



**The Wellness Company**

**REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE PURSUANT TO  
ART. 123-BIS OF ITALIAN LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998**

(Traditional Administration and Control Model)

Issuer: **Technogym S.p.A.**

Website : *<https://corporate.technogym.com>*

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## TABLE OF CONTENTS

<b>GLOSSARY AND DEFINITIONS</b>	
<b>1. ISSUER PROFILE .....</b>	<b>9</b>
<b>2. INFORMATION ON OWNERSHIP STRUCTURE AT THE DATE OF THIS REPORT.....</b>	<b>11</b>
<b>3. COMPLIANCE (PURSUANT TO ART. 123-BIS, PARAGRAPH 2, LETTER A), PART ONE, OF THE TUF).....</b>	<b>17</b>
<b>4. BOARD OF DIRECTORS.....</b>	<b>17</b>
4.1 Role of the Board of Directors.....	17
4.2 Appointment and replacement (pursuant to Art. 123-bis, paragraph 1, letter l), part one, of the TUF) .....	19
4.3 Composition.....	23
4.4 Operation of the Board of Directors .....	29
4.5 Role of the Chair of the Board of Directors.....	31
4.6 Delegated bodies.....	32
4.7 Other Executive Directors .....	38
4.8 Independent Directors.....	42
4.9 <i>Lead Independent Director</i> .....	43
<b>5. PROCESSING OF COMPANY INFORMATION .....</b>	<b>44</b>
<b>6. COMMITTEES WITHIN THE BOARD OF DIRECTORS .....</b>	<b>47</b>
<b>7. SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS - APPOINTMENT AND REMUNERATION COMMITTEE .....</b>	<b>47</b>
<b>8. NOMINATION AND REMUNERATION COMMITTEE .....</b>	<b>48</b>
<b>9. DIRECTORS' REMUNERATION.....</b>	<b>52</b>
<b>10. CONTROL AND RISKS AND SUSTAINABILITY COMMITTEE .....</b>	<b>52</b>
10.1 Functions of the Control and Risks and Sustainability Committee.....	53
<b>11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM.....</b>	<b>56</b>
11.1 Director in charge of the Internal Control System .....	60
11.2 Head of the <i>Internal Audit Department</i> .....	60
11.3 Coordination Measures.....	61
11.4 Model of organisation pursuant to Legislative Decree 231/2001 .....	62
11.5 Independent Auditors .....	63
11.6 Financial Reporting Manager.....	64
<b>12. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES.....</b>	<b>65</b>
<b>13. APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS.....</b>	<b>66</b>
<b>14. AUDITORS .....</b>	<b>68</b>
<b>15. RELATIONS WITH SHAREHOLDERS.....</b>	<b>71</b>

<b>16.</b>	<b>SHAREHOLDERS' MEETINGS .....</b>	<b>72</b>
<b>17.</b>	<b>OTHER CORPORATE GOVERNANCE PRACTICES .....</b>	<b>75</b>
<b>18.</b>	<b>CHANGES AFTER THE END OF THE REFERENCE YEAR .....</b>	<b>75</b>
<b>19.</b>	<b>CONSIDERATIONS ON THE LETTER DATED DECEMBER 3, 2021 OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE.....</b>	<b>75</b>
	<b>TABLES .....</b>	<b>78</b>
	<b>TABLE 1 RELEVANT SHARE CAPITAL HOLDINGS .....</b>	<b>78</b>
	<b>TABLE 2 BOARD OF DIRECTORS AND COMMITTEES STRUCTURE.....</b>	<b>79</b>
	<b>TABLE 3 BOARD OF STATUTORY AUDITORS STRUCTURE .....</b>	<b>83</b>

## GLOSSARY AND DEFINITIONS

<b>Shareholders' Meeting:</b>	meeting of the shareholders of the Issuer.
<b>Director in charge:</b>	the Director in charge of the Company's Internal Control and Risk Management System, appointed on 7 May 2021.
<b>Judicial authority:</b>	any judicial, administrative, tax, ordinary and special authority in any procedure, at any level and in any court.
<b>Borsa Italiana:</b>	Borsa Italiana S.p.A., with registered office in Milan, Piazza degli Affari No. 6.
<b>Chapter:</b>	each chapter of this Report.
<b>Self-Governance Code:</b>	the Self-Governance Code for Listed Companies approved in March 2006 by the Corporate <i>Governance Committee</i> ( and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria), most recently amended in July 2018, as replaced by the Corporate Governance Code.
<b>Code / Corporate Governance Code</b>	the Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee ( and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria), applicable from the first financial year commencing upon 31 December 2020.
<b>Italian Civil Code / C.C.:</b>	Italian Civil Code.
<b>Board of Statutory Auditors:</b>	the Board of Statutory Auditors of the Issuer.
<b>Control, Risk and Sustainable Committee</b>	the internal committee of the Board of Directors set up in compliance with Recommendations no. 16, 17 and 32, lett. c), of the Corporate Governance Code.
<b>Committee for Transactions with Related Parties:</b>	the Committee for Transactions with Related Parties, established within the Board of Directors pursuant to the Related Party Regulations.
<b>Appointment and Remuneration Committee:</b>	the internal committee of the Board of Directors set up in compliance with Recommendations no. 16, 17, 19 and 20 of the Corporate Governance Code.
<b>Board of Directors:</b>	the Board of Directors of the Issuer.
<b>CONSOB:</b>	Commissione Nazionale per le Società e la Borsa (National Commission for Companies and the Stock Exchange) with registered office in Rome, Via G.B. Martini No. 3.

<b>Subsidiaries or Subsidiary Companies:</b>	the companies directly and indirectly controlled by the Issuer pursuant to Art. 2359 of the Civil Code and Art. 93 of the Consolidated Finance Law (TUF).
<b>Date of Admission to Trading or Trading Start Date:</b>	first day of trading of Shares on the MTA, i.e., 3 May 2016.
<b>Recipients:</b>	all those who have access to Confidential or Insider Information as defined in Chapter 5 of this Report.
<b>Information Document:</b>	information document drafted pursuant to Art. 84- <i>bis</i> of the Issuers' Regulations and in compliance with Scheme No. 7 of Annex 3A to the same Issuers' Regulation.
<b>Head of the Internal Audit Department"</b>	person in charge of the <i>Internal Audit</i> Department of the Company, appointed on 11 May 2016.
<b>Financial Reporting Manager:</b>	executive in charge of drafting the Company's financial reports, appointed by the Board of Directors in compliance with Art. 154- <i>bis</i> of the Consolidated Finance Law and Art. 18 of the Articles of Association.
<b>Qualifying Right in Rem:</b>	right in rem entitling to the vote (full ownership with voting rights, ownership without usufruct with voting rights, or usufruct with voting rights).
<b>Legislative Decree 231/2001:</b>	Italian Legislative Decree of 8 June 2001 No. 231, as amended, containing " <i>Regulations governing the administrative liability of legal entities, companies and associations with or without legal status, pursuant to Art. 11 of Italian Law No. 300 of 29 September 2000</i> ".
<b>Special List:</b>	special list established and regulated by Art. 7 of the Articles of Association.
<b>Financial year:</b>	the financial year that ended on 31 December 2021.
<b>EXM:</b>	Mercato Telematico Azionario (Electronic Stock Exchange or MTA), organised and managed by Borsa Italiana.
<b>Flag Holding LLC:</b>	Flag Holding LLC, with registered office in PO Box 43399, Abu Dhabi, UAE.
<b>Group or Technogym Group:</b>	jointly, the Company and the companies directly or indirectly controlled by it from time to time, pursuant to Art. 2359 of the Italian Civil Code and Art. 93 of the Consolidated Finance Law.
<b>Investor Relator:</b>	person managing and coordinating the relations with the shareholders.

<b>Directions on Borsa Italiana Regulations:</b>	directions on the regulations of the markets organised and managed by Borsa Italiana in force at the date of this Report.
<b>Model:</b>	Organisation, Management and Control Model as set forth in Legislative Decree 231/2001, adopted by the Board of Directors.
<b>ODV or Supervisory Board:</b>	supervisory board established to monitor the operation and compliance of the Model, established by the Board of Directors pursuant to Legislative Decree 231/2001.
<b>Relevant Transactions:</b>	transactions defined as such in Chapter 5 of this Report.
<b>Paragraph:</b>	each paragraph of this Report.
<b>Relevant Period:</b>	period of 24 months from inclusion in the Special List.
<b>2019-2021 Performance Shares Plan:</b>	the 2019-2021 Performance Shares Plan which, on 27 March 2019, the Board of Directors resolved to propose to the Shareholders' Meeting called for 8 May 2019.
<b>2020-2022 Performance Shares Plan:</b>	the 2020-2022 Performance Shares Plan which, on 17 March 2020, the Board of Directors resolved to propose to the Shareholders' Meeting called for 23 April 2020.
<b>2021-2023 Performance Shares Plan:</b>	the 2021-2023 Performance Shares Plan which, on 24 March 2021, the Board of Directors resolved to propose to the Shareholders' Meeting called for 5 May 2021.
<b>2022-2024 Performance Shares Plan</b>	the 2022-2024 Performance Shares Plan which, on 23 March 2022, the Board of Directors resolved to propose to the Shareholders' Meeting called for 04 May 2022.
<b>Procedure:</b>	procedure regulating the internal management and external communication of documents and information on the Company, approved by the Board of Directors and in force at the time.
<b>Internal Dealing Procedure:</b>	procedure on <i>internal dealing</i> adopted by the Company pursuant to Art. 19 of MAR (Market Abuse Regulation), Delegated Regulation 522 and Delegated Regulation 523, as amended by the Board of Directors on 30 June 2021.
<b>Procedure for Transactions with Related Parties:</b>	procedure regulating transactions with related parties approved by the Board of Directors at the meeting on 11 May 2016, as last amended by the Board of Directors' meeting on 30 June 2021.
<b>Register-Related Procedure:</b>	procedure regulating the set-up, management and update of the Register.
<b>Proposed Delegation for the 2022-2024 Performance Shares Plan:</b>	the proposal to delegate to the Board of Directors the right to increase the share capital approved by the Board of Directors on 23 March 2022.

<b>Listing:</b>	the admission of Technogym ordinary shares to MTA listing, from Trading Start Date, pursuant to the order of admission to listing issued by Borsa Italiana.
<b>Register:</b>	register created pursuant to MAR, containing the list of the persons who, because of their working or professional activity or functions performed, have access to Insider Information, even with a delay.
<b>Delegated Regulation 522:</b>	Delegated Regulation of the European Commission No. 2016/522 dated 17 December 2015.
<b>Delegated Regulation 523:</b>	Delegated Regulation of the European Commission No. 2016/523, of 10 March 2016.
<b>Borsa Italiana Regulations:</b>	regulations of the markets organised and managed by Borsa Italiana, approved by the Shareholders' Meeting of Borsa Italiana, as in force at the date of this Report.
<b>Issuers' Regulation:</b>	regulation on issuers, issued by Consob with Resolution No. 11971 of 14 May 1999, as amended and supplemented.
<b>MAR:</b>	Regulation (EU) No. 596/2014 on market abuse, as amended and supplemented.
<b>Market Regulations:</b>	regulations on markets, issued by CONSOB by Resolution No. 20249 of 28 December 2017, as amended and integrated.
<b>Related Party Regulations:</b>	regulations on transactions with related parties, approved by Consob by Resolution No. 17221 of 12 March 2010, as amended and integrated.
<b>Report:</b>	this Report on corporate governance and ownership structure, drafted pursuant to Art. 123-bis of the Consolidated Finance Law.
<b>Remuneration Report:</b>	report on the remuneration policy and compensation paid drafted pursuant to Art. 123-ter of the Consolidated Finance Law and Art. 84-quater of the Issuers' Regulation and in compliance with Scheme No. 7-bis of Annex 3A to the same Issuers' Regulation.
<b>Control and Risk Management System:</b>	Internal Control and Risk Management System adopted by Technogym.
<b>Technogym, Company or Issuer:</b>	Technogym S.p.A., with registered office in Cesena, Via Calcinaro, 2861, listed in the Business Register of the Chamber of Commerce of Romagna-Forlì-Cesena and Rimini, VAT No. 06250230965.
<b>Independent Auditors:</b>	auditing firm listed in the Register of Independent Auditors held at the Italian Ministry of Economy and Finance, appointed to audit the accounts of the Issuer.

<b>Articles of Association:</b>	Articles of Association of the Company in force at the date of this Report.
<b>Technogym Emirates:</b>	Technogym Emirates LLC, with registered office in P.O. Box 115158, Dubai, UAE.
<b>Technogym Village:</b>	headquarters of the group, located in Via Calcinaro 2861, Cesena (FC) and including factories, offices and green areas for a total area equal to approximately 145,000 square meters.
<b>TGH</b>	TGH S.r.l., with registered office in Cesena (FC), Corte Don Giuliano Botticelli 51, tax code, VAT and Business Register of Forlì-Cesena and Rimini No. 0450879041.
<b>CONSOLIDATED FINANCE LAW:</b>	Italian Legislative Decree No. 58 of 24 February 1998, as amended and supplemented ( <i>TUF, or Consolidated Finance Law</i> ).
<b>Wellness Holding:</b>	Wellness Holding S.r.l., with registered office in Cesena (FC), Corte Don Giuliano Botticelli 51, tax code, VAT and Business Register of Forlì-Cesena and Rimini No. 03323730402.
<b>Wellness Solutions:</b>	Wellness Solutions LLC, with registered office in Dubai, UAE, P.O. BOX 115158.



## 1. ISSUER PROFILE

### *Mission*

The Technogym Group is one of the leading groups in the international fitness equipment market in terms of sales volumes and market share. The Technogym Group offers wellness solutions, in particular for physical exercise (fitness), athletic training (sport) and physical rehabilitation therapy (personal health), addressed to the main segments of the fitness equipment market and more in general to the more broadly defined wellness sector. These solutions are characterised by technological innovations and attention in the design and functionality of products and services. The range of products offered by the Technogym Group includes equipment that has received very good reviews by final users and professionals - as well as several international awards for industrial *design* - and that over time has contributed to positioning the Technogym brand in the top market range at the international level.

On 3 May 2016, the ordinary shares of Technogym were admitted to trading on the Mercato Telematico Azionario organised and managed by Borsa Italiana (the “MTA”).

Sustainability issues have always been integrated in a natural and organic way into the Company’s business model. For years, in fact, *wellness* philosophy has guided action, strategies and business processes, from product development to production and logistics, to marketing and communication activities, up to the workplace wellness project dedicated to all our collaborators in the world. In line with these principles, the Board of Directors, on 25 February 2021 approved the Company’s sustainability policy (the “**Sustainability Policy**”, available on the Company’s website at <https://corporate.technogym.com/en/sustainability/documents>) which defines the objectives to be achieved by 2025, as aligned with some United Nations “*Sustainable Development Goals*”. The Board of Directors, supported by the Control, Risks and Sustainability Committee, supervises the initiatives aimed at achieving the objectives defined in the Sustainability Policy, in order to pursue the sustainable success of the Company. The implementation of these initiatives within the Company’s business model is subject to constant monitoring by top management and reporting within the consolidated non-financial statement, published by the Company pursuant to Legislative Decree 254/2016.

The Company qualifies as a large public interest entity pursuant to Legislative Decree no. 254 of 30 December 2016 which implemented Directive 2014/95/EU and, therefore, must comply with the obligation to prepare and publish a declaration, whether individual or consolidated, for each financial year, a series of information relating to environmental, social, personnel issues, respect for human rights, the fight against active and passive corruption. In compliance with the aforementioned regulatory provisions, the Company annually publishes the consolidated non-financial statements. The consolidated non-financial statement relating to 2021, as approved by the Board of Directors on 23 March 2022, is available on the Company’s website at <https://corporate.technogym.com/en/sustainability/documents> and <https://corporate.technogym.com/en/governance/shareholders-meetings>.

In addition, pursuant to the Corporate Governance Code, the Issuer qualifies as a “large company” (meaning companies whose capitalisation exceeded 1 billion Euro on the last trading day of the previous three calendar years), and “company with concentrated ownership” (meaning a company in which one or more shareholders who participate in a shareholder voting agreement have, directly or indirectly, a majority of the votes that can be exercised at a Shareholders’ Meeting). By virtue of this double qualification, the Issuer made use of certain specific simplification options afforded by the Corporate Governance Code in compliance with the principle of proportionality introduced therein, with particular reference to the frequency of the *board’s* self-assessment and the formulation of guidelines on the quantitative and qualitative composition considered optimal for the administrative body in view of its renewal, as specified in Section 7 of this Report, below.

### *Business purpose*

Pursuant to Art. 3 of the Articles of Association, the business purpose of the Company is the invention, design, development, production, lease, franchising, sale, wholesale and retail trading, import and export of equipment, machinery, accessories and products to be used for physical activity, as well as the related installation, advice, assistance and repair and other services. The business purpose of the Company also includes the invention, design, development, production, leasing, licensing, franchising, sale, wholesale and retail trading, import and export of software applications, also in the cloud, electronic devices to measure biometric or movement parameters, and hardware products, including the management of on-line platforms, and the related installation, advice, assistance and repair and other services, provided these activities are functional, related or instrumental to physical activity. The Company can also provide management of gyms and physical therapy centres.

The Company may purchase, exchange, acquire in any other form, manage and sell stocks and bonds as well as equity investments and interests in other companies operating in the same sector, or in similar or related sectors. The Company may also provide technical, administrative and financial coordination and assistance, as well as cash pooling services, for the companies of the Group; it may also provide services of marketing, promotion, sales assistance and advice to these affiliated companies and take care of the publicity, promotion and use of the company brands.

Therefore, the Company may carry out all business, financial, sales, securities and real estate transactions needed to achieve the business purpose, or directly and indirectly related to this, including the provision of real and personal guarantees, also in favour of third parties, as well as the purchase and sale of interests, stakes and investments, including equity investments, in other companies, already established or about to be established, in Italy and abroad.

All these activities must be carried out within the limits and in compliance with the standards that regulate their exercise and with the legal and regulatory provisions on activities reserved to those registered with professional boards, orders, or registers in force *at the time*. Notably, financial activities must be carried out in compliance with the relevant legal and regulatory provisions in force *at the time* and in any case never with the public.

### *Company organisation*

The governance of Technogym, as specified by the Articles of Association, is based on the traditional model of administration and control and includes the following bodies:

- the Shareholders' Meeting;
- the Board of Directors, within which a Chairman and possibly a Deputy Chairman, one or more Managing Directors and an Executive Committee are appointed; and
- the Board of Statutory Auditors.

The powers and operating procedures of the corporate bodies are governed by the law, the Articles of Association and the resolutions passed by the competent bodies, as appropriate.

For a more complete description of the governance structure of Technogym, we note that at the date of this Report the following were in office:

- executive in charge of drafting the Company's financial reports, most recently appointed on 17 February 2021, pursuant to Art. 154-*bis* the Consolidated Finance Law and Art. 25 of the Articles of Association (“**Financial Reporting Manager**”);
- Committee for transactions with related parties (“**Committee for Transactions with Related Parties**”), last appointed on 7 May 2021 within the Board of Directors, pursuant to the

regulations on transactions with related parties issued by Consob by Resolution No. 17221 of 12 March 2010, as subsequently amended ("**Related Party Regulations**");

- the committee for the internal control and risks ("**Control and Risk Committee**"), most recently established within the Board of Directors on 7 May 2021, pursuant to the Recommendations no. 16, 17 and 32, lett. C) of the Corporate Governance Code;
- the appointment and remuneration committee ("**Appointment and Remuneration Committee**"), most recently established within the Board of Directors on 7 May 2021, pursuant to Recommendations no. 16, 17, 19 and 20 of the Corporate Governance Code;
- the director in charge of the internal control and risk management system, most recently appointed on 7 May 2021 (the "**Director in charge of the Internal Control System**");
- the Head of the *Internal Audit Department*, appointed on 11 May 2016, ("**Head of Internal Audit**");
- the supervisory board (the "**SB**"), most recently established by the Board of Directors on 7 May 2021, pursuant to Legislative Decree No. 231/2001.

On 16 February 2016, PricewaterhouseCoopers S.p.A was appointed by the Ordinary Shareholders' Meeting to audit the accounts of Technogym, for the years from 2016 to 2024 included.

The Issuer does not fall within the definition of SME pursuant to Art. 1, paragraph 1, lett. w-quater.1) of the Consolidated Finance Law and Art. 2-ter of the Issuers' Regulation.

## 2. INFORMATION ON OWNERSHIP STRUCTURE AT THE DATE OF THIS REPORT

### a) Structure of the share capital (*pursuant to Art. 123-bis, comma 1, letter a), of the TUF*)

The Issuer's share capital, fully subscribed and paid-in, is equal to Euro 10,066,375, divided in 201,327,500 ordinary shares without specification of a nominal value. There are no other share categories. Each Share gives the right to one vote, apart from what will be said below on special voting rights.

Pursuant to Art. 7 of the Articles of Association, a shareholder will have right to two votes for each share, if the following conditions are both met:

- (a) the voting right is due to the same party - or, in the case of joint possession of the Legitimising Real Right (as defined below), to the same parties - on the basis of a legitimising real right (full title ownership with voting right, bare ownership with voting right or usufruct with voting right) (the "**Legitimising Real Right**") for a continuous period of at least 24 (twenty-four) months as of (i) a date coinciding with or subsequent to the start date of trading of the Company's shares on the MTA market organised and managed by Borsa Italiana S.p.A. (the "**Listing Date**") or (ii) a date no more than 20 (twenty) months prior to the Listing Date;
- (b) the recurrence of the condition under (a) is proved (i) by the inclusion for a continuous period of at least 24 (twenty-four) months, in the special list established and regulated by Art. 7 of the Articles of Association of the Company or, (ii) in the case under (a)(ii) above, by continuous inclusion in the special list and, for the previous period, by the notes made on the share certificates representative of the shares of the Company and/or the records in shareholders' register of the Company.

The acquisition of the increased voting right shall become effective as of the fifth trading day of the calendar month subsequent to that in which the relevant period, depending on the cases sub (b)(i) or (b)(ii) above, from registration in the Special List.

At the date of this Report, 68,031,577 shares of 201,327,500 ordinary shares had special voting rights. The Table below shows the share capital structure of Technogym S.p.A. on the date of this Report.

SHARE CAPITAL STRUCTURE						
	No. shares	% on share capital	Voting rights	% of total voting rights	Listing	Rights and obligations
Total ordinary shares	201,327,500	100%	269,359,077	100%	EXM	Pursuant to the law and the Articles of Association
- of which with special voting rights	68,031,577	33.78%	136,063,154	50.51%	EXM	Pursuant to the law and the Articles of Association

Apart from the provisions concerning special voting rights, all ordinary shares of Technogym give to holders the same rights, which may be exercised without restrictions.

On 8 May 2019, the Company's Extraordinary Shareholders' Meeting resolved to grant the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, the power to increase the share capital, for a period of five years from 8 May 2019, up to a maximum amount of Euro 30,000 (thirty thousand/00), without consideration, in one or more *tranches*, issuing up to a maximum of 600,000 (six hundred thousand/00) new ordinary shares with no indication of nominal value, with the same characteristics as those in circulation, entitled to regular dividends, at an issue value equal to the book value of Technogym shares at the date of execution of the delegation by allocating the corresponding maximum amount of profits and/or profit reserves resulting from the latest financial statements approved from time to time pursuant to Art. 2349 of the Civil Code, issuing Company Shares to employees of the Company or Subsidiaries, to ensure the implementation of the incentive plan for Technogym employed *management* known as "2019-2021 Performance Shares Plan" (the "**2019-2021 Performance Shares Plan**"), according to the terms, conditions and methods set forth therein (the "**Delegation for the 2019-2021 Performance Shares Plan**"). The 2019-2021 Performance Shares Plan, approved by the Board of Directors on 27 March 2019, provides for the allocation without consideration of a given number of shares of the Company when specific conditions are met and specific prerequisites are maintained. The Shares must be allocated within the 60th calendar day after the approval of the IFRS consolidated financial statements of the Group for the year ended as at 31 December 2021. For more information concerning the 2019-2021 Performance Shares Plan, please refer to the Remuneration Report drafted pursuant to Art. 123-ter of the Consolidated Finance Law, available at the registered office and on the website of the Company at <https://corporate.technogym.com/it/governance/assemblea-degli-azionisti>.

On 5 May 2021, the Company's Extraordinary Shareholders' Meeting resolved to grant the Board of Directors, pursuant to Art. 2443 of the Civil Code, the power to increase the share capital, for a period of five years from 5 May 2021, up to a maximum amount of Euro 35,000 (thirty-five thousand/00), without consideration, in one or more *tranches*, issuing up to a maximum of 700,000 (seven hundred thousand/00) new ordinary shares with no indication of nominal value, with the same characteristics as those in circulation, entitled to regular dividends, at an issue value equal to the book value of Technogym shares at the date of execution of the delegation by allocating the corresponding maximum

amount of profits and/or profit reserves resulting from the latest financial statements approved from time to time pursuant to Art. 2349 of the Italian Civil Code, issuing Company Shares to employees of the Company or Subsidiaries, to ensure the implementation of the incentive plan for Technogym employed *management* known as “2021-2023 Performance Shares Plan” (the “**2021-2023 Performance Shares Plan**”), according to the terms, conditions and methods set forth therein (the “**Delegation for the 2021-2023 Performance Shares Plan**”). The 2021-2023 Performance Shares Plan, approved by the Board of Directors on 24 March 2021, provides for the allocation without consideration of a given number of shares of the Company when specific conditions are met and specific prerequisites are maintained. The Shares must be allocated within the 60th calendar day after the approval of the IFRS consolidated financial statements of the Group for the year ended as at 31 December 2023. For more information concerning the 2021-2023 Performance Shares Plan, please refer to the Remuneration Report drafted pursuant to Art. 123-ter of the Consolidated Finance Law, available at the registered office and on the website of the Company at <https://corporate.technogym.com/it/governance/assemblea-degli-azionisti>.

On 23 March 2022, the Board of Directors also resolved to propose to the Company's Shareholders' Meeting to grant the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years from the date of the resolution, the powers to increase the share capital, without consideration, in one or multiple *tranches*, pursuant to Art. 2349 of the Italian Civil Code, by a maximum of Euro 35,000 by issuing up to a maximum of 700,000 ordinary shares, at an issue value equal to the book value of Technogym shares at the date of execution, to be fully recognised as an equity item and awarded to the beneficiaries of the 2022-2024 Performance Shares Plan (“**Proposed Delegation for the 2022-2024 Performance Shares Plan**”).

**b) Restrictions on the transfer of securities (pursuant to Art. 123-bis, paragraph 1, letter b), of the TUF)**

There are no restrictions on the transfer or possession of securities, nor clauses requiring approval to become a shareholder of the Company.

**c) Significant holdings in the capital (pursuant to Art. 123-bis, paragraph 1, letter c), of the TUF)**

The relevant holdings in the share capital of Technogym, direct or indirect, according to the communications received by the Company, pursuant to Art. 120 of the Consolidated Finance Law, on the date of this Report, are listed in Table 1 of the Annex.

**d) Securities which confer special rights (pursuant to Art. 123-bis, paragraph 1, letter d), of the TUF)**

There are no securities conferring special control rights, nor parties entitled to special rights pursuant to the Articles of Association and the legal provisions in force.

For special voting rights, we refer to that which was said in Paragraph 2 a) above.

**e) Equity investments of employees: mechanism for the exercise of voting rights (pursuant to Art. 123-bis, paragraph 1, letter e) of the TUF)**

There is no mechanism that excludes or limits the direct exercise of the right to vote by the beneficiaries of the 2019-2021 Performance Shares Plan, the beneficiaries of the 2021-2023 Performance Shares Plan, the beneficiaries of the 2022-2024 Performance Shares Plan (the latter, if approved by the Shareholders' Meeting).

**f) Restrictions to the right to vote (pursuant to Art. 123-bis, paragraph 1, letter f) of the TUF)**

There are no mechanisms to restrict the voting rights of Shareholders, apart from the terms and conditions for the exercise of the right to take part and vote in Shareholders' Meeting described in Chapter 15 of this Report.



g) **Agreements between Shareholders** (*pursuant to Art. 123-bis, paragraph 1, letter g) of the TUF*)

The Company is not aware of any agreement between Shareholders pursuant to Art. 122 of the Consolidated Finance Law.

h) **Change of control clauses and provisions of the Articles of Association on takeover bids**

**Change of control clauses** (*pursuant to Art. 123-bis, paragraph 1, letter h) of the TUF*)

The Company and its Subsidiaries, within their sales activity, have concluded sales agreements (for example, distribution or *joint-venture*, supply, etc.) that, as it is common practice on international markets, include clauses that give each party the power to rescind the agreement if there is a direct and/or indirect change in the control of the other party outside of some explicit exceptions. Similar clauses are found in some lending agreements. We describe below the terms of the main agreements that include clauses of this type.

**Joint venture agreements for the establishment of Technogym Emirates LLC**

On 1 June 2007, Technogym and Wellness Solutions LLC (“**Wellness Solutions**”) signed an agreement known as *joint venture company formation agreement* for the establishment of Technogym Emirates LLC (“**Technogym Emirates**”), a limited liability company for the distribution of Technogym equipment and services in the UAE, established under UAE law, of which 51% is held by Wellness Solutions and 49% by Technogym.

On the same day, Wellness Solutions, Technogym and Technogym Emirates signed a Shareholders' agreement setting conditions and terms for the operation of Technogym Emirates; a later deed (*contract of establishment*) of Technogym Emirates, was signed on 19 September 2007 by Technogym and Wellness Solutions. On 22 July 2012, Flag Holding LLC (“**Flag Holding**”) acquired the entire equity investment held by Wellness Solutions in Technogym Emirates: therefore, on the same day, Flag Holding signed a deed of acceptance of the Shareholders' agreement of Technogym Emirates, taking over from Wellness Solutions the rights and obligations deriving from the Shareholders' agreement, the contract of establishment and the joint venture company formation agreement.

The Shareholders' agreement contains, inter alia, a clause of change of control, pursuant to which, in the case of a change of control in Flag Holding or Technogym (including the persons that respectively control them), the other party will have right to buy the equity investment of the party which has undergone the change of control, at a price to be agreed among the parties or, in the absence of an agreement, set by a third independent party according to the market value of the Technogym Emirates shares. The listing or the admission to the trading of Technogym shares on any regulated market is expressly excluded as a case of change of control pursuant to the Shareholders' agreement.

In April 2017, Alaslab International Investment LLC (“**Alaslab**”) acquired the entire equity investment held by Flag Holding in Technogym Emirates: on the same day, Alaslab signed a deed to accept the Shareholders' agreement of Technogym Emirates, taking over from Flag Holding the rights and obligations deriving from the Shareholders' agreement, the contract of establishment and the joint venture company formation agreement.

**UniCredit loan**

On 2 August 2019, Unicredit S.p.A. and Technogym signed an agreement for a medium-long term loan for a total of Euro 25,000,000, made available to the Issuer to support the liquidity requirements related to the business activities of the Group.

The loan in question accrues interest at a variable rate equal to the Euribor 6M plus a spread and will be repaid in 6 half-yearly constant capital instalments, equal to Euro 4,167,000, with final maturity on 29 July 2022. This loan requires, inter alia, an early repayment if the reference shareholders, together, no longer hold, directly or indirectly, a number of Shares with voting rights free from encumbrance

sufficient to guarantee them enough votes to have a dominant influence in the Ordinary Shareholders' Meeting. This clause, however, does not apply in the case of listing of the Shares of the Issuer on a regulated market.

#### BNL loan

On 16 May 2019, BNL and Technogym signed an agreement for a medium-long term loan for a total of Euro 25,000,000, made available to the Issuer to support the liquidity requirements related to the business activities of the Group.

The loan in question accrues interest at a variable rate equal to the Euribor 6M plus a spread, has an amortisation period of one year and will be subsequently repaid in 6 half-yearly constant capital instalments, equal to Euro 4,167 thousand, with final maturity on 16 May 2023. This loan requires, inter alia, an early repayment if the reference shareholders, together, no longer hold, directly or indirectly, a number of Shares with voting rights free from encumbrance sufficient to guarantee them enough votes to have a dominant influence in the Ordinary Shareholders' Meeting. This clause, however, does not apply in the case of listing of the Shares of the Issuer on a regulated market.

#### ***Statutory provisions relating to takeover bids (pursuant to Arts. 104, paragraph 1-ter, and 104-bis, paragraph 1)***

With reference to the current provisions on takeover bids, the Articles of Association contains an explicit derogation to the authority of the Shareholders' Meeting on defences at the time of public offers for purchase or exchange on the shares of the Company (known as “*passivity rule*”), as set forth in Art. 104, Paragraph 1, of the Consolidated Finance Law.

Pursuant to Art. 23.3 of the Articles of Association of the Company, the Board of Directors, and any representative of this, without the need for authorisation by the Shareholders' Meeting, may:

(a) carry out all actions and transactions under their responsibility to prevent the objectives of a public offer for purchase or exchange from being achieved, from the communication with which the decision or the triggering of the obligation to promote the bid is made public up to the closure or forfeiture of the bid itself;

(b) implement decisions under their responsibility not yet implemented, fully or in part, that do not fall in the normal course of activity of the Company, taken before the communication of which above and the execution of which may prevent the achievement of the objectives of the bid.

In addition, we note that the Articles of Association of Technogym do not expressly provide for the application of the neutralisation rules considered by Art. 104-bis, Paragraphs 2 and 3, of the Consolidated Finance Law.

#### **i) Powers to increase share capital and authorisations to purchase of treasury shares (*pursuant to Art. 123-bis, paragraph 1, letter m) of the TUF*)**

With reference to the Delegation for the 2019-2021 Performance Shares Plan and the Delegation for the 2021-2023 Performance Shares Plan (as well as for the Delegation for the 2022-2024 Performance Shares Plan), please refer to Paragraph 2, a) above.

On 23 March 2022, the Board of Directors also resolved to propose to the Company's Shareholders' Meeting called for 4 May 2022 to authorise the same Board of Directors, subject to the revocation of the authorisation to purchase treasury shares granted by the Shareholders' Meeting of 5 May 2021 for the remaining period, to purchase ordinary Technogym shares without nominal value, in one or more tranches, also on a *revolving* basis, up to the maximum number of (treasury) shares of 20,000,000 and in any case within the maximum limit set by Art. 2357, Par. 3 of the Italian Civil Code, for a period of 18 months from the date of the Shareholders' Meeting resolution, using any of the procedures specified by the joint provisions of Art. 132 of the Consolidated Finance Law and 144-bis of the Issuers'

Regulation and, in any case, with any other procedures allowed by the legal and regulatory provisions in force at the time on this issue, both Italian and EU, and in compliance with all applicable laws and regulations, including Italian and EU legal and regulatory provisions on market abuse, with the sole exception of the purchase procedures specified in Art. 144-bis, letter c) of the Issuers' Regulation. According to the proposal submitted to the Shareholders' Meeting, the purchase transactions must be carried out at price conditions that comply with the provisions of Art. 3, paragraph 2, of Delegated Regulation 2016/1052/EU and, in any case at a price per share that cannot deviate, neither decreasing nor increasing, by more than 10% compared to the reference price recorded by the share in the stock market session preceding each single operation.

With the exception of the above, at the date of this Report, no powers have been granted to the Directors to increase share capital for a consideration, in one or multiple tranches, nor have the Directors been granted the power to issue obligations convertible in either ordinary or saving shares or with *warrants* valid for the underwriting of shares.

**j) Activity of management and coordination (pursuant to Art. 2497 et seq. of the Italian Civil Code)**

At the date of this Report, TGH (company resulting from the demerger of Wellness Holding) holds 33.78% of the share capital and 50.5% of the Company's voting rights and, therefore, it controls the Issuer pursuant to Art. 93 of the Consolidated Finance Law. TGH is in turn indirectly controlled by Nerio Alessandri, Chairman of the Board of Directors and Managing Director of the Company, through Oiren S.r.l. (which holds 75% of the share capital of TGH). However, pursuant to Art. 2497 of the Italian Civil Code et seq., the Issuer is not subject to direction and coordination by TGH or by any other company or entity in the control chain through which Nerio Alessandri controls TGH, as acknowledged most recently in the meeting of the Board of Directors of the Company held on 7 March 2022. In particular, after reviewing the factual circumstances, the Board of Directors of Technogym concluded that none of the activities which usually constitute direction and coordination, pursuant to Art. 2497 of the Italian Civil Code et seq., was carried out by TGH or by another company or entity. By way of example but not limited to, the Board of Directors has acknowledged that:

- management decisions are not centralised at the parent companies;
- Technogym has full negotiating autonomy in its relations with customers and suppliers, without any external interference by TGH or other company or entity in the latter's control chain;
- there are no intra-group loans, nor common financial plans or cash pooling systems involving TGH or other company or entity that is part of the latter's control chain;
- there are no ongoing transactions or projects based on activities or resources shared between Technogym and TGH or other company or entity that is part of the latter's control chain for the purposes of achieving economies of scale;
- The Company's and the Group's strategic, business, financial and/or budgetary plans are prepared and executed independently by Technogym and there are no joint business, financial or strategic plans in place with TGH or with another company or entity that is part of the latter's control chain;
- the review and approval of the organisational structure of the Group and the assessment of the suitability of the organisational, administrative and accounting structure of the Company and the Group pertains to the Board of Directors of Technogym;
- no policies, procedures or directives have been issued by TGH or by another company or entity that is part of the latter's control chain;



- no business, organisational or financial act, guideline or deed related to Technogym or to the Group had been promoted or authorised by TGH or other company or entity that is part of the latter's control chain.

\* \* \*

Lastly, we note that:

- the information required by Art. 123-bis, Par. 1, letter i) of the Consolidated Finance Law (on “*the agreements between the companies and the Directors [...] that provide for indemnities in the case of resignation or dismissal without just cause or if their employment relationship is terminated after a bid*”) is provided in the Remuneration Report, available at the registered office and on the website of the Company (<https://corporate.technogym.com/en/governance/shareholders-meetings>);
- the information required by Art. 123-bis, Par. 1, letter l) of the Consolidated Finance Law (on “*the provisions that apply to the appointment and replacement of Directors [...] as well as to the amendment of the Articles of Association, if different from the legal and regulatory provisions applicable in a supplementary capacity*”) are described in the section of this Report devoted to the Board of Directors (Paragraph 4.2 below).

### **3. COMPLIANCE (PURSUANT TO ART. 123-BIS, PARAGRAPH 2, LETTER A), PART ONE, OF THE TUF)**

Technogym adheres to the 2020 Corporate Governance Code in force at the date of the Report and which became applicable on 1 January 2021, accessible to the public on the website of the Corporate Governance Committee at the following page: <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf> – applying its contents, as specified below, during the same year.

The *corporate governance* system of the Company is completed by the provisions of the Articles of Association and the Regulations of the Shareholders' Meeting. The Company's *corporate governance* system is based on the principles set forth in the Corporate Governance Code (formerly the Self-Governance Code) and, more in general, on international *best practices*, adapted to take into account the Company's specific characteristics and of the activities carried out.

This Report was drafted also on the basis of the instructions provided by Borsa Italiana on the format of corporate governance reports (9th edition, January 2022).

Neither the Company nor its Subsidiaries are subject to non-Italian legal provisions with an influence on the *corporate governance* structure of Technogym.

## **4. BOARD OF DIRECTORS**

### **4.1 Role of the Board of Directors**

Pursuant to the legal and regulatory provisions in force for companies with shares listed in regulated markets and in compliance with the recommendations of the Corporate Governance Code, the Board of Directors holds a key role in the Company's *governance* system.

Pursuant to Art. 23 of the Articles of Association, the management of the Company is the exclusive authority of the Board of Directors. The Board has the broadest powers for the ordinary and extraordinary management of the Company. Notably, it has all the powers for the pursuit of the business purpose that are not strictly reserved to the Shareholders' Meeting by the law or by these Articles of Association.

Without prejudice to the concurrent competence of the Shareholders' Meeting, Art. 23.2 of the Articles of Association also provides for the Board of Directors to resolve on:

- (a) the merger of companies fully owned under the terms as set forth in Art. 2505 of the Civil Code or those in which at least a 90% interest is held pursuant to Art. 2505-bis of the Civil Code;
- (b) the opening or closing of secondary offices;
- (c) the specification of which Directors have the power to represent the Company;
- (d) the reduction in share capital in the case of withdrawal of a shareholder;
- (e) the amendments to the Articles of Association to ensure compliance with legal provisions;
- (f) the move of the registered office to another location in Italy.

Art. 2436 of the Civil Code applies in any case.

The Board of Directors, and any representative of this, have also the power, without the need to request authorisation by the Shareholders' Meeting:

- (a) carry out all actions and transactions under their responsibility to prevent the objectives of a public offer for purchase or exchange from being achieved, from the communication with which the decision or the triggering of the obligation to promote the bid is made public up to the closure or forfeiture of the bid itself;
- (b) implement decisions under their responsibility not yet implemented, fully or in part, that do not fall in the normal course of activity of the Company, taken before the communication of which above and the execution of which may prevent the achievement of the objectives of the bid.

The following tasks are expressly reserved to the Board of Directors: (i) the definition of the corporate governance system of the Issuer; (ii) the approval of guidelines for the preparation of the strategic, business and financial plans; (iii) the approval of the operating plan and the annual *budget*.

The Board has assessed the general operating performance, taking into account, in particular, the information received from the delegated bodies and comparing on a regular basis, at least quarterly, the results obtained with those planned, according to the recommendations of the Corporate Governance Code.

As further detailed in the previous Paragraph 1 of this Report, the issues of sustainability have always been integrated in a natural and organic way into the Company's business model, constituting the philosophy of *wellness* as the guiding criterion for the action, strategies and business processes of the Company and of the group. The Board of Directors, assisted by the Control, Risks and Sustainability Committee, supervises the initiatives aimed at pursuing the sustainable success of the Company, including those aimed at achieving the objectives set out in the Sustainability Policy, the implementation of which is assiduously monitored and reported on internal of the consolidated non-financial statement, published by the Company pursuant to Legislative Decree 254/2016.

The Board of Directors concretely defines the guidelines and assesses the adequacy of the Internal Control and Risk Management System; The Control, Risks and Sustainability Committee constantly monitors the activities aimed at overseeing the main risk components of the Company's business, analysing the risk mapping and analysis processes, in order to proceed with a broader and more integrated assessment of the management of risks. In addition, making use of the documents produced and the analysis carried out on the management control system, also with the support of external consultants, and the subsequent updates provided on the issue by the *Internal Audit* Department and the Control and Risk Committee, the Board of Directors has verified the operation and the effectiveness of the management control system of the Group, without identifying major difficulties according to the provisions of the guidelines and the standards set by Borsa Italiana.

During the 2021 financial year, the Board of Directors conducted a compliance analysis of the Company's corporate governance system with respect to the new Corporate Governance Code for listed companies, applicable, in the case of Technogym, starting from 1 January 2021. In particular, the main innovations envisaged by the new Code relevant for Technogym in its dual qualification as a "large" and "concentrated ownership" company were evaluated, adapting the Company's governance structure during the year to the provisions of the Corporate Governance Code. The Board of Directors constantly monitors the entry into force of regulatory updates on governance, evaluating all appropriate actions to adapt its governance model to the laws and regulations in force *from time to time*.

The Board of Directors, after preliminary investigation by the Control, Risks and Sustainability Committee, periodically assesses the adequacy of the organisational and accounting structure of the Company and its subsidiaries. These assessments were conducted by the Board of Directors on 24 March 2021 and, most recently, on 23 March 2022. In particular, the Board of Directors has reviewed the Company's organisation, also in relation to the executive reorganisation, considering it to be appropriate, in terms of its size and complexity and its specific characteristics.

The Board of Directors is involved in the decisions regarding operations of the Company and/or its subsidiaries that are of strategic, economic, equity or financial importance for the Company, resolving the related terms and conditions. On 6 March 2017, the Board of Directors set general criteria, unchanged at the date of this Report, to identify the transactions that have a significant strategic, economic, capital or financial relevance for the Issuer, identifying as such all transactions involving the assumption of commitments and the execution of payments up to Euro 25,000,000 (twenty-five million), or its equivalent in another currency, for each individual transaction. The Board of Directors resolves on the adoption of a procedure for the internal management and external communication of documents and information concerning the Company, with particular reference to privileged information. On 16 March 2016, the Board of Directors approved the Company's procedure for the treatment of inside information, subsequently amended by the Board itself on 4 August 2016 and on 28 March 2018, following the entry into force of EU Regulation no. 596/2014 on market abuse. The aforementioned procedure is available on the Company's website at <https://corporate.technogym.com/it/archivio/governance/regolamenti-procedure>. For additional information regarding the processing of corporate information, please refer to Section 5 of this Report.

Concerning the policy for managing dialogue with shareholders and investors approved by the Board of Directors on 27 October 2021 (available on the Company's website at <https://corporate.technogym.com/en/governance/rules-and-procedures>), please refer to Section 15 of this Report.

\* \* \*

Lastly, it should be noted that pursuant to Art. 16.3 of the Articles of Association, until otherwise resolved by the Shareholders' Meeting, the Directors are not bound by the non-competition obligation under Art. 2390 of the Italian Civil Code.

#### **4.2 Appointment and replacement (pursuant to Art. 123-bis, paragraph 1, letter l), part one, of the TUF)**

Pursuant to Art. 16 of the Articles of Association, the Company is managed by a Board of Directors elected by the Shareholders' Meeting and consisting of a number of members set by the Shareholders' Meeting before the appointment, between seven and fifteen.

The Directors elected are in office three years or for the period set at the time of the appointment by the Shareholders' Meeting, which in any case shall not exceed three years. They may be re-elected.

All Directors must meet the requirements of eligibility, professionalism and integrity set by legal and regulatory provisions.

Pursuant to Art. 147-ter of the Consolidated Finance Law, at least two Directors must also meet the independence requirements there specified.

In compliance with the legal and regulatory provisions applicable to listed companies, Art. 16 of the Articles of Association provides for the appointment of the Board of Directors to be made by the Shareholders' Meeting on the basis of lists presented by shareholders, according to the procedure set forth in Art. 17 of the Articles of Association and described below.

Lists may be presented by the Board of Directors in office and by the shareholders who, alone or with others, at the time of the presentation of the list hold a percentage equity investment at least equal to the one set by CONSOB with regulations pursuant to Art. 147-ter of the Consolidated Finance Law. In this regard, we note that, with CONSOB top management resolution no. 44 of 28 January 2022, the percentage equity investment required, pursuant to Art. 144-*quater* of the Issuers' Regulation, to present a list of the candidates for the election of the administration and control bodies of Technogym was set at 1%.

Each shareholder, the shareholders participating in a Shareholders' Agreement relating to the relevant Company as set forth in Art. 122 of the Consolidated Finance Law, the controlling party, the Subsidiaries and those subject to common control and other parties among which there is an affiliation, even indirect, pursuant to the legal and regulatory provisions *in force at the time*, cannot present or take part in the presentation, not even through a third party or trust company, of more than one list nor may vote for different lists. Each candidate may appear only on one list, being otherwise deemed ineligible. Each list carries the names of the candidates, with a sequential number; the number of candidates cannot exceed the number of members to be elected.

Any list with a number of candidates equal or below 7 must include and identify at least 1 candidate with the independence requirements set according to the legal and regulatory provisions in force at the time for Independent Directors. Any list with a number of candidates above 7 must include and identify at least 2 candidates with the independence requirements set according to the legal and regulatory provisions *in force at the time* for Independent Directors.

In addition, for the period of application of the legal and regulatory provisions *in force at the time* on gender balance, any list presenting at least 3 candidates must also include candidates of both genders, so that at least one-third (rounded up) of candidates belong to the less represented gender.

The lists must be filed at the offices of the Company, also remotely, following the procedures specified in the call notice, and made available to the public in the terms and with the procedures specified by legal and regulatory provisions *in force at the time*.

The lists must be accompanied by the following:

- (a) information on the identity of the shareholders who have presented the lists, with the specification of the percentage equity investment held in total, being understood that the evidence of the ownership of this equity investment may be presented even after the deposit of the lists provided this is done within the term set for the publication of the lists by the Company;
- (b) a statement of the shareholders other than those holding, alone or jointly, a controlling interest or a relative majority, stating the absence of relations of affiliation, even indirect, pursuant to the legal and regulatory provisions in force at the time, with the latter;
- (c) exhaustive information on the personal and professional characteristics of the candidates, possibly specifying their qualifications as Independent Directors pursuant to the legal and regulatory provisions in force at the time (and/or pursuant to the codes of conducts on corporate governance promoted by management companies of regulated markets if adopted by the Company), as well as a statement by the candidates that the requirements set by the legal and regulatory provisions in force at the time and by the Articles of Association, including those of

integrity and, if applicable, independence, are met, and that they accept the candidature and, if elected, the office;

- (d) any other additional or different statement, information and/or document required by the legal and regulatory provisions in force at the time.

If these obligations are not fulfilled, the list is deemed as not presented.

The vote of each shareholder is given to a list and therefore, automatically, to all candidates on the list, without changes, additions or exclusions.

The election of the Board of Directors takes place as follows:

- (a) the lists that have obtained a percentage of votes less than the half of the percentage required for their presentation are not taken into account;
- (b) all Directors to be elected bar one are taken, in the progressive order with which they are indicated in the list, from the list that obtained the highest number of votes;
- (c) the remaining Director to be elected is taken from the list that obtained the second highest number of votes after the one in (b), votes given by shareholders who are not related in any way, not even indirectly, pursuant to the legal and regulatory provisions in force at the time with the shareholders who have presented or voted the list as set forth in (b) above.

In case of parity between lists, priority is given to the list presented by the shareholders with the largest equity investment or, subordinately, by the largest number of shareholders.

If at the end of the voting a sufficient number of Directors meeting the independence requirements set by the legal and regulatory provisions in force at the time has not been elected, the candidate not meeting these requirements who was elected last (in progressive order) from the list that obtained the highest number of votes shall be excluded and will be replaced by the first (in progressive order) unelected candidate of the same list who meets the independence requirements. This procedure will be repeated, as necessary, until a sufficient number of Independent Directors is elected. If, at the end of this replacement process, the composition of the Board of Directors does not allow for the minimum number of Directors meeting the independence requirements required by legal and regulatory provisions in force at the time, the replacement shall take place with resolution by the Shareholders' Meeting by relative majority of the votes there represented, after presentation of the candidates meeting the independence requirements set by the legal and regulatory provisions in force at the time.

Moreover, if at the end of the voting and possibly the application of the previous paragraph with the candidates elected, the composition of the Board of Directors does not comply with the legal and regulatory provisions on gender balance in force at the time, the candidate of the most represented gender elected last (in progressive order) on the list that obtained the highest number of votes shall be excluded and replaced by the first (in progressive order) unelected candidate of the less represented gender on the same list. This replacement process is repeated until the composition of the Board of Directors complies with the legal and regulatory provisions in force at the time on gender balance. If, after this replacement procedure, the composition of the board of directors does not comply with legislation and regulations in force at the time concerning gender balance, the replacement shall take place by resolution passed by the shareholders' meeting by the relative majority of the votes represented therein, after the submission of nominations of parties belonging to the less represented gender.

If the number of candidates elected on the basis of the lists presented is less than the number of Directors to be elected, the remaining Directors are elected by resolution of the Shareholders' Meeting taken by the relative majority of the votes there represented and in any case so as to ensure the presence of the minimum number of Independent Directors required by legal and regulatory provisions in force



at the time, as well as compliance with the legal and regulatory provisions on gender balance in force at the time. In case of parity of votes between different candidates, a second ballot between them shall take place at the Shareholders' Meeting, and the candidate obtaining most votes shall prevail.

If a single list is presented, the Shareholders' Meeting votes on this list and, if the relative majority of the votes there represented is obtained, all members of the Board of Directors shall be taken from this list in compliance with the legal and regulatory provisions in force at the time, also in regard to independent directors and gender balance of directors.

If no list is presented or if a single list is presented and this does not obtain the relative majority of the votes represented in Shareholders' Meeting or if the entire Board of Directors does not need re-appointing or if it is not possible for any reason to appoint the Board of Directors with the procedures described above, the members of the Board of Directors are appointed by the Shareholders' Meeting with the ordinary procedures and the relative majority of the votes there represented, without application of the list vote mechanism, and in any case in a way to ensure the presence of the minimum number of Independent Directors required by legal and regulatory provisions as well as compliance with the legal and regulatory provisions on gender balance in force at the time.

With regard to the replacement of Directors, if one or more Directors leave office, for any reason, Art. 19 of the Articles of Association requires their replacement to take place as follows.

If the outgoing Director has been taken from a list other than the one that had obtained the highest number of votes, and provided the majority of the Directors continues to consist of Directors appointed by the Shareholders' Meeting, the Board of Directors shall appoint the replacement by co-optation pursuant to Art. 2386 of the Civil Code among the candidates from the same list as the outgoing Director, provided this meets the requirements made.

If, for any reason, there are no names available and eligible or if the outgoing Director had been taken from the list that had obtained the highest number of votes, the Board of Directors shall appoint the replacement(s) by co-optation pursuant to Art. 2386 of the Civil Code, without restrictions in the choice among the members of the lists originally presented.

If the law requires the Shareholders' Meeting to appoint the Directors needed to integrate the Board of Directors after the departure of Directors, it will proceed in compliance with the provisions that follow.

(a) If it is necessary to replace one or more members of the Board of Directors taken from the list that had obtained the highest number of votes, the Ordinary Shareholders' Meeting shall resolve on the replacement by relative majority of the votes there represented, without restrictions in the choice among the members of the lists originally presented.

(b) If, instead, the member of the Board of Directors to be replaced had been taken from a list other than the list that had obtained the highest number of votes, the Shareholders' Meeting shall chose a replacement (with the relative majority of the votes there represented), if possible, among the candidates in the list of the Director to be replaced; these must have confirmed their candidacy in writing, at least 10 days before the date set for the Shareholders' Meeting, and provided statements to the effect that there are no causes of ineligibility or forfeiture, and that the requirements for the office set by the legal and regulatory provisions in force at the time or by the Articles of Association are met. If this replacement process is not feasible, this member of the Board of Directors is replaced with resolution to be taken with the relative majority of the votes represented in the Shareholders' Meeting, while respecting, if possible, the representation of the minorities.

The replacements described above must, in any case, be carried out in compliance with the legal and regulatory provisions in force at the time on gender balance and the minimum number of Directors meeting the independence requirements required by legal and regulatory provisions in force at the time.

The term of office of the Directors appointed by the Shareholders' Meeting to replace the Directors who leave ends at the same time as the Directors already in office at the time of their appointment.

If the majority of the Directors appointed by the Shareholders' Meeting leaves, for any reason, the entire Board of Directors is understood to have left and the meeting to appoint the new Board of Directors must be called urgently by the Directors still in office.

The Board regularly verifies that its members continue to meet the requirements made by the legal and regulatory provisions in force at the time and by the Articles of Association, including the independence and honourableness requirements, and that there are no causes of ineligibility and forfeiture.

The Director who, after the appointment, no longer meets the requirements made or previously stated must immediately inform the Board of Directors. The failure to meet the independence requirements established according to regulations in force at the time applicable to independent directors entails forfeiture of the office, unless such requirements continue to be met by the minimum number of directors who according to regulations in force at the time must meet those requirements. Without prejudice to these provisions, if a Director does not meet or no longer meets the independence requirements (if this involves the forfeiture according to the provisions above) or integrity stated and required, or there are cause of ineligibility or forfeiture, the Board of Directors declares the forfeiture of the Director and carries out his/her replacement in compliance with the legal and regulatory provisions applicable and that is described above.

With reference to the role of the Board of Directors and of the board committees in the self-assessment, appointment and succession processes of directors, please refer to what is described in Section 7 of this Report.

### **4.3 Composition**

As of the date of this Report, the Board of Directors of the Company is made up of the following members: Nerio Alessandri, as Chair and Chief Executive Officer, Pierluigi Alessandri, as Deputy Chairman, Erica Alessandri, Francesca Bellettini, Carlo Capelli, Maurizio Cereda, Chiara Dorigotti, Melissa Ferretti Peretti, Vincenzo Giannelli, Maria Cecilia La Manna and Luca Martines.

The Board of Directors of the Issuer in office, consisting of 11 members, all with skills, abilities and professionalism appropriate to the tasks entrusted to them, was appointed by the Ordinary Shareholders' Meeting on 5 May 2021 for a period of three years, i.e. until the approval of the Financial Statements for the year ending as at 31 December 2023.

In particular, it should be noted that the majority list (presented by the shareholder TGH Srl, at the time holder of 80,000,000 (eighty million) shares of the Company corresponding to 39.73% of the share capital) was voted by 69.26% of the share capital with voting rights and all the Directors were selected from it, with the exception of Luca Martines who was selected from the minority list (submitted by Studio Legale Trevisan & Associati on behalf of a group of investors holding a total of 9,254,413 (nine million two hundred and fifty-four thousand four hundred and thirteen ordinary shares of the Company, equal to 4.956% of the share capital), which was voted by 30.74% of the share capital with voting rights.

A significant component of non-executive directors (6 of 8) possesses the independence requirements pursuant to the combined provisions of Articles 147-ter, paragraph 4 and 148, paragraph 3, of the TUF, as well as the Corporate Governance Code.

At the date of this Report, the Managing Director Nerio Alessandri, the Deputy Chair Pierluigi Alessandri and the Director Carlo Capelli are Executive Directors. The following directors qualify as non-executive directors: Erica Alessandri, Maurizio Cereda, Francesca Bellettini, Chiara Dorigotti, Melissa Ferretti Peretti, Vincenzo Giannelli, Maria Cecilia La Manna and Luca Martines. Non-

executive directors have personal and professional skills capable of ensuring a significant weight in the adoption of Board resolutions and ensuring effective management monitoring.

Table 2 in the Annex provides the relevant information on each member of the Board of Directors in office at the date of this Report.

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We provide below a short curriculum vitae for each member of the Board of Directors, which show their competencies and experience in the corporate management area.

### **Nerio Alessandri**

After training and working as industrial designer, in 1983 he started Technogym, leading its development for more than 30 years, until today (see Chapter 5, Par. 5.1.5, of the Registration Document). After approximately 20 years of experience in the fitness and the wellness sectors, in 2002, Nerio Alessandri sets up the Wellness Foundation, a non-profit organisation that promotes wellness as a social opportunity for governments, companies and individuals; one of the key projects of the Foundation is the Wellness Valley, which aims at turning the Romagna region into an important district for competencies on wellness and quality of life. He received an honorary degree (laurea honoris causa) from the Faculty of Motor Sciences at the University of Urbino, in April 2004, and an honorary degree (laurea ad honorem) from the Faculty of Biomedical Engineering at the University of Bologna. Lastly, in February of 2014, he received a Master honoris causa in Business Administration from the CUOA Foundation. His capacities as entrepreneur were recognised also with several awards and accolades at the Italian and international level, among which the appointment as "Cavaliere del Lavoro" [Knight of Labour] in 2001, the Leonardo Award for Italian Quality in 2004 as well as, in 2010, the Guido Carli Award for corporate social responsibility. In addition, in November 2007, the US Chamber of Commerce named Nerio Alessandri as entrepreneur of the year in the economics category.

### **Pierluigi Alessandri**

He co-founded Technogym in 1983 together with Nerio Alessandri, overseeing the development of its manufacturing and property activities for more than 30 years until today (see Chapter 5, Par. 5.1.5, of the Registration Document). Member of the Board of Directors of the Issuer since 1986. He is also the Chair of the Board of Directors and Chief Executive Officer of TGB S.r.l. (formerly Technogym Building S.r.l.), a role in which, since 2000, he has been supervising and completing the project for the construction of the Technogym Village (see Chapter 6, Paragraph 6.1.4, of the Registration Document). In 2006, he also managed the start and completion of the plant of the Technogym Group in Slovakia (see Chapter 6, Par. 6.1.4, of the Registration Document).

### **Erica Alessandri**

Graduated in Business Management from the Queen Mary University of London in July 2012. She completed several internships, some while still in college, at important financial institutions (J.P. Morgan in Paris, G.B.S. Finanzas in Madrid and Algebris Investments in London), private companies (Bulgari in New York) and/or public institutions of international relevance (UN World Food Program in El Salvador). She joined Technogym in September 2013, as Junior Project Manager, remaining there until September 2014. From September 2014, she worked at the Luxottica Group, at first as *Global Brand Manager Assistant for the Persol brand* until March 2015, and, from April 2015 to July 2016, as *Junior Project Manager* for the *Bulgari and Tiffany brands*. In January 2018 she started the Master in Business Administration (MBA) at the INSEAD Business School in France and Singapore, completed in December 2018. Since April 2014, she is also on the Board of Directors of Enervit S.p.A. Since May 2019 she has been a member of the Board of Directors of TGB S.r.l. and since December 2019 she has also been Director of Wellness Foundation. Currently she works at the Family Office as *Business Developer* and as Digital Manager with the Issuer.



### **Francesca Bellettini**

Graduated in Business Administration at the Bocconi University in Milan in 1994. She had a first working experience as an intern at Citibank in Milan in 1994. Between August 1994 and May 1996, she worked in Goldman Sachs, at first at the offices of New York, then in London in the Investment Banking and Mergers & Acquisitions division. Between July 1996 and March 1998, she worked in London, in the Investment Banking Division of Deutsche Morgan Grenfell, focusing on the luxury goods sector. Between April 1998 and March 1999, she gained new professional experience in the London offices of Compass Partners International, at the Private Equity Division. In April 1999, she joined the Prada Group at the Planning & New Business Development division, also taking the position of coordinator of the IPO process, remaining there until February 2002. After a brief stint as operations manager in Helmut Lang (Prada Group), she joined Gucci (Kering Group) in January 2003, as an assistant to the Chairman and Managing Director of Gucci, holding this position until January 2005. From February 2005 to November 2008, she was Strategic Planning Director and Associate Worldwide Merchandising Director of Gucci. In November 2008, she joined Bottega Veneta (also part of the Kering Group), at first as Worldwide Merchandising Director (until November 2010) and later as Worldwide Merchandising-Communication Director (from November 2010 to September 2013). Since September 2013 she has been President and *Chief Executive Officer* of Yves Saint Laurent.

### **Carlo Capelli**

Graduated in Economics and Commerce from the University of Bologna in 1985. From 1982 to 1985, he worked at the Credito Romagnolo in Ravenna. In 1985, he worked at Barclays Intermediazioni. In 1986, he joined Ernst & Young as Senior, in charge of administrative procedures and management controls. From 1990 to 1994, he worked at the Ferruzzi Finanziaria Group in Ravenna, with gradually increasing responsibilities, among which manager in charge of the preparation of the consolidated financial statements of the Ferruzzi and Montedison Group, becoming manager in charge of the execution of the restructuring plan of the Ferruzzi Group in support of Mediobanca. In 1994, he joined the Trombini Group as Head of administration, finance and control. In 2002, he worked at the Issuer, as Head of Business Development. In 2008, he joined the Board of Directors of the Issuer. He is also a Director of Alfin S.r.l. and Enervit S.p.A., a company listed on the MTA of Borsa Italiana. Until May 2019 he was the *Chief Financial Officer* of Wellness Holding; currently he is *Chief Corporate Officer* at Alfin S.r.l. (Wellness Holding).

### **Maurizio Cereda**

Graduated in Business Economics at the Bocconi Business University in Milan in 1989. From October 1989 to January 1992, he worked with RASFIN at the primary market desk. On 1 February 1992, he joined the Financial Service of Mediobanca, of which he became an Executive in July 1999, before moving on to the position of Central Co-Director and Head of the Equity Capital Markets area on 1 April 2000. In November 2003, he was appointed as a Co-Head of the Coverage and Corporate Finance area, then since March 2006, Central Director and since June, Sole Director of the Corporate Finance and Coverage Large Corporation area. Appointed Deputy General Manager in May 2007, he was also appointed as a member of the Board of Directors of Mediobanca from 2007 until October 2014. He left his Mediobanca positions at the end of March 2015. He is currently a consultant to entrepreneurs, *family offices*, companies and financial institutions as well as a promoter and *partner* of FIEE, the Italian Energy Efficiency Fund. He also holds the role of Director of Nexi S.p.A., Enervit S.p.A., Prada S.p.A., FIEE SGR S.p.A., Wealthness S.r.l. and Nutramis S.r.l.

### **Chiara Dorigotti**

After graduating cum laude in business economics at the Bocconi University in 1993, she worked in London at an investment bank (now BNP Paribas), dealing with stock market flotations and share and bond issues for 8 years, becoming head of the Italian market segment. In 2000, she joined the Fininvest Group, reporting directly to the Managing Director of the holding, working on the development activities of the Group and its investees. In 2003, she joined Tiscali SpA as *Investor Relations* and

*Corporate Finance Manager*, working on the funding and development activities carried out by the company abroad.

She joined SEA SpA in 2011, carrying out *corporate* and *business development* activities; in 2014 she became General Manager and in 2019 Managing Director of SEA Prime SpA, leading companies in business and general aviation in Italy and the rest of Europe, of which she followed the *re-branding* and development process at the Linate and Malpensa airports. Since 2017, she has been holding the role of Director of the Board and member of the Related Parties Committee of Enervit SpA.

### **Melissa Ferretti Peretti**

She graduated in Economics and Commerce from La Sapienza University of Rome in 1997 with full marks. In the same year she began working at Accenture following several strategic projects, including the acquisition of IP by Agip Petroli. Three years later she joined the dot.com Division where she dealt with the launch of various digital start-ups, M&A and MOU for sales purposes. In 2001 she returned to school, earning an MBA from the Bocconi University in Milan and then joining Vodafone as Product Manager. In 2003 she began her career at American Express where she held, over the years, roles of increasing responsibility: in 2009 she was appointed Vice President of Products and Communications, later heading the partnership and CRM. In 2013 she became head of the Small Business segment and in September 2014 she was appointed Vice President, Head of Proprietary Card Services Italy, dealing with the development of the consumer and small business market, also through the launch of co-branded products in Italy. Shortly thereafter, in March 2015, she became CEO of American Express Italia, bringing the market to double-digit growth and greatly accelerating its digital transformation. In 2019 she further expanded her responsibilities by becoming Head of Consumer Business of Germany and Austria and since 2021, following the promotion to Senior Vice President, she has also been responsible for the Swiss, Middle East and Saudi Arabia markets. She is the main sponsor of American Express's Inclusion & Diversity initiatives and of the Group's projects aimed at increasing female leadership and promoting the presence of women in the Company: a commitment that led her, in 2016, to win the Bellisario Award.

### **Vincenzo Giannelli**

Graduated *cum laude* in Business Administration at Bocconi University in Milan in 1988, he then also obtained a Master in Corporate Tax Law (CERTI). After his first work experience at Italtel from 1989 to 1994, covering international assignments at Italtel-Siemens in the following three years, in 1998 he became Group Controller and later Chief Financial Officer of the Manuli Rubber Group, then listed. In 2001 he joined Fiat Auto, gradually taking on tasks and holding positions of greater responsibility, up to holding the position of Chief Information Officer from December 2004 until March 2007. From April 2007 to August 2009, he was the Chief Financial Officer of Fiat Powertrain Technologies. From September 2009 to August 2010, Chief Financial Officer of Fiat Group Automobiles. From September 2010 to December 2014, Chief Financial Officer of Safilo Group with global responsibility for all corporate functions supporting business development. From January 2015 until January 2019, he was Chief Executive Officer at Iveco Defence Vehicles (a company of the CNH Industrial Group) and at the same time the President of the Iveco – Oto Melara consortium. After providing strategic consulting services in the Digital Transformation sector, since January 2020 he has been Corporate General Manager and Managing Director of Techedge S.p.A.

### **Maria Cecilia La Manna**

Graduated in Economics and Commerce at the University of Bologna in 1987. In 1988, she obtained an Audit Master delivered jointly by the Universities of Bologna and PricewaterhouseCoopers. Listed in the Register of Chartered Accountants and Statutory Auditors since 1990. Between 1989 and 1996, she laid the foundations for her professional career working with the auditing company PricewaterhouseCoopers, first as a financial statements auditor and subsequently acquiring experience in the Transaction Services Division in the United Kingdom and Italy, where she strengthened her business and financial background. Subsequently, by working with the Titan International Inc. Group (a company listed on the New York Stock Exchange), she gained extensive professional experience in

takeover processes, reorganisation, integration and change management, developing synergistic commercial and operational projects at international level. She contributed to the creation of the Titan Europe division, finalising buyouts in Europe, Brazil, North America, India, Turkey, Australia and China. In 2004, as the Chief Executive Officer, she managed the listing process of Titan Europe Plc. on the AIM of the London Stock Exchange, filling in subsequent years the position of Chief Operating Officer of the group. Since 2007, she has been the Chief Executive Officer of the Italtractor ITM S.p.A. group, and from 2013 to 2020 she was President of the Titan ITM Holding S.p.A. group, a global player in the field of design, production and distribution of components for farming, mining and construction machinery. The group, active through production and trade organisations in Europe, North America, Brazil, Australia, China and India, has been controlled since 2012 by the American company Titan International Inc. Since 2020, he has been Deputy Chair of Titan ITM Holding S.p.A. and Director of Brunello Cucinelli S.p.A.

### **Luca Martines**

After earning his Degree in Political Science from the La Sapienza University of Rome, he received a specialization in the Protection of fundamental humanitarian rights from the UNHCR/United Nation High Commissioner for Refugees. In 2002 he worked as a Press Officer aboard the Amerigo Vespucci training ship during the Antipodi Mission (from La Spezia to Auckland). In 2003 he joined the Fotovista Group (Paris) with the role of Business Development Manager for Southern Europe following the digital marketing and CRM activities. From 2005 to 2017, he worked at the YOOX-Net-à-porter Group in a variety of roles: Group Web Marketing & CRM Director (2005 - 2011), General Manager Asia- Pacific (2011- 2015) and President of Yoox and TheOutnet (2015 - 2017). In 2017 he joined the Reda1865 Group as CEO of Reda Industries, the company that owns the outdoor brand Rewoolution, Lanieri.com and the digital services division of the Group. Since 2021 he has been Global Brand Manager at Castelli Cycling.

### ***Diversity policies of the Board and corporate organisation***

In compliance with the provisions of Recommendation 8 of the Corporate Governance Code, on 7 March 2022, the Board of Directors, with the favourable opinion of the Appointment and Remuneration Committee expressed on 15 February 2022, approved the diversity policy of the Board of Directors and the Board of Statutory Auditors (the “**Diversity Policy**”) with the aim of providing criteria and indications, albeit not binding, regarding the composition of the management and control bodies, in order to guarantee a diversified and inclusive composition of their corporate bodies, in line with applicable laws and regulations, as well as the Articles of Association, the Code and the values that have always distinguished Technogym.

The Policy provides indications, in the form of non-binding examples, regarding aspects related to the diversity of the composition of the Board of Directors and Board of Statutory Auditors, in order to ensure an effective and functional performance of the tasks and responsibilities entrusted to the corporate bodies, taking into account the nature and complexity of the Company's activities, as well as the fundamental principles that underpin the corporate philosophy.

The Diversity Policy is published on the Company's website at <https://corporate.technogym.com/en/governance/rules-and-procedures>.

Furthermore, the Company's Code of Ethics clarifies Technogym's commitment to guaranteeing a working environment without racial, cultural, ideological, sexual, physical, moral, religious or other discrimination and to offering equal opportunities on equal terms. At all stages of the employment relationship, the Group constantly pays attention to respect for diversity and equal opportunities and to the prevention of all types of discrimination, as described in the consolidated non-financial statement prepared pursuant to Legislative Decree 254/2016.

### ***Maximum number of directorships that may be held at other companies***

In application of the recommendations contained in application criterion 1.C.3 of the Corporate Governance Code (as proposed in Recommendation 15 of the Corporate Governance Code for “large” companies), on 6 March 2017, the Board of Directors approved a document which expresses the guidelines of the Technogym Board of Directors regarding the maximum number of offices that the relative members can hold in the management and control bodies of other large companies, in order to ensure that interested parties have adequate time available to guarantee an effective fulfilment of the role they hold on the Company’s Board of Directors. On 7 March 2022, the Board of Directors resolved not to make changes to the policy on the maximum number of offices already approved with reference to the previous year.

The Directors of the Company promptly notify the legal and corporate affairs function and the Chairman of the Board of Directors and the Board of Statutory Auditors of any changes in the positions they hold in the management and control bodies of other large companies. If the limits indicated are exceeded, the Directors promptly inform the Board, which assesses the situation in the light of the interest of the Company and invites the Director to take the necessary decisions.

The Board of Directors, on the basis of the information provided by its members, records and discloses in the annual Report on corporate governance and ownership structure the positions held by the Directors of the Company in the Board of Directors and Board of Statutory Auditors of other large companies().<sup>1</sup>

The Executive Directors of the Company cannot hold:

- a. more than 3 Executive Director positions in large companies; and
- b. more than 5 positions as Non-Executive Director and/or Standing Auditor in large companies.

The Non-Executive Directors of the Company cannot hold:

- a. more than 4 executive director positions in large companies; and
- b. more than 7 positions as non-executive director and/or standing auditor in large companies.

The positions indicated in the previous paragraphs do not include those held in companies controlled, directly and/or indirectly by the Company, or affiliated to this, or controlling the Company or exercising on it direction and coordination activities. In addition, the positions held in different companies within the same group are considered a single mandate.

The Board of Directors may grant derogations (even on a temporary basis) to the above limits to the number of positions held. In granting these derogations, the Board of Directors shall take into account the following:

- a. the specific characteristics of the positions occupied by the Director in question, as well as the nature and the size of the companies in which such positions are held;

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(i) By "large companies" we intend: (i) companies with shares listed in regulated markets, in Italy and abroad; (ii) banking, insurance or financial companies, in Italy and abroad, with financial companies defined for the purposes of this guideline as financial intermediaries pursuant to Art. 106 of Italian Legislative Decree No. 385 dated 1993 (Consolidated Banking Law, TUB) and companies carrying out activities and services of investment or collective asset management pursuant to Italian Legislative Decree No. 58 dated 1998 (Consolidated Finance Law, TUF), being understood that, in the case of foreign companies, an assessment of substantial equivalence is required; (iii) other companies, in Italy and abroad, with shares not listed in regulated markets and that, even operating in sectors other than those indicated under b) above, have net assets above Euro 10 billion.<sup>1</sup>

- b. the commitment required by (i) any professional activity carried out by the Director in question and (ii) any office in an association held by the Director;
- c. the commitment required of the Director in question in the Board of Directors of the Company (with special reference to the case of a Non-Executive Director who does not sit on any Committee).

Any derogation thus granted by the Board of Directors shall be reported in the annual Report on corporate governance and ownership structure.

We note that, at the date of this Report, there were no cases of “cross-directorship”: in fact, the Managing Director of Technogym, Nerio Alessandri, does not hold administration positions in companies outside the Group in which another director of Technogym is Chief Executive Officer.

This Report contains, as an attachment, the list of all the offices held by the Directors in other companies at the date of this Report, according to the criteria established in the aforementioned document, which are therefore complied with.

#### **4.4 Operation of the Board of Directors**

Pursuant to Art. 20 of the Articles of Association, the Board of Directors elects from among its members a Chair, unless this is done by the Shareholders' Meeting, and a Secretary, who may or may not be a member. The Board of Directors may also appoint a Deputy Chair.

Pursuant to Art. 24 of the Articles of Association the Board of Directors may appoint one or more Managing Directors, with joint or individual powers, and grant other Directors special powers and, after hearing the Board of Statutory Auditors, set their remuneration. In addition, it may appoint one or more general managers, setting their powers, or grant special power of attorney.

Lastly, the Board of Directors may appoint an Executive Committee pursuant to Art. 2381 of the Civil Code, setting the number of members and their duration in office.

Pursuant to Art. 25 of the Articles of Association, the Board of Directors, after mandatory opinion of the Board of Statutory Auditors, appoints the Financial Reporting Manager, granting this appropriate resources and powers for the execution of his/her tasks, sets his/her remuneration and resolves on his/her revocation.

The Board of Directors meets regularly: during the 2021 financial year, it met ten times in total. The average meeting length was approximately two and a half hours, with attendance by Directors above 92% and that by Independent Directors above 89%. At least 7 meetings have been scheduled for 2022 (two of which had already been held at the date of this Report).

The Board of Directors meets in the location indicated in the call notice, at the registered office or even outside the municipality where the registered office is located, both in Italy and abroad, in and outside the European Union, whenever the Chairman of the Board of Directors believes it to be necessary or appropriate or when he/she receives a written request in this sense by the Board of Statutory Auditors, by each Standing Auditor, or by at least 3 Directors, specifying the topics to be discussed.

Without prejudice to the powers reserved by the legal and regulatory provisions in force to the Board of Statutory Auditors and to each Standing Auditor, the call is made by the Chairman of the Board of Directors. The call notice is sent by registered mail, telegram, fax, email, or by hand, or with any suitable means, at least 3 days before the meeting, to the domicile of the Directors and Standing Auditors. In urgent cases, the call notice may be sent by registered mail, telegram, fax, email, or by hand or with any suitable means, at least one day before the call. In the absence of a formal call, the



meeting of the Board of Directors is deemed duly established when all Directors in office and all Standing Auditors are present.

For the resolutions of the Board of Directors to be valid, the presence of the majority of Directors in office is required. The resolutions are made by absolute majority of the Directors in attendance. In the event of a tied vote, the vote of the Chair of the Board of Directors will serve as tie breaker.

The Chair of the Board meeting may invite professionals or other parties to the meeting, in an advisory capacity. In 2021, the Financial Reporting Manager in office at the date of the meeting was always invited to the meetings of the Board of Directors, except for the meetings held on 7 May and 15 December 2021. The *manager* of the Investor Relations function and, limited to matters falling within their competence, the *managers* of the Finance, Administration and Control function as well as other Company *managers* directly concerned and involved in the discussion of some issues on the agenda were also invited to attend some meetings of the Board of Directors.

If the call notice indicates it or if all Directors are present, the meetings of the Board of Directors may be duly held in video-conference or audio-conference, provided all participants can be identified by the Chairman of the meeting and other participants, all participants can follow the discussion, intervene in real time, and exchange documents on the topics under discussion and all of the above is recorded in the corresponding minutes. If these requirements are met, the meeting of the Board is deemed to have been held at the place where both the Chair and the Secretary of the meeting are located. In 2021, in accordance with the provisions of the so-called Decree "Cura Italia" no. 18 of 17 March 2020 and the subsequent provisions issued by the competent authorities containing the measures for the containment and management of the "COVID-19" pandemic, some meetings of the Board of Directors were held exclusively by video-conference.

The meetings of the Board of Directors are chaired by the Chair of the Board of Directors. In the event of absence or impediment of the Chairman of the Board of Directors, the meeting is chaired by the Deputy Chairman or, in the absence or impediment of the latter, by the director chosen by the absolute majority of Directors in attendance. The minutes of the meetings of the Board of Directors are drafted, approved and signed by the meeting Chair and by the Secretary, and transcribed in the corporate records as prescribed by law. The vote cannot be given by proxy.

In order to comply with the provisions of Recommendation no. 11 of the Corporate Governance Code, the Board of Directors, during the meeting of 30 June 2021, approved the regulations of the Board of Directors which define the rules for the functioning of the Board and its committees, including the procedures for taking meeting minutes and the procedures for the management of the disclosure to the Directors (the "**Regulations of the Board of Directors**").

Art. 7 of the Regulations of the Board of Directors, entitled "*Documentation submission*" indicates that any supporting documentation relating to Board meetings as well as the information necessary to allow the Directors to express themselves with knowledge of all the matters subject to resolution be provided to the Directors no later than the third day preceding the meeting. With regard to the financial year 2021, and at the date of this Report, following the introduction of the Regulations of the Board of Directors, it appears that the aforementioned deadline was not complied with in a few cases when the documentation was made available the day before the meeting or directly at the meeting, even though the Chair made sure that adequate information was provided to all those in attendance concerning the topics under discussion and that adequate time was allocated for all evaluations conducted in order to have an accurate and correct and complete understanding of the matter at hand.

The meeting minutes are drawn up objectively, impartially and transparently by the Secretary in a timely manner and such that they reflect the results of the Board meetings. A copy of the meeting minutes, once signed by the Chair and the Secretary, is made available to the Directors and Statutory Auditors in the special *repository* dedicated to sharing documents in support of the meetings of the Board of Directors.

In general, the meetings of the Board of Directors and of the Committees are held in a spirit of complete and honest collaboration, promoting quality dialogue and decision-making processes, and a solid due diligence process that takes account of Top Management's decisions and innovative ideas. The decision-making processes are effective and thorough, and the result of thoughtful and conscious choices.

#### 4.5 Role of the Chair of the Board of Directors

Pursuant to Art. 20 of the Articles of Association, if the Assembly has not done so, the Board of Directors, in the first meeting following its appointment, elects a Chair, and possibly a Vice Chair from among its members.

Pursuant to Art. 26 of the Articles of Association, the Chair of the Board of Directors and, in the case of his/her absence or impediment, the Deputy Chair, legally represents the Company before third parties and in court, with the right to commit the Company and lodge actions and legal and administrative petitions in any instance and also for revocation and Court of Cassation proceedings or before arbitrators (of any type whatsoever) and to appoint, for that purpose, arbitrators, lawyers and special attorneys to appear before the court, also determining their remuneration.

The Chair chairs the Meeting (with full powers to regulate its work) and convenes and oversees the Board of Directors, playing a role in coordinating the functions of the administrative body. He/she also ensures that adequate information - both from a qualitative and a quantitative point of view - on the agenda items is provided to all the Directors, in order to allow the Board to express itself with knowledge of the matters submitted to its evaluation and approval, as well as organises and coordinates the work of the Board of Directors.

Since the Shareholders' Meeting which appointed him on 5 May 2021 (and as at the date of this Report), the role of Chair of the Board of Directors has been held by Nerio Alessandri. In order to ensure continuity in the management and especially in consideration of the skills and in-depth knowledge of the Company of which he is the founder and controlling shareholder, on 7 May 2021, the Board assigned to Mr. Neri also the position of Chief Executive Officer of the Company, conferring on him the powers listed in the following Paragraph 4.6 of this Report. As of the date of this Report, the Chair of the Board of Directors (and Chief Executive Officer) is therefore the main person responsible for the management of Technogym.

Also with reference to the Financial Year, the Chair of the Board of Directors carried out the tasks envisaged for this role by the Corporate Governance Code or ensured, also availing himself of the support of the Secretary of the Board of Directors, as well as of other corporate departments, as warranted: (i) that the pre-meeting information and complementary information provided during the meetings was suitable to allow the Directors to act in an informed manner in the performance of their role; (ii) that the activity of the Committees was coordinated with the activity of the Board; (iii) that the executives of the Company and those of the other Group companies, responsible for the competent corporate functions according to the matter, attend the Board meetings, also at the request of individual Directors, in order to provide appropriate in-depth information on the agenda items; (iv) the adequacy and transparency of the self-assessment process of the Board of Directors and the Committees as required by the Code, with the support of the Remuneration and Appointments Committee.

As the Directors, who have been by now in office for several years, have an in-depth knowledge of the operation and organisation of the Company, no specific *induction* activities were organised in 2021, with the exception of those carried out for the Directors Melissa Ferretti and Luca Martines, appointed for the first time at the Meeting on 5 May 2021. In particular, these were provided, *inter alia*, with a full description of the main characteristics of the activity of Technogym and its Group and of the sector in which this operates, as well as the organisational structure and the management and financial policy of the Company. In any case, activities that had also *induction* purposes were carried out at the Board meetings and at the meetings of the Board Committees.

The Chair also ensures that the Board of Directors is informed, within the first useful meeting, of any significant contents of the dialogue that has been conducted with the shareholders.

### **Secretary of the Board of Directors**

Art. 8 of the Regulations of the Board of Directors, entitled “Secretary”, provides that the Board of Directors, on the proposal of the Chair, will decide on the appointment and dismissal of the Secretary of the Board. Pursuant to the provisions of the Articles of Association, the Secretary can also be selected from outside the members of the Board of Directors.

The Secretary supports the activities of the Chair and provides assistance and advice, with impartiality of judgement, to the Board of Directors on any relevant aspect for the proper functioning of the corporate governance system.

In particular, the Secretary supports the Chair: (i) in the obligations associated with the convening, organisation and conduct of meetings and the provision of the necessary documentation for the conduct of the meetings; and, (ii) in order to ensure that (a) the activity of the Committees is coordinated with the activity of the Board of Directors; (b) all Directors can participate, after their appointment and during the Board's mandate, in specific *induction* activities, and, (c) the self-assessment process is adequate and transparent.

In any case, the Secretary must meet the necessary requirements of professionalism and have adequate experience in the field of law concerning listed companies and regulated markets.

In compliance with the provisions of the Regulations of the Board of Directors (as well as Recommendation 18 of the Corporate Governance Code), the Board of Directors on 30 June 2021 appointed Ms. Chiara Benvenuto, J.D., as Secretary of the Board, as she met the professionalism requirements indicated above and in consideration of the experience honed in the field of law concerning listed companies and regulated markets.

## **4.6 Delegated bodies**

Art. 24 of the Articles of Association gives to the Board of Directors the power to delegate, within the limits set forth in Art. 2381 of the Civil Code, some of its powers to one or more of its members, specifying their powers and, after hearing the opinion of the Board of Statutory Auditors, the corresponding remuneration.

In addition, the Board of Directors may appoint one or more general managers or grant special power of attorney for individual actions or categories of actions, specifying the corresponding powers, which may include the power to represent the Company, and any fee. The Board of Directors elects from among its members a Chairman and, possibly, a Deputy Chairman, unless this has been done by the Shareholders' Meeting.

The delegated bodies ensure that the organisational, administrative and accounting structure is appropriate to the nature and the size of the Company and report to the Board of Directors and the Board of Statutory Auditors, at least every 3 months, on the general operating performance and on its foreseeable evolution as well as on the transactions of greater relevance, owing to their size or characteristics, carried out by the Company and by its Subsidiaries.

The Issuer believes that, as described below, the attribution of the powers of the Chair and Managing Director Nerio Alessandri (who holds, indirectly, through a fully owned company, an equity investment with 75% of the voting rights in the company that directly controls the Issuer), the Deputy Chair Pierluigi Alessandri (who holds, indirectly through a fully owned company, a 25% equity investment in the company that directly controls the Issuer) and the member of the Board of Directors, Carlo Capelli (who is an employee of Alfin S.r.l., a company imputable to Mr. Nerio Alessandri)



should not deviate from the provisions of Article 2 of the Code of Corporate Governance, in the section concerning the composition of the corporate bodies.

### **Managing Director and Chair of the Board of Directors**

On 5 May 2021, the Shareholders' Meeting nominated and appointed Nerio Alessandri (who holds, indirectly, through a wholly owned company, a shareholding equal to 75% of the voting rights in the Company that directly controls the Issuer) as Chairman of the Board of Directors until the approval of the Financial Statements as at 31 December 2023. On 7 May 2021, the Board of Directors appointed the Chairman as Managing Director and delegated to this all powers of ordinary administration, in any case within the limits set by the law, including the limits set by Art. 2381 of the Italian Civil Code, related to the taking of commitments and the execution of payments up to Euro 25,000,000 (twenty-five million), or its equivalent in another currency, for each individual transaction, unless otherwise specifically required below, and that do not pertain exclusively to the Board of Directors, as well as all powers identified below, with the limits set for each, to be exercised severally and with the broadest powers to grant mandates and special and general powers of attorney, investing the proxy and/or attorney with signatory powers, severally or jointly, with all powers necessary, useful or appropriate to ensure the best performance of the Company, including that to sub-delegate:

#### Supervision and coordination

- Supervision of the correct operation of the corporate governance rules, to report to the Board of Directors, which has exclusive authority on the definition of the corporate governance system;
- management and coordination of external relations with institutions, authorities, entities and third parties, in Italy and abroad, and trade associations, in compliance with the current procedure for the internal handling and external communication of documents and information on the Company approved by the Board of Directors and in effect from *time to time* (“**Procedure**”);
- management and coordination of the relations with the market, the financial community, the shareholders, the investors and all *stakeholders* of the Company, in compliance with the Procedure;

#### Strategic management

- Proposing to the Board of Directors guidelines for the preparation of the strategic, business and financial plans, the approval of which is reserved to the Board of Directors;
- proposing to the Board of Directors the operating plan and the annual budget, the approval of which is reserved to the Board of Directors;
- verifying, in regular meetings with management, that the operating performance is in line with budget targets and with the strategies defined in the plans;
- carrying out all transactions and activities planned in the *budget* approved by the Board of Directors, according to the limits and the procedures there specified;
- establishing, acquiring, selling or transferring (at any title and under any form), and acquire or establish rights in rem and/or use, securities, encumbrances, restrictions or rights of third parties of any type (also in rem) on equity investments or interests, also controlling interests, in companies, other legal persons or other entities, and business units, to offer and accept them as collateral, to carry out transactions according to current practices on the stock market and the securities market in general, for an amount not exceeding Euro 25 million (twenty-five million), or its equivalent in other currency, for each individual transaction, with the exception of the provisions below on real estate companies;

#### Operating management

- Acquiring the use of goods and services instrumental to the management of the activity of the Company and the Group headed by it (“**Group**”), also by drawing up agreements, including, by way of example, but not limited to, agreements of sale, lease (also of duration exceeding 9 (nine) years) of any kind, rental, charter, loan, *leasing*, exchange, contracts for work, contracts and services, shipping, transport, subcontracting, storage, administration, brokerage and any other agreement having as object the supply of work or services for an amount not exceeding Euro 25,000,000 (twenty-five million), or its equivalent in another currency, for each individual transaction, with the exception of the provisions on real property transactions below;
- selling and exporting the products of the Company and the Group, also guaranteeing the correct management of trade credit, also concluding supply framework agreements with expected sales not exceeding Euro 25,000,000 (twenty-five million), or its equivalent in another currency, per year;
- signing contracts and/or confidentiality agreements;
- carrying out purchases and sales of tangible or intangible fixed assets for an amount not exceeding Euro 10,000,000 (ten million), or its equivalent in another currency, for each individual transaction;
- carrying out transactions for the purchase of ownership rights or rights of use of brands, patents, designs, domain names or other intellectual property rights of any nature on the same, or any deed of disposal on brands, patents, designs, domain names or other intellectual property rights or purchase or establishment of rights in rem and/or of use, guarantees, encumbrances, restrictions or rights of third parties of any type (also in rem) on the same, for an amount not exceeding Euro 10,000,000 (ten million), or its equivalent in another currency, for each individual transaction, with the exception of the provisions below;
- transactions to grant licences or other rights of use of brands, patents, designs, domain names or other intellectual property rights of any nature, for an estimated amount not exceeding Euro 10,000,000 (ten million), or its equivalent in another currency, for year each;
- carrying out real estate transactions of any type, including the purchase and/or sale and/or transfer (at any title and under any form) of property, the purchase or establishment of rights in rem and/or use on the property (including lease, rent or loan agreements, with duration that may exceed 9 (nine) years) and/or the purchase or establishment of guarantees, encumbrances, restrictions or rights of third parties of any type (also in rem) on these, the establishment and/or purchase and/or sale and/or transfer (at any title and under any form) of, and the purchase or establishment of rights in rem and/or use, guarantees, encumbrances, restrictions or rights of third parties of any type on equity investments or interests, controlling and not, in real estate companies, for an amount not exceeding Euro 10,000,000 (ten million), or its equivalent in another currency, for each individual transaction or, in the case of lease agreements, for an amount not exceeding Euro 2,000,000 (two million) a year;
- signing and terminating insurance contracts against risk of any type, with power to carry out whatever is necessary for their management, renewal, amendment, etc.; settling claims and collect the corresponding indemnities, issuing receipts and discharges;
- signing agreements for the distribution of the products of the Company and the Group, by way of example, but not limited to, *franchising*, agency and referral agreements (i) with expected sales not exceeding Euro 15,000,000 (fifteen million) per year each, or its equivalent in another currency, if concluded with companies outside the Group and (ii) with expected sales also exceeding the limit *sub (i)* if entered into with companies of the Group; paying taxes, duties and charges, ask for their repayment and collect it, issuing a receipt, and arrange payments to social security agencies in the public sector;
- giving consulting assignments to third parties for an amount not exceeding Euro 5,000,000 (five million), or its equivalent in another currency for each individual transaction;

### Financial management

- Signing, amending and terminating mortgage and loan agreements, credit lines, factoring agreements, loans in general, financial leases in the different forms available, to be repaid even after 9 (nine) years, or other financial activities with principal not exceeding Euro 25,000,000.00 (twenty-five million), or its equivalent in another currency, for each individual transaction;
- giving personal guarantees and sureties and accept bills for an amount not exceeding Euro 10,000,000.00 (ten million), or its equivalent in another currency, for each individual transaction;

### Communication, *marketing* and promotional activities;

- specifying, managing and coordinating the internal and external communication, in compliance with the Procedure;
- managing and coordinating relations with the press and the media in compliance with the Procedure;
- Supervising *marketing* and promotion activities, by concluding and terminating agreements for the purposes of communication, advertising and sales promotion, including, merely by way of example but not limited to, work and service contracts, sponsorship, sale, *merchandising*, contracts for the purchase and granting of rights to use images, leases and other agreements aimed at the organisation of events, for an amount not exceeding Euro 5,000,000 (five million), or its equivalent in another currency, for each individual transaction;

### Intellectual property rights, authorisations and licences

- Carrying out all acts deemed necessary, useful or appropriate to apply for, obtain and renew patents, designs, trademarks, domain names or other intellectual property rights; to sign all deeds necessary for the exercise of the powers conferred; appointing for this purpose agents specialised in patents or other intellectual property rights, in Italy and abroad, providing them with the corresponding mandates;
- carrying out, at government agencies, entities and public and private offices, in Italy and abroad, all acts and transactions necessary to obtain concessions, licences, authorisations in general; conclude and sign regulations, conventions, acts of submission and any other act in preparation for those measures; fulfilling all corresponding requirements, including those related to tax rules, manufacturing and consumption taxes, duties and monopoly rights;
- submitting applications and carrying out, at any public or private office, in Italy and abroad, any act deemed necessary, preparatory, functional, or in any case related, to registering, amending, renewing, and terminating patents, designs, trademarks, domain names or other intellectual property rights;
- conferring and withdrawing consulting mandates to experts on intellectual property for the purposes of the procedures required for the filing and renewal of all intellectual property rights of the Company, such as trademarks, patents, designs and domain names;
- conferring and withdrawing consulting mandates to consultants and solicitors on intellectual property for administrative and judicial protection and in all proceedings aimed at invoking the active and passive legal capacity, in Italy and abroad, to invoke all intellectual property rights of the Company;

### Human resources

- Submitting to the Board of Directors general policies on the organisation and management of human resources;
- in execution of the remuneration policy approved by the Board of Directors, to establish, amend and terminate the employment contracts of employees and executives, carrying out all management

activities concerning hiring, promotion, firing, disciplinary measures, decisions on powers and financial conditions, transfers and secondments at other companies of the Group, without prejudice to the proposal and advisory functions of the Nomination and Remuneration Committee;

- signing, amending and terminating company agreements with trade unions and workers' associations;
- managing the human resources policy of the Company, the human resource development plans and the career plans, executing the remuneration policy approved by the Board of Directors;
- appointing and dismissing the person handling and coordinating the relations with the shareholders (“*Investor Relations*”);

#### Personal data processing

- Charging the Chair with the task of identifying, either inside or outside the corporate organisation, according to a standard of accountability, persons with the necessary qualifications, who, because of their experience, competence and reliability, can guarantee full compliance with the personal data processing provisions in force, including the security aspects, and of appointing them processors for the Company pursuant to the provisions of the Regulation No. 679/2016 on personal data protection and the subsequent Italian implementing laws and regulations (jointly, “GDPR”), with the responsibilities and obligations specified by the GDPR, delegating to them all powers necessary or appropriate, so that, in the name and on behalf of the Company, merely by way of example, each shall:
  - o prepare, update and disseminate, in the forms required by the applicable laws, the disclosures on personal data processing and ensure, if required, the collection of any consent necessary for personal data processing;
  - o appoint the person(s) in charge of processing, who will operate under their direct authority, as well as, if necessary, the manager(s) of a unit for which the scope of the processing that the operators of the unit are allowed to carry out is identified, to give them the necessary instructions to ensure they operate in the respect of the laws and regulations in force and to train them;
  - o negotiate, agree, sign, conclude, renew, terminate, rescind and amend partnership, consulting and intellectual work service agreements in the area of the services related to the processing of personal data relevant for GDPR purposes;
  - o request studies, signing the corresponding agreements and documents, confer and withdraw professional mandates concerning the activities specified above;
  - o store and control personal data to be processed, reducing to a minimum, through the adoption of suitable and preventive security measures, the risks of deletion or loss of data, even accidental, unauthorised access or processing not allowed or not in line with the purposes of the data collection;
  - o adopt, in compliance with the laws and regulations in force at the time, the minimum measures required to guarantee processing security, complete and regularly update the Register of processing activities and, if required, the DPIA, according to the GDPR provisions and within the terms of law;
  - o cooperate with the Data Protection Officer (the “**DPO**”) of the Technogym Group to execute their monitoring and consulting tasks, ensuring the constant flow of information on the processing activities that fall within the area of competence of the Processor;
  - o plan and carry out, in agreement with any other processors within the company and with the DPO, the audits required by the laws and regulations in force, in particular on the application of minimum security measures and the requirements specified in the measures adopted by the Data Protection Authority (the “**Guarantor**”);

- o carry out all activities needed to correct any non-conformities observed during audit, adopting a constant improvement approach as demanded by the most recent security standards (e.g., ISO/IEC 27001);
- o represent the Company in disputes, in and out of court, in the cases specified by GDPR, with the broadest powers, including the power to appoint and dismiss lawyers, prosecutors, mediators, experts and arbitrators, as well the power to reconcile and settle disputes, ensure the execution of sentences and do anything else that might be necessary and appropriate, with no exclusion or exception;
- o co-operate with the DPO to manage relations with the Privacy Guarantor, on behalf of the controller Technogym S.p.A. and submit notifications, appeals, complaints, requests for prior checks, opinions and others;
- o notify to the Guarantor the processing of personal data, when required;
- o carry out any activity, take any decision and implement any initiative to ensure compliance with all laws and regulations and with common principles of prudence in regard to personal data protection, in its broadest meaning;
- o for all matters not expressly mentioned here, fully implement, in cooperation with the DPO, the GDPR and the measures adopted by the Data Protection Guarantor or by any other authority on personal data processing, in Italy and abroad, if applicable;
- o in any case rigorously follow the directions provided to them, in detail and in writing, by the DPO or directly by the controller who, also through periodical checks, monitors the compliance with the personal data processing provisions in force, including those concerning data security, and with their own directions.

#### Representation

- Representing the Company in front of any judicial, administrative, tax, ordinary and special authorities in any procedure, at any level and in any court, as well as in front of mediation bodies, with power to sign petitions, appeals, negotiated settlement requests pursuant to Italian Legislative Decree No. 218 of 19 June 1997, as amended, verbal and written requests for exemptions and refunds, for any object, initiating and supporting actions in civil, criminal, and administrative proceedings of any kind, including actions for the granting of relief, actions brought to enforce a judgement, actions brought to enforce bills of exchange, joining in civil proceedings, and bankruptcy proceedings, compositions with creditors and moratorium and receiverships, attending to the corresponding formalities and therefore also to the issues of special power of attorney to solicitors, representatives ad litem, mediators, experts and arbitrators, choose a domicile, settle in arbitrated proceedings, in and out-of-court, any dispute in which the Company has an interest;
- proposing and validly signing settlements, both in and out of court, and conciliation minutes also pursuant to Art. 48 of Italian Legislative Decree No. 546 of 31 December 1992, as amended, provided the charge for the Company does not exceed Euro 5,000,000 (five million), or its equivalent in another currency, for each dispute;
- representing the Company in any tax dispute or question, in front of all authorities and offices, including tax courts, customs and boards of experts;
- representing the Company in Italy and abroad in its relations with the competent authorities, administrations and public bodies, public and private offices, banks and financial institutions and investors;

- representing the Company in front of trade unions and corporate organisation in general, economic and trade associations and consortia;
- Representing the Company in the ordinary and extraordinary Shareholders' meetings of other companies of which the Company is a shareholder, exercising the corresponding voting rights, exercising the other rights pertaining to the Company as a shareholder of the investees and to issue statements concerning the direct and indirect equity investments of the Company and their changes.

#### Powers of the Deputy Chair

- All management powers granted to the Deputy Chairman by the Board of Directors in the General Services and Facility Management areas, unless they are already included among the Chairman's powers, including property management.

In the exercise of the powers granted to the Chair, this will have the power to negotiate, agree, sign, renew, terminate, cancel and change all agreements and documents related to the powers granted. The Chair must follow the relevant procedures approved by the Board of Directors, including the Related Party Transaction Procedure.

#### **Executive Committee**

Pursuant to Art. 24 of the Articles of Association, the Board of Directors may also decide to establish an Executive Committee consisting of some of its members.

At the date of this Report, no Executive Committee has been established.

#### **Disclosure to the Board of Directors by the Directors/Delegated Bodies**

In compliance with statutory and regulatory provisions, Art. 24 of the Articles of Association requires the delegated bodies to report to the Board of Directors and the Board of Statutory Auditors, at least once every 3 months, on general operations and their foreseeable evolution, as well as on the transactions of greater relevance, in terms of size or characteristics, carried out by the Company and its Subsidiaries.

The Articles of Association also provide for the Directors to report promptly, at least once a quarter, to the Board of Statutory Auditors on the activity carried out and the transactions of greater relevance, in economic and financial terms, carried out by the Company or its Subsidiaries and, in particular, on the transactions in which these have an interest, on their own behalf or on behalf of third parties, or that are influenced by the party who possibly exercises direction and coordination. The information is usually provided at the time of the meetings of the Board of Directors. When special circumstances recommend it, the information may be provided to the Chairman of the Board of Statutory Auditors also in writing.

To allow the Directors to gain in-depth knowledge of corporate processes and operations, during the year, *managers* of the Company were invited to take part in the meetings of the Board of Directors, the Nomination and Remuneration Committee, the Control and Risk Committee and the Board of Statutory Auditors.

#### **4.7 Other Executive Directors**

In line with the recommendations of Art. 2 of the Corporate Governance Code, the Board of Directors of the Issuer includes both Executive and Non-Executive Directors. The number and standing of Non-Executive Directors are such that their opinion carries a significant weight in the decision-making process of the Board and their specific competencies and their professionalism make a significant contribution to the discussions of the Board, ensuring that decisions are taken in the interest of the Company.



At the date of this Report, the Managing Director Nerio Alessandri, the Deputy Chair Pierluigi Alessandri and the Director Carlo Capelli are Executive Directors.

### Powers of the Deputy Chair

The Deputy Chairman, Pierluigi Alessandri, is in charge of the General Services and *Facility Management* areas, including property management. He has been granted all powers of ordinary administration for the management of these services, areas and activities, within the limits of law, including the limits set forth in Art. 2381 of the Italian Civil Code, on the assumption of commitments and the execution of payments up to Euro 10,000,000 (ten million), or its equivalent in another currency, for each individual transaction, with the exception of the provisions below, provided they are not assigned exclusively to the Board of Directors, as well as all powers specified below, within the limits set for each power, with individual signature and with the broadest power to grant mandates and special and general powers of attorney, investing proxies and/or attorneys with signatory powers, separately or jointly, with all powers necessary, useful or appropriate to ensure the best performance of the Company, including the power to sub-delegate. By way of example and not limited to, the Deputy Chairman, Pierluigi Alessandri, has therefore been granted, in the General Services, *Facility Management* and property areas, to:

- carry out real estate transactions of any type, including the purchase and/or sale and/or transfer (at any title and under any form) of property, the purchase or establishment of rights in rem and/or rights of use (including lease, rent or loan agreements, with duration that may exceed 9 (nine) years) and/or the purchase or establishment of guarantees, encumbrances, restrictions or rights of third parties of any type (also in rem), the establishment and/or purchase and/or sale and/or transfer (at any title and under any form), and the purchase or establishment of rights in rem and/or use, guarantees, encumbrances, restrictions or rights of third parties of any type (also in rem) on equity investments or interests, controlling and not, in real estate companies, for an amount not exceeding Euro 5,000,000 (five million), or its equivalent in another currency, for each individual transaction or, in the case of lease agreements, for an amount not exceeding Euro 2,000,000 (two million) a year;
- supervise the maintenance of the real estate used and/or held by the Company at any title, signing all necessary or appropriate agreements, including work and service contracts, agreements for the supply of goods or services and/or any other agreement that may be functional to the management of movable and/or immovable property of the Company, excluding agreements concerning machinery, systems and/or equipment to be used in the production process;
- create and discharge pledges, mortgages and real guarantees on the movable and immovable property of the Company (with the exception of the equity investments or interests held in companies other than real estate companies, for companies or business units and brands, patents, designs, domain names or other intellectual property rights), for an amount not exceeding Euro 5,000,000 (five million), or its equivalent in another currency, for each individual transaction;
- manage the corporate gym, located in Via Calcinaro No. 2861, Cesena, and the area known as “Wellness Center”, and therefore to negotiate, agree, sign, conclude, renew, terminate, rescind and amend all those agreements, including purchase, exchange, free loan, rental, lease, work and/or service contracts, etc., aimed at managing the activity of the gym and at providing fitness and wellness services, both to the employees of the Company and to the third parties granted access to the “Wellness Center”;
- carry out any activity necessary, useful or appropriate to provide customer and supplier reception, gardening and cleaning services, concluding the corresponding agreement;

- prepare, sign and submit any deed, document, form, card, register, sign the SCIA [Segnalazione Certificata Inizio Attività, certified announcement on the commencement of activity] forms and fulfil all administrative requirements to ensure that the offices, the Wellness Center and the other buildings, including those for industrial uses, comply with fire prevention regulations.

The Deputy Chair has also been granted all powers that the Board has granted the Chair, in the alternative, in the case of absence and/or impediment of the latter.

In the area of environmental protection and public safety, the Deputy Chairman has been granted all powers to implement and guarantee compliance with and fulfilment of all legal and regulatory requirements (including, merely by way of example but not limited to, Italian Legislative Decree No. 152 of 3 April 2006, as amended), as well as of all implementing criteria *in this area*, in regard to the Technogym *Village* and any other building or land for which the Company is legally liable, including the production facilities, as well as buildings or lands (both inside and outside the Technogym *Village*) private or private for public use, fulfilling all obligations, performing all tasks and functions deriving from this in term of environmental protection and anti-pollution measures, with full independence in the decision-making and expense process. The Deputy Chair has, therefore, by way of example and not limited to, the following tasks and functions:

- to verify that the sewage of the production facilities, or related to this, is authorised and within the limits in force, arranging the necessary upgrade measures (also technical) and the regular controls, also ensuring their regular maintenance;
- to arrange and supervise the set-up, operation and maintenance of systems, machinery and equipment that generate atmospheric emissions, as well as of emission-reducing systems, ensuring that the legal limits on atmospheric emissions in force are met, ensuring also the appropriate and regular maintenance of the systems, so that the limits set for atmospheric emissions and air quality can be respected;
- to arrange and supervise the waste disposal process (with regular checks on its type) to ensure compliance with the laws and regulations in force and the necessary authorisations; this both under the legal and regulatory aspect (administrative and criminal law) and in regard to the logistic aspects;
- to arrange the appropriate and necessary activities to keep noise levels within the limits specified by laws or municipal regulations and/or any other provision in force, both during the day and at night, regularly checking for changes;
- to ensure that all administrative requirements made for environmental protection purposes have been met, both before operation (applications, authorisations, concessions and similar) and during operation;
- to promote and ensure the adoption of measures for the protection of the natural environment and in general the respect of the environmental laws and regulations in force and to fulfil the administrative formalities and the technical building activities related to the property and the plants, in compliance with the laws, provisions and procedures in force, using all necessary skills and resources, also financial, in full independence and under his total and exclusive responsibility to ensure the timely, correct and exhaustive application of these laws and regulations, in the interest of the Company, also as owner, lessee or user, at any title, of buildings, systems, machinery, equipment and furnishings, accessories and fixtures;
- to ensure that the disposal of the waste and sewage produced during operation takes place as specified by the necessary authorisations and in the respect of the laws and regulations



in force, including the activities and responsibilities related to the recycle or disposal of the products used;

- to negotiate, agree, sign, conclude, renew, terminate, rescind and amend work contracts and/or supply agreements that are found to be necessary to correctly manage the assigned tasks in terms of environmental protection and to keep up to code the facilities, buildings and systems;
- to fulfil all necessary requirements for the awarding of the work or supply contracts, including the corresponding work authorisations;
- to carry out any activity, take any decision and implement any initiative to ensure compliance with all laws and regulations and with common principles of prudence in regard to personal data protection, in its broadest meaning;

The Deputy Chair may take part in the organisation of the work and the disciplinary measure in this regard, with independent decisional and budgetary power for the initiatives required and by this decided and arranged, including urgent initiatives. The Deputy Chairman may, by virtue of the powers granted as well as of the identified skills, qualifications and experience gained, sub-delegate his powers, fully or in part, also to third parties outside the Company and, to this purpose, to choose, with full autonomy, if deemed necessary and/or appropriate, personnel also specialised, to whom he may grant specific functions and the corresponding management powers, setting independently the scope of the individual activity and the decisional and budgetary autonomy. In any case, the Deputy Chairman continues to be responsible, both in front of the Company and in front of the control bodies and the judicial authorities, for the fulfilment of the obligations so far indicated, related and depending from his powers.

In the exercise of the powers granted (also pursuant to the previous paragraph) the Deputy Chairman may negotiate, agree, sign, renew, terminate, cancel and modify all agreements and documents related to the powers granted. The Deputy Chairman must follow the relevant procedures approved by the Board of Directors, including the Related Party Transaction Procedure.

The Board of Directors has also delegated to the Deputy Chair all powers to implement and guarantee the compliance with environmental protection and public safety laws and regulations and the fulfilment of all requirements in this field.

Considering also the type and the structure of the current corporate organisation and to ensure an even more efficient and thorough fulfilment of the legal obligations on health and safety in the workplace, the Deputy Chairman was also identified from the Board of Directors at the meeting on 30 June 2021, as the party who, for his position in the company organisation chart, as well as for his experience and professional qualifications, may be suited to hold the position of “Employer”, as defined by Art. 2, Par. 1, letter b) of Italian Legislative Decree No. 81 of 9 April 2008, as later integrated and amended, for all areas of corporate activity and the workplaces and their fixtures on which the Company has or shall have a legal title. The Deputy Chairman has been granted all necessary decisional and budgetary powers (with full autonomy in this regard) for all aspects related to the health and safety of the workers, being able to dispose at his own discretion of the goods of the Company, without any restriction, for initiatives believed to be necessary to guarantee the best health and safety conditions for the workers. As “Employer”, the Deputy Chairman has also the power to represent the Company on social security and accident-prevention issues in front of all competent bodies, including supervisory and judicial authorities, as well as in front of the workers and their representatives, suppliers, contractors and independent partners of the Company in general. Therefore, the Deputy Chairman is granted all powers required for the fulfilment of the obligations set by the applicable legal provisions on health and safety on the workplace.

#### Powers of Director Carlo Capelli

Carlo Capelli, a member of the Board of Directors of the Issuer, was also granted the following powers pursuant to a resolution dated 30 June 2021, to be exercised with individual signature and with power to sub-delegate:

- to carry out wire transfers and payment orders, issue cheques and money orders, bank checks and drafts, postal checks, pay and settle accounts and invoices received, repay advance payments or issue credit notes, within the limit of Euro 5,000,000 (five million), or its equivalent in another currency, for each transaction;
- to settle expense claims up to a maximum of Euro 20,000 (twenty thousand) each, or its equivalent in other currency;
- to arrange payments to public entities, insurance and social security institutions, employees, the Revenue Agency and tax offices in general and third parties according to orders of the judicial authorities within the limit of Euro 5,000,000 (five million), or the equivalent in other currency for each transaction;
- also beyond the limits set in the previous paragraph, to pay taxes, duties and charges, ask for their refund and collect it, issuing a receipt;
- to represent the Company in the ordinary and extraordinary shareholders' meetings of other companies of which the Company is a shareholder, exercising the corresponding voting rights, to exercise the other rights pertaining to the Company as a shareholder of the investees and to issue statements concerning the direct and indirect equity investments of the Company and their changes.
- to sign agreements for the granting of credit lines and, in general, to borrow from credit institutions, both in Italy and abroad, also in foreign currency, for a principal amount not exceeding Euro 25,000,000 (twenty-five million), or its equivalent in another currency, for each transaction;
- to request the use and disbursement of the credit lines granted to the Company within the limit of Euro 25,000,000 (twenty-five million), or its equivalent in another currency, for each transaction;
- to renew and discharge loans with credit institutions, in the limits of the value of the agreement already outstanding.

In the exercise of the powers granted, the Director Capelli shall have the power to negotiate, agree, sign, renew, terminate, cancel and amend all agreements and documents related to the powers granted. The Director shall follow the relevant procedures approved by the Board of Directors, including the Related Party Transaction Procedure.

#### **4.8 Independent Directors**

With reference to the Board in office at the date of this Report, Technogym has fully implemented the recommendations of Art. 2 of the Corporate Governance Code.

On 5 May 2021, the Shareholders' Meeting of Technogym appointed 6 directors who meet the independence requirements, pursuant to the combined provisions of Art. 147-ter, Par. 4, and Art. 148, Par. 3 of the Consolidated Finance Law and the Recommendation 7 of the Code of Corporate Governance, and namely: Francesca Bellettini, Chiara Dorigotti, Vincenzo Giannelli, Maria Cecilia La Manna, Melissa Ferretti Peretti and Luca Martines. The independence requirements as set forth in Recommendation 7 of the Code of Corporate Governance and in Art. 148, Par. 3, of the Consolidated Finance Law for said members of the Board of Directors had already been verified, in the presence of the Board of Statutory Auditors, at the Board meeting held on 7 May 2021; they were verified again by the Board of Directors on 7 March 2022, again in the presence of the Board of Statutory Auditors (which made no comments), based on written statements and information provided by the independent directors (the Company not being aware of elements to the contrary).

On 7 March 2022, the Board of Statutory Auditors verified the correct application of the verification criteria and procedures adopted by the Board to assess the independence of its own members.

The Company, with a total of six independent directors out of the eleven in office, complies with the provisions of Recommendation no. 5 of the Corporate Governance Code according to which, in large companies with concentrated ownership (such as Technogym), the independent directors make up at least one third of the administrative body (with arithmetic rounding in the event that this share does not correspond to an integer number).

Art. 19 of the Articles of Association provides for the Board to regularly verify that its members met the requirements, including those of independence and integrity, set by the legal and regulatory provisions *in force* and by the Articles of Association, as well as the absence of any cause of ineligibility and forfeiture.

The Director who, after the appointment, no longer meets the requirements made or previously stated must immediately inform the Board of Directors. The failure to meet the independence requirements established according to regulations *in force at the time* applicable to independent directors entails forfeiture of the office, unless such requirements continue to be met by the minimum number of directors who according to regulations in force at the time must meet those requirements. Without prejudice to these provisions, if a Director does not meet or no longer meets the independence requirements (if this involves the forfeiture according to the provisions above) or integrity stated and required, or there are cause of ineligibility or forfeiture, the Board of Directors declares the forfeiture of the Director and carries out his/her replacement in compliance with the applicable regulatory provisions and the provisions of the Articles of Association of the Issuer.

With reference to the independence criteria referred to in Recommendation no. 7 of the Corporate Governance Code for Directors - which are also required for Statutory Auditors in accordance with the provisions of Recommendation no. 9 of the Code - it was decided to consider significant, for the purposes of the provisions of lett. c) and d) of the aforementioned Recommendation no. 7, any additional relationship/remuneration indicated therein that entails an annual revenue equal to or greater than Euro 70,000.

The Independent Directors met without the other directors on 26 October 2021, to discuss issues related to the whole 2021 financial year and until the date of the meeting itself. The meeting of the Independent Directors was coordinated by the Lead Independent Director who availed himself of the assistance of the Secretary of the Board of Directors.

#### **4.9 Lead Independent Director**

In compliance with Recommendation no. 13 of the Corporate Governance Code - which requires the Board of Directors to appoint an independent director as *Lead Independent Director*, in the event that (i) the Chair of the Board of Directors is the *Chief Executive Officer* or holds significant management powers, or (ii) whether the office of Chair is held by the person who controls the Company, even jointly - the Issuer's Board of Directors, on 7 May 2021, appointed independent member of the Board of Directors Maria Cecilia La Manna as *Lead Independent Director*, assigning it the duties referred to in Recommendation no. 14 of the Corporate Governance Code:

(a) represent a point of reference and coordination for the requests and contributions of non-executive directors and, in particular, independent directors; and

(b) coordinate the meetings of the independent directors only.

The Lead Independent Director performed their functions during the Financial Year in line with the recommendations of the above mentioned 2018 Corporate Governance Code.

Ms. La Manna also holds the offices of Chair of the Control and Risk Committee and of Chair of the Committee for Transactions with Related Parties.

## 5. PROCESSING OF COMPANY INFORMATION

### Procedure for management of Insider Information

The Board of Directors, in the meeting held on 16 March 2016, approved the procedure for the processing of privileged information, subsequently amended following the entry into force of EU Regulation no. 596/2014 on market abuse on 4 August 2016 and on 28 March 2018 (the “**Inside Information Procedure**”). The aforementioned procedure is available on the Company’s website at <https://corporate.technogym.com/en/governance/rules-and-procedures>.

The Procedure for the management of Insider Information aims to prevent its disclosure from coming at the wrong moment, being incomplete or inadequate and, in any case, resulting in disclosure asymmetries among the public.

In particular, the disclosure of Insider Information protects the market and the investors, ensuring they have a suitable knowledge of the facts concerning the Issuer, on which they can base their investment decisions.

The Procedure for the management of Insider Information also aims at preventing some parties or categories of parties from making use of information not known by the public to carry out speculative transactions on the markets at the expenses of the investors, who are not aware of this information.

The main elements of the Insider Information Procedure are briefly described below.

The Procedure for the management of Insider Information applies to all those who have access to Confidential Information, Relevant Information or Insider Information as defined by the same and, in particular: (a) the members of the administration, direction and control bodies and the committees of the Company and/or the Subsidiaries; (b) the employees of the Company or the Subsidiaries; (c) the persons, both natural and legal, that, because of their working or professional activity, or because of the functions carried out, have access to Insider Information and (d) the persons, both natural and legal, that, because of their working or professional activity, or because of the functions carried out, have access, on a regular or occasional basis, to Insider Information.

“**Confidential Information**” is defined as any information or news that cannot be qualified as Insider Information, concerning, directly or indirectly, the Company and/or the Subsidiaries, that is not in the public domain or else that is, because of its nature, reserved or exclusive property of the Company and/or its Subsidiaries, acquired by the addressees of the Insider information procedure in the performance of their tasks and/or functions.

“**Relevant Information**” means any information or news that still does not qualify as Insider Information, which the Company considers relevant, given that it relates to data, events, projects or circumstances that, on a continuous, repetitive, periodic, or intermittent, occasional or unforeseen basis, directly concern the Company itself and which may, at a subsequent time, including in the near future, assume the nature of insider information.

“**Insider Information**” means information of a precise nature, that has not been made public, directly or indirectly relating to the Company or financial instruments which are relevant for the purposes of Art. 3, Par. 1(1) of the MAR issued by the Company, and that could have a significant impact on the financial instruments or prices of the related derivatives, if made public. The Insider Information Procedure refers to the provisions of Art. 7 of the MAR for a more accurate identification of the area of application of this definition.

The employees and the members of the Board of Directors of the Company or its Subsidiaries must inform the Company of the information that, in their opinion, represents or could represent Relevant Information or Insider Information, in compliance with the rules specified below:

- (a) the employees of the Company or its Subsidiaries must inform their direct superior of the information on the Company and/or its Subsidiaries that, in their opinion, represents Relevant or Insider Information, of which they have become aware;
- (b) the managers of the corporate functions of the Company, as well as the Executive Directors (or other parties delegated to this purpose) of the Subsidiaries must inform without delay the Managing Director of the Company (or, in the case of absence or impediment of this, the Chairman of the Board of Directors of the Company or, in the case of absence or impediment also of the latter, the Deputy Chairman of the Board of Directors of the Company) of all information on the Company and/or the Subsidiaries that, in their opinion, represents Relevant or Insider Information, of which they have become aware.

The assessment of whether the information concerning the Company and/or the Subsidiaries represents Relevant or Insider Information and whether there is a need to proceed as per the provisions of the Insider Information Procedure, in the various cases, falls within the competence of the following parties:

- (a) Information emerging from the meetings of the Board of Directors of the Company: within the competence of the Board of Directors;
- (b) Information emerging from the Company's Shareholders' Meeting: within the competence of the Board of Directors;
- (c) Other information is within the competence of the Managing Director of the Company (or, in the case of absence or impediment of this, of the person delegated by the Managing Director or, in the case of his/her absence or impediment, of the Chairman of the Board of Directors of the Company or, in the case of absence or impediment also of the latter, of the Deputy Chairman of the Board of Directors of the Company) or of the person delegated by the Managing Director of the Company.

Where the information is classified as Relevant Information, it must be recorded in the appropriate section of the Register of Relevant Information ("RIL"), established and updated by the Company, pursuant to the legal and regulatory provisions in force. This is a list of the persons that, because of their working or professional activity or their functions, have access to Relevant Information.

If the information is found to represent Insider Information pursuant to Art. 7 of the MAR, it must be made public as soon as possible, as specified in Art. 7 of the Insider Information Procedure, and in compliance with the legal and regulatory provisions *in force* from time to time.

The Company has created, pursuant to the legal and regulatory provisions *in force* from time to time, and shall update, a register ("**Register**"), carrying a list of those who, because of their working or professional activity or their functions, have access to Insider Information, even with a delay. The procedures to set up, manage and update the RIL and the Register are regulated in the corresponding procedure attached to the Insider Information Procedure ("**Register Procedure**").

The internal management of Relevant and Insider Information, even with a delay, must take place in compliance with the rules below:

- (a) the Top Management (as defined in the Insider Information Procedure) and the managers of the corporate functions concerned from time to time must constantly monitor the stage of evolution of information qualified as Relevant Information and, if the conditions are met, re-initiate the assessments required by the Insider Information Procedure with regard to the decisions to be taken in the event that the aforesaid information takes the nature of Insider Information;
- (b) the manager of each corporate function must ensure that the Relevant and Insider Information, even with a delay, is disclosed only to the employees of the units for which this knowledge is



needed to carry out their working functions; these employees must be listed in the aforementioned Register;

- (c) those who have acquired Insider Information, even with a delay, must be informed, with the procedures specified in the Register Procedure, of the confidential nature of this information and the obligations deriving from this knowledge, as well as of the possible penalties for the offences in this area specified by applicable legal and regulatory provisions.

### **Internal Dealing Procedure**

The procedure *on internal dealing* adopted by the Company pursuant to Art. 19 of the MAR, Delegated Regulation 522 and Delegated Regulation 523 and national legislation, as amended by the Board of Directors on 4 August 2017 to reflect the amendments made to Consob regulations by means of Resolution No. 19925 of 22 March 2017, and, more recently, on 30 June 2021, regulates the methods and terms of fulfilment of the disclosure obligations of Relevant Persons to the Company and the market, with reference to transactions performed involving Technogym shares or related instruments (“**Internal Dealing Procedure**”).

The Internal Dealing Procedure defines, in line with the applicable regulations, both the relevant persons required to fulfil communication obligations pursuant to the MAR and implementing regulations (i.e. members of the Company’s administration and control bodies and persons that perform company management functions and executives who have regular access to insider information and have the power to adopt management decisions that may impact the evolution and future prospects of the Company), and persons closely related to them, as well as the relevant shareholders required to fulfil communication obligations pursuant to the Consolidated Finance Law (i.e. those who hold a shareholding, calculated in accordance with Art. 118 of the Issuers' Regulation, of at least 10% of the Company’s share capital, represented by shares with voting rights, as well as any other person that controls the Company) and persons closely related to them.

Having identified the addressees of the regulation, the Internal Dealing Procedure identifies the relevant transactions for the different addressees of the Procedure in light of the regulations applicable to each one.

Pursuant to the Procedure, it is prohibited to carry out - on own behalf or on behalf of third parties, directly or via third parties - transactions with Relevant Persons in the 30 (thirty) calendar days prior to the market communication of approval, by the Board of Directors, of the draft annual financial statements, of the half-yearly report, of any quarterly financial reports prepared on a voluntary basis, that the Company is required to, or has decided to, make public according to (i) the rules of the regulated market, multilateral trading system or organised trading system, the venue in which the Company shares are admitted to trading, (ii) the Italian law; or (iii) any requests from Consob (the “**Blocking Period**”).

Relevant Transactions whose total amount does not reach Euro 20,000.00 in a calendar year, or the greater amount required by applicable legal and regulatory provisions on *internal dealing*, are not subject to the obligations of communications specified in this Procedure. These obligations of communication apply instead to all Relevant Transactions carried out, once this amount has been reached in one calendar year.

The *Internal Dealing* Procedure also regulates the management, handling and communication of the information related to these transactions.

In compliance with the provisions of the *Internal Dealing* Procedure, the Board of Directors on 16 February 2016 conferred upon the Head of the Corporate Affairs function the mandate of person in charge of the implementation of the Procedure.



The *Internal Dealing* Procedure is available on the website of the Company at <https://corporate.technogym.com/en/governance/rules-and-procedures>.

## 6. COMMITTEES WITHIN THE BOARD OF DIRECTORS

In compliance with the Corporate Governance Code, which recommends listed companies to create committees within the Board of Directors, with competencies on specific areas, Art. 24 of the Articles of Association gives to the Board of Directors the power to set up internal committees with functions of advice and proposal, specifying their powers also for the purposes of ensuring the compliance of the corporate governance system with codes of conducts promoted by management companies of regulated markets.

On 16 February 2016, the Board of Directors set up, from among its members, an Appointment and Remuneration Committee, a Control and Risk Committee, and a Committee for Transactions with Related Parties (see Par. 8, 10 and 12 below). On 25 February 2021, the Board of Directors decided to assign the Control and Risk Committee the task of assisting the Board of Directors with investigative, proposal and consultative functions, in evaluations and decisions relating to sustainability and in the supervision of the achievement of the objectives set in this regard, until the end of the current mandate. Following the appointment of the new Board of Directors on 5 May 2021, the Board, on 7 May 2021 formally established the Control, Risks and Sustainability Committee, electing its members.

In the performance of their functions, the Committees set up within the Board of Directors have the power to access the information and the corporate functions as needed for the performance of their respective tasks. The Committees may also make use of external consultants paid by the Company, within the limits of the budget approved by the Board of Directors.

The Board of Directors, most recently on 7 May 2021, adopted the Regulations of the Appointment and Remuneration Committee and the Regulations of the Control, Risks and Sustainability Committee, which describe the criteria and principles for the appointment and functioning of the committees. The aforementioned regulations of the Board Committees govern the methods of recording the meeting minutes and the procedures for managing disclosures to the Directors who compose them, specifying the terms for the prior sending of the information and the methods of protecting the confidentiality of data and information provided in such a way as not to jeopardise the timeliness and completeness of information flows. The aforementioned regulations are published on the Company's website at <https://corporate.technogym.com/en/governance/rules-and-procedures>.

No committees have been set up other than the Appointment and Remuneration Committee, the Control, Risks and Sustainability Committee and the Related Party Transactions Committee.

## 7. SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS - APPOINTMENT AND REMUNERATION COMMITTEE

### Directors' Self-evaluation

On 25 February 2021 the Board of Directors, as part of the annual self-evaluation process, has given a positive assessment of its own size and composition, believing it to be adequate on the whole, in terms of number, gender, age, experience, professional and personal characteristics and managerial experience of the Executive Directors. In particular, the Board consists of three executive and eight non-executive directors, of which six are independent; the gender less represented represents 36% of the members of the Board; the average age is between 30 and 50 years for 18% of members and over 50 for the remaining 82%. Diversity in terms of working experience and education (described above) ensures that the Directors have the necessary and appropriate skills to manage the Company.

For the sake of completeness, it should be noted that, at the meeting of 7 March 2022, the Board of Directors decided not to renew the self-assessment of the Board for the current year, also in consideration of the fact that the Board in office was appointed by the Shareholders' Meeting of 5 May 2021 and that, therefore, the self-assessment would have concerned the activity carried out by the Board in a limited period of time. In accordance with the provisions of Recommendation 22 of the Corporate Governance Code, the Board therefore decided to postpone the self-assessment activity, it being understood that it will be carried out at least every three years.

In view of the renewal of the administrative body on which the Shareholders' Meeting of 5 May 2021 was called to express itself, the then outgoing Board of Directors did not consider it necessary to proceed with the formulation of an orientation on the quantitative and qualitative composition considered optimal for the nomination, in adherence to the principle of proportionality referred to in the Corporate Governance Code which, in Recommendation 23, requires such compliance only to companies other than those with concentrated ownership (and therefore different from Technogym).

### **Succession plans**

Implementing the recommendations of the Corporate Governance Code, on 8 February 2019, following a preliminary investigation by the Appointment and Remuneration Committee, the Board of Directors of the Company approved a procedure to manage the transition in the event of a departure of the Chairman and Managing Director before the natural end of their term of office (“Contingency Plan”) in order to avoid a power vacuum and/or deadlock. On 7 March 2022, the Board of Directors resolved not to make any changes to the aforementioned procedure as it was deemed appropriate with respect to the Top Management structure of the Company, which remained unchanged from the date of its first approval.

Pursuant to this procedure, in the event of a sudden departure of the Chair or the Managing Director, their powers will be temporarily assigned, respectively, to the Deputy Chairman, if any, or to the Chairman, or, if the Chairman also holds the office of Managing Director, to another director preferably selected among those already granted executive powers. The Appointment and Remuneration Committee shall promptly start the selection of the new Chair and/or Managing Director – in the latter case also making use of consultants specialised in this sector, which shall provide a short list of candidates – and express their opinion to the Board of Directors on the most suitable candidate.

For the sake of completeness, it should be noted that in the same aforementioned meeting of 7 March 2022, the Board of Directors, in accordance with the requirements of Recommendation 24 of the Corporate Governance Code, also ascertained the existence of adequate procedures for the succession of *Top Management*.

## **8. NOMINATION AND REMUNERATION COMMITTEE**

In view of the organisational requirements of the Company, the operating procedures and size of its Board of Directors as well as the best practice, in 2016 the Company has created a single Appointment and Remuneration Committee, in compliance with the provisions of Arts. 4, 5 and 6 of the Self-Discipline Code and Recommendation no. 19 of the Corporate Governance Code.

The provisions concerning the tasks, composition, organisation and operation of the Appointment and Remuneration Committee are found in the regulations of the Committee available at the registered office and on the website of the Company, <https://corporate.technogym.com/en/governance/committees>.

### **Composition and operation of the Appointment and Remuneration Committee**

On 7 May 2021, the Board of Directors appointed the new members of the Appointment and Remuneration Committee of the Company, who are in office at the time of this Report.

The current composition of the Committee also complies with Recommendation no. 20 of the Corporate Governance Code, pursuant to which the Committee is made up of mostly independent directors.

In particular, the following were appointed members of the Nomination and Remuneration Committee: Vincenzo Giannelli, independent director (Chair), Melissa Ferretti Peretti (Vice Chair) and Luca Martines, Independent Director.

Pursuant to the Regulations of the Appointment and Remuneration Committee, at least one member of the Committee must have adequate knowledge and experience of financial matters or remuneration policies, to be assessed by the Board of Directors at the time of the appointment. The Chairman of the Committee currently meets this requirement.

The duration of the mandate granted to the Committee is set each time by the Board of Directors or, if this does not take care of it, coincides with duration of the mandate of the Board of Directors that has set it up. If the mandate of Board of Directors ends early, for whatever reason, the mandate of Committee is also terminated.

Each member of the Committee may be revoked by resolution of the Board of Directors, which at the same time shall find a replacement. If a member of the Committee becomes unavailable, for any reason, including resignation from the office of Director, the Board of Directors appoints a new member without delay, at the first possible meeting. The mandate of the members of the Committee appointed to replace outgoing members expires at the same time as the mandate of the members already in office at the time of the replacement, unless otherwise resolved by the Board of Directors.

At the time of its first meeting, the Committee appoints a Chair and a Deputy Chair from among its members, unless the Board of Directors has not already done so. The Chair is selected from the Directors who meet the independence requirements set forth in the Corporate Governance Code.

The Chair (or, in the case of his absence or impediment, the Deputy Chair) chairs the meetings of the Committee, prepares its activity, and directs, coordinates and moderates the discussion. The Chairman (or, in the case of absence or impediment of this, the Deputy Chairman) reports to the Board of Directors on the activity carried out by the Committee and on the corresponding proposals and guidelines in the most appropriate ways and, in any case, at the first possible meeting of the Board of Directors. The Committee also reports to the shareholders on the procedures followed for the exercise of its functions and, to this purpose, the Chairman or another member of the Committee attends the annual Shareholders' Meeting.

The Committee is called by the Chairman (or, in the case of absence or impediment of this, by the Deputy Chairman) every time a meeting is deemed appropriate to its functions and also every time a meeting is requested in writing by one of the members of the Committee to the Chairman or the Deputy Chairman, specifying the topics to be added to the agenda. The meetings of the Committee are called by giving at least 3 (three) days' notice, by email, fax, telegram, registered mail, or by hand, or by other suitable means, specifying the location, date, time and the items on the agenda. In urgent cases, the Committee may be called by giving only 1 (one) days' notice. The meeting is in any case duly established, even in the absence of a formal call, if attended by all members of the Committee. The call notice must be sent to the standing members of the Board of Statutory Auditors of the Company, with a courtesy copy being sent to the Chair of the Board of Directors. The meetings of the Committee may be duly held also via suitable audio, video or teleconference systems, provided all those entitled can take part and be identified, follow the discussion, intervene in the discussion in real time, and receive, send or view documents, with simultaneous review and decision/resolution. The Committee, upon proposal of the meeting Chair, appoints, at the time, a meeting Secretary, who may, or may not, be a member. The Committee may meet in any location, provided it is in Italy. For the meetings of the Committee to be valid, the presence of the majority of members in office is required. The decisions/resolutions of the Committee are taken with an absolute majority of those attending. The vote cannot be given by proxy and each member has the right to one vote.

The Secretary prepares the minutes for every meeting of the Committee. The minutes are signed by the Chairman of the meeting and the Secretary. The Book of the Minutes of the Committee is filed at the Corporate Affairs Department and available to all members of the Board of Directors and the Board of Statutory Auditors.

In 2021, three meetings of the Appointment and Remuneration Committee were held in total, which lasted an average of about two hours, duly recorded in the relevant minutes, and were also attended by the Board of Statutory Auditors. All the members of the Board of Statutory Auditors attended each of the meetings of the Appointment and Remuneration Committee. Director Carlo Capelli always participated in the meetings of the Committee, at the invitation of the Chair. Certain managers of the Company' HR function were invited to two meetings of the Committee. A member of the Corporate Affairs Office participated in all the meetings of the Committee, to perform the functions of Secretary of the meeting and to offer advice on any relevant aspect related to corporate governance. The Chief Executive Officer has always been made aware of the conduct of the meetings and the participation in them by the representatives of the competent corporate departments. In the context of these meetings, in the exercise of its functions, the Committee in particular, after relative investigations, analysed the following issues: : (i) evaluation of the results of the self-assessment process of the Directors and verification of their independence and integrity requirements; (ii) guidelines on diversity policies pursuant to Art. 123-bis of the TUF; (iii) plan for the free assignment of rights to receive ordinary shares of the Company called the "2021 - 2023 Performance Shares Plan"; (iv) assessments of the adequacy, overall consistency and concrete application of the remuneration policy and verification of the achievement of MBO results; (v) Report on the Remuneration Policy and on the remuneration paid; (vi) proposal relating to the remuneration to be attributed to the Board of Directors and to the directors vested with particular offices. For its evaluations concerning the remuneration policies, the Committee did not make use of the services of external consultants. With regard to the percentage attendance at the meetings by the individual members of the Committee, refer, as already indicated, to Table 2 of the Annex of this Report. In 2022, the Nomination and Remuneration Committee expects to meet whenever it is deemed necessary for the purposes of the correct and effective performance of its tasks. At the date of this Report, the Committee had already met twice, mainly focusing on the assessment and approval of the remuneration plan based on financial instruments and the report on the remuneration policy and compensation paid, as well as on other issues subject to the annual verification by the same Committee.

### **Functions of the Appointment and Remuneration Committee**

The Committee was given functions of proposal and advice, in terms of appointments, as follows:

- a. to express opinions to the Board of Directors on its size and composition - as well as on the composition of the internal board committees - and make recommendations regarding the professional figures whose presence within the Board of Directors is deemed appropriate, if requested by the Board of Administration;
- b. to make recommendations to the Board of Directors on the maximum number of positions of director or statutory auditor in other listed companies in regulated markets (including abroad), in financial, banking and insurance companies or large companies, which may be considered consistent with the effective performance of the office of director of the Issuer, taking into account the participation of directors in the committees established within the Board of Directors;
- c. to make recommendations to the Board of Directors if difficulties arise in the application of the non-competition obligation specified for the Directors by Art. 2390 of the Italian Civil Code;
- d. pursuant to the legislative and statutory provisions in force, to propose to the Board of Directors candidates for the office of director in cases of co-optation;

- e. to carry out the investigation on the preparation (and updating) of a succession plan for the executive directors of the Company, if the Board of Directors decides to adopt this plan and, in this case, assist the Board of Directors in the implementation of such plan;
- f. examine and evaluate the adequacy of the procedures for the succession of *Top Management*, if the Board of Directors decides to adopt them;
- g. to carry out the preliminary investigation, formulating opinions and proposals, in order to identify the candidates from which those who will make up the list presented by the outgoing Board will be chosen, if the outgoing Board of Directors, pursuant to the legislative and statutory provisions in force, evaluates to present a list of candidates for the renewal of the administrative body;
- h. to assist the Board in relation to the self-assessment of the Board of Directors and the internal board committees.

The Control and Risk Committee was given functions of proposal and advice in terms of remuneration, as follows:

- a. to assess, at regular intervals, the appropriateness, overall consistency and practical application of the remuneration policy for Directors and Key Managers, making use in this regard of the information provided by the delegated Directors and, in particular, concerning the effective achievement of the performance objectives;
- b. to make proposals to the Board of Directors in matter of remuneration policy;
- c. to make proposals or express opinions to the Board of Directors on the remuneration of the Executive Directors and the other Directors holding specific offices, as well as on the specification of performance objectives, as well as on the definition of the *performance* objectives to which the remuneration is tied.

The Committee, in the person of its Chair, may invite to its meetings the Chair and Deputy Chair of the Board of Directors, the other members of the Board of Directors and the members of the administration and control bodies of the companies of the Group with regard to all or some agenda items. Any other person whose presence is believed to be useful to improve the performance of the functions of the Committee, with regard to all or just a few items on the agenda, may also be invited to the meetings.

The Appointment and Remuneration Committee may access corporate information and functions as necessary for the performance of its tasks and may make use of external consultants, to the extent specified by the Board of Directors.

In line with Recommendation no. 26 of the Corporate Governance Code, no Director may take part in meetings of the Nomination and Remuneration Committee, when proposals are made to the Board of Directors concerning his/her remuneration.

The meetings of the Appointment and Remuneration Committee and the decisions taken were duly recorded.

In support of the activity of the Appointment and Remuneration Committee during the year, the Board of Directors has offered to provide the body with all the resources that will be required for the correct performance of the Committee functions during the year.

For more information on the composition and the functions of the Nomination and Remuneration Committee, we refer to the Regulation of the Committee and to the Remuneration Report, both available at the registered office and on the Company website



(<https://corporate.technogym.com/en/governance/rules-and-procedures> and  
<https://corporate.technogym.com/en/governance/shareholders-meetings>).

## 9. DIRECTORS' REMUNERATION

### Remuneration policy

For information on the general remuneration policy for the year relating to the executive and non-executive directors and key managers, as well as the share-based remuneration plans and any indemnities due to directors in the case of resignation, dismissal or termination of the relation, refer to the report on the remuneration policy and compensation paid prepared by Technogym pursuant to Art. 123-ter of the Consolidated Finance Law and made available to the public in the terms and with the procedures specified by the legal and regulatory provisions, including by publication on the website <https://corporate.technogym.com/en/governance/shareholders-meetings>. This policy has also been drafted by taking into account the recommendations of the Corporate Governance Code as better specified in the above mentioned report.

We point out that, in any case, there are no agreements between the Company and any Director specifying indemnities, of insurance or other nature, in the case of resignation or dismissal without just cause or if the employment relationship ends after a public purchase offer.

For information regarding the application of the 2021 remuneration policy, reference is also made to the second section of the Report on remuneration and compensation paid by the Company pursuant to Art. 123-ter of the Consolidated Finance Law, approved by the Board of Directors on the same date of approval of this Report (which is expected to be made available to the public according to the terms and modalities prescribed by applicable legal and regulatory provisions, including by publication on the website at <https://corporate.technogym.com/en/governance/shareholders-meetings>). Reference is also made to the first section of this Report, relating to the proposed remuneration policy for the year 2022.

## 10. CONTROL AND RISKS AND SUSTAINABILITY COMMITTEE

The Control and Risk and Sustainability Committee has been given functions of investigation, advice and proposal to support the Board of Directors in the analysis, identification, monitoring and solving of the issues related to the internal Control and Risk Management System, as well as in terms of issues concerning sustainability. This Committee also provides advice and makes proposal on the adoption of *corporate governance* standards in the Company.

The provisions concerning the tasks, composition, organisation and operation of the Control and Risk Committee are found in the regulations of the Committee – carrying also provisions aimed at implementing Recommendation no. 35 of the Corporate Governance Code – available at the registered office and on the Company website <https://corporate.technogym.com/en/governance/rules-and-procedures>.

### Composition and operation

On 7 May 2021, the Board of Directors appointed the members of the Control and Risk and Sustainability Committee, who are in office at the time of this Report.

In compliance with Recommendation no. 35 of the Corporate Governance Code, the Control and Risk and Sustainability Committee is currently composed of the following three non-executive directors, mostly independent: Maria Cecilia La Manna, Independent Director (as Chair), Maurizio Cereda (as Deputy Chair) and Chiara Dorigotti, Independent Director.



Pursuant to the Regulation of the Control and Risk and Sustainability Committee, at least one member of the Committee must be deemed to have adequate knowledge and experience of financial issues or risk management. Currently all members meet other requirements.

If a member of the Committee becomes unavailable, for any reason whatsoever, including resignation from the office of Director, the Board of Directors appoints a new member without delay, at the first possible meeting. The mandate of the members of the Committee appointed to replace outgoing members expires at the same time as the mandate of the members already in office at the time of the replacement, unless otherwise resolved by the Board of Directors.

At the time of its first meeting, the Committee appoints among its members a Chairman and a Deputy Chairman, unless the Board of Directors has already taken care of it.

Each member of the Committee may be revoked by resolution of the Board of Directors, which at the same time shall find a replacement. The duration of the mandate granted to the Committee is set each time by the Board of Directors or, if this does not take care of it, coincides with duration of the mandate of the Board of Directors that has set it up. If the mandate of Board of Directors ends early, for whatever reason, the mandate of the Committee is also terminated.

The Chairman (or, in the case of his/her absence or impediment, the Deputy Chairman), chairs the meetings of the Committee, prepares its activity, directs, coordinates and moderates the discussion and reports to the Board of Directors on the activity carried out by the Committee and on its proposals and guidelines in the most appropriate ways and, in any case, at the first possible meeting of the Board of Directors.

The Committee is called by its Chairman (or, in the case of his/her absence or impediment, the Deputy Chairman) for the execution of its functions and tasks with a frequency appropriate to the correct performance of these functions and tasks. The Committee meets also every time a meeting is requested by one of its members who shall send a written request to the Chairman or the Deputy Chairman, indicating the topics to be placed on the agenda.

The meetings of the Committee are called by giving at least 3 days' notice, by email, fax, telegram, registered mail, or by hand, or by other suitable means, specifying the location, date, time and the items on the agenda. In urgent cases, the Committee may be called by giving only 1 (one) day notice. The meeting is deemed, in any case, duly established, even in absence of a formal call, if attended by all members of the Committee. The call notice must be sent to the standing members of the Board of Statutory Auditors of the Company, with a courtesy copy sent also to the Chair of the Board of Directors and the Director in charge of the Internal Control and Risk Management System. The meetings of the Committee may be duly held also via suitable audio, video or teleconference systems, provided all those entitled can take part and be identified, follow the discussion, intervene in the discussion in real time, and receive, send or view documents, with simultaneous review and decision/resolution. The Committee, upon proposal of the meeting Chair, appoints, at the time, a meeting Secretary, who may, or may not, be a member. The Committee may meet in any location, provided it is in Italy. For the meetings of the Committee to be valid, the presence of the majority of members in office is required. The decisions/resolutions of the Committee are taken with an absolute majority of those attending. The vote cannot be given by proxy and each member has the right to one vote.

The meeting Secretary prepares the minutes for every meeting of the Committee. The minutes are signed by the meeting's Chairman and the Secretary. The Book of the Minutes of the Committee is filed at the Corporate Affairs Department and available to all members of the Board of Directors and the Board of Statutory Auditors.

## **10.1 Functions of the Control and Risks and Sustainability Committee**

The Control and Risks and Sustainability Committee assists the Board of Directors as it pertains to the following functions:

- a. to assess, together with the Financial Reporting Manager as set forth in Art. 154-*bis* of Legislative Decree No. 58, February 24, 1998, as amended and supplemented, the independent auditor (or auditing company) and the Board of Statutory Auditors, the correct application of the accounting principles and their uniformity for purposes of the preparation of the Consolidated Financial Statements;
- b. to evaluate the suitability of periodic financial and non-financial information to correctly represent the business model, the Company's strategies, the impact of its business and the performance achieved;
- c. to evaluate the contents of periodic non-financial information relevant to the internal control and risk management system;
- d. to express opinions on specific aspects relating to the identification of the main business risks and supports the assessments and decisions of the Board of Directors relating to the management of risks deriving from prejudicial facts of which the latter has become aware;
- e. to review the regular reports on the assessment of the Internal Control and Risk Management System and the reports of special significance prepared by the *Internal Audit Department*;
- f. to monitor the independence, adequacy, effectiveness and efficiency of the *Internal Audit Department*;
- g. to ask the *Internal Audit Department* to conduct assessments on specific operational areas, at the same time informing the Chair of the Board of Statutory Auditors in this regard;
- h. to report to the Board of Directors, at least every six months, at the time of the approval of the annual and half-yearly financial reports, about the activity carried out, as well as on the adequacy of the Internal Control and Risk Management System;

The Committee also supports the Board of Directors, if necessary by issuing its prior opinion to the latter on the following matters:

- i. definition of the guidelines for the internal control and risk management system in line with the Company's strategies, and assesses the adequacy of the system at least annually with respect to the characteristics of the company and the risk profile assumed, as well as its effectiveness;
- j. appointment and dismissal of the head of the *Internal Audit Department*, defining its remuneration in line with company policies, and making sure that it is provided with adequate resources to carry out its duties. If it decides to entrust the *Internal Audit Department*, as a whole or by operational segments, to a person external to the Company, it ensures that the Department meets the requirements of professionalism, independence and organisation, and provides adequate reasons for this choice in the Corporate Governance Report;
- k. approval, at least annually, of the work plan prepared by the head of the *Internal Audit Department*, after consulting the Board of Statutory Auditors and the Chief Executive Officer;
- l. assessment of the advisability of adopting measures to ensure the effectiveness and impartiality of judgement of the other corporate functions involved in the controls (such as, risk management and legal risk and non-compliance), verifying that they have adequate capabilities and resources to this end;
- m. attribution of supervisory functions to the Board of Statutory Auditors or to a specially constituted body, pursuant to Art. 6, paragraph 1, lett. b) of Legislative Decree no. 231/2001. If

the body is not the Board of Statutory Auditors, the Board of Directors evaluates the advisability of appointing within the body at least one non-executive director and/or a member of the Board of Statutory Auditors and/or a member of the Legal or of the Control Department of the Company, in order to ensure coordination between the various parties involved in the internal control and risk management system;

- n. evaluation, after consulting the Board of Statutory Auditors, of the results presented by the statutory auditor (or auditing company) in any letter of suggestions and in the additional report addressed to the Board of Statutory Auditors;
- o. description, in the Corporate Governance Report, of the main characteristics of the internal control and risk management system and of the methods of coordination between the subjects involved in it, indicating the reference models and national and international *best practices*, expressing its assessment overall on the adequacy of the system itself, and accounting for the choices made regarding the composition of the supervisory body referred to in letter e) above.

Finally, the Committee carries out proposing and consulting functions with regard to the Board of Directors on matters of sustainability. In particular, the Committee assists the Board of Directors with investigative, proactive and consultative functions, in evaluations and decisions relating to sustainability and in the supervision of the achievement of the objectives set in this regard.

The Committee may invite to its meetings the Chair and the Deputy Chair of the Board of Directors, the Director in charge of the Internal Control and Risk Management System and the other members of the Board of Directors, the statutory auditor or the representatives of the Independent Auditors and the members of the auditing firm with regard to all or just a few items on the agenda. The Committee may also invite to its meetings the Head of the Internal Audit function, the Financial Reporting Manager, the Executives in charge of the different functions and any other person whose presence is believed to be useful to improve the performance of the functions of the Committee, with regard to all or some items on the agenda. The Chairman of the Board of Statutory Auditors or another statutory auditor indicated by this takes part in the activity of the Committee; the other Auditors may also take part.

Without prejudice to the powers of the individual members of the Committee in their capacity as Directors of the Company, in the performance of its functions, the Committee may access corporate information and functions as necessary for the performance of its tasks and make use of external consultants to the extent specified by the Board of Directors.

The Committee carries out its activity making use of the information provided by the Board of Directors, the Director in charge of the Internal Control and Risk Management System, the Head of the Internal Audit function, the Financial Reporting Manager, the Supervisory Board specified by Legislative Decree 231/2001, as amended and integrated, and the statutory auditor or the representatives of the Independent Auditors, as well as of the results of the activity carried out by the other Committees established by the Board of Directors. The Committee and the Board of Statutory Auditors promptly exchange the information relevant to the execution of the respective tasks. In addition, the Committee may activate, through the Director in charge of the Internal Control and Risk Management System and the Head of the *Internal Audit Department*, all other information channels necessary for the execution of its activity and receives the support of the Corporate Affairs function.

In 2021, the Control and Risk Committee met seven times; the meetings lasted an average of two and a half hours. The meeting attendance record of each member is indicated, in percentage terms, in [Table 2](#) enclosed to this Report. In 2021, the Control and Risk and Sustainability Committee mainly evaluated: (i) the progress of the project linked to the implementation of the organisational model for the purposes of the regulatory requirements pursuant to Italian Law No. 262/2005, the project to define an Enterprise Risk Management model; (ii) the progress of the audit activities carried out by the Company, also with reference to its subsidiaries; (iii) the correctness and adequacy of the accounting principles used by the Company to draft the accounting documents; (iv) the correctness and adequacy of the internal control and management system adopted by the Company and by its main subsidiaries

as well as the organisational, administrative and accounting structure adopted by the Company and its practical functioning; (v) the correct use of the standards adopted for the purposes of drafting the non-financial statement prepared pursuant to the Italian Legislative Decree No. 254/2016, as well as the completeness and reliability of the statement itself; (vi) the activities carried out by the Company's Supervisory Board set up pursuant to Legislative Decree 231/2001; (vi) the activities carried out by the company in relation to privacy issues and compliance with the GDPR; (vii) the impacts of the Covid-19 pandemic on the business of the Company and of the Group; (viii) the implementation and development of the various projects launched by the Company; (ix) the accounting and financial aspects relating to the sale of certain shareholdings of the Company; (x) aspects relating to the sustainability policy and the non-financial declaration (DNF) pursuant to Legislative Decree 254/2016. The Control and Risk and Sustainability Committee has indicatively scheduled at least seven meetings for 2022, of which two had already been held at the date of this Report. In particular, in these meetings the Committee examined and monitored: (i) the progress of the projects of the *Internal Audit Department* and the Audit Plan planned for 2022; (ii) activities carried out by the Supervisory Body (iii) organisational, administrative and accounting structure, (iii) correct application of the accounting principles for the preparation of the corporate accounting documents and the DNF and the correct application of the principles for the “*performance of the impairment test*”; (iv) the internal control and risk management system; and, (ix) certain aspects regarding privacy, through a meeting with the DPO. The meetings of the Control and Risk and Sustainability Committee and the decisions taken were duly recorded.

The members of the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System, Mr. Carlo Capelli, have always been invited to participate in the work of the Committee. The Chairman of the Board of Statutory Auditors attended all meetings, and most of the meetings were attended by the entire Board of Statutory Auditors. The Director in charge of the Internal Control System attended all the meetings. At the invitation of the Chair of the Committee, the Head of the *Internal Audit Department* also participated in all the meetings relating to matters falling within his purview. At the invitation of the Chair of the Committee, the Financial Reporting Manager in office in 2021 always attended the meetings of the Committee. At the invitation of the Chair of the Committee, the managers in charge of the administration, finance and control functions, and other Company *managers* involved in the discussion of some issues on the agenda also attended some meetings, limited to matters within their purview. The Chief Executive Officer was also made aware of the progress of the Committee's meetings and of the participation in them by the representatives of the competent corporate departments.

On 25 February 2021, the Board of Directors decided to assign the Control and Risk Committee the task of assisting the Board of Directors with investigative, proposal and consultative functions, in evaluations and decisions relating to sustainability and in the supervision of the achievement of the objectives set in this regard, until the end of the current mandate. Following the appointment of the new Board of Directors by the Shareholders' Meeting of 5 May 2021, on 7 May 2021 the Board established the Control and Risks and Sustainability Committee.

In support of the activity of the Control and Risk and Sustainability Committee during the year, the Board of Directors offered to provide the Committee with all the resources that will be required for the correct performance of the functions of the Committee. For more information on the composition and the functions of the Control and Risk Committee, refer to the Regulation of the Committee, available at the registered office and on the website of the Company <https://corporate.technogym.com/en/governance/rules-and-procedures>.

## 11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Company has adopted an Internal Control and Risk Management System, in compliance with the recommendations of Art. 6 of the Corporate Governance Code, as well as *best practices*.

This has produced a coordinated and organic system of rules, procedures and organisational structures that, through an appropriate process of identification, measurement, management and monitoring of

the main risks to which the Company and its Subsidiaries are exposed, ensures the sound and correct management of the Company, consistent with its strategic objectives. The Internal Control and Risk Management System involves, within the scope of their competence:

- the Board of Directors, which sets the guidelines and assesses the adequacy of the Internal Control and Risk Management System;
- the Control and Risk and Sustainability Committee, which has the task described in Paragraph 10.1 above of supporting, with appropriate investigation and proposal activity, the assessments and decisions of the Board of Directors on the system, as well as those relative to the approval of the regular financial reports;
- the Director in charge of the Internal Control and Risk Management System, Mr Carlo Capelli, who has the task of identifying the main types of corporate risk and implementing the guidelines defined by the Board of Directors, as described in detail in Paragraph 11.1 below;
- the Head of the Internal Audit Department, Mr Giuliano Boccanegra, responsible for verifying that the internal control and risk management system is functioning and adequate, according to the detailed tasks indicated in the Paragraph 11.2 below. It should also be noted that the Board of Directors, after consulting the Board of Statutory Auditors and the Director in charge of the internal control system, on 7 March 2022, approved the work plan relating to the 2022 financial year prepared by the Head of the *Internal Audit Department*;
- the Board of Statutory Auditors that, also in the capacity of Internal Control and Audit Committee pursuant to Art. 19 of the Italian Legislative Decree No. 39/2010, monitors the effectiveness of the Internal Control and Risk Management System.

Considering the complexity of the management activities and taking into account that exposure to risk represents a fundamental and unavoidable component of the activity of the Company, the Board of Directors has recognised the need to identify and map, ex ante, before they arise, the main types of risk, and to adopt suitable instruments to manage them and reduce their impact.

The Company has adopted a governance system that provides for constant monitoring of the main corporate risk areas, in order to identify and map out, in advance, the main risks and to adopt suitable tools to prevent and manage them.

The Board of Directors on 24 March 2021 and, most recently, on 23 March 2022, assessed the adequacy of the internal control and risk management system, deeming it effective and not identifying significant critical areas, without prejudice to the need to proceed with the completion of the last roll-out phase of the project called *Enterprise Risk Management*. Therefore, the Company has started for some time a process for the definition of an integrated risk management model, based on the principles indicated by the *Committee of Sponsoring Organisations of the Treadway Commissions (COSO III)*, a *framework* already used in the design of both the system of internal financial controls, in compliance with the requirements of Italian Law No. 262/2005 and the organisational model adopted pursuant to Legislative Decree 231/2001.

During 2021, the Company continued the activities relating to the definition and implementation of an integrated risk governance system called *Enterprise Risk Management* or ERM, approved by the Board of Directors in 2017. In particular, during 2021 the Company completed the implementation of the organisation of *governance* and internal organisation measures, in order to integrate the current risk management system into the daily operational activities of the individual corporate areas.

The activities aimed at finalising the ERM model are expected to continue for the year 2022.

The *risk assessment* activities carried out during 2021 confirmed the methodological arrangement based on the following three macro-categories of risk:



- strategic risks, which are related to the corporate strategies aimed at achieving a competitive advantage consistent with the objectives set out in the business plan;
- business risks, which are related to the sector the Company belongs to and the business model with which the Company operates to achieve the objectives of the business plan;
- operational risks, which are related to the Group's organisational structure, control processes and IT systems.

In particular, in the area of operational risks, an in-depth review of insurable risks was carried out, which made it possible - where necessary - to integrate existing insurance policies and to stipulate additional ones, to cover the new risks recently emerged following the evolution of the regulatory and geopolitical context and of the business in which the Company operates.

### **Main characteristics of the Internal Control and Risk Management System with regard to the financial reporting process pursuant to Art. 123-bis, Par. 2, letter b) of the Consolidated Finance Law**

The internal control system for the financial reporting process is an integral part of the wider context of the Internal Control and Risk Management System. In general, the internal control system implemented by the Company is aimed at ensuring the protection of the Company's assets, as well as ensuring compliance with the laws and regulations, efficiency and effectiveness of corporate transactions as well as the reliability, accuracy and timeliness of financial disclosures.

The internal control system for the financial reporting process aims at identifying the events that can jeopardise, in the event they occur, the accuracy, reliability and timeliness of financial disclosures and at assessing whether the process of preparation of the financial statements as a whole can produce financial reports in compliance with reference accounting principles.

The approach adopted in the design of the control model for the financial reporting process was inspired by international standards and industry best practices, and by the guidelines issued by the Committee of Sponsoring Organisations of Treadway Commission (known as COSO III).

The Financial Reporting Manager defines the administrative-accounting procedures for the preparation of the financial statements and other financial disclosures. Together with the Chair of the Board of Directors, the Financial Reporting Manager ensures that these procedures are appropriate and actually applied when preparing the annual separate and consolidated financial statements and the interim financial report of the Company.

### **Current stages of the Internal Control and Risk Management System with regard to the financial reporting process**

During 2021, the Group carried out the routine activities of aligning and updating the control mechanisms relating to the financial reporting process, in compliance with the provisions of Italian Law No. 262/2005.

The analysis of the scope and the risk related to financial disclosures actually requires regular updates to identify the main changes occurred in the structure of the administrative-accounting processes as a result of the natural evolution of the business and organisation of the Group.

Therefore, the significant items of the financial statements and the corporate processes that provide data to them were identified, by defining the processes and controls to mitigate the risks connected with the true and fair view of the financial information.

In general, the control objectives for the *financial reporting* process concern the Financial Statements and the corporate control and organisation environment, such as the controls on the separation of the



tasks, on compliance with the rules of conduct and the authorisation limits, on physical safety of goods, on diligent documentation and tracking of transactions.

### **Roles and functions involved**

The risk management and internal control system of the financial reporting process is coordinated and managed by the Financial Reporting Manager, Mr Massimiliano Moi, appointed by the Board of Directors on 17 February 2021 in compliance with the legislative and statutory provisions in force.

The Financial Reporting Manager is supported by the Internal Audit function, in the execution of assessments on the operation of the control system, and by the managers of the functions, who, within their area of competence, provide complete and reliable information for the preparation of the financial reports.

The Financial Reporting Manager is directly responsible for verifying the correct and prompt execution of management activities in the administrative, accounting and financial area, being required to supervise on an ongoing basis all stages of the monitoring and assessment of risk concerning the *financial reporting process*.

The Financial Reporting Manager regularly reports to the Board of Statutory Auditors on the adequacy, also in terms of organisation, and reliability of the administrative-accounting system and reports to the Control and Risk Committee and the Board of Directors on the activity carried out and on the effectiveness of the internal control system with regard to risks concerning the information in the Financial Statements.

After carrying out these activities and controls, the Financial Reporting Manager issues the statements and certifications required by Art. 154-bis of the Consolidated Finance Law.

In particular, pursuant to:

- (i) Art. 154-bis, Par. 2, of the Consolidated Finance Law, the acts and communications of Technogym S.p.A., disclosed to the market and related to the interim and annual financial statements, are accompanied by a written statement from the Financial Reporting Manager, confirming they correspond to the supporting documents and to accounting books and records;
- (ii) Art. 154-bis, Par. 5, of the Consolidated Finance Law, the Financial Reporting Manager and the Managing Director issue a report on the annual financial statements, the condensed half-yearly financial reports, and the consolidated financial statements:
  - a) the administrative and accounting procedures were adequate and actually applied in the period to which the documents refer;
  - b) the documents are drafted in compliance with the international accounting standards recognised pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and the Council of 19 July 2002;
  - c) the documents correspond to the evidence provided by accounting books and records;
  - d) the documents provide a true and fair representation of the economic, financial and capital situation of the issuer and of the companies included in the scope of consolidation;
  - e) for the separate and consolidated financial statements, the Report on Operations provides a reliable analysis of the operating performance and financial position of the Issuer and the companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed;

- f) for the condensed interim financial reports, the interim Report on Operations provides a reliable analysis of the information pursuant to Art. 154-ter, Par. 4 of the Consolidated Finance Law.

### 11.1 Director in charge of the Internal Control System

In support of the internal control and risk management system, on 7 May 2021 the Company's Board of Directors - while acknowledging that recommendation no. 32, lett. b) of the Corporate Governance Code identifies the *Chief Executive Officer* as the person in charge of setting up and maintaining the internal control and risk management system - appointed Dr. Carlo Capelli as Director in charge of the internal control and risk management, in continuity with the past and, above all, in consideration of the powers assigned to him and the relative participation in the Top Management of the Company, with a view to ensuring an effective and efficient performance of the functions assigned to this office.

In execution of his functions, the Director in charge of the Internal Control and Risk Management System, with the support of the executives in charge of the different reference areas:

- identifies the main business risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and periodically submits them for examination by the administrative body;
- implements the guidelines defined by the administration body, overseeing the design, implementation and management of the internal control and risk management system and constantly verifying its adequacy and effectiveness, as well as ensuring its adaptation to the dynamics of the conditions operational and legislative and regulatory landscape;
- may entrust the internal audit function to carry out checks on specific operational areas and on compliance with internal rules and procedures in the execution of corporate operations, simultaneously notifying the chairperson of the administrative body, the Chair of the Control and Risk Committee and the Chair of the Supervisory Body;
- promptly reports to the Control and Risk Committee concerning problems and criticalities that emerge in the performance of the corporate business or of which it has in any case become aware, so that the Committee can take appropriate actions.

Mr. Capelli may ask the *Internal Audit* Department to carry out assessments on specific operating areas and on compliance with internal rules and procedures in implementation of corporate transactions, informing the Chair of the Board of Directors, the Chair of the Control and Risk Committee and the Chair of the Board of Statutory Auditors.

In the exercise of his functions, the Director in charge of the Internal Control and Risk Management System has not observed so far, nor has been informed of, issues that needed to be promptly brought to the attention of the Control and Risk Committee and the Board of Directors.

### 11.2 Head of the *Internal Audit Department*

On 11 May 2016 the Company's Board of Directors appointed Mr. Giuliano Boccanegra as Head of the *Internal Audit* Department, in compliance with the recommendations of Standard 7.P.3 b) and Criterion 7.C.5. of the then in force Self-Governance Code.

At the time of the appointment, the Board set the remuneration of the Head of the *Internal Audit* Department in line with corporate policies, assigning an annual general budget to the *Internal Audit* Department.

The Head of the *Internal Audit* Department, who is not in charge of any business area and who reports to the Board of Directors, in the exercise of his functions, provides the information required by the

Director in charge of the Internal Control and Risk Management System, the Board of Statutory Auditors and the Control and Risk Committee. In particular, the Head of the *Internal Audit Department*:

- a) verifies, both on a continuous basis and for special requirements and in compliance with international standards, the effectiveness and suitability of the Internal Control and Risk Management System, through the audit plan prepared by this, approved by the Board of Directors, based on a structured process of analysis and prioritising the main types of risk;
- b) prepares periodic reports containing adequate information on its activities, on the ways in which risk management is conducted as well as on compliance with the plans defined for their containment. The periodic reports contain an assessment of the suitability of the internal control and risk management system;
- c) also at the request of the Supervisory Body, promptly prepares reports on events of particular importance;
- d) transmits the reports referred to in letters b) and c) to the Chairs of the Control Body, the Control and Risk Committee and the administrative body, as well as to the *Chief Executive Officer*, except in cases where the subject of such reports specifically concerns the activity of these subjects;
- e) verifies, within the audit plan and with the support of the manager of IT systems, the reliability of the IT systems including the accounting data systems.

The Head of the *Internal Audit Department* has direct access to all information useful for the performance of the mandate and, if necessary, may also access the documents produced by third parties with control positions in the Company or in other Subsidiaries.

During the year, the *Internal Audit Department* carried out and was involved in the following activities:

- a) verification in accordance with the Audit Plan, presented and approved by the Board of Directors on 25 February 2021;
- b) activity on behalf of the Supervisory Board, according to the contents of Technogym's Organisational and Management Model pursuant to Legislative Decree 231/2001.

The Head of the *Internal Audit Department* reported on the activity carried out during the year to the Board of Directors, the Board of Statutory Auditors, the Control and Risk and Sustainability Committee and the Director in charge of the Internal Control and Risk Management System, with reports dated 28 July 2021 (report to the Control and Risk Committee and the Director in charge of the Internal Control and Risk Management System) and 2 August 2021 (report to the Board of Directors), regarding the activity carried out in the first six months of the year and until the date of the report, as well as on 21 February 2022 (report to the Control and Risk Committee and the Director in charge of the Internal Control and Risk Management System) and 7 March 2022 (report to the Board of Directors), concerning the activities carried out during 2021 and until the date of the report.

### **11.3 Coordination Measures**

To ensure the coordination of the parties involved in the Internal Control and Risk Management System, the Company requires that meetings take place, at least once every quarter, on a day known as *control day*. These meetings are attended by all managers of the control functions or the functions that are in any case involved in the Internal Control and Risk Management System. The Board of Statutory Auditors and the Control and Risks and Sustainability Committee cooperate effectively and profitably, promptly exchanging relevant information for the performance of their respective duties.

The Chair of the Board of Statutory Auditors and, more generally, all the members of the Board, actively participate in the meetings of the Control and Risks and Sustainability Committee.

The bodies and the functions in charge of Technogym's Internal Control and Risk Management System met regularly during the year.

#### **11.4 Model of organisation pursuant to Legislative Decree 231/2001**

The Company has implemented its own Organisational and Management Model pursuant to Legislative Decree 231/2001, approved by the Board of Directors on 28 May 2013 and later updated by the Board of Directors on 3 December 2013, 7 March 2016, 4 August 2016, 23 October 2019 and 25 February 2021 (henceforth, the “**Model**”). The revisions to the Model approved on 25 February 2021 mainly concerned the introduction of a specific special part relating to the tax offences envisaged by Art. 25 *quinquiesdecies* of Legislative Decree 231/01, as well as an overall update of the Organisational Model, aimed at reflecting the changes intervened in the company organisation and in the internal control system. The Company is carrying out activities aimed at integrating and updating the Model in relation to the introduction of the predicate offence “Crimes relating to payment instruments other than cash.”

Technogym's Model comprises two sections. The first section, of a general nature, describes the aims, addressees, components of the system of ex-ante control of the Model itself and, again in line with the requirements of Legislative Decree 231/2001, the structure, operation and tasks of the Supervisory Board, which, pursuant to Art. 6 of the Legislative Decree 231/2001, oversees the operation and compliance of the Model.

The first section of the Model also provides for training and information to be provided to the personnel of the Company on the content of the Model.

The second section of the Model, more specific, provides a description of the types of offences specified by Legislative Decree 231/2001 relating to the risk areas and risk activities considered to be applicable with respect to the effective business activities conducted and corresponding penalties for the areas of risk deemed applicable that are identified in the Model.

The offences that the Model, based on the results of the risk mapping carried out for the purposes of its adoption, aims to prevent, are:

- crimes against the Public Administration and false declarations to Judicial Authorities;
- computer offences and unlawful data processing;
- organised crime and crimes with the purpose of terrorism or subversion of the democratic order;
- forgery of identification instruments or marks and offences against industry and commerce;
- corporate offences;
- offences of corruption between private individuals;
- crimes against the individual and the employment of illegally staying third-country nationals;
- offences of market abuse;

- crimes of involuntary manslaughter and involuntary serious or grievous injuries, committed in violation of accident prevention regulations and the protection of hygiene and safety in the workplace;
- crimes of receiving stolen goods and money laundering, use of money, goods or benefits of illicit origin, as well as self-laundering;
- offences involving violation of copyright laws;
- environmental offences;
- racism and xenophobia.
- tax crimes.

The provisions of the Model are integrated by those of the Technogym S.p.A.'s Code of Ethics, approved by the Board of Directors at its meeting on 28 May 2013 and updated at the meeting of 4 August 2016. The Code of Ethics describes the ethical commitments and responsibilities in carrying out company business and activities, by which all employees must abide in the performance of their activity, in the belief that ethics in the conduct of the business is required for the success of the company activity.

The Code of Ethics is available on the Company's website at <https://corporate.technogym.com/en/governance/corporate-documents>.

The Supervisory Board has the task of monitoring the operation of and compliance with the Code of Ethics. The Board currently in office was appointed by the Board of Directors on 7 May 2021. Given the type of business and organisation of the Company, it was considered appropriate to set up the Supervisory Board in collective form. The members of the Supervisory Board are:

- Mr. Andrea Ciani, J.D. (Chair);
- Mr. Riccardo Pinza, J.D.
- Giuliano Boccanegra (also responsible for the Company's *Internal Audit Department*, appointed to ensure coordination between the various parties involved in the internal control and risk management system).

To ensure full compliance with Legislative Decree 231/2001, the Supervisory Board reports directly to the top management of the Company and does not have any hierarchical link to company operations to ensure its full autonomy and independence in the execution of its functions.

The Supervisory Body submitted (i) the interim report relating to the activities carried out in the first half of the 2021 financial year to the Board of Directors on 2 August 2021, and (ii) the Annual Report relating to the 2021 financial year to the Board of Directors on 28 February 2022, following its submission to the to the Control, Risks and Sustainability Committee on 21 February 2022.

## 11.5 Independent Auditors

Taking into account the guidelines most recently provided by Consob in its Communication No. 0098233 of 23 December 2014, concerning the granting of the audit mandate at the time of the assumption of the status of public-interest entity pursuant to Art. 16 of Italian Legislative Decree No. 39 of 2010, the Ordinary Shareholders' Meeting of the Issuer, on 16 February 2016, has granted to the Independent Auditors, effective from and conditional to the presentation of the request for the shares

to be admitted to trading on the Mercato Telematico Azionario, a new audit mandate (which includes the verification that the accounts are duly kept, and that the operating performance is correctly recorded) pursuant to Art. 13 and 17 of Italian Legislative Decree No. 39 of 2010, for the years 2016-2024, for the Separate Financial Statements of the Company and the Consolidated Financial Statements of the Technogym Group, to replace the ongoing mandate given to PricewaterhouseCoopers S.p.A. itself on 17 July 2014.

By means of its resolution on 16 February 2016, the Ordinary Shareholders' Meeting of the Issuer granted to the Independent Auditors, with effectiveness subject to the presentation of the request for the shares to be admitted to trading on the Mercato Telematico Azionario, an engagement for the limited audit of the condensed consolidated half-yearly financial statements of the Technogym Group for the six-month periods ending 30 June in the 2016-2024 period, an engagement for the audit of the separate and consolidated financial statements of the Issuer, pursuant to the provisions of Arts. 14 and 16 of Italian Legislative Decree No. 39/2010, for the years from 2013 to 2021, inclusive, and the engagement for the limited audit of the condensed consolidated half-yearly financial statements of the Issuer for the six-month periods ending 30 June in the years from 2014 to 2021, inclusive, in compliance with the recommendations of CONSOB by means of communication DAC/RM/97001574 dated 20 February 1997. According to the mandate granted to the Independent Auditors, in the case of exceptional or unexpected circumstances that require a time commitment in excess to what had been estimated in the mandate, the parties must identify the unexpected activities and quantify the corresponding fees. The mandate also makes specific reference to the difficulty of quantifying the effect, in terms of time commitment for the execution of the mandate, of the coming into force of European Regulation No. 537/2014 and the adoption of European Directive 2014/56/EU as well as the Italian Legislative Decree No. 139/2015.

At the beginning of 2018, therefore, the Independent Auditors sent to the Company a proposal to integrate the mandate, to take into account the new laws and regulations that are coming into force. The proposal for the integration of the mandate and the fees received from the Independent Auditors was brought to the attention of the Board of Statutory Auditors. Pursuant to Art. 13, Par. 1 of the Italian Legislative Decree 39/2010 as subsequently amended, this in turn submitted a proposal to the Shareholders' Meeting in regard to the request of integration of the fees received from the Independent Auditors. With resolution of 8 May 2018, the Ordinary Shareholders' Meeting of the Issuer approved the integration of the mandate to the Independent Auditors.

During the 2021 financial year, the Control, Risks and Sustainability Committee assessed, in the presence of the Board of Statutory Auditors, the results of the audits carried out by the Independent Auditors, at the preparatory meetings for the approval of the annual and interim financial report.

## **11.6 Financial Reporting Manager**

On 17 February 2021, in compliance with the provisions of Art. 154-*bis* of the Consolidated Finance Law and the requirements set by Art. 25.2 of the Articles of Association and after hearing the favourable opinion of the Board of Statutory Auditors, the Board of Directors appointed the Chief Financial Officer, Mr Massimiliano Moi, as Financial Reporting Manager.

The Financial Reporting Manager has the following tasks:

- to specify appropriate administrative and accounting procedures for the preparation of the Separate Financial Statements and the Consolidated Financial Statements, as well as of any other financial disclosure;
- to issue written statements certifying that the acts and communications of the Company disclosed to the market and related to the annual and interim financial disclosures correspond to the supporting documentation, accounting books and records;



- to issue, together with the Managing Director, the statements required by Art. 154-bis, Par. 5, of the Consolidated Finance Law, with a special report drafted according to the model by the CONSOB regulation, attached to the Separate Financial Statements, the Half-yearly Condensed Financial Statements and the Consolidated Financial Statements;
- to take part in the meetings of the Board of Directors of the Company when the agenda includes the review of the Company's economic-financial data;
- to report without delay to the Managing Director and the Board of Directors, also through the Control and Risk Committee, any significant aspect that, if incorrect, should be declared in the statements specified by Art. 154- *bis* of the Consolidated Finance Law;
- to report, every six months, to the Board of Directors, the Control and Risk Committee and the Board of Statutory Auditors on the activity carried out.

The Financial Reporting Manager must meet not only the integrity requirements set by the legal and regulatory provisions *in force* for those carrying out administration and direction functions, but also the professional qualification requirements set forth in Art. 25, Par. 2, of the Articles of Association of the Company, consisting in specific competences on administration, finance or control. In particular, he/she must have:

- (a) earned a university degree in the areas of economics, finance or business organisation and management; and
- (b) gained total experience of at least three years in the exercise of: (i) management, finance or control activities, or management duties with executive functions at joint-stock companies; or (ii) management or executive functions or independent auditor or consultant duties as certified public accountant at entities operating in the credit, financial or insurance sectors, or in sectors connected to or inherent to the activity carried out by the Company and pursuant to Art. 3 of the Articles of Association, entailing the management of economic and financial resources.

The Board of Directors verifies that the requirements of integrity and professionalism as set forth in previous points (a) and (b) above are met. The board of directors supervises to ensure that the financial reporting manager has adequate powers and means to perform the duties assigned to him pursuant to legislation and regulations in force at the time.

The Company's Board of Directors has verified, at the time of the appointment, that Mr Moi satisfies the aforementioned requirements.

## **12. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES**

In compliance with the provisions of Article 2391-*bis* of the Italian Civil Code and the Related Parties Regulations, which implements Article 2391-*bis* of the Italian Civil Code and whose Article 4 requires, among other things, the adoption of procedures that ensure the transparency and substantial and procedural correctness of transactions with related parties, the Board of Directors, in the meeting of 11 May 2016, established the Committee for Transactions with Related Parties and approved the Procedure for Transactions with Related Parties - amended most recently on 30 June 2021 to reflect the changes made to Regulation no. 17221 of 12 March 2010 by Consob Resolution no. 21624 of 10 December 2020 in order to implement Directive (EU) 2017/828 (Shareholder Rights Directive II) - aimed at governing transactions with related parties, in order to ensure their transparency and substantial and procedural correctness.

The Committee for Transactions with Related Parties in office at the time of this Report, as appointed after the election of the Board of Directors by the Shareholders' Meeting on 5 May 2021, consists of three Independent Directors, as indicated below: Maria Cecilia La Manna (Chair), Chiara Dorigotti (Deputy Chair) and Luca Martines.

During the 2021 financial year, the Committee for Transactions with Related Parties met twice, on 29 June 2021 and on 19 November 2021, to express its non-binding opinion on, respectively, the amendments to the Procedure for transactions with related parties adopted by the Company, subsequently approved by the Board of Directors on 30 June 2021, as well as in relation to a transaction of lesser importance, subsequently approved by the Board of Directors on 15 December 2021.

In particular, the Procedure for Transactions with Related Parties in question dictates and governs the completion of transactions carried out directly by the Company, or through Subsidiaries, with counterparties that fall within the definition of “related party” of which accounting principles adopted in accordance with the procedure referred to in Article 6 of Regulation (EC) no. 1606/2002 in force from time to time; establishes the criteria for the distinction between transactions of greater significance, of lesser significance, ordinary transactions or transactions of a small amount, also indicating the criteria and methods for the related procedural regulations.

The Procedure for Transactions with Related Parties provides, *inter alia*, that the Company draws up and updates whenever necessary and in any case at least annually a specific register in which related parties are registered and all Transactions with Related Parties are filed, including transactions excluded from the application of the procedure, carried out by the Company also through its subsidiaries. Lastly, the Procedure includes provisions on public disclosure obligations for the Transactions with Related Parties that have been carried out and/or will be carried out.

The Procedure for Transactions with Related Parties is available on the website of the Company at <https://corporate.technogym.com/en/governance/rules-and-procedures>.

### **13. APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS**

Pursuant to Art. 27 of the Company’s Articles of Association, the Board of Statutory Auditors is composed of 3 Standing and 2 Alternate Auditors. Their term in office expires at the time of the Shareholders' Meeting called for the approval of the financial statements related to their third year of office. They may be re-elected.

The members of the Board of Statutory Auditors must meet the requirements of integrity, professionalism, independence and must respect the limit on the accumulation of positions set by the legal and regulatory provisions in force. For the purposes of Art. 1, Par. 2, letters b) and c), of the Decree of the Italian Ministry of Justice No. 162, dated 30 March 2000, as amended and integrated, the topics considered strictly relevant to the area of activity of the Company include commercial law, corporate law, tax law, business economics, corporate finance, subjects with a similar or comparable object as well as the topics and sectors relevant to the sector of the Company.

Until the shares of the Company are listed in a regulated market in Italy or in another Member State of the European Union, the Board of Statutory Auditors is elected by the Ordinary Shareholders' Meeting on the basis of lists presented by the shareholders as specified below.

The lists may be presented by the shareholders who, alone or with others, at the time of the presentation of the list, hold a percentage equity investment at least equal to that specified for the Board of Directors. Each shareholder, the shareholders participating in a Shareholders' Agreement relating to the relevant Company as set forth in Art. 122 of the Consolidated Finance Law, the controlling party, the Subsidiaries and those subject to common control and other parties among which there is an affiliation, even indirect, pursuant to the legal and regulatory provisions in force at the time, cannot present or take part in the presentation, not even through a third party or trust company, of more than one list nor may vote for different lists.

The lists are divided into two sections: one for candidates for the office of Standing Auditor, the other for candidates for the office of Alternate Auditor. The first candidates of each section must be listed in the register of Independent Auditors and have carried out auditing activities for no less than 3 (three) years. The other candidates, if they have not met this requirement in the period immediately prior,

must meet the other requirements of professionalism set forth by legislation and regulations *in force* at the time.

For the period of application of the legal and regulatory provisions *in force* on gender balance, any list presenting no less than three candidates (considering both sections) must also include candidates of both genders, so that at least one-third (rounding up) of the candidates to the office of Standing Auditor and at least one candidate to the office of Alternate Auditor (if the list also includes candidates to the office of Alternate Auditor) belongs to the less represented gender.

In the lists that submit a number of candidates greater than or equal to three, each list for the appointment of a standing auditor and an alternate auditor must include a number of candidates belonging to the less represented gender which ensures, within such list, respect for gender balance at least to the minimum extent required by legislation and regulations in force at the time.

If the obligations set forth in this section are not met, the list shall be considered as if it had not been submitted.

The lists must be accompanied by the following:

- (a) information on the identity of the shareholders who have presented the lists, with the specification of the percentage equity investment held in total, being understood that the evidence of the ownership of this equity investment may be presented even after the deposit of the lists provided this is done within the term set for the publication of the lists by the Company;
- (b) a statement of the shareholders other than those holding, alone or jointly, a controlling interest or a relative majority, stating the absence of relations of affiliation, even indirect, pursuant to the legal and regulatory provisions in force at the time, with the latter;
- (c) exhaustive information on the personal and professional characteristics of the candidates, with specification of the administration and control positions held in other companies, as well as a statement by the candidates that the requirements set by the legal and regulatory provisions in force and by the Articles of Association, including those of integrity, professionalism, independence and limit on the accumulation of positions are met, and that they accept the candidature and, if elected, the office;
- (d) any other additional or different statement, information and/or document required by the legal and regulatory provisions in force at the time.

If these obligations are not fulfilled, the list is deemed as not presented.

The election of the Board of Statutory Auditors takes place as follows:

- (a) 2 Standing Auditors and 1 Alternate Auditor are taken from the list that obtained the highest number of votes, in the progressive order with which they are listed in the corresponding sections of the list;
- (b) the remaining Standing Auditor and the remaining Alternate Auditor are taken, based on the progressive order with which they are listed in the corresponding sections of the list, from the list that obtained the second highest number of votes after the list under (a), votes given by shareholders who are not related in any way, not even indirectly, pursuant to the legal and regulatory provisions in force, with the shareholders who have presented or voted the list that obtained the highest number of votes.

In case of parity between lists, priority is given to the list presented by the shareholders with the largest equity investment or, subordinately, by the largest number of shareholders.

The Articles of Association moreover regulates the following extreme case that could occur during the elections of the Board of Statutory Auditors.

If, at the end of the voting, the composition of the Board of Statutory Auditors does not comply with the legal and regulatory provisions on gender balance *in force*, among the candidates to the office of Standing Auditor, the candidate of the most represented gender elected last in progressive order in the corresponding section of the list that obtained the highest number of votes shall be excluded and replaced by the first unelected candidate of the less represented gender of this section according to the progressive order. If, at the end of this replacement process, the composition of the Board of Statutory Auditors still does not comply with the *pro tempore* legal and regulatory provisions in force on gender balance, the replacement shall take place with resolution of the Shareholders' Meeting, with the relative majority of the votes represented there, subject to the presentation of the candidates belonging to the less represented gender.

If the number of candidates elected on the basis of the lists presented is less than the number of the Auditors to be elected, the remaining Auditors are elected at the Shareholders' Meeting, with the relative majority of the votes there represented, in a way to ensure compliance with the legal and regulatory provisions in force on gender balance. In case of parity of votes among several candidates, a second ballot between the same shall take place at the Shareholders' Meeting, with the candidate obtaining most votes prevailing.

If a single list is presented, the Shareholders' Meeting shall vote on this list: if the relative majority of the votes there represented is obtained, all members of the Board of Statutory Auditors shall be taken from this list in compliance with the legal and regulatory provisions *in force*, also in regard to gender balance.

If no list is presented, or if a single list is presented without obtaining the relative majority of the votes represented in Shareholders' Meeting, or if only a part of the Board of Statutory Auditors needs re-appointing, or if it is not possible for any reason to appoint the Board of Statutory Auditors with the procedures described above, the members of the Board of Statutory Auditors shall be appointed by the Shareholders' Meeting, with the ordinary procedures and the relative majority of the votes there represented, without using the list vote mechanism, in a way to ensure compliance with the legal and regulatory provisions *in force* on gender balance, without prejudice to the provisions of Art. 30 of the Articles of Association.

The Chairman of the Board of Statutory Auditors is identified in the person of the Standing Auditor elected by the minority, except the case in which a single list was voted or no list was presented; in these cases, the Chairman of the Board of Statutory Auditors is appointed by the Shareholders' Meeting that resolves with the relative majority of the votes there represented.

If during the year, a member of the Board of Statutory Auditors from the list that received most votes becomes unavailable, he/she is replaced, until the next Shareholders' Meeting, by the first Alternate Auditor taken from this list.

If the requirements made by legal and regulatory provisions are no longer met, the member of the Board of Statutory Auditors forfeits his/her office.

The Company is not subject to further rules on the composition of the Board of Statutory Auditors, beyond the provisions of the Consolidated Financial Law.

#### **14. AUDITORS**

The Board of Statutory Auditors of the Issuer in office on the date of this Report, appointed by the Shareholders' Meeting on 8 May 2019 until the approval of the Financial Statements as at 31 December 2021, consists of 3 Standing Auditors (of which one from the less represented gender) and 2 Alternate Auditors (of which one from the less represented gender), notably: Francesca Di Donato,

as Chair of the Board of Statutory Auditors, Claudia Costanza and Ciro Piero Cornelli, as Standing Auditors, and Laura Acquadro and Stefano Sarubbi, as Alternate Auditors.

In particular, it should be noted that the majority list (presented by the then shareholder Wellness Holding Srl who held a stake equal to 44.78% of the share capital) was voted by 76.13% of the share capital with voting rights and Statutory Auditors Claudia Costanza and Ciro Piero Cornelli, as well as the Alternate Auditor Laura Acquadro, were selected from the same list; while Statutory Auditor Francesca Di Donato (Board Chair) and Alternate Auditor Stefano Sarubbi were selected from a minority list (submitted by Studio Legale Trevisan & Associati on behalf of a group of investors who held a total stake of 3.39% of the share capital) was voted by 23.82% of the share capital entitled to vote.

The current composition of the Board of Statutory Auditors is in compliance with the provisions aimed at guaranteeing compliance with the current regulations on gender balance in the Articles of Association.

The Shareholders' Meeting held on 8 May 2019 set the annual remuneration of the Board of Statutory Auditors at Euro 30,000 gross per year for the Chair and Euro 20,000 gross per year for each of the Standing Auditors, for the entire period of duration of the office, to be paid in proportion to the actual period in office. This remuneration is commensurate to the commitment required, the importance of the role held and the size and sectorial characteristics of the company.

We provide below some information on the members of the Board of Statutory Auditors currently in office.

### **Francesca Di Donato**

He graduated in 1997 in Economics and Commerce at the Luiss - Guido Carli University of Rome, where he also obtained a PhD in Business Information Systems. Associate Professor of Business Economics at the San Raffaele University in Rome, Auditor, has honed professional experience in a variety of sectors. In particular, she held the positions of member of the Board of Statutory Auditors of CDP Reti S.p.A. and member of the Board of Statutory Auditor and of the Supervisory Board of Banca Caripe and of MPS Leasing & Factoring. She currently holds, among others, the office of member of the Board of Statutory Auditors of Tim S.p.A., of Lottomatica S.p.A., of Garofalo Health Care S.p.A. She deals with extraordinary transactions, valuations of companies and shareholdings, banks, capital transactions and financial restructuring, transactions on regulated markets (e.g., takeover bids, OPS, IPOs), management control and *performance measurement activities*, evaluations of internal control systems and risk analysis and business planning.

### **Claudia Costanza**

In 1992, she graduated in Economics and Business from the Bocconi University in Milan, where she also obtained a Master Degree in Tax Law. Since 1994 she has been a member of the Milan Chartered Accountants Association, as well as of the Auditors Association, according to the Italian Ministerial Decree of 13 June 1995, published in the Official Journal No. 97-bis - 4th special series - of 19 December 1995. After working as an independent Chartered Accountant between 1992 and 2003, from 1 January 2004 she has been a partner of Studio Associato CLM Associati - Tax and Corporate Counsels, assisting corporations in the areas of corporate and tax law. She is a member of various boards of directors and boards of statutory auditors of listed and unlisted Italian companies. She also acts as a liquidator and receiver, appointed by the Law Court of Milan.

### **Ciro Piero Cornelli**

Graduated in Business Economics at the Bocconi Business University in Milan in 1989. He has been a member of the Milan Chartered Accountants Association since 1986 and is a statutory auditor, member n. 16038 of the Register of Statutory Auditors, according to the provisions of the Italian



Ministerial Decree of 12 April 1995, Official Journal No. 31-bis of 21 April 1995, 4th special series. From November 1985 to November 2004, he practised as a Chartered Accountant with the Valenti Tax Law firm, with registered office in Milan. Subsequently, from December 2004 to December 2005, he was a founding member of the Studio Legale e Tributario L.C.M. - Lega Colucci Morri e Associati, with registered office in Milan. From January 2006 until December 2015, he was a member of the Tax and Law firm Morri Cornelli e Associati (formerly known as Studio Morri & Associati), again with offices in Milan. From January 2016, he has been a founding member of the Tax and Law Firm Cornelli, Gabelli e Associati, with registered office in Milan. In over 30 years of professional experience, he has accrued an extensive and comprehensive experience in the following areas: (a) business, contract and tax consulting services for industrial, trading, financial and real estate companies; (b) tax litigation; (c) merger and acquisition negotiations, both in Italy and abroad; (d) extraordinary operations of corporate reorganisation (mergers, spin-offs and transfers), as well as financing transactions and financing rearrangement/restructuring.

### **Laura Acquadro**

Graduated in Economics at the Bocconi Business University in 1991 and Law at the Statale di Milano University in Milan in 1997, she is registered at no. 3757 in the Professional Association of Chartered Accountants and Accounting Experts of Milan. She is also a member of the Auditors Association according to the Official Journal Provision No. 87 of 2 November 1990, as well as member No. 9680 of the Expert Consultants Association of the Court of Milan. She is a partner of the Studio Acquadro e Associati of Milan, and mainly deals with corporate and tax consultancy for medium/large groups operating in the industrial, real estate, financial and services sectors; she also deals with drafting sworn appraisals, company and assets valuations as well as consultancy on extraordinary transactions and corporate reorganisations.

### **Stefano Sarubbi**

Graduated in Economics and Commerce from the Cattolica University of Milan in 1990, he is a chartered accountant, auditor and freelance journalist. He has been working for about 30 years in tax and corporate consulting for corporate groups, also operating internationally.

He has also gained considerable experience in corporate organisation and internal control, as well as in the implementation and optimisation of corporate procedures. He is one of the founders of the SIGMAGEST Group, which has been operating for many years in business areas related to corporate organisation, administrative outsourcing projects and risk consulting.

He is involved in an intense publishing activity in tax-related matters, collaborating with "*Corriere della Sera*" and with several magazines published by Ipsoa WKI, with hundreds of articles on current tax issues. He is the author of several in-depth papers on fiscal and budgetary issues.

He holds various positions as Chairman of the Board of Statutory Auditors or Standing Auditor in companies, including listed companies, and is a member of various Supervisory Boards in major Italian companies.

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The Board of Statutory Auditors, in compliance with the legal and regulatory provisions in force, oversees the process of financial disclosure, the effectiveness of the Internal Control and Risk Management System, the audit of individual and consolidated Financial Statements and the independence of the Independent Auditors, in particular with regard to the provision of non-auditing services. As part of their activities, the Auditors may ask the *Internal Audit* Department to perform assessments on specific operational areas or corporate transactions.

In 2021, the Board of Statutory Auditors, in the performance of its activity, liaised with the *Internal Audit* Department and with the Control and Risk and Sustainability Committee through participation in discussions on issues of specific interest. The *Internal Audit Department* has taken an active part in the assessments carried out by the members of the Board of Statutory Auditors.



All Auditors must meet the requirements of eligibility, integrity and professionalism specified by the legal and applicable regulatory provisions in force at the time.

In compliance with Art. 144-novies of the Issuers' Regulation and the aforementioned Application Criterion, the Board of Directors and the Board of Statutory Auditors assess that the members of the Board of Statutory Auditors meet the requirements indicated above:

- (i) after the appointment, making the results of this assessment public in a press release;
- (ii) annually, including these results in the report on corporate governance.

Following the appointment of the Auditors in office at the date of this Report (as said before, at the Shareholders' Meeting on 8 May 2019), the Board of Directors, during its meeting of 14 May 2019, verified the compliance with said requirements and restrictions and the Auditors themselves verified, in the meeting of 27 January 2021, and, lastly of 28 January 2022, that the independence requirements pursuant to the law and the Corporate Governance Code were still being met. The self-assessment of the Board of Statutory Auditors was also conducted taking into account the criteria set out in the Q.1.1 standard. of conduct of the board of statutory auditors of listed companies issued by the National Council of Chartered Accountants and Accounting Experts.

The Board of Statutory Auditors verifies the correct application of the criteria and the procedures of verification adopted by the Board to assess the independence of its members. The results of these assessments are disclosed to the market.

During the 2021 financial year, the Board of Statutory Auditors met a total of 17 times; the average duration of the meetings was approximately 3 hours. The meeting attendance record of each member is indicated, in percentage terms, in Table 3 enclosed to this Report. Ten meetings are scheduled for 2022, three of which have already been held at the date of this Report.

With regard to diversity policy, as already reported in relation to the Board of Directors, on 7 March 2022 the Board of Directors, after obtaining the favourable opinion of the Appointments and Remuneration Committee expressed on 15 February 2022, approved the Diversity Policy of the Board of Directors and the Board of Statutory Auditors.

In view of the election of the new Board of Statutory Auditors part of the Shareholders' Meeting of 4 May 2022, the outgoing Board of Statutory Auditors, in office at the date of this Report, presented its guidelines to the shareholders on the composition of the Board of Statutory Auditors. About the adequacy of the remuneration paid to the Statutory Auditors, please refer to the aforementioned guidelines, available on the Company's website at <https://corporate.technogym.com/en/governance/shareholders-meetings>.

In addition to what is already provided for in the Procedure for Transactions with Related Parties (for a description of which please refer to the preceding Chapter 11), it was not deemed necessary to formalise specific procedural indications regarding the case in which there is an interest, on one's own behalf or on behalf of third parties, of a member of the Board of Statutory Auditors in a given transaction.

## **15. RELATIONS WITH SHAREHOLDERS**

Technogym has created on its website (<http://corporate.technogym.com>) two special sections, respectively, “*Corporate Governance*” and “*Investor Relations*”, easy to find and to access, which provide the information on the Issuer of interest to its shareholders (who are able to exercise their rights in an informed manner on the basis of this information), notably, the documents and information pertaining to the Shareholders' Meetings. The economic and financial documents for the period and the press releases to the market are published in the same way.

Relations with the shareholders are handled by the Investor Relations function established by the Board of Directors. On 7 May 2021 the Company's Board of Directors appointed as the Company's *Investor Relation Manager* Dr. Enrico Filippi, replacing Dr. Carlo Capelli

The *Investor Relations Manager*, reporting to the Chief Executive Officer, coordinates and manages the Company's communications to the financial markets and those addressed to institutional investors, analysts and retail investors.

In compliance with Recommendation no. 3 of the Corporate Governance Code, the Board of Directors, on 27 October 2021, approved the policy for managing relations with shareholders and investors (the "**Policy**"), drawn up also taking into consideration the principles set out in the Circular Assonime n. 23 of 19 July 2021, available on the Company's website at <https://corporate.technogym.com/en/governance/rules-and-procedures>.

This Policy is integrated into the processes and ordinary tools of communication already in place between the Company, on the one hand, and its Shareholders and Investors (as defined below) on the other, with the aim being to govern, in particular, the direct dialogue between the Investors and the Board of Directors, in the areas for which the Board of Directors has responsibility (the "**Direct Dialogue**").

The Board of Directors generally gives authorisation to the Chief Executive Officer to manage Direct Dialogue, who, to this end and in operational terms, is assisted by the corporate functions involved on each occasion. The Investor Relations Function acts as the point of contact for initiating the Direct Dialogue.

The Chief Executive Officer must immediately inform the Board of Directors if there are any significant events that regard dialogue with the Shareholders and the other Investors, and especially Direct Dialogue, and in any event, must provide a periodic disclosure at least once a year on the performance and main developments of dialogue with Shareholders and other Investors, and in particular, of Direct Dialogue.

The Board of Directors shall monitor the application of the Policy, also on the basis of the information received and any relevant changes in the law and application procedures, making any decisions considered advisable to promote and improve relations with the Shareholders and other Investors, including any changes and/or additions to this Policy.

From the date of approval of the Policy up to the date of this Report, there have been no requests for Direct Dialogue by Investors of the Company pursuant to the Policy. It should also be noted that, as part of the ordinary channels of dialogue with the financial community, no significant issues emerged that would require the involvement of the Board of Directors.

## 16. SHAREHOLDERS' MEETINGS

The Shareholders' Meeting is called whenever the Board of Directors believes it is appropriate or when the call is required by law. The Ordinary Shareholders' Meeting is called at least once a year within 120 days from the closing of the financial year. It may be called within 180 days from the closing of the financial year if the Company must draft the Consolidated Financial Statements, or when the longer term is necessary for special reasons related to the structure and the object of the Company; in the latter cases, the Directors must indicate the reasons for the postponement in the report prepared pursuant to Art. 2428 of the Civil Code.

The Shareholders' Meeting may be called also outside the municipality in which the registered office is located, both in Italy and in other European Union countries. The call notice must indicate the date, time and place of the Shareholders' Meeting, the list of the topics to be discussed and any other information which must be provided in the call notice pursuant to the legal and regulatory provisions *in force* at the time. The call takes place through a notice published on the website of the Company, as

well as with the other procedures specified by CONSOB, in the terms of law. If required by law or by the Board of Directors, the notice is also published, also in abstract form if allowed, on the daily newspaper “Il Sole 24Ore”.

The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or, in the case of absence or impediment of this, by the Deputy Chairman of the Board of Directors (if appointed). If the latter is also absent or impeded, the Shareholders' Meeting is chaired by the person chosen by the Shareholders' Meeting itself with an absolute majority of the votes there represented. The Shareholders' Meeting appoints a Secretary, who may or may not be a shareholder, with an absolute majority of the votes there represented. The Chairman may choose 2 or more vote counters, who may or may not be shareholders, if he/she believes it to be appropriate. The assistance of the Secretary is not required if the minutes are drafted by a Notary Public chosen by the Chairman of the Shareholders' Meeting. The resolutions of the Shareholders' Meeting are reported in the minutes signed by its Chairman and by the Secretary, if appointed by the Shareholders' Meeting. If required by law or if the Chairman of the Shareholders' Meeting believes it to be appropriate, the minutes are drafted by a Notary Public chosen by the Chairman.

The Shareholders' Meeting may be attended by those entitled to vote, provided their entitlement is proved with the procedures and in the terms set by the legal and regulatory provisions *in force* at the time. Shareholders may ask to be represented at the Shareholders' Meeting, issuing special proxies, according to limits and procedures of law, which are notified to the Company by sending these at the address of certified email specified, for each Shareholders' Meeting, in the call notice or, alternatively, through any other method of electronic notification indicated in the call notice.

As above described, pursuant to Art. 7 of the Articles of Association, each shareholder may obtain the special voting rights. The Board of Directors has therefore established the special list for the entitlement to the benefit of special voting rights and has appointed the person in charge of the management of the special list defining the keeping criteria in a special regulation published on the website <https://corporate.technogym.com/en/governance/increased-rating>.

The same section contains the list of the shareholders relevant and present in the special list for the entitlement to the special voting rights of Technogym pursuant to Art. 143-*quarter* par. 5, of the Issuers' Regulation.

The Chairman of the Shareholders' Meeting shall verify the regularity of the individual proxies and, in general, the right to attend the Shareholders' Meeting. Unless otherwise resolved by the Board of Directors for a specific Shareholders' Meeting, explicitly indicated in the call notice, the Company does not appoint a party to which the shareholders may grant, for each Shareholders' Meeting, a proxy with voting instructions on all or some of the proposals on the agenda.

Ordinary and Extraordinary Shareholders' Meetings take place in single call, except for what is specified by the next paragraph. At the Shareholders' Meetings in single call, the majorities required by the law *in force* at the time will apply, both for the regular establishment of the Shareholders' Meetings and the validity of the resolutions to be taken.

The Board of Directors may decide to hold a Shareholders' Meeting (either Ordinary or Extraordinary) after multiple calls, if it believes this to be appropriate, expressly mentioning it in the call notice. The resolutions in first, second or third call are taken with the majorities required by the law *in force* at the time, both for the regular establishment of the Shareholders' Meetings and the validity of the resolutions to be taken.

For a description of the topics reserved to the exclusive authority of the Board of Directors, we refer to Paragraph 4.1 of this Report.

All Directors take part in the Shareholders' Meeting and on these occasions the Board of Directors, in particular, reports on the activity carried out and scheduled and provides shareholders with

appropriate information on the necessary elements to allow them to take the decisions within the competence of the Shareholders' Meeting in an informed manner.

The Articles of Association do not specify qualified quorums, and, therefore, for the validity of the constitution of the Shareholders' Meeting and the resolutions adopted by it, the legal provisions shall apply.

In compliance with the provisions of Art. 15 of the Articles of Association, the Shareholders' Meeting of Technogym on 16 February 2016 approved the Shareholders' Meeting Regulations, which regulate the performance of the Ordinary and Extraordinary Shareholders' Meetings of Technogym and can be found by shareholders and other entitled parties at the registered office of the Company and at the locations where the Shareholders' Meetings take place. The Regulations are also available on the Company *website* <https://corporate.technogym.com/en/governance/rules-and-procedures>.

The Regulations of the Shareholders' Meetings provide for the Chair to manage the discussion giving the floor to all those who take part in the Shareholders' Meeting being entitled to vote and who have asked to take the floor. The Chair must intervene to avoid abuse or disturbances to the correct, regular and orderly performance of the Shareholders' Meeting. During the discussion, all those entitled to vote may take the floor only once, making comments and requesting information. Those entitled to vote may also make proposals on the items on the agenda. Those who wish to take the floor must make a request to the Chairman or, if instructed to do so by this, to the Secretary, the Notary Public or the Chairman's office. To guarantee the correct, regular and orderly performance of the activity of the Shareholders' Meeting, the Chairman may set, at the opening or in the course of the discussion on individual topics, a term for the presentation of the requests to intervene. These in any case cannot be made before the topic on the agenda to which the requests refer is read out and after the discussion on this topic has been declared closed. The Chairman usually gives the floor to requesting shareholders according to the chronological order of the requests presented. If two or more requests are made at the same time, the Chairman usually gives the floor to requesting shareholders in alphabetical order of surnames. The Chairman may also authorise the presentation of requests for intervention by a show of hands. In this case, the Chairman usually gives the floor to requesting shareholders in alphabetical order of surnames. The members of the Board of Directors and the Board of Statutory Auditors may also ask to take part in the discussion.

In 2021, a Shareholders' Meeting, in an ordinary and extraordinary sessions, was held on 5 May 2021, which saw the participation of around 79.639% of the share capital.

Participation to the Shareholders' Meeting took place through the representative appointed pursuant to Art. 135-undecies of the Consolidated Finance Law, identified in Spafid S.p.A. as the Board has made use of the option referred to in Art. 106, paragraph 4, of Legislative Decree no. 18 of 17 March 2020 in consideration of the emergency situation. This Shareholders' Meetings was attended by some members of the Board of Directors and by the Standing Auditors in office at the time. During the Shareholders' Meetings, the Board of Directors, through the Chairman of the Board of Directors and the Managing Director, reported on its activity, carried out and scheduled, providing shareholders with the information needed to take the decisions within the competence of the Shareholders' Meeting in an informed manner, making available all prepared documents concerning the individual items on the agenda, before the Shareholders' Meeting, in the terms and the forms required by law and by the Articles of Association.

In the year ended 31 December 2021, there were no significant changes in the market capitalisation of the Issuer's shares. It should be noted that on 19 May 2021 an *Accelerated Bookbuilding* procedure was completed by TGH S.r.l. for the sale of 12,000,000 shares of the Issuer.

At the date of publication of this Report TGH S.r.l. holds 33.78% of the Issuer's share capital (which represents 50.5% of the total voting rights), while the remaining 66.22% of the Issuer's share capital is floating on the MTA market managed by Borsa Italiana S.p.A.

## 17. OTHER CORPORATE GOVERNANCE PRACTICES

The Company does not apply other corporate governance practices, besides its legal and regulatory obligations, in addition to those already indicated in the previous paragraphs of this Report.

In particular, refer to Paragraph 11.4 of this Report, for the model adopted by the Company pursuant to Legislative Decree 231/2001.

## 18. CHANGES AFTER THE END OF THE REFERENCE YEAR

There were no changes in the *Corporate Governance* structure since the end of the year, with the exception of what may have been already specified in previous sections.

## 19. CONSIDERATIONS ON THE LETTER DATED DECEMBER 3, 2021 OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

The recommendations made by the Chair of the Corporate Governance Committee in the letter of 3 December 2021, addressed to the Chairs of the administrative bodies of Italian listed companies, their managing directors and Chairs of the Control Bodies of Italian listed companies, after being assessed by the direct recipients, were brought to the attention of the Control and Risk Committee in the meeting of 21 February 2022, of the Appointment and Remuneration Committee in the meeting of 15 February 2022, as well as the Board of Directors and the Board of Statutory Auditors in the Board of Directors' meeting of 7 March 2022.

With regard to the first recommendation which recommends that companies provide adequate and concise information in the corporate governance report on the methods adopted for the pursuit of sustainable success and on the approach adopted in promoting dialogue with relevant stakeholders, providing summary information on the content of the policy with the shareholders, without prejudice to the opportunity to publish it in full, or at least in its essential contents, on the Company's website: (i) in relation to the issues of sustainability and the pursuit of sustainable success, please refer to what is specified in the previous Paragraph 1 of this Report; (ii) as regards the approach to dialogue, it is recalled that, precisely in order to promote dialogue to improve the understanding of the mutual perspectives of the Company and its investors and encourage the long-term commitment of shareholders, the Board of Directors on 27 October 2021, approved the Policy for managing dialogue with shareholders and investors, which is part of the traditional communication processes and tools already existing between the Company, on the one hand, and its shareholders and investors on the other hand, with the aim of managing, in particular, the direct dialogue between the Company's investors and the Board of Directors, on matters falling within the competence of the latter. The full version of the Policy, in line with the recommendations in the letter from the Chairman of the Corporate Governance Committee, is available to the public on the Company's website at <https://corporate.technogym.com/en/governance/rules-and-procedures>.

In relation to the second recommendation which requires evaluating the classification of the Company with respect to the categories of the Corporate Governance Code and the simplification options that can be applied to "non-large" and/or "consolidated" companies, as well as to adequately indicating the choices made, the Board of Directors on March 7, 2021 assessed that the Company is one of the large companies with concentrated ownership. As such, the Company complied with the recommendations formulated by the Corporate Governance Code for these companies, thus not resorting to any option envisaged for "non-large" companies, while, in application of the proportionality principle introduced by the Code, it considered to make use of two simplification measures envisaged for large and concentrated ownership companies, such as, in particular: (a) the right to carry out the *board evaluation* at least every three years; and (b) the abstention by the outgoing Council in 2021 from the publication of an orientation on the optimal composition of the Body in view of its renewal.

With regard to the third recommendation, regarding the independence of Directors, which suggests providing in the report on corporate governance the criteria used for evaluating the significance of



professional, commercial or financial relationships and additional remuneration, also with reference to the Chair of the Board of Directors, if the latter has been assessed as independent pursuant to the Corporate Governance Code, the Board of Directors, most recently during the meeting of 7 March 2022, verified the independence of its members on the basis of the provisions referred to in the TUF and the Corporate Governance Code, as well as on the basis of additional criteria established by the Board. In this regard, it is recalled that the Board of Directors on 24 March 2021, also in view of the appointment of the new Board of Directors by the Shareholders' Meeting of 5 May 2021, set the threshold at Euro 70,000 per annum, upon which any commercial, financial or professional relationships entertained by the Directors or any additional remuneration received by them are to be considered, as a rule, significant. The Board of Directors of 7 March 2022 confirmed the aforementioned threshold, deeming it congruous and effective for the objective pursued. We also point out that the Chair of the Company's Board of Directors currently in office does not possess the independence requirements set out in the TUF and the Corporate Governance Code.

The fourth recommendation on the subject of pre-meeting information, invites the Boards of Directors to take care of the preparation of the Board regulations and committees, paying particular attention to the explicit determination of the terms deemed appropriate for sending the documentation and the exclusion of general confidentiality requirements such as possible exemptions from compliance with these terms, and recommends that, in preparing the corporate governance report, companies should also dedicate adequate illustration of the effective compliance with the notice period previously defined and, where in exceptional cases it has not been possible to comply with such deadline, explain the reasons and illustrate how adequate information has been provided in the Board. In this regard, it should be noted that, following the appointment of the new Board of Directors, on 7 May 2021 the Board, when appointing the members of the internal board committees, revised and approved the related internal regulations. On 30 June 2021, the Board of Directors also approved the Regulation of the Board of Directors, which defines the rules for the functioning of the Board itself and its committees, including the procedures for taking minutes of the meetings and the procedures for managing the information to Directors. In particular, Art. 7 of the Regulations of the Board of Directors, entitled "*Documentation Submission*", requires that such submission must take place within "*the third day prior to the meeting*". In the financial year 2021, following the approval of the Regulations of the Board of Directors, the aforementioned deadline was met, although occasionally the documentation was made available the day before the meeting or directly at the meeting; in any case, the Chair always ensured that adequate information was provided to all those in attendance concerning the topics under discussion and adequate time was allowed for all due diligence deemed useful for an accurate and complete understanding of the matter at hand.

With reference to the fifth recommendation, regarding the appointment and succession of Directors, which invites non-concentrated ownership companies to adequately examine the recommendations addressed to them with respect to the renewal of the Board of Directors, we point out that the Company qualifies as a concentrated ownership company, pursuant to the Corporate Governance Code and, therefore, this recommendation does not apply to Technogym.

With regard to the sixth recommendation, on the subject of gender equality, which invites companies to provide adequate information in the report on corporate governance regarding the concrete identification and application of such measures, please refer to the information contained in Paragraph 4.3 of this Report.

The seventh recommendation, on the subject of remuneration policies, in addition to reiterating the opportunity for policy improvement in defining clear and measurable rules for the payment of the variable component and any severance indemnities, recommends considering the consistency of the parameters identified for the variable remuneration with the strategic objectives of the business activity and the pursuit of sustainable success, evaluating, if necessary, the forecast of non-financial parameters; furthermore, with particular reference to the remuneration parameters linked to the achievement of environmental and social objectives, it recommends that these parameters be predetermined and measurable. In this regard, the Company's Remuneration Policy is defined, also in line with the recommendations of the Corporate Governance Code, with the aim, *inter alia*, of being



functional to the pursuit of the Company's sustainable success, promoting the creation of value for all *stakeholders* in a sustainable way. Consistently with this purpose, the remuneration policies, in particular for Executives with Strategic Responsibilities, are structured in such a way as to: (i) balance fixed remuneration and variable remuneration with the aim of creating value for the Company in a sustainable way; (ii) link the variable remuneration to the achievement of operational and financial objectives aligned with the creation of value and the actual results achieved by the company; (iii) award adequate remuneration to attract, motivate and retain people with the individual and professional qualities necessary for the pursuit and achievement of the business development objectives of the Company and the Technogym group.

\* \* \*

**TABLES**

**TABLE 1  
RELEVANT SHARE CAPITAL HOLDINGS**

**Reference date:** 24 March 2021

<b>Declaring party</b>	<b>Direct shareholder</b>	<b>% share of ordinary capital</b>	<b>% share of voting capital</b>
Nerio Alessandri	TGH S.r.l.	33.78%	50.5%

**TABLE 2  
BOARD OF DIRECTORS AND COMMITTEES STRUCTURE**

Board of Directors														Control and Risk and Sustainability Committee		Appointment and Remuneration Committee		Committee for Transactions with Related Parties:				
Office	Members	DoB	Date of first appointment *	In office from	In office until	List (presenters) **	List (M/m) ***	Exec.	Non-Exec.	Indep. Code	Indep. CON SOLIDATED FINANCIAL LAW	No. of other positions ****	BO D *****	(*)	(**)	(*)	(**)	(*)	(**)			
<b>Chairman and Chief Executive Officer</b>	Nerio Alessandri ◇	1961	31.12.2008	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M	X				10	10/10							(*)	(**)	
<b>Deputy Chair</b>	Pierluigi Alessandri	1965	31.12.2008	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M	X				13	10/10									
<b>Director</b>	Erica Alessandri	1990	16.03.2016	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M	X				2	8/10									

<b>Director</b>	Francesca Bellettini	1970	16.03.2016	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M		X	X	X	35	4/10						
<b>Director •</b>	Carlo Capelli	1962	18.09.2008	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M	X				8	10/10						
<b>Director</b>	Maurizio Cereda	1964	16.03.2016	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M		X			6	9/10	7/7	M				
<b>Director</b>	Chiara Dorigotti	1969	08.05.2018	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M		X	X	X	2	10/10	6/7	M			2/2	M
<b>Director</b>	Vincenzo Giannelli	1964	16.03.2016	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M		X	X	X	2	10/10			3/3	C		
Director◦	Maria Cecilia La Manna	1963	16.03.2016	Lastly on 05.05.2021	Approval Financial Statements as at 31.12.2023	A	M		X	X	X	15	9/10	7/7	C			2/2	C
<b>Director</b>	Melissa Ferretti Peretti	1971	05.05.2021	05.05.2021	Approval of Financial Statements as at 31.12.2023	A	M		X	X	X	3	6/6			0/1	M (since 5 May 2021)		

<b>Director</b>	Luca Martines	1975	05.05.2021	05.05.2021	Approval of Financial Statements as at 31.12.2023	A	m		X	X	X	2	6/6			1/1	M (since 5 May 2021)	2/2	M (since 5 May 2021)
<b>Director</b>	Riccardo Pinza	1969	16.07.2015	-	Approval Financial Statements as at 31.12.2020	A	M		X			-	4/4			2/2	M (until 5 May 2021)		
<b>Director</b>	Andrea Giuseppe Zocchi	1960	08.05.2018	-	Approval Financial Statements as at 31.12.2020	A	m		X	X	X	-	4/4			2/2	M (until 5 May 2021)		M (until 5 May 2021)
<b>No. of meetings carried out during the reference year: 10(***)</b>					Control and Risk and Sustainability Committee: 7(***)			Appointment and Remuneration Committee: 3(***)			Committee for Transactions with Related Parties: 2 (***)				Executive Committee: N/A				

**Indicate the quorum required for the presentation of the lists by minority shareholders for the election of one or more members (pursuant to Art. 148-ter of the Consolidated Finance Law): 1% fixed by Consob Management Resolution no. 60 of 28 January 2022**

**NOTES**

- This symbol indicates the Director in charge of the Internal Control and Risk Management System.
- ◊ This symbol indicates the main person responsible for management of the Issuer (Chief Executive Officer or CEO).
- This symbol indicates the Lead Independent Director (LID).
- \* The date of first appointment of each Director is the date in which the Director was appointed for the first time ever in the Board of Directors of the Issuer.
- \*\* This column indicates whether the list from which each Director was drawn was submitted by Shareholders (indicating “Shareholders”) or by the BoD (indicating “BoD”).
- \*\* This column shows the list from which each Director was taken (“M”: majority list; “m”: minority list; “BoD”: list submitted by the Board of Directors).
- \*\*\* This column shows the number of Director or Statutory Auditor positions held by the person in question in other companies listed in regulated markets, in Italy and abroad, in financial, banking, insurance, or large companies. In the Report on the corporate governance, the positions are indicated in full.
- (\*) This column shows the attendance by the Directors of the meetings, of the Board of Directors and the Committees respectively (indicate the number of meetings attended with respect to the total number of meetings which could have been attended; e.g. 6/8; 8/8 etc.).
- (\*\*) This column shows the qualification of the Director within the Committee: “C”: Chairman; “M”: member.

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(\*\*\*) Of which 4 meetings held until 5 May 2021 and 6 meetings held from 5 May 2021.

(\*\*\*\*) Of which 2 meetings held until 5 May 2021 and 5 meetings held from 5 May 2021.

(\*\*\*\*\*) Of which 2 meetings held until 5 May 2021 and 1 meeting held from 5 May 2021.

(\*\*\*\*\*) Both held from 5 May 2021.



**TABLE 3**  
**BOARD OF STATUTORY AUDITORS STRUCTURE**

<b>Board of Statutory Auditors</b>									
<i>Office</i>	<b>Members</b>	<b>DoB</b>	<b>Date of first appointment *</b>	<b>In office from</b>	<b>In office until</b>	<b>List (M /n) **</b>	<b>Indep. Code</b>	<b>Attendance of Board meetings ***</b>	<b>No. positions other ****</b>
<b>Chairman</b>	Francesca Di Donato	1973	08/05/2019	08/05/2019	Approval Financial Statements as at 31.12.2021	m	X	100%	16
<b>Statutory Auditor</b>	Ciro Piero Cornelli	1959	16/03/2016	08/05/2019	Approval Financial Statements as at 31.12.2021	M	X	94%	12
<b>Statutory Auditor</b>	Claudia Costanza	1967	16/03/2016	08/05/2019	Approval Financial Statements as at 31.12.2021	M	X	94%	22
<b>Alternate Auditor</b>	Laura Acquadro	1967	16/03/2016	08/05/2019	Approval Financial Statements as at 31.12.2021	M	X		29
<b>Alternate Auditor</b>	Stefano Sarubbi	1965	08/05/2019	08/05/2019	Approval Financial Statements as at 31.12.2021	m	X		16
<b>Number of meetings carried out during the reference year:17</b>									

**Indicate the quorum required for the presentation of the lists by minority shareholders for the election of one or more members (pursuant to Art. 148-ter of the Consolidated Finance Law): 1% fixed by Consob Management Resolution no. 60 of 28 January 2022**

#### **NOTES**

\* The date of first appointment of each Statutory Auditor is the date in which the Statutory Auditor was appointed for the first time ever in the Board of Statutory Auditors of the Issuer.

\*\* This column shows the list from which each Statutory Auditor was taken (“M”: majority list; “m”: minority list).

\*\*\* This column shows the attendance by the Auditors to the meetings of the Board of Statutory Auditors (indicate the number of meetings attended with respect to the total number of meetings that could have been attended; e.g. 6/8; 8/8 etc.).

\*\*\*\* This column shows the number of director or statutory auditor positions held by the person in question pursuant to Art. 148-bis of the Consolidated Finance Law and the relevant implementing provisions contained in the CONSOB Issuers' Regulation. The full list of positions is published by CONSOB on its website pursuant to Art. 144-quinquiesdecies of the CONSOB Issuers' Regulation.

### List of Directors' offices

We provide below the list of the offices held by the Directors in other companies at the date of this Report, according to the guidelines adopted by the Board of Directors of Technogym specified in Paragraph 4.3 of this Report.

Director	Office	Company
Nerio Alessandri	Sole Director	OIREN S.R.L.
	Shareholder Director	AEDES 1770 S.S.
	Sole Director	NEXTREND S.R.L.
	Sole Director	TGH S.R.L.
	Sole Director	DUKE INVESTMENT S.R.L.
	Director	MONCLER S.P.A.
	Chair of the Board of Directors	WELLNESS FOUNDATION
	Chair of the Board of Directors and Managing Director	ALFIN S.R.L.
	Sole Director	ALNE S.R.L.
	Shareholder Director	UBERTI S.S.
Pierluigi Alessandri	Sole Director	APIL S.R.L.

	Chair of the Board of Directors and Managing Director	TGB S.R.L.
	Sole Director	PATH S.R.L.
	Sole Director	LA MARIANA S.R.L.
	Sole Director	POLO TECNOLOGICO S.R.L.
	Sole Director	CORTINA MARE S.R.L.
	Director	STARPOOL S.R.L.
	Sole Director	VIA DURINI 1 S.R.L.
	Sole Director	COUNT INVESTMENT S.R.L.
	Director	WELLNESS FOUNDATION
	Sole Director	DWL S.r.l.
	Deputy Chairman of the Board of Directors	ALFIN S.R.L.
	Sole Director	MACERETTI S.S.
Erica Alessandri	Director	TGB S.R.L.
	Director	WELLNESS FOUNDATION
Francesca Bellettini	Chair and Chief Executive Officer	YVES SAINT LAURENT SAS
	Chair	YVES SAINT LAURENT BOUTIQUE FRANCE SAS

Chair	YVES SAINT LAURENT VENTES PRIVEES FRANCE
Chair	YVES SAINT LAURENT PARFUMS
Director	YVES SAINT LAURENT UK LTD.
Director	SAINT LAURENT PORTUGAL UNIPessoal LDA
Director	SAINT LAURENT GREECE MAE
Director	SAINT LAURENT IRELAND LTD
Manager	YVES SAINT LAURENT GERMANY GMBH
Manager	YVES SAINT LAURENT AUSTRIA GMBH
Chair	SL LUXURY RETAIL S.R.L.
Director	YVES SAINT LAURENT AMERICA HOLDING INC.
Director	YVES SAINT LAURENT AMERICA INC
Director	SAINT LAURENT CANADA BOUTIQUES INC
Director	SAINT LAURENT MEXICO S. DE R.L. DE C.V.
Director	SAINT LAURENT SERVICIOS S. DE R.L. DE C.V.
Director	YVES SAINT LAURENT KOREA LTD.
Director	SAINT LAURENT (SINGAPORE) PTE LIMITED

Director	SAINT LAURENT MACAU LIMITED
Director	YVES SAINT LAURENT (HONG KONG) LTD.
Director	YVES SAINT LAURENT (SHANGHAI) TRADING LIMITED
Director	SAINT LAURENT (THAILAND) CO. LTD
Director	SAINT LAURENT (MALAYSIA) SDN. BHD
Director	SAINT LAURENT AUSTRALIA PTY LTD
Director	SAINT LAURENT NEW ZELAND LTD
Director	YVES SAINT LAURENT NETHERLANDS BV
Chair	YSL SWITZERLAND SA
Director	FONDATION PIERRE BERGE YVES SAINT LAURENT
Director	SAINT LAURENT PANAMA INC.
Chair	SAINT LAURENT MANIFATTURE S.R.L.
Chair	SAM YVES SAINT LAURENT OF MONACO
Director	YVES SAINT LAURENT CZECH REPUBLIC S.R.O.
Chair and Director	SAINT LAURENT E-COMMERCE S.R.L.
Director	FERRARI NV



	Director	GIANBATTISTA VALLI
Carlo Capelli	Sole Director	TMC S.R.L.
	Director	WELLNESS FOUNDATION
	Director	SIR S.R.L.
	Director	ENERVIT S.P.A.
	Sole Director	AXON FINANCE S.R.L.
	Director	LQH SA
	Director with proxy	ALFIN S.R.L.
	Director	WELLNESS PARTNERS LTD
Maurizio Cereda	Director	ENERVIT S.P.A.
	Director	FIEE SGR S.P.A.
	Director	PRADA S.P.A.
	Director	WEALTHNESS S.R.L.
	Director	NUTRAMIS S.R.L.
	Director	NEXI S.p.A.
Chiara Dorigotti	Managing Director	SEA PRIME S.P.A.
	Director	ENERVIT S.P.A.
Vincenzo Giannelli	Chief Executive Officer and General Manager	TECHEDGE S.P.A.

	Non-Executive Director	DOCFLOW ITALIA S.P.A.
Maria Cecilia La Manna	Deputy Chair of the Board of Directors and Managing Director	TITAN ITM HOLDING S.P.A.
	Managing Director	ITALTRACTOR ITM S.P.A.
	Managing Director	TITAN ITALIA S.P.A.
	Executive Director	TITAN EUROPE LTD.
	Supervisory Director	TITAN INTERTRACTOR GMBH
	Director	TITAN ASIA AS.
	Deputy Chair	INTERTRACTOR AMERICAN CORP.
	Director	AROS DEL PACIFICO S.A.
	Director	ITM LATIN AMERICA LTDA.
	Director	PIEZAS Y RODAYES SA PYRSA
	Sole Director	ITM INDIA S.R.L.
	Chair	PT TITAN WHEELS INDONESIA
	Director	ITM MINING PTY LTD
	Director	ITM DOZCO (INDIA) PVT LTD
	Director	BRUNELLO CUCINELLI S.P.A.
Melissa Ferretti Peretti	Managing Director	AMERICAN EXPRESS ITALIA S.P.A.

	Director	SWISSCARD AECS GMBH
	Director	AMERICAN CHAMBER OF COMMERCE IN ITALY (non-profit association)
Luca Martines	Independent Directors	BOOZL SA
	Director	ENCELADO VENTURE SA