Consolidated Non-Financial Statement
pursuant to Legislative Decree 254/2016

Content index

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. and its fully-consolidated subsidiaries (hereinafter also the "Mondadori Group" or the "Group"). The reporting period for the information and data provided in this NFS is 2021 (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 2021. This NFS, prepared on an annual basis, is also published on the Group's website, www.gruppomondadori.it, as part of the 2021 Annual Report and in the "Sustainability" section.

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: Core 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 materiality, Stakeholder inclusiveness, sustainability context and completeness in defining content; from the principles of balance, clarity, accuracy, timeliness, comparability and reliability, 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 2021, which identified the material aspects for the Group and its stakeholders. 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. 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.

With regard to the size, organizational setup, ownership structure and supply chain of the Group, mention should be made of the completion on 29 January 2021 of the acquisition of Hej! S.r.l., which further strengthens the Mondadori Group's presence in the digital field.

As for other major transactions made during the year, on 16 December 2021 the Mondadori Group completed the acquisition of 100% of De Agostini Scuola S.p.A. through its subsidiary Mondadori Libri S.p.A. In 2021, the Group also began the acquisition of 50% of A.L.I. - Agenzia Libraria International -

and DeA Planeta Libri to strengthen its position in the business of promoting and distributing third-party publishers and to consolidate its role in children's publishing. Additionally, on 23 December 2021, the subsidiary Mondadori Media S.p.A. finalized the sale of the business units comprising the editorial activities of *Donna Moderna* and *CasaFacile* to Stile Italia Edizioni S.r.l., part of the Società Editrice Italiana S.p.A. group. These transactions, the effects of which, also in terms of non-financial reporting, will take effect from 1 January 2022, are in line with the Mondadori Group's strategy - repeatedly disclosed to the market - of increasing its focus on the core business of books.

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 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;
- greenhouse gas emissions were calculated in line with the principles appearing in international standard ISO 14064-1.

This NFS was approved by the Board of Directors of Arnoldo Mondadori Editore S.p.A. on 16 March 2022.

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.

In line with the commitments made, in 2021 the Mondadori Group defined a sustainability plan divided into three macro-areas of reference and 8 guidelines for the future, as further explained in the chapter "Sustainability for the Mondadori Group".

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.

1.1 Areas of reference

In light of the commitments made, a process of reflection was launched in 2021 to formalize the areas of reference and the strategic lines of Sustainability on which the Group is already working and which it intends to pursue in the future. This path has seen the participation of Company management and has been enhanced by a great many stakeholder engagement activities with the participation of different categories of stakeholders.

The Mondadori 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 future objectives linked to the Sustainable Development Goals (SDGs) laid down in the context of the 2030 Agenda for Sustainable Development:

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 future that will be periodically updated with a view to constant 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, and approved by Top Management, the Control, Risk and Sustainability Committee and the Board of Directors.

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 impact produced, with regard to the social, personnel, and environmental spheres, respect for human rights and the fight against corruption and bribery.

Specifically, the year 2021 saw an update of the materiality analysis, in light of the following four steps, which are further detailed below: a) mapping of relevant stakeholders; b) identification of sustainability topics of potential interest to the Group and its stakeholders, in line with the relevant industry trends and identified priorities; c) prioritization of identified sustainability topics, including through internal and external stakeholder engagement activities; d) identification of material topics and their approval.

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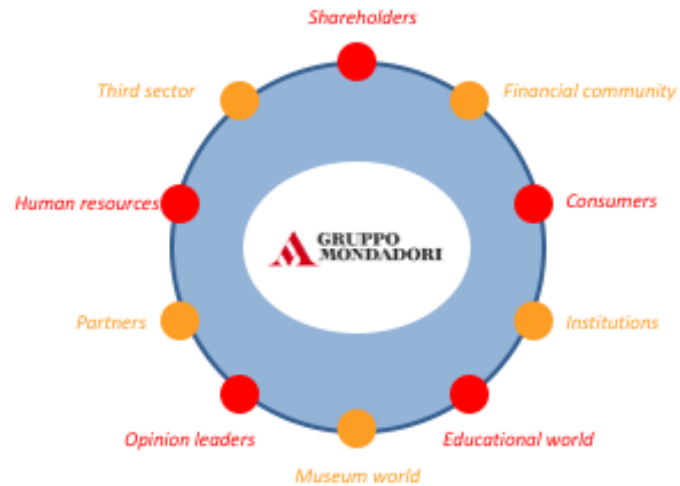
Well aware of the importance of establishing and maintaining a constant dialogue with its stakeholders, the Mondadori Group has opened up various channels of communication and engagement with them, in order to understand and take their demands into consideration. The table below summarizes the main communication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

STAKEHOLDER CATEGORY	STAKEHOLDER DETAIL BY CATEGORY	SUMMARY OF THE COMMUNICATION AND ENGAGEMENT PROCEDURES
Shareholders	Majority shareholders	● Shareholders' Meeting ● Dialogue channels under Investor Relations function
	Non-controlling interests	
Financial community	Analysts/rating agencies	● Virtual meetings with institutional investors ● Dialogue channels under Investor Relations function
	Banks	
	Investors	
Consumers	Bookstores and newsstands customers	● 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	● Ad hoc discussions on specific topics

	Trade associations	● Institutional round tables ● Formal communications
	CONSOB	
	National/Community lawmaker	
	Public Administration	
Educational world	Ministry of Education and Research	● Ad hoc discussions on specific topics ● Institutional round tables ● Formal communications ● Faculty survey
	Teachers/educators	
Museum world	Museums	● Participation in tenders ● Institutional round tables
	Superintendencies	
	Museum visitors	
Opinion leaders	Authors	● Media relations activities
	Influencers and bloggers	
	Media	
Partners	Agents (bookstores - school textbooks)	● 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	Associates	● Regular meetings with union representatives ● Institutional round tables ● Employee surveys ● Weekly Crisis Committee meetings
	Advisors	
	Employees	
	Trade unions	

	INPS, INAIL	
Third sector	NGOs	● Regular discussions on project development
	Non-profit organizations	

b) Identification of sustainability issues, in line with relevant industry trends and identified priorities

In order to identify the list of sustainability topics of potential interest to the Group and its stakeholders, the issues that emerged from the materiality analyses of prior years were firstly considered, updating the definitions associated with the topics, as well as the details of the underlying specific aspects, in light of the relevant trends in the area and the 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.

A consistent approach with the previous edition of the NFS was adopted for sustainability topics of potential interest to the Group and its stakeholders. Specifically, a number of labels were updated and/or specific aspects were categorized differently in 2021. Among the main detailed changes made, mention should be made of the change to the topics previously named "Inclusivity", "Brand Management" and "Product Accessibility" to "Diversity, Equity and Inclusion", "Enhancement and Reputation of Brands and Publishing Trademarks" and "Ease of Use of Content", respectively. The topics of "Business integrity and combating corruption" and "Economic performance" were not included in the new list of topics to be analyzed as they are deemed essential in non-financial reporting. The list of topics identified as being of potential interest to the Group and its stakeholders, which have been taken into consideration in the subsequent materiality analysis process, is detailed below.

IDENTIFIED SUSTAINABILITY ISSUES	SPECIFIC ASPECTS
Life cycle of paper products	− Returns and pulping management − Search for innovative and sustainable solutions − Protection of biodiversity
Climate change	− Oversight and reduction of climate-altering gas emissions − Efficiency in energy consumption
Ease of use of content	− Effective distribution of products/stores − Content digital accessibility − Availability of content on different formats − Accessibility for people with disabilities or disadvantaged groups
Management of environmental impacts	− Waste management − Water resources management
Supply chain management	− Engagement of suppliers in a circular economy process − Oversight and cooperation with suppliers on social sustainability topics
Diversity, equity and inclusion	− Fostering inclusion and enhancing diversity as levers for innovation and business development

	− Encouraging cultural exchange and debate on diversity and inclusion − Producing content that respects the values of diversity and inclusion
Strategic business innovation	− Ongoing development of business strategies − Ability to intercept new areas of activity and markets − Product innovation − Synergy between digital and traditional products
Education and the school world	− Design of tools for integrated digital education − Promotion of training initiatives for the teaching staff − Promotion of initiatives to combat early school leaving − Initiatives for the engagement of young people in civil society and introduction to civil education − Contribution to Long-life Learning actions − Production of quality training tools
Privacy and personal data protection	− Protection of customer privacy − Protection of children's privacy
Promotion of reading and socio-cultural growth	− Reading education and promotion initiatives − Socio-cultural presence on the ground through bookstores and schools
Responsibility for content	− Freedom of expression and publication − Content quality and reliability assurance − Commitment to disseminate a culture related to the 2030 Agenda and sustainability
Health and safety in the workplace	− Constant improvement of safety conditions in the workplace, also in view of emergencies
Intellectual property and copyright protection	− Fight against piracy − Cooperation between players, and with national and European bodies to improve copyright regulations
Enhancement and management of human capital	− Training − Assessment and development of human resources − Empowerment of Mondadori people and guidance on working by objectives − Focus on work-life balance and managing the new hybrid work model − Relations with trade union representatives
Enhancement and reputation of brands and publishing trademarks	− Multi-channel/multi-product brand deployment

c) Prioritization of identified sustainability issues also 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.

Specifically, in 2021, individual interviews were conducted with top management, including members of the Sustainability Committee, and a specific online questionnaire was administered to the Group's employees and associates, which collected over 1,400 total responses (approximately 78%).

Additionally, a further online questionnaire dedicated to the teaching staff was developed, collecting almost 5,000 total responses, thanks to the contacts that the Group has developed over time with this category in light of its crucial importance.

The stakeholders involved were asked to identify, in line with their own expectations and needs, the sustainability topics they consider more or less relevant. The participation of the Group's internal and external stakeholders was paramount in the materiality analysis process, as it made it possible to identify more objectively the topics of interest and to capture with greater clarity and depth the different perspectives and information needs that mark the stakeholders involved.
The materiality results also include responses from questionnaires administered to customers in 2020.

Focus: Teacher involvement

In 2021, the Mondadori Group fostered an important stakeholder engagement activity aimed specifically at the teaching staff. Specifically, an online survey addressed to the topics of sustainability gathered the opinions and perspectives of almost 5,000 teachers from primary and first and second level secondary schools, active across all the regions of Italy.

The sustainability topics considered most relevant in light of responding teachers' expectations are: diversity, equity, and inclusion; promoting reading and sociocultural growth; managing environmental impacts; and climate change.

Among the various contributions received, responding teachers also indicated the need to focus more attention in the future on the following aspects related to the school world: innovative teaching practices, with a view also to inclusion; training for the teaching staff dedicated to the topics of sustainability and Agenda 2030 for Sustainable Development; as well as initiatives for the engagement of young people in civil society and introduction to civil education. Further areas of strong attention are linked to the fight against school dropouts and the promotion of initiatives aimed at fostering gender equality. These contributions have been incorporated by the Mondadori Group in the strategic formulation process mentioned in the previous sections of this chapter, and will become tangible areas of action, which will become the base for actions of continuous improvement over the next few years.

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d) Identification of material topics and their approval

The combination of the results of the two analyses allowed for the identification of material sustainability aspects for the Group and its stakeholders, in keeping with previous editions of the NFS, and presented below.

GRUPPO MONDADORI   STAKEHOLDERS

PRIORITY

HIGH

○ Enhancement and management of human capital
○ Promotion of reading and socio-cultural growth
○ Diversity, equity and inclusion
○ Education and the school world

○□△ Strategic business innovation

△ Management of environmental impacts
△ Life cycle of paper products
△ Climate change

AVERAGE*

○ Ease of use of content
○ Responsibility for content
○ Health and safety in the workplace
□ Intellectual property and copyright protection
□ Privacy and personal data protection
□ Enhancement and reputation of brands and publishing trademarks

Key - Areas of reference

○ SOCIAL - ENHANCING PEOPLE, CONTENT AND PLACES FOR EDUCATION AND CULTURE

□ GOVERNANCE - PROMOTING SUSTAINABLE BUSINESS SUCCESS

△ ENVIRONMENT - DISSEMINATING ENVIRONMENTAL CULTURE AND MITIGATING IMPACTS ON ECOSYSTEMS

*In light of the assessments obtained, the topic of "Privacy and personal data protection" is relatively more important for Stakeholders, while the topic of "Enhancement and reputation of brands and publishing trademarks" is relatively more important for the Mondadori Group. The other topics were found to have similar assessments for both Stakeholders and the Group. The "Supply Chain Management" topic, also included in the analyses performed, did not appear as material in light of the results obtained from the engagement activities. The topics of "Business integrity and combating corruption" and "Economic performance" were not included in the new list of topics to be analyzed as they are deemed essential in non-financial reporting.

With regard to the main changes from the previous edition of the NFS, the topic of "Diversity, equity and inclusion" was found to be one of the highest priorities for both the Group and its stakeholders, in line with the strategic priorities defined by the Group in terms of sustainability.

The results of the 2021 materiality analysis were submitted for review and validation by the Control, Risk and Sustainability Committee on 7 February 2022. 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.

Against this backdrop, the Code of Ethics, the Organizational, Management and Control Model 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.

2.1 Governance system

The Mondadori Group has adopted the traditional management and control model based on a Board of Directors and a Board of Statutory Auditors appointed by the Shareholders' Meeting. The Group has also identified the Self-Regulation Code, now the Corporate Governance Code, promoted by Borsa Italiana S.p.A. as the reference framework for defining its own governance system. Further information on the Governance Model is provided in the Directors' Report on Operations and the Corporate Governance Report.

For the purposes of this NFS, a summary of the governance structure adopted by the Group is provided below:
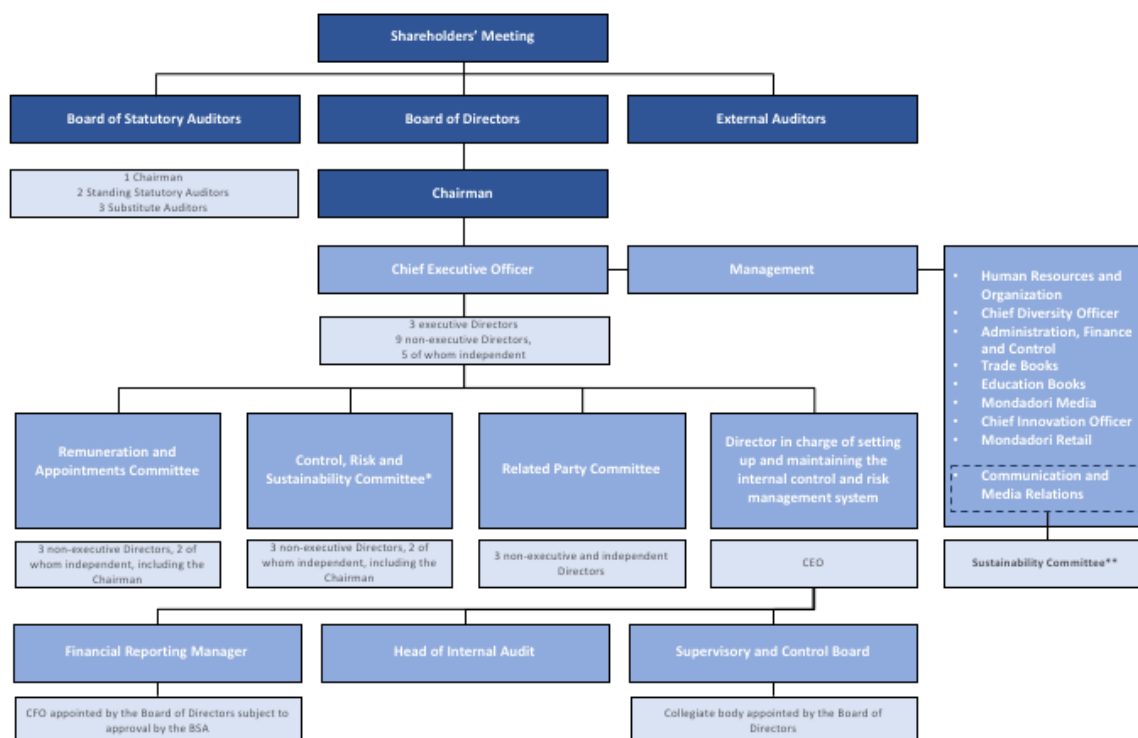
2.1.1 Sustainability governance

As part of Sustainability Governance, the **Control, Risk and Sustainability Committee*** assists the Board of Directors in assessing and making decisions related to sustainability topics with particular regard to the approval of the NFS.

The **Sustainability Committee**** oversees 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 2021, 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 31 December 2021				at 31 December 2020				at 31 December 2019			
	Women	Men	Total (no.)	Total (%)	Women	Men	Total (no.)	Total (%)	Women	Men	Total (no.)	Total (%)
30-50 years old	1	0	1	8%	1	0	1	7%	1	0	1	7%
> 50 years old	4	7	11	92%	4	9	13	93%	4	9	13	93%
Total (no.)	5	7	12	100%	5	9	14	100%	5	9	14	100%
Total (%)	42%	58%	100%		36%	64%	100%		36%	64%	100%	

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. Organized by category of stakeholder, 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, in 2012 the Group 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".

Mention should be made that in 2018 the Group approved its 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.

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 2022.

In the three-year period 2019-2021, 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 2021.

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 the Mondadori Group, 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 2019-2021, 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.

Penalties paid in 2021 amounted to approximately € 332,000, of which € 19,000 thousand in tax penalties and € 313,000 in financial penalties relating to sentences.

MONETARY PENALTIES (Euro/millions)			
TYPE	2021	2020	2019
Tax penalties	0.02	0.21	0.00
Financial penalties	0.31	0.14	0.26
Total	0.33	0.35	0.26

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. No such cases were reported in 2021.

NON-MONETARY PENALTIES	2021	2020	2019
Number of cases	0	1	0

2.2.4 Privacy and personal 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 2021, 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.

COMPLAINTS OVER PRIVACY VIOLATIONS/LOSSES OR THEFT OF CUSTOMER DATA	2021	2020	2019

Substantiated complaints received regarding breaches of customer privacy (no.)	1	2	1
of which, from supervisory bodies	0	1	0
of which, received from external parties	1	1	1
Losses or theft of customer data (no.)	0	0	1

2.2.5 Fiscal Policy

With regard to the national tax consolidation scheme, in 2019 the Mondadori Group renewed the agreement with Fininvest S.p.A. (the Consolidating Company) for three years (2019-2021), 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. The tax consolidation option, whose three-year period expires in the current tax year, will be exercised again for the three-year period 2022-2024.

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	2021		2020	
/Euro/thousands)	ITALY	USA	ITALY	USA
Revenue from sales to third parties	761,870	45,475	707,374	36,619
Revenue from intercompany transactions with other tax jurisdictions	1,065	1,377	568	564
Pre-tax profit/loss	34,437	4,129	139	1,411
Tangible assets other than cash and cash equivalents	13,243	1,371	15,484	1,470
Corporate income tax paid on a cash basis	12,997	947	6,949	0
Corporate income tax accrued on profit/loss	15,504	1,162	12,257	435

2.2.6 Editorial independence

The Parent, Arnoldo Mondadori Editore S.p.A., is listed on the Milan Stock Exchange. The share capital at 31 December 2021, 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 AT 31 DECEMBER 2021	
SHAREHOLDER	**% INTEREST IN SHARE CAPITAL**
FININVEST S.P.A.	53.3%
Free float	46.3%
Treasury shares	0.4%

During the reporting period, the Mondadori Group received financial contributions from Public Administration in Italy with a monetary value of approximately € 7.35 million, of which € 4.6 million to Electa in June 2021 from the Ministry of Culture pursuant to DG-MU (Director General of Museums) decree no. 506 of 31 May 2021 and € 2.5 million in INPS contributions for payroll costs relating to the training plan funded by the New Skills Fund, € 98,000 in the form of tax credits and € 12,000 in advertising investments regarding Mondadori Retail, € 96,000 in the form of tax credits for the purchase of digital services regarding Mondadori Media, € 28,000 in tax credits for sanitization regarding Arnoldo Mondadori Editore and € 158,000 in COVID subsidies provided by the U.S. government for Rizzoli Bookstore.

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

GRANTS RECEIVED FROM PUBLIC ADMINISTRATION (EURO)	2021	2020[1]
Italy	**7,355,764.80**	**11,421,677.34**
USA Rizzoli International Publications[2]	**158,339.20**	**713,993.29**
Total (Italy and USA)	**7,514,104**	**12,135,670.63**

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

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 legislation of the Member States.

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[1] The 2020 data have been recalculated and restated to include only contributions received from Public Administration.

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

2.3 Main non-financial risks

In 2021, 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* (p. XY of the *2021 Annual Report*).

Amid the deep interconnection and complexity of the economic and social environment in which the business operates, aggravated by the emergency situation brought by COVID-19, in some cases the mapping of risks was reconsidered, implementing a thorough review of the strategic actions implemented to date, in order to reduce the extent of the risks and ensure business continuity.

In 2021, a year dominated by the lingering effects of the pandemic, the issues of greatest relevance and subject to appropriate mitigation are:

- the supply chain, where the main risks include the possible closure or loss of profitability of points of sale or possible insolvency on the part of suppliers, as a result of the various situations of financial distress generated by the current economic context.
  Additionally, problems related to the supply of raw materials (paper, energy and gas) further deteriorated, while industrial costs increased, with a resulting increase in the cost of paper, printing, binding and transportation.
- risks related to intellectual property protection, education in schools, and product accessibility.

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 2021 reporting year.

2.3.1 Risks associated with environmental topics

Climate change is a major issue for all industries, no less so for publishing. In the publishing industry, greenhouse gas emissions are mainly connected with energy consumption, transport (for example, the efficiency and effectiveness of processes in the logistics/distribution or business travel field) and the production cycle of paper products. Growing concern on the part of stakeholders and institutions over climate change could lead to adjustments, in the future, to current legislative provisions governing emissions.

Alongside the risks associated with climate-changing emissions are the risks associated with energy efficiency, which, if poor, could adversely affect economic benefits, and the risks associated with potential interruptions in paper supply. 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
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 publishing industry inevitably involves risks associated with human rights (freedom of expression and privacy protection) and with social topics (media literacy, product accessibility), especially given the role that media companies play in promoting and spreading culture.

Such risks can arise from actions taken within the Group, but also from conduct deriving from external causes. There is no question that in such circumstances, the crucial aspect will be to monitor the growing risks in terms of personal freedom, well-being, educational prospects and wealth of the younger generations.

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.

Critical issues related to the change in the way consumers purchase books, who have opted for the online channel, not only during the pandemic-related lockdown period, but also today with the consequent closure of bookstores.	Efforts should be made to develop the online channel, in order to increase competitiveness on the market and enhance customer purchasing experience, by leveraging on multi-channel benefits, understood as the concurrent use of online and traditional channels (e.g. the "Libreria Infinita" portal; pick up point; "book and collect" service).
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 issues related to the inability by readers to grasp the value of products sold, where suitable instruments are not provided to facilitate a fair understanding of media.	Continuous improvement in initiatives to raise awareness and educate the public as to the need to critically assess and analyze 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

National and international institutions and organizations are leading the fight against corruption and bribery. As the phenomenon remains widespread, it represents a major hurdle to development, with an enormous impact on economic growth, both in the private and public sectors. Against this backdrop, even for the Mondadori Group, the risks associated with the infringement of internal rules and relevant laws in force are of 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.	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). 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.

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.

This is why the Mondadori Group is committed to establishing true dialogue with its people, to encourage a greater understanding of the respective needs and to find solutions to any existing issues.

Main risks	Main mitigation measures
Risk that technological development, changes in the competitive scenario and low turnover rates may lead to a gradual skills gap in personnel.	Creation and implementation of engagement and training plans able to provide the skills needed to develop innovative solutions that can correctly interpret changes in the market and in society.
Risk that a more dynamic jobs market 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.

As far as Diversity & Inclusion topics are concerned, the critical points that have been found so far include awareness of the role of D&I at all levels within corporate life, compliance with current regulations and attention to so-called "reputational damage", in a market where consumers are increasingly choosing diversity-oriented brands.

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, of expanding into new segments in or adjacent to publishing, and of rationalizing, if possible, non-strategic activities consistently pursued in recent years, including through M&A operations.

More specifically, in 2021 the Group continued to consolidate its leadership in the Books Area, both in the school textbooks and Trade publishing segment, increasing its relevance and impact on the Group's overall activities, and completing its skills and product range in the digital area.

Against this backdrop, on 16 December 2021 the Mondadori 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. Additionally, on 23 December 2021, the subsidiary Mondadori Media S.p.A. finalized the sale of the business units comprising the editorial activities of *Donna Moderna* and *CasaFacile* to Stile Italia Edizioni S.r.l., part of the Società Editrice Italiana S.p.A. group. Again in 2021, the Group began the acquisitions of 50% of A.L.I. - Agenzia Libraria International - and DeA Planeta Libri, signing the related acquisition agreement on 11 November 2021 and 22 November 2021, respectively, to strengthen its position in the business of promoting and distributing third-party publishers and to consolidate its role in children's publishing.
These transactions, the effects of which, also in terms of non-financial reporting, will take effect from 1 January 2022, are in line with the Mondadori Group's strategy - repeatedly disclosed to the market - of increasing its focus on the core business of books.

With particular regard to the digital world, mention must be made of the acquisition on 29 January 2021 of Hej! S.r.l.; the deal enables the Mondadori Group to further consolidate its presence in the digital segment. Hej! S.r.l., established in 2017, is a company that specializes in tech advertising, a sector where Mondadori already operates successfully through AdKaora, a leading media agency in the field of mobile advertising and proximity marketing. The synergies and the pooling of Hej's assets with AdKaora's help expand the range of solutions and increase strength on the tech advertising market by providing companies also with conversational mobile marketing projects.

2.4.1 Enhancement and reputation of brands and publishing trademarks

The issue of brand management should also be considered in this perspective: an approach that transcends, but does not ignore, the idea of protecting the Company's intangible assets, but which aims to explore their further potential and is inevitably tied to the actions taken to increase product accessibility.

Aside of the various initiatives described below, there are at least five noteworthy events linked to as many of the Group's brands which, during the year, combined brand reputation and charitable purposes:

- **Incarta un libro, regala un futuro**: in the month of December, with a small donation, Christmas presents were wrapped by more than 100 volunteers at the 73 Mondadori bookstores adhering to and supporting the initiative of Oxfam and Mondadori Store, in order to ensure fairness and equal opportunities of access and school success to the categories of the most vulnerable students, supporting children and young people who risk educational exclusion in Italy;
- **Sorrisi Live – Un Sorriso per Natale**: the initiative saw the second edition of the exclusive musical event that *Tv Sorrisi e Canzoni* gave to all its readers and users for the Christmas holidays. The initiative, after the resounding success in 2020, saw nine of the most popular young artists perform on the site and on the magazine's online Instagram and Facebook channels, with the aim of supporting Fondazione Dottor Sorriso and promoting Smile Therapy in the children's wards of hospitals;
- **Bambine ribelli and Save the Children**: once again in 2021, on the release of the new volume "100 donne italiane straordinarie", Mondadori, with the book series "Storie della buonanotte per bambine ribelli" supported Save the Children to develop and enhance the talents of girls and young women, encouraging, in Italy too, the breaking down of barriers linked to discrimination and gender stereotypes;
- **Il piccolo libro della Costituzione**: the series of books by Geronimo Stilton (Piemme Edizioni) dedicated to educational "small books" continues with a special edition dedicated to the Constitution, in order to disseminate the most important law, which expresses the core values of civil coexistence, even to the youngest;
- **#BeeGreen**: for Earth Day, *Donna Moderna* launched a project dedicated to the theme of sustainability and biodiversity. This is an initiative that actively involved its community: it started with a special issue illustrating all the facets of the concept of Sustainability; a challenge was then organized that dared readers to adopt sustainable lifestyles (more than 200 tonnes of total CO_2 saved); lastly, a project was promoted that gave life, in Milan, to the largest urban bee yard in Italy.

3. SOCIAL
Enhancing people, content and places for education and culture

The enhancement and management of human capital are priority issues for the 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 wellbeing, work-life balance and health of its employees, also through specific initiatives such as the psychological counselling service and the Health Point

The commitment to nurturing inclusion and enhancing diversity as levers for defining an increasingly fair workplace open to innovation is translated into many tangible actions: the Group has appointed a Chief Diversity Officer, heading the related Diversity & Inclusion department, committed to implementing strategies and projects aimed at promoting diversity, fairness and inclusion, also through the creation of an evolved model of inclusive leadership.

The dissemination of culture and ideas is a cornerstone of the Mondadori Group's mission; it is not only the basis of the Company's business activity, but also a distinctive feature of its strategic approach to Sustainability, permeating the very logic underlying the creation of its products for the public. The Mondadori Group is committed to ensuring that its editorial products - books, magazines, websites and digital media/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 gathering the perspectives and opinions of teachers and, through them, students. It operates in the educational world defined by national authorities in line with the best practices in the field, in order to develop quality products, constantly in line with the educational needs of an evolving school in a relevant context that is perpetually in motion. Through educational content and attention to language, the Group promotes education for sustainable development with particular regard to areas related to the 2030 Agenda.

This commitment is limited not only to schools: through books, magazines 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.

3.1 Enhancement and management of human capital

As in 2020, and in particular based on the engagement carried out on the Mondadori Group employees, the enhancement and management of human capital was considered a priority also in 2021. 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. Alongside initiatives for improving the quality of working life and for promoting work-life balance opportunities, in 2021 the Group continued its commitment towards creating training and professional development programs consistent with the evolution of its business. The onset of the pandemic and the multiple social consequences have led to organizational and operating changes, placing emphasis on remote working procedures, the safety of working environments and possible preventive measures.

3.1.1   The people of the Mondadori Group

At 31 December 2021, the Mondadori Group had 1,810 employees in Italy and the United States, slightly down versus the prior year.

MONDADORI GROUP EMPLOYEES, BY GEOGRAPHICAL AREA (no.)			
Geographical area	**at 31 December 2021**	**at 31 December 2020**	**at 31 December 2019**
Italy	1,763	1,798	1,964
USA	47	47	54
Total	**1,810**	**1,845**	**2,018**

*In addition to the number of employees shown in the table, a further 2 people from Abscondita S.r.l., acquired by the Group in 2020 and not included in the reporting scope of the 2020 NFS, are to be considered part of the headcount. The data relating to this company are included as from the reporting year 2021.

Specifically, at 31 December 2021, the composition of the Group's workforce is 64% women and 36% 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 31 December 2021**			**at 31 December 2020**			**at 31 December 2019**		
	Total	**of which Women**	**of which Men**	**Total**	**of which Women**	**of which Men**	**Total**	**of which Women**	**of which Men**
< 30	3%	60%	40%	3%	57%	43%	3%	55%	45%
30-50	55%	65%	35%	58%	64%	36%	59%	64%	36%
> 50	42%	62%	38%	40%	62%	38%	38%	59%	41%
Total	**100%**	**64%**	**36%**	**100%**	**63%**	**37%**	**100%**	**62%**	**38%**

With regard to the businesses, the Books Area is the most populated, with approximately 35% of the Group's employees. This is followed by Retail, Magazine and finally Corporate.

MONDADORI GROUP EMPLOYEES, BY BUSINESS									
Business	**at 31 December 2021**			**at 31 December 2020**			**at 31 December 2019**		
	Total	**of which Women**	**of which Men**	**Total**	**of which Women**	**of which Men**	**Total**	**of which Women**	**of which Men**
Corporate	17%	59%	41%	17%	56%	44%	20%	53%	47%
Books	35%	70%	30%	34%	70%	30%	32%	70%	30%
Retail	18%	58%	42%	19%	59%	41%	18%	60%	40%

Media	30%	63%	37%	30%	62%	38%	30%	61%	39%

In keeping with 2020 and 2019, at 31 December 2021, the overwhelming majority of employees are under permanent, full-time contracts.

EMPLOYEES OF THE MONDADORI GROUP IN ITALY, BY TYPE OF CONTRACT AND GENDER (%)									
Type of contract	at 31 December 2021			at 31 December 2020			at 31 December 2019		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Permanent	99.7%	64%	36%	99.6%	63%	37%	99%	62%	38%
Fixed-term	0.3%	100%	0%	0.4%	75%	25%	1%	84%	16%

EMPLOYEES OF THE MONDADORI GROUP IN THE UNITED STATES, BY TYPE OF CONTRACT AND GENDER (%)									
Type of contract	at 31 December 2021			at 31 December 2020			at 31 December 2019		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Permanent	85%	52%	48%	89%	52%	48%	93%	50%	50%
Fixed-term	15%	57%	43%	11%	60%	40%	7%	75%	25%

MONDADORI GROUP EMPLOYEES BY PROFESSIONAL CATEGORY (full time/part time, %)									
Type of contract	at 31 December 2021			at 31 December 2020			at 31 December 2019		
	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%	60%	40%	88%	58%	42%
Part time	11%	83%	17%	11%	85%	15%	12%	85%	15%

The three-year period 2019-2021 sees a trend of gradual growth in the percentage of women executives compared to the total category, although still in the minority.

EMPLOYEES OF THE MONDADORI GROUP IN ITALY, BY PROFESSIONAL GRADING AND GENDER (%, ITALY)

Professional grading	at 31 December 2021			at 31 December 2020			at 31 December 2019		
	Total	of which Women	of which Men	Total	of which Women	of which Men	Total	of which Women	of which Men
Executives	5%	31%	69%	5%	29%	71%	5%	24%	76%
Middle managers	14%	55%	45%	14%	55%	45%	13%	54%	46%
Office workers	71%	67%	33%	71%	66%	34%	72%	65%	35%
Journalists	9%	73%	27%	9%	73%	27%	9%	71%	29%
Blue collars	1%	29%	71%	1%	20%	80%	1%	17%	83%

EMPLOYEES OF THE MONDADORI GROUP IN ITALY, BY PROFESSIONAL GRADING AND AGE BRACKET (%, ITALY)

Professional grading	at 31 December 2021				at 31 December 2020				at 31 December 2019			
	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%	0%	40%	60%	5%	0%	45%	55%	5%	0%	46%	54%
Middle managers	14%	0%	50%	50%	14%	0.4%	54%	46%	13%	0%	53%	47%

Office workers	71%	5%	61%	34%	71%	3%	63%	33%	72%	3%	65%	32%
Journalists	9%	0%	27%	73%	9%	0%	35%	65%	9%	0%	39%	61%
Blue collars	1%	0%	29%	71%	1%	0%	40%	60%	1%	0%	33%	67%

EMPLOYEES OF THE MONDADORI GROUP IN THE UNITED STATES, BY PROFESSIONAL GRADING AND GENDER (%, UNITED STATES)

Professional grading	at 31 December 2021			at 31 December 2020			at 31 December 2019		
	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%	7%	25%	75%
Office workers	94%	55%	45%	94%	55%	45%	93%	54%	46%

EMPLOYEES OF THE MONDADORI GROUP IN THE UNITED STATES, BY PROFESSIONAL GRADING AND AGE BRACKET (%, UNITED STATES)

Professional grading	at 31 December 2021				at 31 December 2020				at 31 December 2019			
	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	6%	0%	0%	100%	6%	0%	0%	100%	7%	0%	0%	100%
Office workers	94%	14%	36%	50%	94%	16%	34%	50%	93%	14%	48%	38%

HIRES AND TERMINATIONS IN ITALY, BY GENDER AND AGE (No., %)

Gender	Age	2021		2020		2019	
		Number	%	Number	%	Number	%
HIRES							
Women	< 30 years old	22	30%	12	28%	25	24%

Gender	Age	Number	%	Number	%	Number	%
	30-50 years old	21	29%	15	35%	44	42%
	> 50 years old	1	1%	1	2%	3	3%
Total women		**44**	**60%**	**28**	**65%**	**72**	**68%**
Men	< 30 years old	10	13%	5	12%	12	11%
	30-50 years old	18	24%	9	21%	22	21%
	> 50 years old	2	3%	1	2%	0	0%
Total men		**30**	**40%**	**15**	**35%**	**34**	**32%**
Total hires		**74**		**43**		**106**	
Turnover rate (new employees)			**4.20%**		**2.39%**		**5.40%**
TERMINATIONS[3]							
women	< 30 years old	4	4%	6	3%	14	6%
	30-50 years old	25	22%	48	23%	63	28%
	> 50 years old	27	24%	51	25%	67	30%
Total women		56	50%	**105**	50%	144	65%
men	< 30 years old	4	4%	0	0%	7	3%
	30-50 years old	25	22%	31	15%	44	20%
	> 50 years old	27	24%	72	35%	28	13%
Total men		56	50%	**103**	50%	79	35%
Total terminations		112		208		223	
Turnover rate (leaving employees)			6.35%		11.57%		11.35%

HIRES AND TERMINATIONS IN THE UNITED STATES, BY GENDER AND AGE (No., %)							
Gender	**Age**	**2021**		**2020**		**2019**	
		Number	**%**	**Number**	**%**	**Number**	**%**
HIRES							

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[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.

Women	< 30 years old	3	43%	2	29%	4	36%
	30-50 years old	1	14%	0	0%	2	18%
	> 50 years old	1	14%	0	0%	0	0%
Total women		**5**	**71%**	**2**	**29%**	**6**	**55%**
Men	< 30 years old	1	14%	3	43%	2	18%
	30-50 years old	1	14%	2	29%	3	27%
	> 50 years old	0	0%	0	0%	0	0%
Total men		**2**	**29%**	**5**	**71%**	**5**	**45%**
Total hires		**7**		**7**		**11**	
Turnover rate (new employees)			**14.89%**		**14.89%**		**20.37%**
TERMINATIONS							
Women	< 30 years old	3	50%	2	14%	5	42%
	30-50 years old	1	17%	3	21%	1	8%
	> 50 years old	1	17%	0	0%	0	0%
Total women		**5**	**83%**	**5**	**36%**	**6**	**50%**
Men	< 30 years old	0	0%	4	29%	2	17%
	30-50 years old	1	17%	4	29%	4	33%
	> 50 years old	0	0%	1	7%	0	0%
Total men		**1**	**17%**	**9**	**64%**	**6**	**50%**
Total terminations		**6**		**14**		**12**	
Turnover rate (leaving employees)			**12.77%**		**29.79%**		**22.22%**

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 2021 data show an upswing in activity versus the prior year, 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	**2021**	**2020**	**2019**
Temporary workers (no.)			
Corporate	3	6	9
Books	18	21	21
Media	15	15	15
Retail	123	56	164
Total	**159**	**98**	**209**

3.1.2 Organizational developments and industrial relations

The major organizational development in 2021 is linked to the acquisition of De Agostini Scuola S.p.A., through the subsidiary Mondadori Libri S.p.A., and of Hej! S.r.l., which has further consolidated the Mondadori Group's presence in the digital field.

With regard to the adoption of the new company contract covering workers under the graphics publishing collective labour agreement signed by the parties in July 2018, as from June, the beneficiaries of the 2020 performance bonus (approximately 750 employees) were able to use the services made available by the MyWelfare platform to manage flexible benefits. Participation in the initiative made available by the Group stood at 56% of those eligible (approximately 30% higher than the national average - source: Welion Generali) and approximately 43% chose to convert 100% of the gross premium into a welfare credit. At end December 2021, approximately 58% of the total amount of welfare credits appeared to have been spent on initiatives made available to beneficiaries in full compliance with current regulations.

The COVID-19 pandemic has ushered in the need to promote new forms of work, highlighting the challenges and opportunities associated with smart working. In this sense, the widespread adoption of a hybrid work methodology, in-person and remote, was confirmed in 2021. In order to ensure correct management of smart working and support staff with methodological and operational tools useful for dealing with the transition period, a training plan dedicated to all Mondadori staff was developed and delivered, thanks also to funding obtained through the New Skills Fund, aimed at enhancing soft and digital skills. Specific training projects were implemented, grounded upon four main pillars: new way of working, digital literacy, business innovation & digital upskilling, professional skilling & reskilling.

In the area of Human Resources, the digital transformation project saw the implementation in 2021 of the "*Recruiting*" and "*Learning Management System"* modules within the HR Portal, for the management respectively of the selection and training processes (including e-learning), in addition to the start of the adoption of the module for the management of the MBO process and the definition of the model for the management of activities relating to Talent Management (assessment of skills, performance and succession plans).

In terms of industrial relations, 2021 was a year that required dealing with the continuing health emergency, through management of the COVID-19 ordinary redundancy fund until June 2021, and on an exceptional basis, until the end of the year, for all the Group's companies. January and April 2021 saw the start of procedures that led to the signing of the related agreements with the local and national trade unions representing workers under the Graphic, Publishing, Trade and Journalists contracts.

Parallel to that, management of the early retirement program, launched in 2020, continued for Arnoldo Mondadori Editore, Mondadori Media and Press-di. A total of 25 people were able to take early retirement in 2021 upon meeting the requirement (35 years of contribution years).

The main feature of 2021 was the start of discussions with the trade unions on agile work, which led, in July 2021, to the signing of the Group Agreement on smart working, which defined the management and application methods within the Mondadori Group for all the companies that signed it.

In the same agreement, the parties proceeded to set up a company Welfare Award for all workers who accept smart working.
In November 2021, the minutes of the Trade Union Agreement were then signed, defining the relevant target for measuring the abovementioned bonus.

Lastly, again in November 2021, union agreements were signed for all Group companies aimed at presenting the new training plan in order to qualify for the New Skills Fund.

All the employees in Italy are covered by collective bargaining agreements: the Graphics Publishing CBA (covering 73% of employees and including Industry managers), the Journalists CBA (9% 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.

3.1.3 Training and development
The current national and international scenario and the rapid changes in the competitive framework in the media field make it increasingly strategic to be able to renew and evolve quickly, seizing the opportunities that technologies offer in terms of redesigning processes and developing new products or business models. People are entrusted with a pivotal role in this context, particularly in being able to govern and anticipate, rather than submissively live through, change. For this reason, the process of training and professional and managerial development is increasingly seen as a strategic lever for encouraging and strengthening internal skills and competencies and attracting young talent. The breakout of the pandemic has also ushered in the need and opportunity to think of a new way of working and conceiving work itself and smart working.

In 2021, the persisting climate gave a strong push towards the widespread adoption of a hybrid work methodology involving a combination of in-person and remote work. To ensure proper management of

smart working and to support staff with methodological and operational tools useful for dealing with the transition period, the Group took due consideration and acted primarily from a cultural viewpoint in order to encourage a different and complementary approach to the way of thinking about both the organization and the way of working.

The training programs developed in 2021 fell within these two mainstreams and can be traced back to a number of general development goals that can be summarized as follows:
- fostering and promoting the dissemination of a digital culture focused on the acquisition of new languages, on the use of "enabling" technologies, on the creation of value starting from the innovation of procedures, on the adoption of a proactive attitude geared towards change and the search for innovative solutions;
- innovating business models and strategies, work processes, product portfolios and services offered;
- facilitating and supporting the adoption of agile models of work organization, including remote work, capable of guaranteeing fully satisfactory performance and results;
- innovating management models and leadership styles that are increasingly effective and consistent with the changing environment.

The overarching objective of all the programs is also to encourage integration of the various business areas in order to improve efficiency, develop synergies and create a shared management style, as well as to develop the necessary distinctive skills of each professional category to anticipate market trends and support business evolution needs.

In order to design training with content addressed to the distinctive traits of the businesses and aligned to the level of as-is skills of the people, an online assessment was conducted on the entire Company population aimed at measuring preparation in the digital field and mapping the level of skills. The results of the assessment provided a useful information base for:
- designing specific training programs able to fill the gaps that were found and to engage people in the process of digital transformation of the Group's businesses;
- identifying the digital champions across the different business units and professional categories, enabling them to play the role of digital evangelists of the organization and to be the lead actors of new innovation projects.

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 2021 training plan, which consisted of a total of over 140,000 hours of specialized and managerial training, focused on the implementation of specific training projects, based on four main pillars:

1. **New way of working**. In order to capitalize on last year's experience, the Mondadori Group has chosen to adopt a hybrid model involving a combination of in-person and remote work. To do so, two training paths, "Remote people management" and "Remote agile working", of 40 hours each, were delivered, involving approximately 150 managers and over 300 employees of the Group. The principles of this new work culture are marked by:
   a. a new management style based on greater accountability on results;

b. greater flexibility and autonomy in the choices of spaces, schedules and tools to be used and the ability to take responsibility and risks, result orientation and learning at all levels of the organization;

c. a greater and more widespread use of agile work, with focus on digital tools and soft skills that can support a more effective management of this work type;

d. a cultural change leaning towards the dissemination of individual and group behaviour oriented to inclusion, cultural integration, gender equality and more generally to enhancement and diversity.

The courses aimed to develop and fine-tune the current skill system of all people in light of the new ways of working and empower them to work according to the new principles of the new ways of working.

2. **Digital literacy.** The Company has promoted the acquisition and/or improvement of workers' digital skills in order to enable people to use digital technologies, which facilitate the integration, collaboration and exchange of information and/or documents in an easy and secure way and enable greater productivity in the hybrid work mode.
In this regard, the following seven training courses were delivered with the aim of enhancing digital skills across all levels of the organization. The courses aimed at increasing the so-called Digital Literacy, that is, the ability to use the new IT tools in order to facilitate the active participation of all workers in an increasingly digitized organization marked by smart working. Specifically, the courses concerned: Excel (basic and advanced), Power Point (basic and advanced), GSuite (basic and advanced) and Windows Operating System.

3. **Business Innovation & Digital Upskilling.** The Group has promoted the dissemination of a technological culture, developing a digital mindset and broadening technical skills, in particular on the professional roles/figures most impacted by business transformation due to new competitive scenarios, accelerated by the new technologies. The paths offered presented a specialized perspective, being aimed at a population that already possessed the so-called basic digital skills, and aimed at helping people understand the opportunities, new business models and best practices of digitization, transferring innovation and efficiency in business processes. The three paths delivered were: ABC digital, Digital Upskilling and Social Media communication.

4. **Professional Skilling & ReSkilling.** These are cross-cutting paths of professional updating and retraining, with the aim of encouraging the transformation of skills towards the roles of the future according to the technological trends of the various businesses of the Group and the relevant markets. Specifically, the topics addressed were as follows: Indesign, Wordpress, Procurement Economics, Advanced Purchasing Management, IT Behavioural Skills, Project & Service Management, Store Management, Multichannel & Digital Retail and sales techniques.

Additionally, over 50,000 hours of on-site training were delivered to the booksellers at the Group's stores and training was provided for franchising staff, covering specific topics relating to the evolution of the publishing market over the last 18 months, the role of booksellers in line with the new scenarios and the guidelines for building an ideal assortment of products enhancing readers and the local area.

The managerial and specialist training is complemented by language training (over 3,000 hours) delivered both in the traditional one-to-one manner and in blended mode, i.e. through the use of digital platforms. Complementing the programs, workplace safety training, delivered both in the classroom and via e-learning.

Mention should additionally be made that the Group has decided to provide its employees with a training tool on the Organizational, Management and Control Model, in order to allow everyone to become more familiar with this important document concerning the prevention of various types of risk. The course was made available on the HR Portal and was conducted in late 2021 and early 2022.

The following table shows the number of training hours delivered and the number of attendees in the three-year period 2019-2021 in Italy. In 2021, the amount of training hours increased greatly versus prior years due to access to the New Skills Fund (NSF), co-funded by the European Social Fund.

HOURS OF TRAINING DELIVERED IN ITALY AND ATTENDEES (total, no.)							
HOURS OF TRAINING (no.)	2021	2020	2019	ATTENDEES (no.)	2021	2020	2019
Total	144,930	11,185	17,959	Total	2,025	2,006	1,963
of which, ad hoc training	140,127	10,091	7,595	of which, ad hoc training	1,634	1,617	423
Executives	3,651	643	1,556	Executives	73	98	49
Middle managers	16,087	2,639	1,687	Middle managers	225	260	97
Office workers	105,381	6,574	4,308	Office workers	1,180	1,172	273
Journalists	14,926	213	44	Journalists	154	83	4
Blue collars	82	22	0	Blue collars	2	4	0
% hours delivered to women	64%	68%	57%	% women	65%	65%	65%
% hours delivered to men	36%	32%	43%	% men	35%	35%	35%
of which, language training	3,150	331	1,263	of which, language training	79	24	46
Executives	1,813.5	147	219	Executives	47	11	8
Middle managers	1,037.2	92	382	Middle managers	23	7	10
Office workers	220.5	68	180	Office workers	7	5	6
Journalists	78.6	25	482	Journalists	2	1	22
% hours delivered to women	53%	72%	80%	% women	43%	58%	76%

	2021	2020	2019		2021	2020	2019
% hours delivered to men	47%	28%	20%	% men	57%	42%	24%
of which, safety training	1,654	763	9,101	of which, safety training	312	367	1,494
Executives	54	2	226	Executives	13	2	38
Middle managers	153	48	1,090	Middle managers	29	37	180
Office workers	1,395	676	6,859	Office workers	262	311	1,123
Journalists	28	28	870	Journalists	4	14	144
Blue collars	24	9	56	Blue collars	4	2	9
% hours delivered to women	44%	52%	62%	% women	50%	56%	62%
% hours delivered to men	56%	48%	38%	% men	50%	44%	38%
Total hours of training delivered	144,930	11,185	17,959	Total attendees	2,025	2,006	1,963
Executives	5,519	736	2,001	Executives	133	111	95
Middle managers	17,277	2,778	3,159	Middle managers	277	304	288
Office workers	106,996	7,318	11,347	Office workers	1,449	1,488	1,402
Journalists	15,032	266	1,396	Journalists	160	97	170
Blue collars	106	31	56	Blue collars	6	6	9
% hours delivered to women	63%	67%	61%	% women	62%	63%	63%
% hours delivered to men	37%	33%	39%	% men	38%	37%	37%

In 2021, in particular, average training per capita in Italy stood at approximately 82.21 hours.

AVERAGE HOURS OF TRAINING DELIVERED IN ITALY (per capita, no.)			
Detail	2021	2020	2019
Total	82.21	6.22	9.14
Women	81.31	6.56	8.98
Men	83.80	5.64	9.41
Executives	57.48	7.75	20.42

Middle managers	70.81	11.29	12.06
Office workers	85.26	5.70	7.98
Journalists	93.37	1.62	8.21
Blue collars	15.13	3.1	4.67

It should be noted that a course on harassment in the workplace was delivered to all Rizzoli International Publications employees, for a total of 49.5 hours, equal to 1.05 hours per capita (approximately one hour on average for both women and men). Specifically, the course lasted an hour and a half for executives and an hour for employees.

With regard to staff assessment and development, activities carried out in 2021 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
  - improvement of 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. The new management development procedure introduced in 2021 stems from the outcomes of previously conducted assessments.

- **Nudge Global Impact Challenge**: through an internal selection process, two young talents of the Group, under 33, were identified to attend this initiative organized by the Dutch company Nudge. The initiative saw the participation of 35 different countries and envisaged 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 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 2022. The finalist projects will be implemented in cooperation with partners and entities outside the Group (foundations, non-profit organizations, etc.).

- Parallel to that, awareness continued to be raised of the **know-how mapping** campaign (professional experience that each employee has gained at Mondadori or in other contexts and educational backgrounds). The goal 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. In 2021, the data collected was used to carry out analysis and mapping of the population for purposes of internal mobility, reorganization, or training planning.

- Lastly, 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 will be circulated to the entire corporate population during 2022 and will become an integral part of recruiting and talent management processes.

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 2021 too, due to the spread of the pandemic, 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, over the 2019-2021 three-year period, 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 2021, a new product was also introduced within the corporate welfare system that provides employees with the opportunity to have a refund on interest on mortgages and loans.

In order to meet the needs of smart working staff, a number of initiatives were put in place as early as 2020: the possibility of claiming free annual subscriptions to the Group's magazines, the online purchase of books with the same discounts applied in the company bookstore, digital tax assistance services in filing tax returns.

In 2021, an online psychological counselling desk was also made available to all employees, accessible free of charge via the HR Portal: the service aimed to provide, through personal interviews with an expert, support and useful indications on how to deal with and manage mood swings in a period of great discontinuity owing to the pandemic.

The Group also prepared and presented the first Home-Work Travel Plan, regulated by Law 77 of 17/7/20, which aims to reduce the environmental impact of vehicle traffic in urban and metropolitan areas. In order to understand what are the most common ways of travel within the Company and what are the needs for the near future, a survey was administered to all employees of the Segrate headquarters, to study measures more suited to the needs of all, with a more watchful eye on the environment.

3.1.5 Internal communications

The activities carried out by the Communications and Media Relations Department also include communication addressed to employees and associates, developed on most of the channels of the Mondadori Group's communication ecosystem. Aside from purely operational factors, the involvement of personnel helps to offer the overall picture of the Company and its development, as well as strengthen the sense of belonging. The year 2021 also saw the need again to inform the corporate population in real time about the measures and steps taken to contain the pandemic.

The new rendition of the Mondadori Network corporate intranet, the service communication platform for employees and associates, has fulfilled this function thanks to the structure that allows accessibility from any device and at any time. Mondadori interacts effortlessly with the tools of the GSuite, already adopted by the Mondadori Group, and integrates platforms and channels, collecting links and methods for accessing useful systems for working life and corporate communication channels. The new platform also addresses the need to constantly keep abreast of things, a need that has materialized with greater strength since the introduction of remote working.

The Intranet and e-mails to all employees in Italy and around the world are the main tools used by the CEO to share the Group's performance and financial results with all employees and associates.

In a broader communication perspective, which transcends the distinction between external and internal communication, the use of the Group's social accounts in 2021 strengthened the narrative of the Company with posts dedicated to new appointments and organizational changes, as well as other content relating to initiatives designed specifically for employees and associates, such as the projects of the new Diversity & Inclusion department or corporate welfare activities.

3.2 Diversity, equity & 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. To positively impact the situation, Mondadori appointed a Chief Diversity Officer in May 2021, with the aim of enhancing diversity within the Company and significantly fostering inclusion processes. 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. The function has worked in synergy with all the other company departments, proposing to bring into the system the many business initiatives that the Company already develops with great attention to these topics.

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

1) Creation of a system of indicators related to diversity and inclusion, which will monitor gaps to be filled in a timely manner and their development trends. The possibility of starting from numerical data will make it possible to define priorities and assess the effectiveness of actions undertaken in an objective manner and will form the basis for implementing a management incentive system that is also enhanced by so-called ESG objectives. The monitoring system will be effective as from 2022.

2) Promotion of "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. In 2021, the major initiatives were:
   - webinar for Company management entitled "Inclusive organizations: impacts for the business and sustainability of the Mondadori Group". The meeting focused on the relationship between inclusion and business results and was divided into three main moments: an observatory of the main trends, a moment of exchange of views with a panel of experts from other companies and a discussion between the CEO, the CDO and the Group Human Resources Director on the meaning and objectives of D&I in the Company;
   - workshop dedicated to Human Resources management on the main levers of action and areas of criticality for the development of D&I in Mondadori.

3) Reshaping of the main company policies, to guarantee all the population fair and true possibilities of professional growth and access to opportunities, not only economic ones, offered by the Company. The reshaping of the selection, promotion and incentive system policies is underway.

4) Planning and/or participation in specific initiatives, both internal and external, aimed at making a tangible impact on gender equality issues.

   In 2021, Rizzoli Education developed a manifesto (see paragraph "Education and the school world"), a statement of values and intentions presented at an event dedicated to teachers, also accessible through live streaming, which was attended and contributed to by the Group's CDO and voices from the world of journalism, research, publishing, business, art and sport.

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 CATEGORY[4]

Professional grading	2021	2020
Executives	63%	65%
Middle managers	92%	92%
Office workers	98%	98%
Journalists	82%	81%
Blue collars	90%	81%

RATIO OF THE REMUNERATION OF WOMEN TO MEN BY CATEGORY[5]

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

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

[4] The calculation of the basic salary ratio is based on the average annual gross salary. In order to calculate the ratio, the basic salary of employees belonging to the "part-time" professional category was re-proportioned to make it comparable to the salary of full-time employees

[5] Remuneration considers the average annual gross salary as well as any MBO bonuses paid for specific gradings of employees 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"

EMPLOYEES WITH DISABILITIES (%)									
Professional grading	**at 31 December 2021**			**at 31 December 2020**			**at 31 December 2019**		
	% 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	5%	75%	25%	5%	75%	25%	6%	60%	40%
Office workers	85%	47%	53%	84%	47%	53%	84%	50%	50%
Journalists	1%	100%	-	4%	100%	-	3%	100%	-
Blue collars	8%	33%	67%	8%	33%	67%	7%	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**
	4%	48%	52%	4%	49%	51%	4%	51%	49%

Almost 3% of employees (mostly women, 74.5%) 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	**2021**			**2020**			**2019**		
	Women	**Men**	**Total**	**Women**	**Men**	**Total**	**Women**	**Men**	**Total**

Employees entitled to parental leave[6] (no.)	1,152	658	1,810	1,163	682	1,845	1,244	774	2,018
Employees who took parental leave (no.)	27	2	29	38	13	51	98	18	116
Employees returning to work after parental leave (no.)	27	2	29	38	13	51	95	18	113
% returning after parental leave	100%	100%	100%	100%	100%	100%	97%	100%	97%

3.3 Health and safety in the workplace

Ensuring safety in the workplace and safeguarding the health of Mondadori Group employees has long been one of the core purposes of the prevention and protection service.

In 2021, the activities aimed at countering the COVID-19 pandemic continued to be a top 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 be implemented immediately 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", the Mondadori Group updated and validated its own Corporate Anti-Contagion Protocol, the measures adopted of which are reported below.

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 extensively through email and by setting up a

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[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.

section of the dedicated intranet. In addition to the constant updates, the section contains the latest version of the Mondadori Corporate Anti-Contagion Protocol and is available for consultation.

3.3.2 Guidelines on entry to premises

By forwarding specific communications and posting "Our Rules of Conduct" at the entrances to the offices, the staff and all those who needed to enter the Company were informed of the no access notice for those who, over the last 14 days, had had contact with persons who tested positive to COVID-19 or came from areas at risk according to WHO indications.

In agreement with the competent medical officer and in compliance with privacy regulations, a system for monitoring body temperature at the entrance to the offices was set up, through installation of dedicated thermal scanners.

Since 15 October 2021, as envisaged by Law Decree 127, entry into the Company has been restricted to workers in possession of a green pass and formally authorized by their managers, in compliance with the distancing between workstations set out in the plans agreed with the Competent Medical Officer.

External guests were allowed to enter the Company only when strictly required.

All those recognized by the competent medical officer as experiencing emotional situations were released from on-site work until the end of the state of emergency ordered by the Government.

3.3.3 Guidelines on entry of external suppliers

All external suppliers, before entering the premises, signed and followed the entry and parking procedures, in order to reduce the possibilities of contact with on-site personnel. Likewise, the couriers and truckers were made to sign the directives for guaranteeing the respect of an at least one metre distance from the personnel inside the premises to carry out loading and unloading operations.

3.3.4 Cleaning and sanitization of company premises

The Company increased daily cleaning and scheduled regular sanitization of the spaces, common areas, equipment and workstations, more often for the workstations actually used through daily reporting by the person involved.

In the event of the presence/reporting of a person with COVID-19 within company premises, a cleaning and sanitization procedure was defined 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 was not used; 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; the Company provided all personnel with suitable hand cleaning and disinfecting equipment.

3.3.6 Personal protective equipment

All personnel were initially provided with surgical masks on a daily basis and then with FFP2 masks at the entrance to the offices, with the obligation to maintain the device in all common areas, corridors, lifts, stairs and whenever it was not possible to maintain the interpersonal distance of at least 1 metre. In

the different premises, more than 700 plexiglass panels were installed to separate workstations and further increase the level of containment of the spread of the virus.

3.3.7 Common space management

Access to the Company canteen in Segrate, in light of the trend of infections, 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 1 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.

The tables in the canteen areas were sanitized always after being used and the push buttons on the vending machines, photocopiers and lifts were cleaned daily with special detergents.

3.3.8 Company organization

Agreements with Company trade union representatives were fostered, encouraging and facilitating the resort to agile working, after putting staff in a position to carry out their activities in smart working mode using the necessary equipment.

A free online psychological counseling service was set up 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 identified to limit contact; hand sanitizers were placed at all entrances and in transit areas, 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 were replaced by remote meetings and, when necessary, were limited to the persons strictly required in compliance with interpersonal distancing and the rules for the use of the rooms posted at the entrance to the premises; at the end of the meetings, adequate cleaning of the premises used was guaranteed.

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.

Scheduling of all events with public attendance was suspended.

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 by the Authorities, 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, after a suspension imposed by the context, were rescheduled adopting due precautions and in accordance with the provisions of the protocols.

In keeping with the measures adopted to combat the spread of the COVID-19 virus, in 2021 too the Mondadori Group launched a diagnostic screening program, offering employees the opportunity to perform and repeat free of charge over 13,000 molecular and antigenic tests.

For the Segrate staff, a booking tool for the antigenic test was made available in the HR Portal to allow them to better organize the performance of the test on in-person work days.

The new 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 over 1,300 employees and associates.

3.3.13 Regulatory Enforcement and Assessment Committee

Under the provisions issued by the Presidency of the Council of Ministers, the Committee for the enforcement and assessment of the rules of the regulatory protocols was set up: the core structure of the Committee saw the participation of the members from the Committee previously set up within the Company, with the presence of trade union representatives and the Workers' Safety Representatives; additionally, a safety contact person was identified for each location with the task of monitoring and reporting on compliance with the rules of conduct defined in our rules of conduct.

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

As for the offices, the Protocol was agreed for the directly-managed Mondadori Retail stores. Alongside this document, required by the regulations, a specific Operational Notice was defined and circulated, which indicates the responsibilities of Supervisors under Legislative Decree 81/08; all employees and managers of Mondadori stores were involved in order to guarantee and oversee the application of Ministerial Decrees, Regional Orders and the provisions implemented by the company during the state of emergency.

The state of emergency, which upset the priorities of the Group's Safety Coordination in 2021 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 16 Workers' Safety Representatives.
- on-site workplace inspections: in 2021 the competent medical officers carried out and took minutes of the workplace inspection of 15 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 206 workers including first aid and firefighters, workers' safety representatives, supervisors, health and safety managers, health and safety officers for a total of 1,183 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 106 workers for a total of 471 hours.

While not being a legislative requirement, BLSD (Basic Life Support and Defibrillation) refresher courses for basic cardiopulmonary resuscitation and early defibrillation were delivered again in 2021 to 25 volunteer employees of the Segrate and Turin offices, where an AED (Automated External Defibrillator) device is available.

The Competent Medical Officers, in compliance with the anti-contagion provisions, guaranteed the occupational medicine service by visiting 350 workers subject to health surveillance for risks from the use of video terminals for over 20 hours per week.

3.3.14 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 two-year period 2020-2021. 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 2021.

Accident rates	2021	2020	2019
Hours worked[7] (no.)	1,172,171	1,417,658[8]	3,145,524
Number of accidents in the workplace (no.)	0	1	6
of which with severe consequences (no.)[9]	0	0	0
Rate of accidents in the workplace[10]	0	0.14	0.38
Rate of accidents in the workplace with severe consequences[11]	0	0	0
Accidents from work-related travel (no.)	2	6	15

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[7] Hours worked include overtime

[8] The decrease in hours worked in 2020 versus 2019 is explained by the reduction in headcount (-8.5%) and the measures taken as a result of the health emergency: plan to use up outstanding holidays, redundancy fund and Covid leave

[9] 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

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

[11] 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 x 200,000

3.4 Education and the school world

Over the past few years, the issue of digital teaching has represented an element of "continuity in the emergency", since it is an established situation that marks the everyday life of the current pandemic context.

The actions taken during the emergency, in 2020, were rationalized and structured in order to give the Group's parties and stakeholders (teachers, students, households, etc.) a tangible response and a *modus operandi* that has become, in a context of uncertainty and discomfort, an integral part of everyday life.

Some elements and initiatives, which were of an emergency nature during the first year of the pandemic, became structural in the Publisher's offering during 2021.

The product range of the educational publishing houses Mondadori Education and Rizzoli Education has been enriched with new products, as well as tools, solutions and support services: renewed guides for teachers, tools to support integrated teaching, content and texts dedicated to special educational needs, customizable materials for teachers designed for tests, programming and lessons in digital education and inclusive teaching. Special attention was paid to the continuity of teaching, both in-person and distance learning. Integration between digital and traditional teaching tools was enhanced, addressing the need for a skillful and effective mix of textbooks and digital content.

Materials were designed and made available to teachers that are usable and adaptable to both teaching modes. The Group's textbook publishers, with their 2021 productions, offered versatile and comprehensive materials focusing on providing tangible reference points and solid planning tools in the uncertainty of the context.

2021 was the year in which many of the topics, referring to the framework of the 2030 Agenda, 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 on the part of the two publishing houses. 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.

Some of the initiatives promoted by the Rizzoli Education publishing house were:
- inclusion, throughout production, of recurring fact sheets on the topics of the 2030 Agenda and related to civil education;
- 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;
- "Equality Objective" for primary schools: supervision, by gender educators, of passages, illustrations and language used, to ensure gender-balanced representation;
- launch of the "Manifesto per la parità di genere e pluralità" (see section on "Diversity, Equity and Inclusion"): a project that promotes the themes of gender equality, multi-culture, new models of families and inclusion. The project included internal training dedicated to news desks and a cycle of free events for teachers.

The initiatives promoted by the Mondadori Education publishing house include:
- "La Lettura al centro" project (see section on "Promoting reading and sociocultural growth"): a complete set of proposals and tools to make reading central to teaching activities

in all schools. The project also includes the initiative "Gli scrittori fanno scuola", developed in association with Mondadori Ragazzi;

- #*Leparolechesiamo, la scuola che vogliamo* project (see section "Promotion of reading and sociocultural growth")*,* implemented in 2021, which led schools throughout the country to consider and work on issues of innovation, sustainability and inclusion, with particular attention to gender equality.

The two publishing houses of the Mondadori Group have also significantly enriched the product range of HUB Scuola, the platform dedicated to digital teaching, complementing the offer with new tools and content for integrated digital teaching, while investing 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 wide, in terms of educational coverage, is the proposal from HUB Test, which allows tests on almost all the topical areas covered, thanks to the presence of 60 subjects and over 55,000 questions available, for teachers and students. To facilitate access to content, efforts focused on everyday tools and platforms such as smartphones, QR-codes, Google Forms, Google Drive, and YouTube.

Additionally, the knowledge-base of HUB Scuola was developed and reorganized to cover an increasing number of aspects in support of users and a virtual assistant solution was adopted, a tutorial bot, that is, a virtual tutor able to support and guide users in the use of the main features of the platform.

3.5 Promotion of reading and socio-cultural growth

The dissemination of culture and ideas is part of the Mondadori Group's mission and is ingrained in its products and services. It forms not only the basis of its business activity, but permeates the very logic related to the creation of its offer to the public. As a result, it gives shape to a great many initiatives, either sector-specific or 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 publishing houses, in *#ioleggoperché*, the major national event for the promotion of reading organized by AIE (Italian Publishers' Association), which achieved the following results in 2021: 450 thousand books donated by citizens and publishers (350 thousand by Italians and 100 thousand by publishers), 20,388 schools listed throughout the Country and 2,743 participating bookstores.

Additionally, the Group regularly donates books to school and municipal libraries, located in prisons or welfare facilities.

In October, the Electa publishing house, together with the city of Mantua and in association with Fondazione Mondadori, launched a writing and publishing school for young people entitled "Il libro dalla A alla Z" to mark the 50th anniversary of Arnoldo Mondadori's demise. A training course addressed to 110 high school students with the aim of promoting skills useful for the publishing professions.

In a year still heavily affected by the increase in digital activities in the face of physical constraints brought by the pandemic, the wish to promote interest and love of books and reading from an early age was strongly felt.

Thus, the "La lettura al centro" project (see section "Education and the school world") came to life, combining the school world and fiction for children with the aim of putting reading at the centre of daily teaching activities: video testimonials, live events and a reading marathon. As part of this project, thanks to the synergy between Mondadori Education and Mondadori - Libri per ragazzi, the initiative "Gli scrittori fanno scuola" was created, a series of virtual meetings with classes, accompanied by educational manuals designed for teachers of schools of all levels.

Also held was the third edition of "#Leparolechesiamo, la scuola che vogliamo" (see section "Education and the school world"), the competition for schools promoted by Mondadori Education and the Nuovo Devoto-Oli. An initiative that offered students, for the first time ever, the opportunity to express their thoughts on school and to start a path of change through the creation of tangible projects. The winners were presented to the public and educational institutions and accompanied in the search for funds for their implementation.

The year also saw the continuation - and expansion - of the online version of the media literacy program *Focus Junior Academy*, which has been run for several years now by *Focus Junior* to teach children and young people about the world of publishing and journalism. The initiative, in its 2021 edition, focused on the goals of the UN 2030 Agenda, to include the Focus, Focus Storia and Focus Scuola brands. High-school students were thus given the possibility of coming closer to scientific and historical popularization, through monthly webinars to spark a discussion on pressing topics such as biodiversity, energy distribution, climate change and the protection of the oceans.

2021 saw the continuation of "*Alunni in libreria",* an initiative that has connected for over twenty years now Mondadori bookstores and schools to fire the imagination of students about fantasy, literature and culture. The program, offered by Mondadori Stores to kindergartens, primary and lower secondary schools, offers meetings, workshops and activities dedicated to raise awareness and encourage young people to issues related to the environment, multiculturalism and inclusion.

The wellbeing of the mind and body, the promotion of a sustainable lifestyle and attention to the environment were the focus points of a series of special Mondadori Store initiatives dedicated to the "Leggere ci fa crescere" campaign, held in bookstores throughout Italy, on Mondadoristore.it and on social channels in October 2021. The initiative saw the presentation of a generous schedule of appointments with authors and experts, tutorials and social columns with good ideas and tips for one's health and the health of the environment.

Cucina verde was also launched as part of this initiative: a book of recipes designed for a life in harmony with the environment, created thanks to the exclusive contributions of authors, readers and booksellers in Mondadori stores.

Mondadori Store also joined and supported two important initiatives:

- "Più raccogli, più semini": the project promoted by Payback in association with Treedom (the site that allows people to plant trees from a distance and follow online the story of the project they will contribute to), which involved the possibility of transforming the promotional points collected by

readers, thanks to their spending in the bookstore, into trees, contributed to the planting of 3,000 trees;

- World Autism Awareness Day: the support to Fondazione Sacra Famiglia Onlus which, for over 120 years now, has been welcoming and taking care of vulnerable children, adults and elderly people or those with physical disabilities, was carried out with a communication campaign on social channels aimed at raising awareness on this issue.

3.6 Responsibility for content

The Mondadori Group is committed to providing accurate, meticulous and truthful information through its editorial products - books, magazines, websites and digital media/products - while respecting the tastes and sensitivity of the general public.

The creation of content for miscellaneous book production (i.e. production intended for bookstores) is guided by the possibility of offering the widest range of voices, ideas, and expressions; the publisher acts, in this case, as a vehicle for the authors, who are the true "owners" responsible for the published work. They are given the widest possible freedom of expression, but where necessary, legal audits are made on content that may be deemed defamatory.

Content auditing and conformity is, instead, paramount in school textbooks production, as it is linked to ministerial guidelines on curricula and didactics.

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.

Additionally, 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 2021, 17 quantitative surveys were conducted for *Mondadori Media* (surveys on add-on sales), *Giallozafferano and Mypersonaltrainer (*survey on the role of the digital world), the titles *Casafacile and Donna Moderna* (monitoring, in the subscription area, of former readers of the titles), *Grazia* and *Focus Scuola* (survey on subscribers), *Donna Moderna* (specific survey for the title) and *Mediamond* (survey on the importance of print magazines). Additionally, for *Chi* and *Focus,* qualitative market surveys were conducted by an external research institute.

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

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

- showing life inside the Company and the people who work there by involving employees (Instagram, Facebook, LinkedIn);
- presenting the world of books in coordination with publishers (Twitter, Instagram Stories, LinkedIn);
- enhancing the spontaneous relationship of employees with Palazzo Mondadori (Instagram).

The Mondadori Group has a total of 180 social profiles (most of them linked to individual product brands) reaching a total of nearly 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 that sprang up during the lockdown periods to reach users were consolidated, allowing the various business areas to expand their audiences and interact on an ongoing basis.

Parallel to the gradual resumption of physical and in-person activities, 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:

- the Focus Academy sponsored webinars, organized by Focus, Focus History, Focus Junior and Focus Scuola, for primary and secondary schools on science popularization and sustainability;
- podcasts inspired by published books, including the *Podcast d'altro genere* by Rizzoli or *Senza Perdere il filo* by Sperling & Kupfer;
- online in-depth analysis, such as *La Lettura al centro*, a program of video testimonials and virtual meetings between writers and schools, organized by Mondadori Education in association with Mondadori's business unit dedicated to children's books (ref. section "Promotion of reading and socio-cultural growth");
- the *IllusiOcean* exhibition, which can also be visited online, dedicated to sea biodiversity and organized by Focus at the Bicocca University in Milan.

In 2021, the topic of product accessibility was also addressed and developed from the perspective of editorial production. Mondadori published its first entirely high readability children's book series. This is a graphical project designed for readers with specific learning disabilities, but also for all those who have difficulty approaching reading.

Last but not least, the publishing houses also committed themselves to the use of texts in healthcare facilities with two projects: one for the distribution of a selection of literary classics to patients admitted to the Sant'Orsola Hospital in Bologna, and another for the donation of titles from the "Salviamo il Pianeta" series by Geronimo Stilton to children in hospital pediatric wards.

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 in the implementation of its business activities, from the purchase of certified paper to the efficient management of its stores. With regard to energy consumption and greenhouse gas emissions, the Group has implemented various energy efficiency initiatives, such as the installation of LED lighting systems and the implementation of initiatives to reduce Scope 3 emissions related to employee consumption.

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.

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.

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 Sustainability Committee (see section on "*Sustainability governance")*, which has drawn up an environmental policy, published on the Mondadori Group's corporate website (www.mondadorigroup.com/sustainability/climate-change). 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.

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, especially considering the

strategic focus placed in recent years on the Company's Books and, on a smaller scale, Magazines businesses.

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 then 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 as waste paper 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 2021, 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 60,000 tonnes (+14% versus 2020). Leveraging on the strategy of purchasing goods and services that started in 2014, Mondadori has strengthened its commitment to rationalizing the use of paper in the printing of its products, and to have greater control over the supplier selection process, to ensure 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 2019-2021 period. The amounts for the breakdown by type of paper remained almost constant over the three-year period for both the use of traditional paper and the use of certified paper.

TOTAL PRINTING PAPER, BY TYPE, ITALY						
Type of paper	**2021**		**2020**		**2019**	
	t.	%	t.	%	t.	%
Certified	56,389	99.98%	49,256	99.99%	62,643	99.98%
Recycled	3	0.00%	1	0.00%	5	0.01%
Traditional	9	0.02%	6	0.01%	7	0.01%
Total	**56,401**	**100%**	**49,263**	**100%**	**62,655**	**100%**

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 2021, estimates indicate that approximately 85% of paper used is certified, steady versus the prior year and up slightly versus 2019 (approximately 80% in 2019). Below are paper consumption estimates for 2019-2021.

TOTAL PRINTING PAPER[12] UNITED STATES			
	2021	**2020**	**2019**
Printing paper	3,600	3,500	3,500

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 2021, regarding the Italian scope, a total of almost 2,500 tonnes of renewable packaging materials (wood and cardboard) was consumed, while non-

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[12] Rizzoli International Publications' 2019, 2020 and 2021 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

renewable packaging materials (polyethylene, polypropylene and expanded polystyrene foam) amounted to 257 tonnes (-8% versus 2020). Data on material consumption used for shipping are unavailable for Rizzoli International Publications.

Magazines – Italy

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, which manages the distribution of Mondadori magazines and the magazines and newspapers of other publishers for the newsstands channel and subscribers. Press-di's logistics processes, including transport management, are all outsourced to select suppliers. Specifically, the logistics processes for the magazines were entrusted at end 2019 to Di2, of which Press-di Distribuzione Stampa e Multimedia S.r.l. is a 50% partner.

With regard to magazines, in 2021, approximately 55,474 tonnes of product were transported (approximately +0.8% versus the prior year), 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 reduction in the number of pallets transported, from 85,145 to 83,091 (-2.4%) went in the opposite way of the increase in weight, 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 four steps:
- film wrapping if any: in 2021 the film wrapping process involved approximately 21.41 million copies of the publisher Mondadori Media and Mondadori Scienza, using 88 tonnes of film wrapping material and 16 tonnes of stretch film; this activity was discontinued by Press-di in November 2020 and returned directly to the two abovementioned Group companies through agreements managed centrally by the Group Procurement Department. The data therefore refer only to the film wrapped copies of Mondadori Media and Mondadori Scienza and are therefore significantly lower than those for 2020 (-24%);
- shipment staging: in 2021, the shipment staging process involved 83,091 equivalent pallets or approximately 557 tonnes of wood, a slight increase (+0.7%) versus the prior year;
- primary transport: from distribution logistics centres (Cinisello Balsamo (Mi), Rome) to local distributors (43 local distributors in 2021);
- 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**	**2021**	**2020**	**2019**
Wood	Pallets	557	553	687
Cardboard	Cardboard boxes and packaging materials	-	-	-
Polyethylene	Film	104	138	206
	Package filling	-	-	-
	Pallet covers	n.a.	n.a.	n.a.
Polypropylene	Tape	n.a.	n.a.	n.a.
	Strapping	n.a.	n.a.	n.a.
Expanded polystyrene foam	Filling of packages with polystyrene	-	-	-

The lower operating costs (deriving from the progressive reduction in the transported weight of pallets) correspond to a proportional reduction in emissions due to transportation. 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 CO_2eq emissions resulting from the transport of magazines from distribution logistics centres to local distributors for the three-year period 2019-2021 (in 2021 from Cinisello Balsamo and Rome, in 2020 from Melzo and Rome, in 2019 from Melzo, Verona and Rome), 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 Regione*) 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 2021, local pulping amounted to approximately 12,433 tonnes for magazines (-0.4% versus 2020) and approximately 9,794 tonnes for newspapers (+10.9% versus 2020), due to an increase in the scope of publishers distributed. Today, out of the 43 local distributors used by Press-di, 40 guarantee certified returns.

Trade books

2021 saw completion of the transfer, that had started in November 2020, of trade book supply activities from the multi-customer warehouse in Stradella to a warehouse located in Broni (PV) dedicated entirely to the activities of the Mondadori Group. In this context, the returns process is worthy of attention: returns are registered, classified based on quality, recorded, 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]	2021	2020	2019
Copies	9,491,939	9,683,088	12,788,000
Packages	296,623	302,597	399,000
Shipments	33,189	33,275	43,900

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. The use of polystyrene was phased out in 2021 in favour of a "bubble wrap" system.

School textbooks publishing

In 2021, Mondadori Education distributed approximately 6.3 million textbooks and teachers' guidebooks. The distribution activities of the Vallese di Oppeano (VR) site were transferred in 2021 to a new warehouse located in Isola Rizza (VR). The activities continue to be carried out by Ceva Logistics. 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. Additionally, 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);

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[13] Data on pallets and shipments are based on estimates of the number of copies

- although returns are less frequent for school textbooks, total returns in this segment came to approximately 707,000 copies in 2021.

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 2021, while returns amounted to approximately 1 million (both data refer to sale copies and to classroom trial copies).

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
With regard to 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 end customer's 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 BOOKS[14] BY TYPE				
Raw material (t.)	**Detail**	**2021**	**2020**	**2019**
Wood	Pallets	825	734	802
Cardboard	Cardboard boxes and packaging materials	1,114	954	1,050
Polyethylene	Film	42	58	60
	Package filling	33	12	15
	Pallet covers	5	30	36
Polypropylene	Tape	13	8	9
	Strapping	60	22	25
Expanded polystyrene foam	Filling of packages with polystyrene	0	13	15

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[14] 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 cut its emissions, both in 2021 and in the past; these include the implementation of energy efficiency measures in buildings, the efficient use of paper for printing, and the replacement of the car fleet with lower emission models (see section *Initiatives to reduce the environmental impact*).

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 2021 amounted to approximately 29,062 tonnes of CO_2. Total electricity consumption in 2021 amounted to 10,760 MWh, while natural gas consumption amounted to 363,999 m^3 (12,842 GJ, -1% versus 2020). In 2021, the Group did not acquire any energy from renewable sources.

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 (tonnes)[15] - ITALY	2021	2020	2019
Direct (Scope 1) - CO_2[16]	1,069	1,109	1,242
of which, emissions related to the company car fleet[17]	350	384	394
Indirect (Scope 2)			
location-based – CO_2	3,304	3,676	4,617

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[15] With a view to ongoing improvement, the methodology for classifying emissions into the atmosphere with regard to emissions linked to the company car fleet (considered Scope 1, as this is a medium/long-term lease) and primary transport (added to the calculation of Scope 3 emissions, previously reported in a subsequent paragraph within the NFS) was appropriately reviewed. Therefore, the changes made only reflect a different methodology for allocating and consolidating data

[16] Scope 1 emissions are shown in tonnes of CO_2, as the source used does not report the emission factors of other gases than CO_2. Scope 1 emissions do not include data on fugitive emissions from air conditioning equipment as the data is not available for the three-year period 2019-2021

[17] Scope 1 emissions associated with the Group's fleet make up approximately 33% of Scope 1 emissions, and are estimated from the average contracted kilometres and CO_2/km emissions of individual vehicles in the fleet

market-based – CO_2	4,814	5,097	6.266
Other indirect emissions (Scope 3) - CO_2	23,183	20,804	31,326
of which emissions related to paper production - CO_2[18]	*21,996*	*19,705*	*24,435*
of which, emissions related to business travel - CO_2[19]	*254*	*191*	*1,121*
of which, emissions related to primary transport - CO_{2eq}	*933*	*908*	*5,769*
Total emissions - CO_2[20]	**27,556**	**25,590**	**37,184**

Emission factors used

Electricity *(location-based)*	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
	2019 Source: Terna international comparisons on Enerdata data (2017 data)	359 gCO_2/kWh
Electricity *(market-based)*	2021 Source: AIB, (2021) European Residual Mixes 2020	459 gCO_2/kWh
	2020 Source: AIB, (2020) European Residual Mixes 2019	466 gCO_2/kWh
	2019 Source: AIB, (2019) European Residual Mixes 2018	487 gCO_2/kWh
Natural gas	2021 Source: NIR ISPRA	1,976 k of CO_2/cum
	2020 Source: NIR ISPRA	1,972 k of CO_2/cum
	2019 Source: NIR ISPRA	1,976 k of CO_2/cum

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[18] Scope 3 emissions linked to paper production are shown in tonnes of CO_2, as the source used does not report the emission factors of other gases than CO_2

[19] Data for 2019 and 2020 differ from the situation in the 2020 NFS as a result of the data shown in Note 14. Data relating to business travel are disclosed through a specific report by the travel agency used by the Group

[20] Total emissions are calculated taking account of Scope 2 - location-based emissions, and are expressed in CO_2 as the share attributable to other gases is not considered material

Paper production	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
	2019 Source: Key Statistics 2018 of the Confederation of European Paper Industries (CEPI)	0.39 t. CO_2/t. paper
Primary transport	2021 Source: DEFRA: 2021 UK Government GHG Conversion Factors for Company Reporting (Freighting goods - All rigids, 100% laden)	0.91 kgCO_2eq/km
	2020 Source: DEFRA: 2020 UK Government GHG Conversion Factors for Company Reporting (Freighting goods - All rigids, 100% laden)	0.92 kgCO_2eq/km
	DEFRA: 2019 UK Government GHG Conversion Factors for Company Reporting (Freighting goods - All rigids, average laden)	0.80 kgCO_2eq/km

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.

NATURAL GAS CONSUMPTION - ITALY[21]	UoM	2021	2020	2019
Natural gas	m³	363,999	367,939	428,985
	GJ	12,842	12,981	15,144

In Italy, the Group's gas consumption remained at last year's levels, decreasing by 1.1% versus 2020. This year's figure confirms the downward trend versus 2019, due primarily to site closures during the lockdown period.

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[21] 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 system

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

ELECTRICITY CONSUMPTION - ITALY	UoM	2021	2020	2019
Total electricity purchased from the national grid	MWh	10,488	10,941	12,860
	GJ	37,756	39,387	46,295

The trend in electricity consumption in Italy has been steadily falling over the past three years: the approximately 18% reduction between 2019 and 2021 is due to the energy saving measures and actions implemented over the three-year period and, with regard to last year, the closure of offices during the lockdown period (see section *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 contribution. In 2021, these emissions amounted to approximately 21,996 tonnes of CO_2, up (+12%) versus the prior year and proportional to the increase in the consumption of paper, most of which is certified. 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.

EMISSIONS BY MEANS OF TRANSPORT[22] (%)	2021	2020
Train	16.2%	17.9%
Car rental	2.0%	2.3%
Plane	81.8%	79.8%

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[22] Data for the two-year period 2020-2021 have been restated, following the allocation of fleet-related emissions within Scope 1 emissions.

Versus the prior years, due to the persisting COVID-19 pandemic, in 2021, as in 2020, business travel was greatly scaled back. 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. As from 2020, these emissions have decreased considerably, amounting to around 900 tonnes of CO_2eq (908 tonnes of CO_2eq in 2020 and 933 tonnes of CO_2eq 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 (tonnes) - UNITED STATES	2021	2020	2019
Energy indirect (Scope 2) – CO_2[23]			
location-based	102	92	125
market-based	102	92	125
Other indirect emissions (Scope 3) - CO_2[24]	1,404	1,400	1,365
Total location-based emissions - CO_2	**1,506**	**1,492**	**1,490**

Currently unavailable are the data on fugitive emissions from air conditioning equipment for measuring direct (Scope 1) GHG emissions, and those on emissions from business travel.

Emission factors used

Electricity (location-based and	2021 Source: Terna international comparisons on Enerdata data (2019 data)	374 gCO₂/kWh
	2020 Source: Terna international comparisons on Enerdata data (2018 data)	399 gCO₂/kWh

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[23] Scope 2 emissions are shown in tonnes of CO_2; however, the percentage of methane and nitrous oxide has a negligible effect on the total greenhouse gas emissions (CO_2 equivalent), as inferred from the relating technical literature. Scope 2 emissions data for 2020 (249 tonnes) have been recalculated based on information shown in Note 23

[24] Scope 3 emissions linked exclusively to paper production are shown in tonnes of CO_2, as the source used does not report the emission factors of other gases than CO_2

market-based)	2019 Source: Terna international comparisons on Enerdata data (2017 data)	411 gCO_2/kWh
Paper production	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
	2019 Source: Key Statistics 2018 of the Confederation of European Paper Industries (CEPI)	0.39 t. CO_2/t. paper

In 2021, total emissions by Rizzoli International Publications were 1,506 t. CO_2 from electricity consumption and paper production, up slightly versus the prior year.

ELECTRICITY CONSUMPTION - UNITED STATES[25]	UoM	2021	2020	2019	
Total electricity purchased from the national grid	MWh	272	230	305	
	GJ	979	829	1,099	

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, saw a slight increase in the production of hazardous waste between 2020 and 2021, which however remains below the levels of 2019.

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[25] *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. The 2019 data are estimated on the basis of 2018 electricity consumption per employee, as detailed data on consumption are unavailable*

WASTE GENERATED	2021		2020		2019	
Segrate head office	t.	%	t.	%	t.	%
Hazardous	0.36	0.31%	0	0.00%	2.738	1.14%
Non-hazardous	116.1	99.69%	141.247	100%	238.158	98.86%
Total	116.46		141.247		240.896	

4.3.2 Energy saving initiatives implemented in 2021

In 2021 too, despite the pandemic that forced urgent and specific sanitization 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 2020 and partly implemented in 2021, the benefits of which will be fully felt in 2022. Other initiatives are currently in the pipeline or being assessed and planned.

A point worth mentioning is that, in addition to the pandemic-related emergency, the almost total renovation of the *Palazzo*, planned for 2022 and involving the plant engineering section too, has been postponed, and some of the works have been completely suspended by the ownership.

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. Over the last three years in particular, the Group has managed to reduce the consumption of printing paper by approximately 67%. Toners also saw a reduction over the three-year reporting period, due to both printer replacement policies applied over the years and office closures due to the pandemic.

TONER AND PRINTING PAPER CONSUMPTION (OFFICES) Raw material (tonnes)	2021	2020	2019
Paper for printouts	20	29	61
Toners for printouts	0.59	0.3	1

Segrate head office

Water and air treatment plants
- Implementation of an automated program, *Optimum Start*, for winter management and start-up of the main systems linked to actual space occupancy and external conditions.

The goal is to promote energy saving while maintaining constant conditions of wellbeing. From a comparison with the data collected in the months of the beginning of operation, saving on an annual basis are estimated at approximately 40,000 m^3 of methane gas and 20,000 kWh.
- A change of the hydraulic systems is currently underway, involving the inclusion of a new valve to regulate the discharge of well water into the lake, in order to further reduce the electrical consumption of the groundwater pumps. Estimated saving on an annual basis of approximately 2,000 kWh.

Energy monitoring
In keeping with 2020, the electrical energy monitoring system was further improved as required by Legislative Decree 102/2014. The system allows us to split energy consumption based on use (conditioning, motive power, lighting, auxiliary devices), crucial for implementing new saving measures.

4.3.3 Initiatives planned or in the pipeline for 2022
Segrate head office

Below are the initiatives planned or in the pipeline for 2022, slowed down by the aforementioned renovation of the *Palazzo*:
- the project has been laid out for the splitting of the induction system on the main building, north side, through sectioning of the hydraulic distribution into two macro-areas per each half floor, and the installation of inverters on the hot and cold inductor pumps. The goal is to promote energy saving, improved comfort and greater flexibility of the system, also allowing a different use per half floor.
- Planning of the installation of a new geothermal unit for the treatment of technical environments, such as the documentation centre and the control room. This initiative was necessary to replace the machines that are no longer in operation, and gave the opportunity to create a system that offers greater efficiency and reduced electricity consumption.
- Planning of the installation of the box management system on the "Foglia" floor. This initiative marks the completion of the intervention carried out some years ago on the -1 floor (Sottofoglia) and on the fifth floor.
  The goal is to promote energy saving, greater system flexibility, and control operations no longer manual and on-site.
- Planning of a new south tower-hallway treatment and air gates. The new system will replace the obsolete and poorly performing centralized system. Work envisages the installation of an autonomous geothermal heat pump system that will be able to ensure significant energy saving, greater flexibility and autonomous management, linked to the actual use of the spaces.
- Planning of an automated program, *Optimum Start*, for summer management and start-up of the main systems linked to actual space occupancy and external conditions. The goal is to promote energy saving while maintaining constant conditions of wellbeing.

4.3.4 Reducing the impact of business travel
The Mondadori Group has been committed for some years now to reducing emissions from business travel related to its Italian operations.
In 2021, the size of the Group's car fleet in Italy remained virtually unchanged and shows a slight decrease in terms of emission class: 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 2021, almost 50% of the car fleet consisted of class A and B vehicles (in line with 2020). In 2021, no class G cars were reported in the fleet, as in the rest of the three-year period.

MONDADORI CAR FLEET Type (no.)	2021	2020	2019
Owned cars	0	0	0
Long-term car rental	104	111	112
of which CLASS A - less than or equal to 100 gCO$_2$/km	17	16	13
of which CLASS B - from 101 to 120 gCO$_2$/km	32	39	43
of which CLASS C - from 121 to 140 gCO$_2$/km	29	32	31
of which CLASS D - from 141 to 160 gCO$_2$/km	20	17	14
of which CLASS E - from 161 to 200 gCO$_2$/km	5	6	11
of which CLASS F - from 201 to 250 gCO$_2$/km	1	1	0
of which CLASS G - more than 250 gCO$_2$/km	0	0	0
Total	**104**	**111**	**112**

Average of emission classes (in grams of CO$_2$ equivalent)

2021	**125**	**C**
2020	**125**	**C**
2019	127	C

In 2021, the average emissions per km increased to 125 gCO$_2$/km.

Average CO$_2$ emissions per km (in grams of CO$_2$ equivalent)

2021	**125**	**C**
2020	**123**	**C**

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 29-*bis* 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:

   a.   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;
   b.   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. 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 ineligible with the defined *Climate Change Mitigation* and *Climate Change Adaptation* objectives, finding a 0% eligible value, net of certain residual OpEx and CapEx, the sum of which does not appear to be material.

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 material changes in the assessments and calculation process of these KPIs for the next reporting year.

GRI - Boundary and type of impacts

Material topic	Scope Legislative Decree 254/2016	GRI aspects	GRI indicators	Boundary of the material topic		Boundary limitations	
				Where the impact occurs	*Type of impact*	*Internal*	*External*
Business integrity and combating corruption[26]	Combating corruption and bribery	Anti-corruption	GRI 103-1 GRI 103-2 GRI 103-3 GRI 205-3	Group	Generated by the Group	-	-
	Social	Anti-competitive behaviour	GRI 103-1 GRI 103-2 GRI 103-3 GRI 206-1				
	Social	Socio-economic compliance	GRI 103-1 GRI 103-2 GRI 103-3 GRI 419-1				
	Social	Tax	GRI 103-1 GRI 103-2 GRI 103-3 GRI 207-1/4				
Economic performance[27]	Social	Economic performance	GRI 103-1 GRI 103-2 GRI 103-3 GRI 201-4	Group	Generated by the Group	-	-
Life cycle of paper products	Environment	Materials	GRI 103-1 GRI 103-2 GRI 103-3 GRI 301-1 GRI 301-2	Group, distributors, paper suppliers, printing suppliers	Generated by the Group and related to Group activities	Reporting scope partly extended to Rizzoli International Publications	Reporting scope partly extended to distributors but not extended to paper and printing suppliers
Climate change	Environment	Emissions	GRI 103-1 GRI 103-2 GRI 103-3 GRI 305-1 GRI 305-2 GRI 305-3	Group, distributors, paper suppliers, printing suppliers, franchisees	Generated by the Group and related to Group activities	Reporting scope partly extended to Rizzoli International Publications	Reporting scope partly extended to distributors but not extended to paper suppliers, printing suppliers and franchisees
	Environment	Energy	GRI 103-1 GRI 103-2 GRI 103-3 GRI 302-1				

[26] Topics not subject to materiality analysis but nevertheless reported as they are considered crucial in non-financial reporting
[27] Topics not subject to materiality analysis but nevertheless reported as they are considered crucial in non-financial reporting

Diversity, equity and inclusion	Staff / Respect for human rights	Diversity and equal opportunities	GRI 103-1 GRI 103-2 GRI 103-3 GRI 405-1 GRI 405-2	Group	Generated by the Group	-	-
Ease of use of content	Social	Disclosure of content[28] (M)	GRI 103-1 GRI 103-2 GRI 103-3 M4	Group	Generated by the Group	-	-
		Cultural rights[29] (M)	GRI 103-1 GRI 103-2 GRI 103-3				
	Respect for human rights	Human rights assessment[30]	GRI 103-1 GRI 103-2 GRI 103-3				
Management of environmental impacts	Environment	Waste	GRI 103-1 GRI 103-2 GRI 103-3 GRI 306-1 GRI 306-2 GRI 306-3	Group	Generated by the Group	-	-
Strategic business innovation	Social	Non GRI Topic	GRI 103-1 GRI 103-2 GRI 103-3	Group	Generated by the Group	-	-
Education and the school world	Social	Disclosure of content[31] (M)	GRI 103-1 GRI 103-2 GRI 103-3 M4	Group	Generated by the Group	-	-
Privacy and personal data protection	Social	Customer privacy	GRI 103-1 GRI 103-2 GRI 103-3 GRI 418-1	Group	Generated by the Group	-	-
	Respect for human rights	Privacy protection[32] (M)	GRI 103-1 GRI 103-2 GRI 103-3				
Promotion of reading and	Social	Interaction with the public[33] (M)	GRI 103-1 GRI 103-2	Group		-	-

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[28] (M): material topics under G4 Sector Disclosures – Media
[29] (M): material topics under G4 Sector Disclosures – Media
[30] (M): material topics under G4 Sector Disclosures – Media
[31] (M): material topics under G4 Sector Disclosures – Media
[32] (M): material topics under G4 Sector Disclosures – Media
[33] (M): material topics under G4 Sector Disclosures – Media

socio-cultural growth			GRI 103-3 M6		Generated by the Group		
		Media literacy[34] (M)	GRI 103-1 GRI 103-2 GRI 103-3 M7				
Responsibility for content	Social	Content creation[35] (M)	GRI 103-1 GRI 103-2 GRI 103-3 M2	Group	Generated by the Group	-	-
Health and safety in the workplace	Staff / Respect for human rights	Staff health and safety	GRI 103-1 GRI 103-2 GRI 103-3 GRI 403-1/7 GRI 403-9	Group	Generated by the Group	-	-
Intellectual property and copyright protection	Social	Freedom of expression[36] (M)	GRI 103-1 GRI 103-2 GRI 103-3	Group	Generated by the Group	-	-
	Respect for human rights	Public policies	GRI 103-1 GRI 103-2 GRI 103-3 GRI 415-1				
		Cultural rights[37] (M)	GRI 103-1 GRI 103-2 GRI 103-3				
Enhancement and management of human capital	Personnel	Employment	GRI 103-1 GRI 103-2 GRI 103-3 GRI 401-1	Group	Generated by the Group	-	-
		Training and education	GRI 103-1 GRI 103-2 GRI 103-3 GRI 404-1 GRI 404-2				
		Industrial relations	GRI 103-1 GRI 103-2 GRI 103-3 GRI 402-1				
Enhancement and reputation of brands and publishing trademarks	Social	Non GRI Topic	GRI 103-1 GRI 103-2 GRI 103-3	Group, franchisees	Generated by the Group	-	Reporting scope not extended to franchisees

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[34] (M): material topics under G4 Sector Disclosures – Media
[35] (M): material topics under G4 Sector Disclosures – Media
[36] (M): material topics under G4 Sector Disclosures – Media
[37] (M): material topics under G4 Sector Disclosures – Media

GRI Content Index

GRI Standards	Disclosure	Section reference	Notes/Omissions
GRI 101: Reporting standards (2016)			
GRI 102: General Disclosure (2016)			
	Profile of the organization		
	102-1 Name of the organization	Methodological note	
	102-2 Activities, brands, products and services	Overview of Group Activities (2021 Annual Report)	
	102-3 Location of main office	Segrate - Milan	
	102-4 Location of operations	Italy - United States	
	102-5 Ownership and legal form	2.2.6 Editorial independence	
	102-6 Markets served	Overview of Group Activities (2021 Annual Report)	
	102-7 Scale of the organization	Methodological note 3.1.1 The people of the Mondadori Group	
	102-8 Information on employees and other workers	3.1.1 The people of the Mondadori Group	
	102-9 Supply chain	4.2 Life cycle of paper products	
	102-10 Significant changes to the	Methodological note	

	organization and its supply chain	3.1.2 Organizational developments and industrial relations	
	102-11 Precautionary principle	Methodological note	
	102-12 External initiatives	2.3.1 Enhancement and reputation of brands and publishing trademarks 3.5 Promotion of reading and socio-cultural growth	
	102-13 Membership of associations	2.2.7 Intellectual property and copyright protection	
Strategy			
	102-14 Statement from senior decision-maker	Letter to Stakeholders (2021 Annual Report)	
	102-15 Key impacts, risks and opportunities	2.3 Main non-financial risks	
Ethics and Integrity			
	102-16 Values, principles, standards, and norms of behaviour	1. Sustainability for the Mondadori Group 2.2 Group ethics and integrity 3. SOCIAL - Enhancing people, content and places for education and culture	
Governance			
	102-18 Governance structure	2.1 Governance system	
Stakeholder engagement			

	102-40 List of stakeholder groups	1.2 Materiality analysis and stakeholder engagement	
	102-41 Collective bargaining agreements	3.1.2 Organizational developments and industrial relations	
	102-42 Identifying and selecting stakeholders	1.2 Materiality analysis and stakeholder engagement	
	102-43 Approach to stakeholder engagement	1.2 Materiality analysis and stakeholder engagement	
	102-44 Key topics and concerns raised	1.2 Materiality analysis and stakeholder engagement	
Reporting practices			
	102-45 Entities included in the consolidated financial statements	Methodological note	
	102-46 Defining report content and topic boundaries	Methodological note	
	102-47 List of material topics	GRI - Boundary and type of impacts	
	102-48 Restatements of information	Methodological note	
	102- 49 Changes in reporting	Methodological note	
	102- 50 Reporting period	Methodological note	
	102-51 Date of most recent report	Methodological note	

	102-52 Reporting cycle	Methodological note	
	102-53 Contact point for questions regarding the report	csr@mondadori.it tel. +39 02 7542 3159	
	102-54 Claims of reporting in accordance with the GRI Standards	Methodological note	
	102-55 GRI content index	Methodological note GRI Content Index	
	102-56 External assurance	Methodological note/Independent Auditors' Report	

GRI Standard	Disclosure	Section reference	Notes/Omissions
Material Topics			
GRI 200 Economic Standard Series			
Economic performance			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	1.2 Materiality analysis and stakeholder engagement 2.4 Strategic business innovation GRI - Boundary and type of impacts	

	103-3 Evaluation of the management approach	Methodological note 2.4 Strategic business innovation	
GRI 201 - Economic performance (2016)	201-4 Financial assistance received from government	2.2.6 Editorial independence	
Anti-corruption			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	1.2 Materiality analysis and stakeholder engagement 2.4 Strategic business innovation GRI - Boundary and type of impacts	
	103-3 Evaluation of the management approach	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 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	1.2 Materiality analysis and stakeholder engagement	

		2.4 Strategic business innovation GRI - Boundary and type of impacts	
	103-3 Evaluation of the management approach	2.2.2 Market abuse 2.4 Strategic business innovation	
GRI 206: Anti-competitive behaviour (2016)	206-1 Legal actions for anti-competitive behavior, antitrust and monopoly practices	2.2.2 Market abuse	
Tax			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	1.2 Materiality analysis and stakeholder engagement 2.4 Strategic business innovation GRI - Boundary and type of impacts	
	103-3 Evaluation of the management approach	2.2.5 Fiscal Policy	
GRI 207: Tax (2019)	207-1 Approach to tax	2.2.5 Fiscal Policy	
	207-2 Tax governance, control and risk management	2.2.5 Fiscal Policy	
	207-3 Stakeholder engagement and management of concerns related to tax	1.2 Materiality analysis and stakeholder engagement 2.2.5 Fiscal Policy	

	207-4 Country-by-Country reporting	2.2.5 Fiscal Policy	
GRI 300 Environmental Standards Series			
Materials			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	4.1 Management of environmental impacts	
	103-3 Evaluation of the management approach	2.3 Main non-financial risks 4.1 Management of environmental impacts	
GRI 301: Materials (2016)	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 implemented in 2021	
	301-2 Recycled input materials used	4.2.2 Logistics and the end of life of editorial products 4.3.2 Energy saving initiatives implemented in 2021	
Energy			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	4.1 Management of environmental impacts	

	103-3 Evaluation of the management approach	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 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	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.
	103-2 The management approach and its components	4.1 Management of environmental impacts	
	103-3 Evaluation of the management approach	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 consumption 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	
Waste			
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement	

(2016)		GRI - Boundary and type of impacts	
	103-2 The management approach and its components	4.1 Management of environmental impacts 4.3.1 Waste	
	103-3 Evaluation of the management approach	2.3 Main non-financial risks 4.1 Management of environmental impacts	
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	Waste production data refer only to the Segrate offices of Arnoldo Mondadori Editore S.p.A.
	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	
GRI 400 Social Standards Series			
Employment			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	

	103-2 The management approach and its components	3.1 Enhancement and management of human capital 3.1.1 The people of the Mondadori Group	
	103-3 Evaluation of the management approach	3.1 Enhancement and management of human capital	
GRI 401: Employment (2016)	401-1 New hires and turnover	3.1.1 The people of the Mondadori Group	
Industrial relations			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	3.1.2 Organizational developments and industrial relations	
	103-3 Evaluation of the management approach	3. SOCIAL Enhancing people, content and places for education and culture 3.1.2 Organizational developments and industrial relations	
GRI 402: Relations between labour and management (2016)	402-1 Minimum notice period regarding operational changes	3.1.2 Organizational developments and industrial relations	
Health and safety in the workplace			
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Methodological note	

(2016)		1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	3.3 Health and safety in the workplace	
	103-3 Evaluation of the management approach	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 health and safety in the workplace	3.3 Health and safety in the workplace	
	403-5 Worker training on health and safety in the workplace	3.3 Health and safety in the workplace	
	403-6 Promoting 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 Accidents in the workplace	3.3.14 Accidents in the workplace	The data relating to hours worked refer to Italian companies only. The figure is not available for the United States.
Training and education			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	3.1.3 Training and development	
	103-3 Evaluation of the management approach	3. SOCIAL Enhancing people, content and places for education and culture 3.1.3 Training and development	
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			

	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
GRI 103: Management approach (2016)	103-2 The management approach and its components	3.2 Diversity, equity and inclusion	
	103-3 Evaluation of the management approach	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

	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
GRI 103: Management approach (2016)	103-2 The management approach and its components	2.2.6 Editorial independence	
	103-3 Evaluation of the management approach	2.2.6 Editorial independence	
GRI 415: Public policy (2016)	415-1 Political contributions	2.2.6 Editorial independence	

Customer privacy

GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement	

(2016)		GRI - Boundary and type of impacts	
	103-2 The management approach and its components	2.2.2 Risks associated with social topics and respect for human rights 2.2.4 Privacy and personal data protection	
	103-3 Evaluation of the management approach	2.2.2 Risks associated with social topics and respect for human rights 2.2.4 Privacy and personal data protection	
GRI 418: Customer privacy (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and loss of customer data	2.2.4 Privacy and personal data protection	
Socio-economic compliance			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	2.2.3 Compliance	
	103-3 Evaluation of the management approach	2.2.3 Compliance	
GRI 419: Socio-economic compliance (2016)	419-1 Non-compliance with laws and regulations in the social and economic area	2.2.3 Compliance	
Content creation[38]			

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[38] GRI G4 Media Sector Disclosure

GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	3.6 Responsibility for content	
	103-3 Evaluation of the management approach	2.2.2 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 distribution³⁹			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	3.5 Promotion of reading and socio-cultural growth	
	103-3 Evaluation of the management approach	2.2.2 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 for content	

³⁹ GRI G4 Media Sector Disclosure

		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 for content 3.7 Ease of use of content	

Interaction with the public[40]

GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	3.5 Promotion of reading and socio-cultural growth	
	103-3 Evaluation of the management approach	2.2.2 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[41]

GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement	

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[40] GRI G4 Media Sector Disclosure
[41] GRI G4 Media Sector Disclosure

(2016)		GRI - Boundary and type of impacts	
	103-2 The management approach and its components	3.5 Promotion of reading and socio-cultural growth	
	103-3 Evaluation of the management approach	2.2.2 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[42]			
GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	2.2.7 Intellectual property and copyright protection	
	103-3 Evaluation of the management approach	2.2.2 Risks associated with social topics and respect for human rights 2.2.7 Intellectual property and copyright protection	

Human rights assessment[43]			

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[42] GRI G4 Media Sector Disclosure
[43] GRI G4 Media Sector Disclosure

	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
GRI 103: Management approach (2016)	103-2 The management approach and its components	2.2 Group Ethics and Integrity 2.2.4 Privacy and personal data protection	
	103-3 Evaluation of the management approach	2.2.2 Risks associated with social topics and respect for human rights 2.2.4 Privacy and personal data protection	

Cultural rights[44]

	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
GRI 103: Management approach (2016)	103-2 The management approach and its components	2.2 Group ethics and integrity 2.2.7 Intellectual property and copyright protection	
	103-3 Evaluation of the management approach	2.2.2 Risks associated with social topics and respect for human rights 2.2.7 Intellectual property and copyright protection	

Privacy protection[45]

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[44] GRI G4 Media Sector Disclosure
[45] GRI G4 Media Sector Disclosure

GRI 103: Management approach (2016)	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	2.2 Group ethics and integrity 2.2.4 Privacy and personal data protection	
	103-3 Evaluation of the management approach	2.2.2 Risks associated with social topics and respect for human rights 2.2.4 Privacy and personal data protection	

Non-GRI material topics

Strategic business innovation	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	2.4 Strategic business innovation	
	103-3 Evaluation of the management approach	2.3 Main non-financial risks 2.4 Strategic business innovation	
Enhancement and reputation of brands and publishing trademarks	103-1 Explanation of the material topic and its boundary	1.2 Materiality analysis and stakeholder engagement GRI - Boundary and type of impacts	
	103-2 The management approach and its components	2.3.1 Enhancement and reputation of brands and publishing trademarks	

	103-3 Evaluation of the management approach	2.3 Main non-financial risks 2.3.1 Enhancement and reputation of brands and publishing trademarks	

For the Board of Directors
The Chairman
Marina Berlusconi