



**The Wellness Company**

**TECHNOGYM S.p.A**

*Registered office in Cesena (FC), Via Calcinaro n. 2861 - share capital Euro 10,066,375.00 fully paid-up*

*Register of Companies of Forlì-Cesena, tax code and VAT number*

*06250230965 Institutional website: [corporate.technogym.com](http://corporate.technogym.com)*

**REPORT ON THE REMUNERATION POLICY AND  
COMPENSATION PAID**

**Pursuant to Art. 123-ter of Italian Legislative Decree no. 58/1998**

**Approved by the Board of Directors on 24 March 2021**

## INTRODUCTION

This report on the remuneration policy and compensation paid (the “**Report**”) of Technogym S.p.A. (the “**Company**” or “**Technogym**”), approved on 24 March 2021 by the Board of Directors on the proposal of the Remuneration Committee - in compliance with Art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 and subsequent amendments and additions (“**TUF**”, Consolidated Finance Law), Art. 84-*quater* of the regulation on issuers adopted by CONSOB with resolution no. 11971 of 14 May 1999 and subsequent amendments and additions (the “**Issuers’ Regulation**”), as well as taking into account the recommendations of the Corporate Governance Code of listed companies approved in January 2020 (the “**Corporate Governance Code**” or “**Code**”), which Technogym adheres to - provides for:

- (i) in the first section, the illustration of the remuneration policy for the year 2021 (the “**Policy**” or “**Remuneration Policy**”) for (a) the members of the Board of Directors of Technogym (the “**Directors**”), distinguishing between executive and non-executive directors, (b) the standing members of the Board of Statutory Auditors of the Company (the “**Statutory Auditors**”) and (c) the key managers of the Company and of the Technogym Group (the “**Group**”), i.e., the parties that have the power and responsibility - directly or indirectly - for planning, managing and controlling the activities of the Company and of the Technogym Group, according to the definition pursuant to Annex 1 of the CONSOB Regulation on transactions with related parties adopted by resolution No. 17221 of 12 March 2010 (the “**Key Managers**”);
- (ii) in the second section, the representation in summary form and in table form of the remuneration for the year 2020 of Directors, Statutory Auditors and, in aggregate form, of Key Managers.

The Policy is one of the main management tools with regard to the remuneration systems of the Company and the Group, in line with Technogym’s governance model.

The Policy also illustrates the procedures adopted by the Company to prepare and approve the Remuneration Policy, the bodies and parties responsible for its implementation.

Based on Art. 84-*quater* of the Issuers’ Regulation, this Report will be made available to the public at the Company’s registered office and on the Company’s website <http://corporate.technogym.com>, Governance/Shareholders’ Meeting section, as well as at the storage mechanism. “eMarket STORAGE”, available at [www.emarketstorage.com](http://www.emarketstorage.com), no later than the twenty-first day prior to the date of the Shareholders’ Meeting called to approve the financial statements for the year 2020.

## **SECTION I - REMUNERATION POLICY FOR THE YEAR 2021**

### **A. COLLECTIVE BODIES AND PARTIES INVOLVED IN THE PREPARATION, APPROVAL AND POSSIBLE REVIEW OF THE REMUNERATION POLICY**

The Remuneration Policy is defined through a process involving the Board of Directors of the Company, the Nomination and Remuneration Committee comprising members of the Board (the “**Nomination and Remuneration Committee**” or the “**Committee**”) and the Ordinary Shareholders’ Meeting of the Company (the “**Shareholders’ Meeting**”).

The bodies involved in terms of remuneration, for the areas for which they are responsible, are the Shareholders’ Meeting, the Board of Directors, the Nomination and Remuneration Committee and the Board of Statutory Auditors.

#### ***SHAREHOLDERS’ MEETING***

With regard to remuneration, the Shareholders’ Meeting:

- (i) resolves, with a binding vote, with respect to the Remuneration Policy referred to in the first section of the Report pursuant to Art. 123-ter, paragraph 3-bis and paragraph 3-ter, of the Consolidated Finance Law and, with a non-binding vote, on the second section of the Report pursuant to Art. 123-ter, paragraph 6, of the Consolidated Finance Law;
- (ii) determines, at the time of appointment and for the entire duration of the mandate, the remuneration of the members of the Board of Directors and the Board of Statutory Auditors;
- (iii) resolves, upon proposal of the Board of Directors, on any remuneration plans based on financial instruments pursuant to Art. 114-bis of the Consolidated Finance Law.

#### ***BOARD OF DIRECTORS***

The Board of Directors defines the Policy on the basis of the proposal made by the Nomination and Remuneration Committee, and along with the Committee, monitors its implementation, determining, consistently with the policy, the remuneration of Directors holding specific offices, under the proposal of the Committee and with the input of the Board of Statutory Auditors in accordance with Art. 22 of the Articles of Association. In particular, the Board ensures that the remuneration paid and accrued is consistent with the principles and criteria defined in the Policy, in light of the results achieved and the other circumstances relevant to its implementation.

In addition, the Board resolves on any remuneration plans based on shares or other financial instruments pursuant to Art. 114-bis of the Consolidated Finance Law and submits them for approval to the Shareholders’ Meeting and, upon authorisation from the latter, sees to their implementation.

#### ***BOARD OF STATUTORY AUDITORS***

With regard to remuneration, the Board of Statutory Auditors expresses the opinions required by the regulations in force with reference, in particular, to the remuneration of Directors vested with special duties pursuant to Art. 2389 of the Italian Civil Code, also verifying the consistency with the remuneration policy adopted by the Company.

## ***NOMINATION AND REMUNERATION COMMITTEE***

With regard to remuneration, the Nomination and Remuneration Committee has also been assigned the following tasks:

- a) to make proposals to the Board of Directors on the remuneration policy for Directors and Key Managers;
- b) to assess, at regular intervals, the appropriateness, overall consistency and practical application of the remuneration policy for Directors and Key Managers, making use in this regard of the information provided by the delegated Directors;
- c) to make proposals or express opinions to the Board of Directors on the remuneration of the Executive Directors and the other Directors holding specific offices, as well as on the specification of performance objectives for the variable component of such remuneration, and to monitor the application of the decisions adopted by the Board of Directors, verifying, in particular, the actual achievement of the performance objectives.

### **B. REMUNERATION AND NOMINATION COMMITTEE AND ANY FURTHER MEASURES TO AVOID OR MANAGE CONFLICTS OF INTEREST**

With its resolution of 16 March 2016, the Board of Directors of the Company established, with effect from the first day of trading of the shares on the Stock market (i.e. from 3 May 2016), the Nomination and Remuneration Committee, approving the related internal regulation – available to the public and which can be viewed on the Company's website <http://corporate.technogym.com>, section *Governance/Management/Committees* – that governs the composition, duties and operating procedures of the Committee.

During the board meeting of 15 May 2018, the Company Board of Directors, appointed by the Ordinary Shareholders' Meeting of 8 May 2018, appointed the new members of the internal board committees. As a result, the Nomination and Remuneration Committee in office, on the date of approval of this Remuneration Policy, consists of the following three non-executive directors, two of whom are independent: Vincenzo Giannelli (independent director, appointed as Chairperson), Riccardo Pinza (appointed as Deputy Chairperson of the Committee) and Andrea Giuseppe Zocchi (independent director). It should be noted that, in its capacity as a committee established within the Board of Directors, the Nomination and Remuneration Committee has the same duration as the Board itself and, therefore, its expiry date coincides with the date of approval of the financial statements for the year ended 31.12.2020, unless otherwise decided.

With regard to appointments, the Nomination and Remuneration Committee has the following tasks:

- a) to express opinions to the Board of Directors on the size and composition of the Board and make recommendations on the professional profiles whose presence in the Board of Directors is believed to be appropriate;
- b) to make recommendations to the Board of Directors on the maximum number of positions of director or statutory auditor in other listed companies in regulated markets (including abroad), in financial, banking and insurance companies or large companies, which may be considered consistent with the effective performance of the office of director of the Issuer, taking into account the participation of directors in the committees established within the Board of Directors;
- c) to make recommendations to the Board of Directors if difficulties arise in the application of the non-competition obligation specified for the Directors by Art. 2390 of the Civil Code, if the Shareholders' Meeting of the Company has authorised in general terms and in advance derogations to this prohibition to meet organisational needs;

- d) to propose to the Board of Directors candidates to the office of Director in co-option cases, if it becomes necessary to replace Independent Directors; and
- e) to carry out a preliminary analysis for the preparation of a succession plan for the Executive Directors of the Company, if the Board of Directors decides to adopt such a plan.

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

In order to neutralise any conflicts of interest, in compliance with Recommendation no. 26 of the Corporate Governance Code, directors shall not take part in the meetings of the Committee in which proposals relating to their remuneration are formulated.

**C. CONSIDERATION OF THE COMPENSATION AND WORKING CONDITIONS OF THE COMPANY EMPLOYEES IN DETERMINING THE REMUNERATION POLICY, COMPENSATION AND WORKING CONDITIONS OF THE EMPLOYEES OF THE COMPANY**

The criterion for defining each economic package (alternative remuneration) (in Technogym) is based on (i) professional specialisation; (ii) organisational role held; and (iii) key responsibilities of the role itself.

In determining the Remuneration Policy for Key Managers, account was taken, in a harmonious and consistent manner, of employees' salaries and working conditions, avoiding the creation of unjustified imbalances.

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

For the purpose of defining this Policy, the Company analysed market practices and salary levels, including through data provided by independent experts in aggregate form and without making specific reference to other companies.

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

The Company's Remuneration Policy is defined, also in line with the recommendations of the Corporate Governance Code, with the objective of (i) being functional to the pursuit of the Company's sustainable success by promoting the creation of value for Shareholders in the medium-long term, (ii) attracting, retaining and motivating people with the skills and professionalism required by the role covered in the Company and functional to the achievement of the business development objectives and aligning the interests of management with those of the Company and the Shareholders in the medium-long term.

The duration of this Policy is annual.

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

- a) a balance between the fixed component and the variable component of the remuneration of Key Managers, adequate and consistent with the Company's strategic objectives and risk management policy, also taking into account the characteristics of the business activity and the sector in which it operates, however, providing that the variable portion represents a significant part of the total remuneration; the Company believes that the fixed component is enough to remunerate the performance of the Directors and Key Managers even if, with reference to the latter, the variable component is not paid due to the failure to achieve the performance objectives indicated by the Board;
- b) maximum limits to the payment of the variable part (short and medium-long term) to Key Managers, differentiated according to the role played by the individual within the Company and his/her ability to affect the results of the Company and the Group. In particular, the short-term variable component represented by the 2021 MBO cannot exceed 64% of the gross annual remuneration, while the medium-term variable component of the individual plan, at the end of the three-year cycle, cannot exceed 75% of the annual gross value remuneration of the year of assignment of the shares at the end of the *vesting period* of the individual beneficiary, net of the *capital gains* (capital gain given by the difference in the sales price and the assignment price of the shares);
- c) the performance objectives relating to both short-term and medium-term objectives are predetermined, measurable and consistent with the strategic objectives of the Company;
- d) the short-term objectives are aimed at promoting its sustainable success, including, where relevant, also non-financial parameters (such as, for example, the Net Promoter Score or the Employee Satisfaction Index).

The variable component of compensation comprises: (i) a portion tied to short-term criteria (Management by Objectives - MBO, based on the achievement of Group and individual annual results, including also the sustainability KPIs per individual area of competence) and (ii) a portion linked to medium-term criteria.

The variable component, in its entirety, represents at least 41% of the total annual remuneration (understood as the sum of the fixed component and the variable component at the minimum access level).

There is a deferral between the time of accrual of the right to, and the payment of, the variable component for both the short-term variable component and the assignment of the shares relating to the medium-term variable component. The payment of any bonus relating to the short-term objectives takes place at least four months after the end of the duties of the relative performance objectives. The assignment of any shares relating to the medium-term objectives takes place at least six months after the end of the duties of the relative performance objectives. In both cases, the Key Managers must be working at the time of disbursement in order to receive the disbursement of the bonus, not only at the time of accrual. For non-executive and independent directors, remuneration is aimed at recognising the required effort and does not include performance-related variable components.

With respect to the remuneration policy approved by the Shareholders' Meeting of 23 April 2020:

- (i) with reference to the medium-term variable component, the main differences of the new 2021-2023 incentive plan referred to in Paragraph F.1.2 compared to the medium-term plans in place are: (i) the introduction of an *ex post* correction mechanism and, in particular, of a claw back clause, as detailed in Paragraph F.1.2; (ii) the provision of a lock-up period of 12 months from the date of assignment of

the shares, compared to the 6 months envisaged in the existing plans and (iii) the reduction of the minimum performance objective from 95% to 80% (Gate) and from 150% to 130% of the maximum pay-out in the event of over-performance;

- (ii) with reference to the 2021 MBO, the main difference compared to the 2020 MBO consists in the increase in the weight of the Group KPIs from 60% to 80%, with a consequent reduction in the weight of individual KPIs from 40% to 20%. In addition, the bonus deriving from the 2021 MBO may not exceed 64% of the gross annual remuneration compared to the 56% cap set in relation to the 2020 MBO;
- (iii) it was envisaged that the *one-off* bonuses linked to extraordinary results and/or specific non-recurring projects that may be recognised in favour of Key Managers may not exceed 25% of the respective gross annual remuneration;
- (iv) the possibility of making exceptions from specific elements of the Policy was introduced in the event of exceptional circumstances pursuant to Art. 123-ter, paragraph 3-bis of the Consolidated Finance Law.

**F. DESCRIPTION OF THE POLICIES PERTAINING TO FIXED AND VARIABLE REMUNERATION COMPONENTS, WITH PARTICULAR REGARD TO THE INDICATION OF THE RELATIVE WEIGHT WITHIN THE SCOPE OF OVERALL COMPENSATION AND DISTINGUISHING BETWEEN VARIABLE AND SHORT AND MEDIUM-LONG TERM COMPONENTS.**

Taking into account the criteria and aims pursued by the Policy, the compensation package comprises the following components:

- i) for Directors and Key Managers - fixed part, which has to remunerate the assigned responsibilities, experience and distinctive competencies held, and must be competitive on the market to assure an adequate *retention* level;
- ii) for Key Managers, the Non-Competition Agreement (PNC) is present as a fixed component, paid monthly during their collaboration with the Company; the PNC corresponds to a maximum of 25% of their fixed remuneration and covers up to a maximum of 5 years from the end of the collaboration with the Company;
- iii) for Key Managers - annual variable part, which has to ensure a direct connection between remuneration and performance results and is aimed at rewarding the achievement of corporate and individual objectives (MBO - Management by Objectives) and/or *one-off* bonuses linked to extraordinary results and/or specific non-recurring projects. The aforementioned *one-off* bonuses may not represent more than 25% of the gross annual remuneration of the individual Key Manager;
- iv) for Key Managers - medium-term variable part, which assures the growth of enterprise value and the attainment of results that are sustainable over time, also beyond those defined each year in the budget, the retention of key resources and the alignment of the management's objectives with those of the Shareholders;

- v) for some positions - including Key Managers - a *retention plan* may be defined, which rewards long service in the company independently of corporate or individual performance indicators through the payment of bonuses on predetermined dates;
- vi) for Directors and Key Managers - an adequate offer of benefits, in accordance with reference market practices.

Note that the medium term variable part of the compensation described in point iv) above can be paid in the form of *equity* or through *equity-based* instruments, making beneficiaries more active participants in the effective creation of value transferred to the share price.

A detailed description follows of the short and medium-long term incentive policies implemented and/or expected to be implemented in 2021 by the Company, represented by a variable monetary component (MBO Plan) and a variable component based on financial instruments.

### **F.1.1 MBO PLAN FOR KEY MANAGERS**

The annual variable component of remuneration is calculated according to procedures established in the 2021 MBO Plan; this plan is defined on the basis of targets to be achieved during the year and parameters (KPIs) against which the targets will be measured.

The 2021 MBO Plan has a short-term incentivising function and is based on achieving Group and individual annual results. The guidelines and policies for the bonus system are defined by the Chairperson of the Board of Directors in line with the Company’s Development Strategy. The financial indicators the assessment of corporate performance is based on in order to identify the variable compensation allotted to Key Managers are EBIT and the Free Cash Flow (“**FCF**”) of the Group.

In particular, the awarding of the bonus is subject to the achievement of both the Group’s minimum EBIT and FCF objectives (Gate). If these minimum objectives are achieved, the bonus awarded to each strategic manager will be determined on the basis of the achievement of further goals, both for the Group (also based on the achievement of certain EBIT and FCF values) and for the individual. Individual objectives may relate to the economic performance of the relevant unit/function, the implementation of specific projects, customer satisfaction, specific sustainability objectives for each area of competence, in general, efficiency objectives for the area of activity.

The bonus, if due, following approval of the financial statements for the 2021 financial year, and on the basis of the economic and financial indicators determined at the end of 2021, will be paid at the same time as the payment of earnings for April 2022 (if the final balance is not complete, the payment will occur in the subsequent months). In any case, the actual payment of the bonus depends on the continued service of the beneficiary as of 30/04/2022.

The main conditions of the 2021 Technogym MBO & Bonus Plan are set out below:

<b>Recipients</b>	<b>Gate (system activation)</b>	<b>Weight of the Objectives</b>
<b>Key Managers</b>	Group EBIT and FCF	Group KPIs: 80% Individual KPIs: 20%

If the access deadlines (Gate) are reached, the precise achievement of the Group and Individual KPIs is calculated as described below.



The achievement of 85% of the pre-established targets allows a bonus to be given equal to the access level.

The achievement of 100% of the pre-established targets allows a bonus to be given equal to the minimum reference level.

The achievement of 150% of the pre-established targets allows a bonus to be given equal to the maximum level.

A score in the 85% -100% range and in the 100% -150% range allows a bonus to be given that is linearly proportional to the values relating to the individual Key Manager.

The value of the annual bonus has a lower weight than the gross annual earnings and, in the event of over-performance of the beneficiary, must be no higher than 64% of the earnings.

It should also be noted that in defining the final performance objectives, reference is made to the data in the financial statements, not as approved by the competent corporate bodies, but to “adjusted” results, i.e. net of extraordinary components.

### **E.1.2 MEDIUM-TERM INCENTIVE PLANS**

Starting from 2016, the Company implemented three medium-term incentive plans: the first for the period 2017-2019, the second for the period 2018-2020 and the third for the period 2019-2021. For details of the plans, please refer to the information documents relating to the plans approved by the Shareholders’ Meetings on 21 April 2017, 8 May 2018 and 8 May 2019, respectively.

The approval of a new medium-term incentive plan also for Key Managers for the years 2021-2023 will be submitted to the ordinary shareholders’ meeting called to approve the financial statements as at 31 December 2020, based on the assignment of the right to receive free shares if certain performance objectives of the Company are achieved (“**2021-2023 Plan**”).

The main characteristics of the 2021-2023 Plan are:

- (i) predetermined performance objectives, identified in the economic and financial performance of the Company, calculated with reference to:
  - the Cumulative Net Profit for 2021-2023, and
  - the arithmetic mean of the stock market price of Technogym ordinary shares in the three months preceding the closing date of the Vesting Period (December 2023, and January and February 2024);
- (ii) a three-year *vesting period* of the right to obtain the shares deriving from the vesting of the assigned right;
- (iii) non-transferability of the shares restriction (lock-up) for a period of 12 months from the date of assignment of the shares deriving from the plan, without prejudice to the possibility of transferring the percentage of shares envisaged in the plan in order to pay taxes on the bonus accrued <sup>(1)</sup>.

The beneficiaries of the 2021-2023 Plan will be identified by the Board of Directors from among the Key Managers as well as other employees or contractors of the Company or of the Group who hold positions deemed strategic by the Company.

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<sup>(1)</sup> With reference to the incentive plans already approved by Shareholders' Meetings in previous years, the vesting period is the same as for the 2021-2023 Plan (three-year), while the non-transferability of the shares restriction (lock-up) is 12 months from the date of assignment, again without prejudice to the percentage of shares envisaged in the individual plans in order to pay taxes.

The number of shares allotted by the Board of Directors at the end of the *vesting* period is determined according to the achievement of the performance objectives on the basis of the gross annual earnings predetermined by the Board of Directors and provided that 80% of the performance objective is achieved. The shares shall be assigned to the beneficiaries, subject to the fulfilment of the conditions set out in the Plan, no later than the 60th day after approval of the Group consolidated financial statements for the year ended 31/12/2023. At the time of the allocation, the Board of Directors will have the right to grant the beneficiary a sum of money equal to the value of the shares to which (s)he would have been entitled according to the criteria indicated in the Plan if, for reasons of a regulatory nature, the assignment of financial instruments to the beneficiary is not allowed.

Since the Plan is aimed at loyalty and *retention*, termination of the employment relationship for reasons other than those of a “good leaver” shall void all rights that beneficiaries would be entitled to under the plan.

The 2021-2023 Plan envisages a claw-back clause pursuant to which, if within the 24 months following the date of assignment of the Shares, it is ascertained that the achievement of the Performance Objectives was determined on the basis of data that proved to be incorrect, or if it is ascertained that the benefit was not due, the sum corresponding to the value of the shares at the time of their assignment must be returned, in a manner that neutralises any negative financial effects for the beneficiary in any case.

The variable remuneration component for the beneficiaries of the plan, at the end of the three-year cycle, cannot exceed 75% of the annual gross remuneration of the year of assignment of the Shares of the individual beneficiary, net of the *capital gains* (capital gains given by the difference in the sales price and the assignment price of the shares).

It should also be noted that in defining the final performance objectives, reference is made to the data in the financial statements, not as approved by the competent corporate bodies, but to “adjusted” results, i.e. net of extraordinary components.

## **F.2 THE REMUNERATION POLICY WITH REFERENCE TO THE INDIVIDUAL SIGNIFICANT POSITIONS**

### **F.2.1 THE REMUNERATION OF THE CHAIRPERSON/CHIEF EXECUTIVE OFFICER**

#### Fixed part

The remuneration of the Chairperson and Chief Executive Officer is mainly represented by the fixed component in accordance with the limits set by the resolution of the Shareholders’ Meeting, also considering the powers assigned to him/her.

#### Annual variable part

The Chairperson and Chief Executive Officer shall not participate in the annual variable incentive plans.

#### Medium/long-term incentives

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

#### Benefits

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

expenses as well as for occupational and non-occupational accidents.

## **F.2.2 THE REMUNERATION OF THE DEPUTY CHAIRPERSON**

### Fixed part

The remuneration of the Deputy Chairperson is represented by the fixed component in accordance with the limits set by the resolution of the Shareholders' Meeting, also considering the powers assigned to him/her.

### Annual variable part

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

### Medium/long-term incentives

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

### Benefits

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

## **F.2.3 THE REMUNERATION OF THE EXECUTIVE DIRECTORS**

### Fixed part

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

### Annual variable part

Executive Directors shall not participate in annual variable incentive plans.

### Medium/long-term incentives

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

### Benefits

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

## **F.2.4 THE REMUNERATION OF NON-EXECUTIVE DIRECTORS**

The remuneration of non-executive Directors and Independent Directors is determined on a fixed basis and, in compliance with Recommendation no. 29 of the Code, provides for remuneration appropriate to the skills, professionalism and commitment required by the tasks assigned to them within the management body and in

the board committees; this remuneration is not linked to *performance* objectives. Attendance fees are also allocated for participation at board meetings.

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

## **F.2.5 THE REMUNERATION OF KEY MANAGERS**

### Fixed part

The fixed part of the compensation is consistent with the remuneration identified by the Company as being in line with the market and is broken down in such a way as to adequately remunerate the skills, effort and the activities performed by the Key Managers on a continuous basis.

The total fixed remuneration of Key Managers may include a *housing allowance* as well as, for Key Managers who serve as Directors in subsidiaries, additional compensation and indemnities specific to the office so as to adequately remunerate the effort required.

### Annual variable part

Key Managers shall participate in the MBO 2021 annual incentive plan as described in Paragraph F.1.1 and/or *one-off* bonuses tied to extraordinary results and/or project commitments (bonuses).

### Medium/long-term incentives

To contribute to value creation in the medium-long term, Key Managers are also recipients of the medium-term incentive plans described in Paragraph F.1.2.

### Benefits

All Key Managers are also allocated a series of benefits, including, in particular, a company car and mobile phone. All Key Managers also have the following insurance cover: D&O (Directors' and Officers' Liability Insurance), life insurance policies, and insurance coverage for the reimbursement of medical expenses as well as for occupational and non-occupational accidents.

## **F.2.6 REMUNERATION OF THE MEMBERS OF THE CONTROL BODIES**

The Chairperson of the Board of Statutory Auditors and the Standing Auditors are remunerated with a gross annual compensation resolved by the Meeting at the time of the appointment for the entire term in office, adequate for the skills, professionalism and commitment required in accordance with the importance of the role covered, the size and type of Company and its situation, to be paid *pro rata temporis*, based on the actual term in office. The Chairperson of the Board of Statutory Auditors and the Standing Auditors are also responsible for the reimbursement of expenses for the performance of the office.

The Company also stipulates, at its own expense and for the benefit of the Chairperson of the Board of Statutory Auditors and the Standing Auditors, insurance policies to cover the civil liability of directors and officers, D&O (Directors 'and Officers' Liability Insurance).

There are no variable remuneration components, bonuses, attendance fees or other incentives, or non-monetary benefits.

**G. ADOPTED POLICY WITH REGARD TO NON-MONETARY BENEFITS**

The allocation of non-monetary benefits is provided for; these are defined in line with normal practice and consistently with respect to the office and role held. Non-monetary benefits include use of a car, life insurance policies, accident insurance policies and supplementary health coverage.

For a description of non-monetary benefits, please refer to the information provided for each position in Paragraph F.2 above.

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

Please refer to the description in Paragraph F above.

**I. CRITERIA APPLIED TO ASSESS WHETHER THE PERFORMANCE OBJECTIVES ON WHICH THE ALLOTMENT OF SHARES, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER VARIABLE REMUNERATION COMPONENTS ARE BASED HAVE BEEN ACHIEVED, AND MEASUREMENT OF THE VARIABLE COMPONENT THAT WILL BE DISBURSED IN ACCORDANCE WITH THE LEVEL OF ACHIEVEMENT OF THE OBJECTIVES**

Please refer to the description in Paragraph F.1.2 above.

**J. INFORMATION TO HIGHLIGHT THE CONTRIBUTION OF THE REMUNERATION POLICY AND IN PARTICULAR THE POLICY ON VARIABLE COMPONENTS OF REMUNERATION, TO THE COMPANY STRATEGY, TO THE PURSUIT OF LONG-TERM INTERESTS AND TO SUSTAINABILITY**

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

In line with this purpose, the remuneration of Key Managers is structured in such a way as:

- i) to balance the fixed and variable remuneration with the goal of creating value for the Company in a sustainable way;
- ii) to relate the variable remuneration to the achievement of operating and financial objectives aligned with value creation and the actual results achieved by the Company;
- iii) to provide adequate remuneration in order to attract, motivate and retain persons who have the individual and professional qualities necessary to pursue and achieve the business development objectives of the Company and of the Technogym Group.

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

With reference to the terms for the vesting of remuneration rights under the medium-term incentive plans and the 2021-2023 Plan that will be submitted to the Shareholders' Meeting for approval, please refer to Paragraph F.1.2.

With reference to the medium-term variable component, the application of the claw-back is envisaged, as indicated in Paragraph F.1.2.

**L. INFORMATION ON THE CLAUSES FOR MAINTAINING THE FINANCIAL INSTRUMENTS IN THE PORTFOLIO AFTER THEIR ACQUISITION, WITH THE INDICATION OF THE MAINTENANCE PERIODS AND OF THE CRITERIA APPLIED TO DETERMINE THESE PERIODS**

Both the existing incentive plans and the 2021-2023 Plan that will be submitted to the approval of the ordinary shareholders' meeting called to approve the financial statements as at 31 December 2020 include lock-up commitments for the beneficiaries for a period of 6 months in the existing plans and 12 months in the plan being defined from the date of assignment of the shares, without prejudice to the percentage of shares envisaged in the individual plans in order to pay taxes, as indicated in Paragraph F.1.2.

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

The Policy does not provide for the payment of indemnities to directors in the event of early termination of office.

With regard to Key Managers, in the event of termination of the employment relationship, the provisions of the National Collective Labour Agreement applicable to them shall apply.

The provisions of the incentive plans (monetary and based on financial instruments) adopted by the Company in relation to the effects of the termination of the relationship on the rights assigned under them remain unchanged.

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

As indicated in the previous Paragraphs G) and, for each position, in the previous Paragraph F.2, the non-monetary benefits may include insurance policies covering the civil liability of directors and executives, THE D&O (Directors 'and Officers' Liability Insurance), life policies, accident policies, supplementary health insurance and other types of coverage.

**O. REMUNERATION POLICY FOLLOWED WITH REFERENCE TO: (I) INDEPENDENT DIRECTORS, (II) PARTICIPATION IN COMMITTEES AND (III) THE PERFORMANCE OF SPECIFIC DUTIES**

As indicated for Paragraph E) above, for non-executive and independent Directors, remuneration is aimed at recognising the required effort and does include performance-related variable components.

The Policy involves the assignment of additional compensation in a fixed amount for Non-Executive Directors and

Independent Directors who are members of the Committees established within the Board, to adequately remunerate the additional work and effort made to the benefit of the Company.

For additional information and for information about the remuneration of Directors appointed to specific offices, please refer to the description in Paragraph F above.

**P. INFORMATION ABOUT ANY USE OF OTHER COMPANIES' REMUNERATION POLICIES AS A REFERENCE**

For the purposes of determining the Policy, the remuneration policies of specific companies were not used as a reference.

**Q. ELEMENTS OF THE REMUNERATION POLICY FOR WHICH, IN THE CASE OF EXCEPTIONAL CIRCUMSTANCES, EXCEPTIONS CAN BE MADE EXCEPTIONS AND ANY OTHER PROCEDURAL CONDITIONS WHICH WOULD JUSTIFY APPLYING EXCEPTIONS**

Upon the occurrence of exceptional circumstances pursuant to Art. 123-ter, paragraph 3-bis of Legislative Decree 58 of 1998, it is possible to make exceptions to this Policy, with particular reference to the provision and/or amount of benefits in the event of termination of office or termination of the employment relationship, in this case, the provisions of the procedure adopted by the Company on related party transactions shall apply.

Exceptional circumstances include, but are not limited to (i) the need to replace the Chief Executive Officer due to unforeseen events and the need to quickly negotiate a remuneration package, where the restrictions contained in the approved Policy could limit the possibility for companies to attract managers with the most appropriate professional skills to manage the company; or (ii) significant changes in the scope of business of the company while the Policy is valid, such as the sale of a company / business branch on whose activities the performance objectives of the Policy of reference were based or the acquisition of a significant business not included in the Policy.

## SECTION II – INFORMATION ON THE IMPLEMENTATION OF THE REMUNERATION POLICY

### INTRODUCTION

This section consists of:

1. a first part, which provides a concise descriptive representation of the remuneration for 2020 of Directors, Statutory Auditors and Key Managers (for the latter the information is provided at an aggregate level as the conditions required by current legislation for *disclosure* on an individual basis are not met);
2. a second part, which shows the above-mentioned remuneration in table form.

### I. PART ONE

#### Board of Directors

##### Fixed Remuneration

Directors were paid the fixed compensation determined by the Shareholders' Meeting of 8 May 2018 and by the Board of Directors itself. In particular:

- on 8 May 2018, the Company Shareholders' Meeting established the compensation of the Board of Directors, for the entire period of the term, up to a maximum of Euro 7,500,000.00 (seven million, five hundred thousand/00) before the deductions required by law as well as the reimbursement of expenses incurred on official business, including within this overall amount the compensation for directors with special duties determined by the Board of Directors according to Art. 2389, paragraph 3 of the Italian Civil Code, including with reference to the compensation for the appointment and participation in committees established within the Board of Directors, excluding from this overall amount any compensation to be paid in virtue of any future incentive arrangements. The same Shareholders' Meeting also decided on the minimum compensation for each Director, included in the above-mentioned maximum amount, of Euro 20,000.00 (twenty thousand/00) gross per year, notwithstanding the additional compensation for directors with special duties;
- the Company Board of Directors, which met on 31 July 2018, agreed to assign a gross annual compensation of Euro 25,000.00 (twenty-five thousand/00) to each Director, other than the Chairperson and Deputy Chairperson, for each year in office, to be paid *pro rata temporis*, based on the actual term in office, as well as an attendance fee of Euro 1,000.00 (one thousand/00) for participation in each board meeting;
- the Company Board of Directors, which met on 31 July 2018, agreed to assign a gross annual compensation to the Chairperson of the Board of Directors of Euro 1,500,000.00 (one million five hundred thousand/00), for each year in office, to be paid *pro rata temporis*, based on the actual term in office;
- the Company Board of Directors, which met on 31 July 2018, agreed to assign a gross annual compensation of Euro 500,000.00 (five hundred thousand/00) to the Deputy Chairperson of the Board of Directors for each year in office, to be paid *pro rata temporis*, based on the actual term in office.



### Variable remuneration

No variable compensation or incentive plans based on financial instruments are arranged for members of the Board of Directors.

### Non-monetary benefits

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

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

## **Committee Members**

### Fixed Remuneration

The Board of Directors' Meeting of 31 July 2018, agreed, with the favourable opinion of the Board of Statutory Auditors, to assign the following compensation:

- a gross annual compensation of Euro 15,000.00 (fifteen thousand/00) to the Director who holds the office of Chairperson of the Control and Risk Committee, to be paid *pro rata temporis*, based on the actual term in office, in addition to the annual fixed compensation for the office of Director and any compensation which (s)he may be entitled to as Chairperson, Deputy Chairperson or member of the Nomination and Remuneration Committee;
- a gross annual compensation of Euro 15,000.00 (fifteen thousand/00) to the Director who holds the office of Chairperson of the Nomination and Remuneration Committee, to be paid *pro rata temporis*, based on the actual term in office, in addition to the annual fixed for the office of Director and any compensation which (s)he may be entitled to as Chairperson, Deputy Chairperson or member of the Control and Risk Committee;
- a gross annual compensation of Euro 10,000.00 (ten thousand/00) to each Director who holds the office of Deputy Chairperson or member of the Control and Risk Committee, to be paid *pro rata temporis*, based on the actual term in office, in addition to the annual fixed compensation for the office of Director and any compensation which (s)he may be entitled to as Chairperson, Deputy Chairperson or member of the Nomination and Remuneration Committee;
- a gross annual compensation of Euro 10,000.00 (ten thousand/00) to each Director who holds the office of Deputy Chairperson or member of the Nomination and Remuneration Committee, to be paid *pro rata temporis*, based on the actual term in office, in addition to the annual fixed compensation for the office of Director and any compensation which (s)he may be entitled to as Chairperson, Deputy Chairperson or member of the Control and Risks Committee;
- an attendance fee to each Director who holds the office of Chairperson, Deputy Chairperson or member of the Committee for Transactions with Related Parties, determined from time to time by the Board of Directors based on the nature and number of transactions with related parties subject to assessment by

the Committee itself.

## **Board of Statutory Auditors**

### Fixed Remuneration

On 8 May 2019, the Shareholders' Meeting appointed the new Board of Statutory Auditors, also establishing the annual gross remuneration for the Statutory Auditors of Euro 30,000.00 (thirty thousand/00) for the Chairperson of the Board of Statutory Auditors and Euro 20,000.00 (twenty thousand/00) for each Standing Auditor, in addition to the reimbursement of expenses incurred in connection with the appointment.

### Variable remuneration and non-monetary benefits

The members of the Board of Statutory Auditors shall not receive any variable remuneration or non-monetary benefits, excepted the D&O insurance policy.

## **Key Managers**

### Fixed Remuneration

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

### Variable remuneration

In line with the 2020 Remuneration Policy, Key Managers participated in the 2020 MBO annual incentive plan and the 2017-2019 medium-term variable incentive plan was concluded.

Based on the draft financial statements as at 31 December 2020, the Group's minimum EBIT and Free Cash Flow targets, which constitute the access gate to the MBO 2020, have not been achieved and, therefore, no bonus has been recognised pursuant to the MBO 2020.

With regard to the 2017-2019 incentive plan, on the basis of the financial statements as at 31 December 2019 and the value recorded by the shares in the first two months of 2020, the minimum objectives (but not the target objectives) of Net profit and average share value that constitute the performance objectives for access to the 2017-2019 incentive plan were achieved. Therefore, the rights to receive the shares to the extent envisaged by the aforementioned plan have accrued. In view of the above, in 2020, the variable component of the remuneration of Key Managers represented a maximum of 41% of the total annual remuneration, without prejudice to any *one-off* bonuses pertaining to the 2020 financial year - as of the date of this Report not yet defined - that should be paid, in accordance with the applicable remuneration policy, in the current financial year.

For further details regarding the variable component of Key Managers, please refer to what is specified in the attached Table 3B.

### Non-monetary benefits

All Key Managers are also assigned the following benefits: company car, mobile phone, insurance policy covering the civil liability of directors and executives, (D&O, Directors' and Officers' Liability Insurance), including civil liability from prospectus, life policy, insurance coverage for the reimbursement of medical expenses as well as for occupational and non-occupational accidents.

### **Agreements providing indemnities in the case of early termination of employment**

In the course of the 2020 financial year, no agreements were stipulated that provide for the payment of compensation in the event of early termination of the relationship with Directors, Statutory Auditors or Key Managers.

### **Exceptions to the remuneration policy for the year 2020**

There were no exceptions to the remuneration policy for the year 2020.

### **Application of *ex post* correction mechanisms**

During the 2020 financial year, with reference to the variable component of remuneration, no *ex post* correction mechanisms were applied.

### **Change in remuneration and comparison information**

The following are reported and compared: (a) the annual change in total remuneration (including fixed remuneration, attendance fees, remuneration for participation in committees, non-equity variable remuneration, non-monetary benefits, other remuneration) of the members of the Board of Directors and of the Board of Statutory Auditors for the years 2019 and 2020 and (b) the average remuneration, calculated on a full-time equivalent basis, of employees (managers and employees, excluding blue-collar workers) of the Company other than individuals pursuant to letter (a) above, as at 31 December 2019 (no. 536) and 31 December 2020 (no. 519), respectively. The remuneration amounts are expressed in Euro.

First and last name	Office	2020 remuneration	Percentage change <sup>(1)</sup>	2019 remuneration
NERIO ALESSANDRI	Chairperson and Chief Executive Officer	1,514,325	+0.32%	1,509,471.27
PIERLUIGI ALESSANDRI	Deputy Chairperson	511,522	+0.58%	508,585.38
ERICA ALESSANDRI	Director	33,000	+3.1%	32,000
FRANCESCA BELLETTINI	Director	28,000	-3.45%	29,000
CARLO CAPELLI	Managing Director	33,000	+3.1%	32,000

MAURIZIO CEREDA	Director	44,102	+5%	42,000
CHIARA DORIGOTTI	Director	44,000	+4.7%	42,000
VINCENZO GIANNELLI	Director	48,000	+2.1%	47,000
CECILIA LA MANNAMARIA	Director	50,592	+7.6%	47,000
RICCARDO PINZA	Director	43,000	+2.3%	42,000
ANDREA GIUSEPPE ZOCCHI	Director	44,035.40	+1.7%	43,289.90
FRANCESCA DI DONATO	Chairperson of the Board of Statutory Auditors	30,000	+54%	19,479.45 <sup>(2)</sup>
CLAUDIA COSTANZA	Standing Auditor	20,147.20	-14.08%	23,448 <sup>(3)</sup>
CIRO PIERO CORNELLI	Standing Auditor	21,080	-3.8%	21,920

<sup>(1)</sup> during the year 2020, a greater number of meetings of the Board of Directors were held compared to the 2019 financial year, which meant that there was an increase in attendance fees.

<sup>(2)</sup> Remuneration for the office of Chairperson of the Board of Statutory Auditors from 8 May 2019.

<sup>(3)</sup> Of which Euro 10,161 for the office of Chairperson of the Board of Statutory Auditors until 8 May 2019, Euro 12,986 for the office of Standing Auditor from 8 May 2019 and Euro 301 for reimbursement of expenses.

	2020	Percentage change	2019
AVERAGE EMPLOYEE REMUNERATION	53,263	1.7%	52,348

The results of the Company are shown below and compared, based on the figures relating to the statutory financial statements, for the years 2019 and 2020. The values are expressed in thousands of Euro.

	2020	Percentage change	2019
REVENUES	358,069	-20.4%	450,107
NET PROFIT	46,339	-35.9%	72,332

### Vote expressed by the Shareholders' Meeting on this section of the previous year

The Ordinary Shareholders' Meeting held on 23 April 2020 approved the second section of the Remuneration Report for the year 2020 with no. 213,551,639 votes in favour, representing 95.078% of those present

(8,938,558 votes against, representing 3.980% of those present and 2,115,920 representing 0.942% of those present).

## **II. SECOND PART**

The present second part analytically reports the compensation paid in 2020 for any reason and in any form, in favour of the parties who during the year held, even for a fraction of the period, the office of member of the Administration and Control bodies, of General Manager or of Key Managers.

In 2020, in line with the 2020 Remuneration Policy, Key Managers participated in the 2020 MBO annual incentive plan and recipients of the share-based incentive plans.

This part also includes Table no. 1 and Table no. 2 envisaged by Annex 3A, Scheme 7-ter, of the Issuers' Regulation, which report the equity investments held in the Company and its subsidiaries by the Directors, Statutory Auditors and Key Managers, in compliance with Art. 84-*quater*, fourth paragraph, of the Issuers' Regulation.

**Table 1: Compensation paid to members of the administration and control bodies and key managers.**

**I. Compensation paid to members of the administration and control bodies**

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

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
First and last name	Office	Period for which the office was held in the 2020 financial year	Expiry of the office	Fixed Compensation	Compensation for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other compensation	Total	Fair Value Equity compensation	Indemnity when leaving office or terminating employment
Alessandri Nerio	Chairperson and Chief Executive Officer	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	1,500,000 <sup>(1)</sup>			14,325		1,514,325		
Alessandri Pierluigi	Deputy Chairperson	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	500,000 <sup>(2)</sup>			11,522		511,522		

(1) Of which Euro 25,000 for the office of Director and Euro 1,475,000 for the office of Chairperson and CEO.

(2) Of which Euro 25,000 for the office of Director and Euro 475,000 for the office of Deputy Chairperson.

Cereda Maurizio	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	34,102 <sup>(3)</sup>	10,000 <sup>(4)</sup>				44,102		
Bellettini Francesca	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	28,000 <sup>(5)</sup>					28,000		
Pinza Riccardo	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	33,000 <sup>(6)</sup>	10,000 <sup>(7)</sup>				43,000		
Alessandri Erica	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	33,000 <sup>(8)</sup>					33,000		
Capelli Carlo	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	33,000 <sup>(9)</sup>					33,000		

(3) Of which Euro 25,000 for the office of Director, Euro 8,000 as attendance fees and Euro 1,102 as reimbursement of expenses.

(4) Compensation for participation in the Control and Risk Committee.

(5) Of which Euro 25,000 for the office of Director and Euro 3,000 as attendance fees.

(6) Of which Euro 25,000 for the office of Director and Euro 8,000 as attendance fees.

(7) Compensation for participation in the Nomination and Remuneration Committee.

(8) Of which Euro 25,000 for the office of Director and Euro 8,000 as attendance fees.

(9) Of which Euro 25,000 for the office of Director and Euro 8,000 as attendance fees.

Giannelli Vincenzo	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	33,000 <sup>(10)</sup>	15,000 <sup>(11)</sup>				48,000		
Dorigotti Chiara	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	33,000 <sup>(12)</sup>	11,000 <sup>13</sup>				44,000		
Zocchi Andrea Giuseppe	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	33,035.40 <sup>(14)</sup>	11,000 <sup>(15)</sup>				44,035.40		
La Manna Maria Cecilia	Director	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2020	33,592 <sup>(16)</sup>	17,000 <sup>(17)</sup>				50,592		
TOTAL				2,293,729.40	74,000		25,847		2,393,576.40		

(10)Of which Euro 25,000 for the office of Director and Euro 8,000 as attendance fees.

(11)Compensation for participation, as Chairperson, in the Nomination and Remuneration Committee.

(12)Of which Euro 25,000 for the office of Director and Euro 8,000 as attendance fees.

(13)Of which Euro 10,000 for the participation in the Control and Risk Committee and Euro 1,000 for attendance fees for the participation in the Committee for Transactions with Related Parties.

(14)Of which Euro 25,000 for the office of Director, Euro 8,000 as attendance fees and Euro 35.40 as reimbursement of expenses.

(15)Of which Euro 10,000 for the participation in the Control and Risk Committee and Euro 1,000 for attendance fees for the participation in the Committee for Transactions with Related Parties.

(16)Of which Euro 25,000 for the office of Director, Euro 8,000 as attendance fees and Euro 592 as reimbursement of expenses.

(17)Of which Euro 15,000 for the participation, as Chairperson, in the Control and Risk Committee and Euro 2,000 for attendance fees, as Chairperson, for the participation in the Committee for Transactions with Related Parties.



## II. Compensation paid to members of the Board of Statutory Auditors

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

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
First and last name	Office	Period for which the office was held in the 2020 financial year	Expiry of the office	Fixed Compensation	Compensation for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other compensation	Total	Fair Value Equity compensation	Indemnity when leaving office or terminating employment
Di Donato Francesca	Chairperson of the Board of Statutory Auditors	08/05/2020 – 31/12/2020	Approval of the financial statements as at 31 December 2021	30,000 <sup>(18)</sup>					30,000		
Costanza Claudia	Chairperson of the Board of Statutory Auditors until 07/05/2019 and Statutory Auditor in office from 08/05/2019	01/01/2019 - 31/12/2020	Approval of the financial statements as at 31 December 2021	20,147.20 <sup>(19)</sup>					20,147.20		
Cornelli Ciro Piero	Statutory Auditor	01/01/2020 - 31/12/2020	Approval of the financial statements as at 31 December 2021	21,080 <sup>(20)</sup>					21,080		

(18)For the office of Chairperson of the Board of Statutory Auditors.

(19)Of which Euro 20,000 for the office of Standing Auditor and Euro 147,20 for reimbursement of expenses.

(20)Of which Euro 20,000 for the office of Standing Auditor and Euro 1,080.00 for reimbursement of expenses.

### III: Compensation paid to Key Managers.

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

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number	Office	Period for which the office was held	Expiry of the office	Fixed Compensation	Compensation for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other compensation	Total	Fair value of remuneration equity	Indemnity when leaving office or terminating employment
5 <sup>(2)</sup>				1,406,667	0	0	22,596	58,660	1,902,324	0	271,000

(1) Remuneration relating to: gross annual remuneration, retention plan for participation in the boards of directors of subsidiaries. The values relating to 1 key manager were measured pro quota with respect to the actual period of stay in the company.

(4) Euro 8,781 as taxable car benefits. Euro 13.815 as taxable non-occupational accident policies, life insurance policies and reimbursement of medical expenses.

(5) Compensation relating to housing allowances and travel allowances

(7) Relating to the impact of the costs of individual plans in 2020.

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<sup>(2)</sup> The values relating to 2 Key Managers were measured on a *pro-rata basis*, with respect to the actual period of stay in the company during 2020.

**Table 3A: Incentive plans based on financial instruments, other than stock options, in favour of members of the board of directors, general managers and other Key Managers.**

Values expressed in Euro

(A)	(B)	-1	Financial instruments assigned in the previous years not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and assignable		Financial instruments accrued in the year
			-2	-3	-4	-5	-6	-7	-8		-9	10	
Given name and surname	Office	Plan	Number and type of financial instrument	Vesting Period	Number and type of financial instrument	Fair value at the date of Assignment	Vesting Period	Allotment Date	Market price at allotment	Number and type of financial instrument	Number and type of financial instrument	Value at the vesting date	Fair Value
Key Managers		Long Term Incentive Plan (01/07/2018)	32,000	June 2018 - June 2021									
Key Managers		Long Term Incentive Plan (16/07/2019)			55,600	15,245	June 2019 - June 2022	July 2019	9.880				
		TOTAL	32,000		55,600	15,245							0

**Table 3B: Monetary incentive plans in favour of members of the board of directors, general managers and other Key Managers.**

Values expressed in Euro.

Given name and surname	Office	Plan	Bonus of the year			Bonus of precedent years			Other bonus
			Payable /Paid	Deferred	Deferral Period	No longer payable	Payable/Paid	Still deferred	
Key Managers	5	Management by Objectives 2020	- (3)	N.A.	N.A.				- (4)
Total									

<sup>(3)</sup> On the basis of the draft financial statements as at 31 December 2020, the minimum objectives of Group EBIT and Free Cash Flow which constitute the access gate to the MBO 2020 have not been achieved and, therefore, no bonuses have been awarded pursuant to the MBO 2020. In addition, it should be noted that with reference to the 2019 MBO - in relation to which, as specified in the second section of last year's Remuneration Report, on the basis of the draft financial statements as at 31 December 2019, the objectives of the Group's EBIT and Free Cash Flow which constituted the access gate - following the verification of the achievement of the additional individual objectives, the related bonus was paid for a total amount of Euro 24,651.

<sup>(4)</sup>As of the date of this Report, any one-off bonuses for the 2020 financial year have not yet been defined which, if applicable, would be paid in accordance with the Remuneration Policy approved by the Shareholders' Meeting of 23 April 2020 (i.e. up to a maximum equal to 20% of the gross salary of each Executive with Strategic Responsibilities that should result as a beneficiary). In addition, it should be noted that, during 2020, a total of Euro 118,750 was paid as a one-off bonus for the 2019 financial year.

**Table 1 envisaged in Annex 3A, format 7-ter, of the Issuers' Regulation**  
**Information on the participation of the members of the administration and control bodies**

FIRST AND LAST NAME	OFFICE	INVESTEES	NUMBER OF SHARES HELD AT THE END OF THE PREVIOUS YEAR	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES SOLD	NUMBER OF SHARES HELD AT THE END OF THE YEAR IN 2020
NERIO ALESSANDRI	Chairperson and Chief Executive Officer	Technogym S.p.A.	156,725	0	0	156,725
PIERLUIGI ALESSANDRI	Deputy Chairperson	Technogym S.p.A.	0	0	0	0
ERICA ALESSANDRI	Director	Technogym S.p.A.	0	0	0	0
FRANCESCA BELLETTINI	Director	Technogym S.p.A.	0	0	0	0
CARLO CAPELLI	Managing Director	Technogym S.p.A.	0	0	0	0
MAURIZIO CEREDA	Director	Technogym S.p.A.	0	0	0	0
CHIARA DORIGOTTI	Director	Technogym S.p.A.	0	0	0	0

VINCENZO GIANNELLI	Director	Technogym S.p.A.	0	0	0	0
MARIA CECILIA LA MANNA	Director	Technogym S.p.A.	0	0	0	0
RICCARDO PINZA	Director	Technogym S.p.A.	0	0	0	0
ANDREA GIUSEPPE ZOCCHI	Director	Technogym S.p.A.	0	0	0	0
FRANCESCA DI DONATO	Chairperson of the Board of Statutory Auditors (from 8 May 2019)	Technogym S.p.A.	0	0	0	0
CLAUDIA COSTANZA	Standing Auditor (Chairperson of the Board of Statutory Auditors until 8 May 2019)	Technogym S.p.A.	0	0	0	0
CIRO PIERO CORNELLI	Standing Auditor	Technogym S.p.A.	0	0	0	0

**Table 2 envisaged in Annex 3A, format 7-ter, of the Issuers' Regulation**  
**Information on investments of Key Managers<sup>(1)</sup>**

NUMBER OF KEY MANAGERS	INVESTEE	NUMBER OF SHARES HELD AT THE END OF THE PREVIOUS YEAR	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES SOLD	NUMBER OF SHARES HELD AT THE END OF 2020
5	Technogym S.p.A.	40,902	88,500	41,457	87,945

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<sup>(1)</sup> data processed on the basis of information available to the Company and provided by the parties concerned.