920	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		74	0,001%	F
30031921	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		5	0,000%	F
30031923	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL SMALL CAP EQUITY ETF		200	0,003%	F
30031922	AMERICAN CENTURY ETF TRUST-AVANTIS RESPONSIBLE INTERNATIONAL EQUITY ETF		53	0,001%	F
24031113	AMUNDI DIVIDENDO ITALIA		182.000	2,705%	F
10402674	AMUNDI SGR SPA / AMUNDI RISPAR MIO ITALIA		42.651	0,634%	F
10402673	AMUNDI SGR SPA/AMUNDI SVILUPPO ATTIVO ITALIA		755.000	11,220%	F
24031114	AMUNDI VALORE ITALIA PIR		150.000	2,229%	F
24020477	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND		18.019	0,268%	F
24020482	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND L THE CORPORATION TRUST COMPANY CORPORATI		26.059	0,387%	F
30031940	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND L.P.		36.554	0,543%	F
176860	Arrowstreet International Equity EAFE Alpha Extension Fund L.P.		9.107	0,135%	F
176838	AS INTL EQ EAFE AEF NON FLIP		33.100	0,492%	F
176848	AZIMUT CAPITAL MANAGEMENT SGR SPA		12.700	0,189%	F
1852124	AZL DFA INTERNATIONAL CORE EQUITY FUND		919	0,014%	F
24001278	BOTTICELLI PAOLO	BTTPLA70P28C573S	10.159	0,151%	F
24020480	CONTINENTAL SMALL SERIES THE CONTINENTAL SMALL COMPANY		53.819	0,800%	F
30031924	DIMENSIONAL FUNDS PLC		24	0,000%	F
30031937	EURIZON AM RILANCIO ITALIA TR		2.381	0,035%	F
1851724	FLORIDA RETIREMENT SYSTEM		1	0,000%	F
176876	FONDAZIONE CASSA DI RISPARMIO DI NARNI E TERNI	00055810550	1.000.000	14,861%	F
9400197	GIUFRA SRL	04352890406	139.807	2,078%	F
30031947	GMO BENCHMARK-FREE FUND		30	0,000%	F
30031926	GMO FUNDS PLC GMO GLOBAL EQUITYALLOCATION INVESTMENT FUND		501	0,007%	F
30031927	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		1.489	0,022%	F
30031949	GMO IMPLEMENTATION FUND		62	0,001%	F
30031928	GMO INTERNATIONAL EQUITY FUND		398	0,006%	F
30031946	GMO MULTI-ASSET TRUST		514	0,008%	F
82	ILIAD ITALIA HOLDING S.P.A.	13959861009	2.145.465	31,883%	F
604565	ILIAD SPA		374.909	5,571%	F
24020481	INTERNATIONAL CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC		15.319	0,228%	F
30031948	ISHARES MSCI INTL SMALL-CAP MULTIFACTOR ETF		431	0,006%	F
1851824	ISHARES VII PUBLIC LIMITED COMPANY		11.132	0,165%	F
24020478	JOHN HANCOCK FUNDS II INTERNATIONAL SMALL COMPANY FUND.		3.490	0,052%	F
24020479	JOHN HANCOCK VARIABLE INSURANCE TRUST INTERNATIONAL SMALL COMPANY TRUST.		235	0,003%	F
30031929	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		1.596	0,024%	F
10402671	LYXOR FTSE ITALIA MID CAP PIR		25.204	0,375%	F
176846	MAPFRE AM		162.090	2,409%	F
30031930	MARYLAND STATE RETIREMENT PENSION SYSTEM		721	0,011%	F
30031913	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		250.000	3,715%	F
30031914	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		282.000	4,191%	F
1403348	MELPART SRL	04096050960	100.000	1,486%	F
10402670	MUL- LYX FTSE IT ALL CAP PIR		2.921	0,043%	F
265	NICOSANTI MONTERASTELLI GIANCARLO	NCSGCR59A18F097H	296.977	4,413%	F

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
1851924	ONTARIO POWER GENERATION INC		9.435	0,140%	F
1852024	ONTARIO POWER GENERATION INC		1	0,000%	F
56265	ORIGINE SOCIETA' A RESPONSABILITA' LIMITATA	08578880729	107.000	1,590%	F
9400193	ORIGINE SOCIETA' A RESPONSABILITA' LIMITATA	08578880729	107.000	1,590%	F
176843	ROBECO CAPITAL GROWTH FUNDS		3.072	0,046%	F
24001279	SANA GIOVANNI	SNAGNN64R02A794C	275	0,004%	F
24001281	SANA MAURIZIO	SNAMRZ89M12I628L	280	0,004%	F
176844	SCHRODER INTERNATIONAL SELECTION FUND		99.145	1,473%	F
30031936	SCHWAB FUNDAMENTAL INTERNATIONAL SMALL COMPANY INDEX ETF		80.606	1,198%	F
9400196	SCOZZOLI ANDREA	SCZNDR66B11D704V	26.310	0,391%	F
176867	SPAFID FIDUCIANTE N. 301122	00717010151	1.873	0,028%	F
176868	SPAFID FIDUCIANTE N. 302067	00717010151	37.125	0,552%	F
176866	SPAFID FIDUCIANTE N. 302068	00717010151	14.814	0,220%	F
30031939	SPDR PORTFOLIO EUROPE ETF		382	0,006%	F
30031938	SPDR S&P INTERNATIONAL SMALL CAP ETF		1.964	0,029%	F
176849	STICHTING BEDRIJFSTAKPENSIOEN FONDS VOOR DE MEDIA PNO		3.101	0,046%	F
30031925	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		1.940	0,029%	F
24020487	TWO SIGMA EQUITY RISK PREMIA PORTFOLIO LLC		1.400	0,021%	F
24020475	UTAH STATE RETIREMENT SYSTEMS		733	0,011%	F
24020476	UTAH STATE RETIREMENT SYSTEMS		4.834	0,072%	F
30031934	WISDOMTREE DYNAMIC CURRENCY HEDGED INTERNATIONAL EQUITY FUND		76	0,001%	F
30031935	WISDOMTREE DYNAMIC CURRENCY HEDGED INTERNATIONAL SMALLCAP EQUITY FUND		584	0,009%	F
30031932	WISDOMTREE EUROPE SMALLCAP DIVIDEND FUND		1.221	0,018%	F
30031931	WISDOMTREE INTERNATIONAL EQUITYFUND		135	0,002%	F
30031933	WISDOMTREE INTERNATIONAL SMALLCAP DIVIDEND FUND		2.529	0,038%	F

Total	**6.729.093**	**100%**

Legenda
F - In favour
C - Against
A - Abstain
Lx - List x
NV - No voter
NE - Not Expressed

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 1.2

Separate Financial Statements for the fiscal year ended February 29, 2024; resolutions thereon: Allocation of the result for the fiscal year.

	Votes	% votes total present	% vote rights
Meeting consitutive quorum	6.729.093	100%	33,100%
Votes for which RD has no istructions for current PoA (quorum for results):	6.729.093	100,000%	33,100%
Votes for which RD has no istructions:	0	0,000%	0,000%

	Votes	% of participant capital	% vote rights
In Favour	6.729.093	100,000%	33,100%
Against	0	0,000%	0,000%
Abstain	0	0,000%	0,000%
Total	6.729.093	100,000%	33,100%

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 1.2

Separate Financial Statements for the fiscal year ended February 29, 2024; resolutions thereon: Allocation of the result for the fiscal year.

List of partecipants at the vote through the appointed representative Monte Titoli S.p.A. in person of Claudia Ambrosini

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
1852224	ALASKA PERMANENT FUND CORPORATION		142	0,002%	F
176847	ALGEBRIS UCITS FUNDS PLC - ALGEBRIS CORE ITALY FUND		75.000	1,115%	F
30031920	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		74	0,001%	F
30031921	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		5	0,000%	F
30031923	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL SMALL CAP EQUITY ETF		200	0,003%	F
30031922	AMERICAN CENTURY ETF TRUST-AVANTIS RESPONSIBLE INTERNATIONAL EQUITY ETF		53	0,001%	F
24031113	AMUNDI DIVIDENDO ITALIA		182.000	2,705%	F
10402674	AMUNDI SGR SPA / AMUNDI RISPAR MIO ITALIA		42.651	0,634%	F
10402673	AMUNDI SGR SPA/AMUNDI SVILUPPO ATTIVO ITALIA		755.000	11,220%	F
24031114	AMUNDI VALORE ITALIA PIR		150.000	2,229%	F
24020477	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND		18.019	0,268%	F
24020482	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND L THE CORPORATION TRUST COMPANY CORPORATI		26.059	0,387%	F
30031940	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND L.P.		36.554	0,543%	F
176860	Arrowstreet International Equity EAFE Alpha Extension Fund L.P.		9.107	0,135%	F
176838	AS INTL EQ EAFE AEF NON FLIP		33.100	0,492%	F
176848	AZIMUT CAPITAL MANAGEMENT SGR SPA		12.700	0,189%	F
1852124	AZL DFA INTERNATIONAL CORE EQUITY FUND		919	0,014%	F
24001278	BOTTICELLI PAOLO	BTTPLA70P28C573S	10.159	0,151%	F
24020480	CONTINENTAL SMALL SERIES THE CONTINENTAL SMALL COMPANY		53.819	0,800%	F
30031924	DIMENSIONAL FUNDS PLC		24	0,000%	F
30031937	EURIZON AM RILANCIO ITALIA TR		2.381	0,035%	F
1851724	FLORIDA RETIREMENT SYSTEM		1	0,000%	F
176876	FONDAZIONE CASSA DI RISPARMIO DI NARNI E TERNI	00055810550	1.000.000	14,861%	F
9400197	GIUFRA SRL	04352890406	139.807	2,078%	F
30031947	GMO BENCHMARK-FREE FUND		30	0,000%	F
30031926	GMO FUNDS PLC GMO GLOBAL EQUITYALLOCATION INVESTMENT FUND		501	0,007%	F
30031927	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		1.489	0,022%	F
30031949	GMO IMPLEMENTATION FUND		62	0,001%	F
30031928	GMO INTERNATIONAL EQUITY FUND		398	0,006%	F
30031946	GMO MULTI-ASSET TRUST		514	0,008%	F
82	ILIAD ITALIA HOLDING S.P.A.	13959861009	2.145.465	31,883%	F
604565	ILIAD SPA		374.909	5,571%	F
24020481	INTERNATIONAL CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC		15.319	0,228%	F
30031948	ISHARES MSCI INTL SMALL-CAP MULTIFACTOR ETF		431	0,006%	F
1851824	ISHARES VII PUBLIC LIMITED COMPANY		11.132	0,165%	F
24020478	JOHN HANCOCK FUNDS II INTERNATIONAL SMALL COMPANY FUND.		3.490	0,052%	F
24020479	JOHN HANCOCK VARIABLE INSURANCE TRUST INTERNATIONAL SMALL COMPANY TRUST.		235	0,003%	F
30031929	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		1.596	0,024%	F
10402671	LYXOR FTSE ITALIA MID CAP PIR		25.204	0,375%	F
176846	MAPFRE AM		162.090	2,409%	F
30031930	MARYLAND STATE RETIREMENT PENSION SYSTEM		721	0,011%	F
30031913	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		250.000	3,715%	F
30031914	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		282.000	4,191%	F
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Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
9400193	ORIGINE SOCIETA' A RESPONSABILITA' LIMITATA	08578880729	107.000	1,590%	F
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176867	SPAFID FIDUCIANTE N. 301122	00717010151	1.873	0,028%	F
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30031933	WISDOMTREE INTERNATIONAL SMALLCAP DIVIDEND FUND		2.529	0,038%	F

Total	**6.729.093**	**100%**

Legenda
F - In favour
C - Against
A - Abstain
Lx - List x
NV - No voter
NE - Not Expressed

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 2

Proposal for the distribution of a dividend from the Extraordinary Reserve. Resolutions thereon.

	Votes	% votes total present	% vote rights
Meeting consitutive quorum	6.729.093	100%	33,100%
Votes for which RD has no istructions for current PoA (quorum for results):	6.729.093	100,000%	33,100%
Votes for which RD has no istructions:	0	0,000%	0,000%

	Votes	% of participant capital	% vote rights
In Favour	6.515.093	96,820%	32,047%
Against	214.000	3,180%	1,053%
Abstain	0	0,000%	0,000%
Total	6.729.093	100,000%	33,100%

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 2

Proposal for the distribution of a dividend from the Extraordinary Reserve. Resolutions thereon.

List of partecipants at the vote through the appointed representative Monte Titoli S.p.A. in person of Claudia Ambrosini

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
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Total		**6.729.093**	**100%**

Legenda
F - In favour
C - Against
A - Abstain
Lx - List x
NV - No voter
NE - Not Expressed

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 3.1
Remuneration Policy and Report: approval of Section I of the Report pursuant to art. 123-ter, paragraphs 3-bis and 3-ter of Legislative Decree No. 58 of February 24, 1998;

	Votes	% votes total present	% vote rights
Meeting consitutive quorum	6.729.093	100%	33,100%
Votes for which RD has no istructions for current PoA (quorum for results):	6.729.093	100,000%	33,100%
Votes for which RD has no istructions:	0	0,000%	0,000%

	Votes	% of participant capital	% vote rights
In Favour	6.629.948	98,527%	32,612%
Against	99.145	1,473%	0,488%
Abstain	0	0,000%	0,000%
Total	6.729.093	100,000%	33,100%

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 3.1

Remuneration Policy and Report: approval of Section I of the Report pursuant to art. 123-ter, paragraphs 3-bis and 3-ter of Legislative Decree No. 58 of February 24, 1998;

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30031926	GMO FUNDS PLC GMO GLOBAL EQUITYALLOCATION INVESTMENT FUND		501	0,007%	F
30031927	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		1.489	0,022%	F
30031949	GMO IMPLEMENTATION FUND		62	0,001%	F
30031928	GMO INTERNATIONAL EQUITY FUND		398	0,006%	F
30031946	GMO MULTI-ASSET TRUST		514	0,008%	F
82	ILIAD ITALIA HOLDING S.P.A.	13959861009	2.145.465	31,883%	F
604565	ILIAD SPA		374.909	5,571%	F
24020481	INTERNATIONAL CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC		15.319	0,228%	F
30031948	ISHARES MSCI INTL SMALL-CAP MULTIFACTOR ETF		431	0,006%	F
1851824	ISHARES VII PUBLIC LIMITED COMPANY		11.132	0,165%	F
24020478	JOHN HANCOCK FUNDS II INTERNATIONAL SMALL COMPANY FUND.		3.490	0,052%	F
24020479	JOHN HANCOCK VARIABLE INSURANCE TRUST INTERNATIONAL SMALL COMPANY TRUST.		235	0,003%	F
30031929	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		1.596	0,024%	F
10402671	LYXOR FTSE ITALIA MID CAP PIR		25.204	0,375%	F
176846	MAPFRE AM		162.090	2,409%	F
30031930	MARYLAND STATE RETIREMENT PENSION SYSTEM		721	0,011%	F
30031913	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		250.000	3,715%	F
30031914	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		282.000	4,191%	F
1403348	MELPART SRL	04096050960	100.000	1,486%	F
10402670	MUL- LYX FTSE IT ALL CAP PIR		2.921	0,043%	F
265	NICOSANTI MONTERASTELLI GIANCARLO	NCSGCR59A18F097H	296.977	4,413%	F
1851924	ONTARIO POWER GENERATION INC		9.435	0,140%	F
1852024	ONTARIO POWER GENERATION INC		1	0,000%	F

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
56265	ORIGINE SOCIETA' A RESPONSABILITA' LIMITATA	08578880729	107.000	1,590%	F
9400193	ORIGINE SOCIETA' A RESPONSABILITA' LIMITATA	08578880729	107.000	1,590%	F
176843	ROBECO CAPITAL GROWTH FUNDS		3.072	0,046%	F
24001279	SANA GIOVANNI	SNAGNN64R02A794C	275	0,004%	F
24001281	SANA MAURIZIO	SNAMRZ89M12I628L	280	0,004%	F
30031936	SCHWAB FUNDAMENTAL INTERNATIONAL SMALL COMPANY INDEX ETF		80.606	1,198%	F
9400196	SCOZZOLI ANDREA	SCZNDR66B11D704V	26.310	0,391%	F
176867	SPAFID FIDUCIANTE N. 301122	00717010151	1.873	0,028%	F
176868	SPAFID FIDUCIANTE N. 302067	00717010151	37.125	0,552%	F
176866	SPAFID FIDUCIANTE N. 302068	00717010151	14.814	0,220%	F
30031939	SPDR PORTFOLIO EUROPE ETF		382	0,006%	F
30031938	SPDR S&P INTERNATIONAL SMALL CAP ETF		1.964	0,029%	F
176849	STICHTING BEDRIJFSTAKPENSIOEN FONDS VOOR DE MEDIA PNO		3.101	0,046%	F
30031925	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		1.940	0,029%	F
24020487	TWO SIGMA EQUITY RISK PREMIA PORTFOLIO LLC		1.400	0,021%	F
24020475	UTAH STATE RETIREMENT SYSTEMS		733	0,011%	F
24020476	UTAH STATE RETIREMENT SYSTEMS		4.834	0,072%	F
30031934	WISDOMTREE DYNAMIC CURRENCY HEDGED INTERNATIONAL EQUITY FUND		76	0,001%	F
30031935	WISDOMTREE DYNAMIC CURRENCY HEDGED INTERNATIONAL SMALLCAP EQUITY FUND		584	0,009%	F
30031932	WISDOMTREE EUROPE SMALLCAP DIVIDEND FUND		1.221	0,018%	F
30031931	WISDOMTREE INTERNATIONAL EQUITYFUND		135	0,002%	F
30031933	WISDOMTREE INTERNATIONAL SMALLCAP DIVIDEND FUND		2.529	0,038%	F
176844	SCHRODER INTERNATIONAL SELECTION FUND		99.145	1,473%	C

Total	**6.729.093**	**100%**

Legenda
F - In favour
C - Against
A - Abstain
Lx - List x
NV - No voter
NE - Not Expressed

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 3.2
Remuneration Policy and Report: resolutions pertaining to Section II of the report pursuant to art. 123-ter, para. 6 of Legislative Decree No. 58 of February 24, 1998.

	Votes	% votes total present	% vote rights
Meeting consitutive quorum	6.729.093	100%	33,100%
Votes for which RD has no istructions for current PoA (quorum for results):	6.729.093	100,000%	33,100%
Votes for which RD has no istructions:	0	0,000%	0,000%

	Votes	% of participant capital	% vote rights
In Favour	6.629.948	98,527%	32,612%
Against	99.145	1,473%	0,488%
Abstain	0	0,000%	0,000%
Total	6.729.093	100,000%	33,100%

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 3.2

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List of partecipants at the vote through the appointed representative Monte Titoli S.p.A. in person of Claudia Ambrosini

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
1852224	ALASKA PERMANENT FUND CORPORATION		142	0,002%	F
176847	ALGEBRIS UCITS FUNDS PLC - ALGEBRIS CORE ITALY FUND		75.000	1,115%	F
30031920	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		74	0,001%	F
30031921	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		5	0,000%	F
30031923	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL SMALL CAP EQUITY ETF		200	0,003%	F
30031922	AMERICAN CENTURY ETF TRUST-AVANTIS RESPONSIBLE INTERNATIONAL EQUITY ETF		53	0,001%	F
24031113	AMUNDI DIVIDENDO ITALIA		182.000	2,705%	F
10402674	AMUNDI SGR SPA / AMUNDI RISPAR MIO ITALIA		42.651	0,634%	F
10402673	AMUNDI SGR SPA/AMUNDI SVILUPPO ATTIVO ITALIA		755.000	11,220%	F
24031114	AMUNDI VALORE ITALIA PIR		150.000	2,229%	F
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30031940	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND L.P.		36.554	0,543%	F
176860	Arrowstreet International Equity EAFE Alpha Extension Fund L.P.		9.107	0,135%	F
176838	AS INTL EQ EAFE AEF NON FLIP		33.100	0,492%	F
176848	AZIMUT CAPITAL MANAGEMENT SGR SPA		12.700	0,189%	F
1852124	AZL DFA INTERNATIONAL CORE EQUITY FUND		919	0,014%	F
24001278	BOTTICELLI PAOLO	BTTPLA70P28C573S	10.159	0,151%	F
24020480	CONTINENTAL SMALL SERIES THE CONTINENTAL SMALL COMPANY		53.819	0,800%	F
30031924	DIMENSIONAL FUNDS PLC		24	0,000%	F
30031937	EURIZON AM RILANCIO ITALIA TR		2.381	0,035%	F
1851724	FLORIDA RETIREMENT SYSTEM		1	0,000%	F
176876	FONDAZIONE CASSA DI RISPARMIO DI NARNI E TERNI	00055810550	1.000.000	14,861%	F
9400197	GIUFRA SRL	04352890406	139.807	2,078%	F
30031947	GMO BENCHMARK-FREE FUND		30	0,000%	F
30031926	GMO FUNDS PLC GMO GLOBAL EQUITYALLOCATION INVESTMENT FUND		501	0,007%	F
30031927	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		1.489	0,022%	F
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176866	SPAFID FIDUCIANTE N. 302068	00717010151	14.814	0,220%	F
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30031938	SPDR S&P INTERNATIONAL SMALL CAP ETF		1.964	0,029%	F
176849	STICHTING BEDRIJFSTAKPENSIOEN FONDS VOOR DE MEDIA PNO		3.101	0,046%	F
30031925	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		1.940	0,029%	F
24020487	TWO SIGMA EQUITY RISK PREMIA PORTFOLIO LLC		1.400	0,021%	F
24020475	UTAH STATE RETIREMENT SYSTEMS		733	0,011%	F
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30031931	WISDOMTREE INTERNATIONAL EQUITYFUND		135	0,002%	F
30031933	WISDOMTREE INTERNATIONAL SMALLCAP DIVIDEND FUND		2.529	0,038%	F
176844	SCHRODER INTERNATIONAL SELECTION FUND		99.145	1,473%	C

Total	**6.729.093**	**100%**

Legenda
F - In favour
C - Against
A - Abstain
Lx - List x
NV - No voter
NE - Not Expressed

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 4

Authorisation for the buy back and disposal of treasury shares, upon revocation of the previous authorisation resolved on at the Ordinary Shareholders' Meeting held on 22 June 2023. Resolutions thereon.

	Votes	% votes total present	% vote rights
Meeting consitutive quorum	6.729.093	100%	33,100%
Votes for which RD has no istructions for current PoA (quorum for results):	6.729.093	100,000%	33,100%
Votes for which RD has no istructions:	0	0,000%	0,000%

	Votes	% of participant capital	% vote rights
In Favour	6.728.538	99,992%	33,097%
Against	555	0,008%	0,003%
Abstain	0	0,000%	0,000%
Total	6.729.093	100,000%	33,100%

UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 4

Authorisation for the buy back and disposal of treasury shares, upon revocation of the previous authorisation resolved on at the Ordinary Shareholders' Meeting held on 22 June 2023. Resolutions thereon.

List of partecipants at the vote through the appointed representative Monte Titoli S.p.A. in person of Claudia Ambrosini

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
1852224	ALASKA PERMANENT FUND CORPORATION		142	0,002%	F
176847	ALGEBRIS UCITS FUNDS PLC - ALGEBRIS CORE ITALY FUND		75.000	1,115%	F
30031920	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		74	0,001%	F
30031921	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		5	0,000%	F
30031923	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL SMALL CAP EQUITY ETF		200	0,003%	F
30031922	AMERICAN CENTURY ETF TRUST-AVANTIS RESPONSIBLE INTERNATIONAL EQUITY ETF		53	0,001%	F
24031113	AMUNDI DIVIDENDO ITALIA		182.000	2,705%	F
10402674	AMUNDI SGR SPA / AMUNDI RISPAR MIO ITALIA		42.651	0,634%	F
10402673	AMUNDI SGR SPA/AMUNDI SVILUPPO ATTIVO ITALIA		755.000	11,220%	F
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Total	**6.729.093**	**100%**

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UNIEURO S.p.A.
Ordinary meeting
20th june 2024

Item 5.1

Granting of the new legally-required audit engagement for the fiscal years from 1 March 2025 to 28 February 2034 and establishment of the respective fee. Resolutions thereon. Proposal of the Board of Directors, based on the recommendation of the Board of Statutory Auditors, of the appointment of the legally-required audit to PricewaterhouseCoopers S.p.A.

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UNIEURO S.p.A.
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10402673	AMUNDI SGR SPA/AMUNDI SVILUPPO ATTIVO ITALIA		755.000	11,220%	F
24031114	AMUNDI VALORE ITALIA PIR		150.000	2,229%	F
24020477	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND		18.019	0,268%	F
24020482	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND L THE CORPORATION TRUST COMPANY CORPORATI		26.059	0,387%	F
30031940	ARROWSTREET INTERNATIONAL EQUITY EAFE ALPHA EXTENSION FUND L.P.		36.554	0,543%	F
176860	Arrowstreet International Equity EAFE Alpha Extension Fund L.P.		9.107	0,135%	F
176838	AS INTL EQ EAFE AEF NON FLIP		33.100	0,492%	F
176848	AZIMUT CAPITAL MANAGEMENT SGR SPA		12.700	0,189%	F
1852124	AZL DFA INTERNATIONAL CORE EQUITY FUND		919	0,014%	F
24001278	BOTTICELLI PAOLO	BTTPLA70P28C573S	10.159	0,151%	F
24020480	CONTINENTAL SMALL SERIES THE CONTINENTAL SMALL COMPANY		53.819	0,800%	F
30031924	DIMENSIONAL FUNDS PLC		24	0,000%	F
30031937	EURIZON AM RILANCIO ITALIA TR		2.381	0,035%	F
1851724	FLORIDA RETIREMENT SYSTEM		1	0,000%	F
176876	FONDAZIONE CASSA DI RISPARMIO DI NARNI E TERNI	00055810550	1.000.000	14,861%	F
9400197	GIUFRA SRL	04352890406	139.807	2,078%	F
30031947	GMO BENCHMARK-FREE FUND		30	0,000%	F
30031926	GMO FUNDS PLC GMO GLOBAL EQUITYALLOCATION INVESTMENT FUND		501	0,007%	F
30031927	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		1.489	0,022%	F
30031949	GMO IMPLEMENTATION FUND		62	0,001%	F
30031928	GMO INTERNATIONAL EQUITY FUND		398	0,006%	F
30031946	GMO MULTI-ASSET TRUST		514	0,008%	F
82	ILIAD ITALIA HOLDING S.P.A.	13959861009	2.145.465	31,883%	F
604565	ILIAD SPA		374.909	5,571%	F
24020481	INTERNATIONAL CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC		15.319	0,228%	F
30031948	ISHARES MSCI INTL SMALL-CAP MULTIFACTOR ETF		431	0,006%	F
1851824	ISHARES VII PUBLIC LIMITED COMPANY		11.132	0,165%	F
24020478	JOHN HANCOCK FUNDS II INTERNATIONAL SMALL COMPANY FUND.		3.490	0,052%	F
24020479	JOHN HANCOCK VARIABLE INSURANCE TRUST INTERNATIONAL SMALL COMPANY TRUST.		235	0,003%	F
30031929	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		1.596	0,024%	F
10402671	LYXOR FTSE ITALIA MID CAP PIR		25.204	0,375%	F
176846	MAPFRE AM		162.090	2,409%	F
30031930	MARYLAND STATE RETIREMENT PENSION SYSTEM		721	0,011%	F
30031913	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		250.000	3,715%	F
30031914	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		282.000	4,191%	F
1403348	MELPART SRL	04096050960	100.000	1,486%	F
10402670	MUL- LYX FTSE IT ALL CAP PIR		2.921	0,043%	F

Code	Entitled shareholder	Tax Code	Votes	% of voters	Vote
265	NICOSANTI MONTERASTELLI GIANCARLO	NCSGCR59A18F097H	296.977	4,413%	F
1851924	ONTARIO POWER GENERATION INC		9.435	0,140%	F
1852024	ONTARIO POWER GENERATION INC		1	0,000%	F
56265	ORIGINE SOCIETA' A RESPONSABILITA' LIMITATA	08578880729	107.000	1,590%	F
9400193	ORIGINE SOCIETA' A RESPONSABILITA' LIMITATA	08578880729	107.000	1,590%	F
176843	ROBECO CAPITAL GROWTH FUNDS		3.072	0,046%	F
24001279	SANA GIOVANNI	SNAGNN64R02A794C	275	0,004%	F
24001281	SANA MAURIZIO	SNAMRZ89M12I628L	280	0,004%	F
176844	SCHRODER INTERNATIONAL SELECTION FUND		99.145	1,473%	F
30031936	SCHWAB FUNDAMENTAL INTERNATIONAL SMALL COMPANY INDEX ETF		80.606	1,198%	F
9400196	SCOZZOLI ANDREA	SCZNDR66B11D704V	26.310	0,391%	F
176867	SPAFID FIDUCIANTE N. 301122	00717010151	1.873	0,028%	F
176868	SPAFID FIDUCIANTE N. 302067	00717010151	37.125	0,552%	F
176866	SPAFID FIDUCIANTE N. 302068	00717010151	14.814	0,220%	F
30031939	SPDR PORTFOLIO EUROPE ETF		382	0,006%	F
30031938	SPDR S&P INTERNATIONAL SMALL CAP ETF		1.964	0,029%	F
176849	STICHTING BEDRIJFSTAKPENSIOEN FONDS VOOR DE MEDIA PNO		3.101	0,046%	F
30031925	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		1.940	0,029%	F
24020487	TWO SIGMA EQUITY RISK PREMIA PORTFOLIO LLC		1.400	0,021%	F
24020475	UTAH STATE RETIREMENT SYSTEMS		733	0,011%	F
24020476	UTAH STATE RETIREMENT SYSTEMS		4.834	0,072%	F
30031934	WISDOMTREE DYNAMIC CURRENCY HEDGED INTERNATIONAL EQUITY FUND		76	0,001%	F
30031935	WISDOMTREE DYNAMIC CURRENCY HEDGED INTERNATIONAL SMALLCAP EQUITY FUND		584	0,009%	F
30031932	WISDOMTREE EUROPE SMALLCAP DIVIDEND FUND		1.221	0,018%	F
30031931	WISDOMTREE INTERNATIONAL EQUITYFUND		135	0,002%	F
30031933	WISDOMTREE INTERNATIONAL SMALLCAP DIVIDEND FUND		2.529	0,038%	F

Total	**6.729.093**	**100%**

Legenda
F - In favour
C - Against
A - Abstain
Lx - List x
NV - No voter
NE - Not Expressed