

ID	Risk / Opportunity		Scenario					Mitigations	Outcomes	Residual Risk		
	Type	Description	Scope - business activity	Brand	Geography	Contact Dpt	Probability			Impact	Probability	Impact
1.	Forced Labor or Human Trafficking	Risk of finding forms of forced labor or modern slavery in the supply chain	Supply chain	UCB/Undercolors/Sisley	High risk country in supply chain perimeter	Operations/Sustainability	1 - Probability of finding a case of forced labor or modern slavery in our supply chain - based on audits results and on scenario analysis	4 - Impact due to an allegation of forced labor or human trafficking	Code of Conduct, FSLM verification	No child labour cases, policies of remediation implemented by all suppliers	2	3
2.	Child Labor	Risk of finding forms of child labor in the supply chain	Supply chain	UCB/Undercolors/Sisley	High risk country in supply chain perimeter	Operations/Sustainability	1 - Probability of finding a case of child labor in our supply chain - based on audits results	4 - Impact due to an allegation of child labor	Code of Conduct, FSLM verification		1	3
3.	Wages and Benefits	Risk of non-compliance with regulations in terms of remuneration, wages and benefit; risk to operate in a country where minimum wage is less than the actual cost of living	Office/Distribution center/ Stores/ Supply chain	UCB/Undercolors/Sisley	Global	HR/Sustainability	2 - Probability of finding a non-compliance related to wages and benefits with reference to local law requirements - based on audits results	3 - Impact of non-compliances related to wages and benefits along the value chain	Code of Conduct, Code of ethics, FSLM Verification, Remuneration Committee activity		2	2
4.	Working Hours	Risk to excess of overtime hours due to seasonality peaks in production/office/distribution center activity; incapability to guarantee work life balance	Office/Distribution center/ Stores/ Supply chain	UCB/Undercolors/Sisley	Global	HR/Sustainability	4 - Probability of finding a non-compliance related to excessive working hours to meet order requirements with reference to local law requirements - based on audits results	2 - Impact on business due to recurrent excess of overtime in the different stage of the value chain	Code of Conduct, Code of ethics, FSLM verification, worklife balance initiatives		3	1
5.	Freedom of Association and Collective Bargaining	Incapacity of guaranteeing freedom of association and workers' representation at the facility level (interference or discriminatory practices).	Supply chain	UCB/Undercolors/Sisley	Global	HR/Sustainability	2 - Probability of finding a case of restricted freedom of association or insufficient workers' representation	2 - Impact due to formal complaint about restricted freedom of association and cba	Code of Conduct, Code of ethics, FSLM verification	+18% of suppliers with workers' representation (vs LY)	1	2
6.	Health and Safety	Risk for workers in all the value chain from the exposure to short and long-term hazards at work and incapability to reduce workplace injuries and illnesses	Office/Distribution center/ Stores/ Supply chain	UCB/Undercolors/Sisley	Global	HR/Sustainability	4 - Probability of workers' exposure to short and long-term hazards - based on audits results	4 - Impact on the business and the workers' health and safety of serious workplace injuries	Code of Conduct, Code of ethics, FLM verification, Workplace standards, Accord	Initial findings progress rate under Accord program of Benetton factories 92%	3	3
8.	Decent work	Opportunity to ensure a regular worker contract, a fair income, security at the workplace, personal development, protection for families.	Office/Distribution center/ Stores	UCB/Undercolors/Sisley	Global	HR	2 - Frequency of opportunities to managing talent, to promote personal, to propose successful training program and to implement welfare actions	1 - Impact related to missing decent work opportunities (losing talents and increase of employees dissatisfaction)	Smart-working & part-time regulations in the supplementary company agreement, people development program	More than 1000 active smart-workers, 90% of employees positively evaluate work-life balance initiatives	1	1
7.	Discrimination, harassment and abuse	Risk of discriminatory practices, intimidating, hostile or humiliating work environment (based on gender, religion, ethnics)	Office/Distribution center/ Stores/ Supply chain	UCB/Undercolors/Sisley	Global	HR/Sustainability	3 - Probability of discriminatory practices or harassment episodes - based on country risk	2 - Impact due to formal complaint about discrimination, harassment and abuse	Code of Conduct, Code of ethics, FSLM verification		2	1

Increased risk in 2020 and 2021

