

LET'S MOVE FOR A BETTER WORLD

2022
Consolidated Non-Financial
Statement



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Letter from the Chairperson

A long time ago in 1993, when our industry was dominated by the American stereotype of fitness focusing on hedonism and image, Technogym launched a new vision called "Wellness". It was based on a more Italian approach to life, founded on the notion of *mens sana in corpore sano* (healthy mind, healthy body) advocated by the ancient Romans, calling for regular physical activity, a healthy diet, and a positive mental approach.

It was nothing short of a revolution and it made it possible for us to transform fitness into a social business, combining growth and profit with keeping people healthy: from looking good to feeling good, from appealing to a small number of super-fit enthusiasts to the potential to get the entire population involved.

Today, more than ever, awareness of the social and economic benefits of wellness and healthy lifestyles is strong and rooted at all levels, and our vision, which comes from afar, is increasingly topical and contemporary. 'Health is Wealth': health is wealth and wealth is health.

Technogym's sustainability policy has strong synergies with its corporate mission: to disseminate the wellness lifestyle globally in order to promote regular physical exercise and healthy lifestyles, thereby improving people's quality of life. Wellness is a balance between body, mind and nutrition: this philosophy of life guides the company's strategic objectives and reflects our commitment to building shared value with all stakeholders.

The close correlation between business strategy and sustainability is what guides the Group in its decisions and actions, which are designed to meet people's health needs. The wellness of the end user and, consequently of the community, is at the heart of the Group's objectives throughout the entire life cycle of its wellness solutions. This combination of factors highlights the uniqueness of our business model and allows for strategic alignment with some of the United Nations Sustainable Development Goals (SDGs). One of the targets of Goal 3 'Good Health and Well-being' refers to the objective: "By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

This document summarises the path we have undertaken, a path of facts and goals that guide our business in the sustainable creation of value for all our stakeholders.

Let's Move for a Better World.

Nerio Alessandri

Guide to the Statement

The Consolidated Non-Financial Statement (NFS) was prepared pursuant to Articles 3 and 4 of Legislative Decree 254/2016 and taking as reference the sustainability reporting standards defined by the Global Reporting Initiative (GRI). Technogym S.p.A. has drafted this report in accordance with the GRI Standards for the period 1 January to 31 December 2022, in line with the financial reporting. As regards indicator 207-4, country-by-country reporting (Decree 23 February 2017), Technogym - albeit not currently subject to this regulatory requirement - is evaluating the opportunity of structuring itself in such a way as to be ready to respond to the requirements of the Decree and to ensure suitable implementation in accordance with best practice.

In drafting the document, due consideration has also been given to Consob's press release of 1 March 2021 on the risks and opportunities associated with climate change and to the recommendations of the Financial Stability Board's (FSB) Task Force on Climate-Related Financial Disclosures (TCFD). The NFS also includes the information required by Article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the "Taxonomy Regulation") and the delegated Regulations (EU) 2021/2178 and (EU) 2021/2139 connected to it. The reporting scope includes Technogym S.p.A. and all the fully consolidated companies in the Consolidated Financial Statement. Any limitations of this scope for individual figures have been indicated, with reasons given based on materiality criteria. Specifically, the environmental, and health and safety data reported refer to Technogym S.p.A. and Technogym EE S.r.o., as they are the sites that have the most significant impacts for the company. There are no restatements of information relating to previous reporting periods. Reporting is carried out annually; where possible, a comparison with 2020 and 2021 has been included.

The non-financial data in this Non-Financial Statement takes into account the topics and detailed disclosures in the GRI Standards which are needed for a complete, coherent picture of the economic, environmental and social impacts of the Group's activities. The data also complies with the disclosure obligations in Italian Legislative Decree 254/2016. The sections on the individual topics contain information about the management of the material topic, as required by the GRI Standards. They also include details of active company procedures and policies, and of the key performance indicators. At the end of the document is a table summarising the scope of the Decree, the material topics and the related GRI Standards, together with a table containing a breakdown of the indicators.

In terms of the process, the company departments were involved by way of a series of preliminary interviews in verifying the ongoing relevance of the topics covered by the Non-Financial Statement and to obtain relevant findings to report in relation to 2022, as well as policies, information and data necessary to prepare the statement. The data was collected by the central departments of Technogym S.p.A., which consolidated the data received from the various local offices.

This document was submitted for approval by the Board of Directors of Technogym S.p.A. on 29 March 2023.

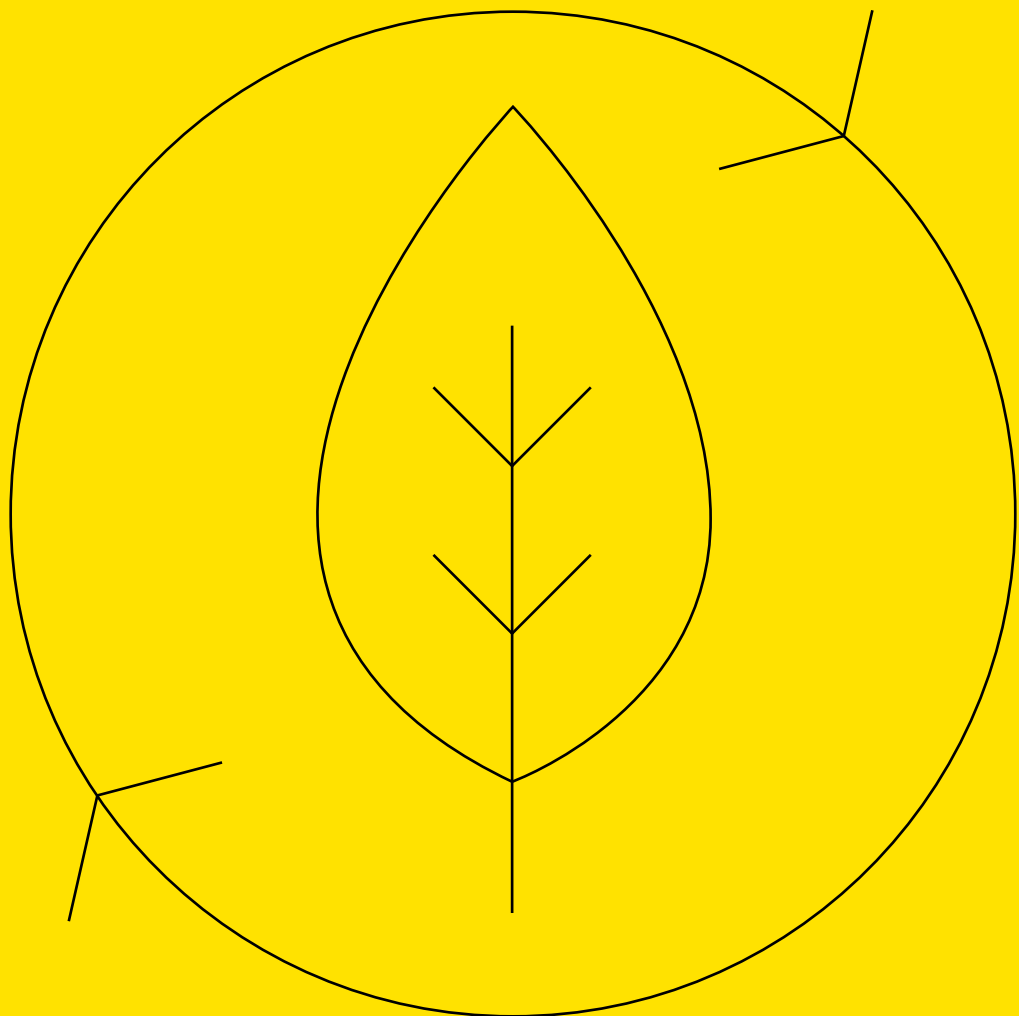
The independent auditing of the Non-Financial Statement was entrusted to PricewaterhouseCoopers S.p.A. and concluded with the issue of the Independent Auditors' Report on the Consolidated Non-Financial Statement, pursuant to Article 3 of Italian Legislative Decree 254/2016 and Article 5 of Consob Regulation 20267. The limited examination of the NFS carried out by the auditing firm does not extend to the information, provided pursuant to the Taxonomy Regulation, in the "Taxonomy" section in chapter 1.4 "Sustainable Value" of the NFS.

The NFS and the report relating to the limited audit are available at the company's website, in the "Sustainability" section.

Contact: investor.relations@technogym.com

HIGHLIGHTS

Sustainability and Corporate Governance System





Diversity

Policy

of the Board of Directors and the Board of Auditors
approved in 2022



Diversity & Inclusion Policy

for all employees, which was prepared in 2022 and approved in 2023



Sustainability

Policy

approved in 2021



Sustainability

Operating plan

updated in 2022

Customer focus



15,565

hours of training provided to
branches and distributors

Around



35,000

training sessions delivered to
trainers worldwide

Responsible innovation and design

.....



100%

**of projects tested during the
design phase**



6

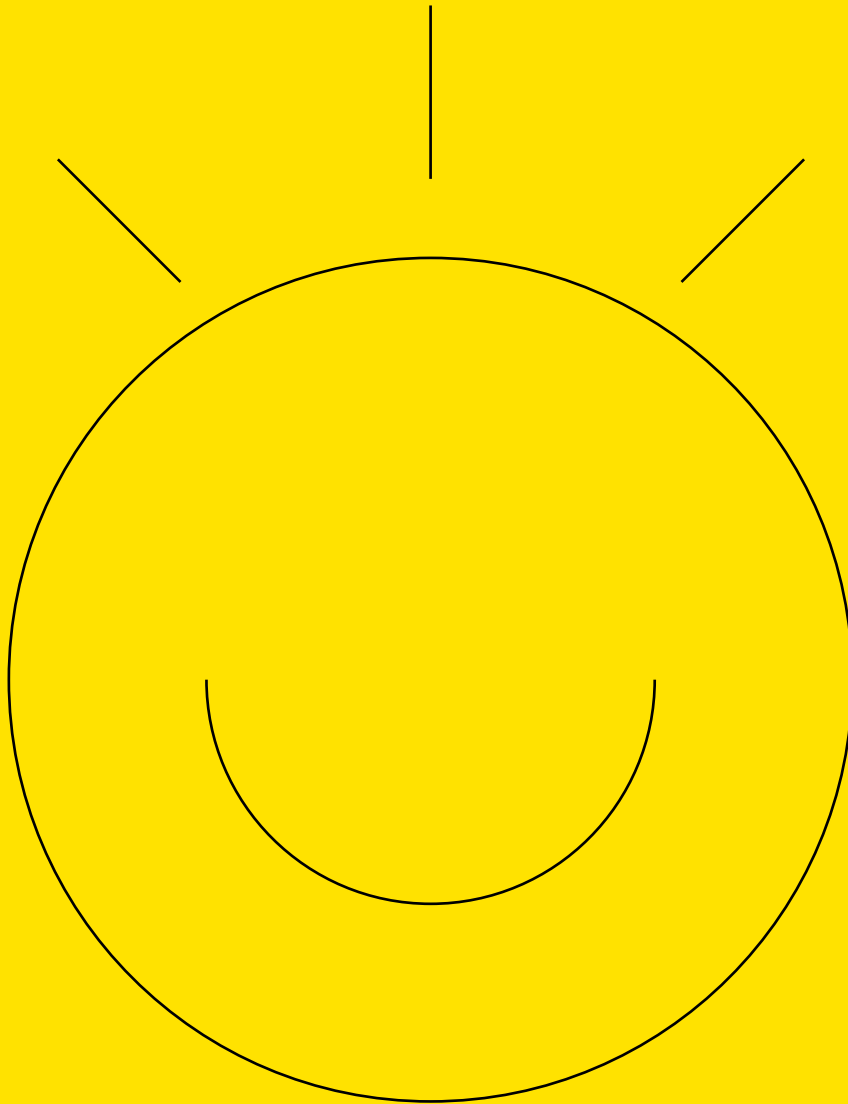
**scientific productions with
Technogym products in 2022**



25

**seminars or webinars that
the scientific area organised
or participated in to promote
physical exercise and the
wellness experience in 2022**

Personal wellbeing





2,143

Group employees



95%

Technogym S.p.A.
permanent contracts



79%

Technogym EE
permanent contracts

[Compared to 77%
in 2021]



21.6%

women on the
Operational Committee

[Compared to 20.4%
in 2021]

The Supply Chain

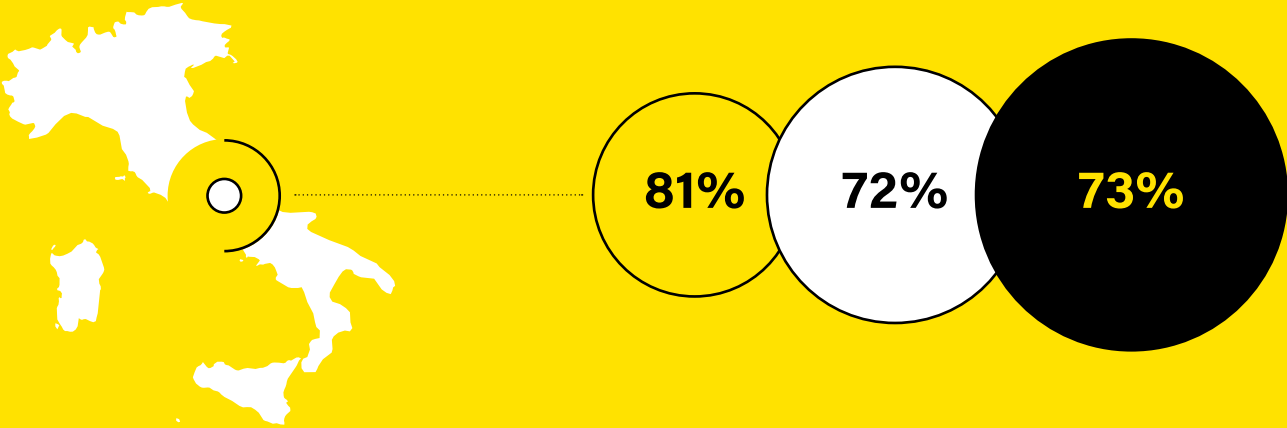


⇒ **73%** [In 2021, 72% of suppliers had offices in Italy]
Suppliers with registered office in Italy

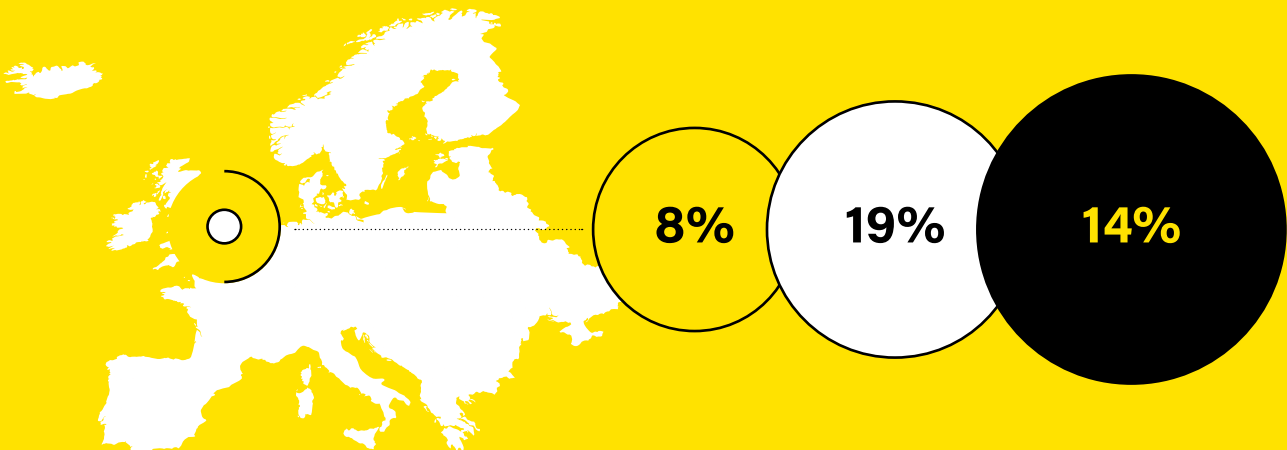
⇒ **19** [In 2021, 14 ESG audits were carried out]
ESG audits carried out in 2022

⇒ **23%** [Compared to 21% in 2021]
Suppliers ISO 9001 certified

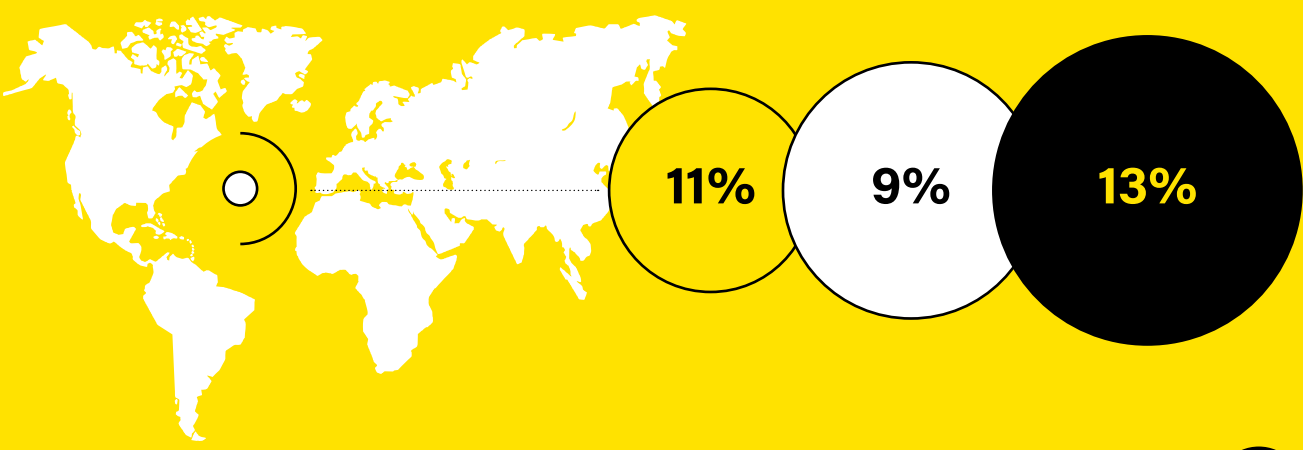
Purchases from Italy



Purchases from Europe (excluding Italy)



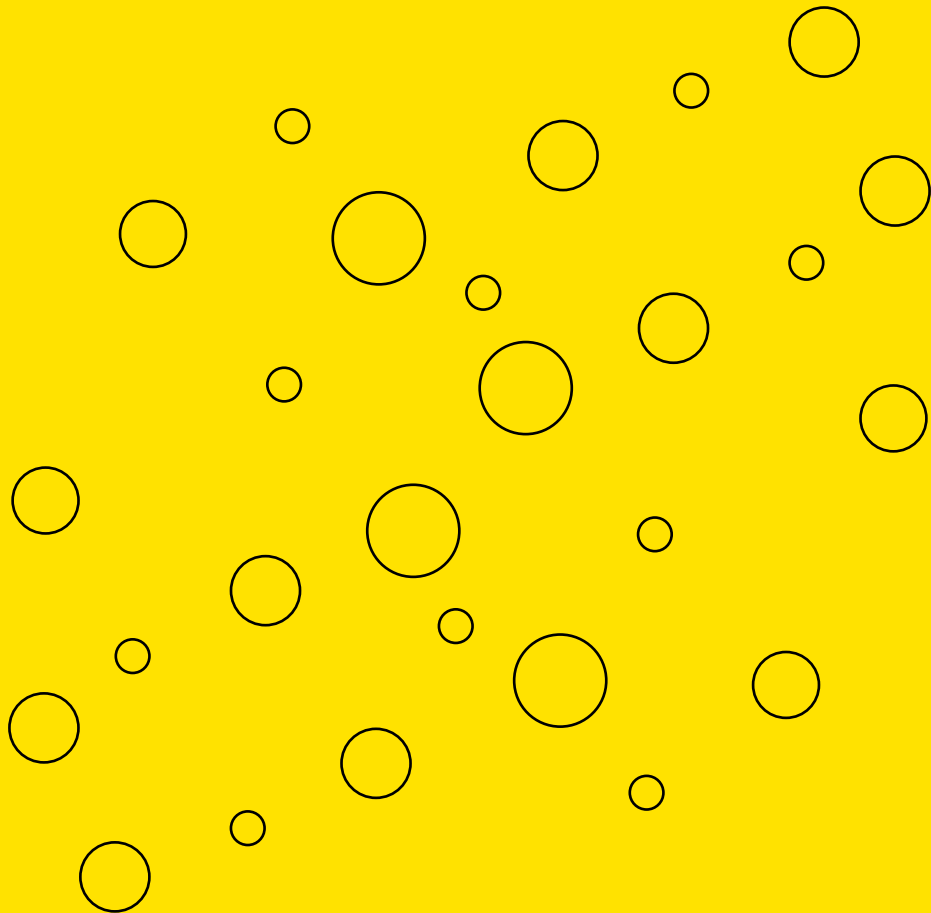
Purchases from the Rest of World



Environmental welfare



Energy consumption and emissions



⇒ **80,537**
(GJ) in 2022

[Down by 3% on 2021]

⇒ **2,704**
tonnes of CO₂e (Scope 1)

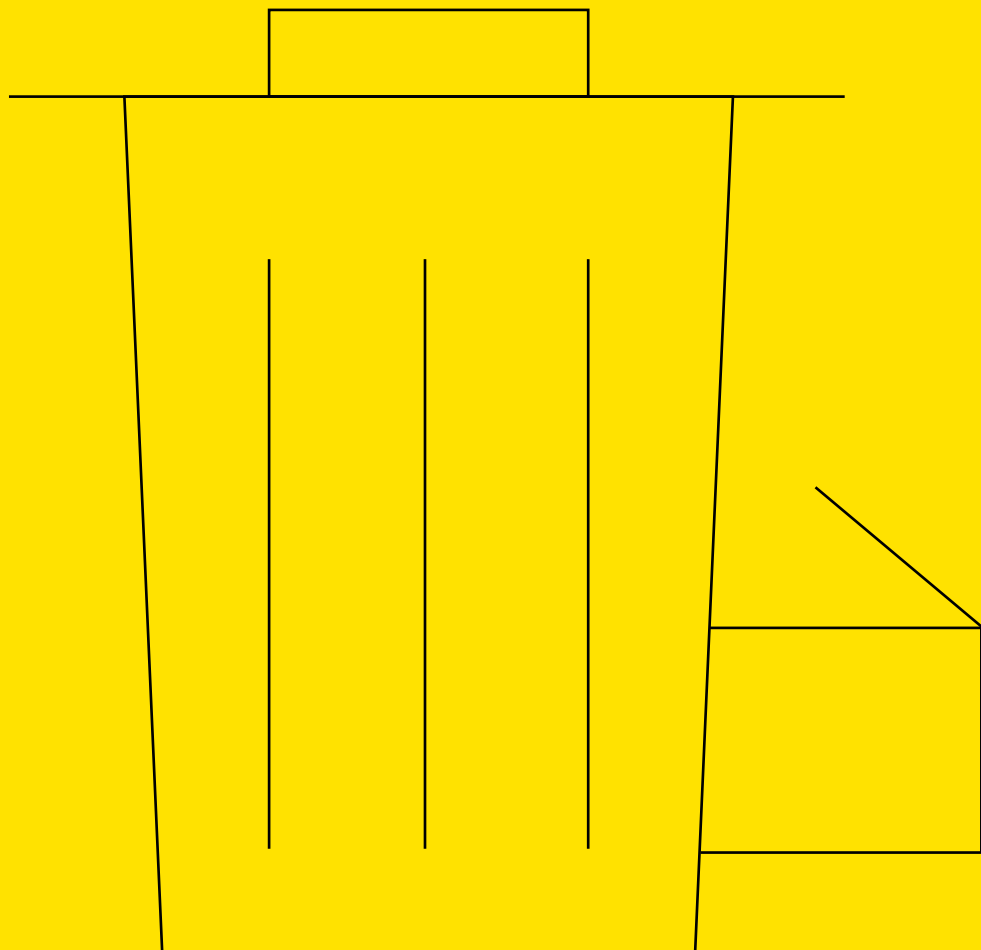
[Compared to 8,249
tonnes of CO₂e
emitted in 2021]


Technogym does not use chemical substances in the phase-in and phase-out process. It also requires its suppliers to comply with REACH and RoHS regulations. That said, work began internally in 2020, which led to the strengthening of Technogym's commitment, in 2021, to managing waste from chemical substances and preparations (at the reporting date, the policy in question was finalised and adopted by the Group).



.....

Management of waste, products and packaging





⇒ **50%**
of eligible machines
(sustainable refurbished
products) put back
on the market

[In 2021, 30% of
refurbished machines
were put back on the
market]

⇒ **Packaging paper and
cardboard from recycled
and certified sources**

FSC- (Forest Stewardship
Council) certified sources
and PEFC (Programme for
the Endorsement of Forest
Certification schemes)
and FITOK-certified wood



THE TECHNOGYM BRAND

The Technogym brand

1.1

AN ALL-ITALIAN STORY

The Technogym brand was created in 1983 when Nerio Alessandri, a young industrial designer and sports enthusiast, designed and built his first piece of fitness equipment in his garage in Cesena, aged just 22. It was a hack squat machine, designed to enable squat exercises to be performed in a guided and safer way. Since then, Technogym has become known for its strong focus on safety and accident prevention, and for its easy-to-use, well-designed products. The brand name Technogym combines Alessandri's two passions: technology (Techno) and sport (Gym).

In the early 1980s, Europe's fitness industry was still considered a small niche market. Gyms, often equipped with very rudimentary machines, were mainly the preserve of body-builders. Nerio Alessandri sensed that there was a growing need for technologically and functionally superior physical exercise equipment that respected consumers' health. He also saw that the fitness industry could potentially appeal to a wider, more diversified public, as society gradually realised the importance of physical exercise in mental and physical health and wellness.

"Wellness®" is a lifestyle, promoted by Technogym, aimed at improving quality of life through education and regular physical activity, a balanced diet, and a positive mental attitude. During the early 1990s, while the stereotypical muscle-bound image of fitness personified by Jane Fonda and Sylvester Stallone was all the rage in the USA, in Romagna Nerio Alessandri was launching a new vision: Wellness®, an all-Italian lifestyle whose roots lie in the Roman concept of *mens sana in corpore sano*. It was nothing short of a revolution, which transformed a business based on hedonism into a social one, from looking good to feeling good, from attracting only a small number of super-fit gym enthusiasts to the possibility of embracing the whole population.

Today, nearly 40 years on, Technogym is recognised worldwide as a leader in the supply of technologies, services and design products for the fitness, wellness, sports and health sector, thanks to its complete range of cardio, strength and functional training equipment, services (after sales, training and consultancy, interior design, marketing support and finance) and training, plus a digital cloud platform that allows users to connect with their wellness experience anywhere, using Technogym products or mobile devices.

The offer of Technogym branded products has broadened over the years, and now ranges from Fitness Clubs to the Hospitality & Residential, HCP (Health, Corporate & Performance) and Home segments. Worldwide, these products are used in 85,000 wellness centres and more than 400,000 homes.



↑ Alessandri household - garage



Homes
worldwide

400,000

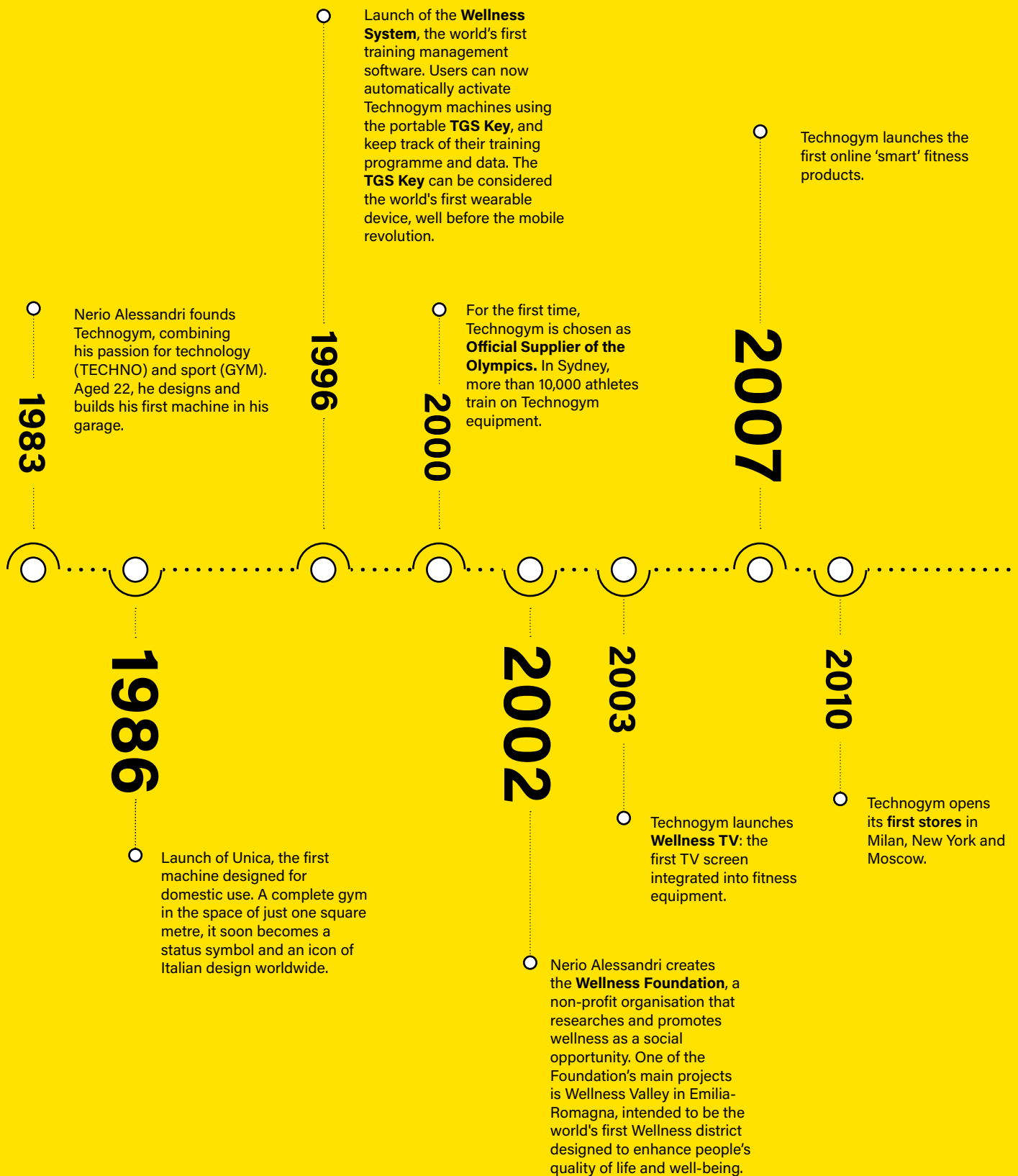
Wellness
centres

85,000



Technogym is present in all the major global markets. In 2021, over 90% of company sales occurred outside Italy and over 40% outside Europe, with a highly positive trend in North America and APAC, strategic markets for the future development of the company. Of particular note were the results obtained in North America, driven by highly significant growth in the USA, and in Europe, where despite the more complex macroeconomic situation, the company achieved growth in all the major countries, leveraging its unique digital solution and the growing interest in higher value-added training solutions by Premium customers.

Milestones in Technogym's history





Technogym's mission is to help people live better through regular physical exercise, by way of a vision aiming "To be the world's leading Wellness Solutions Provider".

Wellness as a lifestyle can bring important benefits to society by improving people's quality of life, reducing government expenditure on healthcare, boosting corporate productivity, and respecting the environment. The belief in wellness as a social responsibility guides and unites our company.

Based on this concept, Technogym strives to be recognised as a landmark in its industry, promoting an authentic lifestyle by creating customised solutions for private customers and fitness professionals. It is more than just equipment: it is also about services, content, devices and networking solutions.

Strategy

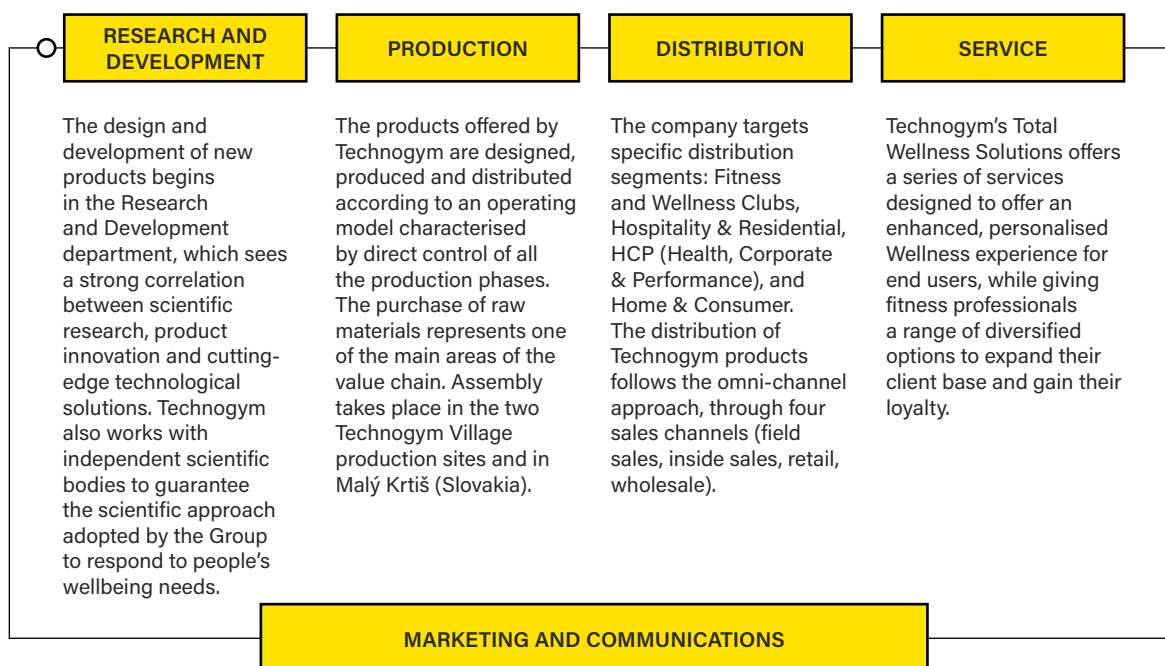
Technogym's goal is to offer people safe, customised training experiences for fitness, sport and health. The company pursues this goal by implementing a strategy based on three core pillars:

- › **Wellness on the go:** the company developed the Technogym Ecosystem, a digital platform - comprising a wide range of smart equipment, on-demand training programmes and content, and mobile apps - that offers each user a wholly customised training experience at any time, whether they are at home, in the gym, at the doctor's or outside.
- › **Brand Development:** in recent years, the Technogym brand has followed a positioning strategy based on two principal objectives: being a Premium brand in the Club, H&R and HCP segments, and being a Luxury brand in the Home and Consumer segments. Through marketing and communication, the Technogym brand establishes its values with a clear, coherent strategy that has helped Technogym to position itself as an internationally recognised name.
- › **Global presence in different market segments:** Technogym is expanding globally in various market segments, thanks to an omni-channel distribution strategy which includes Retail, Field Sales, Wholesale and Inside Sales.

Technogym's business model consists of four main phases¹: Product Research and Development; Production; Distribution; and Service. The aim of this model is to create and offer a customised total wellness solution, to meet the wellness and health needs of end users. The health and safety of customers and products is present along the entire value chain. Technogym aims to offer solutions that create functional benefits for end users, without neglecting its attention to design and the use of innovative materials, to guarantee a safe, quality user experience².

1. The description gives a snapshot of our business model, considering the services and activities related to the five main areas of the Decree. For more information, see the individual chapters.

2. Framework of Decree 254/2016, Art. 3 para. (1), Legislative Decree 254/2016.



At every stage of the Technogym operating model, it is one of the pillars of our strategy to develop and consolidate our position in the fitness market and in the wellness industry as a whole. Over time, this has contributed significantly to making Technogym a distinctive brand, which is recognised worldwide for its quality, innovation and Italian design. A cornerstone of Technogym's marketing and communication strategy are the sports industry partnerships.

For this reason, the Group works closely with its key strategic suppliers, forging long-term relations and periodically assessing their performance on environmental and social issues and compliance with related laws and regulations, with the aim of guaranteeing a stable supply chain³.

Attention to people's wellbeing is also evident in the provision of safe working environments⁴ - particularly for the production activities carried out in the Cesena and Malý Krtíš (Slovakia) plants. Technogym also manages environmental issues⁵ during the production phase by way of an Environmental Management System that continually checks and monitors consumption.

In addition to the areas of the Decree affecting specific phases of the production process, personnel management and the fight against corruption are cross-company areas managed all along the value chain⁶.

TOTAL WELLNESS SOLUTION

Technogym's unique offer is the Total Wellness Solution, a bespoke wellness solution for professionals and end users alike. It includes:

- › **Equipment**, fitness, wellness and sports equipment connected or connectable to the internet.
- › **Mywellness Cloud Platform** and digital training support solutions.
- › **Services** (After Sales, Training, Interior Design, Marketing Support and Finance).
- › **Media content** – On-demand video training programmes.

Equipment

3.
Framework of Decree
254/2016, Art. 3 para. 1(b); Art.
3 para. 2(e).

4.
Framework of Decree
254/2016, Art. 3 para. 2(c).

5.
Framework of Decree
254/2016, Article 3, paragraph
1 - Environmental issues;
Article 3, paragraph 2,
subparagraphs a, b, c.

6.
Framework of Decree
254/2016, Art. 3 para. 2(d);
and Art. 3 para. 2(f).

Technogym boasts a complete range of cutting-edge equipment for cardio, strength, functional and group training. All machines are specially designed to meet the needs of the different market segments. Most of the equipment is connected or connectable to the internet. We are constantly committed to developing new products and technologies to offer safe, effective and engaging training.

Networking Apps, Devices & Content

Thanks to the Mywellness open platform, integrated with equipment, apps and portable devices, fitness professionals and users can stay in touch wherever they are. It offers complete lifestyle management that builds customer loyalty and business opportunities. Operators can make use of a wide range of professional applications to increase their potential, while users can engage with the Technogym Live console, which offers a huge on-demand library of video content, such as live classes, one-to-one cardio or strength training sessions, athletic training routines, core exercises or virtual courses set in the countryside or in the city.

Services

- › **Interior Design:** thanks to the Wellness Design service, Technogym can offer the full design of Wellness areas in hotels, businesses, medical centres or private homes. The objective is to create peaceful and stimulating spaces and environments and enable customers to stand out thanks to a unique and personalised style.
- › **Financial Services:** Technogym provides its customers with safe, fast and transparent financing, together building a personalised and reliable plan in collaboration with a number of leading international banks and insurance companies.
- › **After Sales:** Technogym's after sales service is designed to ensure that our equipment stays reliable and performs well over time, thanks to tailor-made contracts designed to ensure the best operation and constant quality of the equipment. We have a global network of Authorised Technical Assistance Centres, able to provide a fast, competent response.

Media Content

In 2022, Technogym introduced new content, via Technogym Live - the revolutionary Technogym platform that offers a fully customised training experience with on-demand content, training sessions led by trainers, and training programmes for achieving fitness goals, available on all Technogym equipment fitted with a screen and on the Technogym app, enabling users to access - with a freemium model - the expanding and continuously updated Technogym training library. After the launch in 2021, the Technogym app, which guides users in obtaining the best results in the shortest period of time with personalised training programmes and libraries of on-demand content, continued to gain popularity around the world. Following its success in Europe, in February 2022, it was launched in the United States.

In 2022, to enrich and personalise the user's training experience, new content relating to mindfulness and nutrition, to achieve balance between mind and body, was added to the Technogym app. Since November 2022, users have been able to access their favourite Apple Music playlists in a completely seamless way, directly from the workouts on the app, thanks

to its integration with the Apple platform. Moreover, if you have any Technogym home fitness equipment, you can access your Apple Music playlists via the Technogym Live app directly from your iPad.

1.4

SUSTAINABLE VALUE

[201-1]

The economic value generated and distributed displays a company's ability to produce wealth for its stakeholders.

Technogym believes economic growth to be an integral part of its strategy, which is why it is committed to creating long-term value for all its stakeholders. The **economic value generated** by Technogym in 2022 was **€748,925.48** thousand, while the **economic value distributed** was **€638,421.19** thousand, which also increased on 2021 by 22.7%.

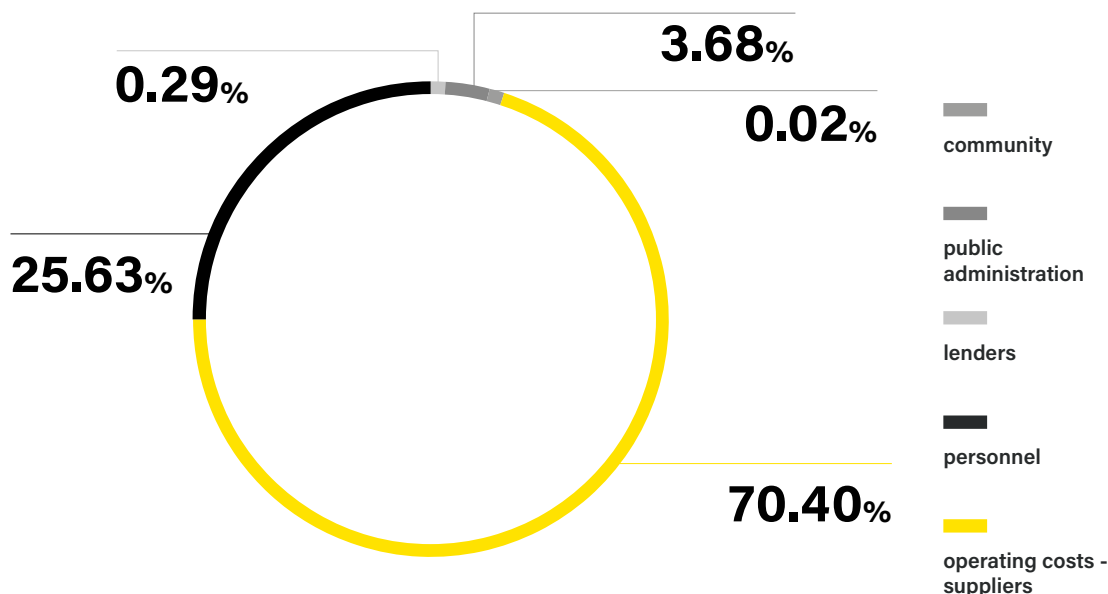
Topic area	2020 (thousands of Euro)	2021 (thousands of Euro)	2022 (thousands of Euro)
Economic value generated	522,660.11	623,409.74	748,925.48
Economic value distributed	447,790.62	520,177.55	638,421.19
Operating costs - suppliers	318,025.28	364,175.02	463,475.01
Personnel	112,969.51	135,180.75	151,329.93
Investors	—	—	-
Lenders	1,795.67	1,519.13	1,879.41
Public Administration	13,834.46	19,125.61	21,613.72
Community	1,165.71	177.04	123.12
Economic value retained	36,003.60	63,064.59	63,587.15

The table above shows the economic value generated and distributed, and how it has been divided up between the various stakeholders:

- > **Suppliers**
- > **Personnel**
- > **Investors**
- > **Public Administration**
- > **Lenders**
- > **Community**

More information on the assets and liabilities, results and cash flows, and tax credits received from the government, can be found in the relevant sections of the Separate Financial Statements.

2021 economic value



The largest share was allocated in 2022 to the **suppliers and operating costs** and is equal to **70.4%**. The share allocated to **personnel**, consisting of salaries, wages, social security contributions and benefits, is **25.63%**, making it the second biggest amount of economic value generated. The share of value allocated to the **Public Administration** in the form of taxes and duties represents **3.68%** of the economic value produced. **Lenders** receive **0.29%** of the economic value generated. The portion of economic value distributed to the **community**, equal to **0.02%**, relates to the activities of the Wellness Foundation.

Approach to tax transparency

[DMA 207, 207-1, 207-2, 207-3]

The Group recognises its responsibilities towards investors, governments, suppliers, employees and the communities in which it operates. This is also reflected in its approach to taxes, which seeks a permanent balance between regulatory requirements, business activities and ethical and social aspects.

Technogym's management of tax risk takes into account the Organisation and Management Model, particularly in view of Article 25 quinquiesdecies, which invokes the Group's liability should certain tax offences be committed.

The Group has updated its 231 Model - after having assessed the specific risk - and stepped up its oversight in line with the OECD's Tax Control Framework.

Note also that, with regard to the updating of the Model, and in relation to the new Special Section on tax offences, in 2020 the existing protocols were reviewed and assessed to ensure that they can deal with offences such as receiving stolen goods, money laundering, self-laundering and bribery (whether of individuals or the public administration) ⁷.

Technogym has for a long time adopted procedures for recording, measuring, managing and controlling risk, compliance with which is ensured at all levels of the business. It is also committed to carrying out monitoring and will activate the necessary corrective measures if any deficiencies or critical issues are discovered. There are channels established by the 231

⁷
Approved by the Board of Directors in early 2021.

Model through which stakeholders can report any tax transparency issues. The process of calculating taxes derives from the concept of a true and fair view of the financial statements, in accordance with the relevant accounting standards. The Technogym Group operates in full compliance with the principle of legality. It applies the tax legislation of the countries in which the Group entities are present, accurately, and in full compliance with the dictates and the purpose of the local legislation relating to the subject concerned. Moreover, the Group does not engage in domestic or transnational conduct or operations that entail undue tax advantages, which result in artificial arrangements, which do not reflect the economic reality or are in any way contrary to the purposes or the spirit of the provisions of the tax regime in question and that may generate distortion of the tax level in the respective jurisdictions. It should be noted that the monitoring of regulatory updates on tax matters is also carried out, along with the completion and transmission of tax returns in compliance with the time frames and methods prescribed by law. The administrative and tax management processes include aspects linked to:

- › the identification and regular updating of the main and significant areas of tax risk;
- › the mapping and updating of the accounting schedule and the preparation of same in accordance with the tax rules applicable to the individual cases in question;
- › the regular review of the tax treatment associated with the main and biggest asset and liability transactions recorded by the Administration Department;
- › the checking of the methods used to recognise operating events and the related taxation when calculating the taxes to be recognised in the financial statements, and of the preparation of the tax return;
- › the methods of managing transactions with the Group's foreign companies and the annual preparation of documents on transfer prices.

In addition to the above, an application for a prior agreement under which to define the methods and criteria for calculating the free competition value of the transactions between Technogym and the Group's other foreign companies was submitted to the Italian Revenue Agency. At the moment, discussions between the parties are still ongoing in order to conclude the signing of the agreement. This will provide upstream certainty regarding the criteria and methods used to determine transfer prices. Technogym then entered into a prior agreement with the Italian Revenue Agency for access to the Patent Box tax relief system for the five-year period 2015-2019; it applied for it to be renewed solely in relation to the intangible assets still eligible for tax relief for the five-year period 2020-2024, thereby securing eligibility for the aforementioned procedure.

With regard to customs issues, Technogym has obtained AEO (Authorized Economic Operator) status under EU law; the system of procedures and controls implemented to manage customs-related issues is subject to regular checks by the customs authority.

With regard to governance, clear roles and responsibilities for the different sections of the organisation have been defined in relation to tax risks. Lastly, by way of regular meetings with managers, the Group's supervisory body checks that the procedures in place are being applied properly and that transaction documents are being correctly and consistently stored.

Taxonomy

EU Taxonomy, pursuant to EU Reg. 2020/852

In the section below, the Technogym Group, as a company subject to Regulation 2016/254 relating to the obligation to publish a Non-Financial Declaration, reports the information required by EU Regulation 2020/852.

The Taxonomy Regulation identifies uniform criteria at EU level for defining eco-sustainable economic activities in relation to six environmental objectives:

1. the mitigation of climate change;
2. the adaptation to climate change;
3. the sustainable use and protection of waters and marine resources;
4. the transition towards a circular economy;
5. the prevention and reduction of pollution;
6. the protection and restoration of biodiversity and eco-systems.

For FY 2022, reporting is envisaged for the CapEx, OpEx and turnover KPIs, as defined by Delegated Regulation (EU) 2021/2178, associated with activities defined as **eligible** and **aligned** in regard to the climate mitigation and adaptation objectives.

An eligible activity corresponds to any activity that is specifically included in the list of economic activities in Annexes I and II of Delegated Regulation (EU) 2021/2139, regardless of whether that economic activity meets one or all of the technical screening criteria set out in the document⁸.

Aligned activities correspond to the eco-sustainable activities pursuant to art. 3 of Regulation (EU) 2020/852 which jointly meet the following criteria:

- › **substantial contribution** to one or more of the environmental objectives;
- › do no significant harm to any of the other environmental objectives (the “DNSH” principle⁹);
- › compliance with the **minimum safeguarding guarantees**.

8. The failure by the legislation currently in force to cover all sustainability objectives and economic activities may significantly affect the data collected, which could vary greatly in subsequent years. Conversely, non-eligible activities include any economic activity for which technical screening criteria are not yet available, since the related Delegated Regulations have not yet been published by the European Commission.

9. “Do No Significant Harm”.

Environmental taxonomy for the Technogym Group

In order to comply with the regulation, the Technogym Group launched a procedure to analyse its activities carried out in 2022. The process was structured in three main phases:

- › Identification of eligible activities;
- › Identification of aligned activities;
- › Calculation of the turnover, CapEx and OpEx KPIs.

An analysis of NACE codes revealed that Technogym's activities do not correspond with these codes, confirming that the Technogym Group's sector is not closely related to the activities mapped by Delegated Regulation (EU) 2021/2139 in relation to the first two taxonomy objectives i.e. Mitigation of Climate Change and Adaptation to Climate Change. For this reason, in order to carry out a more in-depth assessment, the Technogym Group performed an analysis of its economic activities, assessing their consistency with the descriptions in Delegated Regulation (EU) 2021/2139 in relation to its business activities and those associated with its corporate operations.

Following this preliminary screening, the taxonomy-eligible economic activities were defined. The activities mapped in the table shown below refer to Technogym S.p.A. and Technogym EE S.r.o. and are not directly connected with the Group's core business but to

secondary activities related to the ordinary management of the operations of its offices, and the efficiency of its buildings and corporate assets.

#	ACTIVITIES PURSUANT TO REGULATION 2021/2139	TECHNOGYM GROUP ACTIVITIES
4.25	Production of heat/cooling using waste heat	Installation of ORC (Organic Rankine Cycle) units, which makes it possible to produce electricity using waste heat at the Technogym EE site.
7.3	Installation, maintenance and repair of energy efficiency devices	Installation of water and energy saving plumbing devices for sanitation uses at the Technogym EE site.
7.4	Installation, maintenance and repair of charging stations for electric vehicles at buildings (and parking spaces belonging to the buildings)	Installation of columns for recharging electric vehicles in the parking space at the headquarters of Technogym S.p.A. in Cesena.
7.5	Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance in the buildings	Installation of zone thermostats and smart thermostat systems at Technogym EE site.

To complete the analysis carried out in compliance with Regulation (EU) 2020/852, the verification of the alignment of the eligible activities involves an assessment of the activities in light of the substantial contribution criteria, "DNSH" criteria and minimum safeguarding guarantees criterion. The criterion relating to the minimum safeguarding guarantees pursuant to Article 18 of Regulation (EU) 2020/852 entails an assessment of compliance with the main international guidelines on human rights.

The procedure involved the preparation of specific cards for verifying the **substantial contribution** and **"DNSH"** (Do No Significant Harm) criteria. As mentioned earlier, the former are for verifying that the activity brings a concrete benefit to the relevant environmental objectives; the latter, on the other hand, aim to establish that none of the other objectives are negatively impacted.

The analysis was carried out by evaluating the characteristics of each activity; representatives from the company departments were involved to provide the necessary information and supporting documents, and to actively contribute, via discussions and interviews, to the evaluation of the specific criteria.

With regard to the **"Mitigation of climate change"** objective, all activities met the 'substantial contribution' criteria¹⁰. Only some of the DNSH criteria established for the same objective were met in the characteristics of the activities identified. In some cases, it was not possible for the criteria to be met due to the lack of objective, verifiable evidence.

Lastly, the technical screening criteria of Delegated Regulation (EU) 2021/2139 relating to the eligible activities identified by the Technogym Group provide for a solid assessment of climate risk and vulnerability for examining the significance of climate and physical risks from economic activity. For the purposes of the analysis, the Technogym Group evaluated the classification of the climate-related hazards, shown in Appendix A of Annexes I and II of Delegated Regulation (EU) 2021/2139. The Group does not consider these risks to be significant in relation to the scope of the eligible activities; however, to date a structured and quantitative analysis has not been conducted in this regard, partly in light of the insignificant impact of the activities selected in terms of economic importance and relevance to the Group's business.

10. None of the activities has met the substantial contribution criteria envisaged for the "Adaptation to climate change" objective as, to date, no structured and quantitative analysis of climate-related and physical risks has been carried out, partly in light of the insignificant impact of the selected activities in terms of economic importance and relevance to the Group's business.

Following this analysis and considerations, which were carried out with a prudential approach, none of the eligible activities are taxonomy-aligned.

Information about the accounting values used in the calculation of the KPIs

The KPIs were calculated in line with the accounting criteria defined in Annex I of Delegated Regulation (EU) 2021/2178. The table below summarises the indicators relating to eligible activities with regard to the "Mitigation of climate change" and "Adaptation to climate change" objectives¹¹.

2022				
#	ELIGIBLE ACTIVITIES PURSUANT TO EU REGULATION 2020/852	Revenues	CapEx	OpEx
4.25	Production of heat/cooling using waste heat	—	0.041%	—
7.3	Installation, maintenance and repair of energy efficiency devices	—	0.004%	0.002%
7.4	Installation, maintenance and repair of charging stations for electric vehicles at buildings (and parking spaces belonging to the buildings)	—	0.036%	—
7.5	Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance in the buildings	—	0.003%	0.021%
TOTAL		—	0.083%	0.024%

The **denominator** of the KPIs corresponds to the items listed below, while the numerator corresponds to the portion of the denominator that meets the appropriate criteria shown in the Delegated Regulations.

With regard to the **turnover** indicator, revenues pursuant to article 2, point 5 of EU directive 2013/34 were considered in calculating the denominator. Turnover includes revenues recognised in accordance with International Accounting Standard (IAS) 1, point 82(a), adopted with regulation (EC) 1126/2008 of the Commission¹².

The definition of the **CapEx** KPI included increases to tangible and intangible assets during the year before depreciation/amortisation, write-downs and any revaluations, including those arising from revaluations and reductions in value for the year in question, and excluding changes in the fair valued¹³.

To define the denominator of the **OpEx** KPI, non-capitalised direct costs relating to research and development, maintenance and repairs were included, as well as any other direct expenses relating to the day-to-day maintenance of property, plant and equipment necessary to ensure the continuous and effective functioning of these assets¹⁴.

11.
Further details can be found in the attached tables stipulated by the Regulation.

12.
In accordance with point 1.1.1. defined in Delegated Regulation (EU) 2021/2178

13.
In accordance with point 1.1.1. defined in Delegated Regulation (EU) 2021/2178

14.
In accordance with point 1.1.1. defined in Delegated Regulation (EU) 2021/2178

A summary of the cost items included in the numerator of the indicators is shown below for each activity considered.

- › **4.25 - Production of heat/cooling using waste heat:** the CapEx expenses shown relate to the installation of generic plant at the Technogym EE site.
- › **7.3 - Installation, maintenance and repair of energy efficiency devices:** CapEx and OpEx costs relate to the purchase, installation, maintenance and repair of plumbing devices for sanitation uses at the Technogym EE site.
- › **7.4 - Installation, maintenance and repair of charging stations for electric vehicles at buildings (and parking spaces belonging to the buildings):** CapEx expenses relate to the cost of installing equipment at the headquarters of Technogym S.p.A.
- › **7.5 - Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance in the buildings:** CapEx and OpEx refer to investment and expenses for the installation and maintenance of thermostats and thermostatic valves at the Technogym EE site.









SUSTAINABILITY AT TECHNOGYM

Sustainability at Technogym

This Non-Financial Statement (NFS) meets the legal requirements set out in Italian Legislative Decree 254/2016.

The purpose of this section is to give key information about Technogym's strategic and operational approach, its activities and principal environmental and social performance, and to clarify the Group's commitment to sustainability, based on the United Nations' Sustainable Development Goals.

Technogym's approach to sustainability has strong synergies with its **corporate mission**. Our aim is to **disseminate the wellness lifestyle** globally, to promote regular physical exercise, healthy lifestyles and to improve people's quality of life. Wellness, the corporate philosophy of Technogym, is key to defining our strategic objectives. It reflects our commitment to building shared value with all stakeholders.

The close correlation between business strategy and sustainability is what guides the Group in its decisions and actions which are designed to meet people's health requirements and needs. The wellbeing of end users and, therefore, of the community as a whole, is central to our corporate objectives, and it starts at the product design phase. We maintain this focus throughout the production process, through to the after sales and marketing stages.

This combination of factors makes our business model unique, and fosters our strategic alignment with the United Nations Sustainable Development Goals (SDGs). Technogym unquestionably contributes to **achieving Goal 3 "Health and Wellbeing"**, with specific reference to Target 3.4. "By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing".

On the strength of the Group's contribution to ESG and its desire to align its company strategy with the SDGs, Technogym has outlined clear sustainability objectives and commitments in a dedicated policy.

2.1

ESG PRIORITIES AND COMMITMENTS

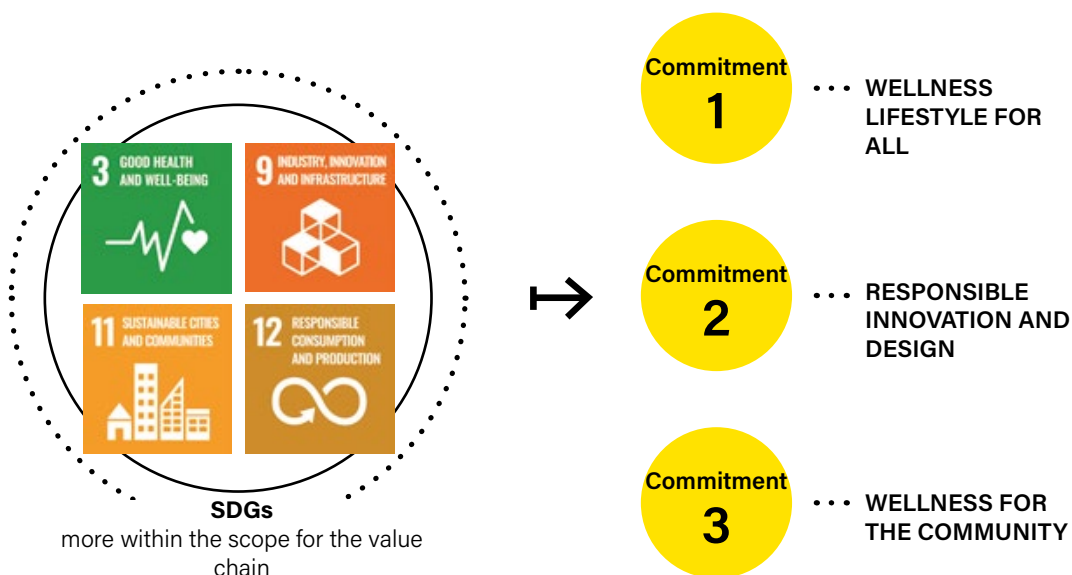
Technogym approved its sustainability policy in 2021, with commitments through to 2025. The policy sets out three main commitments linked to:

- › **opportunities to create value** starting from the Group's core business;
- › **sustainable innovation** to increasingly guide choices towards the responsible management of risks relating to climate change¹⁵;
- › **wellbeing of the community** in which it operates and of the stakeholders with which Technogym collaborates and dialogues.

15. European guidelines on sustainable finance, particularly the recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD).

During 2022 Technogym continued with its commitment, in line with the path embarked on in 2021, to improve the Group's level of information and commitment regarding issues related to climate change, diversity and inclusion, and a responsible business approach. A sustainability plan was also defined, which will have to reflect how the Policy commitments have been adopted.

Technogym's ESG commitments by 2025



Sustainability Plan

Technogym's sustainability plan was prepared taking into account the sustainability policy and the material issues that arose from the materiality analysis. Moreover, in view of the rapidly changing regulations on climate change, account was taken of the existing regulatory requirements and future trends, and of any new projects for a sustainable approach that Technogym is in the process of defining.

The aim of the plan is to have a tool that makes it possible to communicate the **company's** strategic vision of sustainability, promote **organisational synergies** and foster a **culture of sustainability** for increasingly joined-up thinking.

For the **Wellness Lifestyle For All** commitment, three (3) objectives have been identified:

- > **to promote wellness as a social opportunity** by encouraging physical exercise as a way of fighting obesity and inactivity;
- > **to encourage local and global partnerships** aimed at promoting wellness and quality of life;
- > **to strive to be recognised as the leading wellness solutions provider** in the world.

These three important objectives are, in turn, broken down into courses of action, which culminate in a definition of specific actions to be undertaken. Some of the priority targets associated with **Wellness Lifestyle For All** include, for example, the sponsorship of a *scientific publication to highlight the benefits of regular physical exercise to the general public*, the *promotion of wellness via Technogym's participation in important national sporting events* in geographic areas with high potential, and the *redefinition of medical products via software coach initiatives*.

The second commitment **Responsible Innovation and Design** has also been broken down into three associated goals, which define its characteristics. These are:

- › to use natural resources along the entire value chain responsibly, applying the best innovations from a research and development perspective;
- › to ensure cutting-edge production with excellent design, applying the principles of the circular economy to the design and manufacturing of products;
- › to establish product lines with a high aesthetic value but a low environmental impact.

The main actions identified as priorities to achieve the set objectives range from the design of low-energy products and the promotion of sustainable industrial practices on the path towards decarbonisation. Consideration is also given to *initiatives related to the fight against climate change*, but also to increasing the number of *second-life products reintroduced on the market*, and to *adopting the principles of the circular economy and the greater use of recycled materials in the design phase*. Some of these initiatives will be in partnership with third parties.

Lastly, four objectives have been defined for the **Wellness for the Community** commitment:

- › to support the communities in which Technogym is present and make wellness accessible to all;
- › to roll out the Wellness Valley worldwide, bearing in mind the particular features of each region, in order to develop a wellbeing community;
- › to support fitness professionals in disseminating wellness in their communities;
- › to encourage entrepreneurial spirit and expertise along the entire supply chain, fostering local and regional development while complying with, and upholding workers' and human rights.

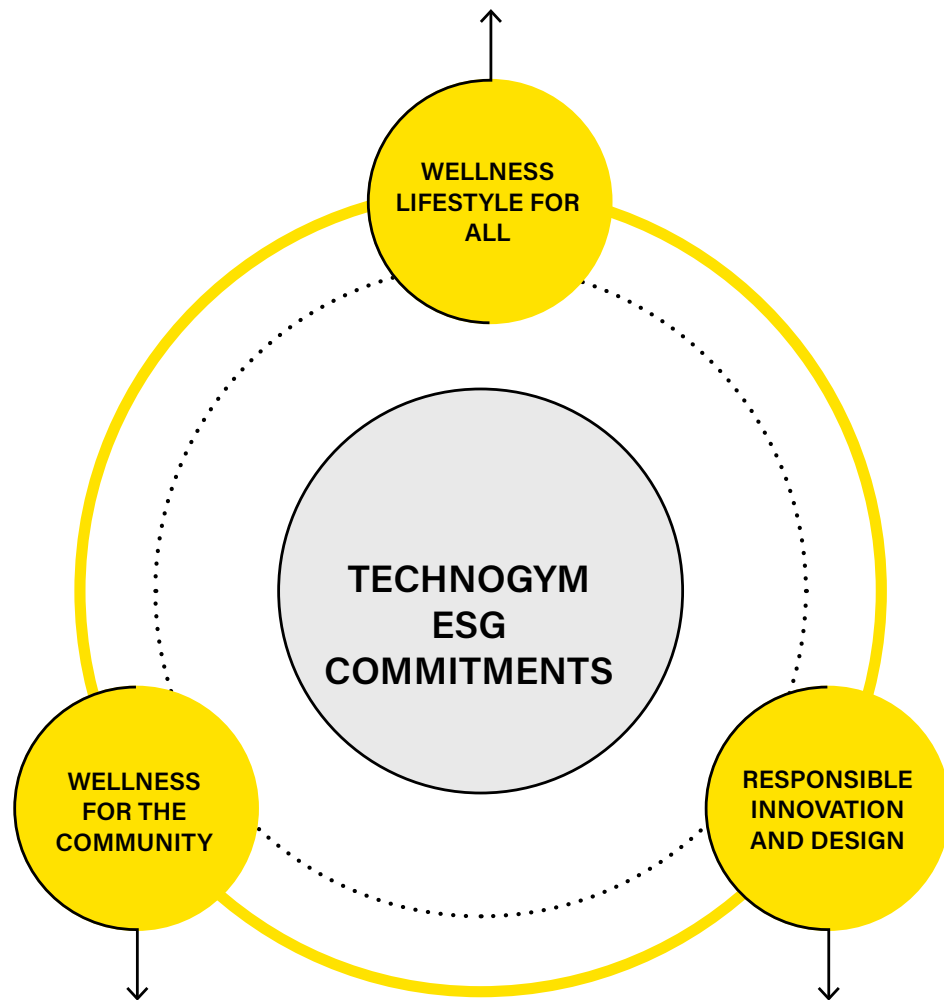
To pursue the objectives set, two courses of action have been defined and various initiatives assessed as priorities, such as the definition of an *advanced welfare plan*, distributed to the whole Group, which allows for positive effects on people, the definition of specific *concrete objectives to strengthen gender-responsive policies, practices and organisational culture*, and an increase in *strategic suppliers assessed according to the principles of sustainability* and responsible supply practices.

The process of updating the sustainability plan started at the end of 2022 and will continue throughout 2023. The purpose of the update is to review the monitoring indicators in line with the targets to assess progress against individual objectives. As a further objective, Technogym aims to identify, for each commitment (Wellness Lifestyle For All, Responsible Innovation and Design, Wellness for the Community), a key action to be pursued in line with the sustainability strategy adopted by the company.

3 Objectives

5 Guidelines

8 Projects/Actions



4 Objectives

2 Guidelines

9 Projects/Actions

3 Objectives

6 Guidelines

9 Projects/Actions

MATERIAL TOPICS

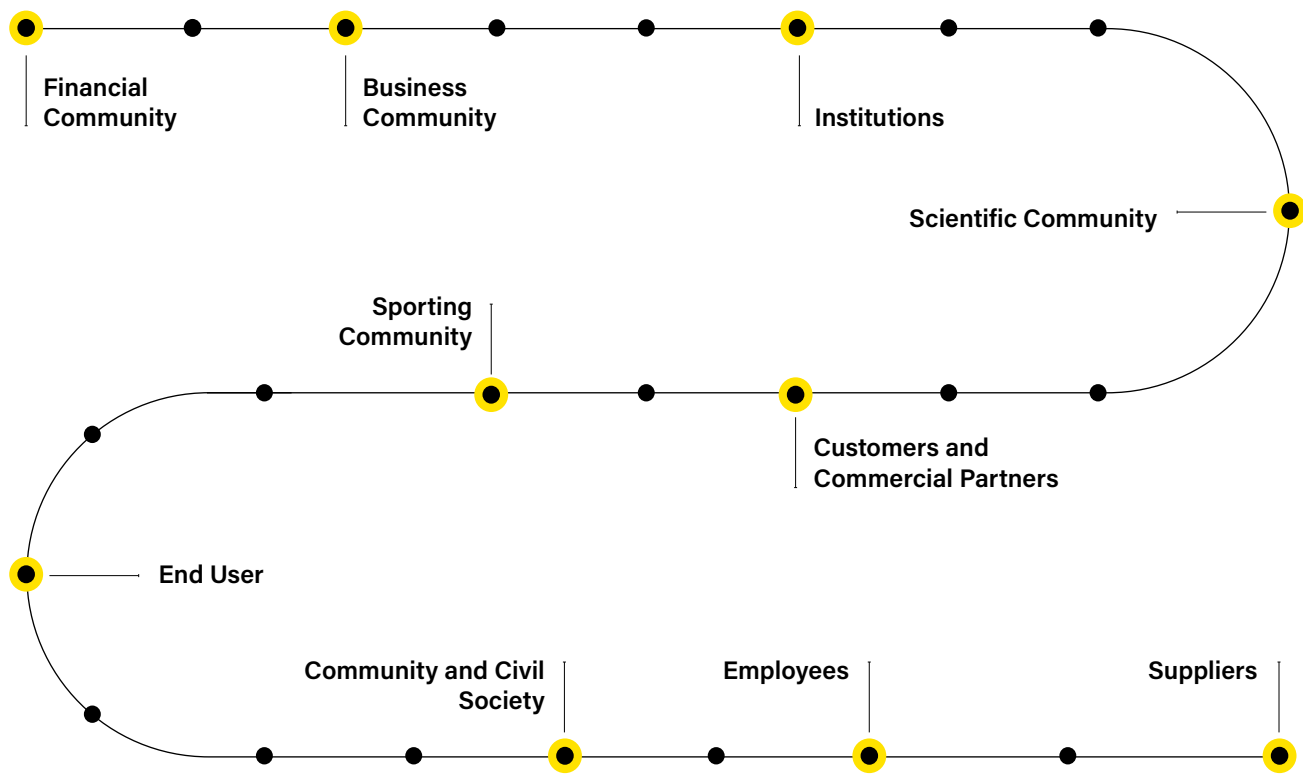
[GRI 3]

In order to comply with Italian Legislative Decree 254/16, and in line with the 2021 GRI Sustainability Reporting Standards, businesses need to identify key issues based on the main environmental, social and governance impacts that the activities carried out by Technogym generate or could generate, and their substantial influence on the assessments and decisions of stakeholders.

Moreover, Technogym is focused on its stakeholders and holds different engagement initiatives each year, including meetings with the financial community and business community to discover the expectations and needs of investors and business partners; attendance at scientific conferences in conjunction with scientific bodies and institutions; and sports events, and has set up channels to engage with end users to monitor customer satisfaction.

Involving the various stakeholders is an essential process for Technogym so that it can benefit from the contributions that these individuals and entities can make.

Our stakeholders



Materiality analysis is carried out as part of ESG reporting, aimed at identifying the environmental, social, economic and governance aspects that are considered relevant and significant for Technogym’s business and its stakeholders.

16. This approach, defined as "impact materiality" is based on the adoption of an "inside-out" perspective, in that it focuses on the impacts that the company's activities generate on the socio-economic context in which the organisation operates, and is the exact opposite of the "outside-in" perspective associated with the concept of "financial materiality". The "double materiality" model, introduced by the new Corporate Sustainability Reporting Directive (CSRD), will require this approach to be integrated with the "outside-in" perspective of "financial materiality", which focuses on the nature and extent of the economic and financial impacts (whether positive or negative) that a more or less effective management of ESG issues by the organisation could have on its performance, competitive positioning and enterprise value.

These topics re defined as "material" as they are associated with the most significant impacts (positive or negative, actual or potential, short-term or long-term) that the company's activities can (or could) generate on the economy, the environment and people, including the impacts on their human rights¹⁶.

A structured process was launched to identify the main social, environmental and governance impacts that Technogym's activities generate or could generate, which made it possible to define the organisation's internal and external reference context in detail. This process was carried out in the following phases:

- › conducting benchmark analysis on a sample of competitor, peer and comparable companies;
- › examining existing internal documents;
- › assessing the main international standards and frameworks adopted in sustainability reporting (GRI Standards, SASB, TCFD, etc.).

Once this first phase was completed, the impacts identified were grouped together based on their mutual similarity to obtain a smaller list of 20 ESG issues to be quantitatively assessed by some of the company's main categories of stakeholders. These topics, in turn, were attributed to six areas of sustainability: responsible supply chain management, corporate governance system, personal wellness solutions and the promotion of the wellness lifestyle, employee wellbeing, global brand leader in wellness, and lifetime customer care.

Next, in order to select the ESG topics and impacts that were really material for Technogym, a suitable online materiality questionnaire was circulated to employees, suppliers and investors for them to separately assess the degree of relevance and prioritisation of each topic.

In order to identify the ESG topics and impacts that were really material for Technogym, a "materiality threshold" of 4.17 was determined based on the quantitative assessments assigned by stakeholders on a scale of zero to five.

The table below describes, for each topic identified as material for Technogym, the main impacts generated by the company's activities on the economy, the environment and individuals, including how it affects their human rights, and the company's activities that generate, either directly or indirectly, the impacts identified.

AREA	MATERIAL TOPICS	DESCRIPTION	ASSOCIATED IMPACT
Corporate governance system	Ethics and integrity in the conduct of business	Commitment to ensuring good corporate governance based on the highest standards of ethics, integrity and compliance with laws and regulations (e.g. Code of Ethics). The commitment also includes the training of its own people about the ethical principles adopted and the actions undertaken to reduce conflicts of interest.	<ul style="list-style-type: none"> › Availability of investment/capital for the benefit of each company and the economic ecosystem in which it operates (e.g. industry, geographical area, etc.), with a significant effect, for example, on local employment rates. › The wellbeing and prosperity of the key stakeholders with whom the organisation interacts (e.g. employees, local communities, business partners, etc.).
	Governance and risk management	Management of risks relating to market conditions, reputation risks and the protection of the distinctive features of the Technogym brand, environmental risks.	<ul style="list-style-type: none"> › Protection of the legality and prevention of illegal behaviour in areas such as the re-use of profits from illegal activities, episodes of extortion, anti-competitive behaviour, etc. › Compliance (including voluntary compliance) with economic, environmental and social laws and regulations in force. › Wellbeing and prosperity of the key stakeholders with whom the organisation interacts (e.g. employees, local communities, business partners, etc.).

AREA	MATERIAL TOPICS	DESCRIPTION	ASSOCIATED IMPACT
Global brand-leader in wellness	Protection of trademark and intellectual property	Protection of the brand from plagiarism, while also enhancing the brand through specific actions.	<ul style="list-style-type: none"> › Sensitivity and awareness of customers and the market to ESG issues. › Market availability of products and services with high environmental/social performance.
	International growth and consolidation	Creation of short-, medium- and long-term economic value based on strong economic and financial performance that ensures financial stability and income protection.	<ul style="list-style-type: none"> › Market availability of products and services with high environmental/social performance. › Wellbeing and prosperity of the key stakeholders with whom the organisation interacts (e.g. employees, local communities, business partners, etc.), particularly those who strongly depend on the organisation to carry out their own activities. › Stable employment for the company's staff and opportunities for each employee to fully realise their potential.
Personal wellness solutions for each person and promotion of wellness lifestyle	Capacity to guarantee safe, high performance products	Implementation of policies and actions that guarantee the safety of products offered to customers, while bearing in mind environmental and social aspects in their design.	<ul style="list-style-type: none"> › Safeguarding of the safety and fundamental rights of customers and of all individuals with whom the organisation interacts. › Compliance (including voluntary compliance) with environmental and social laws and regulations in force.
	Design innovation in product development	Creation of increasingly innovative solutions by continuously investing in research and development that lead to an increase in technical capabilities and the use of cutting-edge technologies to offer increasingly sustainable and well-designed services to customers.	<ul style="list-style-type: none"> › Resilience rate of the organisation and ensuring business continuity. › Capacity to attract investment and access to capital by the organisation. › Strengthening or erosion of the organisation's reputation capital in the eyes of its key stakeholders (e.g. customers, financial institutions and investors etc.). › Level of exposure to operational risks associated with market volatility (e.g. availability and costs of energy, materials etc.). › Propensity for innovation and investment, with the resulting strengthening or deterioration in the organisation's competitive positioning. › Ability to identify new market opportunities and capitalising on them, responding to customers' real needs. › Solidity of brand awareness and brand equity. › Ability to transition in a timely and efficient manner to technologies with low emissions and low environmental impacts.
Sustainable supply chain management	Safeguarding standards in the supply chain	Responsible supply chain management in terms of selection policies and procedures and/or monitoring according to economic, social and environmental criteria (e.g. selection of suppliers considering any appropriate ISO certifications adopted, suppliers that are FCS (Forest Council Stewardship) certified, SA8000 etc.).	<ul style="list-style-type: none"> › Contribution to the achievement of the Sustainable Development Goals (SDGs) of the UN's 2030 Agenda, with positive or negative environmental, social and economic impacts. › Market availability of products and services with high environmental/social performance. › Compliance (including voluntary compliance) with economic, environmental and social laws and regulations in force. › Management of environmental impacts along the chain (e.g. greenhouse gas emissions, energy and water consumption, responsible selection of materials, etc.). › Management of social impacts along the chain (e.g. health and safety of workers, safeguarding of human rights, fair remuneration policies, etc.). › Wellbeing and prosperity of all individuals along the chain.
	Respect for human rights and the protection of workers	Development of fair working conditions and policies to ensure equal opportunities, by eliminating all forms of discrimination and creating conditions that encourage diversity and promote dignity at work.	<ul style="list-style-type: none"> › Wellbeing and prosperity of the key stakeholders with whom the organisation interacts (e.g. employees, local communities, business partners, etc.). › Compliance (including voluntary compliance) with laws and regulations in force regarding human rights. › Safeguarding of the fundamental rights of members of staff and of all individuals with whom the organisation interacts. › Sensitivity and awareness of all stakeholders regarding human rights.

AREA	MATERIAL TOPICS	DESCRIPTION	ASSOCIATED IMPACT
Lifetime Customer Care	Customer centricity and experience caring	Active listening to customers and investment in innovation using an omni-channel approach to facilitate and improve the customer's shopping experience.	<ul style="list-style-type: none"> › Market availability of products and services with high environmental/social performance. › Effective contribution to satisfying customers' real requirements/needs. › Contribution to the achievement of the Sustainable Development Goals (SDGs) of the UN's 2030 Agenda, with positive or negative environmental, social and economic impacts. › Availability of investment/capital for the benefit of each company and the economic ecosystem in which it operates (e.g. industry, geographical area, etc.), with a significant effect, for example, on local employment rates.
Employee wellbeing	Diversity and equal opportunities	Respecting and valuing diversity by enhancing the heritage of multiculturalism, experiences and characteristics of people by developing policies of inclusion, non-discrimination and management of diversity for minorities (e.g. disability, gender, age, ethnicity, sex, religion); the issue includes equal pay for equal roles.	<ul style="list-style-type: none"> › Compliance (including voluntary compliance) with laws and regulations in force regarding diversity, fairness and inclusion. › Safeguarding of the fundamental rights of members of staff and of all individuals with whom the organisation interacts. › Stable employment for the company's staff and opportunities for each employee to fully realise their potential.
	Employee training and career development	Promotion of professional development programmes and personal training courses for the organisation's employees, aimed at enhancing skills and consolidating professionalism via employee appraisals.	<ul style="list-style-type: none"> › Compliance (including voluntary compliance) with laws and regulations in force regarding training and development of skills (e.g. mandatory training). › Opportunities for each employee to fully realise their potential.
	Merit-based pay and bonus systems	Enhancement of individual potential, including via the development of merit-based pay and bonus systems.	<ul style="list-style-type: none"> › Opportunities for each employee to fully realise their potential. › Protection of the psychological and physical wellness of employees.

The materiality analysis performed by Technogym in 2022 shows continuity in terms of the topics considered material in the previous reporting cycle.

Based on these considerations, this document summarises all the issues that were found to be material. All the minimum areas covered by the Decree (reported in the Table of areas covered by the Decree - GRI Standards) have, however, been included, while the creation of financial and economic value is dealt with in this document and detailed more fully in the annual financial report.





CORPORATE GOVERNANCE SYSTEM

Corporate Governance System

3.1

GOVERNANCE BODIES

Technogym's Corporate Governance system conforms to the Corporate Governance Code for Listed Companies published by Borsa Italiana S.p.A., and to national and international best practice.

Technogym's governance model, as provided for in its articles of association, is the traditional form of administration and control consisting of the following bodies:

- › Meeting of Shareholders;
- › the Board of Directors (BoD), from which a Chairperson and Chief Executive Officer, a Vice-Chairperson and an Executive Director are appointed;
- › the Board of Statutory Auditors.

The Board is supported by three internal committees: the Risks, Control and Sustainability Committee, the Appointments and Remuneration Committee and the Related Parties Committee. These Committees play an advisory role in their own fields.

The company is managed by a Board of Directors elected by the Shareholders' Meeting, comprising a number of members, established by the Shareholders' Meeting prior to appointment, of between seven and fifteen. The elected directors remain in post for three financial years, or for a period established at the time of appointment by the Shareholders' Meeting, and may be re-elected. All directors must meet the requirements of eligibility, professionalism and integrity stipulated by law and other applicable provisions. At least two directors must also meet the requirements of independence. The Board of Directors assesses the independence of its members each year, pursuant to the provisions of the TUF (Consolidated Finance Law) and the Corporate Governance Code, and on the basis of additional criteria set by the Board. Should any conflict of interest situations arise, such circumstances¹⁷ are communicated to the interested parties and assessed by the relevant corporate bodies, if within their area of responsibility. In compliance with the legislative and regulatory provisions applicable to listed companies, the Shareholders' Meeting appoints the Board of Directors on the basis of lists submitted by shareholders, in line with the procedure. Moreover, for the period of application of the legislation on gender balance, each list which presents 3 (three) or more candidates must include candidates of both genders such that at least two-fifths (rounded up) of the candidates belong to the less represented gender.

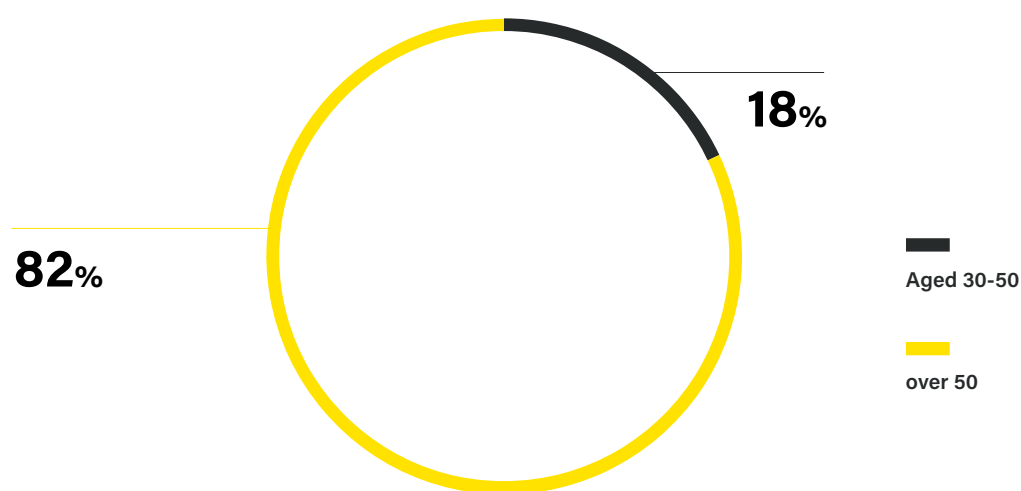
As anticipated, at the meeting held on 11 May 2016, the BoD set up the Committee for Transactions with Related Parties and approved the Procedure for Transactions with Related Parties (subsequently supplemented and amended, also in implementation of the regulatory changes), with the aim of regulating the execution of transactions with related parties, to ensure their transparency, and substantive and procedural correctness.

¹⁷ The following circumstances are also considered in this context: cross-participation within the Board of Directors; cross-shareholdings with suppliers and other stakeholders; existence of controlling shareholders; related parties, their relationships, transactions and outstanding balances.

The company's Board of Directors has 11 members, 5 of whom are women and the others men, as follows: Nerio Alessandri, Chairperson and Chief Executive, Pierluigi Alessandri, Vice Chairperson, Erica Alessandri, Francesca Bellettini, Carlo Capelli (Director with specific responsibilities), Maurizio Cereda, Chiara Dorigotti, Melissa Ferretti Peretti, Vincenzo Giannelli, Maria Cecilia La Manna and Luca Martines. [405-1]

The Chairperson also holds the position of Chief Executive Officer. By virtue of this title and his central role in corporate management and in defining the related strategies and medium- to long-term objectives, the Board of Directors has conferred on him the proxies and powers specified in Section 4.6 of the Corporate Governance Report. The CEO reports periodically, at least every three months, to the Board of Directors and the Board of Statutory Auditors on general management trends, the outlook, and the most significant transactions, and on the exercise of its delegated powers. Conflicts of interest situations are prevented and mitigated partly thanks to a governance system where the internal board committees, which each carry out, according to their area of responsibility, a preliminary examination of issues relevant to the management of the company, are made up of directors with the necessary requirements of independence stipulated under existing legislation (the Appointments and Remuneration Committee and the Related Party Transactions Committee both comprise 100% independent directors, and in the Control, Risks and Sustainability Committee two-thirds of the directors are independent). Moreover, under its articles of association, some matters of strategic importance for the company are reserved to the exclusive competence of the BoD and the shareholders' meeting.

Board of Directors – composition by age



In compliance with the recommendations of the Corporate Governance Code, the company's Board of Directors approved the diversity policy of the Board of Directors and the Board of Statutory Auditors ("Diversity Policy") on 7 March 2022. Its aim is to set out criteria and guidelines, albeit non-binding, regarding the composition of the administration and control bodies, in order to ensure a diverse and inclusive composition of its corporate bodies, in line with the applicable legal and regulatory provisions, the articles of association, the Corporate Governance Code and the values that have always characterised Technogym.

⇒ The Diversity Policy is available on the company's website, corporate.technogym.com, in the Regulations and Procedures section.

The company has a governance system based on management policies that underpin all the corporate and operating processes. In order to implement its management policies, the company has adopted a set of procedures that guide the main company processes (e.g. finance, control, operations, commercial, R&D). To ensure correct application of the procedures, Technogym has adopted an internal control and risk management system in accordance with the recommendations set out in the Corporate Governance Code and in line with best practices. The result is a coordinated and unitary system of rules, procedures and organisational structures designed to allow, via an appropriate process of identifying, measuring, managing and monitoring the main risks relating to the company and its subsidiaries, sound and proper management of the company, in line with its strategic objectives.

Pursuant to existing legislation for companies with shares listed on regulated markets, and in accordance with the recommendations of the Corporate Governance Code, the Board of Directors plays a central role in the company's governance system. Specifically, sustainability topics are always included in the company's business model in a natural and organic way, with the wellness philosophy constituting the guiding criterion for the company's and group's actions, strategies and corporate processes. 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 designed to achieve the objectives of the Sustainability Policy, the implementation of which is scrupulously monitored.

The Risks, Control and Sustainability Committee provides advice and proposals regarding sustainability to the Board of Directors. Specifically, the Committee assists the BoD, via analysis, proposals and advice, in carrying out assessments and making decisions relating to sustainability and in overseeing the achievement of the sustainability objectives set.

Should critical situations occur, the Chief Executive Officer informs the relevant corporate functions set up as controls, the Risks, Control and Sustainability Committee, the Supervisory Body, and the BoD, which will adopt the decisions deemed most appropriate in relation to the nature and gravity of the critical situation reported. No critical situations were notified to the highest governance body in 2022.

The Board of Directors defines the practical guidelines for the internal control and risk management system. The Risks, Control and Sustainability Committee continuously monitors the activities designed to manage the main risk components of the company's business, by analysing the risk analysis and mapping processes in order to obtain a broader and more integrated risk management model. Controls and checks are carried out annually.

The BoD has approved a policy to manage dialogue with shareholders and investors. The company has internal control systems (such as Internal Audit, the Supervisory Body and a DPO), which each provide feedback and collect any notifications, according to their area of responsibility. In accordance with existing legislation, a system for anonymous reporting of any violations (whistleblowing) has also been implemented.

Measures taken to advance the collective knowledge, capabilities and experience of the highest governance body relating to sustainable development include planned meetings of the Risks, Control and Sustainability Committee and the Board of Directors: managers responsible for ESG issues are periodically invited to these meetings to inform the Directors about the development of projects and initiatives in the ESG area and the implementation of the provisions of the Sustainability Policy approved by the Board. The Board of Directors regularly, and at least every three years, assesses its work via a self-assessment process in order to objectively analyse its functioning, reflect on its work, and share observations and suggestions for improving its operations. This self-assessment also concerns the involvement and role of the BoD in relation to ESG issues.

→ For more information about the Corporate Governance system, please see the Corporate Governance Report, which is also available on the website (<http://corporate.technogym.com/it/governance/sistema-di-corporate-governance>).

Code of Ethics

[Art. 3 para. 1(a), Italian Legislative Decree 254/16 – Management Model]

“Technogym conducts its business lawfully, but also fairly, independently of the law.”

The **Code of Ethics** is the **primary reference document** for our approach to business ethics. It sets out the principles of the Technogym corporate culture. Its guiding values and rules are intended to guide the company's actions towards its main stakeholders, and towards society as a whole. These values reflect the body of internal regulations aimed at preventing inappropriate conduct that does not comply with the company's directives.

The Code applies to the entire scope of Technogym S.p.A.

Technogym also requires that the company's stakeholders act in accordance with the general principles of the Code. To achieve this, specific clauses are included in the model contracts used in the Group's relations with third parties, who are required to comply with the provisions of the Code in their own activities and organisation.

The Code is a fundamental, integral part of the Organisation, Management and Control Model (the “Model”), adopted by Technogym, as required by Italian Legislative Decree 231/2001.

The issue of the Model required an assessment of our pre-existing organisational model, to identify the activities that could give rise to the offences defined in the Decree, and to establish controls on sensitive activities in order to bring the Model into line with the control principles of Italian Legislative Decree 231/2001 and therefore prevent the committing of offences.

The 231 Model contains all the principles and operating procedures intended to prevent the committing of offences and to promote responsible conduct by everyone operating on the Group's behalf, in accordance with the principles of legitimacy, fairness and transparency.

The company's processes are also periodically audited by our Internal Audit function in order to verify the level of risk related to the committing of offences under 231 legislation, and the efficiency of the controls put in place to limit this risk. In 2020, Technogym's 231 Organisational Model was updated in line with the legislation, with the expansion and amendment of the list of predicate offences under Italian Legislative Decree 231/2001. A further regulatory update was implemented in 2022. As well as enabling the Model to be updated with regard to legal provisions, the project meant a thorough review could be carried out of the areas and activities potentially exposed to the predicate offences under Italian Legislative Decree 231/01 and the Model could be updated with regard to changes in the company's organisation and in the prevention protocols provided for by the Technogym Group's compliance rules. The work also involved simplifying and streamlining the document in relation to the definition of specific protocols aimed at facilitating consulting and audit activities.

The results of this process are presented to the Supervisory Body, which is tasked with monitoring compliance and the effective application of the 231 Model and the Code of Ethics.

The Supervisory Body has three members:

- › **Andrea Ciani** (Chairperson and Independent Member);
- › **Riccardo Pinza** (Director of Technogym S.p.A. until May 2021);
- › **Giuliano Boccanegra** (Internal Audit Manager of Technogym S.p.A.).

To support the Supervisory Body in its monitoring, a dedicated email account has been set up (odv@Technogym.com) to report actual or suspected violations. Alternatively, reports can be sent by ordinary mail. The Supervisory Body will analyse and investigate these reports, and is also responsible for periodically checking that the Code of Ethics and its contents are applied and respected in order to highlight the need for adaptation, as the law evolves.

In 2016, the Code of Ethics was revised to bring it into line with changes in the company (primarily, the Stock Exchange listing), and to make it more accessible and efficient, in terms of its circulation within the Group. The revised Code was approved by the Board of Directors at the proposal of the Chief Executive.

To raise awareness of the principles and contents of the Code of Ethics and the Model, and the related implementing procedures, the Group has scheduled the launch of training initiatives, which vary in depth depending on the role held, to ensure ongoing alignment on anti-corruption issues and the Code of Ethics.

Communication and training on the principles and content of the Model and the Code of Ethics is provided by the departmental managers, who identify the best way to access the training experience, as directed by the Supervisory Body.

The fight against corruption

[Art. 3 para. 2(f), Italian Legislative Decree 254/16 – Anti-corruption]

“Always represent Technogym with dignity and transparency” [DMA 205]

Technogym’s commitment to promoting integrity and discipline within the company also translates into a real commitment to preventing the risk of active or passive corruption, in other words, actions that could undermine confidence or distort fair competition between market operators.

The Group’s commitment to fighting corruption is based on adopting and effectively implementing a Model for the national perimeter, and globally, on promoting *anti-bribery* and *anti-corruption* guidelines. Building a structured, organic system of procedures and controls limits the risk of active or passive corruption offences.

Within the context of the Model, sensitive activities have been identified. These include: negotiations, stipulating and agreeing contracts for the sale of goods and services to private individuals; selecting sales agents and managing relations with agents; the selection, negotiation and stipulation of partner agreements (traders, distributors and developers); the procurement of goods, services or consultancy services; dealing with gifts and donations, sponsorships; managing the bonus system. [Art. 3 para. 1(c), Italian Legislative Decree 254/16 – Risks]

Relationships with the public administration are given specific attention, in the form of a general system of controls, with additional checks on activities identified as sensitive, such as agreeing contracts for the sale of goods and services with public entities in Italy or abroad, and negotiating contracts involving public and/or private tenders and negotiations.

The Code of Ethics also deals with the topic of donations, benefits and other utilities, and specifies in a clear, unequivocal way the limits beyond which gifts are not considered acceptable.

CONTROL TOOLS

- Code of Ethics
- 231 Model
- TECHNOGYM Vision Book
- Code of Conduct

The training programme on ethics and fairness includes a specific module on the fight against corruption. This illustrates the legal requirements, and describes Technogym's policies in this area.

There were no verified episodes of corruption in 2022 or 2021. [205-3]

Respect for market rules

"Technogym recognises competition as a key component of development and socio-economic progress at local level" [DMA 206]

CONTROL

TOOLS

→ Code of Ethics

→ 231 Model

The Group acts in accordance with national anti-trust laws and does not deny, withhold or delay any information that may be required by anti-trust authorities during their inspections. The Group actively collaborates with any inquiries.

The Group takes care to ensure that general conditions on freedom of enterprise are respected. When conducting its business, Technogym allows economic operators to access the market and to compete. At the same time, we protect our customers by promoting improvements in service quality and by maintaining a fair ratio between price and the level of the product or service being offered.

To promote respect for the rules of fair competition, the Code of Ethics expressly clarifies the behaviour expected from people in the Group. All employees are required to respect the laws on fair competition, and anti-trust laws.

If any employees or partners become aware of practices that impede fair market competition, they must report the matter to their line managers, who in turn must report any anti-competitive conduct to the Supervisory Body.

Establishing relationships with competitors of Technogym S.p.A. in order to reach agreements on pricing, quantities or other contractual terms, entering into agreements or written or verbal understandings with our competitors, or colluding in the participation in competitive procedures or the sharing-out of markets or supply sources would be considered examples of anti-competitive conduct.

Finally, Technogym sells its products and services based on their merits and benefits, without unfairly disparaging the products and services of its competition.

The aim of risk management is to preserve the efficiency and profitability of the Group's businesses, along the entire value chain.

The governance body responsible for the Group's risk management approach is the **Risks, Control and Sustainability Committee**, most of whose members meet the independence requirements as indicated in the Code of Self-Governance. This Committee supports the Board of Directors in its assessments and decisions on the system of internal controls and risk management, and with decisions regarding the approval of the periodic financial reports.

In accordance with the Code of Self-Governance, the Committee performs the following functions: it provides opinions on specific aspects of identifying major risks; it examines the periodic reports on the internal controls and risk management assessment, as well as the particularly important reports of the Internal Audit department; and it reports to the Board of Directors at least once every six months on its work, and also on the adequacy of the system of internal controls and risk management.

⇒ For more information about the corporate governance system, please see the Corporate Governance Report, which is also available on the website (<http://corporate.Technogym.com/it/governance/report> and <https://corporate.Technogym.com/it/governance/assemblea-degli-azionisti>).

It should also be remembered that, to strengthen the Group's ability to control impacts and risks in all company processes, in 2017 Technogym launched a project relating to the **Enterprise Risk Management (ERM)** system, for a structured, integrated approach to identifying, measuring and managing risks.

The **Technogym Risk Model (TRM)** is a model for classifying risks into categories, grouped into three main areas:

- › **"Strategic Risk"**, risks deriving from changes in the business context or from inaccurate business decisions, the inadequate implementation of decisions and a poor response to changes in the environment;
- › **"Operational Business Support Risk"**, risks linked to inadequacies or malfunctions in the business support processes;
- › **"Operational Core Business Risk"**, risks linked to inadequacies or malfunctions in the core business processes.

Categorising risks in this way makes it easier to identify and analyse key risks, while establishing a common language for risk management across the whole organisation, which can be coordinated with the various corporate management systems we use.

By using the TRM, Technogym can provide a dynamic, structured response to the specific corporate activities and processes, which evolve according to the nature and type of the identified risk events, and the evolution of the company's business and/or organisational structure.

The ERM project makes it possible to:

- › promptly identify and anticipate the main risks that prevent the fulfilment of business, strategic and operational targets;
- › promote informed decision-making processes;
- › convert threats into opportunities and competitive advantages.



In 2020, the most significant projects concerning **enterprise risk management (ERM)** included implementing cybersecurity oversight to prevent and manage any IT security incidents.





During 2022, the Group completed the update of the ERM risk register in order to bring the risk assessments in line with the company's operations. The update was carried out via the mapping of processes and related risks in close co-operation with the risk owners. The risk register, via the implementation of the Group's Integrated Management System, ensures a structured approach to identifying and managing risks across the whole organisation, including in sustainability-related areas (environmental, social and governance).

With specific reference to environmental, social, personnel management, human rights and anti-corruption issues (Decree 254/16), Technogym has launched a process to integrate ESG (Environmental, Social and Governance) risks within the management systems used to control these areas¹⁸. In 2021, Technogym approved the policy on managing chemical substances to ensure constant attention to, and monitoring of issues that affect the environment and health and safety in relation to the use of chemical substances in operations and along the entire value chain.

The ESG risks are covered in the sections on relevant topics. Below is a table summarising the sources used in relation to risk management in the various areas. The review of the Integrated Policy, as described in the following section, has strengthened the control of risks relating to health, safety, the environment and energy.

¹⁸.
No significant risks were detected, with regard to the Group's production operations.

DECREE AREA	PRINCIPAL POTENTIAL RISKS	CONTROL SYSTEMS AND TOOLS
 Environmental aspects	<p>⇒ Inadequate management of waste, of temporary deposits on the production site, and transfer of waste to third parties for transport/disposal/recycling</p> <p>⇒ High generation and inadequate containment of greenhouse gas emissions and polluting atmospheric emissions caused by production operations throughout the supply chain</p> <p>⇒ Land, subsoil and water contamination caused by production operations throughout the supply chain</p>	<p>⇒ Code of Ethics</p> <p>⇒ Integrated Policy of Management Systems ISO 9001, ISO 13485, OHSAS 14001 and ISO 27001. ISO 45001, ISO 50001</p> <p>⇒ ISO 14001 Environmental Management System</p> <p>⇒ 231 Management Model</p>
 Social aspects	<p>⇒ Accidents, including major accidents, which may occur on the production sites</p> <p>⇒ Malfunctioning, construction defects or non-conformities with product technical and contractual specifications</p> <p>⇒ Malfunction of equipment due to inadequate installation and/or maintenance service</p> <p>⇒ Failure to respond to requests/needs/expectations of customers and the potential market</p> <p>⇒ Lack of transparency in customer communications (marketing, labelling)</p>	<p>⇒ Code of Ethics</p> <p>⇒ Integrated Policy of Management Systems ISO 9001, ISO 13485, ISO 14001, ISO 27001, ISO 45001 and ISO 50001</p> <p>⇒ ISO 9001 Quality Management System</p> <p>⇒ Occupational Health and Safety Management System ISO 45001</p> <p>⇒ ISO 13485 Quality Management System - Medical devices</p> <p>⇒ ISO 27001 Information Security Management System</p> <p>⇒ GSP Procedure</p>

DECREE AREA	PRINCIPAL POTENTIAL RISKS	CONTROL SYSTEMS AND TOOLS
 <p>Social aspects (cont.)</p>	<ul style="list-style-type: none"> ⇒ Inadequate management of information systems and information security ⇒ Inadequate collection, storage and processing of personal data ⇒ Failure to respond to changes in customer preferences and failure to appreciate new trends 	<ul style="list-style-type: none"> ⇒ User manual and Service manual ⇒ Data protection statement for the Technogym website and Mywellness' account ⇒ Information Security Policy ⇒ Policy on the "Use of email, Internet, company digital tools and remote computer controls" ⇒ Lead Generation Policy ⇒ Global Data Protection Policy ⇒ Retention and Cancellation policy for Mywellness' cloud
 <p>Aspects relevant to personnel</p>	<ul style="list-style-type: none"> ⇒ Discrimination against employees ⇒ Loss of key skills for implementing the strategy 	<ul style="list-style-type: none"> ⇒ Code of Ethics ⇒ Occupational Health and Safety Management System ISO 45001 ⇒ Global Team Development (GTD) Manual
 <p>Respect for human rights</p>	<ul style="list-style-type: none"> ⇒ Inadequate working conditions, for example cases of child labour, insalubrity of working environment, possible discrimination against personal health and safety, lack of freedom of association and collective bargaining 	<ul style="list-style-type: none"> ⇒ Code of Ethics ⇒ 231 Management Model ⇒ Occupational Health and Safety Management System ISO 45001 ⇒ Contractual clauses for acknowledgement and acceptance of the Code of Ethics and 231 Management Model ⇒ Supplier assessment checklist
 <p>Anti-corruption</p>	<ul style="list-style-type: none"> ⇒ Inadequate negotiation, stipulation and execution of contracts for the sale of goods and services to private individuals ⇒ Inadequate selection, negotiation and stipulation of agreements with partners (traders and distributors) and suppliers ⇒ Inadequate management of economic and financial transactions ⇒ Inadequate management of relations with directors, employees or third parties involved in legal proceedings 	<ul style="list-style-type: none"> ⇒ Code of Ethics ⇒ 231 Management Model ⇒ Technogym Vision Book ⇒ Integrated Management System and related procedures for the rating, qualification and selection of suppliers, management of procurement and suppliers

With regard to social aspects, product development is controlled by the GSP process, whereas the standards applicable to process management are those for which the company has been certified, starting with the benchmark quality standards, ISO 9001 and ISO 13485. Technogym also works with its scientific partners to guarantee the benefits of machines used to support rehabilitation programmes.

As far as environmental issues are concerned, the main areas of potential risk relate to the Group's production operations, as the plant in Cesena only assembles components produced by suppliers. Both plants are controlled by a certified ISO 14001 Environment Management System.

With regard to human rights aspects, there are no significant risks, given the type of company. Regarding the supply chain, 73% of suppliers are based in Italy, ensuring compliance with current legislation. Moreover, as Technogym has adopted a structured supply chain assessment process, on-site audits and checks¹⁹ are carried out to ensure continuous monitoring.

¹⁹.
See Chapter 8 "The supply chain" for more details.

SYSTEMS FOR THE MANAGEMENT OF COMPANY ACTIVITIES

[Art. 3 para. 1(a), Italian Legislative Decree 254/16 – Management Model]

Technogym considers that certified management systems are vitally important in supporting the manufacture of outstanding products and services, which are designed to achieve full, unconditional customer satisfaction that fully respect people and the environment, with a view to continuous improvement.

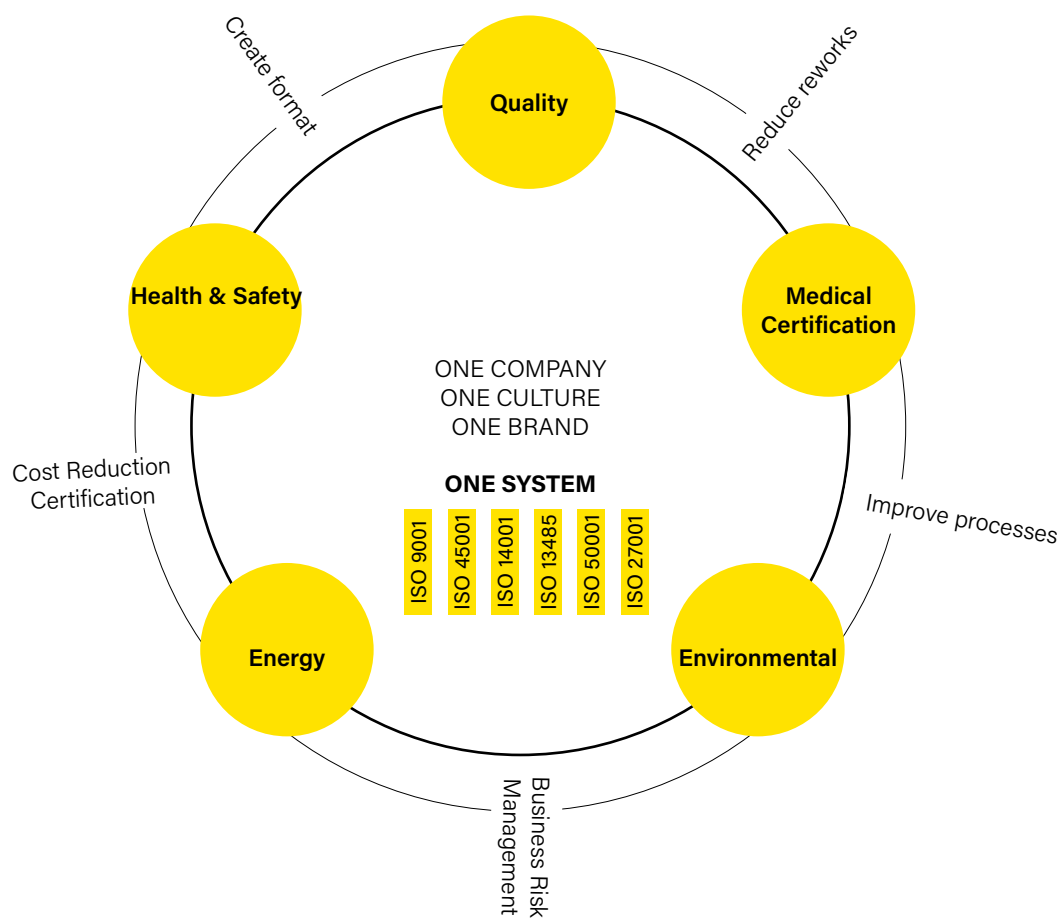
ISO 9001 quality certification was first obtained for the Italian plant in the year 2000. ISO 14001 environmental certification followed in 2003, with OHSAS 18001 health and safety certification in 2006, transitioning to the new ISO 45001 standard in 2018.

Driven by the constant desire to improve efficiency and standardise its processes, the Group launched a project to integrate its management systems in the second half of 2017. This was completed in 2018, resulting in the Integrated Management System, named the Total Wellness Management System.

The project has improved the standardisation of processes and the procedural system that governs these processes, with efficiency gains in terms of economic resources and the commitment of staff who are personally involved in these processes.

Specifically, the system includes the following management systems certifications: Quality (ISO 9001:2015), Medical Devices (ISO 13485:2016); the Environment (ISO 14001:2015); Energy (ISO 50001) and Occupational Health and Safety (ISO 45001:2018) relative to aspects of design, production, installation and servicing of wellness and functional rehabilitation equipment for Technogym S.p.A. and Technogym Eastern Europe.

In addition, ISO 27001 certification relating to the Information Security Management System was also obtained, with Mywellness as the sphere of application. For more information, see the chapter, "Customer focus".



With the new Integrated Management System, Technogym has reviewed the integrated policy which sets out the guidelines of the Group regarding quality, health and safety, environment and energy. This is a commitment to pursue sustainability by first evaluating all risks, then eliminating them and converting them into opportunities.







WELLNESS FOR THE COMMUNITY

Wellness for the community

[Art. 3 para. 1, Italian Legislative Decree 254/16 – Social issues]

4.1

THE BENEFITS OF WELLNESS

In 2006, for the first time in human history the World Health Organisation announced that the number of obese people in the world now exceeds the number of malnourished people.

Wellness® is a social opportunity for all: for governments to cut their healthcare bills, for companies to benefit from employing more creative, more productive workers, and for ordinary people, to improve their lifestyles and health. This was the idea behind the Wellness Foundation, the non-profit organisation created in 2003 by Nerio Alessandri, with the goal of sharing his twenty years' experience in the fitness, wellness and health sector to create a more sustainable society by promoting wellness and a healthy lifestyle.

Internationally, thanks to the commitment of Nerio Alessandri and the Wellness Foundation, Wellness® became a topic of debate at the World Economic Forum in Davos, and was also the subject of a United Nations event in New York.

Within the Romagna region, where the Wellness Foundation is located, it launched the Wellness Valley project, which aims to create the first wellness district in the world, capitalising on the natural DNA of the Romagna region and on wellness as an economic (tourism, food, technology) and social (health and prevention) opportunity for the area.

Thanks to its commitment to research and development and to promoting the wellness culture through educational and instructional activities, Technogym contributes to achieving **Goal 3 "Health and Wellbeing"**; moreover, the innovation it applies to the technologies it uses helps to improve the quality of life and the wellbeing of the community and the planet, both of which are crucial for achieving **Goal 11 "Sustainable cities and communities"**.

4.2

PROMOTING THE WELLNESS CULTURE

For many years, Technogym has supported a number of cultural activities and campaigns to promote wellness as a social opportunity and to encourage regular physical exercise in partnership with numerous national professional associations (ANIF in Italy, UK Active, NL Actief, Fitness Australia, etc.) with an overall investment of around €100,000 in support of many national initiatives. At supranational level, Technogym has for years been the reference partner of European industry association EuropeActive (which it supports with an investment of around €70,000) and of IHRSA, an association of fitness clubs based in the US and operating globally, with an investment of USD 25,000. Moreover, the company makes its own contribution to international economic events, such as the World Economic Forum in Davos. In this context, Chairperson Nerio Alessandri is one of the promoters of the working group dedicated to issues of health and quality of life.

During 2022, Technogym participated in numerous trade fairs and industry events around the world, which once again took place in person after the pandemic. At the same time, the company organised numerous online events and seminars, along with the physical events, so that it could continue its activities of disseminating cultural and scientific information and maintain contact with its customers and stakeholders.

Known worldwide as "The Wellness Company", the Group's business model is teamed with a strong sense of social responsibility focused on the idea of exercise as medicine, and on promoting the Wellness lifestyle as an important social opportunity for governments, businesses and the public.

NATIONAL AND INTERNATIONAL INITIATIVES

Exercise is Medicine Initiative

The historical partnership between Technogym and the American College of Sports Medicine continues. Technogym is the main partner (with a contribution of €70,000) in the "Exercise is Medicine" initiative, which aims to promote globally the role of regular physical exercise as a real medicine for many diseases. There is now a large body of scientific evidence on the therapeutic benefits of exercise in the treatment of many metabolic and chronic diseases such as diabetes and hypertension.

Global Health & Fitness Alliance Partnership

Within the framework of its historic partnership with IHRSA – the global industry association of fitness clubs based in the United States and active globally – in 2022, Technogym teamed up with Global Health & Fitness Alliance, as the main partner (with a financial contribution of USD 25,000). The Alliance's objective is to promote the role and impact of the wellness sector on people's health and to call for the introduction of measures that support and encourage the greater promotion of regular physical exercise.

Sponsorship of the "Europe Active" Annual Publication

For some years, Technogym has been a sponsor (with a contribution of €30,000) of the annual publication of Europe Active, a European professional association, which has a dual objective: on the one hand, to raise awareness among Institutions of the impact of the wellness and fitness sector in terms of better health and wellbeing of people and, on the other, to create culture and training for industry operators and managers. The 2022 publication, "Horizon 2030", focused on the future of the sector and the new opportunities provided by digital technology.

In complete synergy with the strategic objective of promoting wellness globally, many years ago Nerio Alessandri launched the Wellness Valley project in Romagna, promoted by the Wellness Foundation and supported by Technogym. Its aim was to create a centre for wellness in Romagna, with a view to improving the quality of life of its citizens, building on the economic, intellectual and cultural capital of the region, which is already predisposed to living well.

In support of the initiative, Technogym granted access to its expertise and teams, and organised practical activities as well as meetings and thematic discussions to facilitate networking among all the stakeholders in the area. Thanks to a multi-stakeholder approach, the Wellness Valley project involves more than 250 public and private organisations from the local area: public institutions, doctors, schools, universities, businesses, hospitals, gyms, sports clubs, hotels, spas and industry bodies.

INITIATIVES IN THE WELLNESS VALLEY REGION

The promotion of wellness as a social and economic opportunity for Romagna, and Cesena in particular, is a priority in Technogym's social responsibility strategy. This priority is put in place through a programme of dedicated activities and initiatives involving Technogym, the main promoter and supporter in the wider context of the Wellness Valley project.

In the fields of **education and training**, Technogym makes its expertise and tangible economic investments available to a whole host of local entities, to disseminate the culture of a wellness lifestyle in various sectors.

The publication of the Fourth Wellness Valley Report, by the Observatory for the Study of Wellness Valley, is planned for January 2023²⁰. The Observatory for the Study and Analysis of Wellness Valley is an independent body set up under the Memorandum of Understanding between the Emilia-Romagna region, the Wellness Foundation and the University of Bologna. Its aim is to measure and report on the social, environmental, economic and cultural impact of the actions and projects undertaken to promote healthy lifestyles.

New Memorandum of Understanding

In April 2022, Nerio Alessandri, Chairman of the Wellness Foundation, Stefano Bonaccini, President of the Emilia-Romagna region, and Giovanni Molari, Rector of the University of Bologna, signed a new Memorandum of Understanding to promote healthy lifestyles in the region.

Working groups of the Observatory for the Study and Analysis of Wellness Valley, an independent body that aims to measure and report the effects of projects under way, also continued their work. Established in 2018, the Observatory comprises multidisciplinary skills: health economics, epidemiology, tourism and event economics, statistics, sociology, sports management and technology development. The group has produced the fourth issue of the Wellness Valley Report, which will be presented in early February 2023.

Donation of a top-of-the-range gym to the PRIME Centre of the Oncology Institute of Romagna

In 2021, Technogym donated a latest-generation complete gym to the PRIME Centre of the Istituto Oncologico Romagnolo (Oncology Institute of Romagna), the innovative centre of integrated medicine for cancer patients in Cesena. The key role of regular physical exercise is now recognised, not only as a tool to prevent the most common tumours, but also as an ally of cancer fighting treatments, which can reduce their side effects and improve patient quality of life.

PRIME desires to be a real centre of excellence thanks to its collaboration with the best specialists, via the Oncology Institute of Romagna's close relationships with IRST of Meldola and by having a partner such as Technogym, which is able to implement the most innovative technology for physical exercise, the result of years of research and experience worldwide.

²⁰.
The Report will be available on the Wellness Foundation's website: [Wellness Valley - Wellness Foundation](#).

Technogym's collaboration in the PRIME project includes not only the donation of cutting-edge equipment for exercise therapy, but will also provide, thanks to its digital platform and the professionals used by the company, support for research into measuring the effects on patients of physical activity, in order to create new scientifically validated treatment protocols.

Training GPs on how to use physical exercise as therapy

Since 2009, Technogym has actively participated globally - as a founding member together with the American College of Sports Medicine of the international non-profit association Exercise is Medicine - in prescribing physical exercise to prevent and treat common chronic diseases, supporting scientific findings that emerged decades ago.

As well as having helped to make the medical prescription of physical exercise to prevent and treat the major chronic illnesses part of the healthcare system of the regional government of Emilia-Romagna since 2014, in 2016 Technogym entered into a partnership agreement with the Forlì-Cesena Order of Surgeons and Dentists, which was subsequently extended to the entire region, as part of which Technogym hosts an annual "Exercise and Therapy Training Course" at its Wellness Campus exclusively for medicine and surgery graduates specialising in general practice.

Besides providing expertise free of charge, trainers and the Technogym Village with all its teaching and sports' facilities, Technogym pays all the costs of this training programme, that also includes education on healthy eating.

At the same time, Technogym's exercise therapy experts attend a working group, set up by the regional government of Emilia-Romagna to define specific training protocols for various chronic illnesses that require prescriptions from the regional health service.

Thanks to this specific programme of education about the wellness lifestyle, 100 young doctors were also trained in 2022, contributing to the promotion of the culture of prevention with the correct lifestyles in Romagna and in Wellness Valley. In this regard, the latest Wellness Valley Report showed that Romagna's doctors prescribe physical exercise 30% more than the Italian national average.

The "Wellness Lifestyle and Exercise is Medicine" training activities for future pharmacists studying for a master's degree in pharmacy at the Rimini Campus of the University of Bologna, which had started in 2021, also continued in 2022.

Wellness University - the Multi-Campus of Wellness Valley

The training programme of the University of Bologna, strategic partner of the Wellness Valley area, with the campuses of Cesena, Forlì, Ravenna and Rimini, continues to be expanded with new international undergraduate degree and master's courses related to the areas of quality of life, health and wellbeing. The high concentration of wellness studies makes the multi-campus of Wellness Valley a major hub of specialist studies: today 61.7% of degree courses and 87.5% of master's courses are on wellness and quality of life. There are over 11,500 students involved in wellness lifestyle studies, with dedicated degree and master's courses in motor sciences, health and biotechnology, tourism, economics, town planning and food sciences. The number has risen by 11% compared with 2017, and a large proportion of young people are from outside the region (39.7% for degree courses and 60.8% for master's courses). In the university environment, two new gyms were opened in 2022: the Alma Gym Cesena and the Alma Gym Forlì, a unique blend of functionality, innovation and professionalism. These gyms are unique spaces open to the university community and to local residents. Students on the degree course in Exercise and Sports Sciences can also practise there.

Wellness Cities – spaces devoted to physical activity and wellbeing are growing

The culture of wellness has now become central not only to the wellbeing of individuals but also for the area. This awareness has given rise to innovative urban redevelopment and regeneration projects in Romagna's towns, with the aim of creating new spaces and infrastructure dedicated to sport and quality of life. A stand-out example is the Parco del Mare (Sea Park) in Rimini. This environmental and services infrastructure dedicated to wellbeing and outdoor physical exercise has completely revitalised the town's seafront, allowing both tourists and locals to work out with innovative Technogym equipment in the largest open-air gym in the Mediterranean region.

Sports tourism

Over the years, more and more operators in Wellness Valley have specialised in providing wellness services, qualifying the area to be known as a destination of choice for active and sports tourism. In 2022, after two years of planning, the first bike hub in the Emilia-Romagna region, the Valle del Savio Bike Hub, was opened in the heart of Romagna. A project to enhance routes and initiatives for cycling tourism and slow tourism, financed by the Emilia-Romagna region, it also saw the contribution of the Wellness Foundation and Technogym, alongside the Union of Municipalities of the Valle del Savio. The project was honoured with the Italian Green Road Award in 2022.

The wellness culture and the promotion of exercise and sport has made the area in Romagna a reference point for sports enthusiasts. Today Wellness Valley hosts an extensive calendar of sporting events from March to November, bringing new prosperity to the tourism industry and helping to consolidate the culture of sport among the population. In 2022, the ten main sporting events attracted over 500,000 attendances, generating an economic impact of over €63 million.

Piedibus

Piedibus is an educational project for an active lifestyle encouraging children to walk to school. The project centres around primary school pupils in the Cesena area, who walk the last kilometre of their journey to school, accompanied by volunteer parents, along specific, protected routes, creating a healthy habit of movement among the children.

The Piedibus project, launched in 2019 in the municipality of Cesena, continued to operate during the school year 2021-2022. Technogym's support ensured that 379 children, accompanied by 172 volunteers, were safe while walking along the 20 routes around the town, and provided reflective vests for each of them.

Alzheimer's Marathon and Diabetes Marathon

The sporting event as an opportunity to raise awareness of disease by promoting prevention and raising funds for research and support for sick people and their families. This is the philosophy behind Alzheimer's Marathon and Diabetes Marathon, the two marathon events held in the Wellness Valley, with the direct involvement of Technogym.

Both events combine the competitive race with a series of add-on initiatives to promote physical activity and science education to all the population. Over the years, real communities have formed, numbering thousands of people interested in taking part in these events, in order to share the commitment to prevention and give support to sick people and their families.

Technogym is a part of these communities, with a large number of staff from its headquarters taking part in the events, as well as direct donations to the Maratona Alzheimer Association and the Romagna Diabetes Onlus Association, totalling around €11,000.

In 2022, the “Diabetes Marathon” returned in its original format, with 2,500 people registered for the competitive race and [xxx people] taking part in the non-competitive walk and race.

The Alzheimer’s Marathon, a traditional sporting event on the calendar, was held again, with the starting point in Cesena and the finishing point at the Parco del Levante in Cesenatico. The 2022 event involved 4,500 people in the Half Marathon and saw significant participation in the Great March, which mobilized a large number of people along the 16-km non-competitive route to spread the message of solidarity and awareness of the disease.

Technogym supported the staging of the event and the production of information material on healthy lifestyles, which was distributed in the main squares of Romagna.

“Wellness Week”

2022 saw the return of “Wellness Week”, the week dedicated to movement and healthy lifestyles, promoted by Wellness Foundation and the Emilia-Romagna region. The week was sponsored by the University of Bologna and staged in collaboration with the public and private stakeholders of the Wellness Valley project. Wellness Week featured the gyms in the region as spaces to promote health, with a full calendar of events dedicated to sport, fitness and the culture of movement for all sections of the population. The 2022 event saw the participation of 25 municipalities, 70+ events organisers, 200+ free activities on offer, 90 open days at fitness and wellness centres and 1,000+ hours of wellness activities.

“Cesena in Wellness”

In 2014, the amateur sports association Time To Move organised “Cesena in Wellness”, a three-day event, held in September, bringing together a good number of sports centres, fitness clubs and wellness centres in the Cesena area. The result is a calendar of numerous physical activities for all ages and skill levels. The aim of “Cesena in Wellness” is to create another opportunity to champion wellness and an active lifestyle among the population outdoors, in a welcoming, relaxed environment.

Thousands of people from Cesena and the surrounding area took this chance to try out different sports and engage in physical activity, learning about the benefits for their health.

As main sponsor of the event, Technogym plays a key role, not only in making a financial commitment, but also in providing equipment for the different activity areas and qualified expertise for the information sessions.

“Let’s Move for a Better World - Kids”, the childhood obesity prevention campaign, was also held in 2022. The initiative, which involved 300 children aged 3-10 in a special circuit, was created to introduce the new generations and their families to sport, by inviting them to try out the various sports disciplines and reminding them of the value of movement for healthy and balanced growth.

Romagna Initiative

With a view to helping the local area and community, adopting a “team spirit”, Technogym was one of the founding members of Romagna Initiative in 1996. This consortium of companies based in Romagna, aims to endorse sport and culture in the area, with a considerable focus on activities that affect younger generations.

Through an annual sum of €26,000 paid to the Consortium, Technogym makes a considerable contribution each year to supporting over 60 initiatives, ranging from associations, to sports and cultural events, benefiting over 10,000 young people.

Wellness Valley at Expo Dubai

At Expo Dubai, during the “Health and Wellness Week”, Wellness Valley was presented as an example of an efficient and sustainable ecosystem that promotes health and quality of life for people. The presentation, backed by the Emilia-Romagna region, was held at the Italy Pavilion at Expo Dubai on 28-29 January 2022. The two-day programme was organised in collaboration with University of Modena, Alma Mater Studiorum of the University of Bologna (Reggio Emilia), University of Ferrara, University of Parma, ART-ER and Clust-ER Health (health and wellness industries cluster of Emilia Romagna). The latter, under the title “Personalised medicine: new tools and policies for prevention, diagnostics and therapy”, presented the new therapeutic approaches to combat diseases, safeguarding well-being and quality of life.



Exercise is Medicine





A sedentary lifestyle, unhealthy eating, smoking and stress: the problem of poor lifestyles and their economic, social and health consequences has now reached the proportions of an epidemic affecting the whole world, which urgently requires new strategies to be adopted.

According to World Health Organisation figures, chronic diseases associated with poor lifestyles, known as “non-communicable diseases” are the highest cause of premature death in the world and, since 2008, the number of overweight people has exceeded the number of malnourished people. Chronic non-communicable diseases (NCDs) cause 41 million deaths every year, or 71% of deaths globally; 15 million of these deaths are premature and occur between the ages of 30 and 69, and over 1.6 million are solely due to insufficient physical activity.

There is a vast body of evidence on the effects of regular physical exercise on people’s health and quality of life, which is well supported by the scientific literature.

The major scientific organisations state that 150 minutes of moderate-intensity physical exercise per week is the minimum volume recommended for the whole population to prevent the main chronic diseases. From the wealth of evidence on the

benefits of physical exercise in the literature, we report the results of some of the studies published in prestigious scientific journals:

- › It reduces the risk and delays progression towards dementia and Alzheimer’s disease by 47%;
- › It significantly reduces mortality associated with cardiovascular diseases;
- › It reduces the risk of diabetes in people at high risk of developing the disease by 58%;
- › It reduces fractures brought on by osteoporosis issues by 48%;
- › It reduces anxiety (48%) and improves depressive states (30%);
- › Epidemiological studies have shown that the volume of physical activity is inversely related to the risk of developing the most common forms of cancer (breast, colon, prostate and lung);
- › In individuals who have already developed tumours, there is solid evidence that shows that physical activity can increase life expectancy and reduce the risk of a relapse.

The scientific literature also demonstrates how structured physical exercise generally offers greater benefits than physical activity alone. Both aerobic exercise and strength training show positive effects in both the prevention and treatment of the main chronic diseases, while a combination of both types increases the effectiveness.

Technogym, which has for many years supported the role of physical activity as a medicine - by virtue of its research and its complete ecosystem of products and programmes - has been chosen as a partner in numerous institutional projects and initiatives relating to the promotion of physical exercise as a preventative tool and a genuine medicine for the treatment of many diseases.

For years, the company has been supporting numerous cultural and educational activities to promote wellness as a social opportunity and encourage regular physical exercise, in partnership with many national industry associations (ANIF in Italy, UK Active, NL Actief, Fitness Australia, etc.). In total, it has invested around €100,000 to support a host of national initiatives. At supranational level, Technogym has for years been the reference partner of European industry association EuropeActive (which it supports with an investment of around €70,000) and of IHRSA, an association of fitness clubs based in the US and operating globally, with an investment of USD 25,000. Moreover, the



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The main scientific organisations

THE CAMPAIGN'S SPECIFIC AIM IS TO INCLUDE "MOVEMENT", DEFINED AS STRUCTURED EXERCISE, IN THE MEDICAL PRESCRIPTION





company makes its own contribution to international economic events, such as the World Economic Forum in Davos. In this context, Chairperson Nerio Alessandri is one of the promoters of the working group dedicated to issues of health and quality of life.

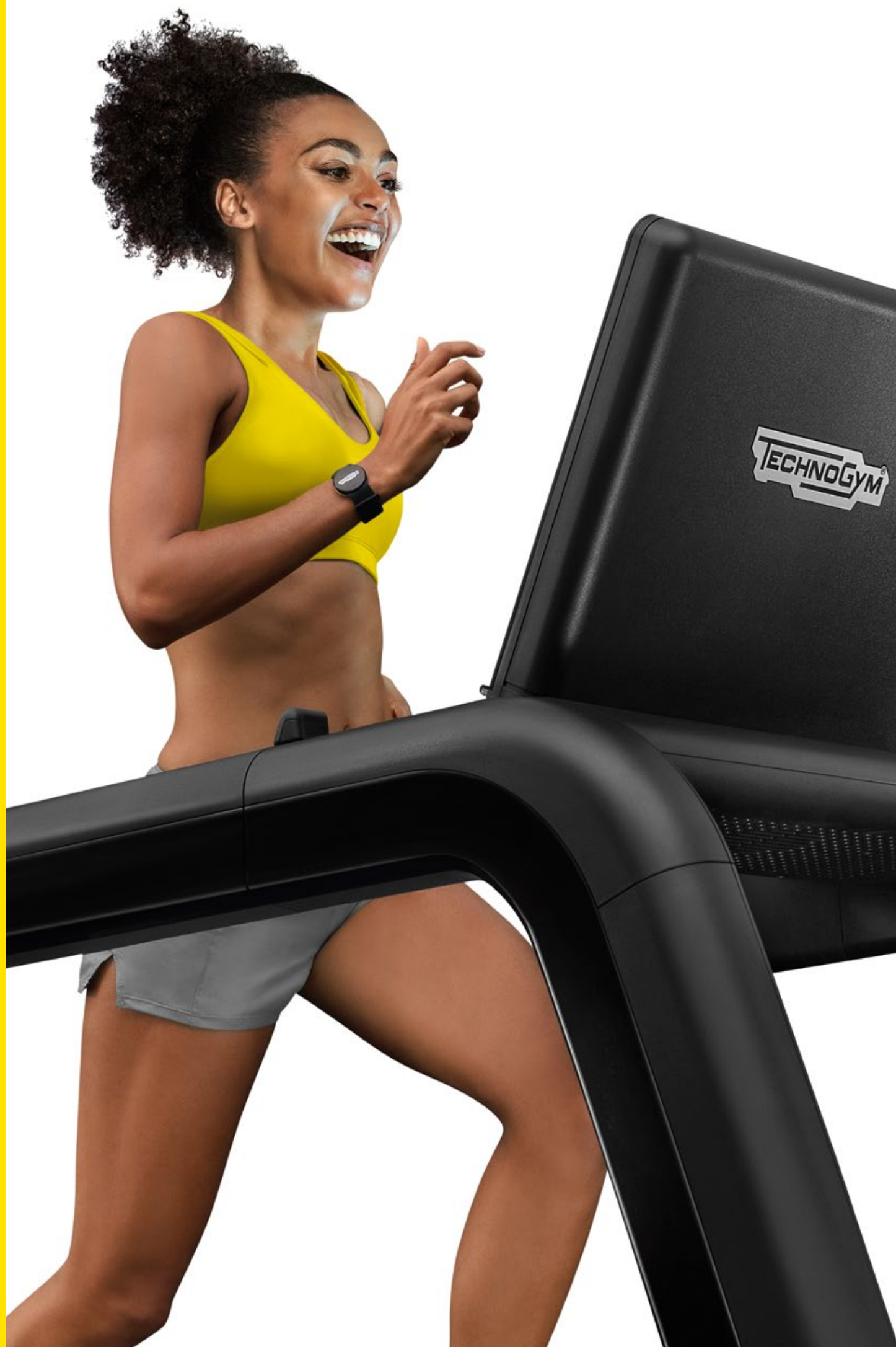
Turning more specifically to the “Exercise is Medicine” campaign, for eight years Technogym has been the partner in this great campaign, promoted by the American College of Sports Medicine and the American Medical Association, the two largest American associations in the field of physical exercise and health.

The American Medical Association is the official body of American doctors, the US equivalent of Italy's Ordine dei medici (Medical Council), whose aim is to define treatment standards, while the American College of Sports Medicine is the largest association of sports medicine in the world.

The campaign's specific aim is to include “movement”, defined as structured exercise, in the medical prescription: the quantity and quality of the physical activity undertaken by patients must be considered by their GP as a “clinical parameter” along with blood pressure, weight and glycaemia.

Researchers at the American College of Sports Medicine, together with Technogym, have developed a number of protocols for the treatment of numerous diseases, such as cardiovascular disease, obesity, type 2 diabetes and osteoporosis, via the administration of specific programmes of physical exercise, while the American Medical Association has made its training and information channels available to promote the prescribing of such treatment protocols among doctors.

**Let's Move
for a Better
World**





For over 35 years, Technogym has promoted physical activity and its benefits via the concept of wellness. In recent years, the company has been involved in the fight against inactivity and the ensuing damage, with its global campaign, *Let's Move for a Better World*.

36 years. No, this is not the age of the writer but the time we spend sitting down during our lives. Working at a desk, driving, exhausting times spent on the sofa: all this can be summed up in one word: inactivity.

For over 35 years, Technogym has promoted physical activity and its benefits via the concept of wellness. In recent years, the company has been involved in the fight against inactivity and the ensuing damage, with its global campaign, *Let's Move for a Better World*.

In the last 30 years, the global phenomenon of obesity has increased to staggering levels. Some figures may help us understand the extent of the problem. There are more people in the world today who are overweight or obese than those suffering

from malnutrition. This is true all over the world except for a few Sub-Saharan areas in Africa and Asia.

Along with the cultural and technological developments that have led us to where we are today, human beings have regressed in terms of physical activity. We are a far cry from our ancestors who ran and moved to live. If all goes well, we exercise at best a couple of times a week and often we don't do it well. The main cause of excess weight and obesity is the imbalance between calories consumed and calories burned.

The phenomenon is certainly very complex and, equally, the causes that generate it are intertwined. We can underline two macro-causes at global level: the increasing consumption of calorific foods that are high in fats, and the increase in activity due to sedentary jobs, modes of transport and growing urbanisation. Both conditions associated with excess weight involve risk, whether that be high or low, and there are numerous major repercussions on our health.

Owing to the characteristics of the problem and its spread, inactivity has become a "social scourge" and a high cost for society and governments: it not only has a severe negative impact in the form of direct costs for the health system, but also has a high indirect cost in terms of the increase in sick leave, incapacity for work and premature deaths.

It is estimated that for a population of 10 million people, of whom half are insufficiently active, the cost of inactivity is €910 million a year. Globesity is the epidemic of the 21st century - the "public enemy no. 1" that WHO seeks to eradicate. The Organisation's main recommendations are: at least 150 minutes of physical activity a week for adults and 60 minutes a day for children and young people.

Technogym has for a long time proposed physical activity as a means of prevention and a medicine for the health of the population. The response to a sedentary life is an active life, a life of wellness. Physical exercise is certainly the guiding force behind the wellness philosophy but it is more than that.

Let's Move for a Better World is the result of Technogym's 35-plus years' commitment to the promotion of wellness throughout the world. The campaign is an opportunity to create a more sustainable society based on personal health, and the education of the younger generations is a fundamental starting point for achieving the common goal.

TECHNOGYM HAS FOR A LONG TIME PROPOSED PHYSICAL ACTIVITY AS A MEANS OF PREVENTION AND A MEDICINE FOR THE HEALTH OF THE POPULATION. THE RESPONSE TO A SEDENTARY LIFE IS AN ACTIVE LIFE, A LIFE OF WELLNESS. PHYSICAL EXERCISE IS CERTAINLY THE GUIDING FORCE BEHIND THE WELLNESS PHILOSOPHY BUT IT IS MORE THAN THAT.



LET'S MOVE
FOR A BETTER WORLD

TECHNOGYM®



**LET'S MOVE FOR A BETTER WORLD,
TECHNOGYM'S SOCIAL CAMPAIGN
THAT HAS FOR MANY YEARS
INVOLVED FITNESS CLUBS FROM
ALL OVER THE WORLD**

Technogym



In 2014, in line with its mission, Technogym launched the global campaign *Let's Move for a Better World*. The aim of the initiative is to raise awareness among communities about inactivity and obesity, while promoting physical exercise as the ideal way of combating them. What's more, it does it in an engaging and fun way!

"Wellness" is a social opportunity for all: for governments to cut their healthcare bills, for companies to benefit from employing more creative, more productive workers, and for ordinary people, to improve their lifestyles and health. It is our wish and our hope that we continue to contribute to the promotion

of wellness, as the more people who adopt a wellness lifestyle the better the world will be. This philosophy is the social mission on which we base our daily commitment."

Nerio Alessandri,
CEO and Founder of Technogym

The Wellness Valley: from Romagna to the whole world





**WE PROMOTE A CULTURE
OF WELLBEING AND A
LIFESTYLE CENTRED ON
PEOPLE AND THEIR HEALTH
AND HAPPINESS**



Wellness Valley, the first place in the world dedicated to wellness expertise, is a visionary project founded in Romagna in 2003. The aim of the project was twofold: to invest in people's wellbeing and to create opportunities for economic growth. This is now a strategy that has been adopted worldwide.

Never has **health** been more at the centre of our minds and at the top of the global agenda. Keeping well and adopting a healthy lifestyle have become priorities for everyone, no matter where they live or how old they are. We now have first-hand experience of the need to keep our minds and bodies healthy so that we can face up to the most difficult challenges.

Technogym has been at the forefront of the health debate for more than 20 years because of its commitment to promoting a healthy lifestyle, based on three pillars: **regular physical activity, a healthy diet and a positive mental attitude**. Our mission is to help **create a more sustainable world and help people live well** by combating inactivity, which has long been recognised as the fourth-biggest killer in the world and a contributory factor to the most common chronic illnesses. To combat the inactivity epidemic, in 2018, the World Health Organisation published its first “Global Action Plan on Physical Activity”. As early as 15 years before this critical declaration, a project was launched in Romagna that seemed little more than a pipe dream but is now recognised the world over: **Wellness Valley**, an initiative of the Wellness Foundation, a non-profit organisation whose mission is to promote the benefits of a wellness lifestyle. Thanks to this visionary initiative, Romagna has established itself as the world’s leading area of expertise for wellbeing and quality of life, making use of local assets to create a system that goes well beyond merely promoting physical exercise.

Today, this initiative involves more than 250 public and private local stakeholders - individuals

primarily, but also businesses, institutions, communities, schools, universities and hospitality venues - that organise and promote programmes, projects and events to educate people on how a healthy lifestyle can prevent chronic illness. The results are tangible and constantly growing. Here are some key figures: **In Romagna, 55% of the population is active compared with the Italian average of 46%, and the percentage of inactive adults is 16% compared with 31% for the national average**. In 2014, Emilia-Romagna became the first region in Italy and one of the first in Europe to officially include the prescription of physical exercise within its healthcare system, and since 2015 it has organised the annual Wellness Week. In 2022, this event saw the participation of 25 municipalities, 70+ event organisers, 200+ free activities on offer, 90 open days offered by fitness and wellness centres, and 1,000+ hours of wellness activities, including dawn and dusk bicycle rides by the sea, in the countryside and through ancient villages; indoor training sessions; expert-led healthy lifestyle workshops, and free sports for children.

The culture of wellness has now become central not only to the wellbeing of individuals but also for the area. This awareness has given rise to innovative urban redevelopment and regeneration projects in Romagna’s towns, with the aim of creating new spaces and infrastructure dedicated to sport and quality of life. A stand-out example is the Parco del Mare (Sea Park) in Rimini. This environmental and services infrastructure dedicated to wellbeing and outdoor physical exercise has completely revitalised the town’s seafront, allowing both tourists and locals to work out with innovative Technogym equipment in the largest open-air gym in the Mediterranean region.

By leveraging its natural assets, Romagna has been able to create and attract many successful wellness events that have helped to enrich the local tourism sector. Today Wellness Valley offers an extensive calendar of sporting events from March to November, bringing new prosperity to the tourism industry and helping to consolidate the culture of sport among the population. In 2022, the ten main sporting events attracted over 500,000 attendances, generating an economic impact of over €63 million.

In this sense, the Wellness Valley is also a **cultural district**, an evolution of the concept of an industrial district first coined by the economist Alfred Marshall at the end of the 1800s as a benefit generated by concentrating small and medium-sized businesses in a small space.



**PEOPLE FIRST AND
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LIFE**

Nerio Alessandri, Founder of Wellness Valley and Chairperson of the
Wellness Foundation

OUR MISSION IS TO HELP CREATE A MORE SUSTAINABLE WORLD BY COMBATING INACTIVITY


A shift in focus has resulted in a shift from the industrial district to the cultural district, based on investment in research, knowledge-sharing, a long-term vision and sustainable actions. The promotion of a culture of wellbeing and a lifestyle centred on people and their health and happiness are at the core of this genuine wellness ecosystem. The success of Wellness Valley has made it a global case study: at the 2016 World Economic Forum in Davos, Wellness Valley was used in a study as an international benchmark for creating sustainable health systems. In 2017, the Wellness Foundation actively contributed to the implementation of the World Health Organization's Global Action Plan on Physical Activity 2018-2030, presenting the best practices of Wellness Valley at civil society hearings in Geneva and New York. As part of the Health and Wellness Week at Expo Dubai 2020, Wellness Valley was presented as an example of a regional ecosystem that focuses on the health and quality of life of people at the initiative, "La medicina personalizzata: nuovi strumenti e politiche per la prevenzione, la diagnostica e la terapia". ("Personalised medicine: new tools and policies for

prevention, diagnosis and therapy").

It is apparent that the Wellness Valley, as a social innovation project centred on people and their quality of life, is also a template for some of the United Nations' **Sustainable Development Goals** for 2030, particularly those relating to health and wellbeing, and the creation of sustainable cities and communities and partnerships to help achieve these goals. We can talk about sustainability because the benefits of the wellness lifestyle extend to the economy and to society as a whole, shifting the focus of healthcare systems from cure to prevention and helping to promote sustainable transport and thus the health of the environment as well as the people who live in it.







CUSTOMER FOCUS

5.1

THE WELLNESS EXPERIENCE

In line with its inspirational philosophy of wellness and its business offer of customised solutions, Technogym created the Technogym Village: the world's first wellness campus, conceived and designed to offer colleagues, customers, partners, institutions and the media a genuine wellness experience.

In addition to the production facility, the area dedicated to the Research and Innovation Centre and office space, there is the T-Wellness Centre, a large venue open to industry players from all over the world. It is a place for testing the latest products, participating in training activities and trying out the **Total Wellness Solution**. The T-Wellness Centre also includes a store open to the public, to purchase products for the home.

For Technogym, the wellness experience means satisfying a broad ecosystem of stakeholders through continually evolving dialogue, instruments and channels. The aim is to offer ever greater customisation and an overall improvement in the wellness experience for users, as well as new opportunities for fitness professionals to expand and retain their own customer base.

The distribution model includes four specific segments:

- › **Fitness and Wellness Clubs**
- › **Hospitality & Residential**
- › **HCP** (Health, Corporate & Performance)
- › **Home & Consumer**

The distribution of products, which follows an omni-channel approach, makes provision for four sales channels:

- › **field sales**, represented by Technogym sales personnel and sales agents;
- › **inside sales**, which includes telemarketing and online sales;
- › **retail**, represented by our seven directly-managed stores;
- › **wholesale**.

Field sales, Inside Sales and Retail are direct channels used by Technogym to reach end users and professionals directly, while the Wholesale channel is an indirect channel, through which end users and professionals are reached by exclusive distributors who can cover markets in which we have no direct outlet.

Digital innovation

Digital innovation is a fundamental part of Technogym's activities. Back in 1996, Technogym launched Wellness System, the world's first training management software. Today, Technogym's offer incorporates the Technogym Ecosystem, the only system of its kind in the world of fitness and wellness. It connects equipment based on an 'Internet of Things' approach, and incorporates a cloud platform that stores personalised data and training programmes for individual users, and a complete range of wellness apps for consumers and professionals. Currently it is possible to access the Technogym Ecosystem in around 85,000 centres around the world, in which each user can train with Technogym products.

Radical changes have also been made to the user experience: The Technogym Ecosystem is an open application that integrates Technogym products and services with the leading tracking apps and wearable devices, giving users a "Wellness on the go" experience anytime, anywhere: in the gym, at home, at work, outdoors, at the doctor's or while travelling. Each user has a personal account containing their personal data and training programmes. Exercise data can be accessed from various touch points: apps, websites or directly on Technogym equipment, thanks to the UNITY interface.

Technogym's Mywellness is the only platform in the sector to allow users to have a completely customised experience (training programmes, data and content) throughout their whole training course, both on the gym floor and during classes (cycling, rowing, based on heart rate, and much more) as well as during outdoor training.

Since its launch in 2012, the Mywellness platform has become a point of reference in the market in the field of connected wellness. Today, more than 23,000 wellness and fitness centres around the world can connect to the Technogym Mywellness digital platform, with over 21 million registered users.

In the first half of 2019, Technogym presented its CLUB 4.0 concept, that uses digital ecosystem technology to offer a wide variety of training experiences at fitness clubs, in different segments, dedicated to people with diverse passions, needs and goals. Thanks to a combination of innovative products, the Mywellness digital platform, training programmes, digital services and dedicated visual projects, Technogym can offer engaging, immersive and customised training experiences for each user.

Based on the "Wellness on the go" strategy, which developed a seamless and integrated digital ecosystem consisting of smart equipment, Mywellness and apps, offering a customised training experience, in 2020, Technogym presented Technogym Live, a platform bringing training experiences and group classes run by popular trainers to the home, the gym, hotels and workplaces.

Technogym BIKE is the first product to be integrated with the LIVE platform, enabling live or on-demand streaming of the best classes of the most important international fitness studios.

The Technogym LIVE platform is also a business opportunity for industry operators to offer their members training content and experiences from their club at home.

5.2

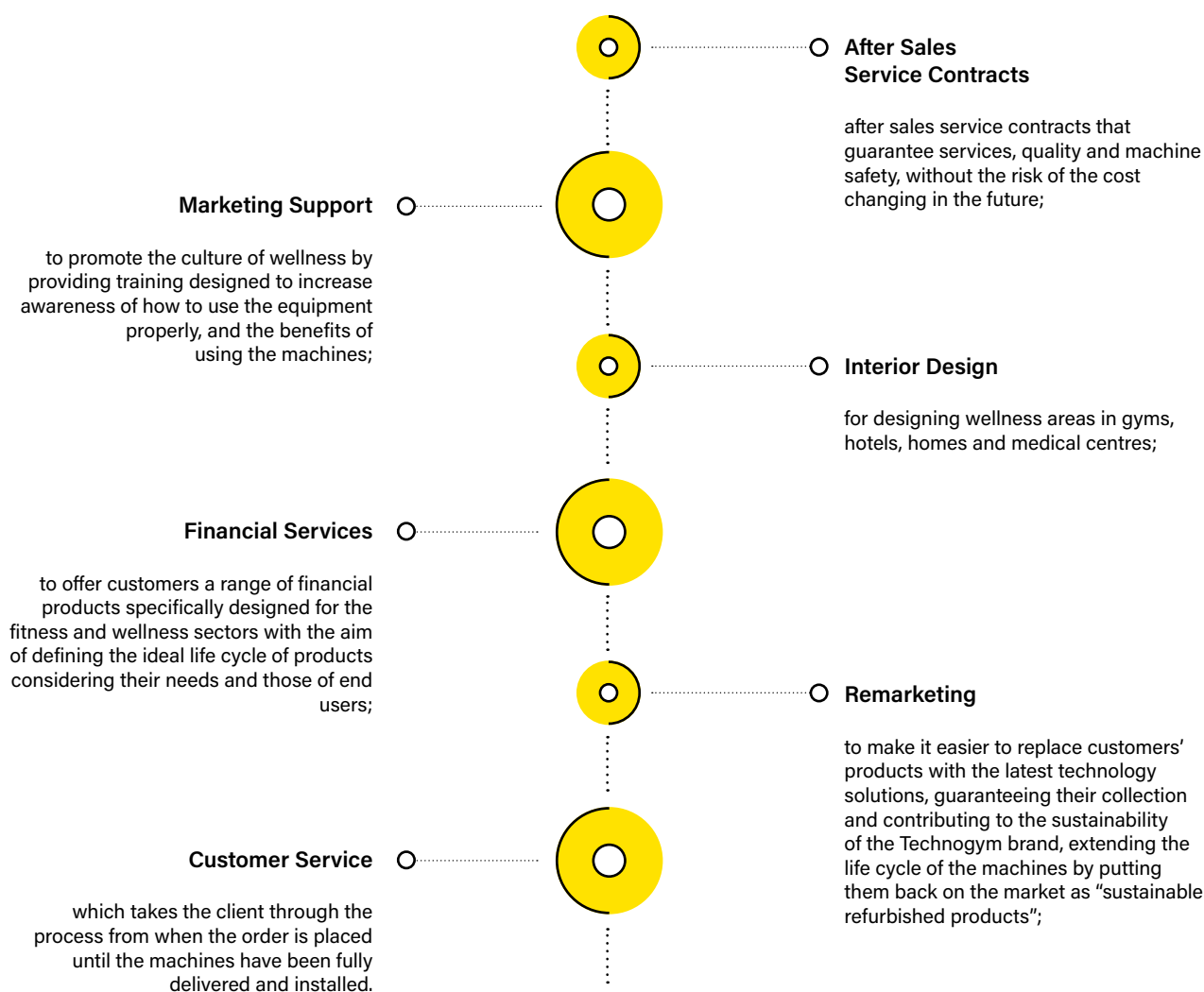
SUSTAINABLE CUSTOMER CARE

Effective, safe use of the machines does not just depend on their quality and condition when they leave the Technogym plant. The machines need to remain in perfect working order over time, which is why Technogym provides long-term customer care, offering a complete range of services.

Customer services

The Total Wellness Solution offers services and programmes to give fitness professionals a wide range of tools to support their business, which guarantee the satisfaction, loyalty and safety of end users over the long term.

Specifically, the Group offers:



Our ecosystem of services incorporates a multitude of commercial and financial tools that allow Technogym to support businesses with customised solutions, helping them to grow and sustain their business. With such an extensive range of products and services, Technogym can offer its customers a combination of hardware, software and services as a one-stop shop.

Information and training on the correct use of machines

[Art. 3 para. 1, Italian Legislative Decree 254/16 – Social issues; Art. 3 para. 2(c), Italian Legislative Decree 254/16 – Health and safety]

Technogym deals with the communications related to the sale and use of its machines, to ensure they are used efficiently and safely.

As part of the product development process, which involves every department of the company according to its area of expertise, the Scientific Research and Innovation Department writes the instruction books and manuals delivered with the machines, and collaborates with the Marketing department to produce the messages used in the advertising campaigns and content, to ensure that the information is accurate, rigorous and scientifically correct.

Technogym is directly involved in training, to ensure that the machines are used properly and give users the benefits for which they were designed. Training is offered to:

- › **Subsidiaries and Distributors**, some face-to-face training was resumed in 2022. Training hours totalled 15,565, of which 93% was delivered at subsidiaries and the remainder at headquarters. Also with regard to the Live Classes, most of the hours of training delivered were at branches (727.8 hours), with 682 hours run at headquarters. All content is also available in an online repository, accessible remotely by the whole of the sales network.
- › **Trainers**, who are guided on how to best use the machines in order to create the best possible experience for end users in terms of efficiency and safety. Around 35,000 training sessions were delivered worldwide in 2022, most of which were managed remotely via e-learning (64%). A 20% increase in enrolments on courses was recorded in 2022 compared with 2021 and confirmed the positive trend in the number of certified new trainers in the database (+24%).

End user health and safety [DMA 416]

The After Sales service, which is managed by the Subsidiaries Operations & Services Division, is based on modular service contracts aimed at ensuring the safe, efficient functioning of all machines throughout the life of the contract.

The service contract is fundamentally important, as it ensures a guarantee of product quality, safety and reliability throughout the product's life cycle.

This is why Technogym offers service packages:

- › **Preventive maintenance visits**, carried out once or twice a year;
- › **Ordinary maintenance** which is done as necessary;
- › **Extraordinary maintenance** in the form of campaigns to prevent malfunctioning.

The Group provides maintenance through its authorised service providers, who are contracted and managed by the local Technogym subsidiaries, some of whom have in-house technicians.

In 2022, there were 253 service providers, 62% of whom were single customers (down from 67% in 2021), 36% were companies with a workforce of up to 10 staff, and the remaining 1% were businesses with more than 10 employees.

CONTROL

TOOLS

→ GSP Procedure

CONTROL

TOOLS

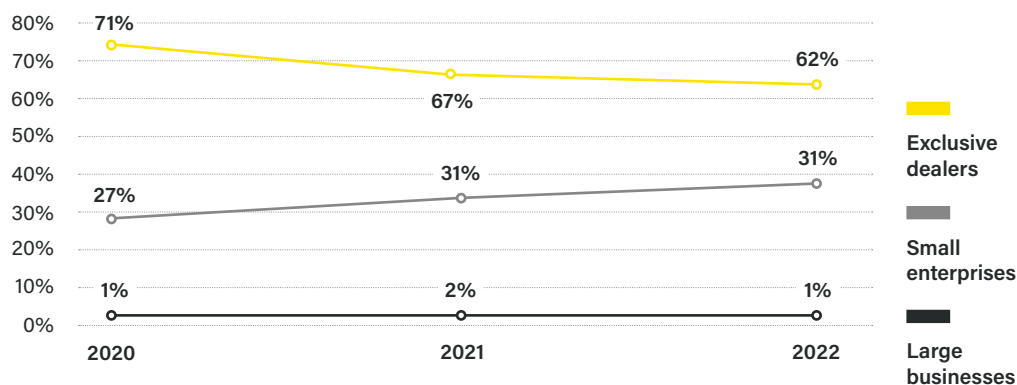
→ User manual

→ Service manual



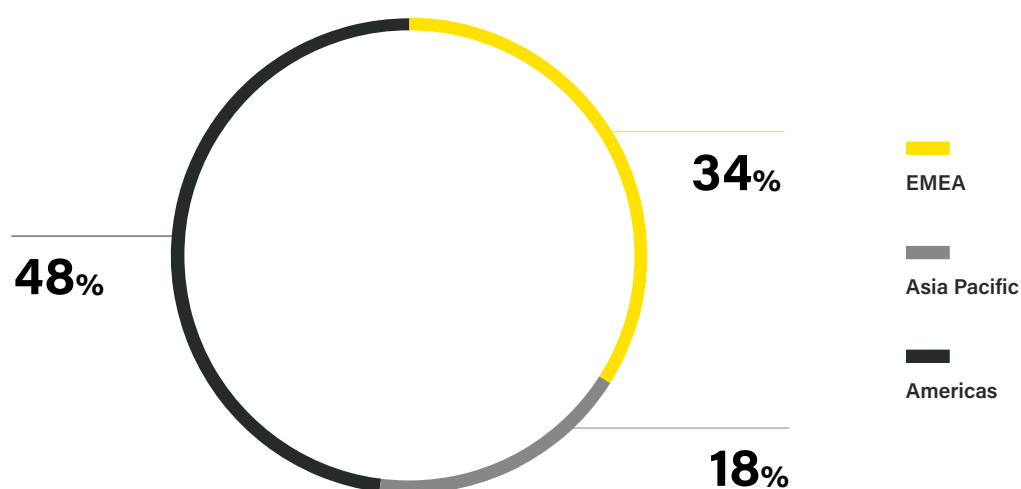


Service providers by company size



At global level, distribution for 2022 did not change dramatically, with 48% in the Americas, 34% in the EMEA region and 18% in Asia Pacific.

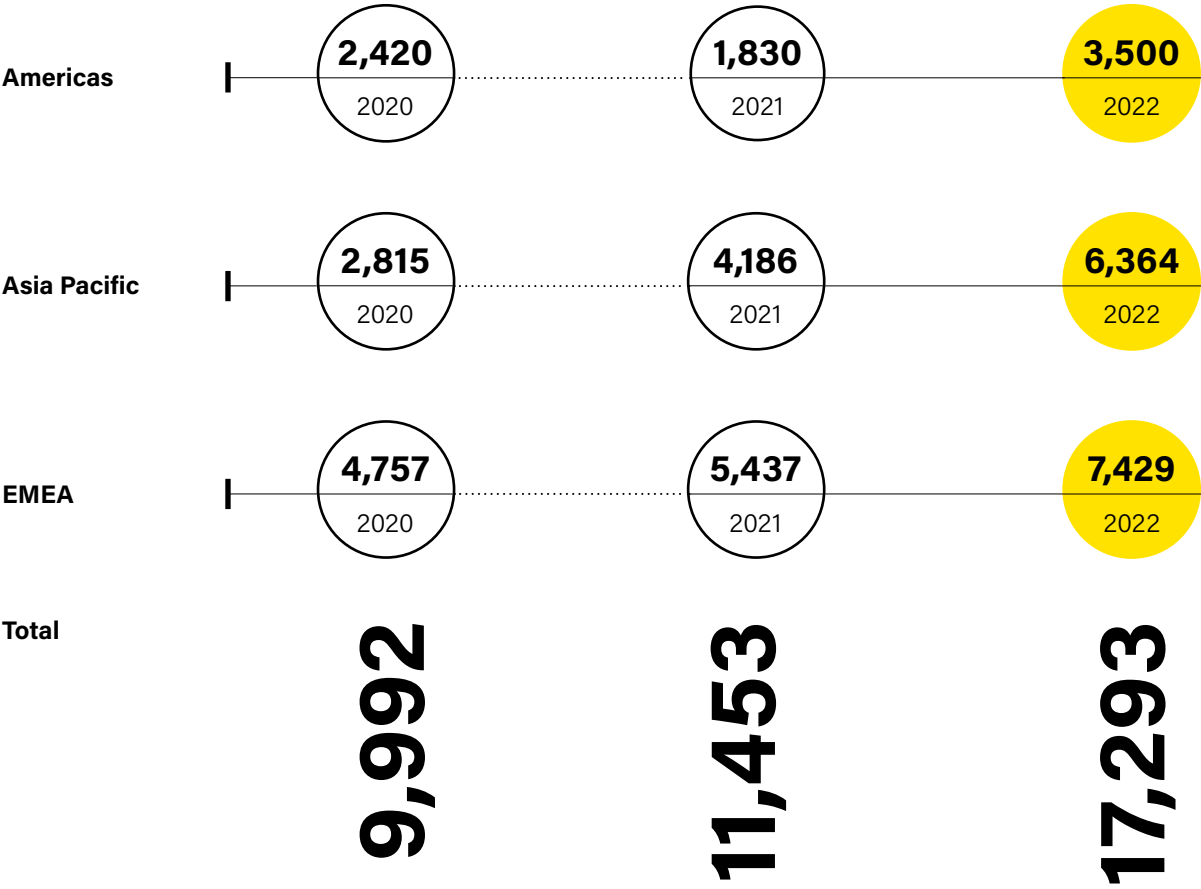
Service providers by geographical area



The service contract can be activated on all machines sold through the Group's subsidiaries; for machines sold through distributors, the network of support services is organised by the distributors themselves.

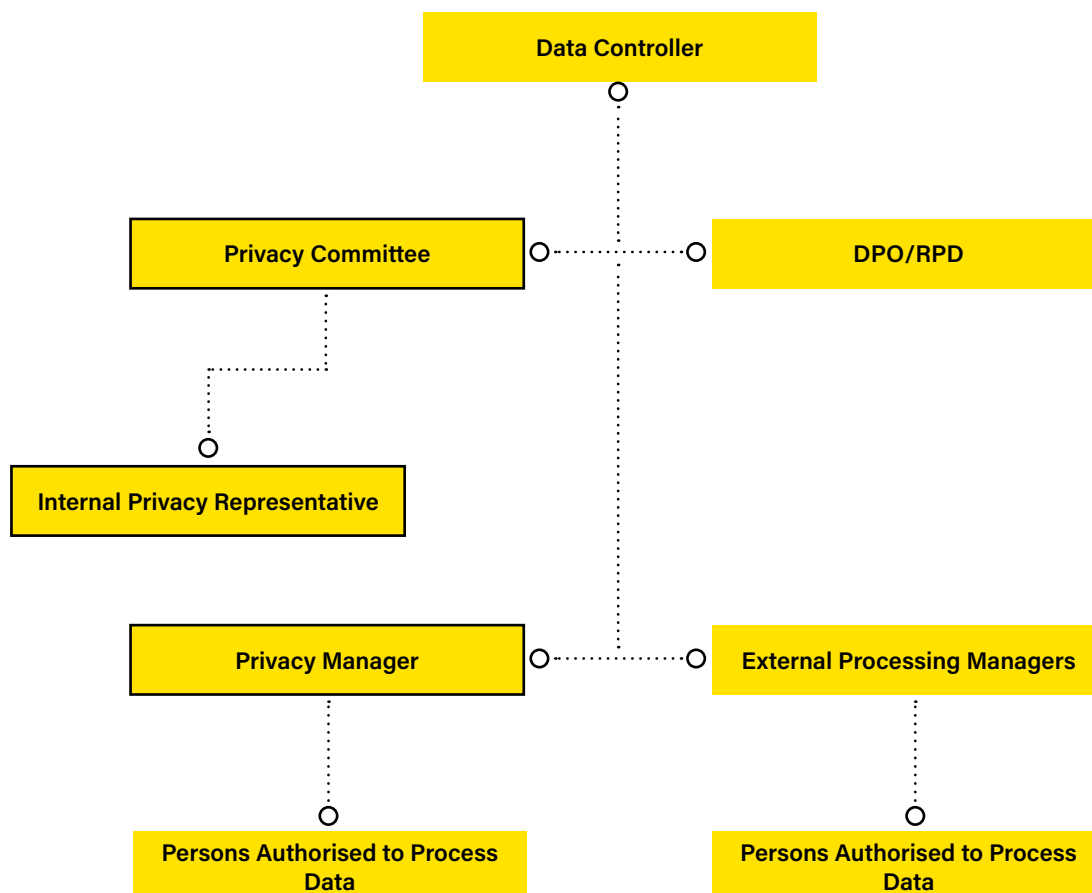
Technogym provides **training opportunities for service providers**, giving them the operational tools and fundamental concepts they need to ensure the conformity and safety of products at all times. As evidence of the Group's commitment, almost **17,300** training hours were delivered in 2022. This number was made possible by implementing streaming delivery for the main product lines. ISO 21001:2018 certification for the training process was obtained in 2020, which is testament to the company's training infrastructure.

Total number of training hours delivered, per service provider, per geographical area



MANAGEMENT OF DATA

On 7 March 2022, the BoD of Technogym defined the new privacy governance structure, which is shown more clearly in the image below.



The following roles were introduced in the new structure:

- a. The **Privacy Committee**, which has tasks of managing and coordinating privacy activities and performance, while at the same time providing an integrated approach and constant monitoring of new projects. The Committee is made up of Privacy Managers identified on the basis of risk assessments of the processing carried out in their area of competence (Digital, IT, Security, Marketing etc.), together with an Internal Privacy Representative, the Internal Audit Manager and the DPO;
- b. **Privacy Managers**, i.e. those whose tasks, within their mutual functional areas, are to ensure compliance with regulatory and legislative provisions, check that the rules identified by the company are correctly followed, and report any critical issues to the Internal Privacy Representative or the DPO, requesting their support in all cases deemed necessary. Privacy Managers are identified from each department/functional area. Depending on the size of the individual departments and/or level of risk associated with the personal data processing they carry out, there may be more than one Privacy Manager per functional area.
- c. **Internal Privacy Representatives**, on the other hand, are the first point of call for all privacy requirements and are identified within the following areas: Digital, Security, IT and Legal.

The purpose of the new structure is to ensure more scrupulous monitoring of privacy aspects within the company.

The organisational structure described above has therefore been strengthened to best assist the company, particularly in light of the processes relating to two important and sensitive areas of personal data processing, namely: (a) Mywellness Platform and (b) Customer Data Platform.

a. Mywellness Platform.

Mywellness Platform is the tool via which Technogym runs “Wellness on the go”, introduced in previous years and now enhanced with latest-generation AI-based precision training systems.

As in the past, the service offers end users not only the possibility of having their own personal training data available and to connect to Technogym® products at any time and anywhere, but also to have a virtual coach on their mobile device for both indoor and outdoor training.

The same platform then enables professional operators to access the data of registered users and to use the professional applications connected to Technogym® machines to offer increasingly advanced and user-centric services.

In this context, Technogym continues to innovate, having already developed new applications for both fitness operators and corporates, by which is meant companies that do not operate in the fitness sector but which want to offer their employees a programme of starting and maintaining physical activity to help them get into good physical shape, which is also important in the workplace.

More generally, all the applications used on Mywellness Platform that aim to increase the engagement of club customers and/or company employees or individual end users who also train at home, by supporting them in achieving their health and fitness goals (losing weight, keeping in shape, increasing performance, muscle toning, overall improvement in lifestyle, etc.) therefore involve the application of Italian legislation (Legislative Decree 196/2003, as amended by Legislative Decree 101 of 10 August 2018), European legislation (EU Regulation 679/2016 - GDPR) and international legislation, on personal data processing. It is therefore essential that the compliance structure identified above should continuously support all the product development, marketing and sales functions. In this respect, the updated organisational structure described above has proved to be more opportune and necessary than ever.

Certification of compliance of the Mywellness platform with the ISO/IEC 27001:2013 standard was also confirmed in 2022 with regard to *The Information Security Management System for the development, maintenance and management processes of the Mywellness cloud platform*.²¹

b. Customer Data Platform.

The Customer Data Platform is a type of “container” in which all the data relating to Technogym’s contacts is saved. This includes the activities they carry out at the various Technogym touch points (e.g. company website, mobile apps, equipment, visits recorded in CRM, offers generated by the quotations system, etc.) and is the driver of the company’s marketing activities. The purpose of the platform is therefore to enable accurate profiling of the individuals or companies who enter into contact with Technogym in any way, in order to be able to operate on this database with the most advanced marketing automation and targeted advertising tools.

It is therefore clear that this platform also requires constant and substantial monitoring by the data compliance and security functions.

In practical terms, apart from updating the organisation structure, the implications for the protection of personal data generated by these initiatives were addressed by updating the processing register, updating the Data Protection Impact Assessment (DPIA), involving

21.
<https://www.technogym.com/wp-content/uploads/2021/12/IEC-27001-10000319878-MSA-ACCREDITA-ITA-2-en-US-20210429-20210430121947.pdf>

the assistance of external lawyers, updating the Data Processing Agreements (DPAs) that govern access, and processing of personal data acquired by Technogym from its suppliers or that govern Technogym's performance in relation to the personal data of users in clubs where the professional applications connected to the Mywellness cloud platform are in use, and lastly by updating the privacy policy(ies), including to ensure compliance with legislation outside Europe (e.g.compliance with the new Chinese legislation).

In general, the involvement of the DPO/RPD has been ongoing and formalised via a series of notes, minutes and actions that can be obtained from the DPO.

Two dedicated email addresses were also created (dpo@technogym.com and privacy@technogym.com), set up to receive, respectively, requests from outside the organisation (e.g. requests to delete or access data, etc.) and those that come from within the organisation (e.g. requests for clarification from subsidiaries or distributors, contact requests from business customers during commercial negotiations that require more detailed elaboration of compliance issues).

Lastly, for all aspects relating to the management of personal data, we confirm the measures that have already been introduced; these include an ongoing and comprehensive review of the process of obtaining consent, where required, the adoption of all organisational control tools including the continuous checking of the security requirements of all suppliers who process personal data on Technogym's behalf, and the specific training of staff who work on data management systems.

With regard to accessing and using data, we continued to respond to the various requests from data subjects, including data deletion, portability and access requests.

During 2022, the Security Operation Centre was extended to the Mywellness platform in order to continuously monitor the entire scope of cyber security and raise any critical concerns. In addition, an internal committee for cyber security was created, chaired by the Vice Chairperson of Technogym, which includes the Security Manager (with coordination functions), the IT Director and the Digital Operations Director.

With regard to the physical security of data and information, a resource from the Security Department was devolved to the exclusive management of access control via trust services and security guards and the broader active and passive security. The replacement of internal cameras with more advanced multifunctional ones was also started in 2022. Lastly, a plan to renew the licence plate reading system and access control barriers has been drawn up and will be implemented in the first half of 2023.

In 2022, only one intervention by the ICO (Information Commissioner's Office), i.e. the UK Supervisory Authority, was recorded following a notification from an interested party. However, the authority confirmed the correctness of the company's conduct.


There were two IT security incidents in 2022 that did not compromise personal data security. The incidents were promptly detected and managed without being notified to the supervisory authorities as they did not fit the description of involving a "risk to the rights and freedoms of natural persons" pursuant to Art. 33 of the GDPR. These reports were noted in the Data Breach Register and specific training is planned on this front.²²

In line with the provisions of Article 29 of the GDPR, training continues for all persons involved in data processing work, with different programmes according to the various roles held in the company and the privacy organisation chart.

²².
In 2022, the total number of substantiated complaints received regarding customer privacy violations was zero.
[418-1]







RESPONSIBLE INNOVATION AND DESIGN

Responsible Innovation and Design

The philosophy of wellness, the aim of which is to disseminate a culture of health and prevention through regular physical exercise, is a consistent feature of all Technogym's activities and is a strategic guideline in all product development operations.

In terms of equipment, all Technogym products are designed and built to combine exercise efficiency with high accessibility and intensity modulation in order to involve the largest possible number of users, from proficient, sporty people to beginners or people with specific needs. The Technogym range also includes specific lines for rehabilitation and models that can meet the needs of users with functional limitations or particular physical conditions.

Since its foundation in 1983, Technogym's guiding principle has been all-round innovation in products, processes, its digital ecosystem, sales, marketing and in every other area of the company.

Products are at the core of Technogym's innovation strategy. Our Research and Development area employs more than 200 professionals including engineers, sports physiologists, designers and software developers. It also collaborates with external medical practitioners, physiotherapists, architects, athletes and sports trainers.

Innovation is also linked to the ongoing study and improvement of the Technogym Ecosystem, the company's digital ecosystem that includes smart devices, the Mywellness platform and the mobile app, both for end users and for fitness professionals. This tool allows users to access all Technogym machines from their own customised programmes so that the equipment will automatically adjust to the exercise level prescribed by the instructor or doctor. All training data is then saved on the cloud platform to allow users, trainers and doctors to analyse the exercise, keep track of progress and update the programme according to the specific requirements of each person. The platform therefore offers consumers "Wellness on the go", a personalised wellness experience any time, anywhere, be it at home, on a trip, at work, at the doctor's or outside.

6.1

PRODUCT DEVELOPMENT

[Art. 3 para. 1, Italian Legislative Decree 254/16 – Social issues; Art. 3 para. 2(c), Italian Legislative Decree 254/16 – Health and safety]

Technogym's offer is based on an ecosystem that includes products, digital technologies and services (in 2021, there were 305 models on sale, including 247 in the Equipment segment and 58 in Digital), designed to meet highly diversified needs, ranging from sport (training for professional and amateur athletes) through to fitness (for everyone who wants to stay fit and have fun) and health (rehabilitation and prevention programmes).

The development process is designed to manufacture products that offer efficient, safe exercise, with an attractive design that engages users not only from a functional point of view, but also by offering a positive emotional experience. Increasingly, the machines are supplied with a training method and interactive content to inform and motivate users, supporting them in achieving their goals in the shortest possible time.

That is why product development, which is governed by a specific procedure, is carried out collaboratively by the Research and Development, Scientific Research and Innovation and Product Marketing departments.

“Open innovation”

The process to develop new products and services starts from the study of the end user's needs and emerging sector trends. Ongoing analysis of the market, trends in similar and other sectors, and relations with industry opinion leaders in the sector and the scientific community, is fundamental.

Besides ideas and concepts developed in-house, through the Research and Development and Scientific Research and Innovation departments, and thanks to a strategic network of top-level professionals operating in various areas of the company's business (health, fitness & sport), Technogym constantly sources ideas, trends and needs from various business sectors, to use in the development of new products.

Technogym is also open to spontaneous ideas from the public, which can be submitted by inventors, enthusiasts or simply end users on the relevant area of the company website. If the ideas are of interest, the Scientific Research and Innovation Department will contact the person who made the suggestion. The product development process defines the procedure used to evaluate external ideas. By using this approach, Technogym can seize opportunities for innovation, while offering full legal protection to the owner of the idea.

A **feedback report** system is also in operation. This consists of periodic reports submitted by the local subsidiaries, in order to share market trends and specific requirements emerging in each country.

Scientific approach [DMA 416]

A scientific approach is an integral part of Technogym's product development, and the company works with many experts in the field as well as with numerous Italian and international universities. It also collaborates in a highly structured way with sporting federations and professional teams for testing top-level athletes.

These partnerships focus on the bio-mechanical and physiological analysis of products being developed, in order to certify their safety and effectiveness and study the benefits for sport and health. Technogym offers athletes training support using Technogym Lab technologies.

In the new 'Technogym Lab', located at the headquarters in Cesena, equipped with the most advanced technologies, elite athletes and Technogym products under development are both tested. Of the numerous partnerships that Technogym has with universities and research institutes, a number of important collaborations, both in Italy and internationally, are worth mentioning here:

- › **S. Raffaele Pisana Hospital in Rome**, for the use of Technogym products in the treatment of patients with cardiovascular diseases;
- › **The University Institute of Motor Sciences in Rome**, for which we provide training;
- › **Edith Cowan University, Perth (Australia)**, which is using Technogym machines for a study of patients with prostate cancer;
- › **Pinnacle Medical Fitness Center, Seattle**, for a study of biocircuit machines;
- › **Catholic University of Murcia**, for a study of Skillrun.





Exercise is Medicine

For the eleventh year running, Technogym was a global partner of “Exercise is Medicine”, an initiative set up in the United States arising from a collaboration between ACSM (American College of Sports Medicine) and AMA (American Medical Association), which has now been developed globally. Its objective is to promote the prescription by doctors of physical activity as a form of medicine for a number of disorders, and to train industry operators and trainers to provide therapies in the form of physical exercise programmes.

Technogym’s involvement with the initiative included the publication of new documents, participation in the annual convention held in Orlando (Florida) and the organisation of events in Italy and other parts of the world to train doctors and trainers. Since 2019, it has stepped up the training held in partnership with ACSM, by organising webinars and publishing in-depth articles.

To reinforce its commitment to the science-based promotion of the benefits of wellness, Technogym has donated physical exercise centres with the most advanced equipment and technology to the Oncology Centre of Romagna and the new Centre for Exercise Therapy at IUSM in Rome.

In general, Technogym has engaged with more than 30 universities and research centres over the years, to evaluate proposed innovations.

To date, Technogym has an intellectual property portfolio of more than 320 patents, 250 designs and 415 national and international trademarks, which include 29 patents, 19 designs and 16 trademarks registered.

+30

Universities and Research Centres

320

Patents

250

Design

415

Trademarks

Functionality and safety controls [DMA 416]

The development process for new products consists of a series of phases that require periodic verification of the functional, bio-mechanical and physiological value of the machines, their effects on end users, and their structural and functional reliability, in order to guarantee complete safety for end users.

Each development process is managed by a “platform”, which is an interdisciplinary team in which each member manages various steps, according to specific procedures.

The Quality Assurance Department is represented on this “platform” through the **Product Quality Managers (PQM)**, and using methodological support they help to prepare the Quality Profile & Risk Assessment Report. These preliminary tools, which are preventive, are essential to highlight the most sensitive aspects of the product in terms of its safety and functionality, all with the aim of achieving unconditional customer satisfaction.

Throughout the process, Technogym also carries out tests for all product development projects, to check the user experience, to make sure that the machines meet the user’s expectations, and to ensure that exercises can be done safely, comfortably and enjoyably. The prevention of injury and the avoidance of risks to health, which may result from inappropriate posture or incorrect movements, are fundamental aspects in the design of the machines. [416-1]

Specific attention is paid to machines that can be used in rehabilitation programmes; Technogym has obtained **UNI CEI EN ISO 14385 certification** for the design, production, installation and servicing of functional rehabilitation equipment. On this basis, it controls the processes used to develop the machines, which will also require the involvement of scientific partners to ensure that the machine actually produces the benefits that support the rehabilitation programme.

When selecting its materials, Technogym always complies with Italian and European regulations to avoid the use of substances that may be hazardous to health. Full compliance with all regulations is guaranteed by means of a conformity check carried out using the procurement information system. This will highlight any non-compliance situations before the machine is actually distributed.

The focus on the impacts of health and safety on end users is maintained throughout the product development process, with risk analysis assessments, medical/scientific and functional validations of products. The results are used to manufacture products that incorporate improvements designed to neutralise risks, guaranteeing safety and maximising the health benefits for end users.

During the production process, checks and controls are carried out to ensure that the functional components and each machine meet the final project requirements approved during product development. Full tests are carried out on each machine at the end of the process, to check that they are functioning correctly ²³. [416-2]

23.
In 2022, there were no non-conformity issues (during the design phase) related to health and safety impacts of products or services.

6.2

TECHNOGYM UNIVERSITY

Training has always played a major role in the solutions offered by Technogym ²⁴. The Technogym Village, which is at the centre of a network capable of reaching millions of people, promotes the wellness lifestyle for the benefit of the scientific community and fitness experts. The international subsidiaries also host conferences, seminars and workshops for fitness operators and professionals, organised by Technogym University, the educational arm of Technogym. Training is also supported by a wide range of online and on-site courses, as well as specialist seminars held by university lecturers with proven experience.

In this way, the Technogym University contributes to ongoing scientific debate and the exchange of ideas and projects among industry operators, doctors and researchers. These opportunities for meeting enhance and spread the culture of wellness, and foster a multidisciplinary approach in testing innovative and cutting-edge solutions.

Sharing the culture of wellness goes beyond the Technogym Village: in 2022, the Scientific Research and Innovation Department continued its scientific work with the publication of scientific studies in indexed journals and the participation of department managers at national and international conferences as speakers, both in person and online. Specifically, in 2022, there were six scientific productions with Technogym products and 25 seminars or webinars that the scientific area organised or participated in to promote physical exercise

24.
See the Customers chapter for information on training for branches, distributors and trainers.

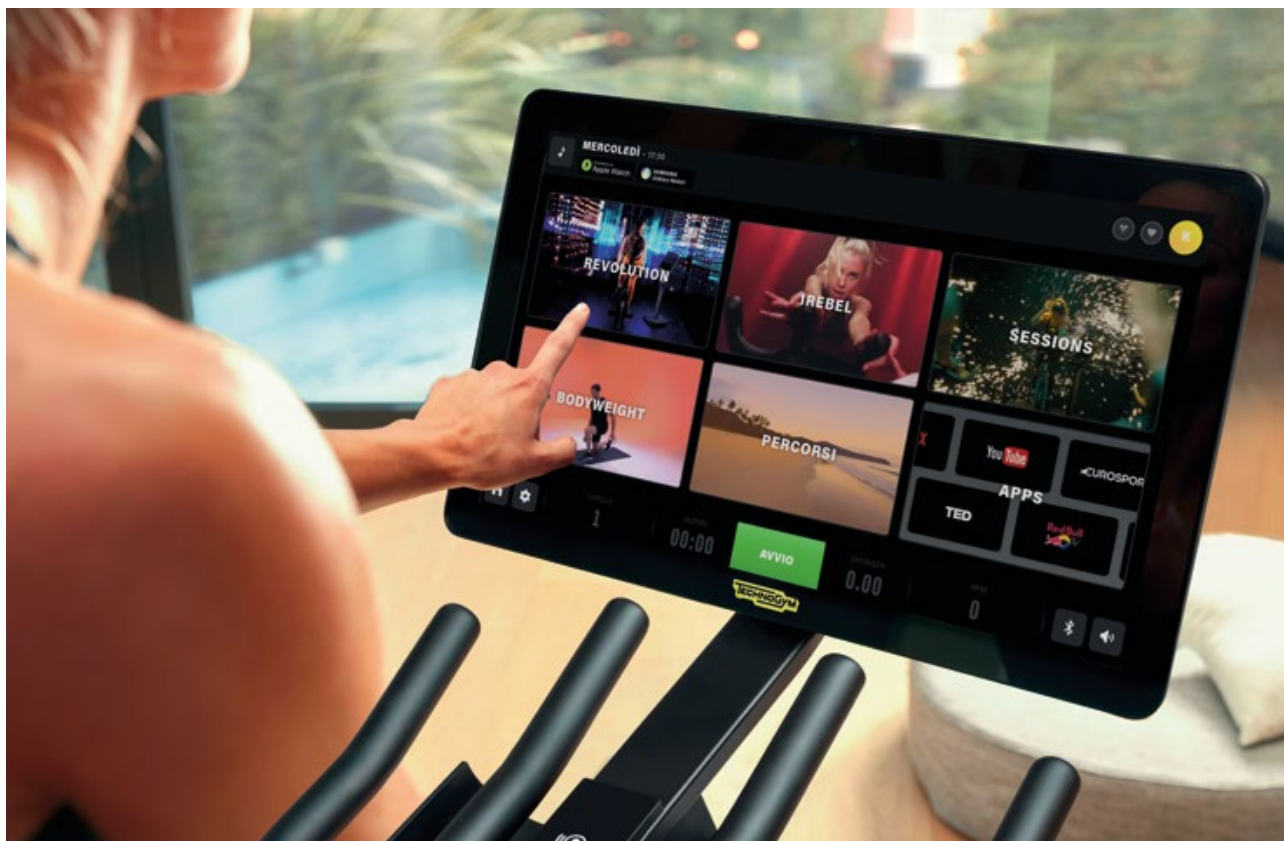
and the wellness experience.

Lastly, Technogym has a close relationship with the University of Bologna, with which it has worked actively since its early years. During the 1990s, with the inauguration of Romagna University Campuses, collaboration also increased on technical and scientific themes. During the 2017-2018 academic year, Bologna University, inspired by Technogym, started its two-year master's degree course "Wellness Culture: Sport, Health and Tourism" in English, with the aim of training professionals to develop and adopt strategies, projects and initiatives promoting wellness in all contexts: businesses, public organisations, cities, states, sports and cultural associations.



Technogym Ecosystem: personalised training





At a time when the approach to fitness is moving increasingly towards a hybrid model, Technogym offers you a training experience anytime, anywhere, thanks to its ecosystem.

Training at the gym and on-demand workouts at home. As in other areas of life, the future of the world of fitness will be characterised by a **hybrid model**, where sessions with your personal trainer will be coupled with home fitness experiences. It's no surprise that some professionals have learned to combine virtual and face-to-face classes. Something that became necessary during the pandemic has quickly turned into an opportunity, allowing anyone to train when they're free, wherever they want. This has all been made possible thanks to technology, which has transformed the wellness sector: fitness services, from apps to video content, which exploded during the COVID pandemic, have become even more prolific, generating a mix of **training and high-tech** that has now become inseparable.

Harnessing the huge potential of artificial intelligence, **Technogym** has launched an ecosystem - **unique in the sector** - that includes connected fitness equipment, apps and on-demand video training content, which consumers can access

anywhere, anytime: in the gym, at home, in a hotel, at work, at the doctor's surgery and on the go.

Today, over 20 million people are connected to the Technogym ecosystem in 20,000 wellness centres and over 400,000 private homes, proving that digital innovation has always been a part of Technogym's DNA. Way back in 1996, Technogym launched the Wellness System, the first software for managing training via its iconic yellow portable device, the TGS key. Since then to the launch in 2019 of the **Technogym Live**, platform, which offers a huge on-demand library of video content to choose from, there has been the introduction of the first **TV screen** on fitness equipment (2003), the first **online fitness product** in 2007, the creation of the first **cloud platform** ten years ago and the launch of the **Technogym App** in 2021.

Technogym App allows users to access a wide variety of programmes dedicated to fitness, sport and health, developed by a team of trainers and athletes specialising in various disciplines. The **Technogym Coach**, a virtual coach based on artificial intelligence, guides users step by step with customised workouts, the **Precision Programs**, tailored to suit goals, progress, time and equipment, if available. Alternatively, the Technogym App offers the chance to train like a professional cyclist, runner, tennis player, golfer or skier with the **Signature Programs**, dedicated to sport and the product of Technogym's more than 30 years' experience as a flagship brand of the Olympics and sports champions around the world.

By combining **AI** with the experience of **personal trainers** (Technogym has a team of over 30 professional instructors), a virtual environment is created that works as if you were training with a real-life instructor or personal trainer: you do not even have to be present but **each workout is personalised down to the smallest detail** about your preferences and personal abilities so that you feel as if there were really a person there to guide you.

Moreover, you can take these workouts with you, wherever you go: with **Gym Setup**, you can choose the equipment that you use most in the gym and the app knows which movements to program, and with your Technogym ID, you can connect your profile to any Technogym equipment that is available. When you are connected and synced to a Technogym piece of equipment, it provides real-time feedback directly on the machine or on the app to help you do each repetition at the ideal pace and with the right



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THE BEAUTY OF AN AI-BASED APP IS THAT IT TAKES THE GUESSWORK OUT OF TRAINING ON YOUR OWN

weights (if you don't have equipment or machines available the app will only suggest bodyweight workouts).

Moreover, while a workout with a personal trainer or a group will finish at the end of a session or lesson, the Technogym Coach gives you a **more holistic fitness experience**. In addition to a daily workout, the Technogym Coach proposes personalised **meditations** and **food suggestions** according to your objectives. You can also listen to audio content to alleviate stress or for sleep, relaxation or motivation, drawn from the app's extensive content library. The point is that wellbeing does not end with the workout. A good night's sleep, balanced diet and stress management all play an important role in helping you to get the best out of each daily workout.

The beauty of an AI-based app is that **it takes the guesswork out of training on your own**. Instead of using videos or online programmes created to attract the masses, you get a personalised training experience created for your current level of fitness, which enables you to train within your limits until you are ready to exceed them. There is also a **safety** aspect in this: without the attentive eye of a real trainer on you, being able to have videos that show how to do it correctly in real time, populated by an algorithm created to push you within safe limits, can help minimise the risks of injury that there are when you exercise at home.

Better still, AI-based apps and fitness equipment **eliminate the excuses** that arise from only working out at the gym: if, for whatever reason, a person does not manage to go to the gym regularly, they tend to get out of the habit and then stop working out altogether. Apps and equipment are not free, of course, but the costs of a one-off investment in a machine or of a monthly subscription (not to mention the convenience of having personalised training at home) can be more accessible for many people than a gym membership.

Perfectly suited to a hybrid workout, the **Technogym ecosystem** also enables a significant network to be created connected to the physical gym. With the simple and intuitive **Mywellness App**, it is possible to access training content created by the fitness club directly at the gym or at home, connecting from any device, at a time that fits in with your schedule. A satisfying **workout at the touch of a button**.

In short, this is precisely the main advantage of using AI in the fitness world: offering personalised workouts enables everyone, from committed athletes to beginners **to train in a smarter way**.







PERSONAL WELLBEING

Personal wellbeing

[ART 3 (1D), ITALIAN LEGISLATIVE DECREE 254/16 – ASPECTS RELEVANT TO PERSONNEL MANAGEMENT; ART. 3 PARA. (1E), ITALIAN LEGISLATIVE DECREE 254/16 – HUMAN RIGHTS]

“Technogym is actively involved in building a positive, efficient environment within the company by engaging and motivating internal and external personnel, promoting collaboration and teamwork, facilitating the exchange of information and the transfer of know-how”.

7.1

OUR VISION AND MANAGEMENT MODEL

In all the contexts in which it operates, Technogym complies fully with national regulations and international conventions on workers' rights, rejecting any form of child labour or forced labour, and guaranteeing freedom of association for all its employees. Technogym makes sure that all staff sign contracts that comply with the laws in their respective countries. All Italian employees have contracts that meet the requirements of the national collective agreement on working hours²⁵. [DMA 407, 408]

The Group has also put in place a series of internal rules and regulations, to govern Technogym's relationship with its employees. The aim of this is to promote, stimulate and guarantee employee wellbeing. The profile of our company, and the way it conducts its business, do not pose any risks to employees' human rights. Relations between the company and its staff, including the values applied in the workplace, are dealt with in more detail in the Code of Ethics.

The **Code of Ethics of Technogym S.p.A.** outlines the company's commitments to its staff, both generally and with specific reference to recruitment, equal opportunities and the working environment. It also identifies the standards of behaviour that employees are expected to meet, in order to achieve the working environment defined in the Code.

The **Code of Ethics of Technogym S.p.A.** requires all managers to be involved in its application. “Managers” are the people responsible for one or more departments or areas within Technogym S.p.A. or its subsidiaries; a commitment to respecting these obligations extends to all management holding roles of responsibility within the Group. Similarly, periodic training courses on the principles of the Code of Ethics are run for all staff.

Our internal Human Resources management procedure clearly expresses the principles that must be complied with by anyone required to supervise the work and career pathways of their team. All personnel who perform management activities are involved in specific training activities to better understand the role of a Manager at Technogym.

To build a stimulating, rewarding and inclusive working environment, Technogym is committed to sharing its corporate vision with all staff. This involves a number of training activities, manuals and an intranet available to all employees.

²⁵. Internationally, Belgium, Brazil and France have regional collective agreements, while the Netherlands has a collective company agreement. In all other cases, contracts with individual employees include compliance with all the national regulations applicable in the country in question.

All these actions are implemented to strengthen its human capital and ensure that it is competent and ready to face the biggest challenges of the future, with a specific focus on the digital transformation, in which the Human Resources function is front and centre.

7.2

THE GROUP’S PEOPLE

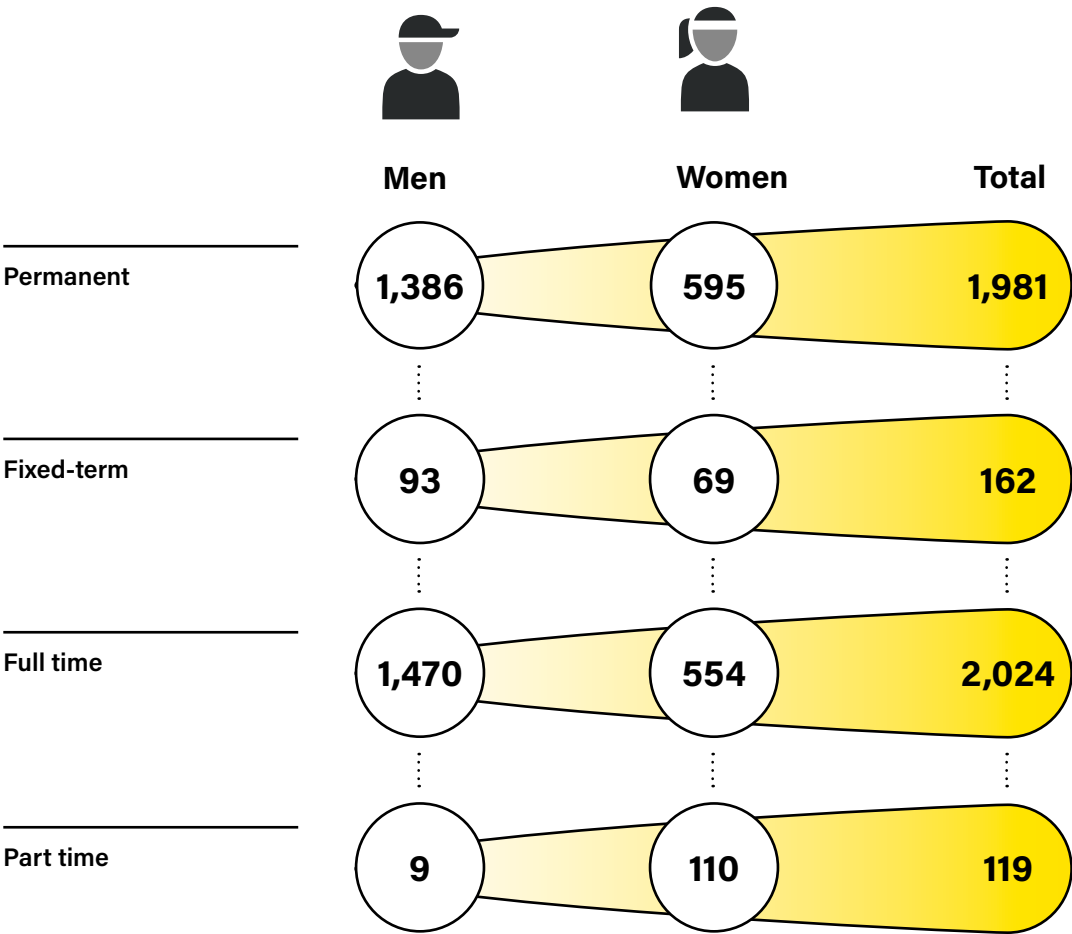
The Group aims to encourage stable employment, which strengthens employees’ sense of belonging to the organisation.²⁶

In 2022, the Group had 2,143 employees. At Technogym S.p.A., 95% of contracts are permanent, confirming the efforts being made to enhance its human capital skills. At Technogym EE, 79% of contracts are permanent, an increase on the figure in 2021 but still linked to the need to cover seasonal production peaks, requiring flexibility in the use of resources. For the rest of the world, the percentage of permanent contracts is stable compared with previous years and stands at 96%. [2-7]

26
The numerical analysis of workers was carried out based on headcounts as at 31 December.

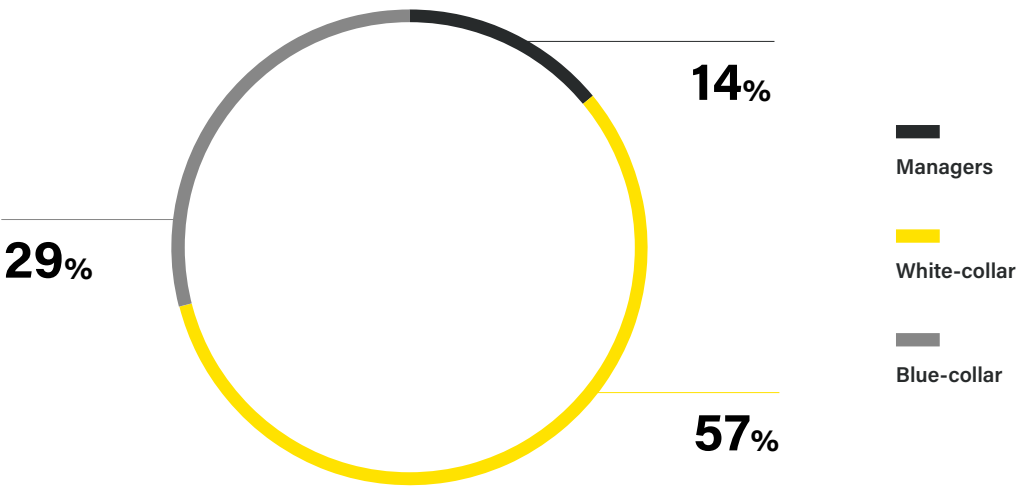
27.
In 2022 there were no employees with non-guaranteed hours. The data for 2020 and 2021 are available in the attached tables.

Employees by contract type, full time and part time, and by gender 2022²⁷

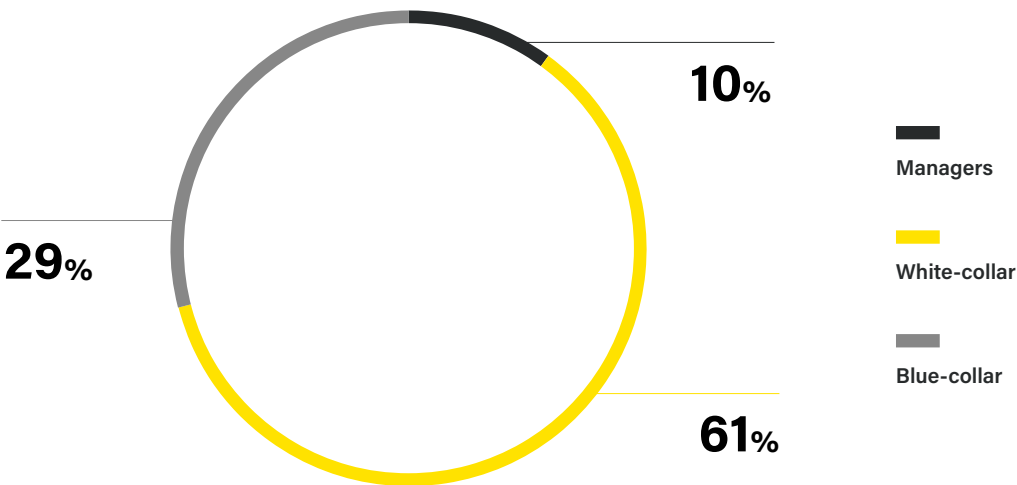


With reference to salary levels, at the offices and Italian production site of Technogym S.p.A., 14% of personnel have a managerial role, 57% are clerical workers and 29% are manual workers. With regard to the rest of the world (sales branches and the Slovakian production site), 10% have a managerial role, 61% are clerical workers, while 29% are manual workers.

Technogym S.p.A.



Subsidiaries



28.
The personnel turnover rate varies between offices and production sites. As sales are seasonal, flexible workforce management is necessary at the production site.

Overall, 424 people joined the Group in 2022, while 436 departed. The trend varied depending on geographical area²⁸. [401-1]

In 2022, most new hires were once again in the 30-50 age group (60%), mainly in Technogym S.p.A. In the subsidiaries, although investment is still predominant in this age group, there was a significant increase in the youngest age group (under 30 years of age). In the Slovakian production site, the percentages were almost identical in both groups (49% in each).

In terms of departures, although the percentage in the 30-50 age group was still higher in 2022, a significant increase in employees aged under 30 was noted (rising from 26% to 33%). The percentage of departures of employees over 50 remained stable at 12%.

29.
This is determined by the number of people leaving the organisation during the year, compared to the average headcount calculated on a monthly basis. Intercompany job rotation (international mobility) - seen as a strength in terms of the Group's internationalisation - was not considered in the turnover rate.

Turnover rate (departures)²⁹

Technogym S.p.A.	8.1 % [2022]	7.2 % [2021]	7.7 % [2020]
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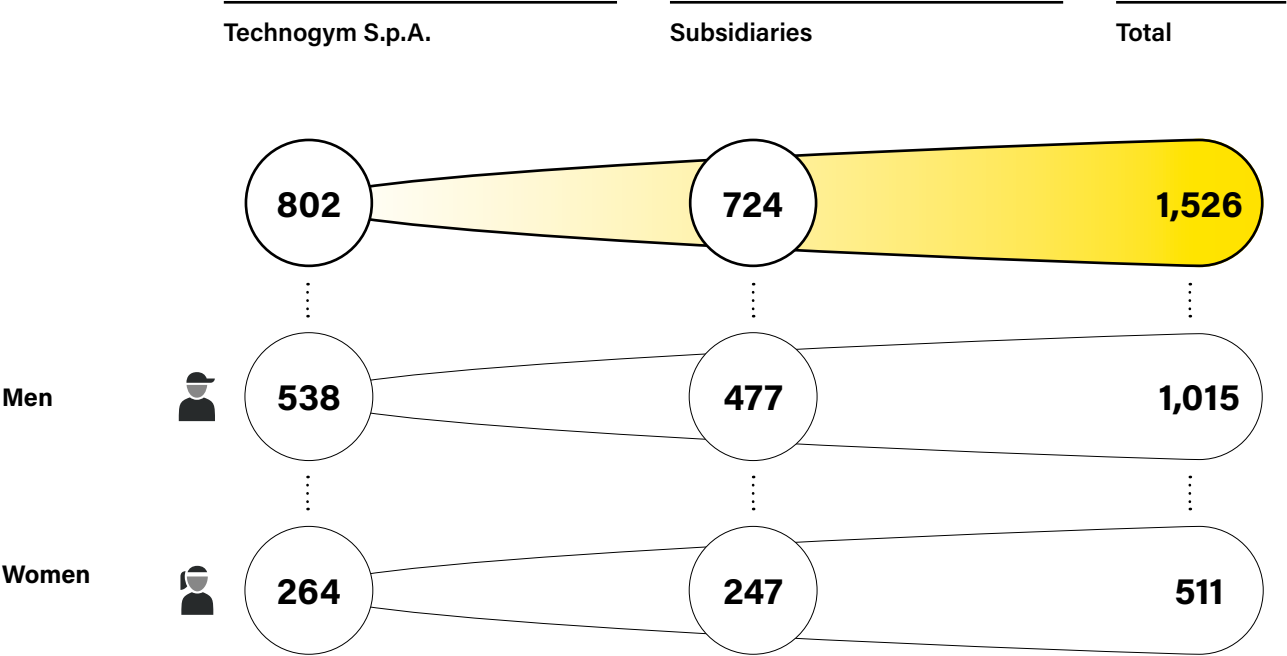
Technogym EE	33.2 % [2022]	28.9 % [2021]	20.3 % [2020]
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Subsidiaries	26.2 % [2022]	24.8 % [2021]	22.5 % [2020]
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The turnover figures for 2022 reflect the different types of activity performed at the different subsidiaries. The negative turnover rate for Slovakia is mainly driven by specific dynamics concerning peaks in production that require an increase in the workforce at certain times of the year. In the sales branches, turnover increased slightly (+1.4%) compared with the previous year, as also for Technogym S.p.A. (+0.9%).

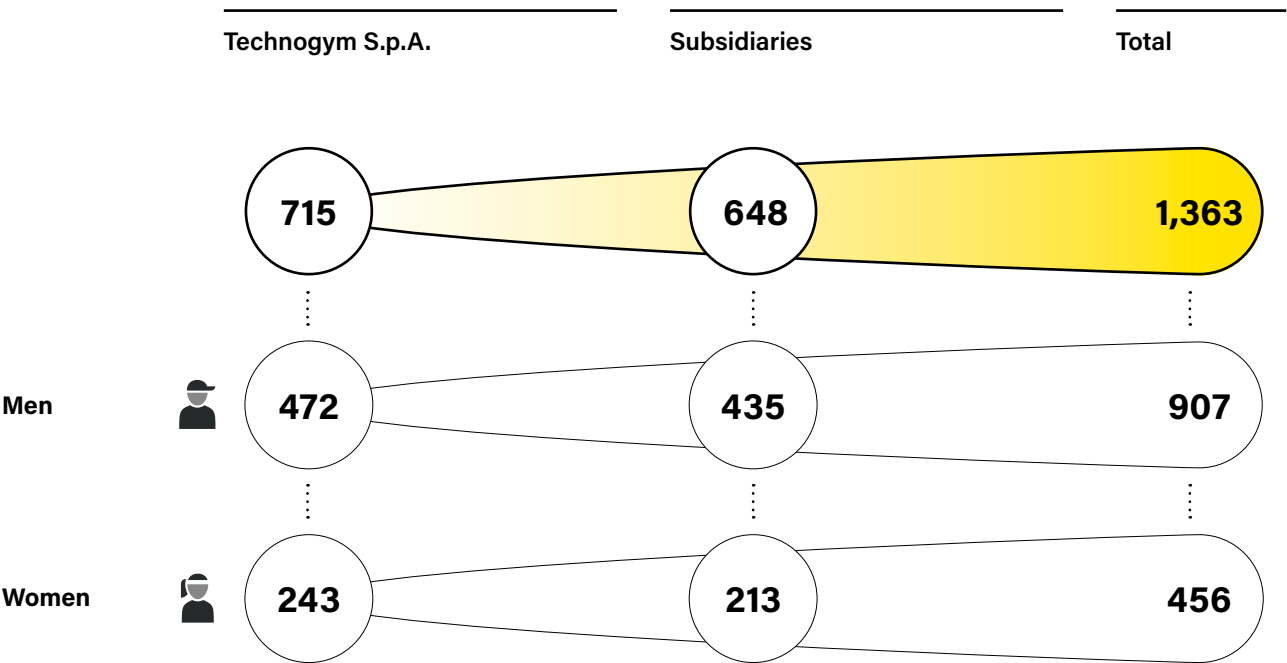
**EMPLOYEES RECEIVING A PERFORMANCE APPRAISAL DURING THE YEAR,
BY GENDER AND JOB CATEGORY, IN 2021 ³⁰**

Total number of eligible employees, 2021

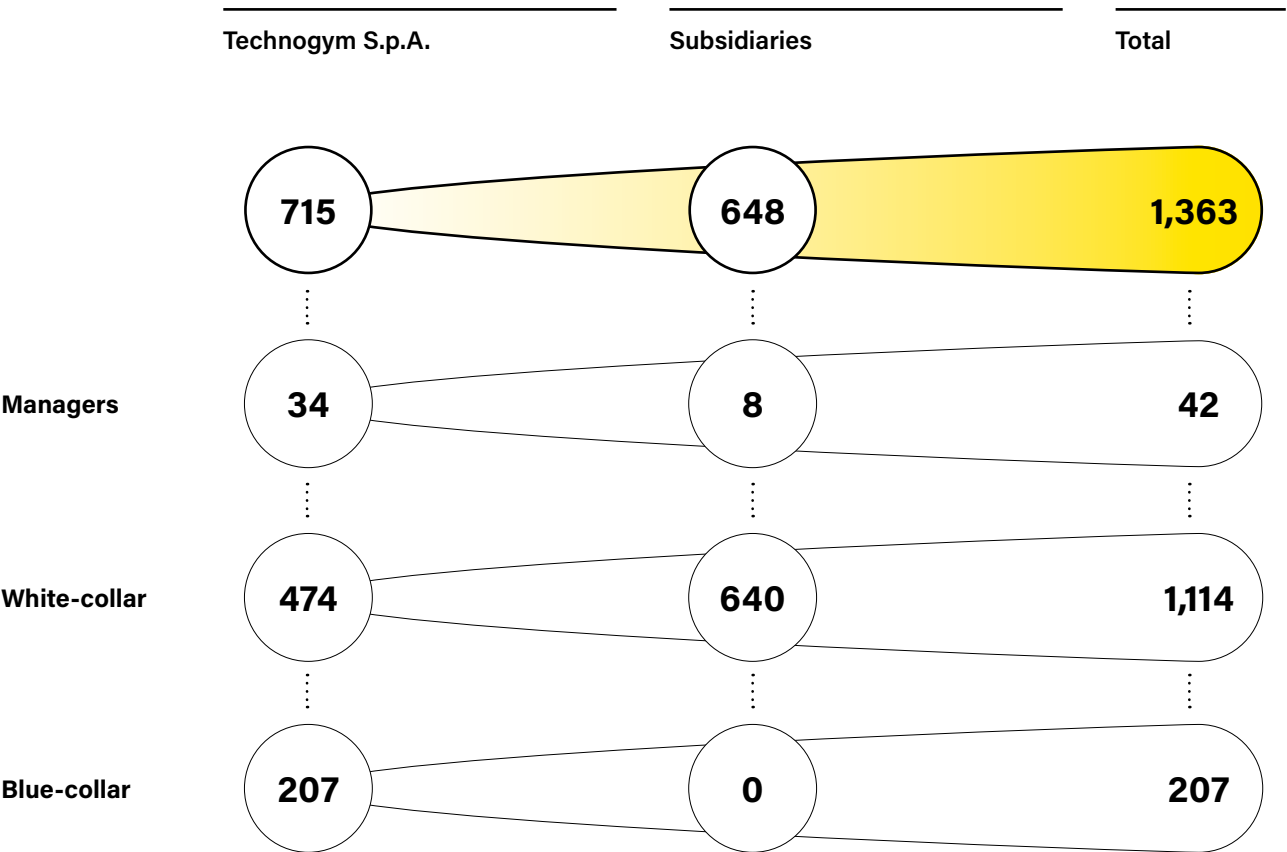


³⁰. Appraised in April 2022.

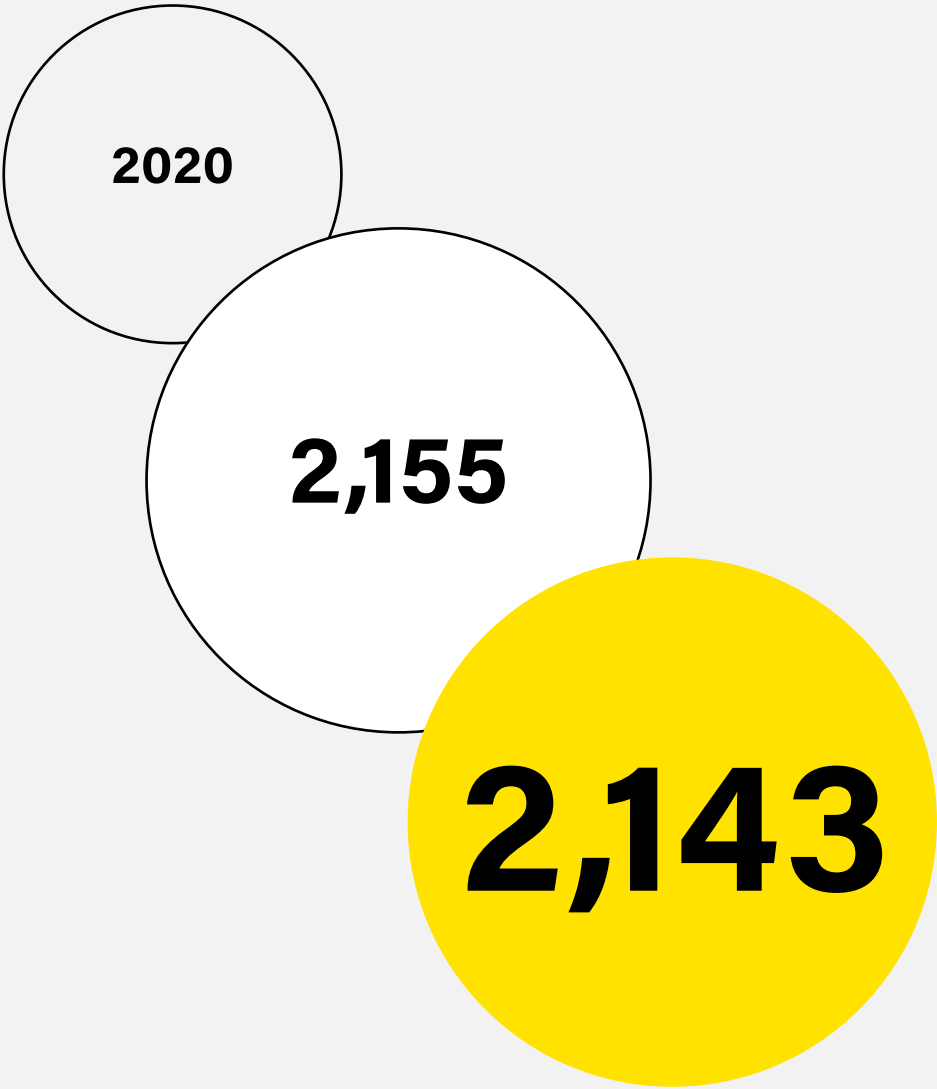
Total number of employees appraised



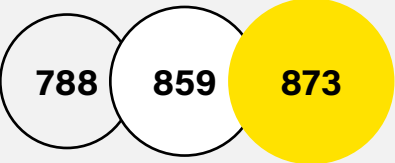
Number of employees appraised



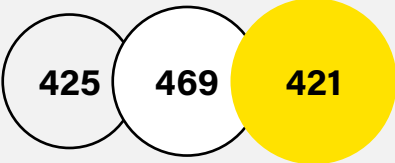
▶ Total headcount



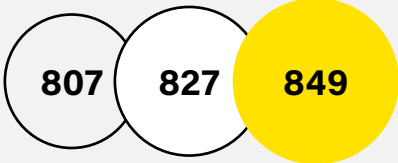
Italy



Slovakia



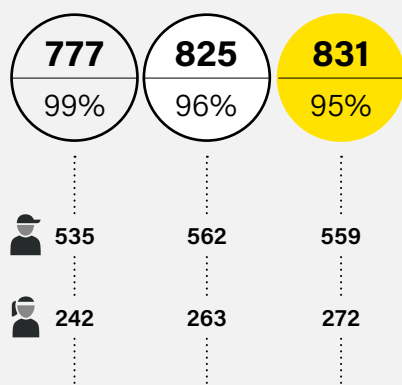
Other countries



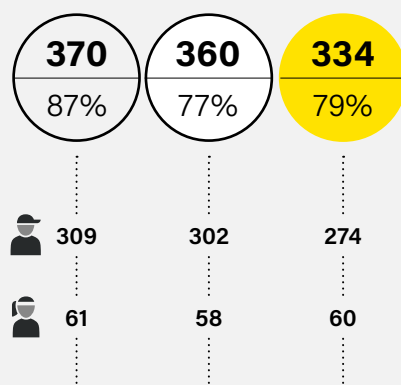
Employees on permanent contracts



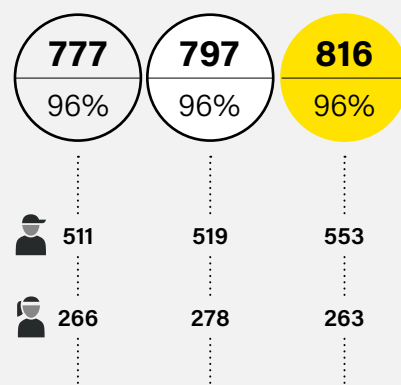
Italy



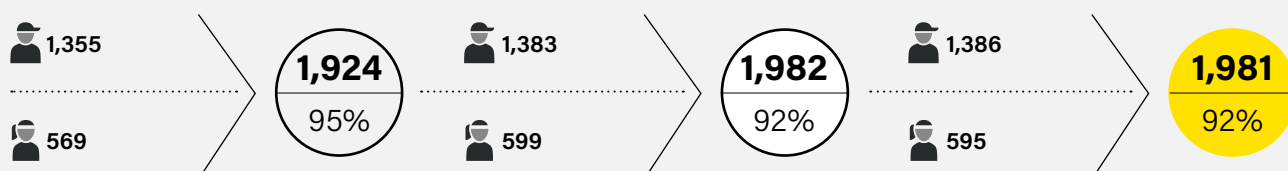
Slovakia



Other countries

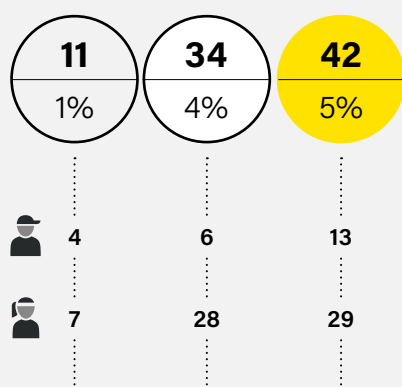


Total

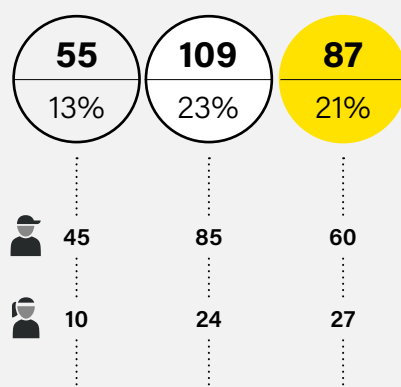


Employees on fixed term contracts

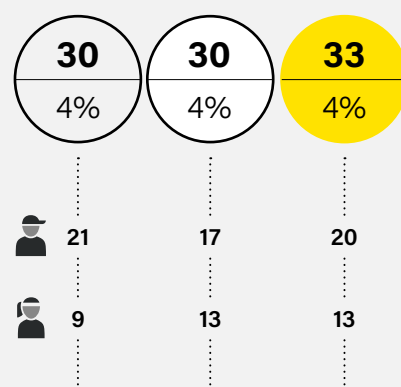
Italy



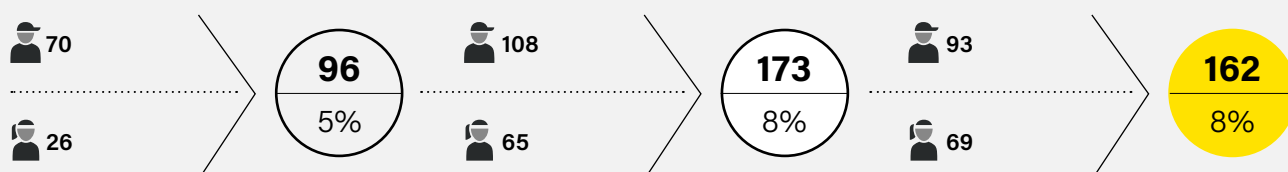
Slovakia



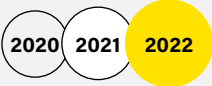
Other countries



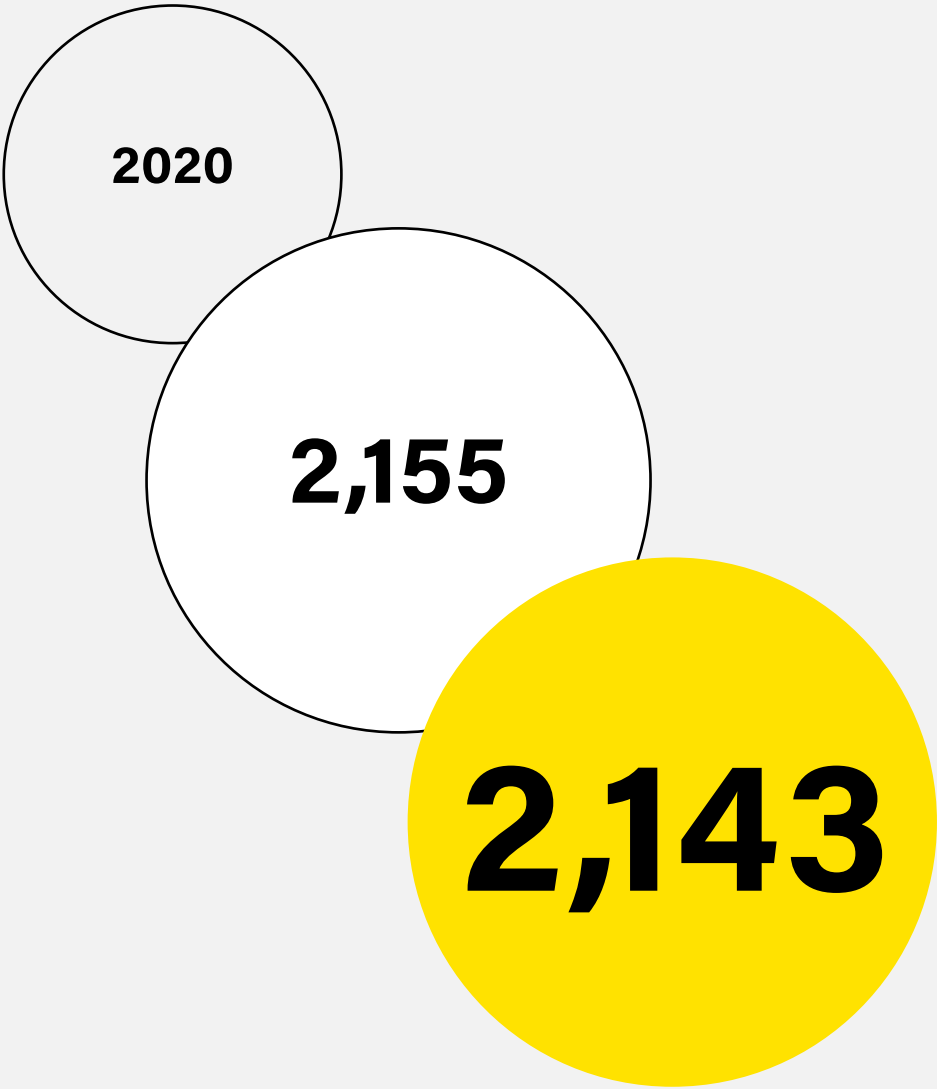
Total



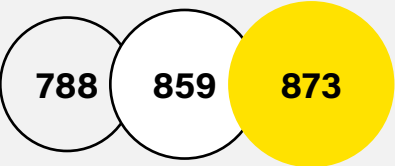
FULL-TIME AND PART-TIME EMPLOYEES,
BY GENDER



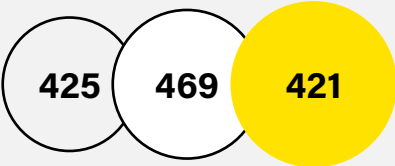
▶ Total headcount



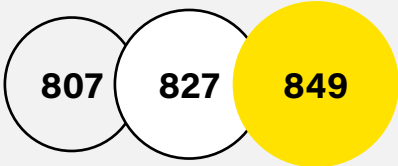
Italy



Slovakia



Other countries



Full-time workers

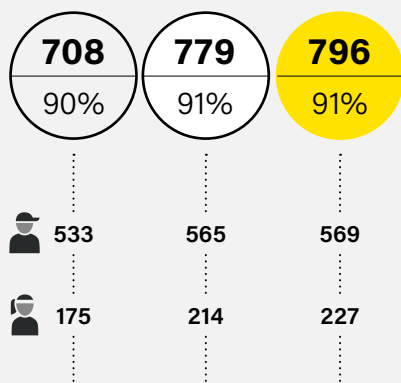


Men

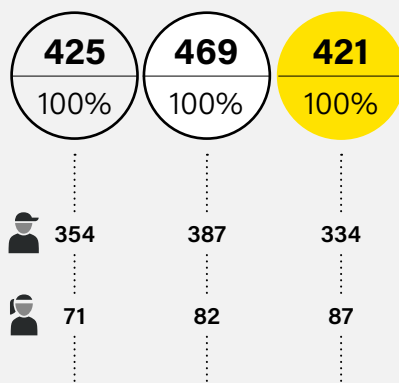


Women

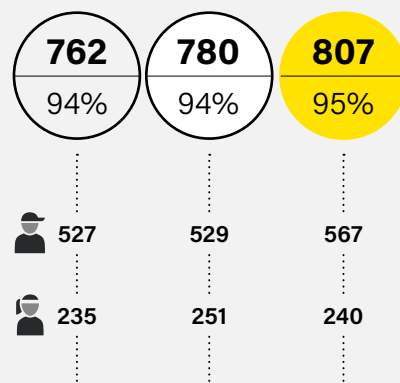
Italy



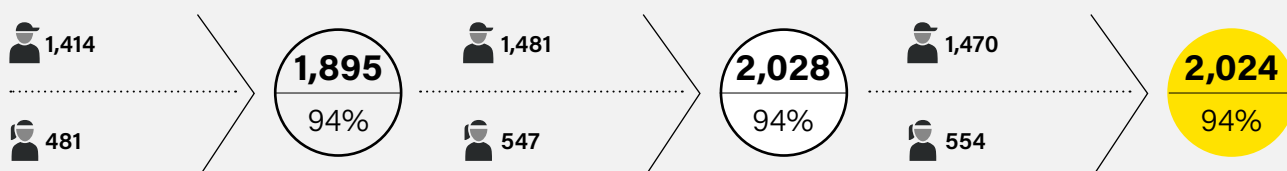
Slovakia



Other countries

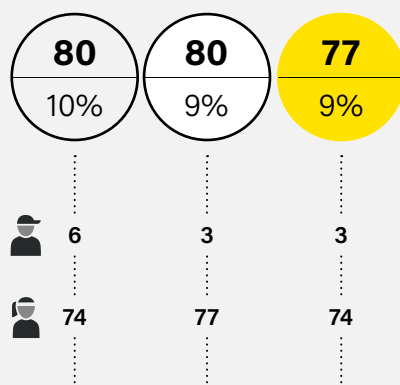


Total

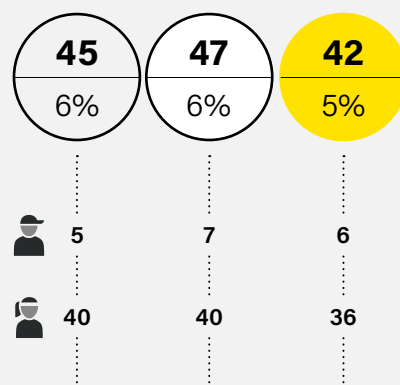


Part-time workers

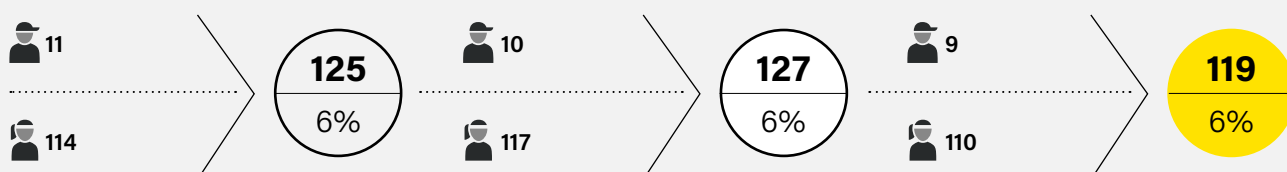
Italy



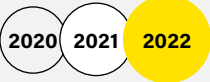
Other countries



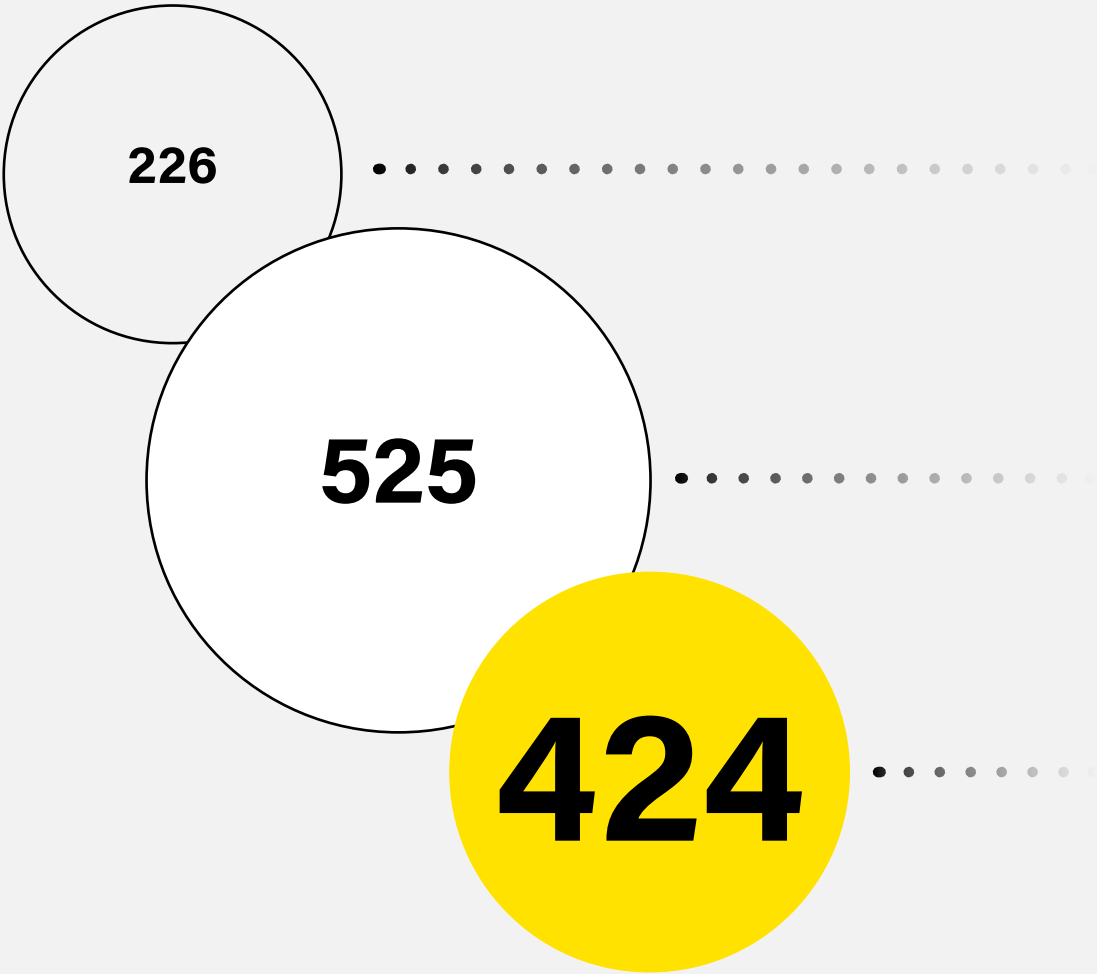
Total



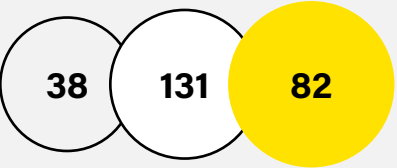
EMPLOYEES JOINING AND LEAVING
THE ORGANISATION, BY GENDER



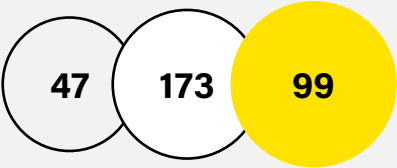
▶ Total employees
hired during the year



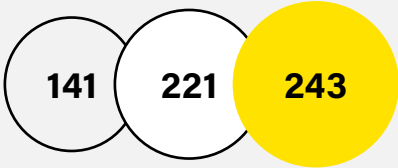
Italy



Slovakia



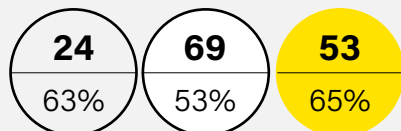
Other countries



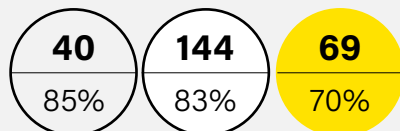


Men

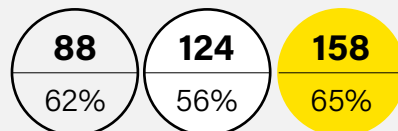
Italy



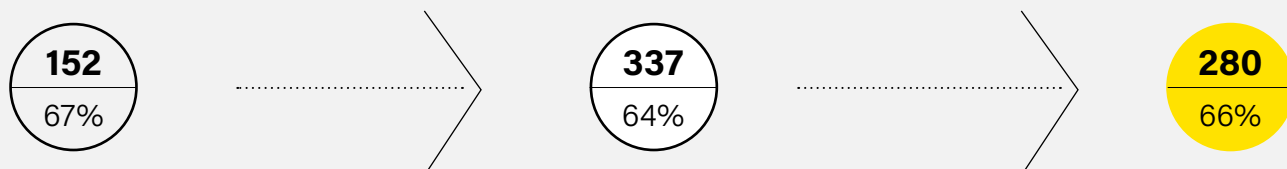
Slovakia



Other countries

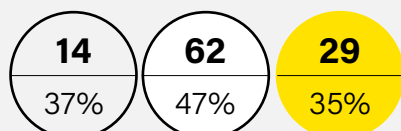


Total

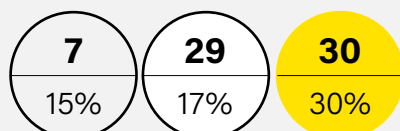


Women

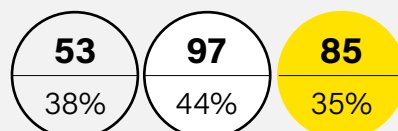
Italy



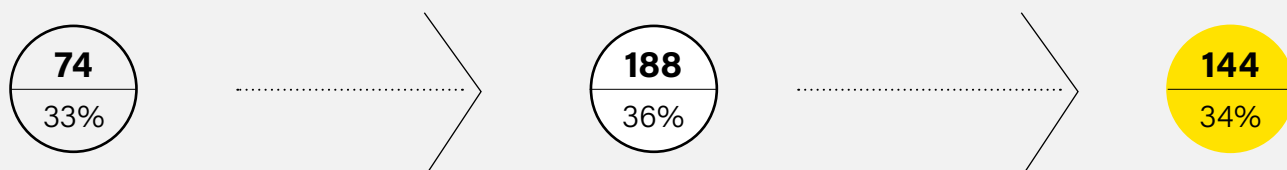
Slovakia



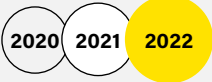
Other countries



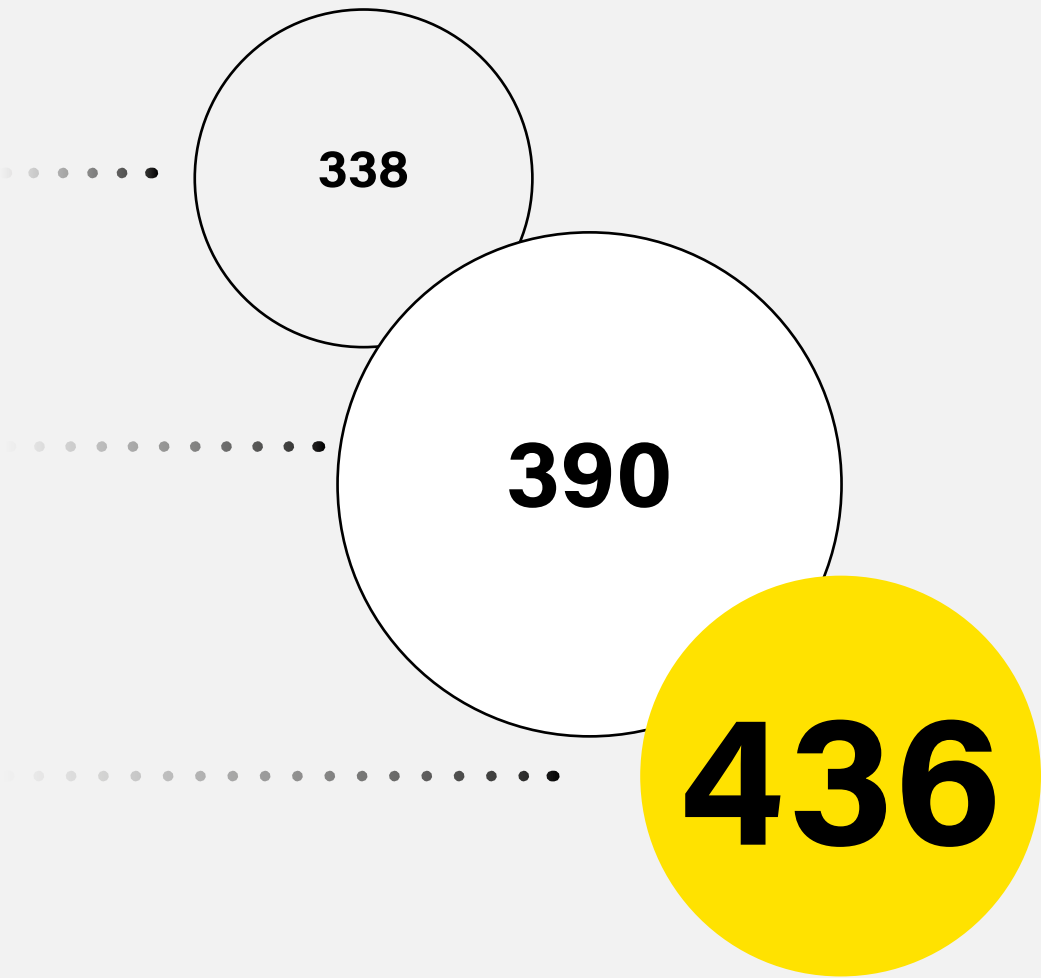
Total



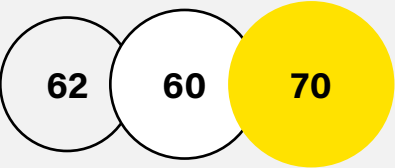
EMPLOYEES JOINING AND LEAVING
THE ORGANISATION, BY GENDER



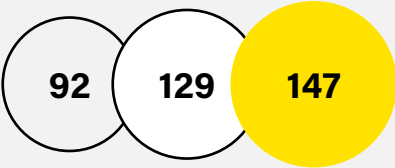
▶ Employees leaving the organisation
during the year



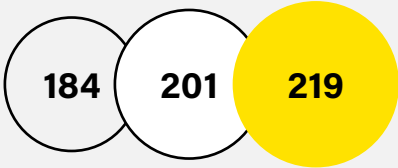
Italy



Slovakia



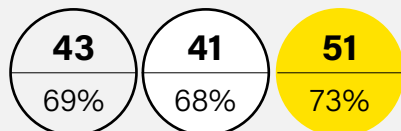
Other countries



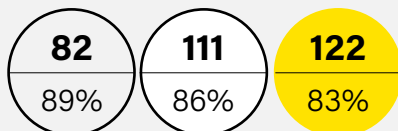


Men

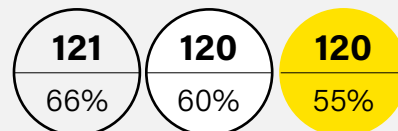
Italy



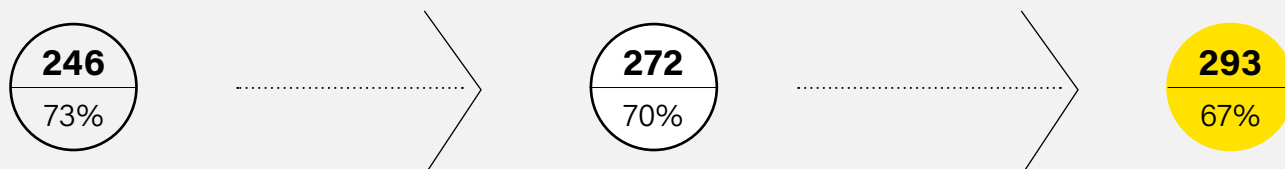
Slovakia



Other countries

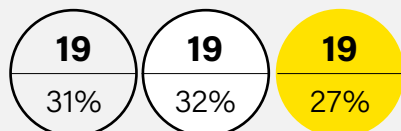


Total

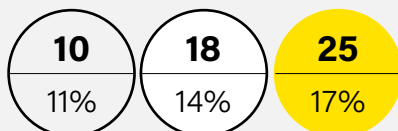


Women

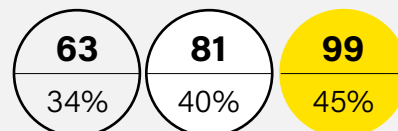
Italy



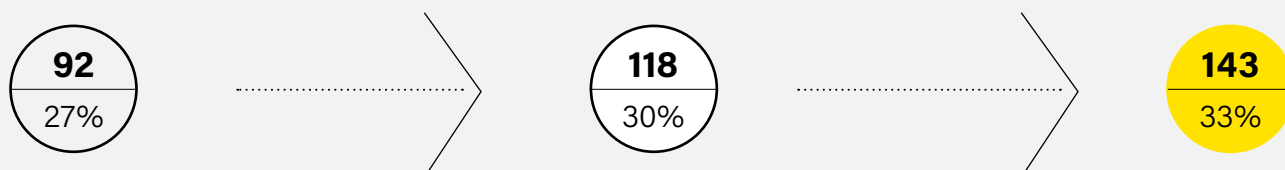
Slovakia



Other countries



Total



“Training and Development activities at Technogym are aimed at promoting individual skills, improving performance and corporate organisation, in order to achieve the business objectives.”

To ensure that excellent results are achieved, it is fundamental to invest in developing resources by considering the capabilities and potential of individuals and the company's objectives. For Technogym, training and development are strategic levers in improving staff performance.

Training and development programmes represent a body of experiences that generate learning through an exchange of expertise (knowing), abilities (knowing how to do) and attitude (knowing how to be). [DMA 404]

Ongoing training and strengthening of skill set

Training is an important way to develop and consolidate skills, while promoting the Group's values and strategy. This is why the company organises training programmes through the Technogym University, with its internal trainers, on main company processes, as well as cross-cutting training programmes based on developing soft skills or new expertise, primarily with external trainers, and information sessions on the Technogym culture, open to all staff.

Technogym offers an annual, structured training plan. At the start of each year, senior management, together with the HR Division, defines the key competencies to be developed and the training priorities for the year, in line with the strategic objectives, the Technogym Vision and the company skills model. The annual training plan implements the training needs of staff, reported by their line managers. These needs are identified during the appraisal process, the drafting of succession plans and individual development pathways.

Training is delivered in various forms: on-the-job training, so that employees can learn through projects and new, challenging activities; continuous feedback, coaching and mentoring to support staff through the growth process, and e-learning to ensure regular updating in self-training mode. Training is also provided at classes and seminars.

Training is categorised as follows:

- › **Technical and Managerial Training:** aimed at developing expertise for specific roles, including positions with a high managerial content and/or supervisory roles in order to develop relational, communicative and behavioural capabilities at all levels in the organisation;
- › **Commercial Training:** for Sales and Marketing roles;
- › **Health and Safety Training:** mandatory health and safety training for the company's health and safety officers.

2022 average training hours by grade and gender at Technogym S.p.A., TG EE and subsidiaries

Face-to-face training activities were resumed in 2022, although e-learning continued to be provided, in a blended approach.

In line with the company's values and promoting a leadership culture to all levels, training activities on the Technogym Leadership model continued at HQ, involving all managers and team leaders through classroom training, hands-on workshops and team coaching.

The training programme focused specifically on the development of relational and sales skills, time and project management, and special projects related to the digital areas.

The Sales Camp, an intensive experiential training project, was held for the first time at the Technogym Village, involving Technogym's best salespeople in the world.

Training on the professional role of workers continued at headquarters with the *Scuola dei Mestieri* (Skills School) Project. This involved the new entrants in the production area, i.e. mainly temporary staff (temps), who do not fall within the scope of the figures included in the Sustainability Report.

Support for professional growth and development

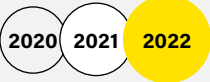
Technogym's annual performance appraisal process enables training and development activities to be identified and implemented in order to improve performances, behaviours, and technical expertise, and to identify potential and talented resources eligible for individual development plans.

Performance appraisal is a strategic process used by the company to measure and assess the fulfilment of individual targets and behaviours in each role.

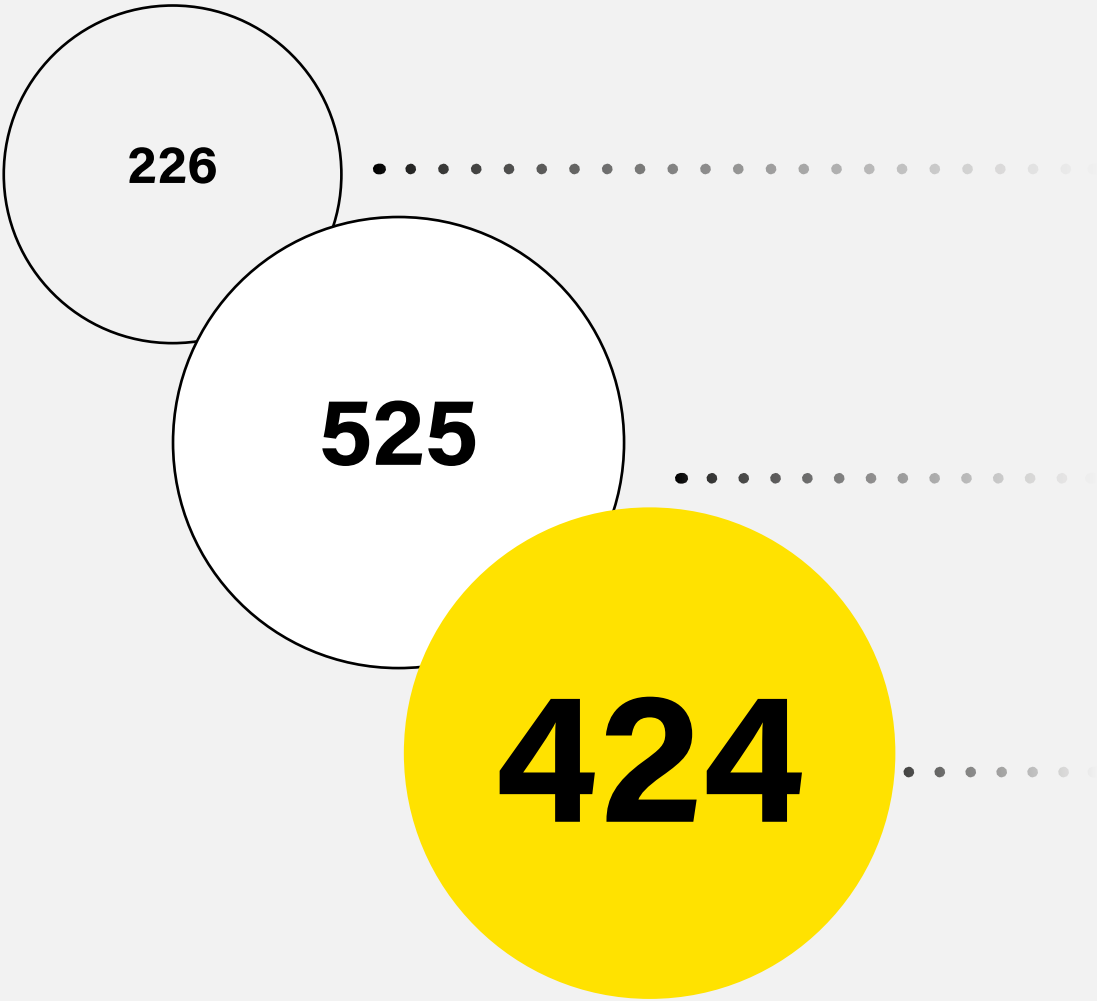
100% of the workforce is eligible for appraisal, after being with the company for at least six months. In Slovakia, the production operatives are appraised according to a local appraisal system based on criteria that meet the specific needs of production activities and roles.

The number of people appraised in 2021 was 1,363. For 2022, the only figures available were for the eligible employees, as the appraisal process ends in April 2023.

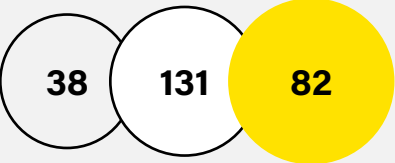
EMPLOYEES JOINING AND LEAVING
THE ORGANISATION, BY AGE GROUP



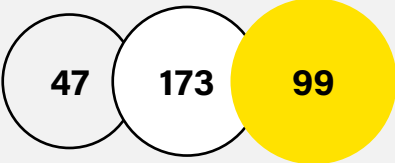
▶ Total number of new employees hired during the year



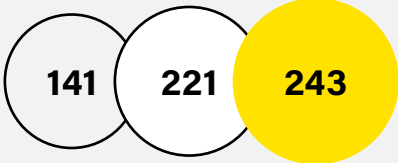
Italy



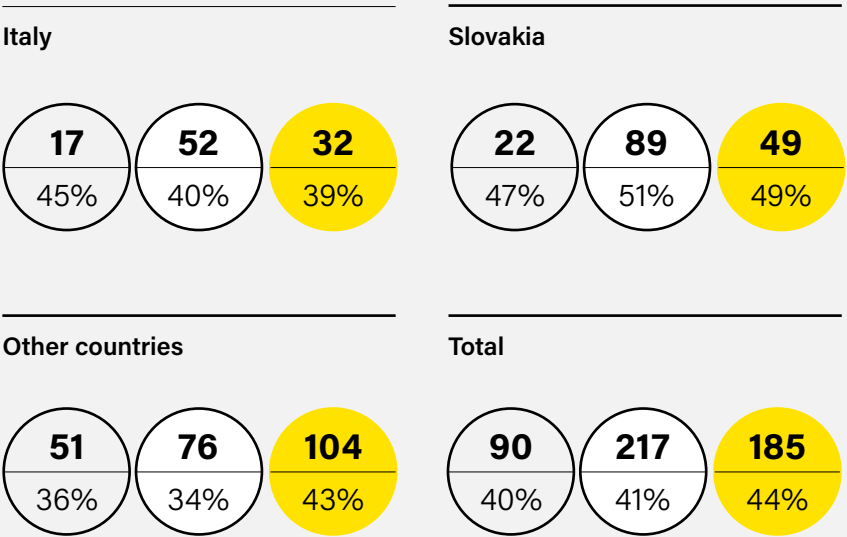
Slovakia



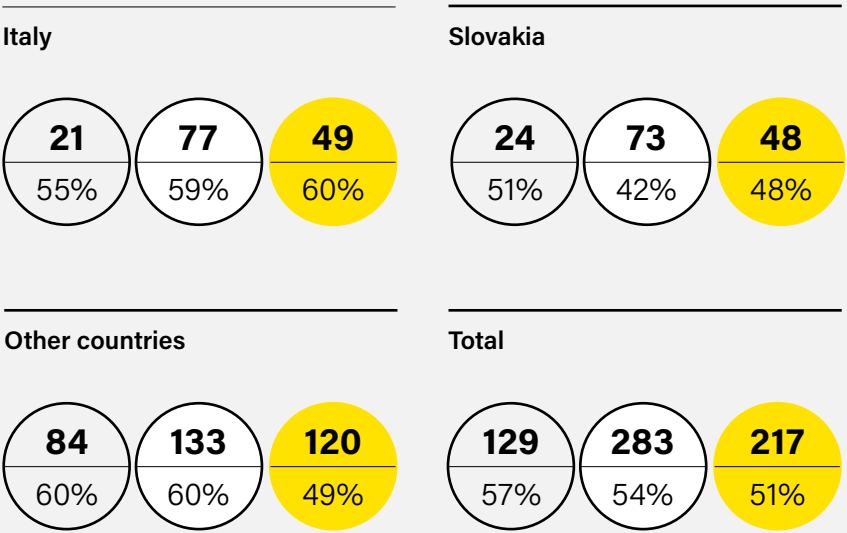
Other countries



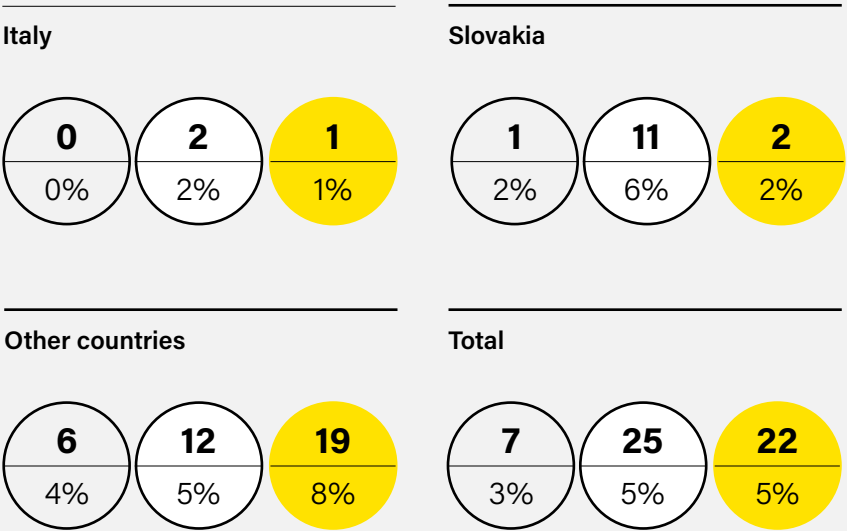
Under 30



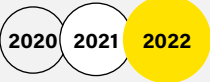
Aged 30 to 50



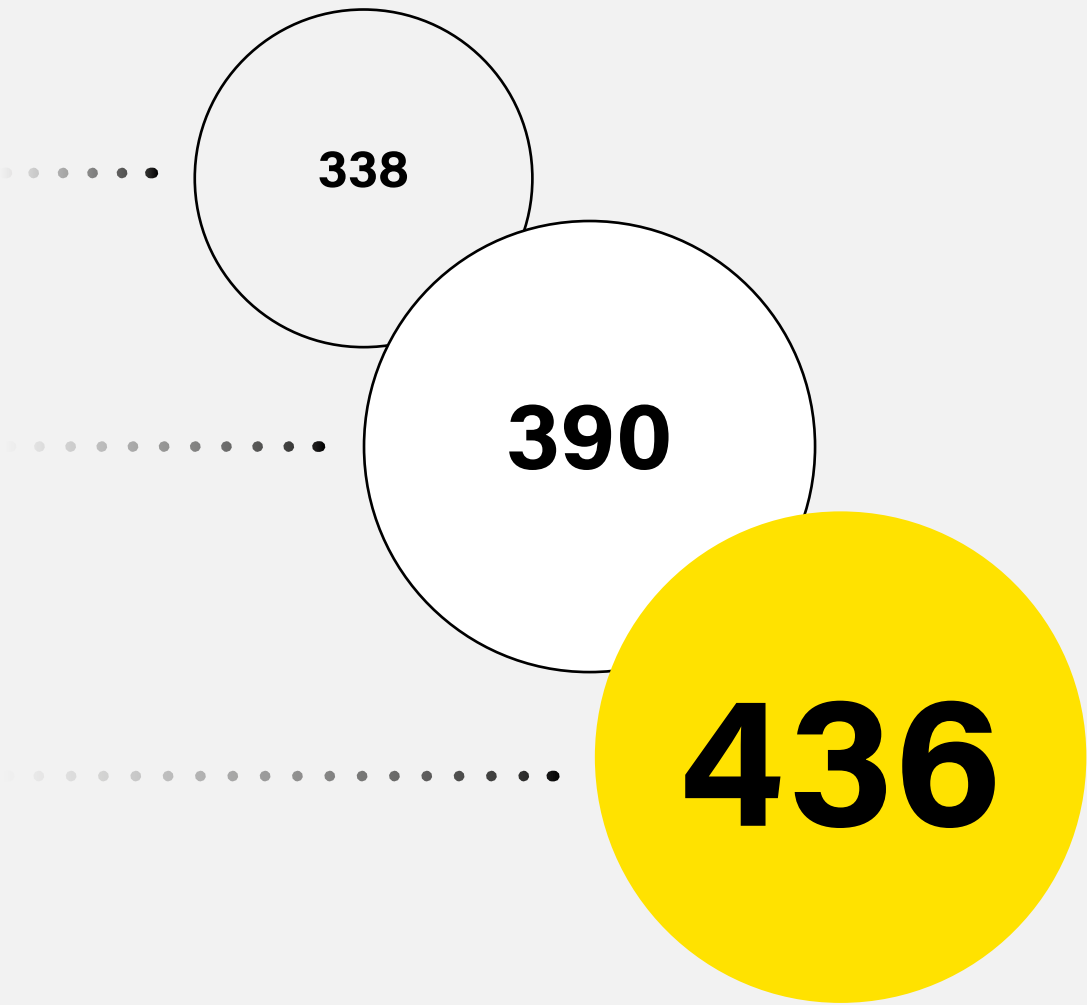
Over 50



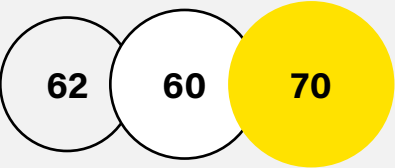
**EMPLOYEES JOINING AND LEAVING
THE ORGANISATION, BY AGE GROUP**



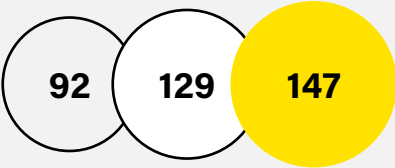
 **Employees leaving the organisation
during the year**



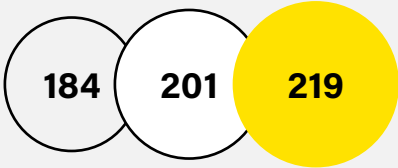
Italy



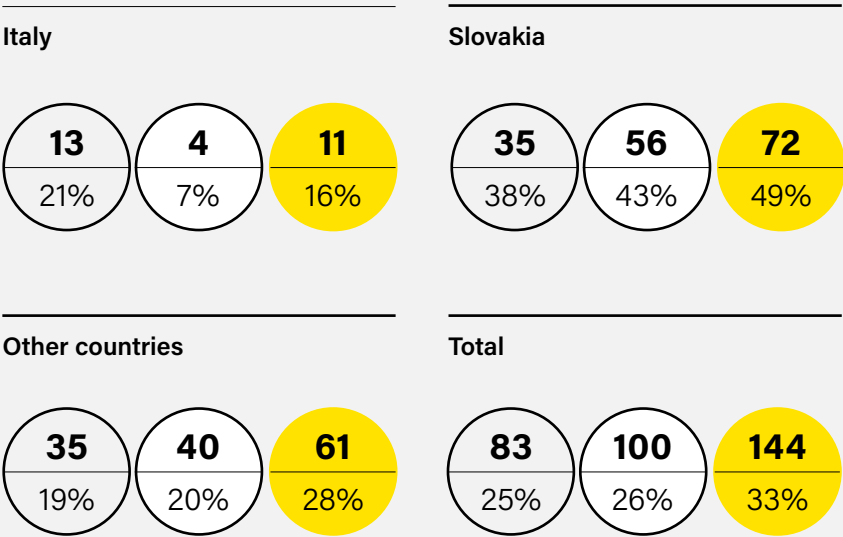
Slovakia



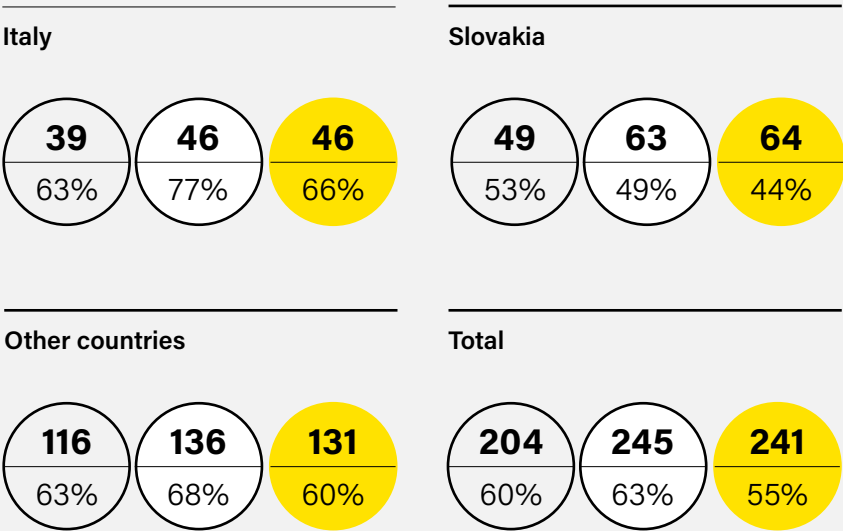
Other countries



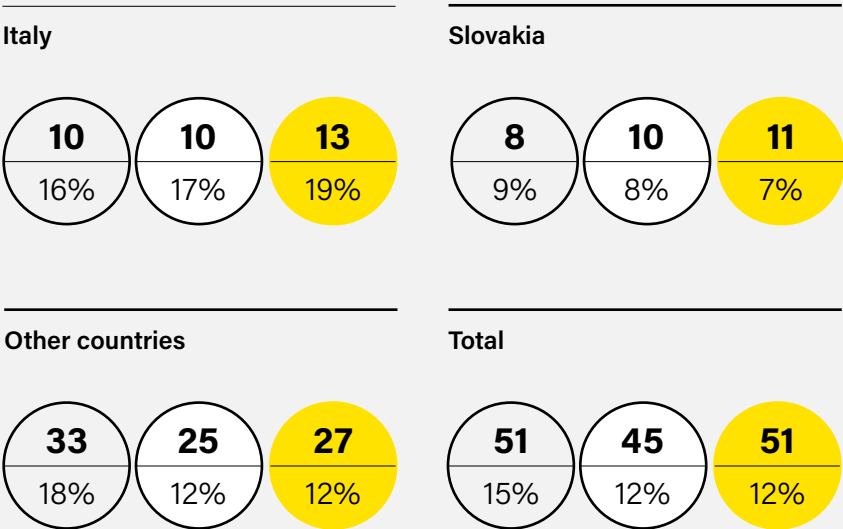
Under 30



Aged 30
to 50

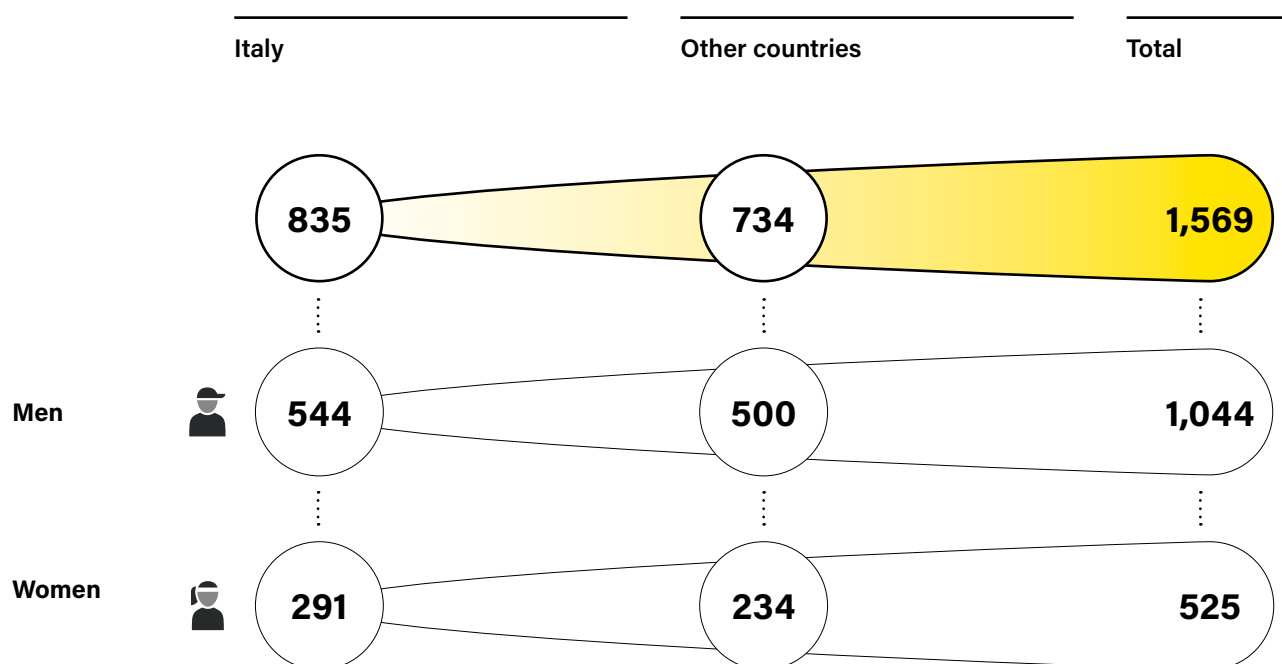


Over 50



EMPLOYEES ELIGIBLE FOR 2022

Total number of eligible employees in 2022



To ensure the sustainability of the organisation and to cover key roles, succession plans are drawn up annually. Based on these plans, individual development pathways are then designed, which in 2022 involved a growing number of staff from all company areas.

Diversity and equal opportunities

CONTROL TOOLS

- Code of Ethics
- GTD Manual

31.
There were no instances of
discriminatory behaviour
from 2016 to 2022. [406-1]

The **Code of Ethics** sets out the commitment of Technogym S.p.A. to guaranteeing a workplace that is free from racial, cultural, ideological, sexual, physical, moral, religious or other forms of discrimination, and one that offers equal opportunities under equal conditions [DMA 405; 406]

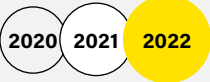
At every stage of the working relationship, the Group focuses on respect for diversity and equal opportunities and on preventing all forms of discrimination.³¹

The **Code of Ethics** also specifies that company property, in particular IT equipment or online resources, must never be used for the committing of offences, for inducement to commit offences or for racial hatred, inciting violence or the violation of human rights.

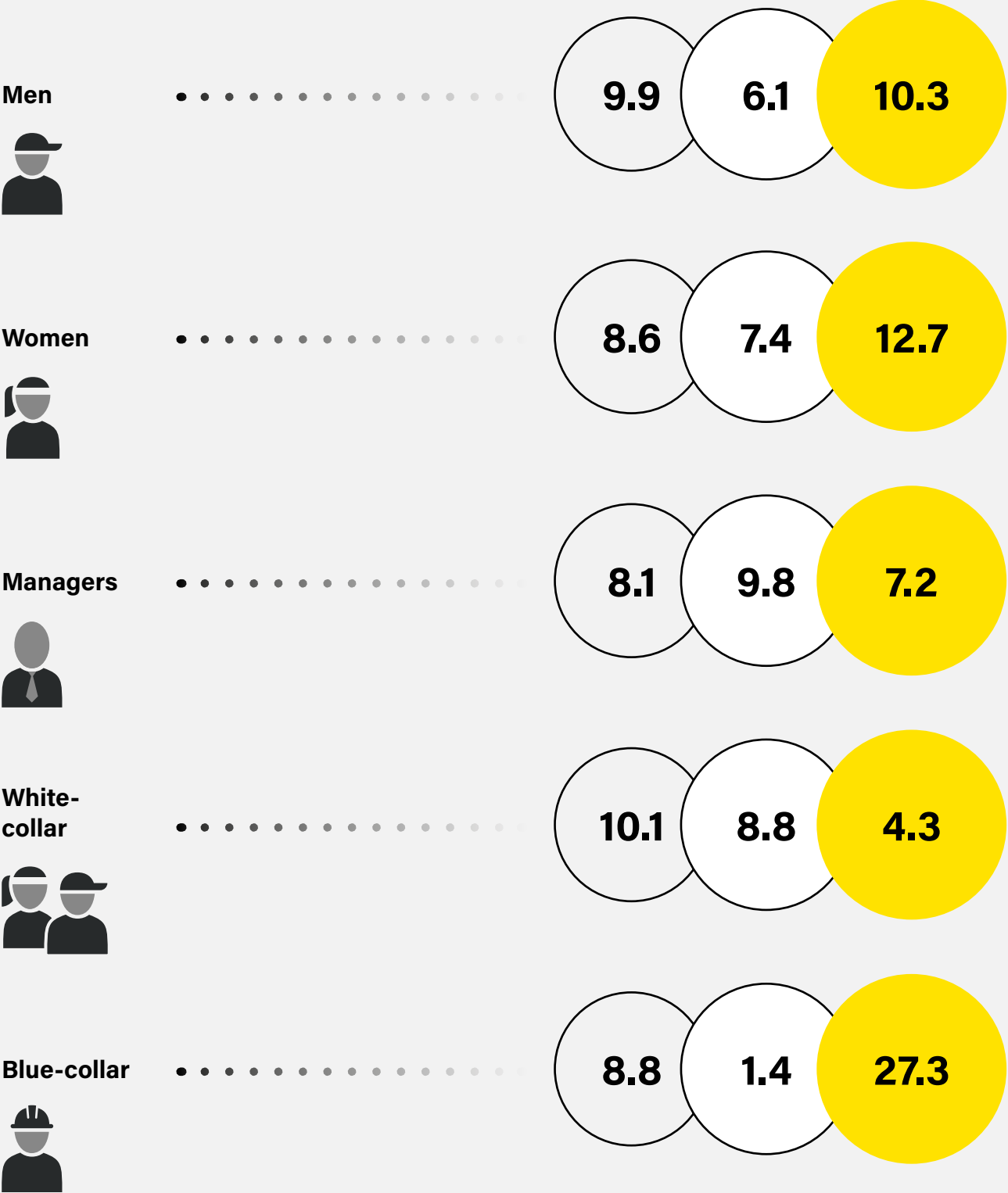
Technogym has pursued its commitment to diversity by adopting a diversity policy created by the Board of Directors and the Board of Statutory Auditors, which was approved by the Board on 7 March 2022. The policy provides guidelines on aspects relating to diversity in the composition of the board of Directors and the Board of Statutory Auditors, in order to ensure that the tasks and responsibilities entrusted to the corporate bodies are efficiently fulfilled, bearing in mind the nature and complexity of the company's activities, as well as the fundamental principles that underpin the corporate philosophy. A Diversity and Inclusion policy for all employees was also created in 2022. It will be approved during 2023.



**AVERAGE TRAINING HOURS
BY JOB CATEGORY AND GENDER AT TECHNOGYM S.P.A.**



 **Total number**

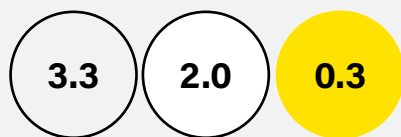


Men

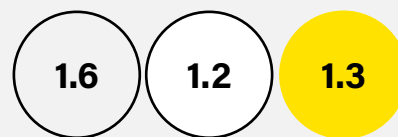
Technical and managerial



Health and safety



Commercial

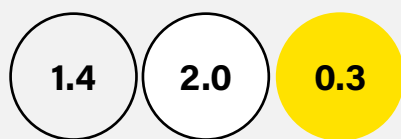


Women

Technical and managerial



Health and safety



Commercial



Managers

Technical and managerial



Health and safety



Commercial

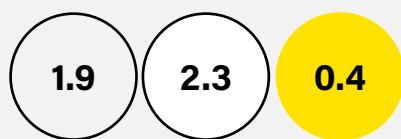


White-collar

Technical and managerial



Health and safety



Commercial

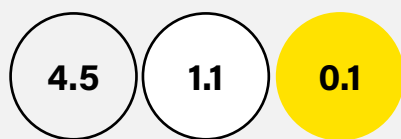


Blue-collar

Technical and managerial



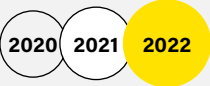
Health and safety



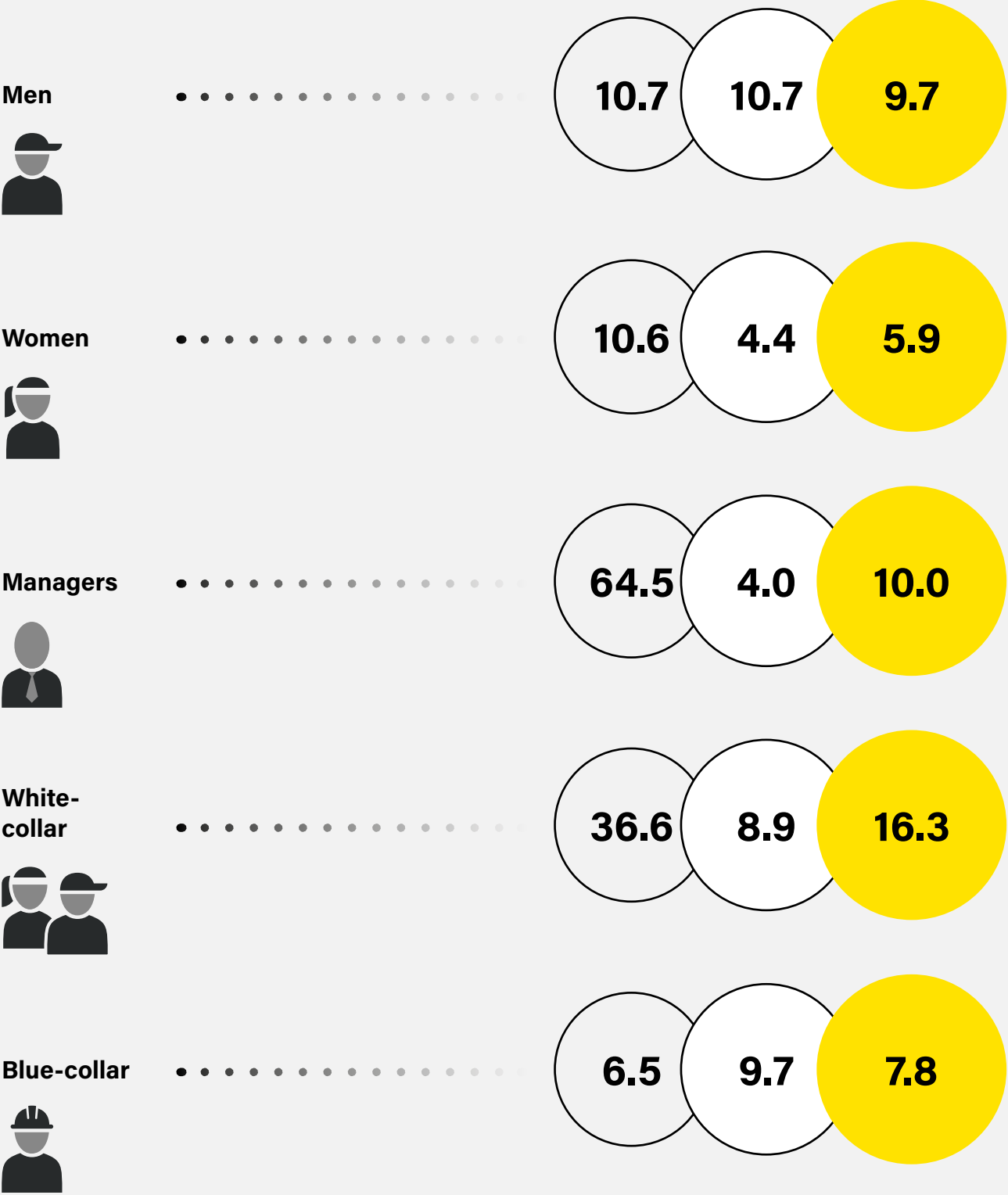
Commercial



**AVERAGE TRAINING HOURS BY JOB CATEGORY
AND GENDER AT TECHNOGYM EE³²**



 **Total number**



32. There are no commercial training activities in Slovakia, as the operations in this country are directly linked to production.

Men

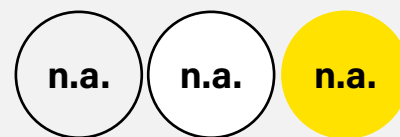
Technical and managerial



Health and safety



Commercial



Women

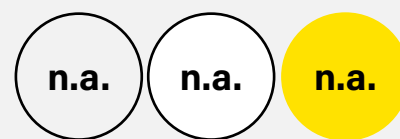
Technical and managerial



Health and safety



Commercial

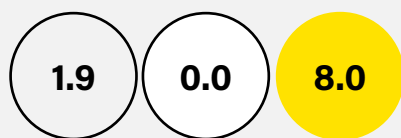


Managers

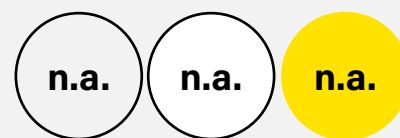
Technical and managerial



Health and safety



Commercial



White-collar

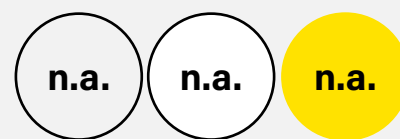
Technical and managerial



Health and safety



Commercial



Blue-collar

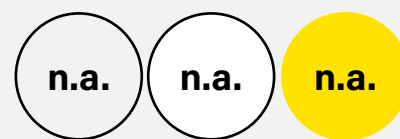
Technical and managerial



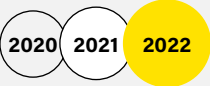
Health and safety



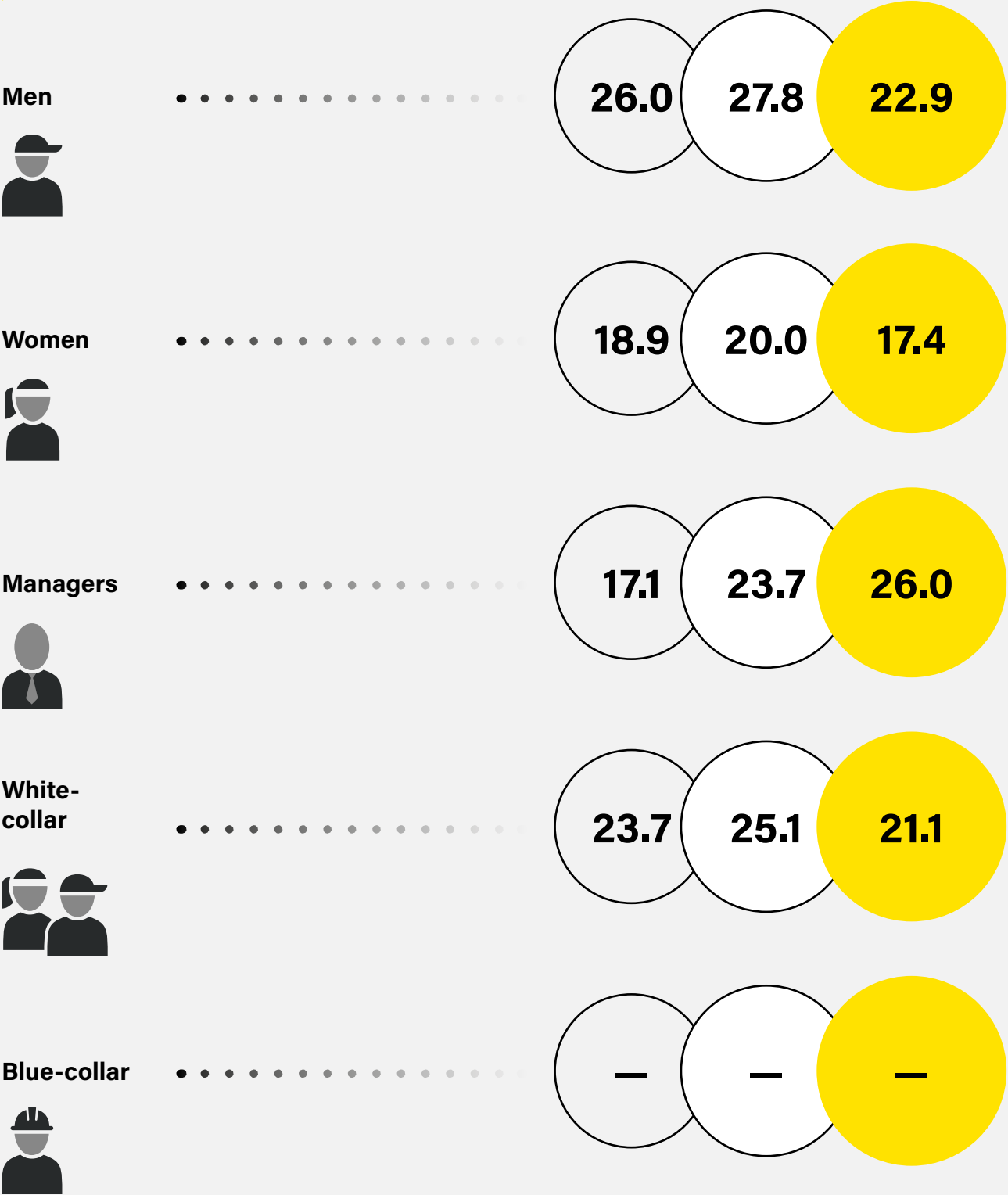
Commercial



**AVERAGE TRAINING HOURS, PER JOB CATEGORY
AND GENDER, FOR THE SUBSIDIARIES ³³**



Total number



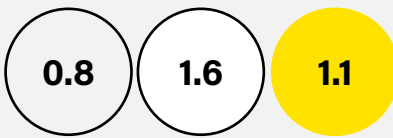
33. The "manual workers" category does not include training hours as there are no employees in the subsidiaries included in this category.

Men

Technical and managerial



Health and safety



Commercial



Women

Technical and managerial



Health and safety



Commercial



Managers

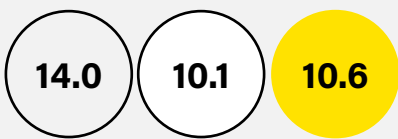
Technical and managerial



Health and safety



Commercial



White-collar

Technical and managerial



Health and safety

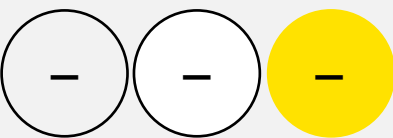


Commercial

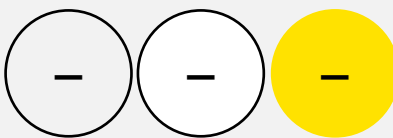


Blue-collar

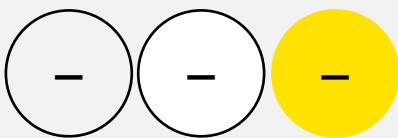
Technical and managerial



Health and safety



Commercial



Employees by professional category, gender and age

Finally, Technogym S.p.A. complies with the legal obligations applicable to the recruitment of people with disabilities, who are hired under direct agreements with local authorities and social cooperatives.

	2020	2021	2022
Number of employees with disabilities	27	27	27
Number of people provided for in the Provincial agreement (Art. 11)	3	0	0
Number of people employed under agreements with social cooperatives (Art. 22)	2	2	2
Number of employees hired, classified as disabled	0	0	0
Exemption quota recognised by the Provincial authority	16	23	26
Total Shortfall	0	0	0

7.4

REMUNERATION

Technogym's remuneration policy is practically focused on aligning senior management's interests with those of the shareholders and with developing the human resources themselves. The primary aim is to attract, motivate and retain talented people, who are indispensable for achieving the business results.

Technogym is committed to offering fixed and variable remuneration in line with the external market that respects the job responsibilities of the role held, and values individual competencies, as well as the professional experience of each employee. By carefully analysing each role, it is possible to monitor both internal fairness, checking the consistency of salary packages of employees of the same level, and external competitiveness, via a comparison with the market.

Based on performance appraisal criteria, business requirements and continuous feedback from the market, Technogym develops career plans for its employees that enable them to increase their salary accordingly.

It goes without saying that the company's remuneration Policy ensures fair treatment irrespective of gender or any other form of diversity.

In addition, the Remuneration Report is approved by the Appointments and Remuneration Committee and, immediately afterwards, by the Board of Directors³⁴.

In order to ensure business continuity and the legacy, Technogym develops retention and succession plans for key resources that are considered essential for business growth.

The short- and long-term variable components are based on the achievement of objectives aimed at the continuous growth of the business.

The objectives in both cases must be defined according to the SMART principle, i.e. they must be Specific, Measurable, Achievable, Relevant and Time-based.

The short-term variable component of remuneration is intended to reward the achievement of ambitious targets and exceptional results aligned with the company's strategy. This short-term variable component is meritocratic and designed to represent a direct link between remuneration and company and individual performance. It comprises a portion linked to short-term criteria (Management by Objectives, MBO) based on the achievement of annual Group and individual results. From among the individual targets, sustainability KPIs can be determined for each sphere of competency as well as a portion linked to function-dependent criteria.

³⁴. Technogym has many legal advisers to ensure that Consob's regulatory requests are applied correctly and uniformly. Moreover, each year the Remuneration report is improved with respect to stakeholder requests.

As can be seen from the foregoing, the company's remuneration policy is strongly linked to performance appraisal. Each year, following the performance appraisal process a salary review is carried out. This process aims to define the fixed and variable salary for each employee, based mainly on individual performance as well as internal fairness and external market data (benchmarking).

The HR Managers and Department Managers carry out this process. HR management and the Department Manager define the salary percentage increase, the percentage of the population involved per area and the criteria for salary changes (see section 7.3 on growth and development).

The salary package paid to all employees may include benefits, defined on the basis of internal fairness criteria and external competitiveness, in addition to the amounts provided for under the Italian national collective agreement and in accordance with the foregoing.

To ensure the quality of the working environment and corporate culture, Technogym has launched "W4W" (Working for Wellness), comprising a series of wellness-related activities and services, via the introduction of company agreements with the region, tax advice, flexible working hours for the convenience of employees and their families, etc. (for more details of the Working for Wellness project, see section 7.5).

Description of remuneration policies for members of the highest governance body and the key managers [2-19]

Fixed component

The fixed component of remuneration is consistent with the salaries identified by the company in line with the market and is structured in such a way as to appropriately remunerate the skills, commitment and activity performed on an ongoing basis by the key managers.

The total fixed remuneration of key managers may also include housing allowances, and for key managers who hold the position of director in the subsidiaries, other compensation and allowances such as to appropriately remunerate the commitment required by the role.

Annual variable component

Key managers participate in the 2022 MBO annual incentive plan, as described in Section F.1.1 of the Remuneration report and/or one-off bonuses linked to exceptional results and/or specific non-recurring projects.

For some of the key manager positions a stability plan may be drawn up that rewards long service in the company regardless of corporate or individual performance indicators. This is effected through the payment of bonuses at predetermined dates, which may not, however, exceed 25% of gross annual salary.

Medium- to long-term incentive plan

As a way of contributing to the creation of value in the medium to long term, key managers are also the beneficiaries of medium-term incentive plans.

The company has two medium-term incentive plans in place: one for the period 2019-2021 and the other for the period 2021-2023. In addition, a new medium-term incentive plan for 2022-2024, which will also be for managers with strategic responsibilities, will be submitted for approval in 2023. This will be based on the assignment of the right to receive free shares upon the achievement of certain company performance objectives ("2022-2024 Plan").

The main features of the 2022-2024 Plan are:

- › **performance objectives**, set in advance and identified in the financial and economic performance of the company, calculated with reference to the cumulative net profit for the period 2022-2024 and the cumulative free cash flow for the same period (i.e. the total of the Group's free cash flow for the three years included in the vesting period);
- › **vesting period**, a three-year period for the right to obtain shares arising from the vesting of the assigned right;
- › **binding non-transferability of the shares**, a "lock-up" period of 12 months from the date of assignment of the shares relating to the plan, without prejudice to the option to sell the percentage of shares stipulated in the plan to provide for payment of taxes on the bonus accrued.

The beneficiaries of the 2022-2024 Plan will be identified by the Board of Directors from among the managers with strategic responsibilities and other employees of the company or Group that hold roles deemed as strategic by the company. The company is assessing whether to include an ESG objective relating to the social aspect as an additional performance indicator in 2023.

Some of the managers with strategic responsibilities will also be recipients of the new long-term incentive plan called "Challenge", as described in Section F.1.3 of the Remuneration report.

Benefits

All key managers are also assigned a number of benefits, including a company car and mobile phone. All key managers also have the following insurance cover: D&O (Directors' and Officers' Liability Insurance), life policy, insurance for the reimbursement of medical expenses and occupational and other accidents.

For nearly 40 years, Technogym's philosophy has been that the more people who enjoy physical and mental wellbeing, the better place the world will be: Let's Move for a Better World!

Once again this year, in order to bring about and actively promote this change to the planet, the company decided to start with its most important resource: its people. With this in mind, improvement work was carried out on a unique programme called **"W4W" (Working for Wellness)**, which guarantees a high-quality working environment and corporate climate by offering people the chance to fully experience a wellness lifestyle in all areas of their daily lives.

Working for Wellness is the only corporate wellness programme that focuses on all components of mental and physical wellbeing, offering services dedicated to exercise, diet and health, as per the Wellness Lifestyle Pyramid drawn up by the Technogym Wellness Science Center.

Specifically, corporate wellness is one of the core services in the **W4W** programme, offering all Technogym staff, both at headquarters and the 14 subsidiaries around the world, the chance to access the company Wellness Centre or to take advantage of a specific welfare credit to be used towards an annual subscription to an affiliated wellness club furnished with Technogym equipment and digital solutions.

The project also includes annual medical check-ups (welfare screening), physiotherapy services at the Wellness Centre, personalised training and educational programmes. The beating heart of corporate wellness is represented by the team of wellness ambassadors: company employees from all over the world who are personally committed to promoting and involving all their other colleagues in transmitting the values and culture that underpin the principles of corporate wellness.

Our team of ambassadors is the lifeblood of the project and is continuously involved in all the main internal communication initiatives relating to corporate wellness, including targeted training on specific products, digital solutions and increasingly personalised formats.

The Corporate Wellness project also includes educational activities and workshops on topics such as a positive mental attitude, healthy eating and team building, to provide people with the tools and experience they need to improve their lifestyle.

The service generates benefits to the stakeholders involved: primarily to the employees in terms of wellbeing, personal health and engagement; and to Technogym in terms of productivity.

The W4W programme also features the Technogym Restaurant, with a special menu designed together with a nutritional expert. Well-balanced dishes are on offer, prepared with seasonal, high-quality and, above all, local, ingredients.

Moreover, the new T-Take Home service has been available since 2019, allowing all Technogym S.p.A. staff to book dinner directly from an app and take it home to enjoy a meal with their families.

In addition to corporate wellness, the W4W programme is also committed to enhancing various aspects of employees' personal life, in which context it offers:

- › **Special agreements:** with stores, services and associations in the local area for staff and their families;
- › **Tax advice:** a professional service to assist with the management of personal tax affairs;
- › **Wellness screening:** check-ups largely paid for by the company, consisting of blood and urine tests as well as a medical examination;
- › **Master Policy:** a supplementary health policy for HQ staff with more than 10 years' service with the company, that provides cover extending to their families too;
- › **Summer Centre:** for all employees' children, with the option to work flexible hours.

The T-Welfare (Technogym-Welfare) project, for HQ employees, which uses a dedicated online platform to offer a number of services, including prevention, welfare, the reimbursement of healthcare costs and school fees for children, as well as opportunities including shopping vouchers, travel, leisure, relaxation and well-being initiatives.

Work-life balance

The balance between professional life and private life (known as “work-life balance”) plays a key role in the Working 4 Wellness project.

To enhance the private life aspect, the supplementary company agreement contains a number of benefits, in addition to those stipulated by the legislation in force, to make life easier for employees.

For example, some of the main areas of application relate to:

- › **Health:** including various types of paid leave for specialist consultations for employees and their children;
- › **Family and personal life:** including concessions for optional maternity leave (parental leave),³⁵ finding a place for children in a nursery or kindergarten, as well as leave for the hospitalisation of spouse/partner, daughter/son or parent;
- › **Transferable holidays:** holidays may be transferred to a colleague to help out with parents, children, spouses, civil partners or co-living partners.

35. To encourage its use, a supplement to the INPS allowance is given to each parent who takes optional parental leave on a continuous basis; in 2022, the rate of return to work for those who took this leave on a continuous basis was 100%. [401-3]

7.6

ENGAGEMENT WITH SOCIAL PARTIES

“Technogym recognises the right of its staff to belong to trade unions, and protects their freedom of association and the opportunity to appoint their own representatives as defined in the Italian Constitution, the Workers’ Charter, the current national collective agreement and other agreements”

Once again in 2022, relations with workers’ representatives were constructive and conducive to inclusivity and maintaining a healthy working environment. Throughout the year, thanks to regular discussions, it was possible to apply the main tools provided for in the existing supplementary agreement, enabling efficient management of market requirements, continuous improvement and active participation in the achievement of corporate objectives. All Technogym S.p.A. employees are covered by collective bargaining agreements. [2-30]

7.7

OCCUPATIONAL HEALTH AND SAFETY

“A welcoming, clean, tidy and safe workplace encourages people to work to their best ability” [DMA 403]

Health and safety at Technogym are part of the value chain. Focusing on and continually improving the workplace environment is not just a way for the company to comply with laws and regulations and reduce operational, financial and reputation risks, it is also one of the levers through which it achieves its corporate mission. The governance of these aspects combines with the wellbeing promoted by the organisation and is part of a wider-ranging



36.
At Technogym EE, the painting and cleaning operatives, and from 2018 also the upholstery workers, are considered high-risk.

project in the interests of staff and the external social context in which a company grows today and for which it becomes a reference point.

Despite the presence of several high-risk operations (staff working at height, electricians, workers using lifting equipment and handling and storing materials,³⁶ etc.), the Group has not experienced any serious accidents relating to these risks, nor have its employees suffered any significant exposure to chemical and biological risks, and this is evidenced by the trend in accident data. In 2022, following various events that occurred, remedial action was carried out including the expansion of work spaces and the implementation of innovative technical measures. There were no cases of occupational illness recognised by INAIL in 2022.

The careful design of workplaces, the analysis of processes, and the design and choice of large, well-lit spaces and equipment are conducive to the utmost compliance with applicable workplace health and safety regulations. Technogym's commitment to promoting the wellness of the Group's employees over and above the requirements of law is a key driver for the company in generating an extended value chain for its stakeholders and strengthening its sustainable business model. For Technogym, rules are not a limit, but an opportunity that gives it an advantage.

Since 2006, oversight of health and safety has been performed by a voluntarily implemented BSOHSAS 18001-certified Management System that evolved in 2018 with the achievement of ISO 45001-certification, and covers all Technogym S.p.A. premises and all colleagues, including temporary staff and contractors. This system guarantees that organisational and technical measures can be identified and that special codified procedures can be applied.

The ISO 45001 standard was also implemented in the Technogym E.E. production site and in the Technogym U.K. Subsidiary in 2018, leading to Group certification in addition to that of the individual companies.

Systematic internal and audits have made it possible to monitor and continually improve the system.

Auditing is done on a sample basis, meaning that the internal and external workers, who are audited by way of an on-site interview, are a small percentage of the total. Around 10% of workers have been subject to internal audits and 5% to external audits. Auditing activities resumed in 2022. It is expected that in 2023 audits will be carried out with the same frequency as in the past.

Again in 2022, national and international rules and standards introduced in the wake of the Covid-19 emergency were followed when implementing processes, and the well-established culture of prevention was borne out in the resilience of the company's processes and people. As a result, the impact of the pandemic was mitigated by the rapid changes to procedures and daily operating methods.

Technogym periodically defines objectives and areas for improvement to increase the effectiveness of its actions and efficiency of its organisation, in order to prevent incidents, accidents and professional disease and create a safe, healthy environment, in line with staff expectations.

Our organisation is committed to improving its ability to govern its system of health and safety controls at all times, by monitoring a set of indicators used to control health and safety, identifying factors that emphasise the proactivity of the people who work for us. One of the core elements of the system is the promotion of a common culture of safety in the workplace, and health and safety knowledge, by means of training initiatives, so that each staff member champions health and safety and is actively involved in improvement. Training is carried out across all areas,

with a particular focus on production department workers as they have more exposure to the risk of accidents in the workplace.

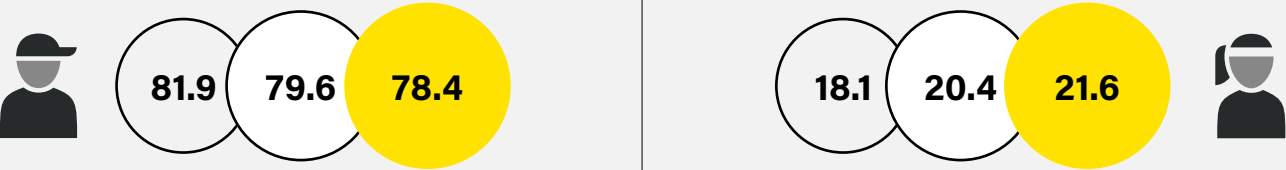
Health and safety training is an ongoing activity that starts as soon as someone joins the company, with the mandatory part linked to the State/Regional Agreement described in the specific training programme, and continues with on-the-job and other training relating to the

CONTROL

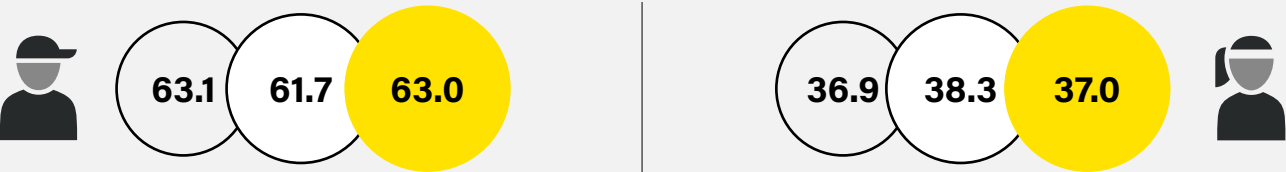
TOOLS

- Code of Ethics
- Health and Safety Management Policy
- ISO 45001 Management System

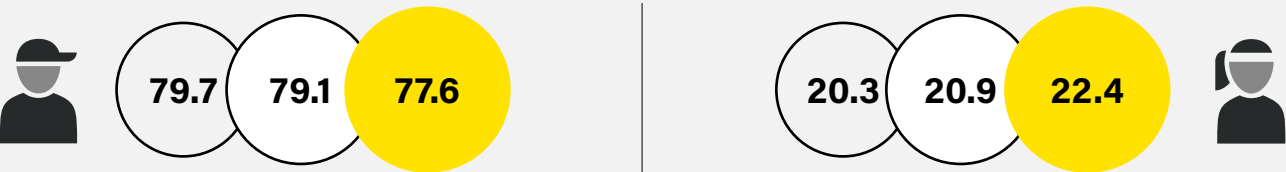
Percentage of Operations Committee members (%)



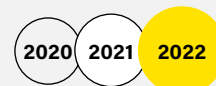
Percentage of clerical staff (%)



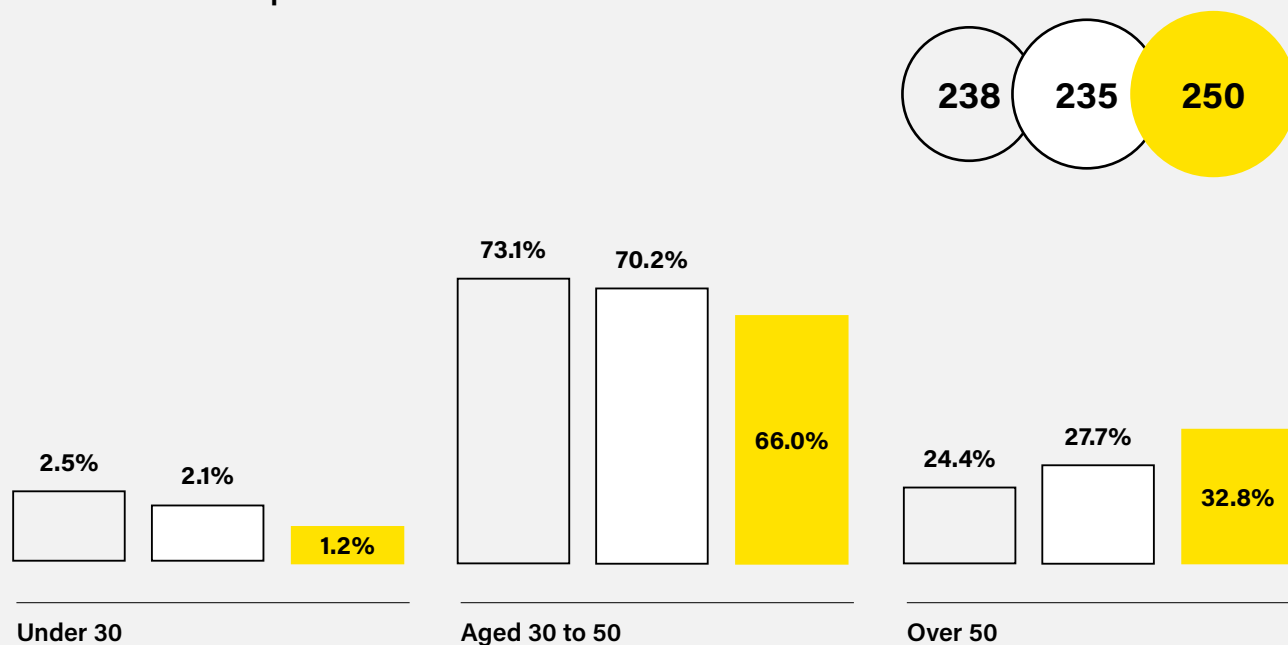
Percentage of manual workers and equivalents (%)



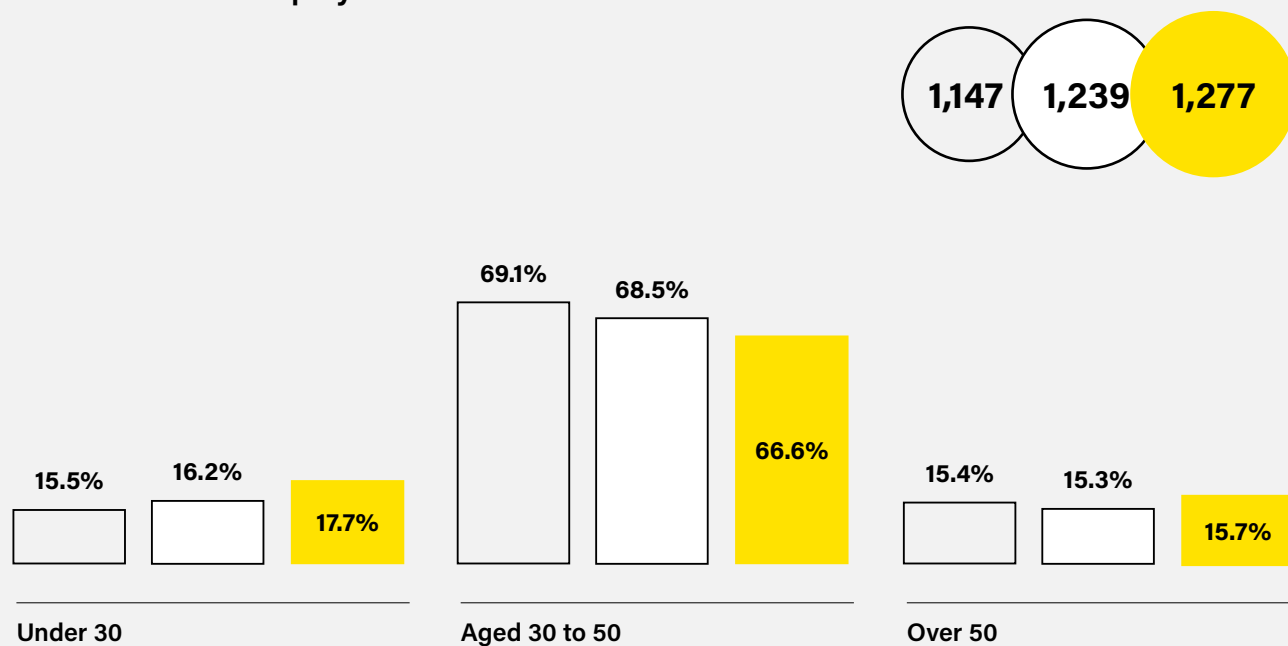
EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE GROUP



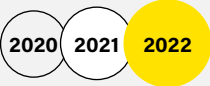
Total number of Operations Committee members



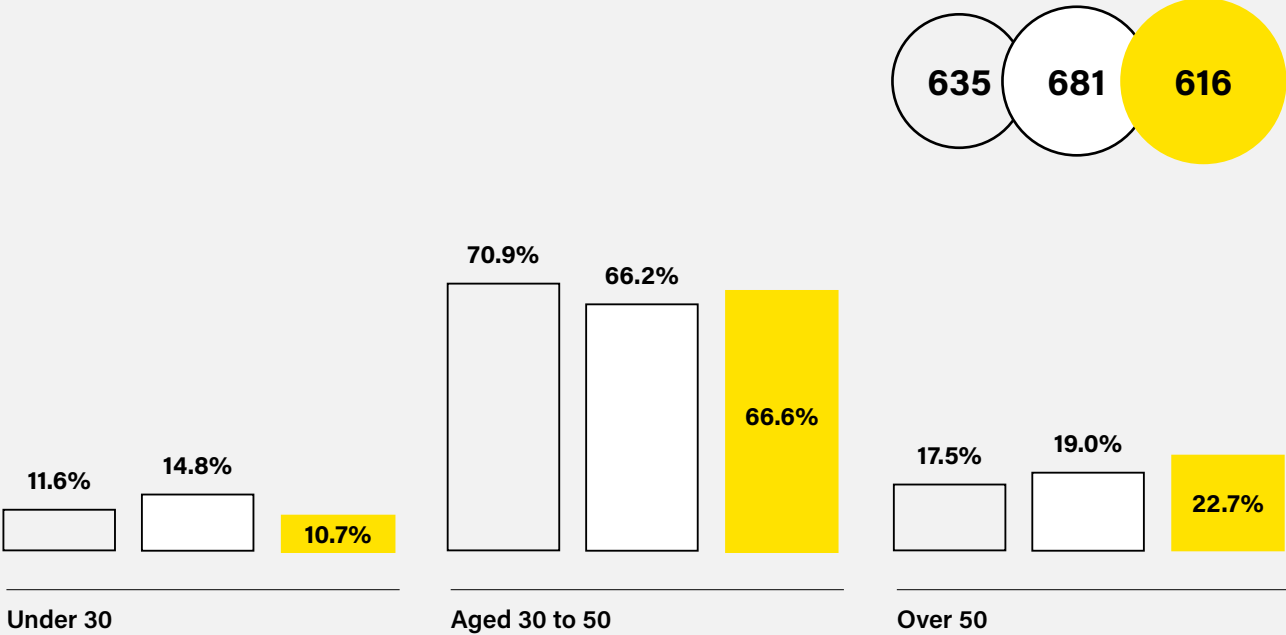
Total number of employees



EMPLOYEES BY PROFESSIONAL CATEGORY
AND AGE GROUP



Total manual blue-collar and equivalents



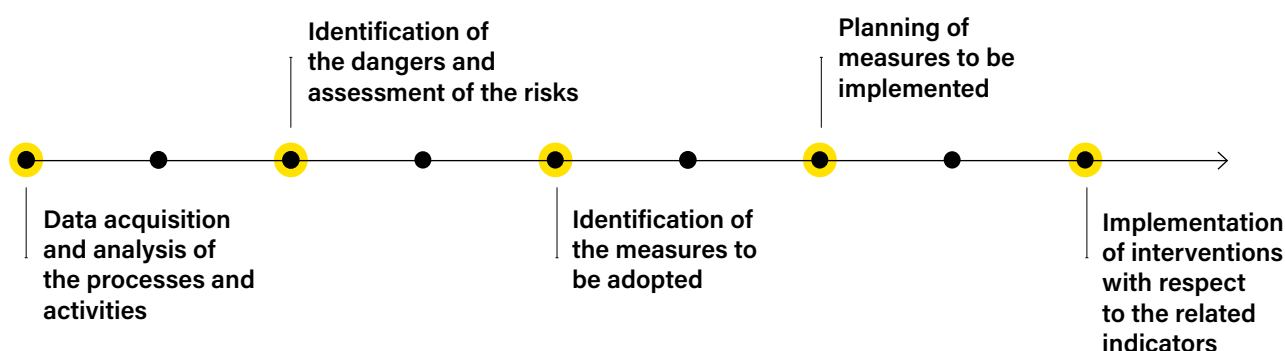
operating roles. The entire health and safety training plan is included and regularly updated in the Risk Assessment Document (RAD), and it is extended to suppliers and interns.

In addition to the ongoing training process, a supervisory process is also carried out by supervisors who have a tool called “supervisor’s diary”, which enables them to continuously train their colleagues on health and safety issues and on compliance with procedures. There is no retaliation for removing workers from dangerous situations: all managers have been trained on the updates of 81/2008, December 2021, which obliges them to suspend operations in dangerous situations. Emergency plans constitute a further tool, via which workers are notified to stop work and leave the premises in the face of imminent danger without having to wait for authorisation at the sound of an alarm, or if earthquakes occur.

In 2022, more than 3,487 training hours were delivered in Italy on health and safety issues, while in Slovakia, a total of 2,928 hours were delivered³⁷.

All employees and staff, primarily those operating at the production site, are trained to become involved in improvement and are encouraged to report any risks they may notice, following structured procedures. All reports of potential hazards are addressed, and specific action will be taken if actual risks are found.

Technogym has developed a process for identifying hazards and assessing risks, which means it can apply an appropriate prevention and control system whenever necessary. Specifically, this process starts with data acquisition and analysis of the processes and activities, meaning that the hazards can be identified and the risks assessed. In this way, it is possible to identify and schedule suitable measures for taking the specific steps required as described in the graphic below.



Once an incident has been reported or has occurred, more detailed analysis of the causes is carried out via an immediate inspection, interviews and immediate temporary actions. Weekly meetings are then held to track the progress of the activities with respect to the corrective actions identified. The process used to identify risks is described in the working method of the RAD. Notifications of potentially hazardous circumstances and situations uncovered during workplace inspections are prioritised. If the priority is high, there is immediate intervention aimed at eliminating or mitigating the risk in question; the same method is also used for medium and low priorities any time immediate action can be taken.

In the production departments, the supervisor structure focusing on cross-departmental continuous improvement was strengthened, with careful attention also paid to health and safety aspects. For staff working in the production departments, there is also a bonus system (included since 2003 in the company supplementary agreement) via which proactivity is encouraged, by measuring participation in the improvement process by reporting potential danger. As well as enabling workers to play their part in the improvement process, this facility helps them to fulfil their legal and regulatory requirements, including reporting anything that may endanger their health or the health of others. Through this tool, the company and its staff work together to build, along with H&S governance, an effective prevention process.

37. The tables with the figures relating to the hours of health and safety training are available in the attachment.

Every six months, a meeting is arranged for all production department staff, where the results for the period are announced, and the best ideas and reports that have led to improvements and contributed to health and safety prevention are rewarded. This activity is also carried out in small groups during the year.

The technical approach is reinforced with an approach that takes account of the “human factor”, which significantly affects the achievement of the expected result - its success or failure - by building over time a Group culture relating to risk perception.

Training in this area enables workers to respond appropriately to a critical event.

Thanks to the participation of the various areas of the company, the organisation can take a proactive approach, and progress towards continuous improvement in relation to established indicators and cultural change.

Everything described here takes place in an orderly, clean, well-organised, planned working environment, applying unique aesthetic criteria, in the knowledge that order promotes positive emotional and cognitive responses, improving the ability to concentrate and clarity of thought.

For Italy, workers are represented by Workers' Safety Representatives, who are part of the company's Workers' Council. The workers' safety representatives have a specific number of hours to carry out the tasks assigned to them; they are also part of consultation and continual improvement groups that meet periodically. In 2020, at the same time as Covid-19 took hold, weekly meetings with Workers' Safety Representatives and members of the Covid-19 Committee were set up, increasing the frequency of the meetings, which until the previous year had been monthly. These meetings were also continued on a weekly basis in 2022. This bolstered the consultation and participation process of the workers through their representatives, both for aspects relating to the management of Covid protocols and the emerging aspects of health and safety at work.

In Italy in 2022, there was a decrease in accidents compared with the previous year, both in terms of frequency and severity.

One area to which Technogym has always been committed is protecting the health of its workers and this is a cornerstone of the risk mitigation process. The occupational medicine service is outsourced. The Medical Officer comes into the headquarters every fortnight, is fully informed about the processes, and visits the workspaces whenever needed, to analyse work stations, in addition to the standard annual inspections required by law. Workers can contact the occupational health doctor directly by email or phone. In 2022, the Medical Officer implemented a secure website, where each employee can access their medical records, which are collected organically and generated at the time of their periodic health checks.

Communication via posters on the health and safety noticeboard at the industrial site and the noticeboards at the production site contain up-to-date information on the subject, while any communications or documents concerning health and safety feature plenty of visuals and images for ease of comprehension. Each employee can also view the health and safety management system documents on the dedicated section of the company's intranet. Information notices, training material and internal company procedures are considered part of the health and safety communications.

Accident index

	2020		2021		2022	
Accident index ³⁸	Technogym S.p.A.	Technogym EE	Technogym S.P.A.	Technogym EE	Technogym S.P.A.	Technogym EE
Employees:						
Total hours worked	1,130,289	600,978	1,336,251	732,844	1,385,128	816,580
No. of accidents affecting employees (>1 day of absence)	4	3	9	3	5	2
<i>Of which serious</i>	0	0	0	0	1	0
Frequency index	3.54	4.99	6.74	4.09	3.61	2.45
Non-employees:						
Total hours worked	70,647	0	147,120	0	127,218	0
No. of accidents affecting employees (>1 day of absence)	1	0	5	0	1	0
<i>Of which serious</i>	0	0	0	0	0	0
Frequency index	14.15	0	33.99	0	7.86	0

³⁸.
The indices are calculated by multiplying the number of work-related injuries by 1,000,000 and dividing by total hours worked.

Non-employees by type of contract, broken down by gender and region ³⁹ [2-8]

2020												
	Technogym S.p.A.			Technogym EE			Subsidiaries			Total		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Interns and apprentices	1	0	1.00	0	0	—	4	4	8.00	5.00	4.00	9.00
Temporary workers	4	52	56.00	0	0	—	7	4	11.00	11.00	56.00	67.00
External staff (agents)	0	34	34.00	0	0	—	1	15	16	1.00	49.00	50.00
Total	5	86	91	—	—	—	12	23	35	17	109	126

2021												
	Technogym S.p.A.			Technogym EE			Subsidiaries			Total		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Interns and apprentices	8	9	17.00	0	0	—	3	1	4.00	11.00	10.00	21.00
Temporary workers	11	49	60.00	1	11	12.00	8	3	11.00	20.00	63.00	83.00
External staff (agents)	0	36	36.00	0	0	—	1	15	16	1.00	51.00	52.00
Total	19	94	113	1	11	12	12	19	31	32	124	156

2022												
	Technogym S.p.A.			Technogym EE			Subsidiaries			Total		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Interns and apprentices	5	3	8.00	0	0	—	4	1	5.00	9.00	4.00	13.00
Temporary workers	33	51	84.00	1	4	5.00	10	5	15.00	44.00	60.00	104.00
External staff (agents)	0	33	33.00	0	0	—	1	14	15	1.00	47.00	48.00
Total	38	87	125	1	4	5	15	20	35	54	111	165

39.

In Technogym S.p.A. and Technogym E.E. temporary workers are mainly employed in the production area as assemblers, while in the branches they hold operational positions such as Customer Service and After Sales. These workers are used to cover and manage production peaks and to quickly replace back office operational roles. The Agents are all sellers and there are no significant changes in this workforce.

Senior managers hired from the local community

[202-2]

40.
Key managers. (Italy).

41.
Regions in which Technogym S.p.A. operates: Emilia-Romagna and Lombardy.

42.
Cesena and Milan sites.

Senior managers ⁴⁰ hired from the local ⁴¹ community	FY 2020	FY 2021	FY 2022
Number of Senior Managers at the large operating sites ⁴² hired from the local community	26	31	37
Total number of Senior Managers	40	50	57
Percentage of Senior Managers at the large operating sites hired from the local community	65%	62%	65%

43.
The average fixed remuneration, calculated on a full-time equivalent basis, of Technogym S.p.A. employees is reported and compared. (key managers and white-collar workers, excluding blue-collar workers) in force as at 31 December (2019, 2020, 2021, 2022). Remuneration values are expressed in euro and are gross values.

44.
The annual total ratio is calculated as the ratio of the annual total compensation of the organisation's highest-paid person to the median annual total compensation of all employees excluding the highest-paid individual.

Remuneration⁴³

[2-21]

Annual total compensation ratio ⁴⁴	FY 2020	FY 2021	FY 2022
Annual total ratio	28.16	28.26	26.95

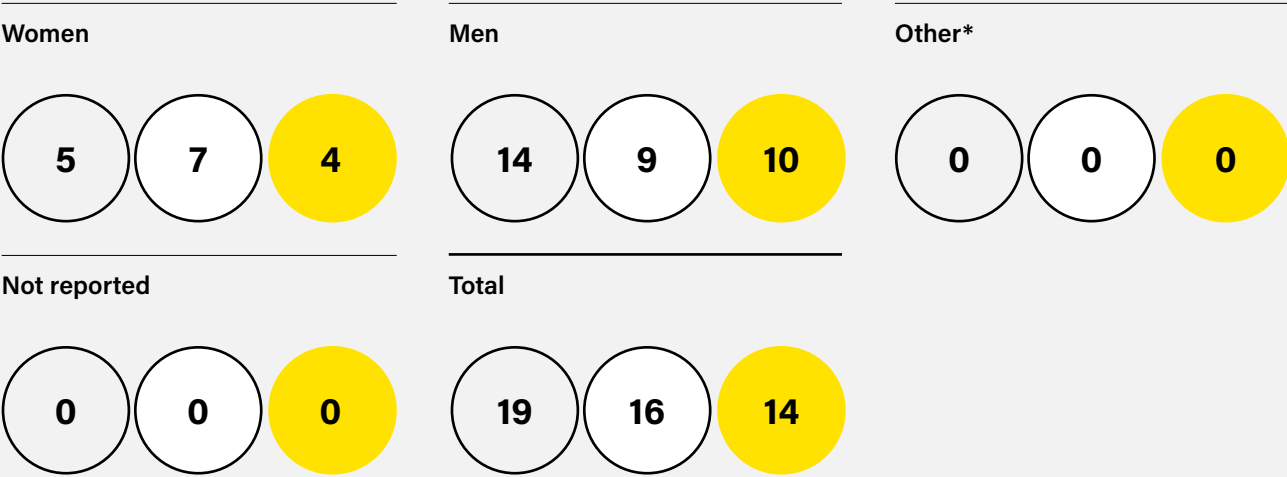
Annual total salary increase ratio	FY 2020	FY 2021	FY 2022
Percentage increase in the annual total salary of the highest-paid individual in the organisation	0%	0%	0%
Median percentage increase in the annual total salaries of all employees (excluding the highest-paid individual)	2%	0%	5%
Annual total ratio	0	0	0

45.
The average fixed remuneration, calculated on a full-time equivalent basis, of Technogym S.p.A. Employees (key managers and office staff, blue-collar workers) in post at 31 December 2022 is reported and compared. Remuneration values are expressed in euro and are gross values.

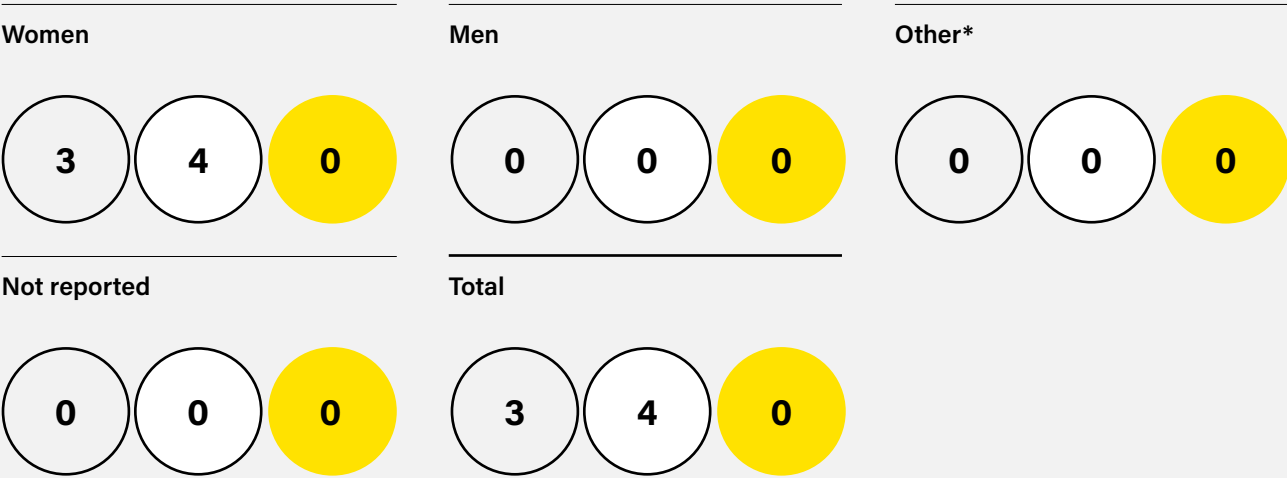
Remuneration for each professional category ⁴⁵	FY 2021	FY 2022
<i>Ratio</i>		
Managers	0.79	0.84
Executives	0.88	0.92
White-collar	0.82	0.85
Blue-collar	0.93	0.93

The figures shown above are calculated as the ratio of the average remuneration of women to that of men for each professional category. The percentage ratio between 2021 and 2022 increased for all professional categories except for blue-collar workers, for which it remained unchanged.

Employees who were eligible for parental leave⁴⁷



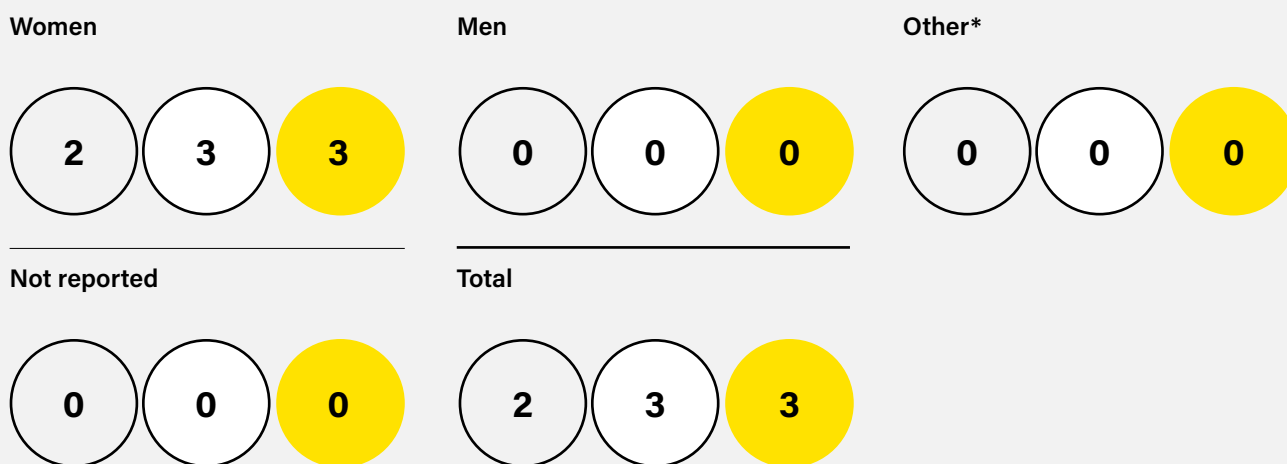
Employees who took parental leave



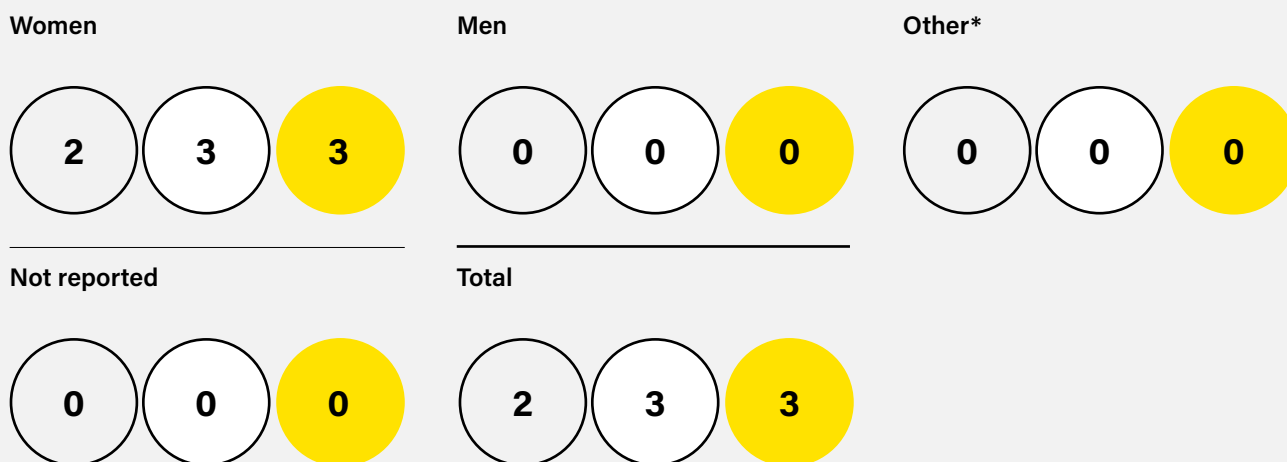
46. Parental leave (optional leave) taken on a continuous basis

47. Employees who had a child in the year under review and who therefore had the opportunity to take parental leave on a continuous basis.

Employees who returned to work during the reporting period after taking parental leave



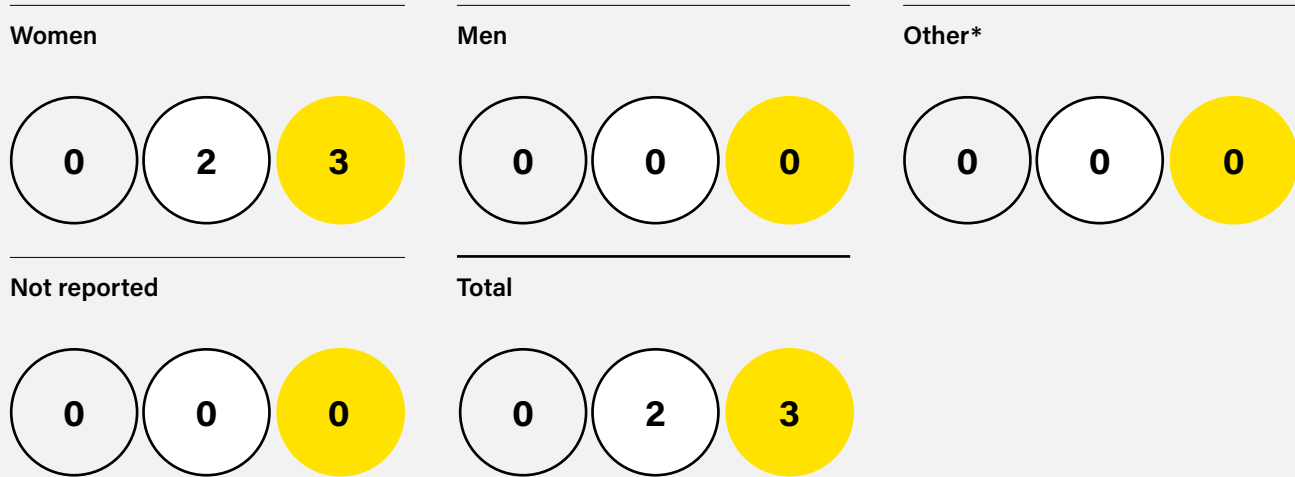
Employees who should have returned to work during the reporting period after taking parental leave



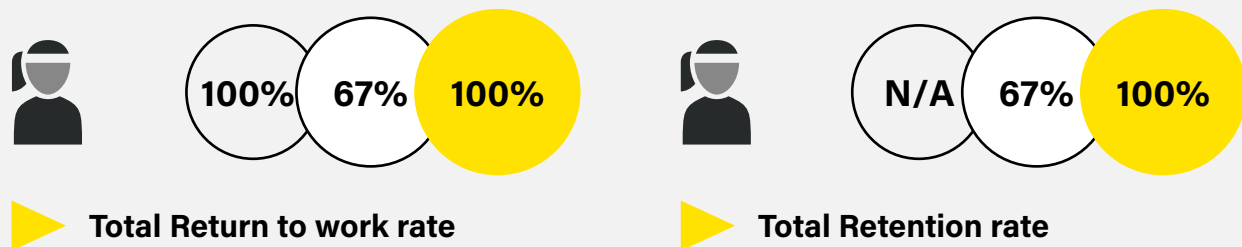
48. Parental leave (optional leave) taken on a continuous basis

*Gender as specified by the employee.

Employees who have returned to work after taking parental leave and who are still employees of the organisation in the 12 months following their return



Employees who took parental leave



**Working 4
Wellness:
wellbeing
starts with us**





Above all, the wellness philosophy is a daily commitment we make to our colleagues: thanks to our working environment and T-Welfare, we put their quality of life and work at the centre of what we do every day.

Since 1993, we have put the **wellbeing** of people at the heart of our company philosophy, with a mission to spread the **wellness** culture around the world. There are now 55 million people globally who train with us every day in over 85,000 fitness centres and 400,000 homes. Above all, the wellness philosophy is a daily commitment we make to our colleagues: we are able to export this lifestyle around the world only because we believe in wellness and we want to be the first people to live it day in, day out, starting from our working environment.

The **working environment** is where most of us spend a large part of the day. It has been proven that a working environment that is not only safe but comfortable, stimulating and optimised based on workers' needs contributes considerably to their mental and physical wellbeing. From this point of view, the **Technogym Village**, opened in Cesena in 2012, is a unique example of wellbeing architecture. A concept dreamt up by Nerio Alessandri and Antonio Citterio, it is the first wellness campus in the world and an architectural representation of the company's wellness philosophy. Mr Citterio was inspired by the concepts of sustainability and bioarchitecture to create an integrated wellbeing environment characterised by the successful fusion of elements such as light, atmosphere, sensations,

colours and natural materials. The spaces have been designed on a human scale and to enable a whole series of activities to be carried out, going way beyond mere "production": the company's headquarters nowadays is a workplace, an industrial production plant, a meeting place, a training area and a wellbeing environment, all rolled into one.

We have implemented a **corporate wellness** programme within the Technogym Village in the interest of the health of all our employees. Our **T-Welfare** is the result of complementary action on three fronts, namely the three pillars of wellness: physical activity, healthy eating and a positive mental approach. **Working For Wellness** is our unique programme for employees' health that includes access to a cutting-edge gym and outdoor sports, choosing from a wide range of individual and group classes; free annual check-ups to assess the employee's health but also give them advice on how they can improve their physical and mental wellbeing; daily access to the T-Restaurant, the world's first wellness canteen, which offers a choice of three menus every day based on the employee's dietary requirements. Our colleagues' health is also their families' health, which is why we love opening up to the outside world: our "Take Home" service lets employees pick up fresh, healthy meals from the canteen for their family to have at home in the evening. Relatives and friends of our employees are also welcome at our gym and in our outdoor spaces at the weekend or during some special events. When we talk about the working environment, we don't just mean the physical spaces; we also mean the wellbeing that comes from feeling at ease sharing moments with others.

Nearly a decade after it was opened, the Technogym Village is still **an innovative, people-focused workplace** that acts as a benchmark for many firms who visit our campus every year in search of inspiration. The company has been recognised worldwide, by the media and through major awards, including "Best Place to Work", as a benchmark for the quality of its working environments and services for employees.



WORKING FOR WELLNESS IS OUR UNIQUE COLLEAGUE HEALTH PROGRAMME



Above all, the Wellness philosophy is a daily commitment we make to our colleagues

**TECHNOGYM VILLAGE IS AN
INNOVATIVE, PEOPLE-FOCUSED
WORKPLACE THAT ACTS AS A
BENCHMARK FOR MANY FIRMS
WHO VISIT OUR CAMPUS EVERY
YEAR TO LOOK FOR INSPIRATION**



Technogym People: the importance of people





The success of a company depends on its ability to invest in skills, ideas and experience. Or to put it another way, people. At Technogym, we invest in ongoing training and personal development because we believe strongly that it is important to have a motivated team.

In a globalised, competitive market, the success of a company depends on its ability to attract talent. To be an industry leader, you have to invest in skills, ideas and experience. Or to put it another way, people. That is why today's businesses invest a lot of resources in implementing corporate policies that make them an attractive place to work, particularly in the eyes of young talent and qualified professionals. Since the 1990s, companies have invested in employer branding strategies to build a reputation as an ideal place for potential candidates to come and work. But what makes a company the ideal place for a young person fresh on the job market or a professional hoping to develop? Extensive research has found that the ideal company must tick boxes in all the following areas: working environment, welfare, opportunities for professional growth, ongoing training, the chance to take part in innovative projects and internationalisation.

At Technogym, we have always paid a lot of attention to these areas because we believe in teamwork and in the importance of having a motivated group characterised by a strong sense of belonging. In 2022, the group's workforce grew to over 2,300. We receive more than 10,000 CVs every year, which is testament to the attractiveness of the business. But the relationship of trust with an employee is renewed on a daily basis and requires constant attention.

The Technogym Village is a unique workplace from this point of view, not only because of its innovative and sustainable architecture, but also because of its role as hub of ideas, information

and cross-departmental expertise. The Village is in constant talks with the most prestigious universities and research centres, and it is the home of innovation on a daily basis thanks to meetings with industry professionals, athletes, doctors, physios, architects and specialists in many other fields. Scientific research, product development and training are the three pillars on which Technogym has built and consolidated a new concept over the years, the concept of Open Innovation as a model for growth and a means for meeting the challenges of modern-day life.

The second key to developing individual skills and consolidating group values is ongoing training. This is why the Technogym University organises cross-cutting training programmes aimed at developing soft skills or new expertise and information sessions on the Technogym culture, open to all staff. Alongside this offer is a structured annual training plan, which is drawn up each year together with Human Resources, setting out the overall training priorities and focusing on the training needs of the employees that emerged during the annual appraisals. Training is delivered in various forms: on-the-job training, so that employees can learn through projects and new, stimulating activities; continuous feedback; coaching and mentoring; and classes and seminars. In 2022, the training activities that were mainly delivered via e-learning and remote learning during the pandemic, were resumed as in-person training, but continuing with a blended (hybrid) approach. This resulted in over 30,000 training hours being delivered worldwide.

It is important to keep a new employee motivated. And that brings us to the third key word: mobility. A business must know how to communicate a vision of continuous personal and professional development. At Technogym, we have developed an annual appraisal process that enables us to identify and implement training and development activities in order to improve performance, behaviours and technical expertise, and to select the resources in which to invest by way of individual development plans. To ensure that key positions are covered, succession plans are drawn up every year and used as the basis for individual career paths: in 2022, these involved an increasing number of employees across all areas of the business. The same is true outside Italy. We are a business with an international mindset, with a presence in over 150 countries and we encourage the development of international induction courses for our staff.



**TO BE AN INDUSTRY LEADER
YOU HAVE TO INVEST
IN SKILLS, IDEAS AND
EXPERIENCE. OR TO PUT IT
ANOTHER WAY, PEOPLE**



TECHNOGYM UNIVERSITY ORGANISES CROSS-CUTTING TRAINING PROGRAMMES AIMED AT DEVELOPING NEW SKILLS

What unites us and makes us a great team is a passion for wellness and the desire to spread this philosophy around the world, which is why, above all, joining Technogym means signing up to our mission of creating a better world.

Technogym University is our internal training academy, created to offer training programmes of excellence to Technogym employees at various levels in the organisation: from managerial training to technical product training and the various disciplines connected with the company's areas of activities.

Technogym University today aims to develop specific and cross-cutting skills in people thanks to its extensive programme of courses. Training is delivered in a hybrid way, including in-person courses, e-learning and webinars. These are

provided using the dedicated spaces in the Technogym Village and our Campus, and with the support of a variety of cutting-edge tools and technologies.

Technogym University offers a training catalogue, training on reskilling and upskilling in line with company strategies, individual career development paths, programmes devoted to talents, the *Scuola dei Mestieri* (Skills School) and the T-Factory Catalogue dedicated to the production departments.







THE SUPPLY CHAIN

8 The supply chain

8.1 SNAPSHOT OF THE SUPPLY CHAIN

“To ensure the constant improvement and steady growth of its relationship with suppliers, Technogym has defined its reference values and specific policies for developing its supplier base”

The Group has always been committed to developing innovative, high-performance quality solutions. To continue this commitment, a close collaboration needs to be maintained with suppliers, particularly those who produce materials and technologies suitable for use in the fitness industry, even if they primarily operate in other sectors.

The fitness industry does not have its own production chain and frequently uses suppliers who mainly manufacture goods for other sectors. This means that materials and technologies need to be adapted to the requirements of fitness products.

In this context, Technogym has adopted an approach to supply chain management that favours continuous, two-way learning in order to regularly fulfil the new market demands. This means that long-term relationships need to be forged, particularly with suppliers of high-tech components, who make up a supply chain that is largely stable.

The following information relates to all purchases of supplies for Technogym S.p.A. (Headquarters and Italian plant) and Technogym EE S.r.o. (Slovakian plant), consisting entirely of raw materials and components necessary for manufacturing products.

Technogym's supply chain is divided into suppliers who provide “bill of materials” supplies, some of which are particularly strategic to Technogym's success, including those that contribute directly to product creation, and “indirect” suppliers who provide other services or materials, as well as the equipment used in production.

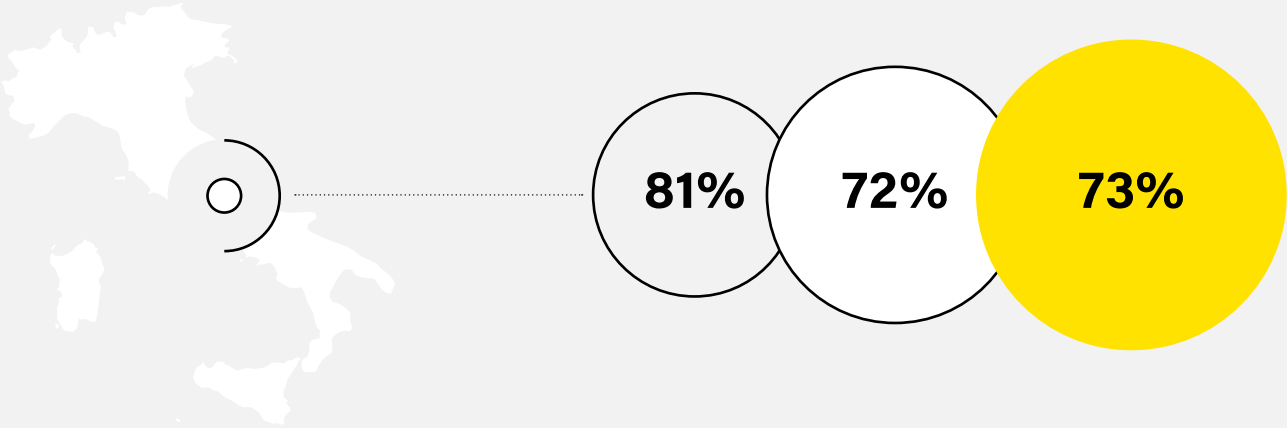
In 2022, purchases for production operations alone totalled €335,984,857.31. In addition, Technogym S.p.A. and Technogym EE S.r.o. used a total of 934⁴⁹ providers.

The supplier base is broadly unchanged. The differences compared with previous years relate particularly to the “Other” category.

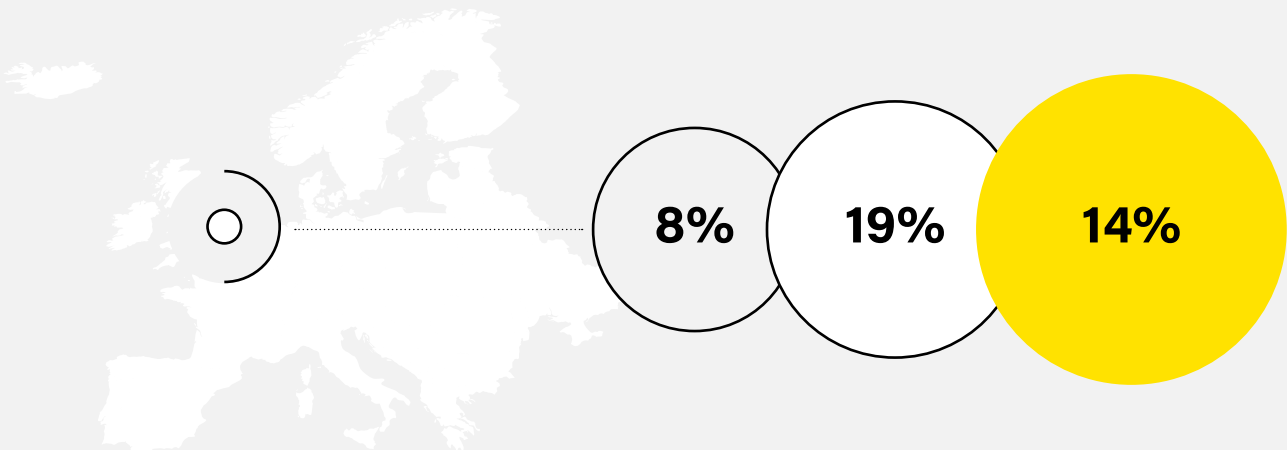
49.
This number relates to the suppliers who generated sales of at least €10,000 with Technogym in the reference year. The top 100 suppliers account for around 80% of the total purchases.

	2020	2021	2022
Total purchases for production activity (Euro)	201,146,760.87	282,617,209.50	335,984,857.31

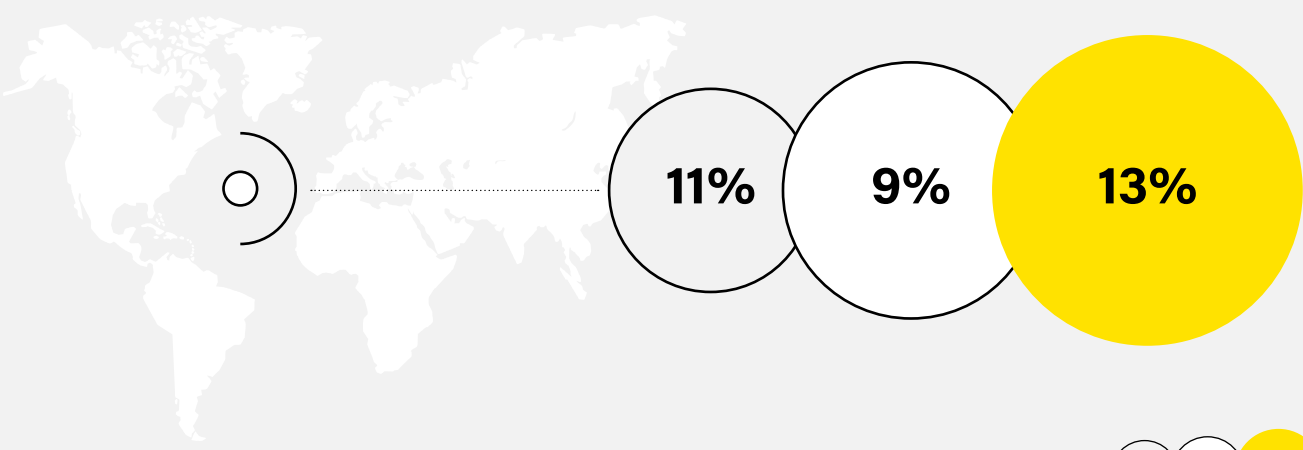
Purchases from Italy



Purchases from Europe (excluding Italy)



Purchases from the Rest of the World



50.
The term "local" indicates that
the companies are based
in Italy.

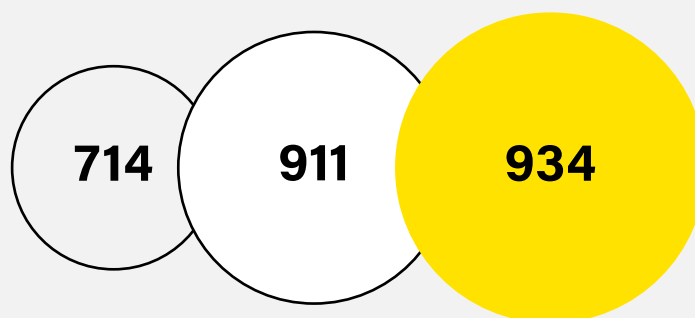
The supply chain is mainly **based in Italy**, where, in 2022, 73% of suppliers have a registered office. The remaining purchases are spread across Europe (14%) and the rest of the world (13%).

In Italy, Technogym mainly works with small and medium enterprises (SMEs) and local businesses⁵⁰; in some cases it works with multinationals but most of them are still based in Italy. This allows us to work with companies operating in a heavily regulated, controlled environment, and to have frequent, direct contact with our suppliers, who ensure quality of work, respect for people and the protection of workplaces. Having said that, as mentioned in the Sustainability Policy, the Group encourages entrepreneurial spirit and expertise along the supply chain, encouraging local and regional development while complying with and upholding workers' and human rights.

Lastly, there are no labour-intensive operations in the Technogym supply chain. Technological advances over the years, and the forging of long-term relations, have also enabled suppliers to make investments designed to automate potentially important processes (for example, automated welding instead of manual welding).

Suppliers by product category⁵¹

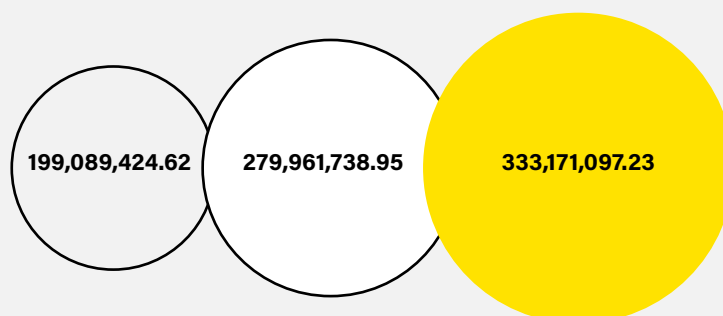
51.
Suppliers with an amount of more than €10,000.



	2020	2021	2022
Total suppliers in category 1 Carpentry	41	40	34
Total suppliers in category 2 Machining	79	90	58
Total suppliers in category 3 Upholstery	32	37	27
Total suppliers in category 4 Custom electronics	21	26	25
Total suppliers in category 5 Plastics	76	78	55
Total suppliers in category 6 Electromechanics/wiring/motors	46	47	33
Total suppliers in category 7 Powder coating	6	7	7
Total suppliers in category 8 Other ⁵²	413	586	695

Purchases, by product category*

Total (euro)



	2020	2021	2022
Purchases for category 1 Metal structures	42,431,900.55	61,421,368.60	80,567,387.20
Purchases for category 2 Machining	22,462,884.60	35,617,551.13	26,990,204.51
Purchases for category 3 Upholstery	11,170,505.39	15,429,039.77	17,821,219.93
Purchases for category 4 Custom electronics	32,311,342.19	41,342,309.88	48,365,372.72
Purchases for category 5 Plastics	32,578,222.58	41,871,343.09	40,999,131.81
Purchases for category 6 Electromechanics/wiring/motors	12,224,331.06	15,265,266.81	13,113,596.49
Purchases for category 7 Powder coating	3,828,031.24	4,174,010.62	5,462,953.92
Purchases for category 8 Other	42,082,207.01	64,840,849.05	99,851,230.65

52.

As mentioned in the 2019 Non-Financial Statement, the process of reclassifying some of the product categories improved and streamlined control along the supply chain, making it clearer and more representative of the Group's core business: suppliers of products pertaining to pre-assembled mechanical units have been included in category 2 "Machining" (they were previously in category 1). Suppliers of custom electronics, electromechanical items, wiring and motors have been reclassified. Suppliers who were previously classified under product category 4, apart from specific products for custom electronics, have been grouped in product category 6, renamed "Electromechanical items, wiring and motors". The suppliers in category 6 "Adhesives" have been reclassified under category 5 "Plastic Materials".

*Electromechanics/wiring/motors. The suppliers in category 6 "Adhesives" have been reclassified under category 5 "Plastic Materials".

Supplier relationships is a strategic element. This is why Technogym uses selection and monitoring tools to control its supply chain, and also rates suppliers' performance to ensure they comply with current environmental and social legislation. [DMA 204]

Supplier selection and key contractual terms

CONTROL

TOOLS

- Code of Ethics
- 231 Model
- "Supply management" procedure
- Procedure for the "Management of obligations related to works and temporary contracts, and temporary mobile sites"
- Procedure for "Supplier Qualification and Rating"
- Procedure for the "Qualification of manufacturing and production approval processes"

Technogym's supplier selection and outsourcing process takes into account the company's directives and the applicable public tender procedures in accordance with current legislation.

Selecting a supplier is a key process for achieving the Group's excellence targets. At the heart of the analysis are the technical and functional requirements, which are defined at the product development phase by the relevant departments.

The process of selecting a new supplier, which is regulated by the "Supplier Qualification and Rating procedure", includes a two-phase supply chain quality assessment.

After a Non-Disclosure Agreement (NDA) has been signed, the supplier's technical capability and quality is analysed. This analysis covers issues such as financial stability, type of products supplied, available technologies, and the characteristics of the in-house R&D department, responsible for designing specific components.

If there is a positive outcome to the first phase, the procedure makes provision for an on-site assessment. Thanks to internal monitoring and analysis tools, this assessment includes elements linked to quality, environmental impact, workplace safety and respect for human rights, in compliance with applicable national laws and regulations. The assessment also includes the supplier's management systems.

Once this phase is over, approved suppliers will then be asked to sign a Quality Agreement and Terms and Conditions of Purchase. This will define the content of their contract and will cover environmental and social issues such as compliance with current environmental and social laws, and with the specific requirements of Technogym.

In addition, all suppliers are also asked to accept the **REACH** and **RoHS** standards, which ensure a higher level of protection for health and the environment, limiting the use of chemical substances in the production process and reducing the related risk. With the REACH Directive, it is possible to obtain additional and more comprehensive information on the hazardous properties of products handled, the risks related to explosion, and the safety measures to adopt, while the RoHS Directive establishes restrictions on the use of certain hazardous substances in the manufacture of various types of electrical and electronic equipment. In addition, as also indicated in the chemical risk policy, approved in 2021, the procedure involves supplier audits using a checklist that takes into account aspects related to quality, environmental impact, workplace health and safety, the use of chemical substances and respect for human rights.

Monitoring of supplier relationships

The management of supplier relationships requires constant monitoring of performance.

The tool used to support this process is the online portal GSC, which contains and manages all the vendor rating information.

The portal keeps an up-to-date record of every company in the supplier base (for example, details of their financial performance), as well as details of the relationship between each company and Technogym (delivery times, supply quality etc.). This data allows the system to give a brief assessment of each supplier and to monitor their performance.

Suppliers themselves can access the portal and see their own ratings so that they have constant feedback on the perceived quality and services they offer. [DMA 308; 414]

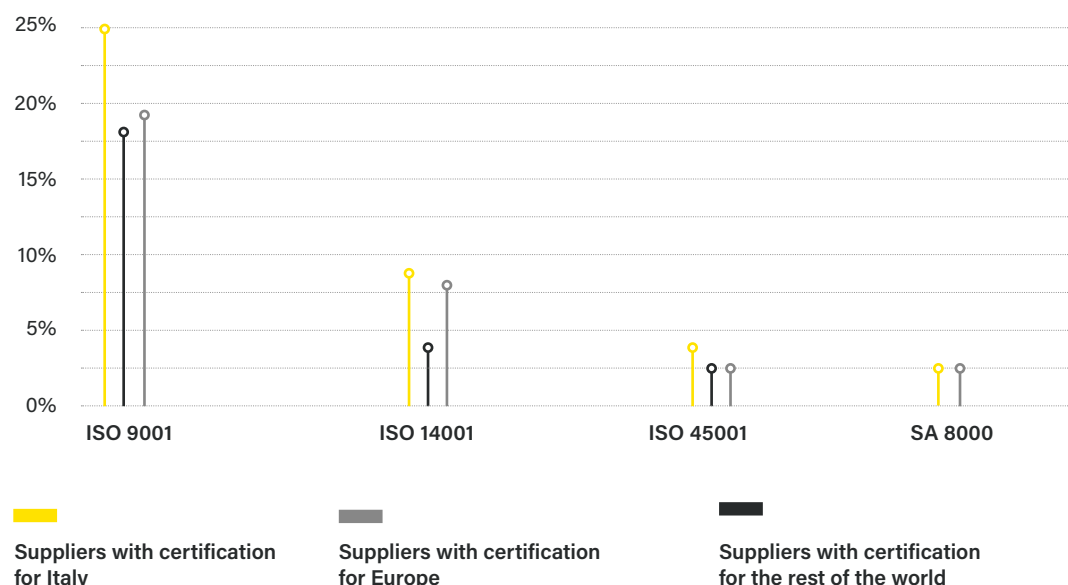
Technogym also deploys a system of periodic site audits to monitor supplier performance. These audits will cover:

- › monitoring of suppliers' operations;
- › checking on the continued existence of specific operational requirements;
- › reporting any actual or potential discrepancies compared to environmental and social regulations, and the specific requirements imposed by the organisation;
- › defining corrective actions to prevent any actual or potential discrepancies from re-occurring;
- › tracking all supplier performance monitoring activities.

By carrying out site assessments, Technogym can also specifically evaluate:

- › social aspects relating to working conditions, any instances of child labour, salubrity of the workplace (lighting, cleanliness etc.), freedom of association, the right to collective bargaining, discrimination, individual health and safety;
- › environmental aspects: protecting the environment in relation to atmospheric emissions, waste water, contamination of soil, waste management.

The Group also audits the suppliers' management systems such as ISO 9001, ISO 14001, ISO 45001, AITF 16949 (ex ISO/TS 16949), and SA 8000. In 2022, 23% of suppliers had ISO 9001 certification. In Italy, where most suppliers are located, approximately 25% had ISO 9001 certification and nearly 7% ISO 14001 certification in 2022. In addition, 24 suppliers in Italy have adopted ISO 45001 certification and five are SA 8000 certified.



Technogym does not require the certifications as mandatory, but their presence is an integral part of the global supplier assessment (part of the vendor rating system). In this way the Group can raise suppliers' awareness and encourage them to focus at all times on socio-economic issues, while supporting them on their pathway of continuous improvement.

In terms of the environmental and social impact, as the overwhelming majority of purchases come from companies based in Italy or Europe, our suppliers operate in a context that is heavily regulated and requires specific administration in managing these aspects.

Among other things, suppliers need to comply with the regulations in force in their own countries with regard to minimum pay, hours of work, payment of overtime, freedom of association and anti-discrimination policies.

As part of this process, 100% of new suppliers have been assessed taking into account their environmental and social impacts. In 2022, 19 audits were carried out and the findings did not reveal any negative environmental or social impacts. Lastly, also in light of the Sustainability Plan, Technogym plans to formalise its engagement with suppliers, including by investigating their more widespread approach to sustainability, as well as checking the ISO certifications already reported in the NFS.

[308-1; 308-2; 414-1; 414-2]







ENVIRONMENT

53.

For the purposes of the information in this chapter, the perimeter includes Technogym S.p.A. and Technogym EE. For Technogym S.p.A., this refers only to the consumption for the Technogym Village, which includes the Italian head office and the Cesena production site. Consumption of all subsidiaries (including the Italian branch) has not been included.

“The wellbeing of the population and the planet go hand in hand. In line with its mission of bringing wellness to the world, Technogym prioritises the health of our planet by selecting systems and behaviours that protect the environment and its natural resources”

In line with its wellness philosophy linked to the promotion of wellbeing, Technogym is continually committed to reducing its impact on the environment, which is an inextricable condition for ensuring people’s health and quality of life.

The Group primarily impacts the environment through its production operations. The plant in Cesena assembles components produced by suppliers, while the site at Malý Krtíš (Slovakia) produces most of the machine components in-house and also has its own welding and coating departments. The Group’s other sites carry out service and commercial activities.

The 231 Model identifies “sensitive” activities for the purposes of environmental regulatory compliance. These activities include waste production and disposal procedures, the management of systems that generate atmospheric emissions and waste water, the management of chemicals and fuels that could lead to land, subsoil or water contamination.⁵⁴

To consolidate its monitoring and control system of environmental impact with a view to preventing risks and continuously improving performance, in 2003 Technogym S.p.A. adopted an Environmental Management System certified according to ISO 14001, which covers all the company’s activities. Since 2015, Technogym EE has held ISO 14001 certification for its operations in Slovakia.⁵⁵

In 2018 Technogym set up an Integrated Management System, which includes certification to ISO 9001, ISO 14001, ISO 45001 and ISO 50001, and ISO 13485. By defining a formal Environmental Policy, the System provides a framework for setting and reaching targets on quality, health and safety, and energy and environmental efficiency. It also represents our concrete commitment to pursuing sustainability by measuring and preventing risk. In view of the above, as mentioned in the preceding chapters, in 2021 Technogym redoubled its commitment to the management of chemical substances and preparations by way of a dedicated Policy aimed at continually monitoring matters pertaining to the health and safety and environmental impacts of using chemicals in operations and along the entire value chain.

54.

The Technogym Group does not use chemical substances in the phase-in and phase-out process. As stated in the chapter on the supply chain, Technogym requires its suppliers to comply with the REACH and RoHS Directives.

55.

The UK subsidiary also has ISO 9001, ISO 14001 and ISO 45001 certifications.

The energy consumed by Technogym S.p.A. is only for heating, air conditioning, lighting and the running of electronic equipment. Although not classified as an energy-intensive company, Technogym S.p.A. has always been committed to energy-saving initiatives. It conducted two energy diagnosis exercises in 2015 and 2018, and in 2018, the procedure for ISO 50001 certification purposes was also completed. In 2022, the energy diagnosis relating to Technogym Village was updated.

On the other hand, Technogym East Europe, because of its production operations and following the energy diagnosis carried out in 2018, is classified as an energy-intensive company.

As evidence of the Group's commitment to protecting the environment, the Technogym Village, which is home to the company's headquarters, was built in 2012 based on principles of bioarchitecture, which have enabled Technogym S.p.A. to obtain Energy Efficiency Certificates (EECs).

The plant is north-facing and this allows it to exploit the natural thermal exchange, making the environment warmer in the winter and cooler in the summer months.

CONTROL
TOOLS

- Code of Ethics
- Integrated Environmental, Quality and Management Systems Policy ISO 9001, ISO 14001, ISO 45001 and ISO 50001
- 231 Model

The construction materials chosen provide a high level of thermal insulation, and the system of opening large windows in cooler hours reduces energy consumption.

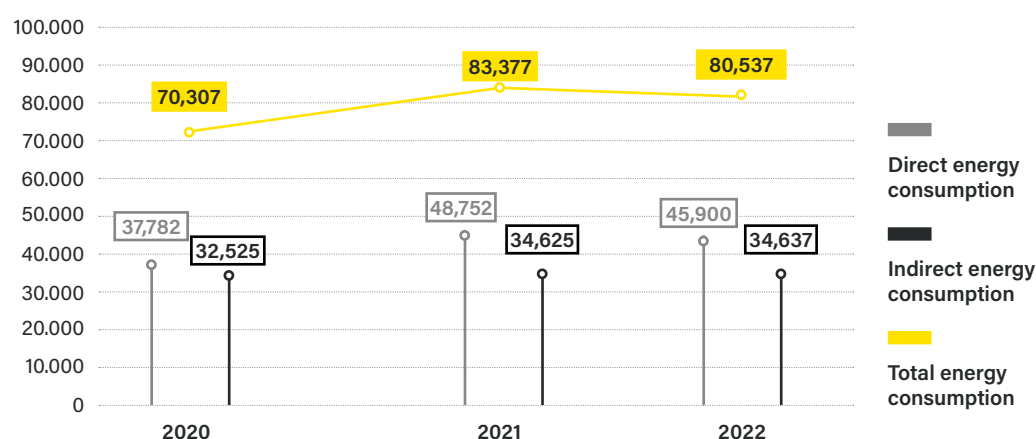
The whole site is managed by a building energy management system, which controls all the energy consumption points in order to continuously improve the energy performance of the Technogym Village. As the system is fully automated, it can provide instant and historic data. The constant analysis of the consumption data supports efficient energy purchasing policies and the reduction of consumption.

The Group's strong growth is requiring greater efficiency in its processes and consumption. This is why the company regularly controls and monitors consumption, by implementing analysis and reduction projects.

The company's commitment to energy efficiency and the optimisation of energy quality led to the decision by Technogym S.p.A. to install a power quality improvement system in September 2021. The installation of the E-Power system, a hybrid passive inductive filter, made it possible to maximise the efficiency of the plant in terms of inductance level, reducing losses and disturbances. In 2022, thanks to this system, overall efficiency of 126,899 kWh was achieved, corresponding to 57.7 tonnes of CO₂eq saved.

Important initiatives in recent years include transferring the warehouse for finished products manufactured at the Slovak site from Portobuffolè (Treviso) to Malý Krtíš. This operation made it possible to improve and streamline logistics with positive effects on transport and distribution management. In particular, it was possible to eliminate the transport by articulated lorry of some 60,000 finished products manufactured in Slovakia to the Italian warehouse at Treviso, around 700 km away, with an average 3,000 journeys avoided, for a total of 2,100,000 km and approximately 700,000 litres of diesel fuel/saved, equal to 1,820.7 tons of CO₂ generated.

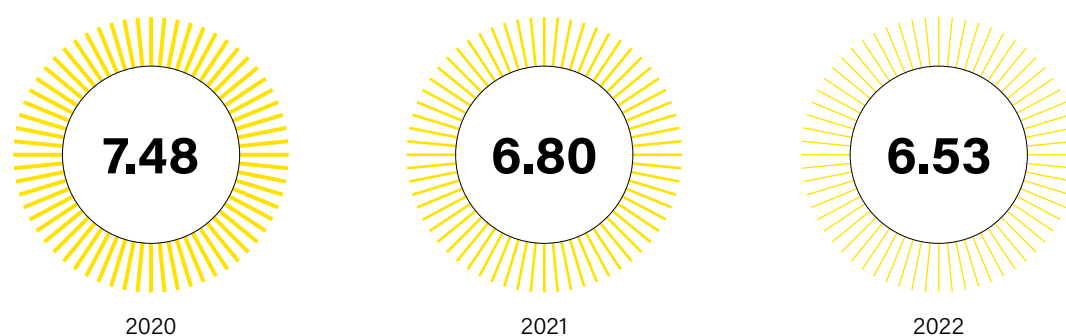
Direct and indirect energy consumption (GJ) [302-1]



Energy efficiency projects implemented at Technogym Village, accompanied by a 25.93% increase in the number of hours worked in 2022 compared with 2020, meant that Technogym S.p.A.'s energy intensity improved over the three years, falling from 7.48 to 6.53. This figure derives from the overall energy consumption of approximately 9.8 million kWh in relation to hours worked.

During 2022, the Slovakian plant recorded an ongoing recovery in production compared with 2020 and recorded an increase of around 38.45% compared with 2020. In 2020 and 2021, due to a combination of absenteeism caused by the pandemic and related reasons, combined with an increase in volumes, it was necessary to increase the working days with a fall in daily production, resulting in higher levels of energy intensity. Continuous improvement activities offset this deterioration and ensured that energy intensity did not change dramatically. In 2022, total energy consumption came to around 12.5 million KWh.

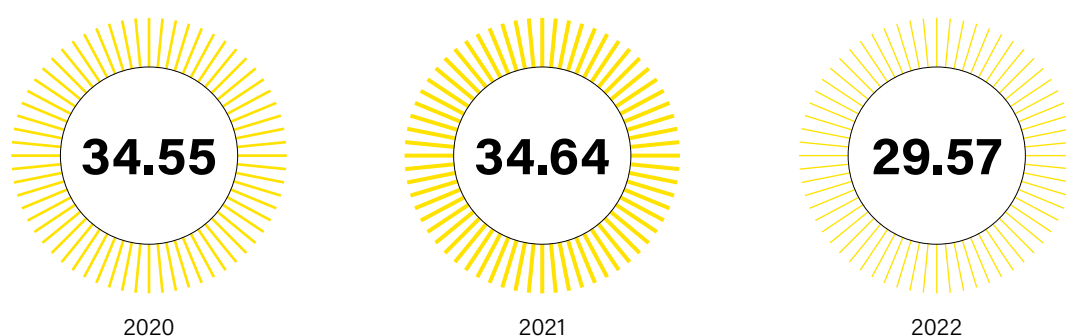
Energy intensity for Technogym S.p.A. [302-3]



	Unit of measurement	2020	2021	2022
Energy intensity		7.48	6.80	6.53
Energy consumption ⁵⁶	kWh	8,982,860	10,083,987.77	9,875,009.40
Total hours worked	No.	1,200,935.8	1,483,371.05	1,512,345.50

56. The energy consumption figure in both tables was obtained from the sum of direct and indirect consumption. Detailed information on the types of energy included in the calculation is shown in the attached tables.

Energy intensity for Technogym EE



	Unit of measurement	2020	2021	2022
Energy intensity		34.55	34.64	29.57
Total energy consumed	kWh	10,546,833	13,076,308.95	12,496,240.68
Total standard hours worked ⁵⁷	No.	305,245.0	377,517.00	422,602.00

57. Because of the different nature of activities of Technogym S.p.A. and Slovakia, the energy intensity for Technogym Slovakia was recalculated for the three-year period, considering the number of standard hours and not the hours worked. Therefore, the figures between Italy and Slovakia are not comparable.

With regard to the activities to mitigate consumption mentioned above, initiatives are under way in both sites to reduce energy consumption through the installation of LED lights, which have at least the same functional features as the previous ones, with reduced consumption, as well as activities to reduce waste.

Actions to reduce impacts are also planned for the fleet of vehicles, by encouraging less polluting fuels. In 2022, out of a total of 122 company cars ⁵⁸, 11 ran on methane; three electric cars were also introduced.

58. The total includes the car fleet of Technogym S.p.A., comprising 113 vehicles, created in 2022, and Technogym EE.

Logistics system

Technogym has a very detailed logistics structure that enables supply of the various component transportation channels from the suppliers to the company and of the finished products from the factories to the customers, wherever in the world they may be.

Technogym uses a network made up of the main players for the management of all inbound and outbound logistics activities. For imports and exports, goods are transported by land in Europe and by sea or air for intercontinental deliveries.

Technogym has always been committed to developing logistics solutions that can ensure operational efficiency and compliance with delivery times, thereby ensuring high-quality logistics processes. In particular, exports are shipped to the warehouses of branches near the customer, and the machines are then sent on to the customer from there. The distribution network also contains the distributors over which Technogym has no direct control because delivery is Ex Works.

For this reason, only emissions for which the Group is directly responsible are included in the CO₂ calculation. Moreover, only the most important suppliers have been considered. Taking into account emissions across the entire logistics system, there were 133,908,56 tonnes of CO₂-equivalent emissions in 2022. Tonnes of CO₂-equivalent reported for 2022 are not comparable with the figures reported in previous years as the sample of suppliers analysed increased in number.

Inbound and outbound logistics ⁵⁹

59. The 2022 figures represent emissions from nine key suppliers (eight were considered in 2021). For calculating the tonnes of CO₂eq in 2022, the most up-to-date conversion factors from the Department for Environment Food & Rural Affairs (DEFRA), January 2022, were used.

Type of transport (tonnes of CO ₂ -equivalent)	2020	2021	2022
Air	1,244.8	1,617.70	1,970.92
Road	126,584.7	116,765.70	129,675,66
Sea	780.3	4,316.78	2,256.06
Rail	0.1	0.00	5.92
Total	128,609.9	122,700.18	133,908,56

9.2

WATER CONSUMPTION

[303-1, 303-2, 303-3]

CONTROL TOOLS

- Code of Ethics
- Integrated Environmental, Quality and Management Systems Policy ISO 9001, ISO 14001, ISO 45001 and ISO 50001
- 231 Model

Because of the type of activity performed at the Technogym Village, its water consumption is not significant. The production process does not require the use of water, for Italian production operations, as only assembly lines are present and most of the consumption is for civil use and irrigation of the Technogym Village grounds.

Drinking water comes from the mains, while the irrigation system for the Technogym Village grounds uses irrigation water supplied by the Consorzio Bonifica agricultural consortium of Romagna. To prevent possible reductions in the flow rate of the Emilia-Romagnolo Canal (with direct withdrawal from the River Po), which supplies water, via the Consorzio Bonifica agricultural consortium of Romagna, to irrigate the grounds of the Technogym Village, in August 2022 a water supply system was activated from the Cesena purifier to reduce the use of water from the Emiliano-Romagnolo Canal (to be used exclusively to irrigate farmland).

The environmental impacts associated with water resources depend mainly on the use of domestic water for people in the Technogym Village, employees and guests, and on the weather conditions affecting the air conditioning system used during the summer, which contains a cooling tower, and the water needed to irrigate the grounds of the Technogym Village. In order to minimise water waste, Technogym has arranged special activities, including the daily monitoring of any leaks and service inefficiencies, remote checks of sanitary and irrigation facilities using the Honeywell Building Management System (BMS), and monitoring of consumption by means of regular meter readings. With regard to managing industrial discharge, Technogym complies with all the standards contained in the AUA (Autorizzazione Unica Ambientale, or Unique Environmental Authorisation) recommendations.

The Slovakian plant uses water for the coating system and tests all the water flowing in and out of the site. Under an agreement with the local Slovakian authorities, Technogym returns the wastewater to the local authorities. By carefully managing its water resources, Technogym discharges water with a low level of emissions and polluting substances, which helps the authorities to purify and drain it in accordance with the legal parameters.

The management of water resources and of the impacts associated with its discharge are governed by Slovakian Law 364/2004, which provides for surface water quality monitoring processes for developing sustainability and protection policies that become the basis of preparing drainage basin management plans.

The process begun at the Slovakian plant helps to identify and assess the impacts associated with water resources and makes provision for special analysis to be performed on groundwater pollutants at an accredited laboratory. Moreover, with a view to managing water sustainably, a special procedure is planned to be adopted for issues linked to waste management, water and health and safety, a procedure that governs relationships between

local and foreign suppliers and Technogym EE.

The changes in consumption of drinking water at the Technogym Village for Technogym S.p.A. mainly refer to facilities for employees and guests and the use of the gym and showers, while the use of irrigation water is affected by changes in climate factors.

In 2017, Technogym EE installed a heat pump, which reuses hot water and has cut the consumption of (withdrawn) well water by almost half. In addition, since 2019, as a result of discontinuing the use of water to cool washing during the coating process, the Slovakian plant has been more efficient in managing its withdrawal of groundwater. In 2022, a programme to replace the taps at the Slovakian plant was started to help reduce the consumption of water for sanitary facilities.

Total water withdrawal in 2022 was 96,420 million litres, of which 92.50% was attributable to Technogym S.p.A. Nearly all came from third-party water resources. Of the total water consumed, 78.41% was destined for irrigation and the rest for the gym and other services. At Technogym EE, 4,039 million litres came from third-party water resources and 3,194 million litres from groundwater.

9.3 WASTE MANAGEMENT⁶⁰ [DMA 306]

60. The figures in the document do not include waste collected and disposed of in common areas as this is managed by municipal bodies or other suppliers.

The Group follows national and local directives on the disposal of urban and special waste. Most of the waste collected separately consists of paper, cardboard, glass and organic waste. At the Slovakian plant, the production wastage and hazardous waste mainly consists of grinding and polishing materials, packaging and sludge.

The Group pays particular attention to regular monitoring and constantly improving, in order to reduce waste.

CONTROL
TOOLS

- Code of Ethics
- Integrated Environmental, Quality and Management Systems Policy ISO 9001, ISO 14001, ISO 45001 and ISO 50001
- 231 Model

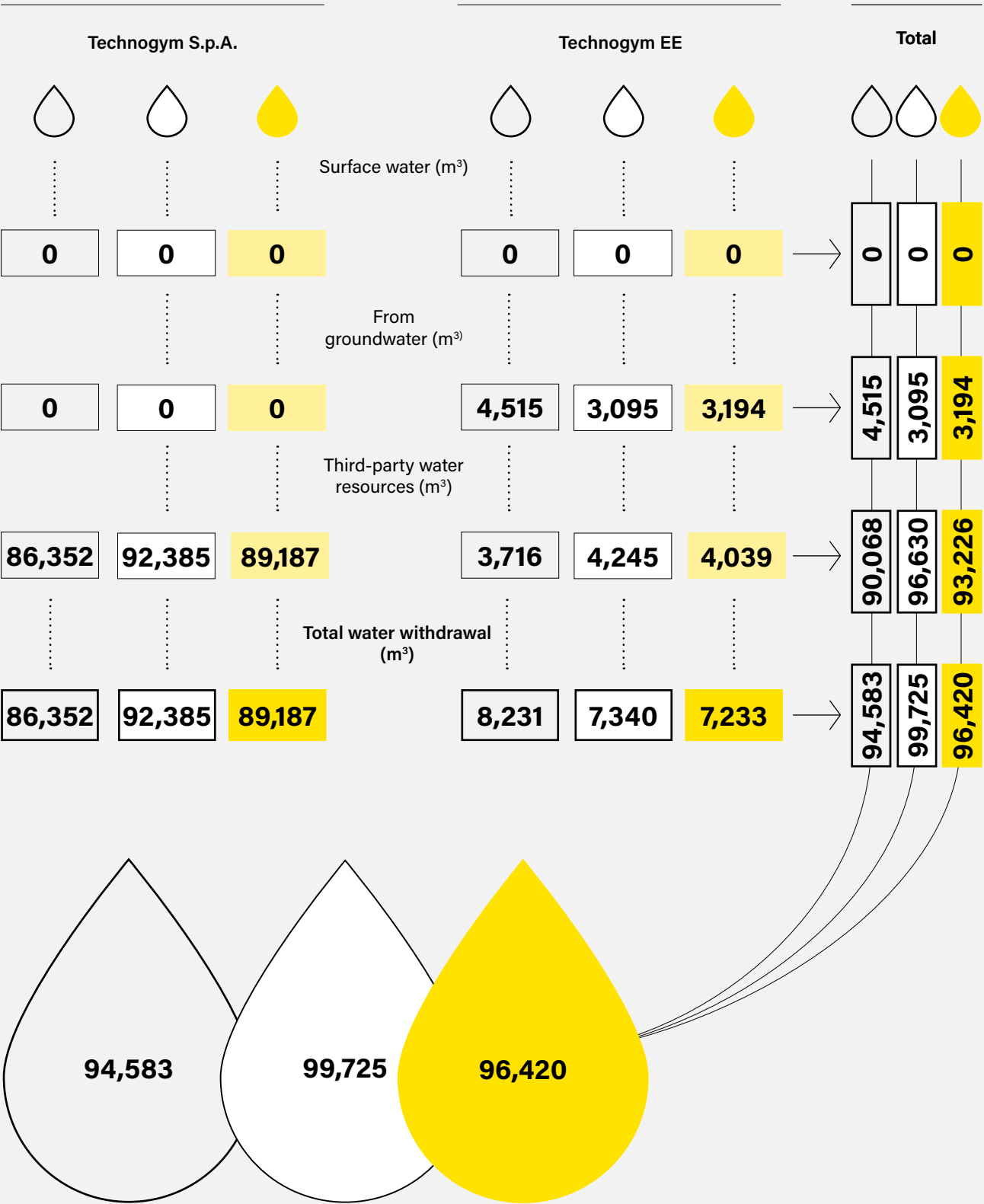
Technogym maximises the use of recyclable components in its packaging, by using wood and cardboard where possible as indicated in the final section on products and packaging.

The increase in hazardous waste at the Technogym Village in 2020 was due to the exceptional levels of disposal of used machines returned from the market but not put in to the Still Novo process. This did not happen in 2021, the year in which we saw a fall of nearly 51% in this category of waste. As regards non-hazardous waste, however, the main effect was linked to the reduction of waste disposed of in 2020, which was followed by a slight recovery in 2021. In addition, Technogym S.p.A. obtained the Ecol Design Award 2021 for its commitment to the environment by adopting models with high ecological efficiency. The recognition conferred on the company by Recycla S.p.A., which is given to the most virtuous companies in terms of waste management, shows the effectiveness of the environmental management system, which enabled the company to recover 69% of the waste generated, to avoid 1,355 kg of production of it, and not to extract 88 kg of fossil fuels for such recovery; 25% of kilometres for environmental journeys were saved and 16,838.4 litres of rainwater preserved.

In 2022, with regard to its management of hazardous waste, the Slovakian plant recorded a further drop in waste earmarked for reuse (3.1%) and waste recovered (42.4%). However, thanks to greater efficiency in the production process and the purification of water for the coating process, spillage of water for washing was reduced by 75.1%.

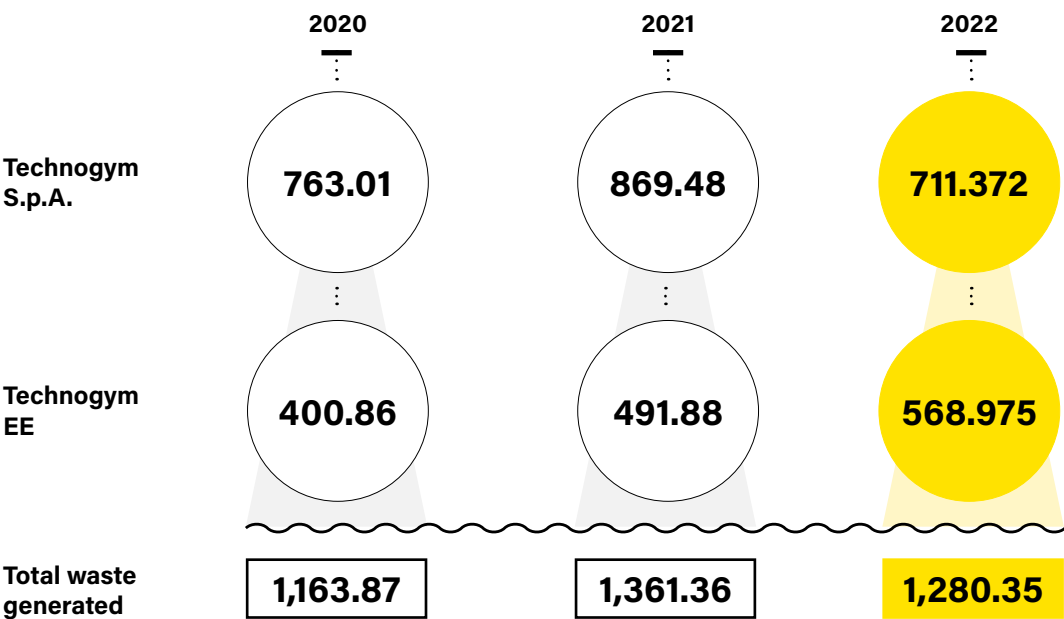
Water withdrawal by source

 2020
  2021
  2022 ⁶¹

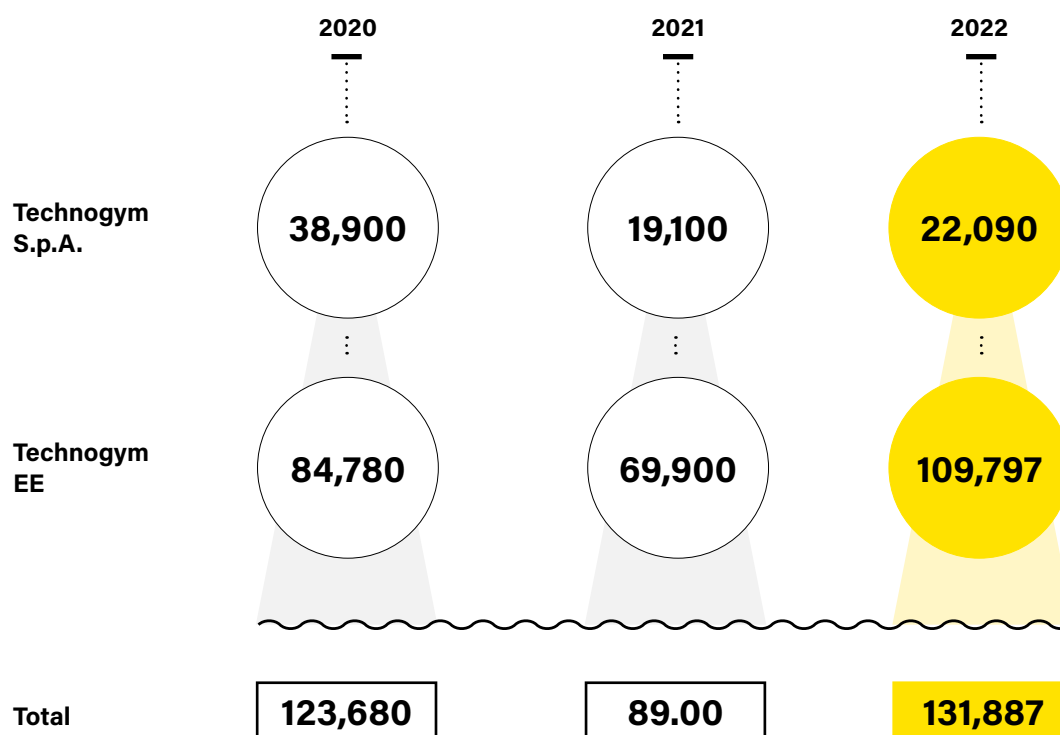


61. The supply area for Technogym S.p.A. is considered to have high water stress. Technogym EE is located in a low risk area (Source: WRI Aqueduct 2019). Water stress refers to the ability or inability to meet human and environmental demand for water. For Technogym S.p.A. the water withdrawal refers to fresh water ($\leq 1,000$ mg/l of total dissolved solids). With reference to Technogym EE, the water withdrawal consists of drinking water for human consumption and groundwater required for the coating technology.

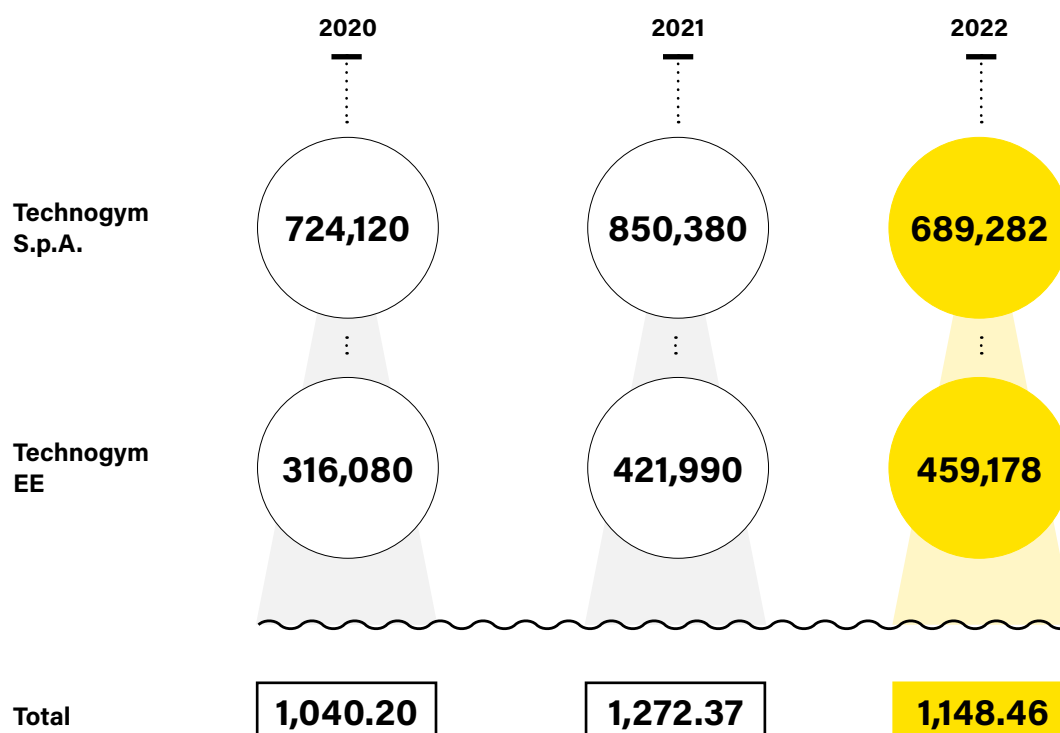
Total weight of hazardous and non-hazardous waste (tonne) [306-3, 306-4 & 306-5]



Total weight of hazardous waste (tonne) [306-3, 306-4 & 306-5]



Total weight of non- hazardous waste (tonne) [306-3, 306-4 & 306-5]



Total waste not directed to disposal (tonne)

	Technogym S.p.A.			Technogym EE					Total
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Total waste not directed to disposal (at an external site)	738.500	855.080	691.076	198.950	300.460	319.638	937.450	1155.540	1010.714
Hazardous waste	38.360	18.430	21.338	4.710	3.090	1.133	43.070	21.520	22.471
Re-use	0.000	0.000	0.000	0.950	0.920	0.588	0.950	0.920	0.588
Recycling	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Composting	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Recovery, including energy recovery	38.360	18.430	21.338	3.760	2.170	0.545	42.120	20.600	21.883
Non-hazardous waste	700.150	836.650	669.738	194.240	297.370	318.505	894.390	1134.020	988.243
Re-use	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Recycling	0.000	0.000	0.000	185.290	287.410	306.551	185.290	287.410	306.551
Composting	0.000	0.000	0.000	1.260	3.310	4.600	1.260	3.310	4.600
Recovery, including energy recovery	700.150	836.650	669.738	7.690	6.650	7.354	707.840	843.300	677.092

Total waste directed to disposal (tonne)

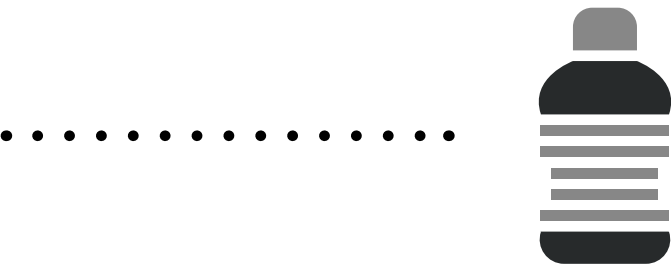
	Technogym S.p.A.			Technogym EE				Total	
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Total waste directed to disposal (tonne)	24,510	14,400	20,296	201,910	191,430	249,337	226,420	205,830	269,633
Hazardous waste	0,540	0,670	0,752	80,070	66,810	108,664	80,610	67,470	109,416
Incinerator	0	0	0	0	0	0	0	0	0
Landfill	0	0	0	42,370	57,430	61,819	42,370	57,430	61,819
On-site storage	0	0	0	0	0	0	0	0	0
Other ⁶² (water for washing)	0.54	0.67	0,752	37.70	9.38	46,845	38.24	10.04	47,597
Non-hazardous waste	23,970	13,730	19,544	121,840	124,620	140,673	145,810	138,350	160,217
Incinerator	0	0	0	0	0	0	0	0	0
Landfill	0	0	0	119.10	122.95	137,853	119.10	122.95	137,853
On-site storage	0	0	0	0	0	0	0	0	0
Other ⁶² (water for washing)	23.97	13.73	19,544	2.74	1.67	2.82	26.71	15.40	22,364

62. In 2022, Technogym S.p.A. recorded the disposal of particular special waste via certain facilities. Reports declare the activity to be in compliance with laws requiring that this waste be taken to landfill rather than recovered.

TECHNOGYM “I AM GREEN”

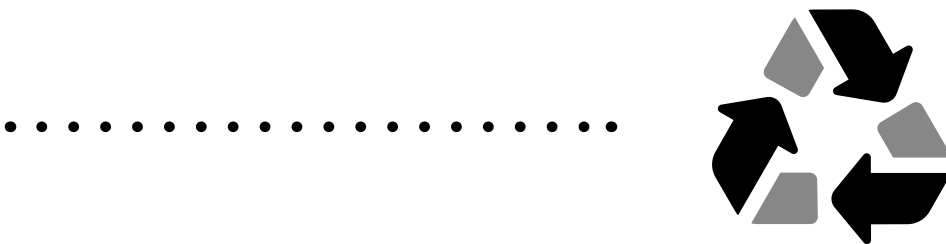
Technogym “I am Green” is an initiative to reduce plastic and foster a strong awareness among staff, through correct waste disposal.

Starting from the second half of 2019, water dispensers were installed at the corner cafés in the Technogym Village, and staff have been encouraged to use refillable water bottles. Plastic bottles have been replaced with aluminium, and plastic cups and stirrers for coffee etc. have been replaced with biodegradable ones.



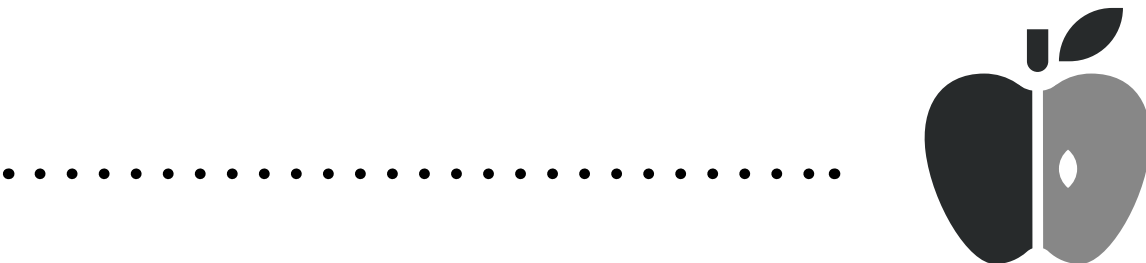
Reduction in plastic

Gradual elimination of disposable plastic



Recycling

Redefinition of the waste disposal corner,
sorted waste of:
Plastic, Paper and Biodegradable matter



Zero waste

Unused food from the T-Restaurant
is donated to local associations

41.
The catalogue contains 7 self-powered machines: Excite Live 10" Human Powered Bike, Recline, Synchro, Vario, SkillRow, Group Cycle Ride and Group Cycle Connect.

42.
The process refers to the *Still Novo* product.

43.
Machines not used in the *Still Novo* line, and production wastage, is passed to third parties for transport and recovery in accordance with current legislation. All operations are traceable, as indicated in the dedicated section.

Our focus on the environment also extends to our products. Our catalogue contains various self-powered machines⁴¹ that are not connected to mains electricity. They have a small generator connected to the parts of the machine that are set in movement by the user, while exercising. The generator produces current which is used to power the machine, the display and the brake control system.

Technogym also promotes its approach to the circular economy by way of the "Refurbish" service. The "sustainable refurbished products"⁴² process involves recovering equipment at the end of their first usage cycle. Each machine is carefully disassembled and the components separated by type.

100% of the metal components are recovered and only the visible parts are re-coated, using water-based products. Electronic components are disassembled, overhauled, tested and used, where possible, in the process, or alternatively as spare parts.⁴³

This reduces the environmental impact and maximises the use of raw materials: in 2022, 50% of the eligible machines withdrawn were reconditioned.

The process of reconditioning Technogym machines is in line with SDG 12 of the United Nations' Sustainable Development Goals. The Group is committed to helping recover materials which would otherwise be sent to landfill. It ensures that all materials that cannot be recovered are separated appropriately.

Environmental protection is an ongoing concern for the company, which always seeks the most effective ways to optimise possible impacts. For this reason, the responsible management of packaging is also an integral part of the Group's sustainability strategy. As testament to this, Technogym responsibly procures its packaging only from suppliers that produce recycled paper and cardboard, with their materials coming from FSC (Forest Stewardship Council) certified and recycled sources and wood certified by the PEFC (Programme for the Endorsement of Forest Certification schemes) and FITOK, whose certifications of wood packaging are aimed at preventing the spread of harmful organisms that might have economic and environmental effects on the world's forests. Since 2020, 98% of the weight of materials that make up Technogym packaging is FSC- and PESC-certified.

Aware of the possible excess waste material from product packaging, the Group has also adopted reusable containers, thus avoiding shipments with paper and cardboard packaging.

Technogym's approach to responsible packaging management consists of four main actions:

1. Packaging Redesign, the aims of which are:

- › To reduce packaging weight, which has potential positive effects on resource consumption, carbon emissions associated with the procurement of materials, production and transportation, and taxes associated with EPR
- › To reduce overpackaging all along the supply chain
- › To minimise the use of mixed materials
- › To increase recycled content
- › To improve the percentage of recyclable, compostable and reusable packaging
- › To increase the use of environmentally friendly ink

2. Responsible forestry certification - FSC

The Forest Stewardship Council is an international, not-for-profit NGO. FSC launched an internationally recognised forest certification system. The aim of this certification is to make sure forests are properly managed and derivative products are properly traced. The paper and certified materials are managed responsibly at every stage of the supply chain. The process includes criteria linked to respect for, and protection of the rights of indigenous people and of the local forest communities from where the timber is harvested.

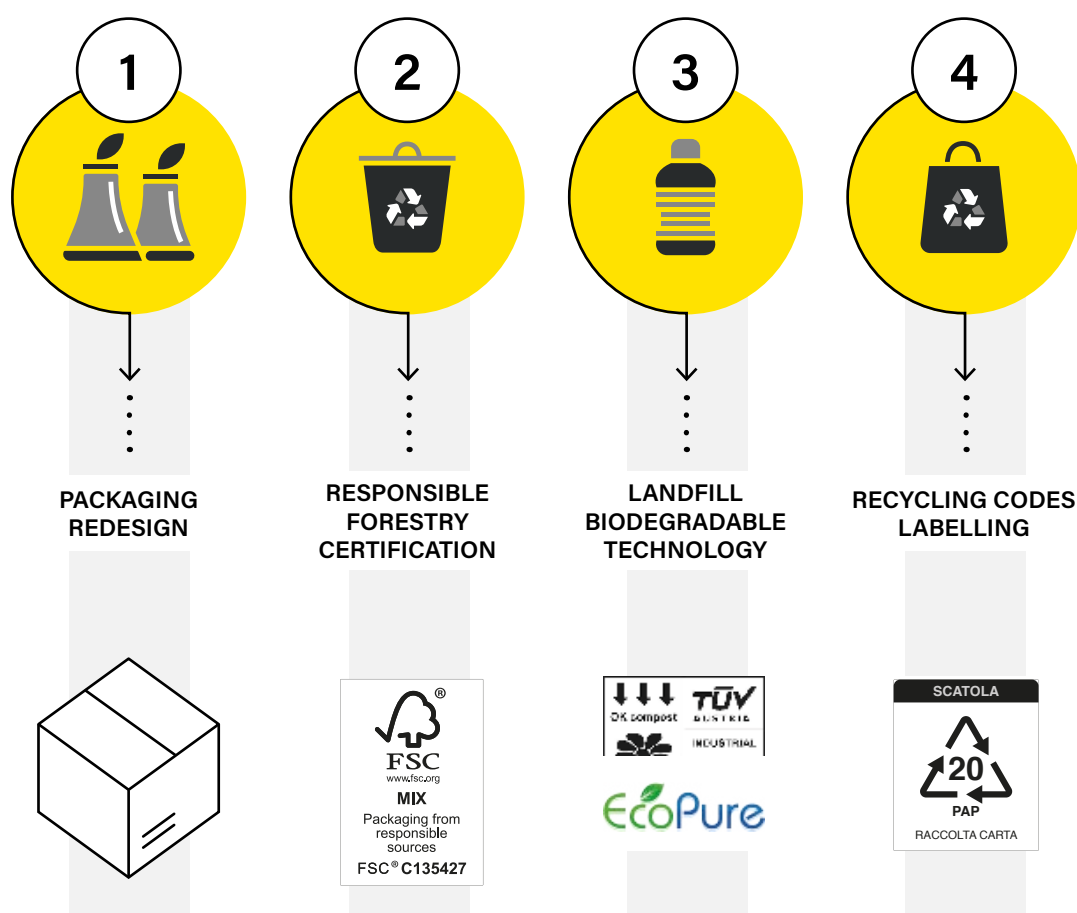
3. Landfill biodegradable technology

Packaging bearing the 'OK compost INDUSTRIAL' label is guaranteed to be biodegradable in an industrial composting plant; this applies to all the components, inks and additives used in the processing of the product. The label is valid across Europe and guarantees that the certified product has been the subject of thorough studies and specific analysis, and that it meets the stringent requirements of standard UNI EN 13432: 2000 and conforms to the European packaging and packaging waste directive (94/62/CEE).

4. Recycling codes labelling

Technogym pays close attention to identifying the material from which a product is made, by using recycling codes. This system makes it easier to determine how it should be recycled.

Technogym Sustainable Packaging



ATTACHMENT 1

ATTACHMENT 1

Direct and indirect energy consumption

	Technogym S.p.A.			Technogym EE			Total		
Direct energy consumption (GJ)	2020	2021	2022	2020	2021	2022	2020	2021	2022
<i>From non-renewable sources</i>									
Direct energy consumption									
Natural gas	8,684.79	10,519.15	9,387.26	23,840.80	31,761.71	29,560.24	32,525.59	42,280.86	38,947.49
Diesel	4,579.01	5,589.87	6,190.88	331.50	437.96	476.49	4,910.51	6,027.83	6,667.37
Petrol	8.88	46.69	60.19	0.00	0.00	0.00	8.88	46.69	60.19
Methane	336.82	397.00	224.86	0.00	0.00	0.00	336.82	397.00	224.86
Total direct energy consumption	13,609.50	16,552.71	15,863.18	24,172.30	32,199.67	30,036.73	37,781.80	48,752.39	45,899.91
Indirect energy consumption									
Electricity consumption	15,718.10	16,854.11	16,916.93	13,382.40	14,355.12	14,351.75	29,100.50	31,209.23	31,268.68
Energy consumption for cooling	3,010.70	2,895.53	2,769.92	413.90	519.92	597.99	3,424.60	3,415.45	3,367.91
Total direct energy consumption	18,728.80	19,749.64	19,686.85	13,796.30	14,875.04	14,949.74	32,525.10	34,624.68	34,636.59
<i>Of which from renewable sources</i>	0.00	2,683.98	4,683.50 ⁶³	0.00	0.00	0.00	0.00	2,683.98	4,683.50
Total energy consumption	32,338.30	36,302.36	35,550.03	37,968.60	47,074.71	44,986.47	70,306.90	83,377.07	80,536.50

63. Calculation based on the energy mix declared by the supplier: 23.79% of the electricity purchased is generated from renewable sources.

Direct and indirect CO₂ emissions (tonnes of CO₂)

Direct CO ₂ emissions (tCO ₂ e)	Technogym S.p.A.			Technogym EE			Total		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Scope 1									
Methane/ Natural gas	491.20703	590.24	527.31	1,346.677	1,782.19	1,660.47	1,837.90	2,372.43	2,187.78
Diesel	343.329	417.81	463.27	24.759	32.73	35.66	368.09	450.54	498.92
Petrol	0.636	3.40	4.34	0	0	0	0.64	3.40	4.34
Methane	17.06	22.58	12.76	0	0	0	17.06	22.58	12.76
Total direct GHG emissions (Scope 1)	852.24	1,034.03	1,007.67	1,371.436	1,814.92	1,696.13	2,223.67	2,848.95	2,703.79
Indirect CO ₂ emissions (tCO ₂ e)	Technogym S.p.A.			Technogym EE			Total		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Scope 2									
Location-based: Mains electricity	1,467.026	2,420.44	1,154.58	728.60	2,579.93	2,579.33	2,195.62	5,000.37	3,733.91
Location-based: Cooling energy	280.997	415.83	189.05	22.53	93.44	107.47	303.53	509.27	296.52
Total indirect GHG emissions (Scope 2)	1,748.023	2,836.27	1,343.63	751.13	2,673.38	2,686.80	2,499.15	5,509.64	4,030.43
Market-based: Mains electricity	2,209.271	2,148.90	1,551.50	2,643.018	869.28	736.01	4,852.29	3,018.18	2,287.51
Market-based: Cooling energy	423.168	369.18	351.30	81.741	31.48	30.67	504.91	400.66	381.96
Total indirect GHG emissions (Scope 2)	2,632.439	2,518.08	1,902.80	2,724.76	900.77	766.67	5,357.20	3,418.85	2,669.47





TABLE OF AREAS COVERED BY THE DECREE - GRI STANDARDS

10 Table of areas covered by the Decree – GRI Standards

DECREE AREA	MATERIAL TOPIC	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
Environmental aspects		Chapter 9. Environment		302 "Energy"; 303 "Water"; 305 "Emissions"; 306 "Waste"	<p>Inadequate management of waste, temporary deposits on the production site, and the transfer of waste to third parties for transport/disposal/recovery;</p> <p>High level of atmospheric emissions from production operations;</p> <p>Contamination of land, subsoil and water, from the use of chemicals and fuels in production operations</p>	<ul style="list-style-type: none"> • Code of Ethics • 231 Model • Integrated Environmental, Quality and Management Systems Policy ISO 9001, ISO 14001, ISO 50001 and ISO 45001
Anti-corruption	<p>Ethics and integrity in the conduct of business</p> <p>Governance and risk management</p>	Chapter 3. Corporate Governance System	See the Corporate Governance Report for more details.	GRI 205 "Anti-corruption"	<p>Inadequate negotiation, stipulation and execution of contracts for the sale of goods and services to private individuals;</p> <p>Inadequate selection, negotiation and stipulation of agreements with partners (e.g. traders and distributors) and suppliers</p> <p>Inadequate management of economic and financial transactions</p> <p>Inadequate management of relations with directors, employees or third parties involved in legal proceedings.</p>	<ul style="list-style-type: none"> • Code of Ethics • 231 Model • Technogym Vision Book • Code of Conduct

DECREE AREA	MATERIAL TOPIC	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
Social aspects	Capacity to guarantee safe, high performance products	Chapter 4. Wellness for the community		GRI 416 "Customer Health and Safety"	Accidents, including major accidents, which may occur at production sites.	<ul style="list-style-type: none"> •UNI CEI EN ISO 14385 •GSP Procedure
	Customer centricity and experience caring	Chapter 5. Customer focus Chapter 6. Responsible innovation and design		GRI 418 "Customer privacy"	<p>Malfunction of equipment due to inadequate installation and/or maintenance service.</p> <p>Malfunctioning, construction defects or non-conformities with product technical and contractual specifications.</p> <p>Failure to respond to requests/needs/expectations of customers and the potential market.</p> <p>Lack of transparency in customer communications (marketing, labelling).</p> <p>Inadequate management of information systems and information security.</p> <p>Inadequate collection, storage and processing of personal data.</p> <p>Failure to respond to changes in customer preferences and failure to appreciate new trends.</p>	<ul style="list-style-type: none"> •User manual •Service manual •Privacy policy for the Technogym site and Mywellness account •Data Processing Agreement (template for the Mywellness platform and for the management of Technogym suppliers) •"Information Security" Policy •Lead Generation Policy •Retention and cancellation policy for Mywellness •Launch of portability and cancellation system on the Mywellness cloud platform •ISO 27001 certification for the Mywellness platform

DECREE AREA	MATERIAL TOPIC	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
Social aspects and personnel management	Respect for human rights and the protection of workers	Chapter 7. Personal wellbeing		GRI 2-7 "Employees"	Discrimination against employees.	• Code of ethics
	Diversity and equal opportunities			GRI 2-8 "Non-employees"	Accidents, including major accidents, which may occur at production sites.	• Technogym Vision Book
	Employee training and career development			GRI 401 "Employment"	Loss of key skills for implementing the strategy.	• GTD Manual
	Merit-based pay and bonus systems			GRI 403 "Workplace health and safety"	Inadequate working conditions linked to cases of child labour, discrimination, salubrity of the working environment, personnel health and safety.	• Health and Safety Management Policy
				GRI 404 "Training and education"		• UNI CEI EN ISO 45001 Management System
				GRI 405 "Diversity and equal opportunities"		
				GRI 406 "Non-discrimination"	With regard to the Russia-Ukraine conflict, there are no specific risks to employees in Russia at present. However, Technogym is keeping a close eye on the potential implications of the geopolitical situation for its employees, and will intervene promptly, if necessary	
Respect for human rights	Safeguarding standards in the supply chain	Chapter 8. The supply chain		GRI 2-6 "Activities, value chain and other business relationships"	Inadequate working conditions linked to cases of child labour, discrimination, salubrity of the working environment, personnel health and safety.	• Code of Ethics
				GRI 308 "Supplier environmental assessment"		• 231 Model
				GRI 414 "Supplier social assessment"		• Contractual clauses for acknowledgement and acceptance of the Code of Ethics and 231 Management Model
						• "Supply Management" procedure
						• Procedure for the "Management of obligations related to works and temporary contracts, and temporary mobile sites"
						• Procedure for "Supplier Qualification and Rating"
						• "Qualification of manufacturing and production approval processes" procedure
						• Application for RoHS certification and compliance with REACH regulations"

DECREE AREA	MATERIAL TOPIC	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
	International growth and consolidation	Chapter 1. The Technogym brand		GRI 201 "Economic performance"		
	Protection of trademark and intellectual property	Chapter 1. The Technogym brand		GRI 3-3 "Management of material topics"		
	Design innovation in product development	Chapter 6. Responsible innovation and design		GRI 3-3 "Management of material topics"		



GRI-REFERENCED TABLE

GRI-referenced table

(IN ACCORDANCE WITH GRI 2021)

Statement of use	Technogym has drafted this Non-Financial Statement in accordance with the GRI Standards for the period 1 January to 31 December 2022
GRI 1 uses	GRI 1: Reporting principles (2021)
GRI Standards - Applicable sectors	N/A

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GENERAL DISCLOSURES				
GRI 2: General Disclosures 2021	2-1 Organisational details	Guide to the Statement Chapter 1. The Technogym brand	Reference is made to the Annual Report	
GRI 2: General Disclosures 2021	2-2 Entities included in the organisation's sustainability reporting	Guide to the Statement	Reference is made to the Annual Report	The reporting scope includes Technogym S.p.A. and all the fully consolidated companies in the Consolidated Financial Statement. Any limitations of this scope for individual figures have been indicated: Technogym UK Ltd; Technogym Germany GmbH; Technogym E.E. SRO; Technogym Benelux BV; Technogym USA Corp.; Technogym Shanghai Int. Trading Co. Ltd.; Technogym Australia Pty Ltd; Technogym Japan Ltd.; Technogym International BV; Technogym Trading SA; FKB Equipamentos LTDA; Technogym France Sas; Technogym Asia Ltd; Sidea S.r.l; Technogym Portugal, Unipessoal Lda; TGB Srl; Amleto Aps; Wellness Partner Ltd; DWL Srl; TG Technogym SA; Technogym Saudi LLC; MyWellness Inc.
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point	Guide to the Statement		
GRI 2: General Disclosures 2021	2-4 Restatements of information	Guide to the Statement		There are no amendments concerning restatements of information relating to the previous reporting period.
GRI 2: General Disclosures 2021	2-5 External assurance	Guide to the Statement		The selection of the external assurance supplier was made by requesting bids consistent with its needs.
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	Chapter 1. The Technogym brand Chapter 8. The supply chain		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants. There were no significant changes in the size, structure, ownership or supply chain.
GRI 2: General Disclosures 2021	2-7 Employees	Chapter 7. Personal wellbeing		For details on operations and total capitalisation, divided between payables and share capital, see the Annual Report

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GRI 2: General Disclosures 2021	2-8 Non-employees	Chapter 7. Personal wellbeing		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Chapter 3. Corporate Governance System	Reference is made to the Report on Corporate Governance and Ownership Structure for more details	
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts			The Chair of the Board of Directors performs a function of supervision and coordination of ESG activities.
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Guide to the Statement		
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Chapter 7. Personal wellbeing	See the Report on the Remuneration and compensation policy	
GRI 2: General Disclosures 2021	2-20 Procedure for determining remuneration	Chapter 7. Personal wellbeing		The Remuneration Report is approved by the Appointments and Remuneration Committee and, immediately afterwards, by the Board of Directors.
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	Chapter 7. Personal wellbeing		

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Letter from the Chairperson		
GRI 2: General Disclosures 2021	2-23 Policy commitments	Chapter 2. Sustainability at Technogym Chapter 3. Corporate governance system	Reference is made to the Sustainability Policy	Technogym adopts a prudential approach to reducing the environmental impact of its production processes and products, according to principle 15 of the United Nations Rio Declaration.
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	Chapter 2. Sustainability at Technogym Chapter 3. Corporate governance system	Reference is made to the Sustainability Policy	
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts			To date, no critical situations have occurred. Should any occur, the Chief Executive Officer will refer to all control functions and to the Board of Directors, who will take the decisions deemed most appropriate.
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Chapter 3. Corporate governance system		
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations			The organisation did not identify any significant cases of non-compliance with laws and regulations during the reporting period.
GRI 2: General Disclosures 2021	2-28 Associations	Chapter 4. Wellness for the community		
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Chapter 2. Sustainability at Technogym		
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	Chapter 7. Personal wellbeing		
MATERIAL TOPICS				
GRI 3: 2021 Material topics	3-1 Procedure for determining material topics	Chapter 2. Sustainability at Technogym		
GRI 3: 2021 Material topics	3-2 List of material topics	Chapter 2. Sustainability at Technogym		
MATERIAL TOPIC: INTERNATIONAL GROWTH AND CONSOLIDATION				
GRI 3: 2021 Material topics	3-3 Management of the material topic	Chapter 1. The Technogym brand		
GRI 201: 2016 Economic Performance	201-1 Direct economic value generated and distributed	Chapter 1. The Technogym brand		
GRI 201: 2016 Economic Performance	201-4 Financial assistance received from government	Chapter 1. The Technogym brand	Reference is made to the Separate Financial Statements.	

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GRI 202: 2016 Market presence	202-2 Proportion of senior management hired from the local community	Chapter 7. Personal wellbeing		
MATERIAL TOPIC: ETHICS AND INTEGRITY IN THE CONDUCT OF BUSINESS				
GRI 3: 2021 Material topics	3-3 Management of the material topic	Chapter 3. Corporate governance system		
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Chapter 3. Corporate governance system		
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Chapter 3. Corporate governance system		During 2022, no legal actions relating to unfair competition or anti-trust activities were recorded.
MATERIAL TOPIC: GOVERNANCE AND RISK MANAGEMENT				
GRI 3: 2021 Material topics	3-3 Management of the material topic	Chapter 3. Corporate governance system		
GRI 207: Tax 2019	207-1 Approach to tax	Chapter 1. The Technogym brand Chapter 3. Corporate governance system		
GRI 207: Tax 2019	207-2 Tax governance, control and risk management	Chapter 1. The Technogym brand		
GRI 207: Tax 2019	207-3 Stakeholder engagement and management of concerns related to tax	Chapter 1. The Technogym brand		
GRI 207: Tax 2019	207-4 Country-by-country reporting			As regards country-by-country reporting (Decree 23 February 2017), Technogym - albeit not currently subject to this regulatory requirement - is organising itself to be ready to respond to the requirements of the Decree and to ensure suitable implementation in accordance with best practice.
ENVIRONMENT ⁶⁴				
GRI 3: 2021 Material topics	3-3 Management of the material topic	Chapter 9. Environment		
GRI 302: Energy 2016	302-1 Energy consumed within the organisation	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 302: Energy 2016	302-3 Energy intensity	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.

64. Non-material topic, as indicated in chapter 2, but reported as indicated by the Decree.

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 303: Water and Effluents 2018	303-3 Water withdrawal by source	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 305: Emissions 2016	305-1 a. "Direct greenhouse gas emissions (scope 1) per tonnes of CO ₂ "	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 305: Emissions 2016	305-2 a. "Greenhouse gas emissions from energy consumption (scope 2) per tonnes of CO ₂ "	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 306: Waste 2020	306-3 Waste generated	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 306: Waste 2020	306-4 Waste not directed to disposal	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
GRI 306: Waste 2020	306-5 Waste directed to disposal	Chapter 9. Environment		The subsidiaries have not been included as it was not possible to obtain data for the whole boundary as some subsidiaries have a supply system that does not allow reporting according to GRI.
MATERIAL TOPIC: SAFEGUARDING STANDARDS IN THE SUPPLY CHAIN				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 8 "The supply chain"		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Chapter 8 "The supply chain"		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
GRI 308: Supplier Environmental Assessment 2016	308-2 a. "Number of suppliers assessed for environmental impacts"	Chapter 8 "The supply chain"		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GRI 308: Supplier Environmental Assessment 2016	308-2 b. "Number of suppliers identified as having significant actual and potential negative environmental impacts"	Chapter 8 "The supply chain"		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
GRI 308: Supplier Environmental Assessment 2016	308-2 c. "Significant actual and potential negative environmental impacts identified in the supply chain"	Chapter 8 "The supply chain"		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
MATERIAL TOPIC: MERIT-BASED PAY AND BONUS SYSTEMS				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 7. Personal wellbeing		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Chapter 7. Personal wellbeing		
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter 7. Personal wellbeing		
MATERIAL TOPIC: RESPECT FOR HUMAN RIGHTS AND THE PROTECTION OF WORKERS				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 7. Personal wellbeing		
GRI 401: Employment 2016	401-3 Parental leave	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	403-3 Occupational health services	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	GRI 403-5 Worker training on occupational health and safety	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GRI 403: Occupational health and safety 2018	403-6 Promotion of worker health	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	GRI 403-8 Workers covered by an occupational health and safety management system	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	GRI 403-9 Work-related injuries	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
GRI 403: Occupational health and safety 2018	GRI 403-10 Work-related ill health	Chapter 7. Personal wellbeing		The perimeter includes Technogym S.p.A. and Technogym EE where most of the activities and employees are concentrated. The figures relating to the subsidiaries are not currently available or relevant.
MATERIAL TOPIC: EMPLOYEE TRAINING AND CAREER DEVELOPMENT				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 7. Personal wellbeing		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee.	Chapter 7. Personal wellbeing		
GRI 404: Training and education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Chapter 7. Personal wellbeing		In FY 2022 no funding was used for training by external bodies.
GRI 404: Training and education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter 7. Personal wellbeing		The perimeter for the subsidiaries does not include Russia as the figures are unavailable.
MATERIAL TOPIC: DIVERSITY AND EQUAL OPPORTUNITIES				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 7. Personal wellbeing		
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity of governance bodies and employees	Chapter 3. Corporate Governance System Chapter 7. Personal wellbeing		
GRI 406: Non discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Chapter 7 "Human Resources"		
MATERIAL TOPIC: SAFEGUARDING STANDARDS IN THE SUPPLY CHAIN				

GRI STANDARDS	DISCLOSURE	NFS CHAPTER	REFERENCES	NOTES OR REASONS FOR OMISSION
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 8 "The supply chain"		
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	Chapter 8 "The supply chain"		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
GRI 414: Supplier social assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Chapter 8 "The supply chain"		The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
MATERIAL TOPIC: CAPACITY TO GUARANTEE SAFE, HIGH-PERFORMANCE PRODUCTS				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 6. Responsible innovation and design		
GRI 416: Customer health and safety 2016	416-1 Incidents of non-compliance concerning the health and safety impacts of products and services	Chapter 6. Responsible innovation and design		100% of products tested during the design phase
GRI 416: Customer Health and Safety 2016	416-2 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 6. Responsible innovation and design		
MATERIAL TOPIC: CUSTOMER CENTRICITY AND EXPERIENCE CARING				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 5 "Customer focus"		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 5 "Customer focus"		
MATERIAL TOPIC: PROTECTION OF TRADEMARK AND INTELLECTUAL PROPERTY				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 1. The Technogym brand Chapter 8 "The supply chain"		
MATERIAL TOPIC: PRODUCT DESIGN INNOVATION				
GRI 3: 2021 Material topics	3-3 Management of material topics	Chapter 6. Responsible innovation and design		

**ANNEXES
EU TAXONOMY,
PURSUANT
TO EU REG.
2020/852**

ANNEX I: TURNOVER KPI

Economic activities (1)	Code(s) 2	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria						"Do no significant harm" criteria						Minimum safeguarding guarantees (17)	Proportion of taxonomy-aligned turnover, year N (18)	Proportion of taxonomy-aligned turnover, year N+1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)				
				Mitigation of climate change (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Mitigation of climate change (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)									
				%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N									
		Euro	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percentage	Percentage	A	T				
A. TAXONOMY-ELIGIBLE ACTIVITIES		%																						
A.1. Eco-sustainable activities (taxonomy-aligned)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
Turnover of eco-sustainable activities (taxonomy-aligned) (A.1)		—	— €	0%	—	—					—	—	—	—	—	—	0%			—	—			
A.2. Activities that are taxonomy-eligible but not eco-sustainable (taxonomy-non-aligned activities)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Turnover of activities that are taxonomy-eligible but not eco-sustainable (taxonomy-non-aligned activities) (A.2)		—	— €	0%																—	—	—	—	
Total (A.1 + A.2)		—	— €	0%																—	—	—	—	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
Turnover of taxonomy-non-eligible activities (B)		—	€ 721,489,643.00	100%																				
Total (A+B)		—	€ 721,489,643.00	100%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			

ANNEX II: CAPEX KPI

Economic activities (1)	Code(s) 2	Absolute capital expenditure (3)	Proportion of capital expenditure (4)	Mitigation of climate change (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Mitigation of climate change (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguarding guarantees (17)	Proportion of taxonomy-aligned capital expenditure, year N (18)	Proportion of taxonomy-aligned capital expenditure, year N+1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)			
		Euro	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percentage	Percentage	A	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES %																							
A.1. Eco-sustainable activities (taxonomy-aligned)																							
Capital expenditure of eco-sustainable activities (taxonomy-aligned) (A.1)	—	— €	0%	—	—					—	—	—	—	—	—	—	0%		—	—			
A.2. Activities that are taxonomy-eligible but not eco-sustainable (taxonomy-non-aligned activities)																							
Production of heat/cooling using waste heat	4.25	€ 14,000.00	0.041%																				
Installation, maintenance and repair of energy efficiency devices	7.3	€ 1,312.80	0.004%																				
Installation, maintenance and repair of charging stations for electric vehicles at buildings (and parking spaces belonging to the buildings)	7.4	€ 12,324.00	0.036%																				
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance in the buildings	7.5	€ 892.60	0.003%																				
Capital expenditure of activities that are taxonomy-eligible but not eco-sustainable (taxonomy-non-aligned activities) (A.2)	—	€ 28,529.40	0.083%															—	—	—	—		
Total (A.1 + A.2)	—	€ 28,529.40	0.083%																				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
Capital expenditure of taxonomy-non-eligible activities (B)	—	€ 34,259,721.60	99.917%																				
Total (A+B)	—	€ 34,288,251.00	100.000%																				

ANNEX III: OPEX KPI

Economic activities (1)	Code(s) 2	Absolute operating costs (3)	Proportion of operating costs (4)	Substantial contribution criteria						"Do no significant harm" criteria						Minimum safeguarding guarantees (17)	Proportion of taxonomy-aligned operating costs, year N (18)	Proportion of taxonomy-aligned operating costs, year N+1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
				Mitigation of climate change (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Mitigation of climate change (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)					
		Euro	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percentage	Percentage	A	T
A. TAXONOMY-ELIGIBLE ACTIVITIES %																				
A.1. Eco-sustainable activities (taxonomy-aligned)																				
Turnover of eco-sustainable activities (taxonomy-aligned) (A.1)	—	— €	0%	—	—					—	—	—	—	—	—	—	0%		—	—
A.2. Activities that are taxonomy-eligible but not eco-sustainable (taxonomy-non-aligned activities)																				
Installation, maintenance and repair of energy efficiency devices	7.3	€ 533.19	0.002%																	
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance in the buildings	7.5	€ 4,708.00	0.021%																	
Operating costs of activities that are taxonomy-eligible but not eco-sustainable (taxonomy-non-aligned activities) (A.2)		€ 5,241.19	0.024%																	
Total (A.1 + A.2)		€ 5,241.19	0.024%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Operating costs of taxonomy-non-eligible activities (B)	—	€ 22,213,162.13	99.976%																	
Total (A+B)	—	€ 22,218,403.32	100.000%																	

MODELS PURSUANT TO ANNEX XII, DELEGATED REGULATION (EU) 2021/2178

ACTIVITIES RELATING TO NUCLEAR ENERGY		
1	The company carries out, finances or has exposure to the research, development, demonstration and construction of innovative electricity generation plants that produce energy from nuclear processes with a minimum quantity of waste from the fuel cycle.	NO
2	The company carries out, finances or has exposure to the construction and safe operation of new nuclear installations for the generation of electricity or process heat, including for district heating purposes or for industrial processes such as hydrogen production, and improvements to their safety, with the help of the best available technologies.	NO
3	The company carries out, finances or has exposure to the safe operation of existing nuclear installations for the generation of electricity or process heat, including for district heating or industrial processes such as hydrogen production from nuclear power, and improvements to their safety.	NO
ACTIVITIES RELATING TO FOSSIL GASES		
4	The company carries out, finances or has exposure to the construction or operation of electricity production plants that use fossil gas fuels.	NO
5	The company carries out, finances or has exposure to the construction, upgrading and operation of combined heat/cooling and electricity generation plants that use fossil gas fuels.	NO
6	The company carries out, finances or has exposure to the construction, upgrading and operation of heat generation plants that produce heat/cooling using fossil gas fuels.	NO

As it does not present any economic activities as laid down in Annexes I and II, sections 4.26, 4.27, 4.28, 4.29, 4.30 and 4.31 of Delegated Regulation (EU) 2021/2139 (i.e. activities relating to nuclear energy or fossil gases), the Technogym Group does not show models 2,3,4,5 of Annex XII of Delegated Regulation (EU) 2021/2187.





REPORT OF INDEPENDENT AUDITING FIRM

Report of Independent Auditing Firm



Independent auditor's report on the consolidated non-financial statement

pursuant to article 3, paragraph 10, of Legislative Decree no. 254/2016 and article 5 of CONSOB regulation no. 20267 of January 2018

To the Board of Directors of Technogym SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5 of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of Technogym SpA (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2022 prepared in accordance with article 4 of the Decree, and approved by the Board of Directors on 29 March 2023 (the "NFS").

Our review does not extend to the information set out in the paragraph "Taxonomy" of the NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016, and updated to 2021, by the GRI - Global Reporting Initiative (the "GRI Standards") identified by them as the reporting standard.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary to ensure an understanding of the Group's activities, its performance, its results and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for the identification and management of risks generated and/or faced by the Group.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

PricewaterhouseCoopers SpA

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Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily of company personnel responsible for the preparation of the information presented in the NFS, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;
3. comparison of the financial information reported in the NFS with the information reported in the Group's consolidated financial statements;
4. understanding of the following matters:
 - a. business and organisational model of the Group with reference to the management of the matters specified by article 3 of the Decree;
 - b. policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - c. key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 5 a) below;



5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS.

In detail, we held meetings and interviews with the management of Technogym SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a group level,
 - a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information.
- for the company Technogym SpA and for the plant located in Cesena (Italy), which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out site visits during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of Technogym Group for the year ended 31 December 2022 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards.

Our conclusions on the NFS of Technogym Group do not extend to the information set out in the paragraph "Taxonomy" of the NSF, required by article 8 of European Regulation 2020/852.

Bologna, 11 April 2023

PricewaterhouseCoopers SpA

Signed by
Roberto Sollevanti
(Partner)

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the NFS 2022 translation.

Corporate data

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Forlì Cesena Economic and Administrative Register no. 315187

Technogym stores

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New York Greene Street, 70
Los Angeles, 131 N Robertson Blvd
Moscow Red Square 3, GUM, 3rd floor/3rd line
Moscow Vremena Goda, Kutuzovsky Ave, 48
Saint Petersburg Bolshoy prospekt P.S. 49/18
London c/o Harrods, Brompton Road 87-135
Marbella Boulevard Principe Alfonso de Hohenlohe,
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