



TECHNOGYM S.P.A.

REGISTERED OFFICE IN CESENA, VIA CALCINARO, 2861

SHARE CAPITAL EURO 10,066,375.00 FULLY SUBSCRIBED AND PAID IN

REGISTRATION WITH THE FORLÌ-CESENA COMPANIES' REGISTRY NO. 315187, TAX CODE 06250230965

**EXPLANATORY REPORT DRAWN UP BY THE BOARD OF DIRECTORS ON THE PROPOSAL PURSUANT TO POINT NO. 4 OF THE AGENDA OF THE ORDINARY PART OF THE SHAREHOLDERS' MEETING OF TECHNOGYM S.P.A. CONVENED FOR 7 MAY 2024 IN SINGLE CALL**

- 4. Appointment of the Board of Directors**
- 4.1 Resolution as to the number of members of the Board of Directors.**
- 4.2 Resolution as to the duration of the office of the Board of Directors.**
- 4.3 Appointment of the members of the Board of Directors.**
- 4.4 Appointment of the Chairperson of the Board of Directors.**
- 4.5 Resolution as to the remuneration due to the members of the Board of Directors.**

Dear Shareholders,

We wish to remind you that, at the ordinary session of the Shareholders' Meeting, convened for 7 May 2024 to approve the financial statements for the period ended 31 December 2023, the mandate of the Board of Directors of Technogym S.p.A. ("**Technogym**" or the "**Company**"), appointed by the ordinary Shareholders' Meeting of the Company of 5 May 2021 for the three-year period 2021-2023, will expire.

Given the above, at the time of the next Shareholders' Meeting of the Company you will be called on to resolve, inter alia, on the following: (a) the number of members of the Board of Directors of the Company; (b) the duration of the office of the Board of Directors of the Company; (c) the appointment of the members of the Board of Directors of the Company; (d) the appointment of the Chairperson of the Board of Directors of the Company; and finally (e) the remuneration due to the members of the Board of Directors of the Company.

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#### **4.1. Resolution as to the number of members of the Board of Directors of the Company**

As regards the resolution on the number of Directors of Technogym, please note that, pursuant to paragraph 16.1 of the Articles of Association, the Shareholders' Meeting of the Company, before proceeding to the election of the Board of Directors, is required to determine the number of its members, which cannot be fewer than seven and no more than fifteen.

At the date of this Report, the Board of Directors had eleven members.

The Board of Directors of the Company, at the end of its mandate, shall abstain from formulating specific proposals in this regard and therefore is inviting the Shareholders to resolve on the number of members of the Board of Directors of Technogym, within the afore-mentioned limits, based on the proposal that may be formulated by the Shareholders holding the appropriate rights, in accordance with the methods and the terms contained in the Notice of Calling of the Shareholders' Meeting.

#### **4.2. Resolution as to the duration of the office of the Board of Directors.**

Please note that, pursuant to paragraph 16.2 of the Articles of Association, the Directors of Technogym are appointed for a period not exceeding three years and their mandate expires at the date of the Shareholders' Meeting called on to approve the financial statements of the last period under their office. The Directors can be re-elected.

It should be noted that, at the Shareholders' Meeting of 5 May 2021, the term of office of the Board of Directors was set at three financial years.

The Board of Directors of the Company, at the end of its mandate, shall abstain from formulating specific proposals in this regard and therefore is inviting the Shareholders to resolve on the duration of the office of the Board of Directors of Technogym, within the afore-mentioned limits, based on the proposal that

may be formulated by the Shareholders holding the appropriate rights, in accordance with the methods and the terms contained in the Notice of Calling of the Shareholders' Meeting.

#### 4.3. Appointment of the members of the Board of Directors of the Company

The appointment of the Board of Directors of the Company shall be compliant with the provisions set forth in Italian Legislative Decree no. 58 of 24 February 1998, as amended (the Consolidated Finance Law or "**TUF**") and related implementation regulations, as well as with the Articles of Association, which reference should be made for any item not covered here.

The Directors of Technogym are appointed by the Shareholders' Meeting of the Company on the basis of lists where the candidates must be listed with consecutive numbers and in a number not exceeding the number of Directors to be elected. The Board of Directors in office is entitled to submit the lists and, in compliance with the CONSOB executive resolution no. 92 of 31 January 2024, Shareholders who at the time of the submission of the list hold, alone or jointly with others, a total interest at least equal to 1% of the share capital of Technogym.

Every Shareholder, the Shareholders adhering to a shareholders' agreement relating to the Company, relevant for the purposes of Art. 122 of the TUF, the parent company, the subsidiaries and the companies subject to joint control and the other parties amongst which there is a relationship, even indirect, pursuant to *pro tempore* legislation and regulations in force, cannot submit or contribute to the submission, even though a third party or trust company, of more than one list, nor may they vote for different lists. Each candidate may be included only on one list, under penalty of ineligibility. The vote of each shareholder is given to a list and therefore, automatically, to all candidates on the list, without changes, additions or exclusions.

Pursuant to Art. 147-*quinquies*, paragraph 1, of the TUF, all candidates must meet the integrity requirements provided for in Art. 148, paragraph 4, of the TUF as it applies to the auditors of the listed companies.

Each list that contains a number of candidates not exceeding seven must include and identify at least one candidate meeting the independence requirements established according to the *pro tempore* regulations in force, applicable to independent directors. Each list that contains a number of candidates exceeding seven must include and identify at least two candidates meeting the independence requirements established according to *pro tempore* regulations in force applicable to independent directors. If these requirements are not met, the list is considered as not submitted.

The Shareholders are asked to also take into account the requirements of independence and number of independent Directors in compliance with Recommendation no. 7 and no. 5 of the Corporate Governance Code approved on 30 January 2020 (the "**Governance Code**"), adopted by the Company. As regards the declarations of independence, pursuant to the Governance Code, if submitted, it must be noted that the Board has determined in annual amount of Euro 70,000 the threshold that, when reached, any commercial, financial or professional relations held by the Directors or any additional remunerations received by them are to be considered significant.

It must also be noted that since, at the date of this report, Technogym qualifies pursuant to the Governance Code as a "large" company with "concentrated ownership", pursuant to the aforementioned Recommendation no. 5 of the Governance Code, at least one third of the Board of Directors must be independent directors.

Each list with a number of candidates equal to or greater than 3 (three) must also include a number of candidates belonging to the less represented gender, which ensures respect for gender balance at least to the minimum extent required by *pro tempore* legislation and regulations in force. In particular, pursuant to

paragraph 1-ter, of Art. 147-ter of the TUF, at least two-fifths of the Directors must be elected from the least represented gender; if, considering the total number of members of the Board of Directors decided by the Shareholders' Meeting, the number of members of the least represented gender to be elected is not a whole number, in compliance with the provisions of Art. 144-undecies 1, paragraph 3, of the CONSOB Regulation no. 11971/1999, this number shall be rounded up. The submitted list, in the case of non-compliance with the provisions above, is considered as not submitted.

Shareholders are also invited to take into account the guidelines drawn up by the Board of Directors, in line with recommendations of the Governance Code, on the maximum number of offices that its members may hold in the management and control bodies of other companies of significant size, published on the Company's website at <http://corporate.technogym.com>, in the "*Governance/Shareholders' Meeting*" section and at the authorised storage mechanism "eMarket STORAGE", available at [www.emarketstorage.com](http://www.emarketstorage.com).

The lists of candidates must be deposited by the Shareholders, along with the certifications demonstrating the ownership of a number of shares of Technogym sufficient to guarantee the right to submit a list, by 12 April 2024 and by the following methods: (a) hand delivery at the registered office of the Company in Cesena, via Calcinaro, 2861; or (b) by certified email to the address [technogym.amministrazione@legalmail.it](mailto:technogym.amministrazione@legalmail.it). In all events, at the time of submission, all information that allow for the identification of the subject who is sending the lists, must be provided. The lists must then be made available to the public, by the Company, at least twenty-one days before the scheduled date of the Meeting (*i.e.* by 16 April 2024) according to the same methods set forth in the applicable laws and regulations. The ownership of the minimum shareholding required for the submission of the list is determined on the basis of the Technogym shares that are registered in favour of the Shareholder at the date when the lists are deposited with the Company. In order to demonstrate the ownership of the number of shares necessary for submitting the lists, the shareholders who submit or cooperate in the submission of the lists must send to the registered office a copy of the required certification issued by the authorised intermediary pursuant to the law by the date set forth for the publication of the lists, *i.e.* by 16 April 2024.

The lists must include the following: (a) information concerning the identity of the shareholders who have submitted the lists, with the indication of the percentage of interest held, without prejudice to the instructions given above regarding the term for the delivery of the certification demonstrating said ownership; (b) a statement from the shareholders other than those holding, also jointly, a controlling or a relative majority interest, that demonstrates the absence of associative relationships, also indirect, pursuant to the *pro tempore* applicable legislation and regulations, with the latter; (c) comprehensive information concerning the personal and professional characteristics of the candidates with the indication of their eligibility to be independent directors pursuant to the *pro tempore* applicable regulations (and/or pursuant to the governance codes promoted by management companies operating in regulated markets that may have been adopted by the Company, *i.e.* the Governance Code) as well as a declaration issued by the candidates themselves demonstrating compliance with the requirements set forth in the *pro tempore* applicable legislation and regulations and the Articles of Association, including integrity criteria, and, if applicable, independence requirements, as well as their acceptance of the candidature and the office, if elected; (d) any other additional or different declaration, information and/or document set forth by the *pro tempore* applicable legislation and regulations.

As provided for in Communication no. DEM/9017893 of 26 February 2009, CONSOB recommends that the Shareholders, other than those who hold, also jointly, a controlling or relative majority interest, to provide the following information in the declaration referred to in point (b) above:

- (i) the relationships that may exist, if significant, with the Shareholders who hold, also jointly, a controlling or relative majority interest. In particular, it is recommended to indicate among the

mentioned relationships at least those listed at point 2 of the afore-mentioned CONSOB communication. As an alternative, the absence of significant relationships must be indicated;

- (ii) the reasons why these relationships have not been considered determinant for the existence of associative relationships under Art. 148, second paragraph, of the TUF and Art. 144-*quinquies* of the CONSOB Regulation no. 11971/1999 as amended.

The submitted lists, in the case of non-compliance with the provisions above, are considered as not submitted.

The election of the Board of Directors of the Company shall take place as provided for in paragraphs 18.1 et seq. of the Articles of Association of Technogym, in compliance with the provisions contained therein, as regards the minimum number of independent Directors and Directors belonging to the least represented gender.

If no list has been submitted or when just one list is submitted and it does not obtain the relative majority of the votes represented in the shareholders' meeting or if it is not possible for any reason whatsoever to proceed with the appointment of the Board of Directors with the methods here described, the members of the Board of Directors shall be appointed by the shareholders' meeting with ordinary procedures and by the relative majority of the votes represented therein, with no application of the list voting mechanism and in any event so as to ensure the presence of the minimum number of independent directors set forth by the pro tempore regulations in force as well as compliance with the pro tempore legislation and regulations in force on gender balance.

The Board of Directors of Technogym in office has deemed appropriate not to use the option of submitting its own list and abstains from formulating specific proposals and/or directives as regards the composition of the new administrative body.

In light of the above, we are inviting you to appoint the Board of Directors of the Company, casting your vote in favour of one of the lists of candidates to the office of the Directors of Technogym, which will be presented and published in compliance with the above provisions.

#### **4.4. Appointment of the Chairperson of the Board of Directors**

Pursuant to paragraph 20.1 of the Articles of Association, the ordinary Shareholders' Meeting of the Company is entitled to appoint, on a priority basis, the Chairperson of the Board of Directors of Technogym. The same paragraph 20.1 sets forth in fact that the Board of Directors of the Company may elect from among its members a Chairperson only if the Shareholders' Meeting of the Company has not done so.

The Board of Directors of the Company, at the end of its mandate, shall abstain from formulating specific proposals in this regards and therefore is inviting you to resolve on the appointment of the Chairperson of the Board of Directors of Technogym, from among the Directors who are going to be elected from the votes cast as per previous point 4.3, based on the proposal that may be formulated by the Shareholders holding the appropriate rights, in accordance with the methods and the terms contained in the Notice of Calling of the Shareholders' Meeting.

#### **4.5 Resolution as to the remuneration due to the members of the Board of Directors of the Company**

Finally, please note that pursuant to Art. 22 of the Articles of Association, the remuneration due to the members of the Board of Directors is determined by the Shareholders' Meeting. Directors shall be

reimbursed for expenses incurred in performing their official duties. The remuneration of the directors vested with specific duties (including the chairperson and the vice chairperson of the Board of Directors) is established by the Board of Directors, after consulting with the Board of Statutory Auditors. The Shareholders' Meeting may determine a comprehensive amount for the remuneration of all directors, including those vested with specific duties.

It should also be noted that the Shareholders' Meeting of 5 May 2021 resolved on: (i) the remuneration for the Board of Directors for the entire period of the mandate, in the total amount of Euro 9,500,000.00 (before withholdings) in addition to a reimbursement of the expenses incurred in performing their office duties, including in this total amount the remuneration for the Directors vested with specific duties - to be determined by the Board of Directors pursuant to Art. 2389, paragraph 3, of the Italian Civil Code also in reference to remuneration for the appointment to and participation in committees established within the Board of Directors, excluding from this amount any remuneration to be paid in compliance with future incentive plans and (ii) the minimum remuneration for each Director, included in the above maximum amount, as a gross annual Euro 25,000.00, without prejudice to any additional remuneration for Directors vested with specific duties.

The Board of Directors of Technogym, at the end of its mandate, shall abstain from formulating specific proposals in this regard and therefore is inviting you to resolve on the remuneration for the members of the Board of Directors of Technogym, based on the proposal that may be formulated by the Shareholders holding the appropriate rights, in accordance with the methods and the terms contained in the Notice of Calling of the Shareholders' Meeting.

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For the Board of Directors  
The Chairperson  
Nerio Alessandri