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REMUNERATION REPORT
In accordance with Article 123-ter of the TUF

Approval Date: Board of Directors meeting of March 28, 2018

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FOREWORD

The present remuneration report was prepared in accordance with Article 123-*ter* of Italian Legislative Decree no. 58/1998 (“**TUF**”), and in accordance with Article 6 of the Corporate Governance Code for companies listed on Borsa Italiana S.p.A.

Section I of the report provides the market with the information about the remuneration policy of Technogym S.p.A. (the “**Company**” or “**Technogym**”), as approved by the Board of Directors - at the proposal of the Appointments and Remuneration Committee - on March 28, 2018, following the entry into force of the Consob regulatory provisions for the implementation of Article 123-*ter* of the TUF.

Said remuneration policy illustrates (i) the policy adopted by the Company with regard to the remuneration of the members of the Board of Directors (the “**Directors**”), distinguishing between executive and non-executive Directors, and of the Key Managers of the Company, i.e. the individuals who have the power and responsibility - directly or indirectly - for planning, managing and controlling the activities of the Company according to the definition per Annex 1 of the Consob Regulation for Related Party Transactions adopted with resolution no. 17221 of March 12, 2010 (the “**Key Managers**”) with reference at least to the following year, and (ii) the procedures used for the adoption and implementation of the Policy.

Also represented are the procedures adopted by the Company to prepare and approve the Remuneration Policy, as well as the bodies and parties responsible for its implementation.

The Policy may be revised and updated by the Board of Director, at the proposal of the Appointments and Remuneration Committee, which periodically assesses its adequacy, overall consistency and concrete application.

Section II of the report provides a representation of the individual items that comprise the remuneration of the Directors and of the Statutory Auditors of the Company, as well as a line by line representation of the compensation paid to these individuals in 2017, for any reason and in any form, by the Company and by its subsidiaries, as well as by the associates. Section II also provides, at the aggregate level, information about Key Managers’ compensation.

SECTION I

COLLECTIVE BODIES AND PARTIES INVOLVED IN THE PREPARATION AND APPROVAL OF THE REMUNERATION POLICY.

The Remuneration Policy is defined through a process involving the Board of Directors (the “**Board**” or also “**Board of Directors**”), the Appointments and Remuneration Committee (the “**Committee**”) and the ordinary Shareholders’ Meeting of the Company (the “**Shareholders’ Meeting**”). The Board of Directors, on the basis of the proposal formulated by the Committee established within it, defines the general policy for the remuneration of the Directors and of Key Managers. The Board then implements the Remuneration Policy, determining, consistently therewith, the remuneration of Directors holding particular offices, at the proposal of the Committee and with the input of the Board of Statutory Auditors in accordance with Article 22 of the Articles of Association. The Committee, in accordance with the recommendations contained in Article 6 of the Corporate Governance Code, has the duty of assisting the Board of Directors, formulating proposals and providing advice, in the assessments and in the decisions pertaining to the composition of the Board of Directors and to the remuneration of the Directors and of Key Managers. The composition and the duties of the Committee are described in detail in paragraph B) below.

A. APPOINTMENTS AND REMUNERATION COMMITTEE.

With its resolution of March 16, 2016, the Board established, with effect from the first day of trading of the shares on the Stock Market (i.e. from May 3, 2016), the Appointments and Remuneration Committee, approving the related internal regulation that governs the composition, duties and operating procedures of the Committee.

The Committee, at the date of approval of the remuneration policy on March 28, 2018, consists of the following three non-executive directors, all independent: Vincenzo Giannelli (as Chairman), Maria Cecilia La Manna (as Deputy Chairman) and Riccardo Pinza. In its qualification as committee established within the Board of Directors, the Appointments and Remuneration Committee has the same duration as the Board itself and, therefore, its expiration coincides with the date of approval of the financial statements as at December 31, 2017. The Appointments and Remuneration Committee is tasked with the following duties, pertaining to appointments:

- a) to express opinions to the Board of Directors on the size and composition of the Board and make recommendations on the professional profiles whose presence in the Board of Directors is believed to be appropriate;
- b) to make recommendations to the Board of Directors on the maximum number of positions as director or statutory auditor in other listed companies in regulated markets (also abroad), in financial, banking, insurance companies or large companies that may be considered compatible with an effective performance of the directorship of the Issuer, taking into account the participation of the 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, if the Shareholders' Meeting of the Company has authorised in general terms and in advance derogations to this prohibition to meet organizational needs;

d) to propose to the Board of Directors candidates to the office of Director in co-optation cases, if it becomes necessary to replace Independent Directors; and

e) to carry out a preliminary analysis for the preparation of a succession plan for the Executive Directors of the Company, if the Board of Directors decides to adopt such a plan.

With regard to remunerations, the Appointments and Remuneration Committee has also been assigned the following tasks:

a) to make proposals to the Board of Directors on the remuneration policy for Directors and Key Managers;

b) 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;

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 for the variable component of such remuneration, and to monitor the application of the decisions adopted by the Board of Directors, verifying, in particular, the actual achievement of the performance objectives.

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

B. NAME OF ANY INDEPENDENT EXPERTS WHO CONTRIBUTED TO THE PREPARATION OF THE REMUNERATION POLICY.

For the purposes of the definition and of the Remuneration Policy, market practices are analyzed also through the data provided by independent experts (in particular the Professional Firm Pirola Pennuto Zei e Associati) in aggregate form and without making specific reference to other companies.

C. AIMS PURSUED WITH THE REMUNERATION POLICY, PRINCIPLES ON WHICH THEY ARE BASED AND ANY CHANGES IN THE REMUNERATION POLICY RELATIVE TO THE PREVIOUS YEAR.

The Remuneration Policy of the Company is defined also consistently with the recommendations of the Corporate Governance Code with the goal of:

i) attracting, retaining and motivating persons provided with the individual and professional qualities required for the attainment of business development corporate objectives and to promote the creation of value for Shareholders in the medium-long term;

ii) aligning the interests of the management with those of the Company and of the Shareholders in the medium-long term.

Substantially adhering to the recommendations of the Code, the Remuneration Policy is therefore based on the following criteria:

- a) the fixed component and the variable component of remuneration are adequately balanced according to the strategic objectives and the risk management policy of the Company, also taking into account the business segment in which it operates and the characteristics of the enterprise activity concretely carried out as well as of the role played;
- b) there are maximum limits to the payment of the variable part (short and medium-long term), differentiated according to the role played by the individual within the Company and to his/her ability to affect the results in the reference market. The short-term variable components (2018 MBO & Bonus) may not exceed 56% of gross annual compensation. The medium-term component (UTB, better described below) at the end of the 2017/18 two-year time interval may not exceed 55% of the gross annual compensation, whereas the long-term variable component (LTIP) at the end of the three-year cycle may not exceed 113% of the gross annual compensation of the individual beneficiary;
- c) the fixed component is sufficient to compensate the performance of Directors and of Key Managers if the variable component is not paid out because of the failure to attain the performance objectives indicated by the Board;
- d) the performance objectives - i.e. the economic results and any other specific objectives to which the payment of the variable components is connected (including the objectives defined for stock-based compensation plan - as is better specified farther on, are predetermined measurable and connected with the aim of creating value for Shareholders in a medium-long term time horizon;
- e) the variable component of compensation comprises a portion tied to short-term criteria (Management by Objectives - MBO) and a portion tied to long term criteria (Long Term Incentive Plan - LTIP). The latter, in terms of relevance, represents at least 42% of the annual variable compensation and it is deferred in an adequate time interval, because it is tied to the attainment of long-term objectives. The duration of the deferral is consistent with the characteristics of the enterprise activity carried out and with the connected risk profiles;
- f) for non-executive and independent Directors, compensation is directed at recognizing the required effort and does include variable components correlated with performance.

With reference to the indemnities for the termination of the office as a director, please refer to paragraph K).

With respect to 2017, the compensation policy approved on March 28, 2018 introduces the UTB medium-term plan, better described in paragraph D.1.2 below.

Moreover, since the LTIP Plan introduced previously to the listing of the Company has now run its course, with the allotment of the shares to the beneficiaries of the Plan on November 3, 2017, a new long-term plan was implemented for the 2017-2019 three-year time interval, whose terms and conditions are described in the Information Document prepared in accordance with Article 84-*bis* and of Model no. 7 of Annex 3A of the Regulation adopted by CONSOB with its resolution no. 11971 of May 14, 1999.

- D.** In addition, an LTIP plan is being studied for the 2018-2020 time interval, whose terms and conditions are described in paragraph D.1.3 below. **DESCRIPTION OF THE POLICIES PERTAINING TO FIXED AND VARIABLE REMUNERATION COMPONENTS, WITH PARTICULAR REGARD TO THE INDICATION OF THE RELATIVE WEIGHT WITHIN THE SCOPE OF COMPREHENSIVE COMPENSATION**

AND DISTINGUISHING BETWEEN VARIABLE AND SHORT AND MEDIUM-LONG TERM COMPONENTS.

Taking into account the criteria and aims pursued by the Remuneration Policy, the compensation package recognized to the Directors and to Key Managers generally comprises the following components:

- i) fixed part, which has to remunerate the responsibilities assigned, the experience and the distinctive competencies possessed, and it shall be aligned with best market practice, to assure an adequate retention level;
- ii) annual variable part, which has to assure a direct connection between remuneration and performance results and is directed at rewarding the achievement of corporate and individual objectives (“MBO” - Management by Objectives) and/or one-off bonuses tied to extraordinary results and/or project commitments (bonuses). This compensation component is provided solely for Key Managers;
- iii) medium-long term variable part (UTB and LTIP, as they are described better below), which assures the growth of enterprise value and the attainment of results that are sustainable over time, also beyond those defined each year in the budget, the retention of key resources and the alignment of the management’s objectives with those of the Shareholders. This compensation component pertains solely to the Chief Executive Officer and the Key Managers, as is described below;
- iv) for some positions, a retention plan may be defined, which rewards permanence in the company independently of corporate or individual performance indicators through the payment of bonuses on predetermined dates.
- v) the comprehensive compensation package through an adequate offer of benefits, in accordance with the practices of the reference market.

Note that the medium-long term variable part of compensation per point (iv) above can be paid in the form of equity or through equity based instruments, making beneficiaries participate more actively in the effective creation of value translated on stock value.

A detailed description follows to the short and medium-long term incentive policies implemented and/or expected to be implemented in 2018 by the Company, represented by a variable monetary component (MBO Plan and UTB Plan) and a variable component based on financial instruments (LTIP).

D.1.1 THE MBO PLAN

The annual variable component of remuneration is calculated according to procedures established in the 2018 MBO & Bonus Plan; this Plan is defined on the basis of objectives (targets) to be achieved during the year and of the parameters (KPIs) with which the targets are measured.

The MBO Plan has a short-term incentivizing function and it is directed at the achievement of the quantitative and qualitative annual results. The guidelines and the policies of the rewarding system are defined by the Chairman of the Board of Directors consistently with the Company’s development Strategy. The prevalent economic indicator, which makes it possible to assess the corporate performance in order to identify the variable compensation allotted to Key Managers, are mainly the Net Profit and the Free Cash Flow of the Group. Hence, allotment of the bonus is subject to the attainment of the Group’s objectives.

There are also objectives connected with the economic performance of the individual's unit/function, as well as with objectives tied to specific parameters and modulated according to the attainment of the individual KPIs.

The bonus, if due, shall be paid concurrently with the recognition of the compensation of the month of April 2019 and otherwise following the approval of the Financial Statements and on the basis of the economic and financial indicators determined at the end of 2018. The actual payment of the bonus is in any case subordinated to the permanence of the beneficiary in office as at April 30, 2019.

The main conditions of the 2018 Technogym MBO & Bonus Plan are set out below:

Recipients	Gate (system activation)	Entry threshold (minimum bonus)	Weight of the Objectives
Key Managers	Group Net Profit and FCF	Minimum score for corporate and individual objectives	80% Group KPIs 20% Individual KPIs

The value of the annual bonus has a lower weight than the gross annual compensation and it may be no higher than 56% of gross annual compensation, in case of over performance of the beneficiary.

D.1.2 UTB PLAN

The UTB (*Una Tantum* Plan, or One-Off Plan) is connected with and subordinated to the attainment of determined result targets of the Company in the medium term ("Targets"). The Targets to which the accrual of the UTB is subordinated are the same as those approved for the annual MBO of the years 2017 and 2018. The plan is referred to 2017 and 2018. The bonus paid out may not exceed 55% of Gross Annual Compensation (RAL). Any accrued UTB will be paid no later than 4 (four) months from approval of the consolidated financial statements/consolidated balance sheet of 2018 ("Payment Date").

D.1.3 LTIP PLANS

Starting from last year, the company implemented a Long term incentive plan LTIP for 2017-2019. For the characteristics of the plan, please refer to the "*Information document relating to the Plan for the free award of Technogym ordinary shares*" approved by the Shareholders' Meeting on April 21, 2017.

A new long-term incentive plan for the years 2018 - 2020 is currently being studied; it is based on the granting of the right to receive shares free of charge if determined performance objectives of the Company are achieved.

This incentive plan for the 2018 - 2020 time interval is characterized by:

- (i) Predetermined performance objectives, identified in the economic and financial performance of the Company, calculated with reference to:
 - the Cumulative Net Profit for the 2018 - 2020 time interval, and
 - the arithmetic mean of the stock market price of Technogym ordinary shares in the month preceding the closing date of the Vesting Period;
- (ii) Adequate vesting periods of the right to obtain the allotted shares (three-year vesting period),

- (iii) Non-transferability restriction of the shares equal to 12 months from the date of their allotment.

The beneficiaries of the plan shall be identified by the Board of Directors among the Key Managers of the Group and among the other employees or contractors of the Company or of the Group who hold positions deemed strategic by the Company.

The number of shares allotted by the Board of Directors at the end of the vesting period is determined according to the achievement of the performance objectives on the basis of the gross annual compensation predetermined by the Board of Directors and provided that 95% of the performance objective is achieved. The shares shall be assigned to the beneficiaries, subject to the fulfilment of the conditions prescribed in the plan, no later than the 60th day after approval of the consolidated financial statements of the Group as at December 31, 2020. At the time of the assignment, the Board of Directors shall have the right to grant the Beneficiary a sum of money equal to the value of the shares to which (s)he would have been entitled according to the criteria indicated in the Plan if, for reasons of a regulatory nature, assigning financial instruments to the beneficiary is not allowed.

Since the Plan is directed at loyalisation and retention, the termination of the employment for reasons other than “good leaver” cases shall void all rights to which beneficiaries would be entitled in accordance with the plan.

The variable remuneration component for the beneficiaries of the plan at the end of the three-year cycle may not exceed 90% of the gross annual compensation.

D.2. THE REMUNERATION POLICY WITH REFERENCE TO THE INDIVIDUAL SIGNIFICANT POSITIONS.

D.2.1 THE REMUNERATION OF THE CHAIRMAN/CHIEF EXECUTIVE OFFICER.

Fixed section

The remuneration of the Chairman / Chief Executive Officer is represented mainly by the fixed component on the basis of the resolution of the Shareholders’ Meeting also in consideration of the powers vested in him/her.

Variable annual part

The Chairman / Chief Executive Officer shall not participate in the variable annual incentive plans.

Medium/long-term Incentives

The Chairman / Chief Executive Officer shall not participate in medium-long term variable incentive plans.

Benefits

Non-monetary benefits include use of the company car and cellular phone as well as the stipulation, solely at the Company's expense, of all most adequate insurance policies to cover the civil liability of directors and officers, the "D&O" (Directors' and Officers' Liability Insurance), and insurance coverage for the reimbursement of medical expenses as well as professional and extra-professional injuries.

D.2.2 THE REMUNERATION OF THE DEPUTY CHAIRMAN.

Fixed section

The remuneration of the Deputy Chairman is represented mainly by the fixed component on the basis of the resolution of the Shareholders' Meeting also in consideration of the powers vested in him/her.

Variable annual part

The Deputy Chairman shall not participate in variable annual incentive plans.

Medium/long-term Incentives

The Deputy Chairman shall not participate in medium-long term variable incentive plans.

Benefits

Non-monetary benefits include use of the company car and cellular phone as well as the stipulation, solely at the Company's expense, of all most adequate insurance policies to cover the civil liability of directors and officers, the "D&O" (Directors' and Officers' Liability Insurance), and insurance coverage for the reimbursement of medical expenses as well as professional and extra-professional injuries.

D.2.3 THE REMUNERATION OF THE EXECUTIVE DIRECTORS.

The remuneration of the executive Directors is adequately balance to ensure consistency between short-term development objectives and the sustainability of value creation for Shareholders in the medium-long term.

Fixed section

The fixed component of the remuneration of the executive Directors is resolved by the Shareholders' Meeting and by the Board of Directors in accordance with Article 2389, Paragraph 3, of the Italian Civil Code and comprises a predetermined gross annual compensation for the entire period of the Director's permanence in office that is commensurate to the required effort and to be paid *pro rata temporis* as a function of the effective permanence in office.

Variable annual part

Executive Directors shall not participate in variable annual incentive plans.

Medium/long-term Incentives

Executive Directors shall not participate in variable medium-long term incentive plans.

Benefits

The non-monetary benefits generally recognized to Executive Directors include the insurance policy to cover the civil liability of directors and officers, the “D&O” (Directors’ and Officers’ Liability Insurance).

D.2.4 THE REMUNERATION OF NON-EXECUTIVE DIRECTORS.

The remuneration of non-executive Directors and of independent Directors is determined in a fixed amount and it is commensurate to the required effort, also in relation to participation in the auxiliary committees. In compliance with principle 6.C.4 of the Code, the remuneration of non-executive Directors therefore is not tied to the economic results achieved by the Company.

The Company also stipulates, at its own expense and for the benefit of non-executive Directors, insurance policies to cover the civil liability of directors and officers, “D&O” (Directors’ and Officers’ Liability Insurance).

D.2.5 THE REMUNERATION OF KEY MANAGERS.

Fixed section

The fixed part of the compensation is consistent with the remuneration deemed by the Company to be in line with the market and it is broken down in such a way as to adequately remunerate the competencies, the effort and the activities performed by the Executives on a continuous basis.

The total fixed remuneration of the Officers may include the housing allowance and, for the Officers who serve as Directors in the subsidiaries, the additional compensation and indemnities of the office so as to adequately remunerate the effort required by the office.

Variable annual part

Key Managers shall participate in the MBO 2018 annual incentive plan as described in paragraph D.1.1.

Medium/long-term Incentives

To contribute to the creation of value in the medium-long term, Key Managers are also recipients of the medium-term (UTB) and long-term (LTIP) incentive plans described in paragraphs D.1.2 and D.1.3.

Benefits

All Managers are also assigned a series of Benefits, including, in particular, the company car and cellular phone. All Executives have the following insurance coverage: D&O (Directors’ and Officers’ Liability Insurance), life insurance policies, and insurance coverage for the reimbursement of medical expenses as well as professional and extra-professional injuries.

E. ADOPTED POLICY WITH REGARD TO NON-MONETARY BENEFITS.

Non-monetary benefits shall be allocated, defined in line with practice and adequately with respect to the office and the role held. Non-monetary benefits include use of the car, life policies, accident policies and supplementary health coverage.

For the description of non-monetary benefits, please refer to the indications provided, for each position, in paragraph D above.

F. WITH REFERENCE TO THE VARIABLE COMPONENTS, DESCRIPTION OF THE PERFORMANCE OBJECTIVES ON THE BASIS OF WHICH THEY ARE ALLOTTED, DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE COMPONENTS, AND INFORMATION ON THE CONNECTION BETWEEN THE CHANGE OF THE RESULTS AND THE CHANGE OF REMUNERATION.

Please refer to the description in paragraph D above.

G. CRITERIA APPLIED TO ASSESS THE PERFORMANCE OBJECTIVES ON WHICH THE ALLOTMENT OF SHARES, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER VARIABLE REMUNERATION COMPONENTS ARE BASED.

In relation to the criteria applied to assess the performance objectives on which the allotment of shares, options, other financial instruments or other variable remuneration components are based, it is pointed out that they shall be based on the economic and profitability results achieved by the Group and on the performance of the stock of the company.

H. INFORMATION DIRECTED AT PROVING THE CONSISTENCY OF THE REMUNERATION POLICY WITH THE PURSUIT OF THE LONG-TERM INTERESTS OF THE COMPANY AND WITH THE RISK MANAGEMENT POLICY.

As described in paragraphs C. and D. above, the Remuneration Policy pursues the creation of value for the Company its Shareholders in a sustainable way.

Consistently with this purpose, the remuneration of the executive Directors and of the Key Managers is structure in such a way as:

- i) to balance the fixed remuneration and the variable remuneration with the goal of creating value for the company in a sustainable way;
- ii) to relate 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) to recognize adequate remuneration to attract, motivate and retain persons who have the individual and professional qualities necessary to pursue and achieve the business development objectives of the Company and of the Technogym Group.

I. TERMS OF VESTING OF THE RIGHTS (“VESTING PERIOD”), DEFERRED PAYMENT SYSTEMS, WITH INDICATION OF THE DEFERRAL PERIODS AND OF THE CRITERIA APPLIED TO DETERMINE THESE PERIODS AND EX POST CORRECTION MECHANISMS.

Please refer to the description in paragraph D above.

J. INFORMATION ON THE CLAUSES FOR MAINTAINING THE FINANCIAL INSTRUMENTS IN THE PORTFOLIO AFTER THEIR ACQUISITION, WITH

THE INDICATION OF THE MAINTENANCE PERIODS AND OF THE CRITERIA APPLIED TO DETERMINE THESE PERIODS.

The Remuneration Policy adopted by the Company provides mechanisms for maintaining in the portfolio the financial instruments subsequent to their acquisition.

With reference to the current 2017-2019 LTIP and for the 2018-2020 LTIP being defined, there are clauses to maintain the shares assigned within the scope of the aforesaid plans for no less than 6 months.

K. POLICY PERTAINING TO TREATMENT IN CASE OF CESSATION OF THE OFFICE OR TERMINATION OF THE EMPLOYMENT.

Although it is not a typical practice of the Company, agreements may be stipulated with the Directors and/or with the Key Managers which regulate the economic aspects *ex ante* in case of cessation from the office, or relating to the possible early termination of the employment at the initiative of the Company or of the involved party.

In addition, non-competition agreements may be stipulated with Key Managers in compliance with current prescriptions and law-mandated limits.

L. INFORMATION ABOUT THE PRESENCE OF INSURANCE, OR SOCIAL SECURITY OR PENSION COVERAGE, OTHER THAN THE MANDATORY ONES.

As indicated in paragraph E above, non-monetary benefits may include the insurance policies to cover the civil liability of directors and officers, the “D&O” (Directors’ and Officers’ Liability Insurance), life insurance policies, accident policies, supplementary health coverage, coverage of another nature to be assessed from time to time.

M. COMPENSATION POLICY FOLLOWED WITH REFERENCE: (I) TO THE INDEPENDENT DIRECTORS, (II) TO THE PARTICIPATION IN COMMITTEES AND (III) TO THE PERFORMANCE OF PARTICULAR DUTIES.

The Policy calls for the assignment of additional compensation in a fixed amount in favor of the non-Executive Directors and of the Independent Directors who are members of the Committees established within the Board to adequately remunerate the additional work and effort expended to the benefit of the Company.

For additional information and for information about the remuneration of the Directors appointed to particular offices, please refer to the description in paragraph D above.

N. INDICATIONS ABOUT ANY USE, AS REFERENCE, OF OTHER COMPANIES’ REMUNERATION POLICIES.

The Company’s Remuneration Policy was prepared using also, as benchmarks, Italian and foreign companies of reference in terms of dimensions and business segment.

SECTION II

I. FIRST PART

A detailed illustration follows of the items comprising the compensation paid - for any reason and in any form - in the year 2016 in favor: (i) of the members of the Board of Directors; (ii) of the members of the Board of Statutory Auditors and of the Supervisory Body; (iii) of the members of the committees established within the Company; and (iii) of Key Managers.

Board of Directors

Fixed Remuneration

The Directors were paid the fixed compensation determined by the Shareholders' Meeting and by the Board of Directors itself, also taking into account that:

- on March 16, 2016, the ordinary Shareholders' Meeting resolved to assign, subject to the start of trading of the shares of the Company, which took place on May 3, 2016, the gross annual compensation of Euro 20,000.00, to be paid *pro rata temporis* as a function of the actual permanence in office;
- the Board of Directors of the Company, which met on March 16, 2016, resolved to assign a gross annual compensation to the Chairman of the Board of Directors of Euro 1,500,000.00, for each of the years in office to be paid *pro rata temporis* as a function of the actual permanence in office;
- the Board of Directors of the Company, which met on March 16, 2016, resolved to assign a gross annual compensation to the Deputy Chairman of the Board of Directors of Euro 500,000.00, for each of the years in office to be paid *pro rata temporis* as a function of the actual permanence in office.

Variable Remuneration

Members of the Board of Directors shall not participate in variable annual or medium-long term incentive plans.

Non-monetary benefits

Non-monetary benefits provided to the Chairman and to the Deputy Chairman of the Board of Directors include use of the company car and cellular phone as well as the stipulation, solely at the Company's expense, of all most adequate insurance policies to cover the civil liability of directors and officers, the "D&O" (Directors' and Officers' Liability Insurance), including the civil liability from the prospectus, and insurance coverage for the reimbursement of medical expenses as well as professional and extra-professional injuries.

With reference to the executive directors, the Company stipulated an insurance policy to cover the civil liability of directors and officers, the "D&O" (Directors' and Officers' Liability Insurance).

Members of the Committees

Fixed Remuneration

The Board of Directors of the Issuer, on March 16, 2016, resolved, with the favorable opinion of the Board of Statutory Auditors, to assign, with effect from the initial date of trading of the shares of the Company, which took place on May 3, 2016, the following compensation:

- to the member of the Board of Directors who holds the office of Chairman of the Control and Risk Committee a gross annual compensation of Euro 15,000.00, to be paid *pro rata temporis*, as a function of actual permanence in said office, in addition to the annual compensation of Euro

20,000.00 to which (s)he is entitled for the office of director and to any compensation to which (s)he may be entitled as Chairman, Deputy Chairman or member of the Appointments and Remuneration Committee;

- to the member of the Board of Directors who holds the office of Chairman of the Appointments and Remuneration Committee a gross annual compensation of Euro 15,000.00, to be paid *pro rata temporis*, as a function of actual permanence in said office, in addition to the annual compensation of Euro 20,000.00 to which (s)he is entitled for the office of director and to any compensation to which (s)he may be entitled as Chairman, Deputy Chairman or member of the Control and Risk Committee;
- to each member of the Board of Directors who holds the office of Deputy Chairman or member of the Control and Risk Committee a gross annual compensation of Euro 10,000.00, to be paid *pro rata temporis*, as a function of actual permanence in said office, in addition to the annual compensation of Euro 20,000.00 to which (s)he is entitled for the office of director and to any compensation to which (s)he may be entitled as Chairman, Deputy Chairman or member of the Appointments and Remuneration Committee;
- to each member of the Board of Directors who holds the office of Deputy Chairman or member of the Appointments and Remuneration Committee a gross annual compensation of Euro 10,000.00, to be paid *pro rata temporis*, as a function of actual permanence in said office, in addition to the annual compensation of Euro 20,000.00 to which (s)he is entitled for the office of director and to any compensation to which (s)he may be entitled as Chairman, Deputy Chairman or member of the Control and Risk Committee.

Board of Statutory Auditors

Fixed Remuneration

The members of the Board of Directors received the fixed compensation as established by the Shareholders' Meeting, also taking into account that on March 16, 2016, the ordinary Shareholders' Meeting resolved to assign, subject to the start of trading of the shares of the Company, which took place on May 3, 2016, the gross annual compensation of Euro 30,000.00 to the Chairman of the Board of Statutory Auditors and a gross amount of Euro 20,000.00 to the Standing Auditors, to be paid *pro rata temporis* as a function of the actual permanence in office.

Variable remuneration and non-monetary benefits

The members of the Board of Statutory Auditors shall not receive any variable remuneration or non-monetary benefits.

Key Managers

Fixed Remuneration

The General Manager and Key Managers received the fixed portion of the remuneration determined by the respective employment, including the emoluments due in accordance with applicable legal and contractual provisions (holidays, travel indemnities, etc.).

Variable Remuneration

Key Managers shall participate in the 2017 MBO & Bonus annual incentive plan as described in paragraph D.1.1. of Section I), to which reference is made. Moreover, to contribute to the creation of value in the medium-long term, Key Managers are also recipients of the UTP and LTIP incentive plans described in paragraphs D.1.2 and D.1.3.

Non-monetary benefits

All Managers are also assigned a series of Benefits, including, in particular, the company car and cellular phone and possibly a housing allowance. All Executives also have the following insurance coverage: insurance policy to cover the civil liability of directors and officers, the “D&O” (Directors’ and Officers’ Liability Insurance), including the civil liability from the prospectus, life insurance, insurance coverage for the reimbursement of medical expenses as well as professional and extra-professional injuries.

Agreements providing indemnities in case of early termination of the employment

There is no agreement calling for the payment of indemnities in case of early termination of the employment or for the assignment or maintenance of monetary benefits in favor of Directors or Key Managers who left office or the stipulation of consultancy contracts for a period subsequent to the cessation of the employment or, lastly, that call for compensation for non-competition commitments.

II. SECOND PART

The present second part of Section II analytically reports the compensation paid in 2017 for any reason and in any form, in favor of the parties who during the year held, even for a fraction of the period, the office of member of the Administration and Control bodies, of General Manager or of Key Managers. For specific reference to the compensation, please refer to the accompanying Tables that follow.

TABLE 1: Compensation paid to members of the administration and control bodies

DIRECTORS. All compensation is paid by the company that prepares the financial statements. Values expressed in Euro.

(A) Given name and surname	(B) Office	(C) Period for which the office was held	(D) Expiration of the office (!)	(1) Fixed Compensation	(2) Fees for participation in committees	(3) Non-equity variable compensation	(4) Non-monetary benefits	(5) Other compensation	(6) Total	(7) Fair value Equity compensation	(8) Indemnity when leaving office
Nerio Alessandri	Chairman and Chief Executive Officer	16/07/2015 - 31/12/2017	2017	1,500,000			4,656	4,983	1,509,639		
Pierluigi Alessandri	Deputy Chairman	16/07/2015 - 31/12/2017	2017	500,000			4,214	2,131	506,345		
Maurizio Cereda (*)	Director	07/03/2016 - 31/12/2017	2017	20,000	5,074 ²				25,074		
Francesca Bellettini (**)	Director	03/05/2016 - 31/12/2017	2017	20,000	5,900 ³				25,900		
Riccardo Pinza (***)	Director	16/07/2015 - 31/12/2017	2017	20,000	11,200 ⁴				31,200		
Erica Alessandri (*)	Director	07/03/2016 - 31/12/2017	2017	20,000					20,000		
Carlo Capelli	Director	16/05/2015 - 31/12/2017	2017	20,000					20,000		
Vincenzo Giannelli (**)	Director	03/05/2016 - 31/12/2017	2017	30,000	15,000 ⁵				45,000		
Maria Cecilia La Manna (**)	Director	03/05/2016 - 31/12/2017	2017	30,000	15,000 ⁶				45,000		
TOTAL				2,160,000	52,174		8,870	7,114	2,228,158		

(*) Appointed by co-optation by Board of Directors on March 7, 2016 following the resignation of Riccardo Pinza and Yuri Zugolaro on the same date. The appointment was confirmed by the ordinary Shareholders' Meeting of the Company on March 16, 2016.

(**) Appointed on March 16, 2016 with effectiveness subordinated to the date of initial trading of Technogym shares on the electronic stock market as a result of the resignation tendered by Francisco Javier Abad, George Buckley and Knut Fredrik Arp also with effectiveness subordinated to the same date.

(***) Resigned on March 7, 2016 and subsequently reappointed by the Shareholders' Meeting of April 11, 2016 following the resignation of Massimo Cremona on April 5, 2016.

¹ If only the year is indicated, the director remains in office until approval of the financial statements for the indicated year.

² Compensation for participation in the Control and Risk Committee

³ Compensation for participation in the Related Party Transactions Committee.

⁴ Compensation for participation in the Appointments and Remuneration Committee.

⁵ Compensation for participation in the Appointments and Remuneration Committee, Control and Risk Committee and Related Party Transactions Committee

⁶ Compensation for participation in the Appointments and Remuneration Committee, Control and Risk Committee and Related Party Transactions Committee

AUDITORS. All compensation is paid by the company that prepares the financial statements. Values expressed in Euro.

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Given name and surname	Office	Period for which the office was held	Expiration of the office (7)	Fixed Compensation	Fees for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other fees	Total	Fair value Equity compensation	Indemnity when leaving office
Claudia Costanza	Chairman of the Board of Statutory Auditors	03/05/2016 - 31/12/2018	2,018	31,200					31,200		
Gianluigi Rossi	Statutory Auditor	03/05/2016 - 31/12/2018	2,018	20,800					20,800		
Ciro Piero Cornelli	Statutory Auditor	03/05/2016 - 31/12/2018	2,018	20,800					20,800		

SUPERVISORY COMMITTEE MEMBERS. All compensation is paid by the company that prepares the financial statements. Values expressed in Euro.

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Given name and surname	Office	Period for which the office was held	Expiration of the office (8)	Fixed Compensation (€)	Fees for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other fees	Total	Fair value Equity compensation	Indemnity when leaving office
Andrea Russo	Supervisory Board Member	28/05/2013	2,018	15,000					15,000		
Giuliano Boccanegra	Supervisory Board Member	10/02/2017	2,018	0					0		
Emanuele Scorsonetto	Supervisory Board Member	28/05/2013	2018	5,000					5,000		

⁷ Approval of the financial statements for the indicated financial year when only the year is indicated.

⁸ Approval of the financial statements for the indicated financial year when only the year is indicated.

Table 1 – bis: Compensation paid to Key Managers⁹. All compensation is paid by the company that prepares the financial statements. Values expressed in Euro.

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number	Office	Period for which the office was held	Expiration of the office	Fixed Compensation (€)	Fees for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other fees	Total	Fair Value	Indemnity when leaving office
9				1,824,197		854,076 ¹⁰	41,917 ¹¹	130,417 ¹²		153,850	

⁹ Since the Company matches the definition of a “smaller sized” company, in accordance with Article 3, Paragraph 1, Letter f), of Regulation no. 17221 of March 12, 2010, the information about the compensation received by key managers is provided in aggregate form.

¹⁰ Euro 432,750 constitute the estimated expense related to the 2017 MBO referred to the results of the year 2017 but paid in 2018.

¹¹ Euro 28,326 as taxable car benefits. Euro 13,590 as taxable extra-professional accident policies, life insurance policies and reimbursement of medical expenses.

¹² 12 Euro 130,417 as Board Member Fee.

TABLE 3A: Incentive plans based on financial instruments, other than stock options, in favor of the members of the board of directors, of the general managers and of the other Key Managers. Values expressed in Euro

(A)	(B)	(1)	Financial instruments assigned in the previous years not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and assignable		Financial instruments accrued in the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(1)			
Given name and surname	Office	Plan	Number and type of financial instrument	Vesting Period	Number and type of financial instrument	The fair value at the date of Allotment	Vesting Period	Allotment Date	Market price at allotment	Number and type of financial instrument	Number and type of financial instrument	Value at the vesting date	Fair Value
Key Managers		Long Term Incentive Plan (02/05/2017)			118,000	153,850	April 2017 - April 2020	April 2017	6.6936				153,850