

CONSOLIDATED NON- FINANCIAL STATEMENT

**pursuant to Legislative Decree
254/2016**

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METHODOLOGICAL NOTE

This document embodies the Consolidated Non-Financial Statement (hereinafter also the "Statement" or "NFS") pursuant to Legislative Decree 254/2016 (hereinafter also the "Decree"), in implementation of Directive 2014/95/EU, by the Group composed of Arnoldo Mondadori Editore S.p.A., with registered office in Segrate (Milan) and its fully-consolidated subsidiaries (hereinafter also the "Mondadori Group" or the "Group"), operating in Italy and in the United States of America. The reporting period for the information and data provided in this NFS is 2022 (1 January - 31 December).

Consistent with one of the two options envisaged in Article 5 of Legislative Decree 254/2016, the NFS is included with specific wording within the Mondadori Group's Report on Operations for 2022. This NFS, prepared on an annual basis, is also published on the Group's website, www.gruppomondadori.it, as part of the 2022 Annual Report and in the "Sustainability" section.

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The NFS was drawn up insofar as needed to ensure an understanding of corporate activities, performance, results and the impacts it generates, by covering the topics deemed relevant and provided for in Articles 3 and 4 of Legislative Decree 254/2016, i.e. with regard to environmental, social, personnel-related aspects, respect for human rights, and the fight against corruption and bribery.

The reporting standards adopted by the Group to prepare its NFS are the GRI Sustainability Reporting Standards (GRI Standards). This report was prepared in accordance with GRI Standards: In accordance option. The GRI Content Index, detailing content reported in accordance with GRI, can be found in the annex to the document.

In line with the provisions of the GRI Standards, the Mondadori Group has drawn inspiration from the principles of sustainability context, completeness, balance, clarity, accuracy, timeliness, comparability and verifiability, to ensure the quality of information and the appropriateness of the presentation methods. The content reported on was selected based on the materiality analysis updated in 2022, which allowed for the identification of the material aspects representing the most

significant impacts of the organisation on the economy, environment and people, also with reference to the protection of human rights.

The material aspects have also been submitted for stakeholder assessments, as required by GRI Standard guidelines. The results of the materiality analysis are presented in the section "Materiality analysis and stakeholder engagement".

In accordance with the requirements of the Decree, the reporting scope matches the scope of the consolidated financial statements, including all companies consolidated on a line-by-line basis in financial reporting (please refer to the section "Structure of the Mondadori Group" on page 15). Any exceptions to the reporting scope shown above are duly highlighted in the document; however, these limitations are not considered relevant for the understanding of the company's business, performance, results and the impacts it generates.

As regards the changes that took place in scope, organisational structure and ownership during the year, note that on 1 April 2022 the Mondadori Group completed the acquisition of 50% of the share capital of De Agostini Libri S.r.l. (formerly DeA Planeta Libri), a company specialised in trade books with focus on the children's and non-fiction segments. The scope of the transaction includes Libromania S.r.l., wholly-owned by De Agostini Libri and active in the promotion of third-party publishers. The transaction is in line with the strategy of increasing the focus on the core business of books, pursued also through a process of vertical integration in the books market.

On 1 July 2022, 51% of Edizioni Star Comics S.r.l. was purchased and it is reported that the scope of the transaction also includes the acquisition, completed in January 2023, of 100% of Grafiche Bovini S.r.l., a company controlled by the same family of founders, specialised in printing activities exclusively of products published by Edizioni Star Comics. On 1 July 2022, the Mondadori Group completed the disposal of 51% of Press-di Distribuzione Stampa e Multimedia S.r.l. and thereafter sold a further 29% share.

In addition, on 22 November 2022, the option to sell was exercised in respect of the print and digital publishing activities of the Grazia and Icon magazines, as well as the related international network.

Note that starting 1 January 2022, the transactions launched in 2021 for the acquisition of 100% of D Scuola S.p.A., (formerly De Agostini Scuola S.p.A.) and for the sale by the subsidiary Mondadori Media S.p.A. of the BU comprising the editorial activities of Donna Moderna and CasaFacile, take effect, also in terms of non-financial reporting.

For comparative purposes and to highlight the trends in quantitative information, data pertaining to the current reporting year and, where possible, to the prior two years, are shown. In order to ensure the reliability of information reported, the use of estimates has been restricted as much as possible, and, where used, are based on the best available and appropriately reported methods.

The qualitative and quantitative information appearing in this document was collected, aggregated and disseminated at Group level; all the relevant company departments were involved in defining this information, and acted in concert with and coordinated by internal CSR officers. Shown below are the main calculation methods and assumptions used for the non-financial performance measures reported in this NFS, in addition to the information provided in the various sections:

- data relating to economic sanctions and contributions received from Public Administration are shown on a cash basis;
- in the breakdown of the workforce by grading, “executives” include editors-in-chief and deputy editors-in-chief of magazines; members of the Board of Directors are not included;
- where environmental data were unavailable, conservative estimates were used, resulting in the underestimation of the company’s environmental performance.

This NFS was approved by the Board of Directors of Arnoldo Mondadori Editore S.p.A. on 16 March 2023.

This document was subject to limited review, in accordance with the International Standard on Assurance Engagement (ISAE 3000 Revised), by the Independent Auditors EY S.p.A.. The quantitative indicators not referring to any general or topic-specific disclosure of the GRI Standards, reported on the pages specified in the Content Index, have not been subjected to a limited review by EY S.p.A..

1. SUSTAINABILITY FOR THE MONDADORI GROUP

We are passionate publishers, advocating quality, equitable and inclusive education, providing opportunities for reading and growth, entertainment and enrichment.

Our mission is to foster the spread of culture and ideas through products, activities and services that meet the needs and tastes of the widest possible audience. In our vision, love for culture and editorial quality live together with the laws of the market, the propensity to sense and anticipate changes with respect and protection of the values that are the cornerstones of the role of a publisher in civil society.

We are aware that such a role requires a natural and ever-growing focus on defining strategies and pursuing clear sustainability objectives aimed at creating long-term value, benefiting and taking account of the interests of all our stakeholders.

In light of the commitments made, in 2022, the first Three-Year Sustainability Plan was approved, within which strategic areas, quantitative and qualitative targets and short- and medium-term actions have been identified, aimed at assuring the continuous improvement of social, governance and environmental performance.

Constant monitoring has been carried out of the objectives, to provide a timely image of the degree to which they have been achieved and, at the same time, identify new action for the future, to continue updating the Plan.

This path has seen the participation of company management and has been enhanced by a great many stakeholder engagement activities with the participation also of new categories of stakeholders. The Group's approach to the future in the field of sustainability is currently divided into three macro-areas of reference and eight strategic guidelines with objectives linked to the Sustainable Development Goals (SDGs) laid down in the context of the 2030 Agenda for Sustainable Development.

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1.1 SUSTAINABILITY PLAN



Enhancing people, content and places for education and culture

1. To become a role model in the field of Diversity, Equity and Inclusion, enhancing and contributing to the well-being of our people, through welfare tools and skills development.

2. To promote culture and quality, equitable, and inclusive education that fosters pathways to lifelong learning.

3. To create, conceive and develop valuable content and accessible, ESG-friendly products.

- 4.To support cultural outposts for social development through the enhancement of bookstores, schools, museums, social channels, events and partnerships.

Promoting sustainable business success

1. To pursue sustainable business success by promoting the integration of ESG issues in governance, business plans and the operating model, also by strengthening the mechanisms for listening to stakeholders to develop paths of ongoing improvement.
- 2.To maintain the highest standards for protecting and managing risks and opportunities along the value chain.

Disseminating environmental culture and mitigating impacts on ecosystems

1. To spread environmental culture, also through education aimed at the development of an increasingly sustainable lifestyle.
- 2.To mitigate environmental impacts along the product life cycle, by fostering the protection of biodiversity and reducing climate-changing emissions.

With regard to the previously mentioned guidelines, clear objectives have been set for the three-year period.

In 2022, in accordance with the Plan, a great many activities detailed in the respective chapters, were completed.

With the aim, therefore, of sharing the actions and targets on which the Mondadori Group has worked throughout the year, below is an extract of the Sustainability Plan with the main objectives achieved.

ENHANCING PEOPLE, CONTENT AND PLACES FOR EDUCATION AND CULTURE

SOCIAL	1. Development and endorsement of a well-structured framework of KPIs for monitoring all D&I-related actions, with specific regard to the gender pay gap and gender balance.	2022
	2. Development of the hybrid working project for the joint definition of a new mixed working model.	2022
	3. Extension to 100% of the school offer of contents/insights in Sustainability, 2030 Agenda for Sustainable Development, diversity, equity and inclusion and civic education.	by 2023/ continuous
	4. A growing number of initiatives/services to promote reading.	2022/ continuous
	5. Strengthening of ESG training for the Group's school publications and those for teachers.	2022/ continuous

PROMOTING SUSTAINABLE BUSINESS SUCCESS

GOVERNANCE	1. Definition and measurement of LTI, quantitative and measurable objectives, linked to ESG topics for the Top Management. Inclusion of the Impact Inclusion Index in the 2022-2024 Performance Share Plan.	2022
	2. Strengthening of the set of procedures and coverage of the areas of Privacy, Information Management and Cyber Security.	2022/ continuous
	3. Strengthening of the programmes aiming to protect intellectual property/copyright.	2022/ continuous
	4. Strengthening of stakeholder engagement activities through the gradual expansion of engagement initiatives.	ongoing

DISSEMINATION OF AN ENVIRONMENTAL CULTURE AND MITIGATION OF IMPACTS ON ECOSYSTEMS

ENVIRONMENT	1. Extension to 100% of the School proposition of insights and fact sheets dedicated to environmental culture and promotion of such content in the Trade proposition.	2023/ continuous
	2. Fulfilment of ≈100% purchase of PEFC/FSC certified paper for Mondadori Group products. Extension to the newly acquired companies.	2022/ continuous
	3. Pursuit of energy efficiency actions, also as part of property/building/store renovation initiatives, and assessment of further potential pilot activities to reduce greenhouse gas emissions.	ongoing

During the year, the Plan was updated, through the implementation of benchmarking activities and the start-up of a working group to assure continuous improvement.

The Sustainability Plan was developed in line with the materiality analysis and stakeholder engagement processes carried out by the Group, the main elements of which are outlined in the following paragraphs. The Plan was approved by Top Management, the Control, Risk and Sustainability Committee and the Board of Directors.

b) identification of current and potential negative and positive impacts generated by the Group directly and through its value chain, in line with the reference industry trends and the priorities identified in the Sustainability Plan;

c) prioritization of identified sustainability topics (and related impacts) through internal and external stakeholder engagement activities;

d) identification of material topics and their approval.

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1.2 MATERIALITY ANALYSIS AND STAKEHOLDER ENGAGEMENT

The Mondadori Group periodically carries out a materiality analysis process, in order to identify the elements of strategic interest in the field of sustainability and ensure the correct presentation and understanding of the Group's activities, its performance, results and the impacts generated.

Specifically, the year 2022 saw an update of the materiality analysis, which, in light of the evolution of guidelines on sustainability reporting, focussed on identifying the positive and negative impacts generated by the Group on the environment, economy and people, including human rights.

This is based on four phases, further detailed below:

a) mapping of relevant stakeholders;

a) Mapping of relevant stakeholders

The main categories of internal and external stakeholders considered priority for the Group in terms of influence and interest are summarized in the chart below.



Well aware of the importance of establishing and maintaining a constant dialogue with its stakeholders, the Mondadori Group has opened up various channels of communication and engagement with them, in order to understand and take their demands into consideration. The table below summarizes the

main communication and engagement methods implemented by the Group for each category of stakeholder.

Stakeholder Category	Details of stakeholders by category	Summary of the communication and engagement methods
Shareholders	Majority shareholders	<ul style="list-style-type: none"> Shareholders' Meeting Dialogue channels under the Investor Relations function
	Non-controlling interests	
Financial community	Analysts/rating agencies	<ul style="list-style-type: none"> (Virtual) meetings with institutional investors Dialogue channels under the Investor Relations function
	Banks	
	Investors	
Consumers	Bookstores and newsstands customers	<ul style="list-style-type: none"> Support channels and direct assistance through the retail network (stores and e-commerce)
	Users of online content and services	
	Book readers	
	Magazine readers	
	Students/student families	
Institutions	Antitrust	<ul style="list-style-type: none"> Ad hoc discussions on specific topics Institutional round tables Formal communications
	Trade associations	
	CONSOB	
	National/Community lawmaker	
	Public Administration	
Educational world	Ministry of Education and Research	<ul style="list-style-type: none"> Ad hoc discussions on specific topics Institutional round tables Formal communications Faculty survey
	Teachers/educators	
Museum world	Museums	<ul style="list-style-type: none"> Participation in tenders Institutional round tables
	Superintendencies	
	Museum visitors	
Opinion leaders	Media	<ul style="list-style-type: none"> Media relations activities
	Influencers and bloggers	
	Authors	
Partners	Agents (bookstores - school textbooks)	<ul style="list-style-type: none"> Regular meetings with suppliers Franchisee conventions
	Competitors	
	Newsstands	
	Third-party publishers	
	Suppliers	
	Large retailers	
	Advertisers	
	Booksellers	
	Group publishing brands	
	Our franchisees	
	Digital platforms OTT + Chili/Infinity/Netflix	
Human resources	Employees	<ul style="list-style-type: none"> Regular meetings with union representatives Institutional round tables Employee surveys Weekly Crisis Committee meetings
	Associates	
	Advisors	
	Trade unions	
	INPS, INAIL	
Third sector	NGOs	<ul style="list-style-type: none"> Regular discussions on project development
	Non-profit organizations	

b) Identification of current and potential negative and positive impacts generated by the Group, in line with the reference industry trends and the priorities identified in the Sustainability Plan

In order to identify the list of sustainability topics that represent the main impacts generated directly by the Group and through its value chain, first consideration was given to the topics that had emerged from the materiality analyses of prior years. The definitions associated with the topics, as well as the details of the positive and negative impacts generated and that characterise them were updated in light of the reference industry trends and priorities identified in the field of sustainability. The process was also developed through implementation of specific benchmark analyses in the area of sustainability and the direct engagement of the Sustainability Committee.

























Compared with the previous edition of the NFS, there has been an essential continuity in respect of the sustainability topics submitted for voting; the main changes in fact refer to actual topic wording. More specifically, in 2022, certain definitions were updated.































The main detailed changes made include the change to the topics previously named "Enhancement and management of human capital" to "Enhancement, loyalty and attraction































of people", "Supply chain management" to "Responsible supply chain management", "Life cycle of paper products" to "Product life cycle and the circular economy" and, finally, "Climate change" to "Climate Change and biodiversity", which includes all impacts the Group may have on biodiversity (with specific reference to the use of paper).

In addition, note that the topic "Environmental impact management" has been included in the latter two, whilst the topics "Ease of use of content" and "Responsibility for content" have been encompassed into "Accountability and accessibility of content", just like "Business integrity and combating corruption" and "Economic performance" have been combined into "Sustainable success, ethics and business integrity".

Below, therefore, is the list of topics considered, highlighting the potential and current positive and negative related impacts, and which have been assessed in the subsequent materiality analysis process.

Impact area/ Sustainability topic of interest	Correlation with macro-area of the Mondadori Sustainability Plan	Correlation with the main reference SDGs	Mapping of positive/negative impacts generated
Product life cycle and the circular economy	ENVIRONMENT - Disseminating environmental culture and mitigating impacts on ecosystems	    	Negative impact on the environment deriving from waste production and the consumption of paper and materials. This impact is limited by waste recovery operations, reduction of products assigned for scrap, purchase of certified paper.
Climate change and biodiversity	ENVIRONMENT - Disseminating environmental culture and mitigating impacts on ecosystems	    	Negative impact on climate change and biodiversity deriving from paper and energy consumption (and the related emissions) of the organisation and along the supply chain. This impact is mitigated by the purchase of certified paper and energy efficiency initiatives. The Group is also committed through the inclusion and promotion of contents linked to the environmental culture and the 2030 Agenda in the whole of the school production.
Diversity, equity and inclusion	SOCIAL - Enhancing people, content and places for education and culture	     	Positive impact on the company through a correct management of suppliers, attention to their ESG performance and the promotion of innovation throughout the value chain. Failure by the Group to properly oversee its value chain would instead give rise to potential episodes of violation of human rights with impacts on human dignity and community development.
Responsible Supply Chain Management	Cross-cutting	       	Positive impact on the company through a correct management of suppliers, attention to their ESG performance and the promotion of innovation throughout the value chain. Failure by the Group to properly oversee its value chain would instead give rise to potential episodes of violation of human rights with impacts on human dignity and community development.

Strategic business innovation	Cross-cutting	       	Positive impacts on readers through the definition of innovative offers, editorial contents of value and accessible, ESG-friendly products.
Education and the school world	SOCIAL - Enhancing people, content and places for education and culture	     	<p>Positive impact on students and families thanks to the promotion of high quality, fair and inclusive education, which fosters continuous learning and fights school abandonment.</p> <p>Spread and promotion of the contents of the 2030 Agenda in the whole of the school offer and development of best practices for ESG teaching.</p>
Privacy and data protection	GOVERNANCE - Promoting sustainable business success	 	The absence of mechanisms to protect sensitive information and data could cause the violation of the privacy of customers and/or other stakeholders.
Promotion of reading and socio-cultural growth	SOCIAL - Enhancing people, content and places for education and culture	     	<p>Positive social impact on literacy through initiatives to promote culture and reading.</p> <p>To support cultural outposts for social development through the enhancement of bookstores, schools, museums, social channels, events and partnerships.</p>
Sustainable development promotion	SOCIAL - Enhancing people, content and places for education and culture ENVIRONMENT - Disseminating environmental culture and mitigating impacts on ecosystems	       	Positive impact on readers, students and teachers through the definition of editorial contents and initiatives, including training, focussed on environmental and social topics.

Accountability and accessibility of content	SOCIAL - Enhancing people, content and places for education and culture	     	Social impact deriving from the spread of quality, reliable, accessible and inclusive contents.
Health and safety in the workplace	SOCIAL - Enhancing people, content and places for education and culture	     	Impact on worker health and safety following Group management. This impact is mitigated by risk management activities and dedicated training.
Sustainable success, ethics and business integrity	Cross-cutting	       	The breach of regulations to which the Group and its value chain are subject and the lack of risk management systems could negatively impact the economy and markets on which it operates.
Intellectual property and copyright protection	GOVERNANCE - Promoting sustainable business success	 	The lack of measures dedicated to protect intellectual property and editorial independence would have a negative impact on the stakeholders concerned.
Enhancement and reputation of brands and publishing trademarks	GOVERNANCE - Promoting sustainable business success	 	Positive social impact through the multichannel, multi-product structure of contents and the promotion of ESG topics marketed by the brands.
Enhancement, loyalty and attraction of people	SOCIAL - Enhancing people, content and places for education and culture	     	Direct/indirect positive economic impacts on the families and local communities through the generation of professional opportunities. Development of employee competences through staff training activities.

c) Prioritization of identified sustainability issues in relation to impacts, through internal and external stakeholder engagement activities

In order to prioritize the sustainability topics identified for the Group, specific internal and external stakeholder engagement activities were carried out.

These listening opportunities have seen the active involvement of company management (the Steering Committee and the Internal Sustainability Committee), employees and equally important interlocutors, including teachers and customers of our bookshops. For the first time, new categories of stakeholders were also included - suppliers and financial analysts and investors - identified on the basis of criteria of strategic relevance for the Group, both in terms of business and sustainability.

The engagement occurred with the administration of an on-line questionnaire in November.

More than 9,500 completed versions were submitted, specifically approximately 4,800 by the teaching staff and more than 3,800 by customers and readers, thanks to the relationship the Group has developed over time with these categories in light of their crucial importance.

The stakeholders involved were asked to identify, in line with their own expectations and needs, the areas of impact they consider more or less relevant for the Group. Continuing on from the experience accrued in previous years, the participation of the Group's internal and external stakeholders was paramount in the process of updating the materiality analysis in 2022, as it made it possible to identify the topics of interest and to capture with greater clarity and depth the different perspectives and information needs that mark the stakeholders involved.

FOCUS

Financial analysts and investors - Suppliers

The analysis process aimed at defining the material topics, in line with the objective of strengthening stakeholder engagement envisaged in the Sustainability Plan, saw, for the first time, the inclusion of two new categories of Group stakeholders: financial analysts/investors and suppliers. This has made it possible to assess the impacts generated with a greater depth of analysis and glean additional useful information to increasingly satisfy the needs of our stakeholders.

The results of the survey of financial analysts and investors specifically revealed the growing centrality of ESG topics as a decision-making factor, also thanks to the consultation of specific ratings. 50% of those interviewed declared that they sought the advice of ESG experts in their working teams. Overall, perception by this category of Mondadori's positioning with respect to the sector on sustainability-related topics was above average, scoring approximately 4 on a scale of 1 to 5.

The involvement of suppliers, identified on the basis of criteria of strategic relevance for the Group, both in terms of business and sustainability, instead revealed the importance of a synergistic approach to sustainability topics. Suppliers scored the question on just how far continuous improvement in social, environmental and governance sustainability can contribute to improving competitiveness on the markets of today and the near future an average of more than 4.5 (on a scale of 1 to 5). This category also stated that the purchase of certified energy from renewable sources was an area on which they focussed their efforts.

d) Identification of material topics and their approval

The results of the stakeholder engagement analysis allowed for the identification of the material sustainability aspects for the Group and its stakeholders, continuing on from what

had been done for the previous editions of the NFS, and presented below.



Key terms - Areas of reference

- **Social** - Giving value to people, content and places for education and culture
- **Governance** - Promoting sustainable business success
- ◆ **Environment** - Disseminating environmental culture and mitigating impacts on ecosystems

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The results of the 2022 materiality analysis were submitted for review and validation by the Control, Risk and Sustainability Committee. The list of material topics identified guided the identification of the content on which to base

the non-financial reporting expressed by this document, consistent with the requirements of Legislative Decree 254/2016 and the GRI Standards.

2. GOVERNANCE

Promoting sustainable business success

The Mondadori Group's organizational and management model is designed to ensure the economic sustainability of the company and the creation of long-term value, highlighting the mission and values that guide the day-to-day management of the Group's operations; this is witnessed by the Group's compliance with the external codes and regulations that shape its governance and control system.

In this context, the Code of Ethics, the Organisation, Management and Control Model ex 231 and the whistleblowing system represent some of the main safeguards in place to maintain best practices in business ethics. Moreover, the Group acts in compliance with the relevant guidelines and national and international standards, including those concerning privacy and data security, for which specific training is provided to employees.

A specific Sustainability Policy has also been formalized, which refers to the values and mission of the Group, as well as the main commitments towards the stakeholders that the Group listens to and constantly involves in order to nurture continuous improvement processes. In this context, a Policy on Investor and Shareholder Engagement was formalized during 2021.

The Group system of policies and procedures is updated constantly to ensure its compliance with new regulations and alignment with best practices in terms of the relevant measures in place.



The Mondadori Group's approach to the future in the field of sustainability is laid out consistently with the two strategic guidelines defined in the Sustainability Plan (see paragraph 1.1) with the following future objectives connected with the Sustainable Development Goals (SDGs) laid down in the 2030 Agenda. The objectives achieved or started in 2022 are described in the next few paragraphs.

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FOCUS	Definition and measurement of LTI, quantitative and measurable objectives, linked to ESG topics for the Top Management. Inclusion of the Impact Inclusion Index in the 2022-2024 Performance Share Plan.	2022
	Strengthening of the set of procedures and coverage of the areas of Privacy, Information Management and Cyber Security.	2022/continuous
	Strengthening of the programmes aiming to protect intellectual property/copyright.	2022/continuous
	Strengthening of stakeholder engagement activities through the gradual expansion of engagement initiatives.	ongoing
	Development and implementation of a professional refresher plan for members of the Board of Directors dedicated to specific ESG topics.	by 2023
	Strengthening of the internal control and risk management system in ESG and continuous training on a progressively broader population.	by 2023
	Formalisation of an Anti-Corruption Policy.	by 2023

2.1 GOVERNANCE SYSTEM

Arnoldo Mondadori Editore S.p.A. has adopted a corporate governance system organised according to the “traditional” administration and control model as per Articles 2380-bis et seq. of the Italian Civil Code, structured as a **Board of Directors**, a **Board of Statutory Auditors** - with supervisory and control duties over the compliance with regulatory and statutory provisions of the Group’s organisational and governance structure - and **Independent Auditors** tasked with auditing the accounts of the separate and consolidated financial statements and the condensed interim financial statements.

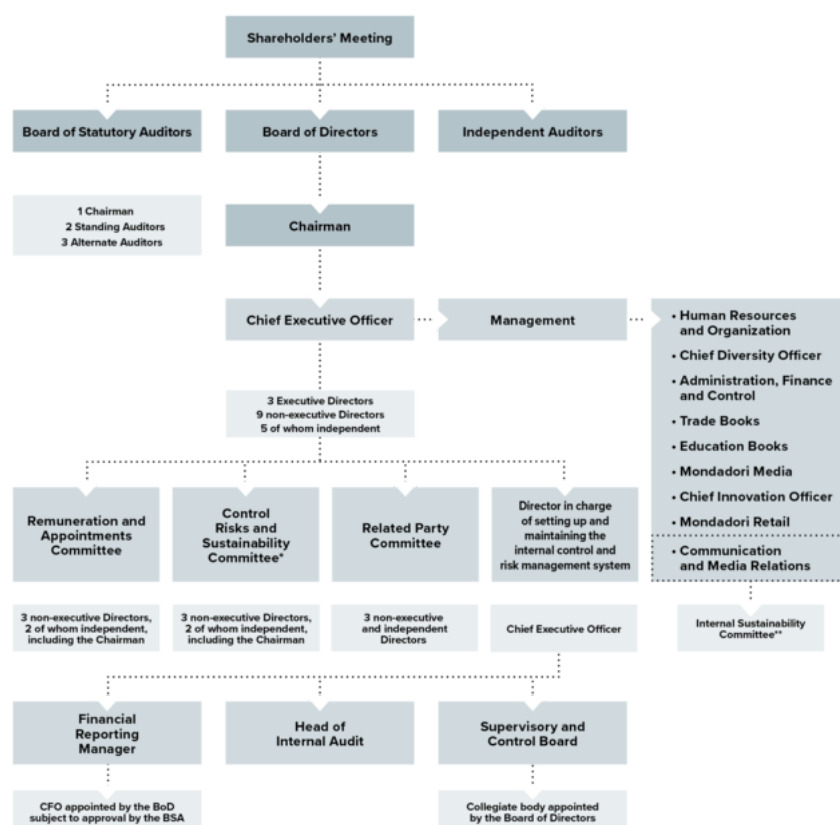
These bodies are appointed by the Ordinary Shareholders' Meeting. The Board of Directors is appointed through the list voting system, in a manner that enables the identification of directors and is also an expression of the wishes of the minority shareholders.

The Group also adheres to the Corporate Governance Code, promoted by Borsa Italiana S.p.A. as a reference framework for the definition of its governance system.

The **Board of Directors** plays a central role in the Group’s corporate governance system through the determination of the company’s and Group’s strategic and organisational guidelines and is assigned, in accordance with the By-laws, all powers for the ordinary and extraordinary management of the Company, except for the powers and duties reserved by law to the competence of the shareholders' meeting.

The Board of Directors has 3 internal board committees made up of non-executive directors of whom the majority are independent and, in particular, in addition to the Remuneration and Appointments Committee and the Related Parties Committee, the Control, Risk and Sustainability Committee, with an advisory role and one of making suggestions, also in respect of sustainability topics.

For the purposes of this NFS, a summary of the governance structure adopted by the Group is provided below, with specific reference to the structure and composition of the various bodies and/or subjects making up the comprehensive system.



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2.1.1 Sustainability Governance

Under the scope of the strategic guidance issued by the Board of Directors, the pursuit - through a progressive training process structured according to the phases and methods explained in this document - of sustainable success becomes particularly important and is configured by the creation of value in the long-term, to the benefit of shareholders and taking account of the interests of all stakeholders relevant to the Issuer.

Under the scope of Sustainability Governance, the **Control, Risks and Sustainability Committee*** plays an investigative, consulting role and makes suggestions to the Board of Directors on sustainability-related assessments and decisions with particular regard to the approval of the NFS and the Sustainability Plan.

In order to allow for further consolidation and optimisation of the organisational structure relative to sustainability oversight, the Board of Directors has assigned a senior management

figure - Antonio Porro - the responsibility for the Development and Management of activities relating to Sustainability Plan and related topics.

In the exercise of the appointment, reporting hierarchically directly to the Board of Directors, Antonio Porro reports back periodically to the Control, Risk and Sustainability Committee.

The **Internal Sustainability Committee**** instead oversees - reporting to the senior manager appointed as responsible for Development and Management identified above - proposals relating to ESG areas and non-financial reporting activities, which the Group has been developing since 2017 based on materiality analysis processes aligned with the company's strategic approach, reporting to the Chief Executive Officer.

The Committee, chaired by the Communications Director, is made up of the corporate and business functions; it meets

periodically to assess operational proposals in the field of sustainability, and reviews and validates the draft Consolidated Non-Financial Statement.

The following table shows the composition of the Board of Directors of the parent company Arnoldo Mondadori Editore S.p.A. by gender and age bracket. Specifically, at 31 December

2022, the composition by gender is broken down as 42% women and 58% men, and the composition by age is broken down as 8% between 30 and 50 years old, and 92% over 50 years old.

Composition by gender and age of the Board of Directors

Age	at December 31, 2022				at December 31, 2021				at December 31, 2020			
	Women	Men	Total (no.)	Total (%)	Women	Men	Total (no.)	Total (%)	Women	Men	Total (no.)	Total (%)
30-50 >50 years old	1	0	1	8%	1	0	1	8%	1	0	1	7%
Total (no.)	4	7	11	92%	4	7	11	92%	4	9	13	93%
Total (%)	5	7	12	100%	5	7	12	100%	5	9	14	100%
Totale (%)	42%	58%	100%		42%	58%	100%		36%	64%	100%	

Corporate Governance Report

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Reference is made to the Report on Corporate Governance and Ownership Structures - made available at the same time as this document on the website www.gruppomondadori.it, in the "Governance" Section and on the authorised storage system [Info - Sdir & Storage](#) - for a detailed description of the governance structure, with particular reference to:

- Composition and internal competences, process of appointment and duties - also in respect of training and the definition of sustainability strategies - of the Board of Directors, the Control, Risk and Sustainability Committee and the other internal board Committees;
- Organisational model, also in respect of criticality management;
- Training and induction processes for the Board of Directors;
- Self-assessment process of the Board of Directors.

Remuneration Report

In the Report on Remuneration Policy and Compensation Paid, Arnoldo Mondadori Editore S.p.A. describes the remuneration policies connected with the members of the

most senior governance body and senior managers, as well as the process by which they are processed.

The document is available at the same time as this document on the website www.gruppomondadori.it, in the "Governance" Section and on the authorised storage mechanism [Info](#).

The Group has monitored the ratio of the remuneration of the highest paid individual and the annual median remuneration of all employees of the Group's Italian companies¹. This ratio is 34.03 in 2022, while in 2021 it was 27.72. The ratio of the percentage increase of remuneration of the person receiving the highest remuneration and the median percentage increase of all employees is 12.66.

The value of the median has increased by 2% compared with last year, while the value of the highest remuneration has increased by 25.2%. Note that the reason for this difference is due to the fact that the CEO was appointed in April 2021 and the new compensation impacted the annual effective remuneration for just 8 months, while in 2022 the effect was full for all 12 months.

¹ The value of remuneration used for the calculation takes into account: the gross annual remuneration for FTEs, the variable amount linked to MBOs and LTIs disbursed and all other variables coming together to make up total remuneration.

2.2 GROUP ETHICS AND INTEGRITY

As mentioned in the introduction to this chapter, the Mondadori Group's organizational and management model is designed to ensure the economic sustainability of the company and the creation of long-term value, highlighting the mission and values that guide the day-to-day management of the Group's operations; this is witnessed by the Group's compliance with the external codes and regulations that shape its governance and control system.

In applying an Organizational, Management and Control Model (for the Parent Company and with appropriate versions for each of its Italian subsidiaries), the Mondadori Group has set itself the goal of adopting a set of protocols which, as a supplement to the system for assigning powers and responsibilities, together with the other organizational tools and internal controlling, form a fitting system able to prevent criminal and administrative offences and raise awareness among employees and associates of the rules of conduct to follow when performing their tasks. The Model and its Guidelines are constantly updated and meet the different needs of the companies that are part of the Group.

Both of these documents refer to a set of ethical standards, identified by legislation, regulations and codes of conduct, which the company incorporated into its own regulations in 2012 with the adoption of a new Code of Ethics that extends to all Group companies. The corporate Code of Ethics sets out general ethical principles (respect for human rights and law, transparency, protection of intellectual property and the independence of information) and specific principles in relation to the different stakeholders, including customers, suppliers, employees, investors, communities, institutions and the environment.

The Code of Ethics, therefore, outlines the set of principles and rules of conduct to be followed by the directors, employees and associates of Group companies within the scope of their respective roles and duties. The Code of Ethics and its provisions are incorporated into the contractual obligations undertaken by the counterparties. Any infringement of the Code of Ethics, therefore, constitutes a breach of contract, entailing the consequences of law, including termination of

the contract or engagement and claims for damages.

In this sense, compliance with the principles set out in the Code of Ethics is required not only of employees and associates, but is also incorporated into supply agreements, together with the obligation to comply with Community legislation and minimum working age laws.

As a sign of its growing commitment to sustainability, the Group has officially endorsed the more specific policies set out by industry associations, such as the Sodalitas Foundation's Charter for Equal Opportunities and the Valore D Manifesto, undertaking a commitment to promote talent regardless of gender.

Other steps have been taken over the years, such as the creation and constant updating of operational rules and procedures governing specific company operations, to make compliance with a changing legal framework part and parcel of daily work practices and to respond effectively to the new needs brought by the evolution of business.

In other cases, such as, for example, the issue of privacy in journalism, the Mondadori Group refers to external regulations and standards, in this specific case the Code of Ethics for the Processing of Personal Data in the Practice of Journalism, envisaged in Legislative Decree 196/2003 and incorporated into the Charter of Duties of Journalists.

With regard to environmental sustainability, since 2012 the Group has adopted an environmental policy designed to reduce the impact from its operations. Such policy has delivered tangible results in terms of major cuts in greenhouse gas emissions and, in primis, the growing use of certified paper for its products. Specific operating rules have also been adopted for other issues of lesser or non-material relevance, such as waste management.

In 2017, guidelines for the publication of content and material on Group websites were set out and officially released in February 2018. The guidelines, together with training provided to journalists on copyright and the Web and on privacy in journalism, organized by the Legal and Corporate Affairs Department, address issues connected with the handling of sensitive editorial content in newspapers and on online

news channels, websites and social media accounts belonging to the Mondadori Group. For further details on the Group's policies on privacy and personal data protection, reference is made to the section "Privacy and personal data protection".

We should mention the 2018 approval of the Group's Sustainability Policy, reflecting Mondadori's values and mission; it indicates six key commitments that are consistent with the Company's activities and its role in society:

- providing customers with the possibility of benefiting from innovative and quality products;
- actively promoting a culture that is accessible to everyone, aware that the right to quality education and information is a crucial element in the development and growth of a country;
- giving voice to different points of view, rewarding originality and the diversity of thought, and ensuring respect for freedom of expression in the process of developing publishing products;
- investing in the professional development of people, enhancing their talent and encouraging them to be creative and enterprising;
- creating a safe workplace for employees and associates that provides equal opportunities for personal and professional achievement and expression;
- respecting and protecting the surrounding environment through the responsible use of natural resources and main energy carriers, reduction of polluting and climate-changing emissions, careful waste management and customer and supplier awareness on environmental sustainability issues.

With the introduction in 2019 of the whistleblowing system to make and manage reports of alleged or actual unlawful conduct relevant pursuant to Legislative Decree 231/2001, and alleged or actual violations of Models 231 and/or the Code of Ethics adopted by Group Companies, in full respect and protection of the reporter and the reported person, the related procedure was issued and the Model and Guidelines of the Parent Company and all companies were updated.

In 2022, there were also no reports made to the Board of Directors of any potential or actual negative impacts regarding the conduct of the organisation in its operations and business relations.

Supply chain

Responsible supply chain management is one aspect to which the Group pays close attention. Correct management in fact guarantees business continuity and fosters the involvement of suppliers aligned with the Mondadori approach and operations, both in terms of compliance with current regulations and sustainable development. Compliance with the principles set out in the Group's Code of Ethics is required not only of employees and associates, but is also incorporated into supply agreements, together with the obligation to comply with Community legislation and minimum working age laws.

The Code and its provisions are incorporated into the contractual obligations undertaken by the suppliers. Any infringement of such, therefore, constitutes a breach, entailing the consequences of law, including termination of the contract or engagement and claims for damages.

Within its Environmental Sustainability Policy, the Group:

- is committed to respecting and protecting the surrounding environment through the responsible use of natural resources and main energy carriers, reduction of polluting and climate-changing emissions, careful waste management and customer and supplier awareness on environmental sustainability issues;
- to influencing its suppliers through the use of environmental sustainability criteria within the selection and management process, so as to guide the chosen suppliers to act consistently with the Group's environmental policy;
- to spreading awareness of and communicating its environmental policy to its stakeholders, in particular to employees, customers and suppliers and to guaranteeing the update of the Group's strategy and objectives in connection with environmental and sustainability topics.

Within the supplier screening process, selection is based on multiple criteria, including, for example, the technical suitability of the products or services proposed, their quality, the economics of the offer and the sustainable commitment in social and environmental terms.

With specific reference to paper suppliers, a category that is particularly important for Mondadori due to the very nature of the business, their selection and assessment is based not only on economic factors but also on the presence of certifications in accordance with international PEFC/FSC standards aimed at safeguarding and ensuring the proper management of forest ecosystems.

The other main types of supply on the basis of the criteria of economics and strategic relevance for the Group are tied to printing and logistics. Considering the main suppliers of paper, printing, logistics and central purchasing, 90% of spending can effectively be attributed to Italian suppliers, while the remaining 10% comes from foreign purchases, even if operating in Europe. In organisational terms, the supply chain is managed for matters relating to the purchase of paper, printing and logistics services by the dedicated structures within the Books division, whilst the Group Services Procurement and Real Estate Department within the HR and Organisation Department, manages procurement of the various goods for the whole Group.

2.2.1 Combating corruption

Within the management and control system of the Mondadori Group, the Organizational, Management and Control Model and the rules of conduct of the Model - in the various versions prepared for each company and all constantly updated - represent a reasonably effective system for guaranteeing business integrity and the fight against corruption in all the businesses and areas of the Group.

The project on the adoption of an Anti-Corruption Policy and Compliance Programme, in compliance with current legislation, was entrusted to the Internal Audit and Internal Control Departments and will be completed by 2023.

In the three-year period 2020-2022, no cases of corruption or bribery involving employees or suppliers in Italy were found to have occurred, and no legal action was initiated or completed

against the Group or its employees for alleged corruption. No reports within the whistleblowing system were made in 2022.

2.2.2 Market abuse

Following adaptations of the Procedure on inside information made in 2016 and 2019 in compliance with Regulation (EU) no. 596/2014 on Market Abuse Regulation, the Mondadori Group has strengthened its control over the way it oversees, manages and circulates corporate documents and information internally, the way it communicates inside information to the market and the public in accordance with the applicable provisions of law and regulations, and the audits on the register of persons with access to inside information.

The control system was complemented by the internal dealing procedure as regards the disclosure obligations towards CONSOB, the Company itself and the market of all the transactions of an amount equal to or higher than € 20,000 (including all subsequent transactions, carried out on financial instruments issued by the Company, regardless of the amount, once a total amount of € 20,000 has been reached in the course of a calendar year), on derivatives and related financial instruments by members of Mondadori's governing or supervisory bodies, managers who have regular access to inside information and who are empowered to take decisions that may affect the outlook and prospects of the Mondadori Group and persons closely associated with them.

In 2020, the notion of Specific Relevant Information was integrated into the procedure, with the following creation of the Relevant Information List and definition of the relating management criteria. Roles and responsibilities relating to the inside information management process were reviewed, also assigning the role of FGIP (Inside Information Management Function) to the Group CFO. Training programs, under the responsibility of Mondadori, were also delivered to the owners of the process.

The year 2021 saw a further optimization of the methods for recording and tracing disclosure items related to delay of disclosure of inside information as per Article 17 of EU Regulation 596/2014.

In the three-year period 2020-2022, no legal actions were initiated against the Mondadori Group for anti-competitive behaviour, violations of antitrust regulations or monopoly practices.

2.2.3 Compliance

The Mondadori Group carries on business in compliance with all applicable laws and regulations. However, in the performance of its activities, contestable cases may arise for various reasons.

Specifically, typical of publishing activities are the risks associated with the libel offence, as these are risks inherent in the drafting of books and/or articles. Libel consists, in fact, in offending the reputation of others. The idea each one of us has of the events and circumstances of a particular case is subjective, so the concept of "offensive" may vary from person to person.

That said, the Mondadori Group performs stringent audits before publishing books and/or articles; nevertheless, disputes and libel suits are bound to materialize.

The monetary value of the significant sanctions (in excess of € 10,000) paid in 2022 for cases of non-compliance with the law and regulations comes to approximately € 117,000, of which approximately 11,000 relating to tax penalties. This figure refers to a total of 4 sanctions, 3 of which applied in 2022 and one during a previous reporting period.

In order to provide greater transparency to stakeholders, the Company set up a filing system for non-monetary penalties at the beginning of 2012. Examples of non-monetary penalties include the publication of rulings.

Only one case of a non-monetary sanction was reported in 2022.

2.2.4 Privacy and data protection

Privacy and personal data protection are fundamental elements for the Mondadori Group as a whole, in which each company is committed to ensuring that the collection and processing of personal data is performed in accordance with the principles and applicable laws.

In pursuing its business, the Mondadori Group can take pride in having a well-established system aimed at protecting personal data, which guarantees compliance with Regulation (EU) 2016/679 ("GDPR"), Legislative Decree 196/03 ("Privacy Code") as subsequently updated by Legislative Decree 101/2018, and with the indications and provisions issued by the Data Protection Authority.

Specifically, within the Group, personal data management policies are governed by a series of procedures in the areas of data retention, privacy by design and by default, data protection impact assessment, data breach, feedback to data subjects and the appointment of data processors pursuant to and for the purposes of Article 28 of the GDPR. The Group also has a Data Protection Officer in place.

The websites of each Mondadori Group company all have privacy and cookie policies available for consultation, which are kept constantly updated. The Group's corporate website also features a section that illustrates the personal data management policies implemented by the entire Mondadori Group.

In 2022, the Group handled numerous requests for the exercise of rights by data subjects, including, in particular, requests for access to and the deletion of personal data. No personal data violations that could be considered data breaches were reported.

Reclami per violazione della privacy/perdite o furti di dati dei clienti	2022	2021	2020
Substantiated complaints received regarding breaches of customer privacy (no.)	—	1	2
of which, from supervisory bodies	—	—	1

of which, received from external parties	—	1	1
Losses or theft of customer data (no.)	—	—	—

2.2.5 Tax policy

With regard to the national tax consolidation scheme, in 2022 the Mondadori Group renewed the agreement with Fininvest S.p.A. (the Consolidating Company) for three years (2022-2024), containing a protection clause under which Arnoldo Mondadori Editore S.p.A. and its subsidiaries participating in the tax consolidation shall not be required to pay more income tax than the Group would have paid if

Arnoldo Mondadori Editore S.p.A. and its subsidiaries had created its own tax consolidation agreement.

Income tax (both current and deferred) is calculated based on the applicable rates in each individual country in which the Group operates, according to a prudent interpretation of currently applicable tax laws.

Tax (Euro/thousands)	2022		2021	
	Italy	USA	Italy	USA
Revenue from sales to third parties	855,328	47,675	761,870	45,475
Revenue from intercompany transactions with other tax jurisdictions	761	739	1,065	1,377
Pre-tax profit/loss	64,247	2,609	34,437	4,129
Tangible assets other than cash and cash equivalents	22,791	1,343	13,243	1,371
Corporate income tax paid on a cash basis	20,325	1,299	12,997	947
Corporate income tax on profit/loss	19,453	1,038	15,504	1,162

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2.2.6 Editorial independence

The Parent Company Arnoldo Mondadori Editore S.p.A. is listed on the Milan Stock Exchange.

The share capital at 31 December 2022, fully subscribed and paid up, amounted to €

67,979,168.40, divided into 261,458,340 ordinary shares with a par value of € 0.26 each.

The majority shareholder is the holding company Fininvest S.p.A., owned by the Berlusconi family.

Significant shareholders as at December 2022

Shareholder	% interest in share capital at 31/12/2022
Fininvest S.p.A.	53.30%
Treasury shares	0.40%
Free float	46.30%

During the reporting period, the Mondadori Group received financial contributions from the public administration in Italy for a monetary value of approximately € 8.41 million, of which € 6.38 million to Electa from the Ministry of Culture in accordance with Decree no. 506 of 31 May 2021 of the DG-MU (Director General of Museums). In 2022, the companies Mondadori

Media and Mondadori Scienza benefited from contributions for paper respectively in the amount of € 1.9 million and € 221 thousand.

Arnoldo Mondadori S.p.A. instead received approximately € 70 thousand in the form of tax credits linked to "caro energia" and the innovation fund; the latter was also received by

Mondadori Education and Rizzoli Education for a figure of approximately € 7,000 each. Finally, € 114 thousand in COVID-19 subsidies were disbursed by the US government for Rizzoli Bookstore.

A breakdown is provided below of the last two years by geographical area.

Grants received from Public Administration (Euro)	2022	2021
Italy	8,415,363.58	7,355,764.80
USA Rizzoli International Publications[1]	114,511.40	158,339.20
Total (Italy and USA)	8,529,874.98	7,514,104.00

[1] Amounts expressed in Euro (€), converted from USD at the exchange rate at the end of the relevant reporting period

Lastly, the Mondadori Group did not make donations of any kind to political parties or politicians during the year.

2.2.7 Intellectual property and copyright protection

The Group's commitment to protecting the rights associated with intangible assets resulting from creativeness and inventiveness is enshrined in the Company's Code of Ethics, as the cornerstone of publishing activities. Copyright is governed by Law no. 633 of 22 April 1941.

The recent years, however, have seen a heated debate pitting traditional content producers against the new web players who use this content. Against this backdrop, the Group collaborates with national and international trade associations (FIEG - Federazione Italiana Editori Giornali, AIE - Associazione Italiana Editori, and EMMA - European Magazine Media Association) in order to effectively transpose the European Directive on Copyright in the Digital Single Market (Directive 2019/790) into the Italian system, where in Legislative Decree no. 177 of 08 November 2021 it has found its most effective application.

In 2022, in light of the continuous evolution of current regulatory obligations, the following activities have been implemented to strengthen the programmes aimed at protecting intellectual property and copyright:

- adjustment, where necessary, of the provisions of contracts to the adoption of the provisions introduced by Italian Legislative Decree no. 177 of 8 November 2021, incorporating the European Directive on copyright;

- adoption of monitoring programmes to monitor and prevent on-line piracy and the unlawful use of information protected by copyright.

Just like in 2022, these activities will also take place in 2023.

2.3 MAIN NON-FINANCIAL RISKS

In 2022, as part of the Group's Risk Assessment activities, an exhaustive and systematic analysis of the risks associated with the social and environmental effects of company activities continued, also in order to meet the requirements of Legislative Decree 254/2016 and feed the path of constant improvement in the field of sustainability.

These risks are the result of an integration of the non-financial risks already covered by the Group Risk Assessment process and specific in-depth discussions. For further information on mitigation actions, reference should be made to the section Internal control and risk management system (see 2022 Annual Report).

The effects of the conflict still ongoing, coupled with the evolution of the COVID-19 pandemic, have resulted in a substantial review of the mapping of risks and a major review of the strategic action taken to date, in order to reduce the extent of the risks and ensure business continuity.

In 2022, which was marked by the problems described above, the main risks highlighted regarded:

- the worsening of problems linked with commodities, mainly paper, energy and gas,

both in terms of procurement and the increase in the relevant costs, including transport;

- in education, the demographic decline, worsened with the uncertainty and economic difficulties;
- the incidence of the on-line market, with possible fallout, particularly by Amazon, not only on distribution but also on the publishing side.

The main considerations related to the risks associated with the areas of reference outlined in Legislative Decree 254/2016 are shown below, also in light of the priorities defined by ESMA for the 2022 reporting year.

2.3.1 Risks associated with environmental topics

Climate change is an important topic for all industries; in publishing, the critical issues

Main risks	Main mitigation measures
Growing pressure from stakeholders and national and international institutions with regard to climate change.	Constant oversight of the issue through continuous monitoring of overall greenhouse gas emissions produced by the various operations of the Group (such as product distribution and logistics and business travel) and the identification of effective actions for their reduction.
Loss of opportunities for economic benefits due to reduced effectiveness of energy efficiency measures.	Constant oversight of the issue through continuous monitoring of overall energy consumption, strong focus on the upgrading of IT equipment and identification of energy efficiency measures in workplaces.
Interruptions in the production process due to the shortage of paper as a raw material.	Gradual extension across the Group of the use of FSC and PEFC certified paper.

2.3.2 Risks associated with social topics and respect for human rights

The topic of human rights is closely tied to the publishing sector, both as regards freedom of expression and privacy protection and in the social environment, such as media literacy and product accessibility, for example.

And the role played by the operators that are a part of it in promoting and spreading culture, is all too clear.

The risks that ensue can stem from both behaviour implemented by the Group and

relate to the greenhouse gas emissions linked mainly to energy consumption, the production cycle for paper products and transport.

Growing concern on the part of stakeholders and institutions over climate change could lead to adjustments, in the future, to current legislative provisions.

Alongside the risks associated with climate-changing emissions are the risks associated with energy efficiency, coupled with those associated with potential interruptions in paper supply.

Last but not least, it should also be noted that social and environmental performance is becoming increasingly relevant in assessing the Company's suppliers.

Main risks	Main mitigation measures
Critical issues related to potential restrictions on the freedom of expression of authors.	Continuous monitoring of the variety of titles published.
Critical issues related to the publication of editorial content considered sensitive, the loss of customer data and changes in the relevant legislation (GDPR, e-privacy, etc.).	Constant monitoring of sensitive data management practices and continuous improvement through the development of specific initiatives across the various company functions and the various Group companies.
The on-line channel, which was privileged throughout the pandemic, has resulted in a huge change in how consumers purchase books. To this end, e-commerce must be constantly developed in order to be competitive on the market and enhance the customer purchasing experience.	The on-line channel needs to be developed in order to increase competitiveness on the market and enhance the customer purchasing experience, through a greater integration towards "phygital" space (activities seeking to enrich the customer's physical experience through the implementation of digital functions), the improvement of the customer experience and the continuous mapping of the market in order to enrich the payment card systems (Scalapay).
Growing pressure from the public to distribute quality publications, which are impartial and respectful of diversity.	Continuous improvement in editorial content and product quality.
Changing demands from the audience as regards tools for accessing editorial content.	Monitoring of the accessibility demands of the audience and the ability of the company to respond to such needs.
Critical situations connected with the inability of readers to distinguish the value of products sold, where suitable instruments are not provided to facilitate a fair understanding of mass media.	Continuous improvement in initiatives to raise awareness and educate the public as to the need to critically assess and analyse media.
Critical issues related to a potential increase in competitive pressures in relevant markets, which could lead to unfair conduct by competitors.	Constant oversight of the issue through specific training for internal personnel and networking activities with trade associations.

2.3.3 Risks associated with the fight against corruption and bribery

Corruption, active and passive, is still a very significant phenomenon and actions aimed at combating it see national and supranational institutions and bodies engaged in the front line.

The Group is committed to acting responsibly, not simply complying with all national and

international laws but also constantly promoting ethical and transparent behaviour to strengthen reputation in respect of stakeholders and increase their faith.

For the Mondadori Group, the ways to address the risks associated with the infringement of internal rules and relevant laws in force remain a priority concern.

Main risks	Main mitigation measures
Critical issues related to conduct infringing the laws in force by those who act in the name or on account of the Group.	<p>Constant oversight of the issue through organizational measures and controls to help ensure and spread proper conduct (personnel training, selection of non-publishing products bundled with the publications, monitoring of the legal framework, networking with other companies in the sector).</p> <p>Adoption of the whistleblowing procedure, with the relating implementation of an IT system managed externally (to guarantee violator and whistleblower privacy) as a communications channel to handle reporting; amendment of model 231 of the Parent Company and its subsidiaries; employee training plan. Drafting of a specific anti-corruption procedure following a specific risk assessment.</p>

2.3.4 Risks associated with personnel management

The success of the Mondadori Group is built squarely on the shoulders of the people who act in its name or on its account. Their skills and motivation are fundamental factors in the development of innovative solutions able to correctly interpret changes in relevant markets and in society, which are necessary to

guarantee the financial performance of the Group and its competitive standing.

The Mondadori Group continues to be committed to establishing concrete dialogue with its people, to encourage a greater understanding of our respective needs and to find solutions to any issues that may exist.

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Main risks	Main mitigation measures
Risk that a more dynamic jobs market, coupled with technological change and alterations to the competitive scenario, may make it harder to retain people and attract new talent.	Continuous improvement in human resources management practices, in terms of negotiation, career management support, training, retention and job rotation policies.

2.3.5 Risks associated with Diversity & Inclusion

The Mondadori Group has supported and promoted constant dialogue on matters of diversity and inclusion for some time now. These reference values aim to build trust and collaboration with all stakeholders, such as, for example, customers, employees, market and communities, aligning with the market, which is increasingly brand diversity oriented.

The other points of attention that have emerged to date include growing awareness of the role of D&I at all levels of company life and compliance with current legislation.

The main mitigation measures involve:

- the half-yearly update of top management in respect of the KPIs, which aim at “providing a snapshot” of the application of D&I principles as a starting point to define precise, targeted actions;
- management incentives where effective improvements are made (see 2. Governance, Focus on the Sustainability Plan);
- targeted welfare projects and flexible internal management policies, for example on subjects like parental leave, salary parity and intergenerational care giving;
- dedicated training courses, awareness-raising campaigns and concrete projects to communicate and promote;

2.4 STRATEGIC BUSINESS INNOVATION

From a strategic point of view, the Group has all the managerial and financial resources required to continue along the path of strengthening its core businesses, and of rationalizing, if possible, non-strategic activities consistently and increasingly pursued in the last two years, including through M&A operations.

Again in 2022, the Group continued to consolidate its leadership in the Books Area. With the acquisition of 50% of De Agostini Libri S.r.l., a company specialised in trade books with focus on the children's and non-fiction segments, consistently with the strategy of increased focus on its core business of books, Mondadori has established a partnership with a publisher that boasts a rich history and tradition, as well as solid know-how. The scope of the transaction also included Libromania S.r.l., a company operating in the promotion of third-party publishers. The acquisition of a 51% stake in Edizioni Star Comics S.r.l., Italy's leading comic books publisher, specialized in the publication on the domestic market of the major international productions including, in particular, Japanese manga, also allowed the Group to achieve a leadership position in the domestic comic books segment.

It is recalled that late December 2021, the Group completed the acquisition of 100% of De Agostini Scuola S.p.A. through its subsidiary Mondadori Libri S.p.A., achieving a leadership position in the school textbooks publishing market. The company D Scuola has been included in the consolidation since 1 January 2022.

2.4.1 Enhancement and reputation of brands and publishing trademarks

Management of the brands and publishing brands goes beyond the concept of protecting the Company's intangible assets, clearly without neglecting this but in actual fact seeking to explore their further potential and linking this to action taken to increase the accessibility of products and services.

The various initiatives described in this report include in particular the events promoted by the Group's brands which, during 2022, sought to conjugate brand reputation and solidarity:

- **Dalla parte della natura (On the side of nature):** in January Focus published a special issue of the monthly magazine in collaboration with the WWF, featuring a disclosure project to strengthen the commitment to safeguarding the Planet and protecting species at risk of extinction, telling the tales of the projects that the association has been pursuing for 60 years;
- **Focus For Future:** always our brand leader in scientific popularisation, with a view to becoming the reference multimedia platform on the environment and sustainability, it has enriched its offer of contents and initiatives to sensitise and proactively involve its community on the territory, for example becoming media partner of the national "Plastic Free" initiative of 5 June;
- **Incarta un libro, regala un futuro (wrap a book, give a future):** in the month of December, with a donation, the Christmas gifts were wrapped by the more than 100 volunteers present in the 64 Mondadori bookstores adhering to the initiative, thereby supporting the idea of Oxfam and Mondadori Store to guarantee inclusive education for children and teenagers in difficult social contexts. 2022 activities raised funds in excess of € 112 thousand, a concrete commitment to help and support the more fragile students.
- Well-being of body and mind, together with the promotion of a more sustainable lifestyle, starred in the editorial initiative **"Cucina a colori"** organised by Mondadori Store: a volume containing more than 180 recipes featured alongside advice, news and information to raise awareness about the relationship between a healthy, balanced diet and respect for the environment, with an eye on consumption and savings. The book, published by Mondadori Electa and available only in our stores, proposes fun, colourful cooking, playing on the chromatic harmony gifted us by nature.
- Mondadori Store has also adhered to and supported the **"Bee Good"** initiative: a project promoted by Payback, which has given members of the loyalty programme the possibility of converting promotion points into a payment of bees to be saved. A contribution that made it possible to adopt a total of 3 million bees, protecting the biodiversity of the territory.

- Mondadori Retail has pursued and driven **“Percorsi”**, the free training project dedicated to our network booksellers. Created in October 2021, it takes the form of a series of meetings with the aim of providing stimuli, tools and support to booksellers in managing a store, bringing about a reflection on the importance of their role in the relationship with the product and customer. The second edition appointments have been dedicated to the following topics: analyses of the junior publishing market, sales arguments and objection management, visual merchandising and social tool management.
- In June, to mark the FuoriSalone 2022, the magazine Interni organised the massive show-event entitled “Design Re-Generation”. Starting out from the concept of regeneration understood as requalification, recovery and rebirth, the installations of this edition were devoted to important topics like the new look of sustainability, nature in the city, artificial intelligence for an innovative design and a new future through a more aware design.

3. SOCIAL

Enhancing people, content and places for education and culture

The enhancement and management of human capital are priority issues for the Mondadori Group, which promotes the development of its people in line with the company's prospects, encouraging their growth in terms of new skills, through the creation of quality training and professional development programs consistent with industry trends. In this context, the Group promotes the well-being and a work-life balance of its employees, also through specific initiatives linked to welfare, prevention and health (see the paragraph entitled "Health and safety in the workplace").

The company has always been committed to valuing diversity and equity as levers for the creation of a workplace that values uniqueness, including through an evolved inclusive leadership model.

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This translates into multiple actions, conceived consistently with the objectives defined in the Sustainability Plan, for all Group employees and collaborators.

The dissemination of culture and ideas is a cornerstone of the Mondadori mission; it is not only the basis of the company's business activity, but also a distinctive feature of its strategic approach to Sustainability and the creation of its products for the public.

The Group is committed to ensuring that its editorial products - books, school books, magazines, websites and digital products - contain content that is accurate, meticulous, truthful and respectful of the tastes and sensitivity of the public, through ongoing editorial audits.

The Group's commitment to protecting the rights associated with intangible assets resulting from creativeness and inventiveness is enshrined in the Company's Code of Ethics, as the cornerstone of publishing activities. In the context of the school product range, this commitment becomes a true mission at the service of the younger generations.

Attention to the context, ability to adapt and responsiveness are the elements that have always marked the work of the Mondadori Group. Specifically, the company pays great attention to assessing the perspectives and opinions of teachers and students. It also operates in the educational world defined by national authorities in line with the best industry practices and with a view to developing quality products. Through innovative teaching contents and dedicated in-depth analyses, the Group is committed to promoting education for sustainable development with particular regard to the 2030 Agenda and environmental culture, in line with the objectives set in the Sustainability Plan.

This commitment is limited not only to schools: through books, magazines, digital brands, initiatives, bookshops and social channels, the Group pays attention to sustainability topics in its educational and information products, with the aim of fostering knowledge and debate on how to promote a more sustainable present and future.



The Mondadori Group's approach to the future in the field of sustainability is laid out consistently with the four strategic guidelines defined in the Sustainability Plan (see paragraph 1.1) with the following future objectives connected with the Sustainable Development Goals (SDGs) laid down in the 2030 Agenda.

The objectives achieved or started in 2022 are described in the next few paragraphs.

FOCUS	1. Development and endorsement of a well-structured framework of KPIs for monitoring all D&I-related actions, with specific regard to the gender pay gap and gender balance.	2022
	2. Development of the hybrid working project for the joint definition of a new mixed working model.	2022
	3. Extension to 100% of the school offer of contents/insights in Sustainability, 2030 Agenda for Sustainable Development, diversity, equity and inclusion and civic education.	2023/ continuous
	4. A growing number of initiatives/services to promote reading. Maintenance of the offer of events during the next three years (Educational area).	2022/ continuous
	5. Strengthening of ESG training for the Group's school publications and those for teachers. Maintenance of the offer of training during the next three years.	2022/ continuous
	6. Review of the internal procedures governing selection, hiring and career development with particular attention to D&I matters.	by 2023
	7. Development and implementation of a training plan specifically for D&I for all Mondadori Group people. [Ref. Governance]	by 2023
	8. Launch of the "Parenthood" project to promote more inclusive models for access to motherhood/fatherhood, removing existing biases and facilitating the return to work by enhancing acquired skills;	by 2023
	9. Obtaining certification of the management system in the D&I area.	by 2024
	10. "Care" project for all Group people and their families.	by 2024

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3.1 Enhancement and management of human capital

The valuation and management of the human capital have for years been priorities for the Mondadori Group. The risk analysis on such topics also places emphasis on the need to evolve personnel in line with the Company's development prospects, encouraging their growth in terms of new skills.

Therefore, alongside initiatives for improving the quality of working life and for promoting work-life balance opportunities, in 2022 the Group renewed commitment towards creating a training offer dedicated to digitisation and

professional development consistent with the evolution of its business.

3.1.1 The people of the Mondadori Group

At 31 December 2022, the Mondadori Group had 1,900 employees in Italy and the US, showing growth compared to 2021 in respect of the new companies that joined the Group during the year (De Agostini Libri, Libromania, D Scuola and Star Comics for a total of 170 employees).

Mondadori Group employees, by geographical area (no.)

Geographical area	at December 31, 2022	at December 31, 2021	at December 31, 2020
Italy	1,849	1,763	1,798
USA	51	47	47
Total	1,900	1,810	1,845

For 2020, in addition to the number of employees specified in the table, another 2 people of the company Abscondita S.r.l. should also be considered part of the workforce, as the Group acquired the company in 2020 and it is not included in the 2020 NFS reporting scope. Data relating to this company have been included starting with the 2021 reporting year.

Specifically, at 31 December 2022, the Group's workforce is 63% women and 37% men, with most of the employees in the 30-50 age bracket and over 50.

Mondadori Group employees, by age bracket and gender (%)

Age group	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
< 30	4%	65%	35%	3%	60%	40%	3%	57%	43%
30-50	55%	64%	36%	55%	65%	35%	57%	64%	36%
> 50	41%	61%	39%	42%	62%	38%	40%	62%	38%
Total	100%	63%	37%	100%	64%	36%	100%	63%	37%

With regard to the businesses, the Books Area is the largest, with approximately 44% of the Group's employees.

This is followed by Media, Retail and finally Corporate in terms of workforce size.

Mondadori Group employees, by business

Business	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Corporate	15%	56%	44%	17%	59%	41%	17%	56%	44%
Books	44%	68%	32%	35%	70%	30%	34%	70%	30%
Retail	17%	58%	42%	18%	58%	42%	19%	59%	41%
Media	24%	61%	39%	30%	63%	37%	30%	62%	38%

In keeping with previous years, also at 31 December 2022, the overwhelming majority of employees are under permanent, full-time contracts.

Mondadori Group employees in Italy, by contract type and gender (%)

Type of contract	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Permanent	99%	63%	37%	99,7%	64%	36%	99,6%	63%	37%
Fixed-term	1%	88%	12%	0,3%	100%	—%	0,4%	75%	25%

Type of contract	at December 31, 2022		
	Total	of whom Women	of whom Men
Permanent	1.833	1.156	677
Fixed-term	16	14	2

Mondadori Group employees USA, by contract type and gender (%)

Type of contract	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Permanent	82%	52%	48%	85%	52%	48%	89%	52%	48%
Fixed-term	18%	67%	33%	15%	57%	43%	11%	60%	40%

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Type of contract	at December 31, 2022		
	Total	of which Women	of which Men
Permanent	42	22	20
Fixed-term	9	6	3

Mondadori Group employees, by professional type (full time/part time, %)

Type of contract	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Full time	89%	61%	39%	89%	61%	39%	89%	60%	40%
Part time	11%	85%	15%	11%	83%	17%	11%	85%	15%

Type of contract	at December 31, 2022		
	Total	of which Women	of which Men
Full time	1700	1029	671
Part time	200	169	31

The three-year period 2020-2022 sees a trend of gradual growth in the percentage of women executives compared to the total category, although still in the minority of the total.

Mondadori Group employees in Italy, by professional grading and gender (% , Italy)

Professional Grading	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Executives	5%	36%	64%	5%	31%	69%	5%	29%	71%
Middle managers	14%	51%	49%	14%	55%	45%	14%	55%	45%
Office workers	74%	68%	32%	71%	67%	33%	71%	66%	34%
Journalists	6%	66%	34%	9%	73%	27%	9%	73%	27%
Blue collars	1%	29%	71%	1%	29%	71%	1%	20%	80%

Mondadori Group employees in Italy, by professional grading and age bracket (% , Italy)

Professional Grading	at December 31, 2022				at December 31, 2021				at December 31, 2020			
	Total	Of which <30 years old	Of which 30-50 years old	Of which >50 years old	Total	Of which <30 years old	Of which 30-50 years old	Of which >50 years old	Total	Of which <30 years old	Of which 30-50 years old	Of which >50 years old
Executives	5%	—%	36%	64%	5%	—%	40%	60%	5%	—%	45%	55%
Middle managers	14%	—%	48%	52%	14%	—%	50%	50%	14%	0,4%	54%	46%
Office workers	74%	5%	60%	35%	71%	5%	61%	34%	71%	3%	63%	33%
Journalists	6%	—%	23%	77%	9%	—%	27%	73%	9%	—%	35%	65%
Blue collars	1%	—%	57%	43%	1%	—%	29%	71%	1%	—%	40%	60%

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Mondadori Group employees USA, by professional grading and gender (% , USA)

Professional Grading	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Executives	6%	33%	67%	6%	33%	67%	6%	33%	67%
Office workers	94%	56%	44%	94%	55%	45%	94%	55%	45%

Mondadori Group employees USA, by professional grading and gender bracket (% , USA)

Professional Grading	at December 31, 2022				at December 31, 2021				at December 31, 2020			
	Total	which <30 years	which 30-50 years	which >50 years	Total	which <30 years	which 30-50 years	which >50 years	Total	which <30 years	which 30-50 years	which >50 years
Executives	6%	—%	—%	100%	6%	—%	—%	100%	6%	—%	—%	100%
Office workers	94%	17%	35%	48%	94%	14%	36%	50%	94%	16%	34%	50%

Hires and terminations in Italy, by gender and age (No.,%)		2022		2021		2020	
Gender	Age	Number	%	Number	%	Number	%
HIRES							
Woman	< 30 years old	39	26%	22	30%	12	28%
	30-50 years old	60	40%	21	29%	15	35%
	> 50 years old	10	7%	1	1%	1	2%
Total women		109	73%	44	60%	28	65%
Men	< 30 years old	12	8%	10	13%	5	12%
	30-50 years old	23	15%	18	24%	9	21%
	> 50 years old	5	3%	2	3%	1	2%
Total men		40	27%	30	40%	15	35%
Total hires		149		74		43	
Turnover rate (new employees)			8%		4%		2%
TERMINATIONS (3)							
Woman	< 30 years old	16	7%	4	4%	6	3%
	30-50 years old	53	23%	25	22%	48	23%
	> 50 years old	90	39%	27	24%	51	25%
Total women		159	69%	56	50%	105	50%
Men	< 30 years old	7	3%	4	4%	0	0%
	30-50 years old	24	10%	25	22%	31	15%
	> 50 years old	39	17%	27	24%	72	35%
Total men		70	31%	56	50%	103	50%
Total terminations		229		112		208	
Turnover rate (leaving employees)			12%		6.35%		11.57%

[3] The number of terminations does not include any employees seconded to other companies not part of the Group. As this is a secondment with a clearing entry for costs, these employees are not included in the total headcount at 31 December.

Hires and terminations in the United States, by gender and age (No.,%)		2022		2021		2020	
Gender	Age	Number	%	Number	%	Number	%
HIRES							
Woman	< 30 years old	5	63%	3	43%	2	29%
	30-50 years old	0	—%	1	14%	0	0%
	> 50 years old	0	—%	1	14%	0	0%
Total women		5	63%	5	71%	2	29%
Men	< 30 years old	1	13%	1	14%	3	43%
	30-50 years old	1	13%	1	14%	2	29%
	> 50 years old	1	13%	0	0%	0	0%
Total men		3	38%	2	29%	5	71%
Total hires		8		7		7	
Turnover rate (new employees)		16%		14.89 %		14.89 %	
TERMINATIONS							
Woman	< 30 years old	2	50%	3	50%	2	14%
	30-50 years old	0	—%	1	17%	3	21%
	> 50 years old	0	—%	1	17%	0	0%
Total women		2	50%	5	83%	5	36%
Men	< 30 years old	0	—%	0	0%	4	29%
	30-50 years old	2	50%	1	17%	4	29%
	> 50 years old	0	—%	0	0%	1	7%
Total men		2	50%	1	17%	9	64%
Total hires		4		6		14	
Turnover rate (new employees)		8%		12.77 %		29.79 %	

In addition to data relating to employees, the table below shows the average number of temporary staff in Italy during the year, broken down by business area. The number of temporary workers is subject to seasonality, particularly for bookstores in the pre-Christmas period during new openings and trade show events. For the Retail Area, the 2022 data show a further upswing, continuing on from 2021, in

activity versus 2020, which had been heavily impacted by the COVID-19 pandemic. The U.S.-based illustrated books publisher, Rizzoli International Publications, does not employ temporary or seasonal workers.

External workers (temporary) in Italy, by business area (no.)

Italy	2022	2021	2020
Temporary workers (no.)			
Corporate	3	3	6
Books	6	18	21
Media	14	15	15
Retail	173	123	56
Total	196	159	98

3.1.2 Organizational developments and industrial relations

In 2022, in terms of industrial relations, with the end of the state of emergency, the experimental agreement on smart working applied, signed with the trade unions in July 2021. Almost all workers whose work was considered compatible with the hybrid work methodology, chose to adhere to this model. In order to support those responsible in this substantial cultural change and change in paradigm of working methods, a change management path has begun with the aim of better structuring, in all Group signatory companies, the new hybrid work model hinged on flexibility, autonomy, responsibility and collaboration.

At the same time, careful monitoring began of the performance of experiments of the new working model, which was constantly discussed with the trade unions.

Amidst a context of complete consolidation of industrial relations, in July 2022, the parties agreed to extend the various institutes envisaged by the Group's supplementary agreement, along with the provisions relating to productivity prizes, for the whole of 2023, so as to guarantee application continuity.

In addition, throughout 2022, activities focussed on extending the current treatments in place in the Group to also include the recently-acquired companies (D Scuola, De Agostini Libri and Libromania), making it possible to achieve almost complete integration - in the company's industrial relations system - since 1 January 2023.

In December 2022, union agreements were signed for all Group companies, both for the graphic part and trade, aimed at presenting the new training plan in order to qualify for the New Skills Fund.

Management also drew to a close of the early retirement program, launched in 2020, for Arnoldo Mondadori Editore and Mondadori Media.

To consolidate smart working initiatives, the Flex-Ability project was launched with the aim of jointly constructing the new way of working, conciliating the concepts of productivity and effectiveness with flexibility, well-being and

personal satisfaction, paying close attention to inclusion. (see Training and Development);

Under the scope of this project, all employees were assigned the technological equipment (PC and smartphone) necessary to enable the change.

All the employees in Italy are covered by collective bargaining agreements: the Graphics Publishing CBA (covering 76% of employees and including Industry managers), the Journalists CBA (6% of the corporate population) and the Trade CBA (applied to 18% of employees, including Trade managers). In the United States, sectoral trade union agreements are not as common as in Europe; the general protection provided by federal laws obviously applies to all workers.

The minimum notice periods required by the applicable collective bargaining agreements (30 days for Graphics-Publishing and 70 days for Trade) were respected in all cases of the transfer of business units and/or organizational change, with negotiations launched several months in advance.

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3.1.3 Training and development

The international economic context and the reference markets of the various business units have maintained - and are expected to maintain over the coming years - a characteristic of speed of change that calls for a constant evolution of the business models and new product development.

Increasingly strategic competences to be able to meet the new challenges quickly and increase competitive advantage are the capacity to intercept new areas of activity, to innovate thanks to synergies between digital and traditional products and skills to communicate and dialogue with our readers through social channels. 2022 training programmes have been focussed on strengthening these strategic competences for the organisational development and business.

This is why the training process and professional and managerial growth is increasingly structured and aimed at the specific needs for updating the various professional skills present in the Group, also becoming an element attracting young talent in

an increasingly competitive employment market. The inclusion of new figures guarantees new skills and new approaches that are useful to the company's innovation.

In continuity with the training programmes delivered in the previous year, in 2022, a plan was developed aiming to consolidate the skills sets that are essential to all professional families in order to operate and contribute to the development of the lines of the company evolution.

The courses delivered also made it possible to continue to bridge the gaps that have emerged from the digital assessment performed at end 2020 with respect to the competences necessary to address the digital transformation process of businesses: the test helped investigate each person's digital mindset and skills in terms of basic digital literacy, ability to use digital tools for work planning and management.

The 2022 training plan, which consisted of a total of over 35,000 hours of **specialized and managerial training**, focused on the implementation of specific training projects, based on four main pillars and the following areas.

1. **Digital Adoption.** In order to satisfy the need for tools and specific abilities:

- to increase effectiveness and productivity at work, like courses on Excel and Power Point;
- to facilitate the new hybrid work mode that requires sharing and collaboration tools, like the course on Gsuite;
- to execute the digital strategy like:
 - courses on the programs Photoshop, Illustrator and Adobe Premiere;
 - courses to learn to create podcasts for a new way of managing contents;
 - courses to acquire competences to design websites with a user experience hinged on the characteristics of the user and with contents that can engage them, generating and transforming on-line visitor traffic into loyal consumers.

2. **Business Innovation.** In order to pursue the spread of a technological culture and digital mindset to be able to develop a **new strategic vision of the business**, cycles of informative webinars have been developed, in collaboration with the Polytechnic University of Milan, on topics considered as core to the evolution of Mondadori. The meetings have made it possible to convey knowledge, points for thought and scenario visions linked to new technological and digital opportunities to drive innovation.

To enable people and the organisation to develop innovative ideas, a course has been conceived on Design Thinking, which flanks theoretical training on the design thinking model with practical applications to generate innovative ideas for Mondadori. Multifunctional teams have worked on the development of projects identified by the management and, under the scope of a specifically-created contest, the best proposals have been selected by a panel and will subsequently be implemented.

For Retail, **two courses** have been developed, one for **store managers** and one for **store sales staff** - to update skills in a scenario that sees consumer behaviour and purchasing methods of the new generations change tremendously, heading towards a hybrid retail model.

In the Commercial Area of the Trade Books area, training has been delivered on **"MondadoriS People – Sales Innovation Sprint"**, dedicated to sales profiles and intended to provide professional refresher courses on the latest trends linked to digital and innovation, which envisage a transformation of the commercial figure, from simple seller of a product to consultant to improve the sale and relationship with the end customer.

3. **Digital Marketing&Content Management.**

This area's courses are intended in particular for marketing and communication professionals and those creating editorial contents to develop skills in the following areas: digital marketing platforms, web analytics, Seo writing techniques, social media content and digital advertising.

In 2022, the Group chose to consolidate the new hybrid work mode to **maintain the positive changes made in the last two years, which had yielded important results. The new hybrid work methodology, defined as Flex-Ability**, is today characterised by a widespread awareness and growing acceptance of accountability of people and a

new managerial style characterised by greater listening, delegation and organisation and less control.

Some of the training programs developed in 2022 aimed to foster this cultural change to facilitate and support the adoption of agile models of work organization, including remote work, capable of guaranteeing fully satisfactory performance and results.

4. Agile Working&Organization. Interventions in this area seek to satisfy the need for soft skills and specific competences to support hybrid work and develop new agile management methods of processes and projects to innovate managerial models and ensure leadership styles that are increasingly effective and consistent with the changing environment.

In 2022 too, two training paths were developed, **"Remote people management"** and **"Remote agile working"**, each running for 20 hours, to be able to reach and enable the most extensive population bracket possible. After having last year trained approximately 150 managers and more than 300 Group employees, in 2022, another 40 managers and more than 170 employees took part in these courses. In addition, for those who had already taken part in the two previous courses, two in-depth courses were offered:

- **Digital Smart Leader**, focussing on certain managerial skills that have become even more important and complex in a hybrid work model: conflict and team management with a coaching approach, negotiation, emotional intelligence and the capacity to provide motivating feedback;
- **Smartworking soft skills**, aiming to develop soft skills to be more efficient in a hybrid work model, emotional abilities in relations, efficient communication strategies, awareness and responsibility for one's role.

The **Manager Flex-Ability course**, adhered to by more than 200 Group managers and divided up into 9 transversal groups, proved to be particularly valuable and high-impacting with respect to the objective of changing the culture and way of working.

This initiative was structured into 5 sessions in a physical classroom and a virtual classroom and aimed to create awareness about the change management process launched by the

company and involve managers, engaging them with respect to their role as change agent insofar as they are people managers and positive role models for the new conduct describing the Flex-Ability principles.

The expected output was the participated, shared definition of a new leadership style suited to the new model based on coaching and feedback and consistent with the new values and the evolution of the Group's business. The course, which is still in an experimental phase of the new hybrid model, provided an important opportunity for reflection and dialogue between managers about their experience with the flexible working procedures trialled over the last two years and identify areas for consolidation and improvement, in particular in relation to the skills needed to manage the new way of working with a focus on leadership and team management.

The course also allowed for the development of the competences needed to:

- guide the change of the new ways of working with a focus on leadership and team management;
- better engage with the new context with a focus on communication, listening and emotional intelligence;
- improve organisational efficiency with a focus on the digital mindset and the capacity to simplify working dynamics and methods.

The Group has also launched an important cultural transformation process to make **Mondadori increasingly inclusive** and careful to enhance the unique aspects of each and every person.

The concept of inclusion includes the acknowledgement, understanding and optimisation of diversity as a resource, as well as its use in a positive manner, creating a fair, welcoming physical and social environment. Creating an inclusive working environment means redesigning processes like recruiting and talent management, introducing policies designed to assure equal opportunities for all workers. With this goal in mind, a pilot edition has been developed for HR management of a course that in 2023 will also be extended to managers, to work on raising awareness and

managing **unconscious bias**, acting on behaviour to modify it to be more inclusive.

This year too, the courses were able to achieve the cross-cutting objective of fostering knowledge and integration of the various company areas to improve efficiency and the development of synergies and create practices and a shared management style.

The managerial and specialist training is complemented by **language training** (over 2,300 hours) delivered both in the traditional one-to-one manner and in blended mode, i.e. through the use of digital platforms. To complete individual linguistic training, interactive group workshops were developed on specific managerial skills like public speaking, business writing, effective delegation and collaboration, pitches and presentations.

Lastly, complementing the programs, **workplace safety training**, delivered both in the classroom and via e-learning.

The following table shows the number of training hours delivered and the number of attendees in the three-year period 2020-2022 in Italy. In 2022, the total number of training hours increased compared with 2020. The value falls below that of last year due to the exceptional number of hours delivered in 2021 thanks to the access given to major resources of the New Skills Fund (FNC), to which the Group had adhered significantly to address the uncertainties caused by the pandemic.

Hours of training delivered in Italy and attendees (total, no.)

HOURS OF TRAINING (no.)	2022	2021	2020	Participants (n.)	2022	2021	2020
Total	42,441	144,931	11,185	Total	3,654	2,025	2,007
of which, ad hoc training	35,677	140,127	10,091	of which, ad hoc training	1,836	1,634	1,617
Executives	1,717	3,651	643	Executives	95	73	98
Middle managers	5,087	16,087	2,639	Middle managers	251	225	260
Office workers	23,599	105,381	6,574	Office workers	1,385	1,180	1,172
Journalists	5,271	14,926	213	Journalists	104	154	83
Blue collars	3	82	22	Blue collars	1	2	4
% hours delivered to women	63%	64%	68%	% women	64%	65%	65%
% hours delivered to men	37%	36%	32%	% men	36%	35%	35%
of which, language training	2,382	3,150	332	of which, language training	152	79	24
Executives	479	1,813	147	Executives	28	47	11
Middle managers	885	1,037	92	Middle managers	62	23	7
Office workers	277	221	68	Office workers	17	7	5
Journalists	741	79	25	Journalists	45	2	1
Blue collars	0	0	0	Blue collars	0	0	0
% hours delivered to women	63%	53%	72%	% women	59%	43%	58%
% hours delivered to men	37%	47%	28%	% men	41%	57%	42%
of which, safety training	4,383	1,654	763	of which, safety training	1,666	312	366
Executives	70	54	2	Executives	39	13	2
Middle managers	468	153	48	Middle managers	232	29	37
Office workers	3,653	1,395	676	Office workers	1,294	262	311
Journalists	186	28	28	Journalists	99	4	14
Blue collars	6	24	9	Blue collars	2	4	2
% hours delivered to women	64%	44%	52%	% women	65%	50%	56%
% hours delivered to men	36%	56%	48%	% men	35%	50%	44%
of which, safety training	42,441	144,930	11,185	Total attendees	3,654	2,025	2,006
Executives	2,266	5,519	736	Executives	162	133	111
Middle managers	6,439	17,277	2,778	Middle managers	545	277	304
Office workers	27,529	106,996	7,318	Office workers	2,696	1,449	1,488
Journalists	6,198	15,032	266	Journalists	248	160	97
Blue collars	9	106	31	Blue collars	3	6	6
% hours delivered to women	63%	63%	67%	% women	64%	62%	63%
% hours delivered to men	37%	37%	33%	% men	36%	38%	37%

In 2022, in particular, average training per capita in Italy stood at approximately 22.61 hours.

Average hours of training delivered in Italy (per capita, no.)

Detail	2022	2021	2020
Total	22.95	82.21	6.22
Women	23.00	81.31	6.56
Men	22.87	83.80	5.64
Executives	22.00	57.48	7.75
Middle managers	25.15	70.81	11.29
Office workers	20.15	85.26	5.70
Journalists	56.35	93.37	1.62
Blue collars	0.67	15.13	3.10

For Rizzoli International Publications, no training hours were delivered in 2022.

Consequently, the number of training hours per capita for the Group comes to 22.34, of which: 21.37 for managers, 25.15 for middle managers, 19.47 for office workers and 0.67 for manual workers.

With regard to staff assessment and development, activities carried out in 2022 include:

- **Individual executive coaching courses**, lasting 6-8 months, to best support the Group's managers in their professional growth. Specifically, the aim was the development of managerial skills considered essential in today's organizational contexts: - strategic vision;
 - improved leadership;
 - authority and assertiveness towards assistants;
 - coverage of their role and ability to take on responsibilities;
 - proactiveness and negotiation skills;
 - improvement of the quality of communication and interpersonal relations;
 - management of change and innovation;
 - management of time and priorities;
 - motivation of assistants;
 - ability in giving constructive feedback;

The specific development goals covered by the coaching program are defined with the manager, consistent with the mission of the role held and the manager's expectations for growth. This managerial development leverage introduced in 2021 and continued in 2022 is just one of the responses to the needs that have emerged from the assessments carried out previously on all the management population.

The activation of coaching courses has now become a frequent practice to support managers as they transition towards positions of greater responsibility and complexity.

- **Nudge Global Impact Challenge:** the Mondadori Group's participation continued in 2022 too, in this initiative organised by the Dutch company and involving more than 100 young talents from 35 different countries. Through an internal selection process, three under-33s were chosen from the Group as being passionate about topics relating to sustainability and the circular economy to take part in the challenge. They were involved in a path of 8 months of coaching, workshops and seminars with high-profile speakers and trainers from around the world and from different areas, to allow attendees to broaden their horizons and enrich themselves through discussion and the exchange of views with highly diverse organizations.

The goal of the initiative is to develop the leadership of young talents, so that they can have an impact on changing business models towards greater sustainability. The Nudge Global Impact Challenge is based on developing and implementing a corporate impact plan that will have an impact in terms of cultural and/or organizational change.

Development of plans to participate in the challenge is ongoing and will be submitted by April 2023.

In May 2022 Anna Spinelli, editor of *Il Battello a Vapore*, was included amongst the six finalists for the **Nudge Global Impact Awards 2022** at Peace Palace in The Hague, the Netherlands, being awarded the prize of best project able to create the greatest sustainable impact.

Conceived as a way of combating food waste, it consisted of an anti-waste manual entitled "Too Good To Go", developed in collaboration with the world's number one app against food waste.

- Parallel to that, awareness continued to be raised of the **know-how mapping** campaign professional experience that each employee has gained in the Group or in other contexts and educational backgrounds. The goal of the initiative is to have a permanent tool for the search, management and development of talent in the Group, which will help manage internal mobility processes, design development paths, monitor any gaps, support line managers in enhancing the value of their assistants and accompany the people of the Mondadori Group in their professional growth. Each person has the ability to update their data in the new **Talent Management module of HR Portal** - "Careers and Performance" section. Also in 2022, the data collected was used to carry out analysis and mapping of the population for purposes of internal mobility, reorganization, or training planning.
- The so-called corporate **Job System** was completed, i.e. the mapping of "Professional Families" "Sub-families" and "Roles" present in the Mondadori Group and the "Job Profile" (understood as the set of responsibilities and the resulting technical and soft skills needed to "act"), which was updated in light of organizational changes. Specifically, for each role, the associated organizational positions were identified, indicating, for each, the relating job evaluation.

The creation of the **Job System** will allow for a more effective management of people in all phases of the employee life-cycle (rationalization of job requisitions for the profiling of positions to be sought; definition

of targeted development paths based on skill upgrades; alignment of roles - job evaluation to allow consistent and fair remuneration policies; definition of ad hoc training paths to fill the skill gaps required to cover the role). The Job System was made available in 2022 to all professionals from the HR Department, as support for recruiting processes to identify job requisitions of vacancies during the start-up of the search and selection and to manage internal mobility processes.

- **Team Effectiveness Project** that involved the first line managers of the Finance and Control area. This department is managing a significant change process, both within the area and in support of the company's evolution and this has called for particularly challenging behaviour. The aim of the project was to provide the CFO with points for thought to define a "development" plan through which to further maximise his contribution and that of the whole team. The route structure involved collecting feedback through structured interviews with all team members so that they can make their own constructive, propositional and open contribution to the analysis of the team dynamics and leadership style adopted in managing the group and individuals.

Finally, as regards the **transition assistance programmes**, the Group has envisaged:

- **Outplacement:** support for those leaving the company thanks to collaboration with accredited third parties. This is a programme that usually runs for 12 months, during which a team supports the outgoing worker in his search for new opportunities and professional placements. The team consists of a consultant with experience in the same sector of origin or functional area and a career consultant, who is an expert in the employment market: together, they strive to help the outgoing employee address the various aspects that feature in a career transition. The path is structured into moments of training and others where the employment market is analysed, as well as information about search activities, offering opportunities for active dialogue on the search and market feedback. When the path is started, competences are assessed to identify the individual characteristics, the baggage of knowledge and the hard and soft, technical and transversal managerial skills

and competences that a person has acquired professionally and personally.

- **Training vouchers for professional requalification:** in defining the leaving incentive, a voucher may be included to be spent on training delivered by third parties outside the company, like business schools and universities.

The value of the voucher is defined on the basis of the worker's specific needs and the comprehensive composition of the incentive at leaving. The HR Department offers support in choosing the type of training on the basis of an analysis of professional experience and expectations for the future career development and, after a careful assessment of what the market has to offer, suggests some possible choices.

- **Internal professional requalification training:** during the run-up to leaving, those concerned can independently choose, taking a self-development approach, from a wide range of courses available on the annual training

plans, opting for courses that may be useful for reskilling in order to look for new opportunities on the employment market.

- **Early retirement plans:** early retirement plans in publishing houses consist of the possibility - through the use of tools made available by the law and in compliance with the directives given by legislation - to access pensions early, ahead of the ordinary pension requirement, for employees with 35 years of contributions paid.

The early retirement plan involves trade union and ministerial agreements on the basis of the mapping of potentially entitled people (i.e. those who meet the legal requirements) and is of voluntary access, as the employee, where meeting the requirements, decides whether or not to effectively opt for early retirement.

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3.1.4 Welfare and benefits

The company agreement covering employees under the graphics publishing collective labour contract signed in 2018 introduced effective work-life balance tools, such as smart working, which switched from the experimental stage in 2019 to the mainstream tool in 2022 too, and measures to support households, with the aim of providing more favourable conditions to combine work and family needs. Special attention was paid to maternity protection, with the reduction of working hours in the six months following return and the anticipation of full pay for periods with reduced remuneration. For new fathers, however, paid leave was increased to 10 days. In cases of serious illness too, the period of respite is suspended with a view to job retention.

The agreement also provides for the establishment of an annual variable performance bonus common to all Group companies, part of it made available through a corporate welfare system that provides employees with a series of services and initiatives to facilitate the well-being of workers and their family.

In 2022, additional possibilities were introduced to allocate the available welfare

credit (such as, for example, the possibility of obtaining a reimbursement for medical costs) and the income support initiatives envisaged by the Aid Decrees issued by the Government, such as reimbursement of domestic utility bills and a € 200 fuel voucher, have been made available.

At 31 December 2021, 55% of employees were entitled to receive the performance bonus disbursed in May 2022. 53% of those entitled converted the bonus into welfare (this percentage also includes those who chose to convert part of the bonus, not just those who converted 100%) and 45% of the total performance bonus was thus converted into welfare.

Additional income support actions included the disbursement of a gift voucher worth € 1,000 to employees whose gross annual remuneration falls within the bracket envisaged by the Aid Quater Decree and the distribution to all employees of a Christmas gift consisting of numerous food items.

During the year, the main intervention measures envisaged in the Home-Work Travel Plan, were implemented (Law 77 of 17/07/2020) with the aim of reducing the environmental impact of vehicle traffic in urban and

metropolitan areas. In December, the Area Mobility Manager of the Municipality of Segrate was presented with the Home-Work Travel Plan for 2023, which envisages additional mobility measures.

3.1.5 Internal communications

Communication activities for employees and associates of the Mondadori Group are key aspects through which to involve all people in company life and strengthen their sense of belonging, as well as being functionally and operatively useful. These actions and initiatives fall within the competences of the Communication and Media Relations Department and, to a large extent, take place on the Mondadori communication ecosystem channels.

Under this scope, the current version of the Mondadori Network, the service communication platform for employees and associates, plays a central role. Thanks to the functions offered by Google Sites and, more generally, by the Google tools used by the Group to manage working activities, the company intranet is also accessible from any device and at any time. It also integrates effortlessly with the tools of Google Suite, as well as with the other company platforms, collecting links and methods for accessing useful systems for working life and corporate communication channels. In thus doing, Mondadori Network addresses the need to constantly keep abreast of things, a need that has materialized with greater strength with the introduction of hybrid working.

To complete all contact points between the company and its people, we have internal digital signage, namely the programme of communications to be broadcast on the screen at the entrance to the headquarters. Through the videowalls, every day employees and associates in the office are directly and promptly informed of all internal news and initiatives.

The Intranet and e-mails to all employees in Italy and around the world are the main tools used by the CEO too to share and comment on the Group's performance and financial results. This is not all: in a broader communication perspective, which transcends the distinction between external and internal communication, the use of the Group's social accounts in 2022

strengthened the narrative of the company and its results.

In this sense, publication of posts on new appointments and initiatives dedicated specifically for employees and associates, such as the projects of the Diversity & Inclusion department or corporate welfare activities, continued.

3.2 DIVERSITY, EQUITY AND INCLUSION

Publishing has traditionally been an industry in Italy with a heavy presence of women in the general workforce. This presence, however, is not always accompanied by true gender equality in top positions and remuneration. In May 2021, the Mondadori Group created the Diversity & Inclusion department, appointing a Chief Diversity Officer, with the aim of enhancing diversity within the company and significantly fostering inclusion processes. Within the function, diversity is conceived in its broadest sense, with priority focus for the current year on aspects related to gender and the coexistence of multiple generations in the company. In 2022 too, the department worked in synergy with all corporate departments, promoting dialogue with the various businesses to bring the various initiatives in progress or developed on these topics to the system.

The main goals of the function are divided into five main clusters listed below:

1. Implementation of the **system of indicators related to diversity and inclusion**, which, by monitoring gaps to be filled in a timely manner and their development trends, has made it possible to guide company priorities and verify the effectiveness of actions undertaken. More specifically, the top management long-term incentive plan now includes an ESG indicator to measure the spread of the inclusive culture in the company, the improvement of the gender balance between female and male managers and reduce the equal pay gap.
2. Continuation of the activities aiming to **promote the "cultural change"** through meetings aimed at the entire company population and specific training for certain segments of the population, to increase employees' awareness of the issues in question, as critical elements for the success of their business and personal growth.

The main initiatives in this area were:

- **two new webinars** intended for all the company population to promote a path of **dissemination of a corporate culture hinged on D&I**. Opportunities for meetings and dialogue that saw the involvement of important academic representatives, including the professors Daniela Lucangeli and Cecilia Robustelli, along with some of the Group's creators and authors. The topics addressed during the meetings include gender discrimination, ageism, welcoming and inclusive language and the possibility of expressing individualism in social and organisational contexts;
- an **in-depth survey** on the care work that involves all Group people, care in relations with oneself, with children and parents and with society, with the aim of obtaining operative instructions on how to develop a more extensive care plan to be launched in 2023;
- **workshops** dedicated to the perception of unconscious bias, using artificial intelligence methods

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3. Participation in some important national **round tables** like that organised by the Ministry for Equal Opportunities and Family - under the Draghi Government - involving some of the country's most important companies to share guidelines and best practices, which then resulted in operative suggestions for the institutions. Internationally, participation in the permanent, independent Observatory on gender equality and women's empowerment launched by The European House-Ambrosetti in the G20 countries and in Spain, as a partnership with some major international companies, including Mondadori.

The study highlighted how the achievement of gender equality and the progress of women's empowerment is not merely a question of rights, but also an essential step towards achieving sustainable development in countries in terms of social equality, economic growth and competitiveness.

4. Continuation of the **collaboration with the Group brands and publishing houses** in the development of specific internal and external initiatives aimed at making a tangible impact on gender equality issues. These include the **"Stories of Afghanistan" report** presented by The Wom in 2022. It is a collection of testimonials given by Afghan women who have sought refuge in Italy, to sensitise readers, as well as employees, to the importance of respect for human rights, and women's rights in particular, and the need to work concretely and at all times to make diversity and inclusion truly a constant of being part of the Group.

5. **Monitoring of the national legislative framework** in order to implement all compliance actions in a timely manner, with particular regard to obtaining the equality certification currently under consideration by Government.

Ratio of basic salary of women to men by category⁴

Professional Grading	2022	2021	2020
Executives	63%	63%	65%
Middle managers	92%	92%	92%
Office workers	96%	98%	98%
Journalists	78%	82%	81%
Blue collars	80%	90%	81%

[4] The calculation of the basic salary ratio is based on the average annual gross salary. It is also noted that in order to calculate the ratio, the basic salary of employees classified professionally as "part-time" has been re-proportioned so as to make it comparable with that of full-time employees. The values used to calculate the ratio do not take into account the remuneration of the Chief Executive Officer and the variable deriving from the LTI. We should also specify that two employees of Abscondita S.r.l. were excluded from the calculation. The calculation was performed on the Italian offices.

Ratio of the remuneration of women to men by category⁵

Professional Grading	2022	2021	2020
Executives	61%	61%	61%
Middle managers	89%	89%	88%
Office workers	95%	97%	95%
Journalists	76%	78%	76%
Blue collars	80%	89%	81%

[5] It should be noted that the remuneration takes into account, in addition to the average gross annual salary, only any MBO bonuses paid for specific employee classifications as at 31 December. Additionally, in order to calculate the ratio, employees falling in the "part-time" professional category have been brought back to "full time". We should also specify that two employees of Abscondita S.r.l. were excluded from the calculation. The calculation was performed on the Italian offices.

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Top positions in magazines	2022		2021	
	Women	Men	Women	Men
Editors-in-Chief	40%	60%	25%	75%
Deputy Editors-in-Chief	25%	75%	57%	43%

Employees with disabilities (%)

Professional Grading	at December 31, 2022			at December 31, 2021			at December 31, 2020		
	% of total employees with disabilities	of whom % Women	of whom % Men	% of total employees with disabilities	of whom % Women	of whom % Men	% of total employees with disabilities	of whom % Women	of whom % Men
Middle managers	6%	75%	25%	5%	75%	25%	5%	75%	25%
Office workers	87%	44%	66%	85%	47%	53%	84%	47%	53%
Journalists	—%	—%	—%	1%	100%	—%	4%	100%	—%
Blue collars	7%	20%	80%	8%	33%	67%	8%	33%	67%
	% of total employees	of whom % Women	of whom % Men	% of total employees	of whom % Women	of whom % Men	% of total employees	of whom % Women	of whom % Men
	3%	46%	54%	4%	48%	52%	4%	49%	51%

Almost 3% of employees (almost exclusively by women, 92%) took **parental leave** (a right that extends to all the workforce, regardless of contract type). The data in the table refer to employees at the offices in Italy and the United States.

Parental leave

Detail	2022			2021			2020		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees entitled to parental leave (no.)	1,198	702	1,900	1,152	658	1,810	1,163	682	1,845
Employees who took parental leave (no.)	51	6	57	27	2	29	38	13	51
Employees returning to work after parental leave (no.)	51	6	57	27	2	29	38	13	51
% returning after parental leave	100%	100%	100%	100%	100%	100%	100%	100%	100%

[6] For consistency with other workforce tables, data are shown at 31 December. As regards the employees that took parental leave, the total number includes those not appearing in end-of-year headcounts due to terminations/resignations.

3.3 HEALTH AND SAFETY IN THE WORKPLACE

The main aim of the Mondadori Group prevention and protection service has always been to guarantee safety in the workplace and safeguard the health of all workers.

In 2022 too, the activities aimed at countering COVID-19 infection took on a key priority for the Group Safety Coordination, a body set up by the Parent Company in 2016 to coordinate the planning and assessment of the ordinary legal obligations under Legislative Decree 81/08 - Consolidated Law on Work Safety.

The various measures taken by the Mondadori Group to combat the spread of the virus were readily implemented through the ceaseless work of the COVID-19 Crisis Committee, set up from the onset of the emergency, and saw the ongoing participation of the Employers, the Head of the Prevention and Protection Service, and the departments responsible for HR, Procurement, Legal and Communications areas of the Group, as well as the business areas. In addition to monitoring the developments of the emergency, the measures to guarantee the safety and health of all workers were assessed, defined and concurrently authorized, in collaboration with the Coordinator of the Competent Medical Officers, who played a fundamental role in setting the guidelines to follow. In accordance with the regulatory provisions issued by the competent public authorities and, in particular, with the measure contained in Prime Ministerial Decree of 11 March 2020, as well as with the provisions, on 14 March 2020, of the Shared Protocol for the regulation of measures to combat and contain the spread of the COVID-19 virus in the workplace, as a precautionary measure, the Mondadori Group maintained its own Corporate Anti-Contagion Protocol, listing the measures adopted.

3.3.1 Information

All communications, news and information related to the COVID-19 emergency were circulated to all employees and associates of the Mondadori Group, both through e-mails sent out in a capillary fashion and over the intranet, where, in addition to the constant updates, the latest version of the Mondadori Anti-Contagion Protocol is always available.

3.3.2 Guidelines on entry to premises

Again in 2022, through the forwarding of specific communications and posting of “our Rules of Conduct” at the entrances to the offices, the staff and everyone needing to enter the company have been notified that they cannot enter if they show any flu-like symptoms (temperature above 37.5°, a cold, cough, sore throat, etc.) and only if authorised by their manager.

3.3.3 Guidelines on entry of external suppliers

All external suppliers signed and followed the entry and parking procedures, in order to reduce the possibilities of contact with on-site personnel, provisions aimed at guaranteeing the respect of personal distancing during the necessary loading and unloading operations.

3.3.4 Cleaning and sanitization of company premises

The company has kept the extraordinary specifications in place whereby common contact surfaces and environments (lifts, handrails, touch screens and others) are sanitised on a daily basis.

In the event of the presence/reporting of a person testing positive for COVID-19 within company premises, the cleaning and sanitization procedure has been implemented according to the provisions of Circular no. 5443 of 22 February 2020 of the Ministry of Health.

At the Mondadori Group offices, where it was technically possible, recirculated air has been maintained; it is recalled that all air handling units, their respective ventilation ducts and work environments were sanitized as a preventive measure.

3.3.5 Personal health precautions

Information was circulated regarding all health precautions to be implemented as defined by the Ministry of Health; all offices have been equipped with suitable hand sanitising equipment.

3.3.6 Personal protective equipment

During the year, all staff were assigned daily FFP2 masks at the entrance to the offices, with the obligation to maintain the device in the canteen, the lift and anywhere it was not possible to maintain the interpersonal distance of at least one metre.

3.3.7 Management of common areas

Access to the company canteen in Segrate was suspended or restricted, limiting the use of tables to only those stations that were identified and reported to guarantee an interpersonal distance of at least one metre and after booking one's turn through a dedicated digital app. The possibility of taking packed lunches to be eaten at one's own workstation or in another isolated place was also maintained.

Daily sanitisation has been guaranteed, using specific detergents, of the push buttons on the vending machines, photocopiers and lifts.

3.3.8 Company organization

Following agreements reached with company trade union representatives, smart working has been fostered, signing a specific agreement to allow for this system to be organised and implemented, also thanks to devices, equipment and smartphones that the company has supplied to all employees.

A free online psychological counselling service was maintained to help those going through a state of stress or discomfort related to the specific situation experienced.

3.3.9 Managing employee entry and exit

Different entry/exit routes were maintained in 2022 too, to limit contact; hand sanitising columns were placed at all entrances, in addition to signage for adopting the appropriate behaviour to contain the virus.

3.3.10 Internal movement, meetings, internal events and training

In-person meetings have been limited to those strictly needing to be there and in respect of interpersonal distancing, continuing to opt for remote meetings wherever possible. Safety training activities, if not available via e-learning, were conducted in the classroom with a small number of attendees and in accordance with Government-approved procedures aimed at containing the virus.

3.3.11 Management of a symptomatic person in the company premises

The Mondadori Group's corporate code of conduct, which is constantly updated as new regulations are issued, establishes that if a person physically present in the company develops a fever and respiratory infection symptoms, he or she must immediately report it to the company's dedicated emergency number, which runs 24 hours a day, and to the relating e-mail address, in order to initiate the procedure for managing a symptomatic person, defined in collaboration with the Competent Medical Officer.

3.3.12 Health surveillance / competent medical officer / WSR

Health surveillance visits were scheduled adopting due precautions and in accordance with the provisions of the protocols.

Continuing on with the measures adopted to combat the spread of COVID-19, in 2022 too, the Mondadori Group launched a diagnostic screening program, offering employees of all offices the option of taking and repeating, free of charge and even on a weekly basis, the antigen tests if using public transport, returning to the office after a long absence and potential close contact with people who have tested positive or risk situations.

The annual anti-flu and anti-pneumonia campaign promoted by the company, in coordination with the Competent Medical Officers of all the corporate locations, saw the participation of around 800 employees and associates.

3.3.13 Regulatory Enforcement and Assessment Committee

In addition to the Committee for the application and verification of the rules of the regulatory protocols, which involved trade union representatives and worker safety representatives, each site had its own appointed safety officer who was tasked with controlling and writing up a report on compliance with the rules of conduct defined by the company.

The implementation and monitoring of the measures contained in the Company's Anti-Contagion Protocol was ensured over time by the presence of the Health and Safety Officers and Managers (HSM, HSO) and Safety Supervisors formally designated for each of the work sites.

Similarly as was done for the offices, despite the fact that the state of emergency was officially declared over, the Protocol defined for directly-owned Mondadori Retail stores was kept in place. In addition, the specific Operational Notice continued to be in force, by which, in recalling the responsibility of the Supervisors in respect of Legislative Decree 81/08, all Mondadori Store Officers and Managers were involved to guarantee and monitor application of the provisions given.

3.3.14 Compliance with the Consolidated Law on Safety

The handling of safety in connection with COVID-19, which upset the priorities of the Group's Safety Coordination in 2022 too, did not, however, affect the planning of the annual obligations required by Legislative Decree 81/08:

- periodic meetings: minutes were taken of the periodic safety meetings, held digitally, at Retail stores and Mondadori Group institutional offices, involving the Employers (or their delegates) of the respective companies, the Health and Safety Managers and Health and Safety Officers and the 10 Workers' Safety Representatives;
- on-site workplace inspections: in 2022 the competent medical officers carried out and took minutes of the workplace inspection of 14 company premises;

- evacuation drills: in addition to the testing of emergency plans in the Retail stores, the safety officers of the Mondadori Group sites coordinated annual evacuation drills involving the personnel in attendance. Feedback received on the drills was then used to identify and formalize the actions needed to improve emergency procedures.

The refresher courses for professionals from the prevention and protection service involved 148 workers including first aid and firefighters, workers' safety representatives, supervisors, health and safety managers, health and safety officers for a total of 1,076 hours delivered by teachers in the classroom, complying strictly with the provisions to guarantee the containment of the spread of the virus; as for the refresher programs on the remaining mandatory safety training, e-learning courses were organized involving 1,518 workers for a total of 3,307 hours.

The Competent Medical Officers, in compliance with the anti-contagion provisions, guaranteed the occupational medicine service at all company sites by visiting 566 workers subject to health surveillance for risks from the use of video terminals for over 20 hours per week.

3.3.15 Accidents in the workplace

Owing to the nature of the activities carried out at the premises (offices and bookstores), the risk profile for accidents in the workplace for the Group is low. The table below shows the accident rates for employees of Italian companies in the three-year period 2020-2022. During the period, no cases of occupational illness or deaths resulting from claims were reported: the relating rates are therefore equal to zero.

No accidents were reported in the United States in 2022.

The number of hours worked has increased because the reporting boundary has been expanded, which in 2022 includes the hours of DeAgostini Libri, D Scuola, Libromania and Star Comics and USA.

Accident rates	2022	2021	2020
Hours worked (no.)	1,807,907	1,172,171	1,417,658
Number of accidents in the workplace (no.)	3	—	1
<i>of which with severe consequences (no.) (8)</i>	—	—	—
Rate of accidents in the workplace (9)	0.33	—	0.14
Rate of accidents in the workplace with severe consequences (10)	—	—	—
Accidents from work-related travel (no.)	4	2	6

[7] Hours worked include overtime

[8] An accident with severe consequences is understood as an accident in the workplace that has caused an impairment which the employee cannot heal from, does not heal from, or is not likely to fully heal from within 180 days

[9] The rate of accidents in the workplace is calculated as follows: number of accidents in the workplace/hours worked * 200,000

[10] The rate of accidents in the workplace with severe consequences is calculated as follows: no. of accidents in the workplace with severe consequences/hours worked * 200,000

3.4 EDUCATION AND THE SCHOOL WORLD

In 2022, the Group's **Education area - Mondadori Education and Rizzoli Education** - saw the integration of the publishing house **D Scuola**.

In all three companies, already a few years ago, a great many topics that can be traced to the **2030 Agenda framework** were made explicit and found their daily dimension, not only as an element of content and teaching analysis in the textbooks, but also with tangible initiatives. Thus, the topic of sustainability, inclusion, gender equality, quality education, cultural impoverishment and school dropout, and the promotion of reading and content responsibility, were addressed from a variety of perspectives and contexts.

The commitment of the publishing houses led, in 2022, to the **insertion in all production** of recurring contents and teaching sheets on the topics:

- 2030 Agenda
- Civic education and gender equality

- Inclusion.

The integration of these topics has reached 80% of production and will be completed in 2023. (see Focus on Plan).

Close attention has been paid to recording the needs and expectations of the teachers, also in terms of ESG, both through local **focus groups** and a survey carried out under the scope of **stakeholder engagement activities**.

The focus groups and local initiatives with teachers have become consolidated practice now, to monitor the needs of the target in connection with sustainability topics and the 2030 Agenda goals, directly testing specific areas of offer and identifying opportunities to develop contents and services.

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FOCUS

Teacher involvement

In the area of stakeholder engagement activities, the Group has returned, again in 2022, to listening to the category of teachers, which is a strategically-relevant target, also in light of the growing focus on the books and school business. An on-line questionnaire collected the opinions of approximately **4,800 teachers** in primary, middle and secondary schools throughout all regions of Italy.

Based on their perspectives, the teachers saw the following sustainability topics as being most important: Promotion of reading and socio-cultural growth; Promotion of sustainable development; Education and the school world; Diversity, equity and inclusion; Climate change and biodiversity.

Most of the answers received from the category of teachers highlighted their view that in the short/medium-term, the Group should continue to focus on education for sustainable development and on the activities and initiatives seeking to promote reading. Another topic on which close attention has been paid is the Promotion of the environmental culture, on which the Group is already committed with the school textbooks publishers. One of the objectives of the Sustainability Plan is, in fact, to extend analyses and sheets dedicated to environmental culture to 100% of the school offer.

The evidence that has emerged from the teachers survey has been taken into account in the strategic formulation path reported in paragraph 1.2 and will represent concrete areas of action on which to base actions for continuous improvement over the next few years.

In 2022, the offer of the **Mondadori Education and Rizzoli Education** publishing houses has been enriched with an even vaster range intended for all teachers and students taking a sustainability and, more generally, ESG approach. Not only with new products designed according to the **latest teaching and inclusion methods** but also through a complete range of tools, solutions and **assistance services**: a teachers' guide, materials for integrated teaching, compensation tools, contents and texts dedicated to special educational needs, tools for verifications, programming and digital and inclusive lessons. In this context, great importance is assigned in the plan to engage the target and spread awareness, to the numerous **on-line training cycles** proposed throughout the school year on all subjects, to help teachers with their work.

Some of the **initiatives** promoted by the **Rizzoli Education** publishing house were:

- consolidation of the **strong partnership with Erickson**, a leading publisher in the dissemination of topics related to inclusivity for primary and first-level secondary schools. The partnership has developed the new DAI (augmented teaching for innovation and inclusion) project, which aims to propose new teaching strategies to teachers through both textbooks and digital contents, to increase inclusion. It is a project that operates through both paper and digital, on 7 dimensions of teaching: planning, assessment, creativity, differentiation, awareness, emotional competence and group care, autonomy and freedom of choice;
- inclusion into the secondary school products of **paths dedicated to innovative teaching methods with the INNOVA project**. These are teaching methods - like the flipped classroom, the jigsaw, digital storytelling, escape rooms, debate and teal - aimed at making the students the real protagonists of their learning processes through cooperative and collaborative activities that foster engagement and involvement and supplement the traditional classroom-led lesson;
- inclusion, throughout production, of **recurring fact sheets on the topics of the 2030 Agenda and related to civil education**;
- **"Obiettivo parità" for primary schools**: supervision, by gender educators, of

passages, illustrations and language used, to ensure gender-balanced representation;

- **Development of the "Manifesto per la parità di genere e pluralità"**: an initiative that promotes the themes of gender equality, multi-culture, new models of families and inclusion.

The project was developed with internal training dedicated to news desks and a cycle of free events for teachers.

The **initiatives** promoted by the **Mondadori Education** publishing house in particular:

- the new edition of the **Devoto-Oli Junior**, which, following the editorial line already undertaken by Devoto-Oli, has seen numerous items rewritten taking a gender equality approach and the revision of sensitive items. Close attention has been paid to all topics of inclusion and sustainability in the contents and initiatives developed around the product, to bring the youngest ones closer to the 2030 Agenda goals, including through words. We have also worked to guarantee strong integration between paper and digital, with a completely redesigned solution, numerous resources available on-line, interactive games, word families and teaching sheets;
- **a new section of the website has been given over to analysis of the 2030 Agenda topics**, particularly targeting teachers of scientific subjects in secondary schools, with in-depth articles on topics that are consistent with the goals;
- the **on-line events and webinar programme** is very intense and complete, dedicated to analysing the topics of inclusion and sustainability and, more generally, the 2030 Agenda goals. The appointments proposed include the cycles of Science Lessons, Citizenship and Civic Education Lessons, Italian and Literature Lessons, as well as educational Robotics, Stem and Coding, with interventions and references to the dedicated website sections, which also feature contributions in English and French;
- following the outbreak of the Russia-Ukraine conflict, a **specific intervention** has been developed to foster the welcome and integration into Italian schools of **children coming from the war zones**;

- **specific campaigns** were run to mark the international days dedicated to topics of inclusion, gender equality and environmental sustainability to provide new inputs for teachers as they broach classroom discussions of events like the International Holocaust Remembrance Day, the International Day for the Elimination of Violence Against Women or Earth Day.

The **initiatives** promoted by the **D Scuola** publishing house include, in particular:

- the publication of teaching materials intended exclusively for **supply teachers** who face complex communication needs according to the CAA (Alternative and Augmentative Communication) protocol;
- the “Verso il 2050, con le scuole per un futuro sostenibile” (Towards 2050, with schools, for a sustainable future) project: a **cycle of webinars** - in collaboration with A2A - with the aim of helping all teachers involved to understand how to act on a daily basis and enhance technological scientific innovations for a more sustainable world. The appointments hosted experts, researchers and popularisers from entities and universities;
- the **“Futura-Next Generation:** come preparare le giovani generazioni ad affrontare i prossimi futuri” (Future-Next Generation: how to prepare the young generations to face up to the near future) project: a cycle of four free webinars designed and organised in collaboration with ASviS (Italian Association for Sustainable Development) intended for teachers at all levels, offering ideas and activities on civic education topics;
- the **“La scuola è - Festival della formazione per i docenti di oggi e i cittadini di domani”** (School is - Training festival for the teachers of today and the citizens of tomorrow) project: a month of appointments dedicated to teachers and the whole of the school community to reflect on new learning methods for a more sustainable future with a focus on the transversal topics of inclusion, gender equality, sustainable and collective responsibility, innovation and orientation taking a STEM approach. Numerous scientific partners from the world of research flanked D Scuola in this full immersion on the most urgent topics of teaching;

- the **“Educazione Climatica - OK! CLIMA”** (Climate Education - OK! CLIMATE) project: a cycle of webinars for middle and secondary school teachers on climate change, which proposes ideas and tools to help new generations gain a new sense of collective responsibility towards the ecosystem. The cycle of meetings comes under the scope of the OK!CLIMA project financed by the Cariplo Foundation and developed by the State University of Milan, the University of Pavia and the Italian Climate Network in collaboration with D Scuola.

Digital Offer

Mondadori Education and **Rizzoli Education** have considerably enriched the offer of the HUB Scuola, the platform dedicated to digital teaching, with new tools and at the same time have also invested in user support services.

Specifically, the offering of lesson plans and digital lessons was completed, through the inclusion of numerous learning paths that integrate digital resources and materials from published textbooks. Equally extensive in terms of educational coverage, is the proposal from HUB Test, which allows tests on almost all the topical areas covered. To facilitate access to content, efforts focused on everyday tools and platforms such as smartphones, QR-codes, Google Forms, Google Drive, and YouTube.

The supply of disciplinary tools has been perfected and implemented, to involve and motivate the class during the explanation phase: for art, **HUB Art**, a database containing more than 10,000 high-definition images with search and geolocalisation functions; for history and geography, **HUB Maps**, a digital atlas with hundreds of interactive maps and the possibility of comparing and updating them; for Italian literature, history and human sciences, **HUB Library**, a digital library that enables unprecedented themed paths.

Additionally, the knowledge-base of HUB Scuola was developed and reorganized to cover an increasing number of aspects in support of users with a "chatbot" system, a tutor able to support and guide users in the use of the main features of the platform.

D Scuola has also worked on an ever greater integration of paper and digital to involve students in active, collaborative learning paths and strengthen disciplinary portals (Music Zone,

Italian, Science, Maths, etc.) to support activities in class and at home.

2022 also saw the launch of the **Deaflix** platform, which brings together thousands of interactive digital paths for the recovery, review or consolidation of the main aspects of the various subjects.

To flank the schools and teachers in the improvement process and in combating school abandonment and dispersion, D Scuola has developed inclusive, engaging proposals like the first *edutainment* experience with an interactive educational video game to overcome the most difficult aspects of Italian grammar.

In addition, **Civic Education**, now present in virtually all manuals, has been enhanced with a dedicated web area and an initiative in schools organised in collaboration with De Agostini Libri, with targeted meetings and video interviews addressing the main points of the subject (bullying, legality, digital citizenship, amongst others).

- 58 Inclusion was another very important area of work for D Scuola. More specifically, an initiative has been launched for preventing economic violence, entitled “Libere di VIVERE” (Free to LIVE), which involved the publication of a training text for teachers and a series of webinars for the same target.

3.5 PROMOTION OF READING AND SOCIO-CULTURAL GROWTH

Closely linked to the products and services provided is the spread of the culture and promotion of reading, which underlie the very mission of the Mondadori Group. These objectives not only form the basis of the company's economic activities but also pervade the same logics of offer creation. As a result, they give shape to a great many initiatives, generally sector-specific or 160 specific to the Group, which aim to bring a wider and wider audience closer to reading and information.

Ever since the first edition in 2015, the Company has taken part, with its chain of local bookstores and its publishing houses, in #ioleggoperché, the major national event for the promotion of reading organized by AIE (Italian Publishers' Association). In 2022, the

seventh edition achieved the following results: more than 530 thousand books donated (430 thousand by readers and 100 thousand by publishers), 3,275 bookshops adhering and 23,240 schools entered throughout Italian territory, for a total of almost four million beneficiary students. Additionally, the Group regularly donates books to school and municipal libraries, located in prisons or welfare facilities.

The crowdfunding initiative has come to a successful close for the two projects that won the new edition of the “#Leparolechesiamo, la scuola che vogliamo” competition launched by Mondadori Education and the Nuovo Devoto-Oli to put students at the heart of it all and help them build the school of tomorrow.

The funds, raised by more than 150 supporters on Produzioni dal Basso, have made it possible to develop the following initiatives:

- **“A scuola con gusto”**, by the middle school “Rina Monti Stella” of Verbania, a school to be seen, smelt, heard, touched and tasted, i.e. a place where we can imagine to live with “all senses”;
- **“Il Cineteatro a scuola: alziamo il sipario sul futuro”** (Cinema and theatre at school: raising the curtain on the future), by the secondary school “Euclide” of Bova Marina (RC), a proposal that puts the theatre at the heart, as a form of education to be included in school activities.

The various other initiatives promoted by Mondadori Education include:

- the **“La Lettura al centro”** (Reading at the centre) project, which seeks to stress the pedagogic value of reading and its relevance and centrality in everyday teaching activities. Stemming from the synergy between Mondadori Education and Mondadori - Libri per ragazzi, the initiative was developed to provide a complete set of proposals and tools for each school level. The teachers have ideas and materials available for use in class, as well as training moments;
- the **“Gli scrittori fanno scuola”** (The writers do school) offers primary and middle school students video meetings with the authors, thanks to the collaboration with Il Battello a Vapore and Mondadori - Libri per Ragazzi. The project allows children and teenagers to

choose a narrative book from those proposed and, once reading is complete, to meet the author in person or over the internet, to compare notes on the topics that most struck and interested them.

In 2022, the **Focus Junior Academy** was confirmed, the media education initiative designed and run by Focus Junior in collaboration with the other Focus world brands (Focus, Focus Storia and Focus Scuola), to introduce children and teenagers to the world of publishing and journalism. Just like in the previous edition, the heart of the activity was the 2030 UN Agenda goals. Through a rich programme of monthly webinars, the younger members of society approached scientific and historical popularisation with discussions on topical matters like the protection of biodiversity and ecosystems, the production and distribution of energy and climate change.

The **“Alunni in libreria”** (Students in the bookshop) initiative also continued, which has been putting Mondadori bookstores in contact with schools for more than twenty years now, with the aim of encouraging students to read as well as sensitising and stimulating them in respect of environmental matters, multiculturalism and inclusion. The programme, proposed by the Mondadori Stores to primary, middle and secondary schools, included meetings, laboratories and expressive activities.

This initiative includes the project **“Scrittori in classe”** (Writers in the class), which involved the Mondadori stores in a partnership with the Mondadori Ragazzi area brands, Rizzoli, Fabbri, Piemme, which make available a selection of authors available to meet on-line and in person at the first, middle and secondary schools. It is a training path that gives the students the chance to take part in an important moment of cultural enrichment and dialogue, with the aim of enhancing the importance of reading and critical analysis of the text and investigating the topics discussed by the book.

The project allows the bookstores to establish relations with the local schools and teachers, with which a choice is made as to which writer to involve in respect of the topic, thereby being able to prepare the meeting over the weeks and foster a more engaged participation by students.

3.6 RESPONSIBILITY FOR CONTENT

The editorial work of the Mondadori Group is underpinned by the clear commitment to guarantee through its products - whether books, magazines, websites, applications and digital products - accurate, meticulous and fair information respectful of the tastes and sensitivity of the various different audiences it targets.

The creation of contents for the miscellaneous bookstore production (understood as that intended for bookstores) is guided by a universalist vocation: to offer the most extensive and varied range of items, ideas and expressions.

The publisher in this case acts as a vehicle for the authors, the only “owners” responsible for the work published. They are given the widest possible freedom of expression, save, where necessary, for the need to intervene on contents that may become defamatory in nature.

Content auditing and conformity is, instead, paramount in school textbooks production, which must remain faithful to ministerial guidelines on curricula and didactics too.

Lastly, in the magazine and web segment, content responsibility is ensured by the organization of the editorial offices and the hierarchy of text approval, as well as by the Consolidated Act on Journalist Duties.

In order to directly verify readers’ appreciation of the Group’s magazines and to gather ideas for improvement, each year surveys are conducted on representative samples.

In 2022, 17 quantitative surveys were conducted for Mondadori Media (joint surveys on various market scenarios, such as books, videos, music and gaming), Giallozafferano and Smartworld (marketing survey on positioning with respect to the sector), for Focus (surveys on the economic directory and former subscribers), Focus Scuola (webinars dedicated to teachers) and Focus Junior. In addition, a market survey was also conducted for readers/ buyers of comics and former subscribers as well as a project intended to define the importance of collaboration between brands.

Interaction through social networks continued to develop quite significantly in terms of numbers of contacts and the endless possibilities for creating contents and events, often cross-media, wide-reaching and collaborative in nature.

At a corporate level, the Mondadori Group's digital communication strategy hinges on an integrated and consistent ecosystem that leverages on the potential of a range of physical and digital channels: the website and institutional social media, the corporate Intranet and videowalls in the locations, the multi-purpose area Agorà and media relations. Each social channel corresponds to an editorial plan outlined, which addresses ad-hoc communication goals:

- showing life inside the company and encouraging participation of the people who work there by involving them first-hand (Instagram, Facebook, LinkedIn);
- describing all the Mondadori Group news and, in particular, the activities of the books area in collaboration with the individual publishing houses (Twitter, Instagram and Facebook);
- optimising the spontaneous relationship of employees with the work spaces and with the company, for example through user generated content on Palazzo Mondadori (Instagram and Facebook).

The Mondadori Group has a total of approximately 240 social profiles (most of them linked to individual product brands) reaching a total of over 60 million followers.

3.7 EASE OF USE OF CONTENT

In offering quality content to a widely differing audience base, the Mondadori Group takes heed of the demands originating in the changes in society, the use of technology, and the removal of once critical language and geographical barriers.

The desires and expectations of the customer today play an increasing role in every sector, but particularly so in publishing: the participatory dimension of consumption and the instant interaction with the end user have disrupted the way we create and distribute products.

The many initiatives taken during the lockdown periods to reach users were consolidated, allowing the various business areas to expand their audiences and interact on an ongoing basis.

Despite the resumption of activities in person thanks to the attenuation of the pandemic, all of the Group's brands continued to make available various online content formats and virtual meeting modes. Aside of the numerous live streaming events, specific digital projects were launched to increase the accessibility of the Group's content:

With the series *Il Battello a Vapore* and through the **high readability books**, the Mondadori and Piemme publishing houses propose a project suitable not only for those with specific learning disorders but also for all children generally finding it difficult to approach and appreciate reading.

High readability books are intended for the age bracket of 6-10 years old.

They are not texts with simplified contents but rather books for everyone, with graphic characteristics and layouts that foster readability and therefore make them accessible even to children with SLDs and SENs.

High readability books have the following graphic characteristics:

- use of the *leggimi* font: created in Italy in 2006 by Sinnos, a publishing house specialised in children's books, with the collaboration of neuropsychiatrists, speech therapists and teachers, it is the first high readability font specifically designed for those experiencing reading difficulties, making the text easier to read for everyone;
- larger than normal interline and inter-letter spacing;
- spacing that marks the division of paragraphs or certain narrative sequences to facilitate understanding and set targets that the reader can achieve;
- text always left-aligned and words never split;
- illustrations that do not interrupt the lines of text.

The Group also continues to produce its **accessible eBooks** in line with the new regulations on the matter and in particular the European Accessibility act and certified by the LIA Foundation. Under this scope, a project has also been developed involving the creation of an accessible eBook with the involvement of the author Willy Guasti for the book *Il coccodrillo ha il cuore tenero*, published by Rizzoli.

Again under the scope of EAA regulations, a test project has been launched with one of the key digital customers for the display and recognition of accessible contents in a user-friendly format. The project will continue for the whole of 2023.

At the Bologna Children's Book Fair, the Digital Sales team played a lead role in an event dedicated to accessibility, describing the Mondadori experience and sharing best practices in the production of accessible eBooks.

4. ENVIRONMENT

Environmental culture and mitigating ecosystem impacts

The Mondadori Group pays particular attention to environmental topics, with a focus on the impacts linked to the life cycle of paper products, energy efficiency measures and the reduction of greenhouse gas emissions.


The environmental policy guides the Group from the choice to purchase certified paper to the efficient management of points of sale, also with a view to improving its ecological footprint.

The Group had already committed to replace the lighting systems of the Segrate building with a new LED light system, thereby achieving important energy savings. In addition, Mondadori has been involved in defining and developing initiatives aiming to reduce the indirect emissions generated by employees.

As part of the product life cycle, in particular paper procurement, the Group opts for paper certified according to the two main schemes applied worldwide, PEFC and FSC, thus contributing to the protection of biodiversity.

Through rationalization of the orders, reorganization of the warehouses, and definition of more efficient logistic requests, the Group promotes the gradual reduction of products meant for waste and those unsold.

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	<p>The Mondadori Group's approach to the future in the field of sustainability is laid out consistently with the two strategic guidelines defined in the Plan (see paragraph 1.1) with the following future objectives connected with the Sustainable Development Goals (SDGs) laid down in the 2030 Agenda.</p> <p>The objectives achieved or started in 2022 are described in the next few paragraphs.</p>
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FOCUS	Extension to 100% of the School proposition of insights and fact sheets dedicated to environmental culture and promotion of such content in the Trade proposition.	ongoing
	Fulfilment of =100% purchase of PEFC/FSC certified paper for Mondadori Group products. Extension to the newly acquired companies.	2023/ continuous
	Pursuit of energy efficiency actions, also as part of property/building/store renovation initiatives, and assessment of further potential pilot activities to reduce greenhouse gas emissions.	ongoing
	Development of the "Book environmental footprint" project: a Life-Cycle Assessment (LCA) for the measurement of environmental impacts and the definition of data-based objectives to reduce atmospheric emissions and assure continuous improvement throughout the value chain.	by 2023
	Obtaining of UNI ISO 14001 certification for the environmental management system.	by 2024

4.1 MANAGEMENT OF ENVIRONMENTAL IMPACTS

The Group's commitment to the proper management of environmental impacts is linked to compliance with the relevant regulations and the mitigation of negative environmental externalities associated with its business activities, and is driven by the will to better address the growing needs of the company's many stakeholders.

Generally speaking, sustainability matters, and hence issues connected with environmental impacts, are referred to the internal Sustainability Committee (see section on "Sustainability governance"), which has drawn up an environmental policy, published on the Mondadori Group's corporate website (www.gruppomondadori.it/sostenibilita/cambiamenti-climatici).

The policy outlines the Group's commitment and targets for reducing its environmental footprint and provides the framework for the setting of Group strategy and target areas for environmental action.

The guidelines identified in the environmental policy steer the operational decisions and practices of the Group, from the purchase of paper to the management of stores, with each company unit responsible for applying the guidelines in its day-to-day operations.

2022 was a year marked by various trends that impacted the company's core business and the management of the related environmental impacts.

There was a significant increase in the cost of raw materials (including paper, cardboard and plastic), a trend that had already been seen in 2020-2021, but which was further exacerbated in 2022 with the global increase of energy prices. More specifically, the cost of procurement of paper materials grew to double in 2022, having a considerable impact on the industry's economic sustainability.

This is in addition to the impacts deriving from the macroeconomic and geopolitical context that, starting February 2022 has seen a record high in energy costs linked to gas and electricity consumption, with consequences throughout the entire value chain where the Group operates.

4.2 LIFE CYCLE OF PAPER PRODUCTS

As a publishing group, paper consumption and the management of the life cycle of paper products are major factors in the assessment of environmental impacts for Mondadori.

This section looks at the environmental impacts connected with the life cycle of paper products, from the use of paper as a raw material to the management of unsold copies of editorial products published and their pulping, including their logistical management and distribution.

The life cycle of paper products starts in paper mills, where paper is manufactured and sent to the printing companies that print the products. Printed paper products are stored in warehouses and dispatched, through a logistics network, for delivery to distributors and end consumers.

Once a book or magazine is in the hands of a reader, the life cycle of paper products can take one of three turns:

- the book or magazine remains in the reader's home and may be re-used (e.g., re-read, given as a gift, donated to schools and/or libraries);
- the book or magazine is collected for recycling, thus becoming valuable raw material that can be reused as pulp by paper mills;
- the book or magazine is collected as general waste.

4.2.1 The raw material: the paper used to print editorial products

In 2022, the total amount of paper purchased for the printing of editorial products in the scope of continuing operations (Italy and the United States) amounted to approximately 55,000 tonnes (-8% versus 2021). This year too, the Group has managed to further consolidate the commitment made in rationalising the use of paper in the printing of its products, a route that was first embarked on in 2014 with the first formalisation of the policy for the procurement of goods and services; it has also succeeded in having greater control over the supplier selection process, so as to make sure that their work is consistent with the sustainability

principles of the Group. Supplier selection criteria require that paper is certified by the PEFC and FSC, the two main certification schemes adopted worldwide, in order to gradually increase the percentage of certified paper used over time.

Italy

The table shows paper consumption by type of paper (certified, traditional and recycled) for the

2020-2022 period. Continuing on from the previous years, the percentage splits by paper type have stayed constant over the three years. For 2022, the data reported does not include information on the following companies: D Scuola S.p.A. and DeAgostini Libri S.r.l.

Total printing paper, by type, Italy

Type of paper	2022		2021		2020	
	t.	%	t.	%	t.	%
Certified	51,567	99.97%	56,389	99.98%	49,256	99.99%
Recycled	9	0.02%	3	—%	1	—%
Traditional	5	0.01%	9	0.02%	6	0.01%
Total	51,581	100.00%	56,401	100.00%	49,263	100.00%

USA

Rizzoli International Publications purchases its raw materials indirectly through printers, based primarily in China and, to a lesser degree, in Italy. Focus on the use of certified papers has increased since 2018, in line with the commitment already undertaken in this area by the Group.

In 2022, it is estimated that approximately 90% of the paper used is certified, a slight increase compared to 2021 (in 2021, approximately 85% of paper used was certified). Below are paper consumption estimates for 2020-2022.

Total printing paper, USA

	2022	2021	2020
Printing paper	3.700	3.600	3.500

[12] Rizzoli International Publications' 2020, 2021 and 2022 paper consumption has been estimated on the basis of the copies produced and the average weight per copy, as detailed data on actual consumption of paper for printing are not available in the documents received from suppliers, nor was it possible to trace the cost of paper alone in the data appearing in the purchase invoices.

4.2.2 Logistics and the end of life of editorial products

The Mondadori Group's distribution logistics takes the form of a series of overlapping networks that cover the entire country and differ in terms of the type of product managed and transported. These can be divided into the following channels: magazines (newsstands, subscriptions, daily newspapers), books (trade and educational), book clubs (Mondolibri products) and e-commerce.

Many of the logistics processes include both direct shipping to the destination points of the

relating channel and the return shipping of unsold products.

According to the channel, unsold products may go into storage, be processed for paper recycling or pulping (in the case of paper products), or be destroyed or disposed of.

The various distribution processes are described below for each channel, with details provided of the main associated environmental impacts. Specifically, in 2022, regarding the Italian scope, a total of almost 2,700 tonnes of renewable packaging materials (wood and

cardboard) was consumed, while non-renewable packaging materials (polyethylene and polypropylene) amounted to 160 tonnes. Data on material consumption used for shipping are unavailable for Rizzoli International Publications.

Magazine - Italy

The logistics for the Magazines Italy Area is managed by Press-di Distribuzione Stampa e Multimedia S.r.l., a wholly-owned subsidiary of the Mondadori Group until 6 July 2022, whilst on 1 July, the Mondadori Group's share in the company dropped to 49% and then dropped further to 20%. Press-di manages the distribution on national territory of Mondadori magazines and of magazines and newspapers of other publishers for the news-stands channel and subscribers.

Press-di's logistics processes, including transport management, are all outsourced to select suppliers. Specifically, those concerning magazines were entrusted at end 2019 to Di2, of which Press-di Distribuzione Stampa e Multimedia S.r.l. remains a 50% partner.

With regard to magazines, in 2022, approximately 52,066 tonnes of product were transported, entirely by road transport (with the additional use of ship transport for distribution to islands, involving the roll-on/roll-off of vehicles onto ships). The cut in the number of pallets transported, from 83,091 to 75,943 (-9.4%), is clearer than the drop in weight carried (-6.5%), thanks to the logistical efficiencies in warehouse and load management brought by Di2, with resulting benefits in terms of environmental impact due to the reduction in the number of vehicles required for transport.

The magazines logistics process in Italy involves the following steps:

- industrial film wrapping, if any: in 2022, the film wrapping process involved approximately 13.50 million copies of Mondadori Media and Mondadori Scienza, for which 55 tonnes of film wrapping material and 10 tonnes of stretch film was used. This business was discontinued by Press-di in November 2020 and returned directly to the two above-mentioned Group companies through agreements managed centrally by the Group Procurement Department. The data therefore refers only to the film wrapped copies of Mondadori Media and Mondadori Scienza;
- shipment staging: in 2022, the shipment staging process involved 75,943 equivalent pallets or approximately 523 tonnes of wood;
- primary transport: from distribution logistics centres (Cinisello Balsamo (MI), Rome) to local distributors (40 local distributors in 2022);
- last mile (delivery to the point of sale): local distributors deliver copies to newsstands and carry out the "last mile" transport service to the point of sale. Local distributors are responsible for collecting unsold products at newsstands every day and processing returned products for return delivery to the Press-di national returns centre or for local pulping;
- transport of returned products: unsold products subject to return to the publisher are transported to the national returns centre of Bregnano (Como) through the Press-di primary transport network.

The table below shows consumption figures for materials used in the transport of magazines to newsstands.

Consumption of materials for the transport of magazines to newsstands, by type

Raw material (t.)	Detail	2022	2021	2020
Wood	Pallets	523	557	553
Cardboard	Cardboards boxes and packaging materials	—	—	—
Polyethylene	Film	66	104	138
	Package filling	—	—	—
	Pallet covers	n.d.	n.d.	n.d.
Polypropylene	Tape	n.d.	n.d.	n.d.
	Strapping	n.d.	n.d.	n.d.
Expanded polystyrene foam	Filling of packages with polystyrene	—	—	—

The reduction in operating costs deriving from the progressive reduction in pallets carried due to the lesser volumes and the increase in the average weight per pallet, which goes from 6.7 q. to 6.88 q. (+2.6%) corresponds to a proportional reduction in emissions due to transportation carrier use. Added to that is the effect of the certified returns process, by which unsold copies of publications are sent for pulping by local distributors. The process, while ensuring the processing of returns for statistical and accounting purposes for the publishers, does not require the need for the unsold copies to return physically to the warehouse, thereby reducing both costs and emissions.

Estimated CO₂eq emissions resulting from the transport of magazines from distribution logistics centres to local distributors for the three-year period 2020-2021 (in 2021 from Cinisello Balsamo and Rome, in 2020 from Melzo and Rom), are shown in the section "Reducing energy consumption and combating climate change", in the Scope 3 emissions detail.

The daily newspapers produced by third-party publishers (including Il Giornale, Libero, Avvenire, La Verità, Il Fatto Quotidiano, La Ragione) are distributed by a different logistics network from the one used for magazines. This

network includes a number of printing centres scattered across Italy, delivering to local distributors. The network, designed to ensure fast delivery times, is shared with other distributors to guarantee greater efficiency.

With regard to the management of returns, Mondadori has a high local pulping rate: Press-di (in agreement with the Group and third-party publishers distributed) has, in fact, encourages the widespread take-up of certified returns processes by local distributors.

At the same time, however, the ongoing decline in newspaper and magazine readership, which has led to a general reduction in returns, has also affected the number of intermediaries – local distributors and newsstands – over the years, lowering both their total number and those that guarantee certified returns.

In 2022, local pulping amounted to approximately 12,425 tonnes for magazines and approximately 9,804 tonnes for newspapers. Today, out of the 40 local distributors used by Press-di, 39 guarantee certified returns.

Trade books

2022 saw a consolidation of the restocking of trade books in the Broni warehouse (PV) in respect of the process linked to the return, which is recorded, classified by quality, registered, and stocked.

The owner of such stock, i.e. the publisher, pays for storage and decides when to pulp the product.

Returns Trade books (no.) ¹³	2022	2021	2020
Copies	10,262,977	9,491,939	9,683,088
Packages	328,024	296,623	302,597
Shipments	38,569	33,189	33,275

[13] Figures on pallets and shipments are based on estimated number of copies

All boxes used to distribute Trade Books are made of corrugated cardboard consisting of 90% recycled paper. This packaging is 100% recyclable and the recycled material comes from national pulp companies.

In 2022 too, polystyrene was replaced by a "bubble wrap" system.

School textbooks publishing

In 2022, Mondadori Education distributed approximately 6.1 million textbooks and teachers' guidebooks.

The logistics for Mondadori Education publications is connected with specific school education activities (promotion, adoption, and sale of books):

- through a network of promoters, school textbooks are presented to teachers from January to May in order to promote their adoption; logistics is in charge of shipping the books from the central warehouse to the promoters, reaching just under 130 destinations; lastly, the promoters are in charge of delivering or shipping the sample books to teachers. Mention should be made in this sense of the introduction of digital sample books (connected with the development of multi-device digital school books), which may lead to a reduction in the production and shipment of print sample books;
- starting in May and, with varying intensity, up until the end of October, Mondadori Education restocks the retail distribution points for the sales campaign, reaching approximately 20 destinations. In addition, starting in September, when the school year starts, the promoters are supplied with books and guides to deliver to teachers for classroom trials;
- as well as making shipments to decentralized distribution centres, the central warehouse in Verona directly supplies a number of top accounts and approximately 800 bookstores with university texts and L2 books (Italian as a foreign language);

- although returns are less frequent for school textbooks, total returns in this segment came to approximately 680,000 copies in 2022.

The distribution processes adopted by Rizzoli Education are similar, with the exception of the relevant logistics hub, which in this case is Stradella.

As for the number of copies transported, approximately 6.5 million copies were distributed in 2022, while returns amounted to approximately 1 million (both data refer to sale copies and to classroom trial copies).

Late 2022 saw the start of the transfer of the publisher of Rizzoli Education from the Stradella warehouse to the Isola Rizza warehouse. This transfer should be completed by 20 January 2023.

Bookclub

For products distributed through the bookclub channel, logistics (warehousing and preparation of orders) and all business support processes are managed at the Verona logistics hub. Orders are shipped by mail.

The cardboard boxes used for shipments are the same type used for Trade Books. Materials returned by post are subject to recycling.

E-commerce

As regards products sold on the website www.mondadoristore.it, B2C logistics activities include product management (for both Mondadori books and third-party publishers) at the Verona logistics centre (now Ceva Logistics); products are prepared according to customer orders and shipments are made by express courier directly to the final customer address.

In this channel there are practically no returns.

The table below shows consumption figures for materials used in the transport of Trade Books, Retail and school textbooks.

Consumption of materials for shipping trade, retail and school books², by type

Raw material (t.)	Detail	2022	2021	2020
Wood	Pallets	878	825	734
Cardboard	Cardboards boxes and packaging materials	1,273	1,114	954
Polyethylene	Film	26	42	58
	Package filling	29	33	12
	Pallet covers	5	5	30
Polypropylene	Tape	8	13	8
	Strapping	25	60	22
Expanded polystyrene foam	Filling of packages with polystyrene	0	0	13

In the strategic sustainability path, in 2022 the Group activated a Life-Cycle Assessment project of the book chain in collaboration with the Polytechnic University of Milan. The study, which will be conducted in 2023, will allow for the assessment of which structures are most sustainable and, at the same time, most competitive.

The project goal is:

- to develop a model that can estimate, from an LCA perspective, the CO2e emissions

connected with the process of conceiving, producing, distributing, consuming (and disposing of) book, trade and educational products in the various formats (printed book, ebook and audio book);

- to simulate, in addition to the as-is process, other network structures, demand mixes, distribution structures and the related use mixes to assist management in choosing future configurations and management.

² The consumption figure for Mondolibri is not available.

4.2.3 Reducing energy consumption and combating climate change

The emission reporting process implemented in recent years by the Group has enabled the consolidation of calculation methods, and has acted as a baseline for raising internal awareness about possible policies for the reduction of greenhouse gases generated by its operations. In this regard, the Group has already launched a number of projects to reduce its emissions, both in 2022 and in the past, such as, for instance, the implementation of energy efficiency measures in buildings. This section looks at the environmental impact of the Mondadori Group's operations on global warming. It shows and explains the data on direct and indirect greenhouse gas emissions produced by the Group along its entire value chain.

Total greenhouse gas emissions at Group level (scope of continuing operations - Italy and USA)

in 2022 amounted to approximately 26,510 tonnes of CO₂, considering Scope 2 Location Based emissions. Total electricity consumption in 2022 amounted to 10,580 MWh, while natural gas consumption amounted to 272,399 m³ (10,832 GJ, -25% versus 2021). In 2022, the Group acquired 23,620 kWh of electricity, certified from renewable sources, which was consumed at the Duomo store starting October 2022.

Italy

Greenhouse gas emissions from Group operations in Italy and considered within the reporting scope of the GHG survey are classified as either direct (Scope 1) GHG emissions, energy indirect (Scope 2) GHG emissions or other indirect (Scope 3) GHG emissions.

Greenhouse gas emissions (t.) ¹⁵ - Italy	2022	2021	2020
Direct (Scope 1) - CO ₂	829	1,069	1,109
of which, emissions related to the company car fleet (15)	279	350	384
Indirect (Scope 2)			
location-based - CO ₂	3,250	3,304	3,676
market-based - CO ₂	4,703	4,814	5,097
Other indirect emissions (Scope 3) - CO ₂	20,927	23,183	20,804
of which emissions related to paper production - CO ₂ (16)	19,601	21,996	19,705
of which, emissions related to business travel - CO ₂ (17)	461	254	191
of which, emissions related to primary transport - CO ₂ eq (18)	866	933	908
Total emissions - CO₂ (19)	25,005	27,556	25,590

[15] The Scope 1 emissions associated with the Group's car fleet make up approximately 33% of Scope 1 emissions. For 2020 and 2021, they were estimated starting from the average contracted kilometres and CO₂/km emissions of individual vehicles in the fleet, whilst for 2022 the calculation was performed on the consumption data (l) of the car fleet. 70% of consumption (l) was attributed to company use. Source: "ABI Lab Guidelines on the application in the bank of GRI (Global Reporting Initiative) Standards on environmental matters - December 2022 version". Data on fuel consumption does not include the quantities delivered for the companies: D Scuola, De Agostini Libri and Libromania.

[16] Scope 3 emissions linked to paper production are shown in tonnes of CO₂, as the source used does not report the emission factors of other gases than CO₂.

[17] Data relating to business travel are disclosed through a specific report by the travel agency used by the Group and refers to the journeys travelled by employees by air and by train.

[18] As regards the data on emissions related to primary transport, note that this only includes emissions from the logistics transport of magazines (managed by Press Di S.r.l.) and instead excludes that relating to the transport of books.

[19] Total emissions are calculated taking account of Scope 2 - location based emissions, and are expressed in CO₂ as the share attributable to other gases is not considered material.

Emission factors used

Electricity (location-based)	2022 Source: Terna international comparisons on Enerdata data (2019 data)	315 gCO ₂ /kWh
	2021 Source: Terna international comparisons on Enerdata data (2019 data)	315 gCO ₂ /kWh
	2020 Source: Terna international comparisons on Enerdata data (2018 data)	336 gCO ₂ /kWh
Electricity (market-based)	2022 Source: AIB, (2022) European Residual Mixes 2021	457 gCO ₂ /kWh
	2021 Source: AIB, (2021) European Residual Mixes 2020	459 gCO ₂ /kWh
	2020 Source: AIB, (2020) European Residual Mixes 2019	466 gCO ₂ /kWh
Natural gas	2022 Source: DEFRA: 2022 UK Government GHG Conversion Factors for Company Reporting ³	2.016 kg di CO ₂ /m ³
	2021 Source: NIR ISPRA	1.976 kg di CO ₂ /m ³
	2020 Source: NIR ISPRA	1.972 kg di CO ₂ /m ³
Paper production	2022 Source: Key Statistics 2021 of the Confederation of European Paper Industries (CEPI)	0.38 t. CO ₂ /t. paper
	2021 Source: Key Statistics 2020 of the Confederation of European Paper Industries (CEPI)	0.39 t. CO ₂ /t. paper
	2020 Source: Key Statistics 2019 of the Confederation of European Paper Industries (CEPI)	0.4 t. CO ₂ /t. paper
Primary transport	2022 Source: DEFRA: 2022 UK Government GHG Conversion Factors for Company Reporting (Freighting goods - All rigids, 100% laden)	0.96 kgCO ₂ eq/km
	2021 Source: DEFRA: 2021 UK Government GHG Conversion Factors for Company Reporting (Freighting goods - All rigids, 100% laden)	0.91 kgCO ₂ eq/km
	2020 Source: DEFRA: 2020 UK Government GHG Conversion Factors for Company Reporting (Freighting goods - All rigids, 100% laden)	0.92 kgCO ₂ eq/km

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The Group's direct emissions (Scope 1) are derived from:

- the consumption of natural gas for heating offices, stores and warehouses;
- the combustion of fuel used by the cars that make up the company's fleet.

In 2022, no top-ups of coolant gas were required by the plants using it. In any case, any emissions of coolant gases are not material with respect to the organisation's total Scope 1 emissions.

Natural gas consumption – Italy ⁽²⁰⁾	UoM	2022	2021	2020
Natural gas	m3	272,399	363,999	367,939
	GJ	10,832	12,842	12,981

[20] Natural gas consumption is converted into GJ using the conversion factors sourced from "National standard parameters published by the Ministry for the Environment and Land and Sea Protection" published for the respective years (2021, 2020, 2019). The 2020 figure includes a partial estimate, not the actual figure on the consumption of natural gas by one of Mondadori Retail's offices, owing to a malfunction in the measurement

In Italy, the Group's gas consumption reduced significantly during the year, dropping by 25.2% compared to 2021, mainly due to the closure of

the Segrate office on Fridays and the specific interventions on the cooling systems.

³ Considering the presence of international companies within the Mondadori Group, starting with this reporting period, to calculate the Scope 1 emissions, the coefficients of the UK Government GHG Conversion Factors for Company Reporting – DEFRA 2022, were used.

In Italy, the Group's gas consumption reduced significantly during the year, dropping by 25.2% compared to 2021, mainly due to the closure of the Segrate office on Fridays and the specific interventions on the cooling systems.

Energy indirect (Scope 2) GHG emissions derive from electricity consumption, which is sourced from the national electricity grid for the use of:

- lighting, air conditioning (heat pumps), and equipment (e.g. PCs, printers) in offices and stores;

Electricity consumption - Italy	UoM	2022	2021	2020
Total electricity purchased from the national grid	MWh	10,316	10,488	10,941
	GJ	37,139	37,756	39,387

The electricity consumption trend in Italy has settled at stable values in the three-year period 2020-2022, confirming the commitment to reduce started in 2019 with interventions and action taken to save energy (see the paragraph entitled "Initiatives to reduce the environmental impact").

The Group's other indirect emissions (Scope 3) derive from:

- paper production (see section "The raw material: the paper used to print editorial products");
- business travel by employees;
- delivery of magazines to local distributors.

Emissions from the paper production cycle are the prevailing part.

For 2022, these emissions amounted to approximately 21,007 tonnes of CO₂, down (-5%) on last year. Added to these emissions are those associated with business travel by company personnel, mainly for the purposes of: meeting customers, travel for reportages, meetings with suppliers, meetings at other company sites, and participation in events.

The following table shows the breakdown of business travel-related emissions by means of transport.

- lighting and equipment in warehouses;
- recharging electrical vehicles (Segrate) and forklift trucks (warehouses).

Emissions by means of transport	2022	2021
Train	26%	16.2 %
Plane	74%	81.8 %

Employee travel for business travel was primarily by air as seen in the table above.

Other relevant Scope 3 issues are attributed to magazine logistics. Over the course of the year, these emissions have decreased considerably, amounting to around 866 tonnes of CO₂ eq in 2022 (908 tonnes of CO₂ eq in 2020 and 933 tonnes of CO₂ eq in 2021), thanks to logistics rationalization, which brought environmental as well as economic benefits. Specifically, the number of journeys fell, thanks to careful planning aimed at making the most of the vehicles' load capacity.

USA

Data relating to greenhouse gas emissions from operations run by Rizzoli International Publications refer to energy indirect (Scope 2) emissions and other indirect (Scope 3) emissions.

Greenhouse gas emissions (t.) - United States	2022	2021	2020
Energy indirect (Scope 2) (22) – CO ₂			
<i>location-based</i>	99	102	92
<i>market-based</i>	99	102	92
<i>Other indirect emissions (Scope 3) - CO₂</i>	1,406	1,404	1,400
Total location-based emissions - CO₂	1,505	1,506	1,492

[22] Scope 2 emissions are shown in tonnes of CO₂; however, the percentage of methane and nitrous oxide has a negligible effect on the total greenhouse gas emissions (CO₂ equivalent), as inferred from the relating technical literature. Scope 2 emissions data for 2020 (249 t.) have been recalculated based on information shown in Note 23.

[23] Scope 3 emissions linked exclusively to paper production are shown in tonnes of CO₂, as the source used does not report the emission factors of other gases than CO₂.

For the United States of America, the figures on gas consumption by heating are currently unavailable for measuring direct (Scope 1) GHG emissions, and those on emissions from business travel (Scope 3).

As far as refrigerant gases are concerned, no data is available to date on refills during the year.

Emission factors used

72	Electricity (location-based and market-based)	2022 Source: Terna international comparisons on Enerdata data (2020 data)	374 gCO ₂ /kWh
		2021 Source: Terna international comparisons on Enerdata data (2019 data)	374 gCO ₂ /kWh
		2020 Source: Terna international comparisons on Enerdata data (2018 data)	399 gCO ₂ /kWh
	Paper production	2022 Source: Key Statistics 2021 of the Confederation of European Paper Industries (CEPI)	0.38 t. CO ₂ /t. paper
		2021 Source: Key Statistics 2020 of the Confederation of European Paper Industries (CEPI)	0.39 t. CO ₂ /t. paper
		2020 Source: Key Statistics 2019 of the Confederation of European Paper Industries (CEPI)	0.4 t. CO ₂ /t. paper

In 2022, total emissions by Rizzoli International Publications were 1,505 t. CO₂ from electricity consumption and paper production, in line

versus the prior year.

Electricity consumption - United States	UoM	2022	2021	2020
Total electricity purchased from the national grid	MWh	264	272	230
	GJ	950	979	829

[24] For 2021, the data relating to energy consumption at the Rizzoli International Publications HQ have been estimated on the basis of the consumption in 2020, given the absence of significant changes relating to business activities and/or actual changes in trends in energy consumption. With a view to ongoing improvement, the methodology for estimating energy consumption for Rizzoli International Publications relating to the bookstore, adopting for 2020 and 2021 the cost data in \$/kWh made available by the Bureau of Labor Statistics for New York, was appropriately reviewed. Therefore, the 2020 data (624 MWh/2,248 GJ) have been recalculated in line with the new estimation methodology.

Water withdrawals

The Mondadori Group commitment is to promote and guarantee responsible use of water as a resource. This is why, starting from this edition, the decision has been made to report the water withdrawal data of Italian offices but only where such data can be properly obtained. As regards the information

given in the table below, it is stressed that fresh water is procured by means of third party water resources. In order to determine the areas subject to water stress, the tool Aqeduct has been used, developed by the World Resources Institute, which provides information on areas subject to extreme water scarcity, comparing

the best information available on water, hygiene-sanitary services, population and biodiversity on a national basis and of the basin. The sites are split into five categories: extreme scarcity, scarcity, stress, sufficient and abundant. The Group offices considered as situated in water stress areas are those whose risk level is of "extreme scarcity" and "scarcity".

For 2022 and 2021, Florence and Rome came under this definition.

Water withdrawals by source and water stress areas - Italy 25	UoM	2022	2021
Areas not subject to water stress			
Underground water	Mega litres	1806.6	1955.8
Third party water resources	Mega litres	14.9	17.5
Areas subject to water stress			
Third party water resources	Mega litres	0.3	1.0

[25] The data on water withdrawal today considers the quantities of water withdrawn at the offices of Segrate, Florence and Rome.

4.3 INITIATIVES TO REDUCE THE ENVIRONMENTAL IMPACT

4.3.1 Waste

The commitment to reducing the environmental impact also applies to waste produced.

Given the specific business of the Mondadori Group, only a small part of waste produced by

special products falls in the "hazardous" class. Segrate, the only site at the moment where the amounts of waste disposed of can be accurately measured, between 2022 and 2021 saw an increase in the production of non-hazardous waste (+70%) linked to the resumed activity on site and the clearance of the floors involved in the Segrate building restoration project. The percentage of hazardous waste declined (-44%).

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Waste generated	2022		2021		2020	
Segrate head office	t.	%	t.	%	t.	%
Hazardous	0.2	0.10%	0.36	0.31%	—	—%
Non-hazardous	199.76	99.90%	116.1	99.69%	141.247	100.00%
Total	199.96		116.460		141.247	

4.3.2 Energy saving initiatives in 2022

In 2022 too, as we gradually left the pandemic behind us, that had forced urgent interventions and emergency management measures, the attention to energy saving remained high, with initiatives involving mainly the Segrate headquarters. The initiatives shown below are those planned in 2021 and partly implemented in 2022, the benefits of which will be fully felt in 2023.

Others are currently in the pipeline or being assessed and planned. It should be pointed out that in addition to overcoming the COVID-19 emergency, the start of the building restoration, which particularly involves the owner redoing the plants, has put a great deal of the developments planned previously, on hold.

Paper and toners

Among the measures taken to reduce the environmental impacts of Group offices and bookstores, efforts have been made in recent

years to raise awareness of the responsible use of toners and paper for printing in offices.

The Group has specifically managed to keep consumption of printing paper at the same levels as last year, despite the partial return to working on-site and to reduce the quantity of toner consumed compared with the previous reporting period.

Toner and printing paper consumption (offices) Raw material (tonnes)	2022	2021	2020
Paper for printouts	21	20	29
Toners for printouts	0.78	0.89*	0.30

*With a view to improving the data reported, the data on toner consumption for 2021 has been restated in light of the inclusion in the total calculation of the printing islands present in the Group's office.

Data on toner and paper consumption for printing in offices does not include the new companies, which joined the scope in 2022.

Segrate head office

74 Water and air treatment plants

- The automated program, "Optimum Start - Summer" has been implemented for the summer management of the main plant start-up system in connection with the effective occupation of the environments and external conditions, with the aim of saving energy whilst constantly improving well-being in the workplace.
- The annual savings are estimated at approximately 50,000 kWh, estimated on the basis of the data recorded during the first months of operation (the total benefit expected will be measurable in summer 2023). It is also good to see that the intervention started in 2021, relating to the automated winter plant management system ("Optimum Start Winter") has confirmed the savings expected (40,000 m3/year in gas and 20,000 kWh/year).
- A structural intervention has been performed, modifying the hydraulics and including a new drain regulation valve at the well water lake used by the thermodynamic plants, with the aim of further reducing electrical consumption of the groundwater pumps in connection with effective needs. Annual savings are estimated at approximately 2,000 kW.

- Work is now approaching completion on the temperature regulation of the hot channel of the dual-pipe air treatment units, aiming to save energy whilst improving well-being in the workplace. Annual savings are estimated at approximately 5,000 m3 of gas.

These interventions, coupled with a more careful plant management, have made it possible to obtain ultimate final savings also in connection with the changes to working activities on-site brought about by smart working.

Group stores and bookstores

In 2022, as part of the action taken to increase energy efficiency in Retail, the following activities were implemented:

- all the old, energy-intensive air conditioning systems have been replaced by new ones using low energy consumption VRV (Variable Refrigerant Volume) technology;
- remote control has been started of the air conditioning systems, using smart technology to control temperatures, times and anomalies in the plants.

The progressive replacement of all high-consuming/energy-intensive technical lighting

systems with new generation LED technology versions, is now approaching completion.

4.3.3 Initiatives planned or in the pipeline for 2023

Segrate head office

All spaces inside the office are expected to be redone with the ambition and vision of making the building a more sustainable structure with a lesser environmental impact, through interventions aiming to increase efficiency or by replacing structural parts of plants. Energy will be supplied from certified renewable sources and the choice of materials, furnishings and services (cleaning with Ecolabel certificates) will also be focussed on sustainable site management.

Work carried out to replace/modernise obsolete plants, planned over the last few years, has been put definitively on hold due to the start-up of more extensive property requalification works.

In addition, during the restructuring, any interventions and/or changes will only be made to maintain correct function of operating plants, making the most of all savings opportunities linked to failure to treat the environment of the unused site areas and those currently not operating due to emptying/filling of plants linked to site needs.

4.3.4 Emissions deriving from the company car fleet

The Mondadori Group has been committed for some years now to reducing emissions from business travel related to its Italian operations. In 2022, the size of the Group's car fleet in Italy increased in number (from 104 in 2021 to 129 in 2022), showing a slight increase in average emissions. The increase in emissions is linked to the emission classes of the vehicles forming

Group stores and bookstores

In Retail, the project of the new flagship store **Mondadori Duomo** is the pilot project on which the Group Retail area is working in order to obtain GOLD certification in LEED ID+C (Leadership in Energy and Environmental Design), a voluntary certification that promotes an approach focussed on sustainability aspects of buildings throughout their life cycle.

According to the parameters and provisions of this protocol, in the Mondadori Duomo design, an attempt will be made to seek to achieve the highest possible level of certification that is compatible with the structural restrictions imposed on it by the location.

In addition, as regards the Group stores and bookstores, in 2023 the times of the air conditioning plants are expected to be aligned, on the basis of the guidelines given by the Ministerial Decree (Ministry of the Ecological Transition) no. 383 of 06 October 2022.

As regards new stores, wherever possible the space design aims to minimise electricity consumption, for example through the installation of false ceilings to reduce and limit the cubic metres of air to be heated or cooled within the building.

These targeted interventions come in addition to the optimisation actions already mentioned and allow for a further reduction in consumptions.

Finally, in recent years energy supply contracts have also been downsized according to effective consumption, so as to reduce the fixed costs linked to the installed power.

the car fleet. The 2022 purchase of new vehicles was also influenced by the stocks available from dealers, preventing the Group from opting for solutions with lower emission classes.

With regard to the breakdown of vehicles in "emission classes", as determined by the ADEME eco-label (Agence de l'Environnement et de la Maîtrise de l'Energie, a French agency specialized in the identification and spread of energy, environmental protection, and

sustainable development information), in 2022, 38% of the car fleet consisted of class A and B vehicles (a reduction on the figure of almost 50% recorded in 2021).

Mondadori car fleet Type (no.)	2022	2021	2020
Owened cars	—	—	—
Long-term car rental	129	104	111
of which CLASS A - less than or equal to 100 gCO ₂ /km	16	17	16
of which CLASS B - from 101 to 120 gCO ₂ /km	33	32	39
of which CLASS C - from 121 to 140 gCO ₂ /km	41	29	32
of which CLASS D - from 141 to 160 gCO ₂ /km	33	20	17
of which CLASS E - from 161 to 200 gCO ₂ /km	5	5	6
of which CLASS F - from 201 to 250 gCO ₂ /km	—	1	1
of which CLASS G - more than 250 gCO ₂ /km	1	—	—
Total	129	104	111

In 2022, employees and associates were offered various opportunities and solutions linked to the mobility plan, taking a green approach, conceived to support both work and private lives. These include various conventions for: car sharing, special-rate subscriptions for urban and rail mobility, and e-bike and e-scooter rental.

4.4 EU TAXONOMY

Regulation (EU) 2020/852 (hereinafter also the "Regulation") has established the criteria for determining whether an economic activity can be considered environmentally sustainable, in order to identify the degree of environmental sustainability of investments, in the broader context of the decisions for promoting sustainable finance.

In line with the provisions of the Regulation, any company subject to the obligation of publishing non-financial information pursuant to Article 19 - bis or Article art 29bis of Directive 2013/34/EU shall include in the NFS information on how and to what extent the company's activities are associated with economic activities that are considered environmentally sustainable pursuant to Articles 3 and 9 of the Regulation. Specifically, non-financial companies, such as the Mondadori Group, are required to report:

1. the share of their turnover coming from products or services associated with economic activities that are considered environmentally sustainable in accordance with Articles 3 and 9 of the Regulation;
2. the share of their capital expenditure and the share of their operating expense related to assets or processes associated with economic activities considered environmentally sustainable in accordance with Articles 3 and 9 of the Regulation.

To date, the list of economic activities included in the relevant documentation is only available for the objectives of Climate Change Mitigation and Climate Change Adaptation: two of the six environmental objectives defined by Article 9 of the Regulation.

This analysis process was carried out by comparing the Group's economic activities with those defined by the relevant technical documentation available to date, not only by comparing the respective ATECO/NACE codes, but also and above all by assessing their substantial correlation.

At the date of publication of this document, based on the Group's interpretation, the publishing activities that typify its operations are not included among those identified to date by the relevant legislation for the two environmental objectives referred to above, and therefore cannot be considered eligible or aligned. In light of this interpretation, pursuant to the requirements of the Regulations, the Group has calculated the proportion of turnover, capital expenditure and operating expense related to economic activities currently considered to be eligible or aligned with the defined Climate Change Mitigation and Climate Change Adaptation objectives, finding a 0% eligible and aligned value. In addition, the assessment also considered the Group's investments, which, to date, net of certain residual OpEx and CapEx, are not included in the categories from 7.3 to 7.6 as envisaged by the Regulation and consequently do not come under the eligible (and therefore aligned) categories.

The publication of the relevant technical rules for the additional environmental objectives defined in Article 9 of the Regulations, as well as further developments in the interpretation of the Regulations, could lead to changes in the assessments and calculation process of these KPIs for the next reporting years.

Taxonomy

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2022

				Substantial contribution criteria										DNSH criteria (‘Does Not Significantly Harm’)									
Economic activities	(1)	Code(s) (2)	Absolute 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)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, year 2022 (18)	Taxonomy-aligned proportion of turnover, year 2021 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)		
					%	%	%	%	%	%	%	%	%	%	%	%	%	%	Percentage	Percentage	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES				%																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																							
N/A				0	0%																		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																							
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
N/A				0	0%																		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																							
N/A																							
Total (A.1+A.2)				0	0%													%		%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
Turnover of Taxonomy-non-eligible activities (B)				903.000.000	100%																		
Total (A + B)				903.000.000	100%																		

Proportion of Capex from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2022

			Substantial contribution criteria							DNSH criteria (‘Does Not Significantly Harm’)																												
Economic activities (1)	Codes (2)	Activity (3)	Current	%	Climate change mitigation (4)	%	Climate change adaptation (5)	%	Water and marine resources (6)	%	Circular economy (7)	%	Pollution (8)	%	Biodiversity and ecosystems (9)	%	Climate change mitigation (10)	Y/N	Climate change adaptation (11)	Y/N	Water and marine resources (12)	Y/N	Circular economy (13)	Y/N	Pollution (14)	Y/N	Biodiversity and ecosystems (15)	Y/N	Minimum alignment (16)	Y/N	Taxonomy- aligned proportion of CapEx/year 2022 (18)	Percent	Taxonomy- aligned proportion of CapEx/year 2021 (19)	Percent	Category (enabling activity) (20)	€	Category (transitional activity) (21)	€
A. TAXONOMY-ELIGIBLE ACTIVITIES																																						
A.1. Environmentally sustainable activities (Taxonomy-aligned)																																						
N/A	0	0%																																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																																						
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																																						
N/A	0	0%																																				
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																																						
Total (A.1+A.2)	0	0%																																				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																																						
CapEx of Taxonomy-non-eligible activities (B)	79.751.007	100%																																				
Total (A + B)	79.751.007	100%																																				

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2022

				Substantial contribution criteria										DNSH criteria (‘Does Not Significantly Harm’)										
Economic activities (1)	Code(s) (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water resources resources(7)	Circular economy(8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water resources (13)	Circular economy(14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of OpEx, year N (18)	Taxonomy-aligned proportion of OpEx, year N+1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)				
																	Percent	Percent	E	T				
A. TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
N/A		0	0%																					
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																								
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																								
N/A		0	0%																					
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																								
Total (A.1+A.2)		0	0%																					
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
OpEx of Taxonomy-non-eligible activities (B)		16.520.382	100%																					
Total (A + B)		16.520.382	100%																					

CORRELATION OF MATERIAL TOPICS AND GRI

Material topic	Scope Legislative Decree 254/2016	GRI aspects	Specific GRI indicators
Sustainable success, ethics and business integrity	Combating corruption and bribery	Anti-corruption	GRI 205-3
		Anti-competitive behaviour	GRI 206-1
	Social	Tax	GRI 207-1/4
		Economic performance	GRI 201-4
Product life cycle and the circular economy	Environment	Materials	GRI 301-1
			GRI 301-2
		Energy	GRI 302-1
			GRI 305-1
Climate Change and biodiversity	Environment	Emissions	GRI 305-2
			GRI 305-3
			GRI 306-1
		Waste	GRI 306-2
			GRI 306-3
Diversity, equity and inclusion	Staff / Respect for human rights	Diversity and equal opportunities	GRI 405-1
			GRI 405-2
Education and the school world	Social	Disclosure of content(M)	M4
Accountability and accessibility of content	Respect for human rights	Cultural rights(M)	N/A
	Social	Content creation (M)	M2
Strategic business innovation	Social	Non GRI Topic	N/A
Privacy and data protection	Social	Customer privacy	GRI 418-1
	Respect for human rights	Privacy protection(M)	N/A
Promotion of reading and socio-cultural growth	Social	Interaction with the public (M)	M6
		Media literacy (M)	M7
Health and safety in the workplace	Staff / Respect for human rights	Staff health and safety	GRI 403-1/7
			GRI 403-9
Intellectual property and copyright protection	Social	Freedom of expression (M)	N/A
	Respect for human rights	Public policies	GRI 415-1
		Cultural rights (M)	N/A
Enhancement and management of human capital	Personnel	Employment	GRI 401-1
			GRI 401-3
		Industrial relations	GRI 402-1
			GRI 404-1
		Training and education	GRI 404-2

Responsible Supply Chain Management	Social	Procurement practices	GRI 204-1
Enhancement and reputation of brands and publishing trademarks	Social	Non GRI Topic	N/A
Sustainable development promotion	Social	Non GRI Topic	N/A
(M): material topics under G4 Sector Disclosures – Media			

GRI CONTENT INDEX

Declaration of use	The Mondadori Group has prepared this Non-Financial Statement in accordance with the GRI Standards for the period from 1 January 2022 to 31 December 2022
GRI 1 used	GRI 1: Reporting standards 2021
Relevant GR sector standards	N/A

GRI STANDARD	INFORMATION	Section reference	OMITTED REQUIREMENTS	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO
General disclosures						
GRI 2: General Disclosure 2021	2-1 Organizational details	Methodological note / Overview of Group activities				
	2-2 Entities included in the organization's sustainability reporting	Methodological note				
	2-3 Reporting period, frequency and contact point	Methodological note				
	2-4 Restatements of information	Methodological note				
	2-5 External assurance	Methodological note/ Report of the independent Auditors				

	2-6 Activities, value chain and other business relationships	Overview of Group activities (2022 Annual Report) Methodological note 3.1.1 The people of the Mondadori Group 3.1.2 Organizational development and industrial relations 4.2 Life cycle of the paper products				
	2-7 Employees	3.1.1 The people of the Mondadori Group				
	2-8 Workers who are not employees	3.1.1 The people of the Mondadori Group				
	2-9 Governance structure and composition	2.1 Governance system <p>The additional information requested is published in the document entitled “2022 Corporate Governance Report”, in paragraph 4. Board of Directors and in paragraph 6. Internal Board Committees</p>				
	2-10 Nomination and selection of the highest governance body	The information requested is published in the document entitled “2022 Corporate Governance Report”, in paragraph 4. Board of Directors				
	2-11 Chair of the highest governance body	The information requested is published in the document entitled “2022 Corporate Governance Report”, in paragraph 4.5 Role of the Chairman of the Board of Directors				

2-12 Role of the highest governance body in overseeing the management of impacts	2.1.1 Sustainability governance The additional information requested is published in the document entitled “2022 Corporate Governance Report”, in paragraph 4.1 Role of the Board of Directors			
2-13 Delegation of responsibility for managing impacts	The information requested is published in the document entitled “2022 Corporate Governance Report”, in paragraph 4.1. Role of the Board of Directors and paragraph 9.2 Control and Risks Committee			
2-14 Role of the highest governance body in sustainability reporting	2.1.1 Sustainability governance The additional information requested is published in the document entitled “2022 Corporate Governance Report”, in paragraph 4.1 Role of the Board of Directors			
2-15 Conflicts of interest	The information requested is published in the document entitled “2022 Corporate Governance Report”, in paragraph 9. Internal Control and Risk Management System - Control and Risk Committee			
2-16 Communication of critical concerns	2.1.1 Sustainability governance			
2-17 Collective knowledge of the highest governance body	2. Governance - Promoting sustainable business success			

	2-18 Evaluation of the performance of the highest governance body	The information requested is published in the document entitled "Report on Remuneration Policy and Compensation Paid (2022)", in paragraph 6. Policies on fixed and variable components of remuneration				
	2-19 Remuneration policies	The information requested is published in the document entitled "Report on Remuneration Policy and Compensation Paid (2022)", in paragraph 6. Policies on fixed and variable components of remuneration				
	2-20 Process to determine remuneration	The information requested is published in the document entitled "Report on Remuneration Policy and Compensation Paid (2022)", in paragraph 6. Policies on fixed and variable components of remuneration				
	2-21 Annual total compensation ratio	3.2 Diversity, equity and inclusion				
	2-22 Statement on sustainable development strategy	Letter to stakeholders (2022 Annual Report)				
	2-23 Policy commitments	1. Sustainability for the Mondadori Group 2.2 Group ethics and integrity 3.2 Diversity, equity and inclusion				
	2-24 Embedding policy commitments					

	2-25 Processes to remediate negative impacts	1.2 Materiality analysis and the stakeholder engagement Internal control and risk management system (2022 Annual Report)) CORRELATION OF MATERIAL TOPICS AND GRI			
	2-26 Mechanisms for seeking advice and raising concerns	Internal control and risk management system (2022 Annual Report))			
	2-27 Compliance with laws and regulations	2.2.3 Compliance			
	2-28 Membership of associations	2.2.7 Intellectual property and copyright protection			
	2-29 Approach to stakeholder engagement	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI			
	2-30 Collective bargaining agreements	3.1.2 Organizational development and industrial relations			
Material topics					
GRI 3: Material topics 2021	3-1 Process to determine material topics	1.2 Materiality analysis and stakeholder engagement			
	3-2 List of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI			
Economic performance					
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.4 Strategic business innovation			

GRI 201 – 2016 Economic performance	201-4 Financial assistance received from government	2.2.6 Editorial independence				
Procurement practices						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.2 Group ethics and integrity				
GRI 204 - Procurement Practices 2016	204-1 Proportion of spending on local suppliers	2.2 Group ethics and integrity				
Anti-corruption						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.2.1 Combating corruption 2.4 Strategic business innovation				
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	2.2.1 Combating corruption				
Anti-competitive behaviour						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts 2.2.2 Market abuse 2.4 Strategic business innovation				
GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behaviour, antitrust and monopoly practices	2.2.2 Market Abuse				
Tax						

GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.2.5 Tax policy 2.4 Strategic business innovation				
	207-1 Approach to tax	2.2.5 Tax policy				
	207-2 Tax governance, control and risk management	2.2.5 Tax policy				
	207-3 Stakeholder engagement and management of concerns related to tax	1.2 Materiality analysis and stakeholder engagement 2.2.5 Tax Policy				
GRI 207: Tax 2019	207-4 Country-by-country reporting	2.2.5 Tax Policy				
Materials						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3 Main non-financial risks 4.1 Management of environmental impacts				
	301-1 Materials used by weight or volume	4.2.2 Logistics and the end of life of editorial products 4.3.2 Energy saving initiatives in 2022				
	301-2 Recycled input materials used	4.2.2 Logistics and the end of life of editorial products 4.3.2 Energy saving initiatives in 2022				
Energy						

GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and the stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3 Main non-financial risks 4.1 Management of environmental impacts				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.2.3 Reducing energy consumption and combating climate change				
Emissions						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and the stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3 Main non-financial risks 4.1 Management of environmental impacts				

GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.2.3 Reducing energy consumptions and combating climate change				
	305-2 Energy indirect (Scope 2) GHG emissions	4.2.3 Reducing energy consumption and combating climate change				
	305-3 Other indirect (Scope 3) GHG emissions	4.2.3 Reducing energy consumption and combating climate change	Scope 3 emissions include, for Italy, emissions from paper consumption, business travel and shipments of magazines to local distributors; for the United States, they include emissions from paper consumption.	Data unavailability	Some Scope 3 categories are not available for all Group companies	
Waste						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3 Main non-financial risks 4.1 Management of environmental impacts 4.3.1. Waste				

GRI 306: Waste 2020	306- 1 Waste generation and significant waste-related impacts	2.3 Main non-financial risks 4.1 Management of environmental impacts 4.3.1 Waste				
	306- 2 Management of significant waste-related impacts	2.3 Main non-financial risks 4.1 Management of environmental impacts 4.3.1 Waste				
	306-3 Waste generated	4.3.1 Waste	The information is not reported for all offices	Information incomplete	Waste production data refer only to the Segrate offices of Arnoldo Mondadori Editore S.p.A.	
Employment						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 3.1 Enhancement and management of human capital 3.1.1 The people of the Mondadori Group				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	3.1.1 The people of the Mondadori Group				
	401-3 Parental Leave	3.2 Diversity, equity and inclusion				
Industrial relations						

GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality engagement and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 3. SOCIAL - Enhancing people, content and places for education and culture 3.1.2 Organizational development and industrial relations				
GRI 402: Labour/ management relations 2016	402-1 Minimum notice periods regarding operational changes	3.1.2 Organizational development and industrial relations				
Health and safety in the workplace						
GRI 3: Material topics 2021	3-3 Management of material topics	Methodological Note 1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 3. SOCIAL - Enhancing people, content and places for education and culture 3.3 Health and safety in the workplace				

GRI 403: Health and safety in the workplace 2018	403-1 Occupational Health and Safety Management System	3.3 Health and safety in the workplace				
	403-2 Hazard identification, risk assessment, and accident investigation	3.3 Health and safety in the workplace				
	403-3 Occupational health services	3.3 Health and safety in the workplace				
	403-4 Worker participation, consultation and communication on occupational health and safety	3.3 Health and safety in the workplace				
	403-5 Worker training on occupational health and safety	3.3 Health and safety in the workplace				
	403-6 Promotion of worker health	3.3 Health and safety in the workplace				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.3 Health and safety in the workplace				
	403-9 Work-related injuries	3.3.14 Compliance with the Consolidated Law and Safety				
Training and education						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 3. SOCIAL - Enhancing people, content and places for education and culture				
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	3.1.3 Training and development				
	404-2 Programs for upgrading employee skills and transition assistance programs	3.1.3 Training and development				
Diversity and equal opportunities						

GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 3.2 Diversity, equity and inclusion				
GRI 405: Diversity and equal opportunities 2016	405- 1 Diversity of governance bodies and employees	3.2 Diversity, equity and inclusion				
	405- 2 Ratio of basic salary and pay of women to men	3.2 Diversity, equity and inclusion				
Public policy						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement GRI - BOUNDARY AND TYPE OF IMPACTS 2.2.6 Editorial independence				
GRI 415: 2016 Public policy	415-1 Political contributions	2.2.6 Editorial independence				
Customer privacy						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3.2 Risks associated with social topics and respect for human rights 2.2.4 Privacy and data protection				
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.2.4 Privacy and data protection				
Content creation*						

GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3.2 Risks associated with social topics and respect for human rights 3.6 Responsibility for content				
M2	Methodology for assessing and monitoring adherence to content creation values	3.6 Responsibility for content				
Content distribution*						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3.2 Risks associated with social topics and respect for human rights 3.4 Education and the school world 3.5 Promotion of reading and socio-cultural growth 3.6 Responsibility of content 3.7 Ease of use of content				
M4	Actions taken to improve performance in relation to content dissemination issues (accessibility and protection of vulnerable audiences and informed decision making) and results obtained	3.4 Education and the school world 3.5 Promotion of reading and socio-cultural growth 3.6 Responsibility of content 3.7 Ease of use of content				
Interaction with the public*						

GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3.2 Risks associated with social topics and respect for human rights 3.5 Promotion of reading and socio-cultural growth				
M6	Methods to interact with audiences and results	3.5 Promotion of reading and socio-cultural growth				
Media literacy*						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3.2 Risks associated with social topics and respect for human rights 3.5 Promotion of reading and socio-cultural growth				
M7	Actions taken to empower audiences through media literacy skills development and results obtained	3.5 Promotion of reading and socio-cultural growth				
Freedom of expression*						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3.2 Risks associated with social topics and respect for human rights 2.2.7 Intellectual property and copyright protection				

Cultural rights*						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.2 Group ethics and integrity 2.3.2 Risks associated with social topics and respect for human rights 2.2.7 Intellectual property and copyright protection				
Privacy protection						
GRI 3: Material topics 2021	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.2 Group ethics and integrity 2.3.2 Risks associated with social topics and respect for human rights 2.2.4 Privacy and data protection				
Non-GRI material topics						
Strategic business innovation	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3 Main non-financial risks 2.4 Strategic business innovation				

Enhancement and reputation of brands and publishing trademarks	3-3 Management of material topics	1.2 Materiality analysis and stakeholder engagement CORRELATION OF MATERIAL TOPICS AND GRI 2.3 Main non-financial risks 2.4.1 Enhancement and reputation of brands and publishing trademarks				
Sustainable development promotion	3-3 Management of material topics	1.1 Sustainability plan				

*GRI G4 Media Sector Disclosure

For the Board of Directors
The Chairman
Marina Berlusconi





Meeting readers, customers and followers

In 2022, events and initiatives on-site and in hybrid mode resumed. On this page, from top-left: inauguration of the **Mondadori Store in Genoa**; the **Telegatto** award arrives at the Eurovision Song Contest (with Aldo Vitali, editor of Tv Sorrisi e Canzoni); Mario Desiati, winner of the Strega Prize 2022, with "Spatriati", published by Einaudi; **Giallozafferano** celebrates its first series of NFT recipes with Andrea Santagata, general manager of Mondadori Media; **Lucca Comics & Games**, an event dedicated to the world of comics, video games and creative industries; the first edition of the **MyPersonalTrainer Days**, an open-air gym in Milan; the first **The Wom** event with its The WoMderful Squad (with Daniela Cerrato, Mondadori Media marketing director); the **Frankfurt Book Fair** where Armando Varricchio, Italian ambassador to Germany, meets Enrico Selva Coddè, managing director of the Mondadori Libri Trade area.