

Technogym S.p.A.



The Wellness Company

*Procedure for the Internal Management and Public Disclosure of
Documents and Information Concerning Technogym S.p.A.*

1. Premise

1.1 In relation to the provisions of:

- (a) Market Abuse Regulation (EU) No. 596/2014 (the '**MAR Regulation**') relevant to market abuses, which repeals Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC;;
- (b) Commission Implementing Regulation (EU) No. 1055 of June 29, 2016 (the '**Regulation 1055**');
- (c) Italian Legislative Decree No. 58 of February 24, 1998, as subsequently amended and supplemented (the '**Consolidated Financial Act**' or the '**CFA**')
- (d) Italian Securities and Exchange Commission (the '**CONSOB**') Regulation No. 11971 of May 14, 1999;
- (e) The Self-Governance Code for listed companies issued by the Corporate Governance Committee and published in July 2015 (the '**Self-Governance Code**'), and, in particular, its implementation criterion 1.C.1 (j), which requires the adoption of a procedure for internal management and public disclosure of documents and information concerning the issuer, with particular reference to Insider Information (as defined below);
- (f) Italian Legislative Decree No. 231 of June 8, 2001, as subsequently amended and supplemented, which governs the administrative liability of legal entities, companies and associations with or without legal personality (the '**Decree 231**');

The Board of Directors of Technogym S.p.A. (the '**Company**') has adopted this procedure (the '**Procedure**') in order to regulate the internal management and public disclosure of documents and information concerning the Company and/or its subsidiaries (the '**Subsidiaries**') pursuant to Article 93 of the CFA, with particular reference to Insider Information (as defined below), in respect, more generally, of laws and regulations currently in force concerning market disclosure and the prevention and repression of market abuse.

2. Purpose and scope

- 2.1 The purpose of this Procedure is to ensure compliance with relevant laws and regulations currently in force and to regulate the internal management and public disclosure of Confidential Information and Insider Information (as defined below). This Procedure does not regulate the management of advertising and marketing information or communications relating to transactions involving financial instruments and securities (internal dealing), which are governed by a separate procedure (the '**Internal Dealing Procedure**').
- 2.2 This Procedure is an essential component of the internal control and risk management system of the Company and its group and is part of the set of rules to prevent offenses referred to by Decree 231.

- 2.3 This Procedure represents an operating and reference standard to be communicated to all Subsidiaries, which are informed of this Procedure and which are required to conform to the conduct rules provided in this Procedure, as set forth in Article 8.
- 2.4 The severity of the consequences of violations of this Procedure, as provided for in the subsequent articles 9.2 and 9.3, necessitates a rigorous and ongoing monitoring of its strict compliance. Should occurrences of non-compliance emerge from such monitoring, they shall be promptly reported to the Board of Statutory Auditors, to the Control and Risks Committee established under Article 7 of the Self-Governance Code and to the Supervisory Board as per Decree 231 by the Internal Audit Manager or the Corporate Affairs Manager.

3. Confidential Information and Insider Information

- 3.1 For the purposes of this Procedure, ‘**Confidential Information**’ means any information or news which does not qualify as Insider Information relating, directly or indirectly, to the Company and/or its Subsidiaries, which is not in the public domain or which is by its nature confidential or of exclusive pertinence to the Company and/or its Subsidiaries, acquired by the Recipients (as defined below) in the performance of their tasks and/or duties.
- 3.2 Pursuant to and by effect of Article 7 of the MAR, for the purpose of this Procedure, ‘**Insider Information**’ shall mean information of a precise nature which has not been made public, relating, directly or indirectly, to the Company and/or its Subsidiaries, or to relevant financial instruments, pursuant to Article 3, Paragraph 1, Point 1, of the MAR, issued by the Company (the ‘**Financial Instruments**’), which, if made public, may have a significant effect on the prices of the Financial Instruments or on the prices of any associated derivative financial instruments.
- (a) Pursuant to and by effect of Article 7, Paragraph 2, of the MAR, for the purpose of this Procedure, information is considered to be of a precise nature if:
- (i) It refers to a set of existing circumstances or circumstances that may reasonably be expected to occur or to an event that has occurred or which may reasonably be expected to occur;
 - (ii) It is sufficiently specific to allow conclusions to be drawn on the possible effect of the aforementioned set of circumstances or event on the prices of the Financial Instruments or associated derivative financial instruments.
- (b) Pursuant to and by effect of Article 7, Paragraph 4, of the MAR, for the purposes of this Procedure, information that, if made public, would likely have a significant effect on the prices of the Financial Instruments or associated derivative financial instruments is given to mean information that a reasonable investor would be likely to use as part of the basis of his or her investment decisions.
- (c) Information regarding an intermediate step in a protracted process is deemed Insider Information if, by itself, it satisfies the criteria of Insider Information indicated in this article. In particular, the MAR states that ‘*Where Insider*

Information concerns a process which occurs in stages, each stage of the process as well as the overall process could constitute Insider Information. An intermediate step in a protracted process may in itself constitute a set of circumstances or an existing event or where there is a realistic prospect that they will come into existence or occur, on the basis of an overall assessment of the factors existing at the relevant time. However, that notion should not be interpreted as meaning that the magnitude of the effect of that set of circumstances or that event on the prices of the financial instruments concerned must be taken into consideration. An intermediate step shall be deemed to be Insider Information if it, by itself, meets the criteria laid down in this Regulation for Insider Information' (Paragraph 16). In this sense, the MAR indicates that 'Information which relates to an event or set of circumstances which is an intermediate step in a protracted process may relate, for example, to (i) the state of contract negotiations, (ii) terms provisionally agreed in contract negotiations, (iii) the possibility of the placement of financial instruments, (iv) the conditions under which financial instruments will be marketed, (v) provisional terms for the placement of financial instruments, or (vi) the consideration of the inclusion of a financial instrument in a major index or the cancellation of a financial instrument from such an index' (Paragraph 17).

4. Recipients

Recipients of this Procedure (collectively, the '**Recipients**') are all those who have access to Confidential Information or Insider Information and, in particular:

- (a) The members of administrative, management and control bodies and committees of the Company and of its Subsidiaries;
- (b) Employees of the Company and its Subsidiaries; and
- (c) Persons, both natural and legal, who, for work-related or professional reasons, or by reason of their functions, have access on a regular or occasional basis to Insider Information, and who must therefore be entered into the Register (as defined below) in accordance with the following Article 6.4.

5. General rules of conduct

5.1 In carrying out all activities relating to the Company and/or its Subsidiaries, the Recipients shall know and observe all relevant laws and regulations currently in force as well as all the principles and rules of Corporate Governance, the procedures and regulations adopted by the Company and/or its Subsidiaries and, in particular:

- (a) The By-Laws currently in force;
- (b) The Self-Governance Code as adopted by the Company;
- (c) The model of organization, management and control as referred to by Decree 231 and as adopted by the Company;
- (d) The Internal Dealing procedure adopted by the Company; and
- (e) The procedure relating to the Register (as defined below).

5.2 Without prejudice to specific laws and regulations concerning the protection and dissemination of qualified categories of information (including, in particular, as referred to in Italian Legislative Decree No. 196 of June 30, 2003, as subsequently amended and supplemented), the use of the information covered by this Procedure shall observe the general principles of efficiency of use, of the protection of Company assets (including informational assets) and of necessity of use of such information. Any use of information covered by this Procedure for purposes other than corporate activities shall be considered abusive and, in general, all those who carry out activities in the interests of the Company and/or its Subsidiaries are subject to obligations of confidentiality in relation to information acquired or processed due to or during the performance of their professional activities.

5.3 The Recipients are expressly obliged to:

- (a) Observe the general principle of confidentiality concerning the activities of the Company and/or its Subsidiaries and, regarding employees, the obligation of loyalty set forth by Article 2105 of the Italian Civil Code;
- (b) Maintain as confidential the Confidential Information and Insider Information, also subject to delay, in accordance with Article 7.4 below, and, therefore, to not disseminate or disclose it to anyone outside cases specifically required by law;
- (c) Handle Insider Information, also subject to delay, with all the necessary precautions in order to ensure that it circulates internally and externally to the Company and/or its Subsidiaries without compromising confidentiality and in compliance with the specific corporate procedures, so that such information is disclosed to the public in the manner prescribed by the laws and regulations currently in force and by this Procedure. In particular, the Recipients shall use the Insider Information, also subject to delay, only in the interests of the Company and its Subsidiaries, and, therefore, may not use it, for any reason or cause, for personal purposes or to the detriment of the Company's and/or its Subsidiaries. The same obligations apply to the handling of Confidential Information until it is disclosed to the public in the manner prescribed by the laws and regulations currently in force and by this Procedure (if deemed necessary or appropriate by the competent bodies of the Company or such Confidential Information is to become Insider Information), or until it no longer possesses the qualities of confidentiality; and
- (d) Inform the Internal Audit Manager and of Corporate Affairs Manager of any act, fact or omission of which they are aware that may constitute a violation of this Procedure.

6. Management of Insider Information

6.1 Employees and members of the administrative body of the Company or its Subsidiaries shall notify the Company of any information which they consider to be Insider Information, or which may assume the nature of Insider Information, in accordance with the following rules:

- (a) The employees of the Company or of the Subsidiaries are required to notify their direct manager of any information of which they become aware concerning the Company and/or its Subsidiaries that they consider to be Insider Information, or which may assume the nature of Insider Information;
 - (b) The managers of the Company, as well as executive directors (or other officers authorized for this purpose) of the Subsidiaries shall immediately notify the Chief Executive Officer of the Company (or, in case of absence or impediment, the Chairman of the Board of Directors of the Company, or, in case of absence or impediment of the latter, the Vice Chairman of the Board of Directors of the Company) of any information of which they become aware concerning the Company and/or its Subsidiaries that they consider Insider Information, or which may assume the nature of Insider Information.
- 6.2 Assessment of the possibility that the information concerning the Company and/or its Subsidiaries is indeed Insider Information and of the need to proceed with disclosure to the market falls under the responsibility of the following parties:
- (a) Information emerging at meetings of the Company's Board of Directors: the same Board of Directors;
 - (b) Information emerging during the Shareholders' Meetings of the Company: the Chairman of the Board of Directors;
 - (c) Other information: the Chief Executive Officer of the Company (or, in case of absence or impediment of the latter, the person delegated for such purpose by the Chief Executive Officer of the Company, or, in case of absence or impediment of the latter, the Chairman of the Company's Board of Directors, or, in case of absence or impediment of the latter, the Vice Chairman of the Company's Board of Directors) or the person delegated for such purpose by the Chief Executive Officer of the Company (the '**Executive Management**').
- 6.3 Where the information is assessed to indeed be Insider Information as per Article 7 of the MAR, the information shall be disclosed to the general public as soon as possible, as provided in the following Article 7 and in accordance with laws and regulations currently in force.
- 6.4 The Company has established, in accordance with laws and regulations currently in force, and shall maintain up to date, a register (the '**Register**') of the names of persons who, by virtue of their work or profession or duties performed have access to Insider Information, also subject to delay, and who, therefore, are included among the Recipients of this Procedure. The procedures for establishing, managing and updating the Register are governed by the Register Procedure (the '**Register Procedure**') connected to this Procedure.
- 6.5 The internal management of Insider Information, also subject to delay, shall be carried out according to the following rules:
- (a) The managers of each corporate function must ensure that the Confidential Information and Insider Information, also subject to delay, is known only by the organizational unit personnel for whom such knowledge is strictly necessary for

the performance of their work functions; such persons shall be entered in the Register as per Article 6.4, without prejudice to the application of the previous article 6.5 in reference to external parties.

- (b) Parties made aware of Confidential Information or Insider Information, also subject to delay, must be made aware, in the manner provided for in the Register Procedure, of the confidential nature of such information and of the obligations arising from such knowledge, as well as any penalties for offenses provided for under applicable primary and secondary legislation.

7. Public disclosure of Insider Information

7.1 The timeliness of public disclosure of Insider Information falls under the responsibility of the Executive Management.

7.2 The public disclosure of Insider Information shall be performed in accordance with applicable laws and regulations in force and with the following provisions:

- (a) The Investor Relater, with the support of the Corporate Affairs Manager, shall draw up a draft press release as provided for by laws and regulations currently in force and the provisions of this Procedure. The draft statement shall be sent to the Executive Management and the managers of implicated corporate functions for verification according to their respective competences. If the draft contains references to data concerning the economic, equity or financial position of the Company and/or its Subsidiaries, such data must previously be verified by the Executive Officer for Financial Reporting pursuant to Article 154-*bis* of the CFA, who must also sign the declaration pursuant to Article 154-*bis*, Paragraph 2, of the CFA, where required. If the press release refers to an event related to a Subsidiary, its draft is to be submitted to the executive director of the Subsidiary concerned. Should the Executive Management deem it necessary or opportune, the draft shall also be examined by the Board of Directors.
- (b) After consultations with the internal bodies of the Company (and, if appropriate, of the Subsidiaries), in accordance with the provisions of this Article, the Investor Relater, with the support of the Corporate Affairs Manager, shall draw up the final text of the press release and submit it for final approval for disclosure by Executive Management.
- (c) Should the Executive Management make any modifications to the draft press release as received, the revised draft shall be referred back for verification by the relevant corporate functions of the Company and/or its Subsidiaries as per (a). In case of any divergence of opinions between the Executive Management and the corporate functions charged with verification, the press release shall only be disclosed after joint assessment by the Executive Management, the Corporate Affairs Manager and the head of the Finance department of the Company, with immediate notification to the Board of Statutory Auditors of the Company, or, otherwise after assessment by the Company's Board of Directors.
- (d) The press release thus approved shall be disseminated as soon as possible in accordance with Article 17 of the MAR. The press release must also be published on the Company's website, www.technogym.com.

- 7.3 In case of involuntary disclosure, during a Shareholders' Meeting, Insider Information, also subject to delay, must be disclosed as soon as possible to the market.
- 7.4 In accordance with Article 17, Paragraph 4, of the MAR Regulation, the Company may delay, under its responsibility, the public disclosure of Insider Information, provided all the following conditions are met: (i) immediate disclosure is likely to prejudice the legitimate interests of the Company, (ii) the delay in disclosure is not likely to have any effect of misleading the public and (iii) the Company is able to ensure the confidentiality of the information in question (the '**Conditions for Delay**').
- 7.5 With reference to the 'legitimate interests' referred to in Article 7.4 (i) above, the MAR Regulation states that 'legitimate interests may, in particular, relate to the following non-exhaustive circumstances:
- ongoing negotiations, or related elements, where the outcome or normal pattern of those negotiations would be likely to be affected by public disclosure. In particular, in the event that the financial solidity of the issuer is in grave and imminent danger, although not within the scope of the applicable insolvency law, public disclosure of information may be delayed for a limited period where such a public disclosure would seriously jeopardize the interest of existing and potential shareholders by undermining the conclusion of specific negotiations designed to ensure the long-term financial recovery of the issuer;
 - decisions taken or contracts made by the management of an issuer which need the approval of another body, when the issuer requires the separation between these bodies, provided that the public disclosure of information before such approval, together with the simultaneous announcement that this approval is still pending, could jeopardize the correct assessment of the information by the public'.
- 7.6 Given that the Company expects use of the option to delay disclosure to the market of Insider Information to be limited to exceptional cases, if the Company wishes to take advantage of the option, the following rules shall be observed:
- (a) Assessment of the existence of the conditions for delay falls under the responsibility of the Executive Management, where the Executive Management does not avail of the Board of Directors of the Company for such assessment.
 - (b) Assessment should be made in full observance of laws and regulations in force and on the basis of all available information, data and circumstances and careful and thorough assessment of such information, data and circumstances, availing of the support of the heads of the various corporate functions implicated according to their respective competences, so as to limit use of delay to strictly necessary cases.
 - (c) Insider Information, also subject to delay, must be subjected to the strictest confidentiality. Disclosure may not be delayed of Insider Information of which the Company and/or its subsidiaries are not able to guarantee confidentiality. In particular:
 - (i) Access to such Insider Information must be denied to persons other than those who strictly need it for the exercise of their duties within the Company and/or its Subsidiaries;

- (ii) It must be ensured that persons who have access to such Insider Information acknowledge the legal and regulatory duties entailed and are aware of any penalties for offenses provided for under applicable primary and secondary legislation, via notification of their inclusion in the Register, as provided for in the Register Procedure.
- (d) Where the Company, its Subsidiaries or the parties aware of the Insider Information, are unable to guarantee confidentiality, the Company shall proceed with immediate public disclosure in the manner prescribed by law and regulations in force and by this Procedure, also in cases in which a so-called rumor refers explicitly to Insider Information Subject to Delay and is sufficiently accurate to indicate that the confidentiality of such information is no longer guaranteed, regardless of the impact that such rumor has had on the price of the Financial Instruments.
- (e) The Company, immediately after the Insider Information has been disclosed to the public or handled under different terms or provisions required by law, shall notify CONSOB of the delay (according to the procedures and terms established by CONSOB) and provide to CONSOB a written explanation of how the Conditions for Delay were met. The notification of the delay, as established by Regulation 1055, must contain the following information: (a) the date and time (i) of the coming into existence of the Insider Information within the Company or within the Subsidiaries, (ii) taking the decision to delay the disclosure of the Insider Information, (iii) of the likely disclosure of the Insider Information by the Company; (b) the identity of the persons within the Company who are responsible for (i) taking the decision to delay the disclosure and the decision establishing the start of the delay period and its likely end, (ii) continuously monitoring the validity of the delay conditions, (iii) taking the decision to publicly disclose the Insider Information, (iv) communication to CONSOB of the required information regarding the delay and of the written explanation; (c) proof of the initial fulfillment of the delay conditions and of any changes occurring during the delay period, including those regarding: (i) informational barriers established both internally and externally to prevent access to Insider Information by persons other than those within the Company who must have such access for the normal exercise of their professional activities or office, (ii) procedures for disclosing the Insider Information as soon as its confidentiality can no longer be guaranteed.

8. Subsidiaries

- 8.1 The Subsidiaries are made aware of this Procedure via transmission, by the Chairman of the Board of Directors or the Chief Executive Officer of the Company, of a copy of this Procedure to the administrative body of each Subsidiary.
- 8.2 The administrative body of each Subsidiary must:
 - (a) Acknowledge the communication of the Company and comply with the rules of conduct for the management of Confidential Information and Insider Information set forth in this Procedure; and

- (b) Identify the party or parties delegated to give notice to the Company of such information.
- 8.3 The Subsidiaries shall ensure compliance with the laws and regulations in force and the provisions of this Procedure.
- 9. Final provisions**
- 9.1 This Procedure is made available on the Company's website and on the Company intranet system and shall be brought to the attention of all Recipients by Corporate Affairs Manager, who shall see to the transmission of a copy to each Recipient in a timely manner and at the time of notification of inclusion of the Recipient in the Register.
- 9.2 Without prejudice to the Company's right to compensation for any losses and/or liability that may arise from the conduct of Recipients in violation of this Procedure, failure to comply with the obligations and prohibitions set forth in this Procedure by the Recipients shall result in the liability provided for by the laws and regulations in force⁽¹⁾.
- 9.3 Failure to comply with the obligations and prohibitions set forth in this Procedure by a Recipient may also lead to the application of disciplinary penalties, as provided for under the applicable Collective Contract, and to the obligation to indemnify the Company and its Subsidiaries for all damage deriving from the violation of this Procedure, to be understood as an integral part of any employment contract and/or other contractual or fiduciary relationship between the Recipient and the Company and/or its Subsidiaries.
- 9.4 This Procedure may be amended and/or supplemented by the Board of Directors of the Company, also on the basis of acquired applicative experience in order to improve standards of transparency towards the market. In the event that it is needed to amend and/or supplement the single provisions of the Procedure following the amendment of the applicable regulation or legislation, or in the event of specific requests by the competent Supervisory Authority, or in the event of urgency, this Procedure may be amended and/or supplemented by the Chairman of the Company's Board of Directors or by the Chief Executive Officer of the Company, with the subsequent ratification by the Board of Directors during the next meeting. The updated text of the Procedure shall be communicated to all recipients, as provided for by the previous article 9.1.
- 9.5 This Procedure is applicable from the date of its approval by the Board of Directors.

¹ In this regard, also see the Register Procedure.