

LET'S  
MOVE  
FOR  
A BETTER  
WORLD

2021  
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.

We embraced this vision and have been promoting the culture of wellness as a social opportunity for all stakeholders for the last 25 years, all around the world: for Governments that can lower the impact of their public health costs by backing policies based on prevention and healthy lifestyles; for businesses that can offer their staff wellness programmes and invest in more creative and more productive employees; and for the general public who can live a longer and better life thanks to wellness.

Technogym is a company where issues of sustainability have always been integrated into our business model in a natural and organic way. For years, our operations, our strategies and our processes have been guided by the philosophy of wellness: from product development to production and logistics, to marketing and communications, to our wellness project at work dedicated to all our colleagues around the world.

The pandemic has brought our vision to the fore: wellness and health are now top global priorities for building a sustainable future for humanity.

The objective of this Consolidated Non-Financial Statement is to share information with all our stakeholders about initiatives and results related to the key points of our strategy, which determine Technogym’s long- and short-term, financial, social and environmental sustainability. Examples are our company welfare programme “Working for Wellness” for all staff, the circular economy project to give new life to used products, social campaigns involving our clients and the entire sector, and our policies and management systems that ensure continuous control and monitoring of our impact on all company processes and on the entire supply chain. Lastly there is our sustainability plan, a tool that enables us to share our strategic vision of sustainability, promote organisational synergies and foster a culture of sustainability for increasingly joined-up thinking.

The aim of this document is therefore to communicate, with the support of metrics and data, how our vision of wellness guides us in the creation of a business capable of generating economic growth and profit for our shareholders, while generating value for stakeholders in terms of health, quality of life, culture and innovation.

Let’s Move for a Better World.

Nerio Alessandri

# Guide to the Statement

[102-46; 102-50; 102-52]

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 in 2016 by the Global Reporting Initiative (GRI), updated in 2020 in relation to the indicators concerning GRI 306 - Waste, and in 2019 for the indicators concerning GRI 207- Tax, and in 2018 for the indicators concerning GRI 403 - Occupational Health and Safety, and GRI 303 - Water and Effluents, adopting the GRI-Core approach. 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.

The document contains information on the operating methods and policies adopted to manage the Covid emergency in line with Consob Warning Notice 1/21 of 16 February 2021 on Covid-19 - measures to support the economy. 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. The report covers the period from 1 January - 31 December 2021 (annual reporting frequency); where possible, a comparison with 2019 and 2020 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 Disclosure Management Approach 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 significance of the topics covered by the Non-Financial Statement and to obtain relevant findings to report in relation to 2021, as well as policies, information and data necessary to prepare the statement itself.

The data was collected by the central departments of Technogym S.p.A., which consolidated the data received from the various local offices.

The independent auditing of the Non-Financial Statement was entrusted to PricewaterhouseCoopers S.p.A. and concluded with the release 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 is available in the sustainability section of the [company's website](#).

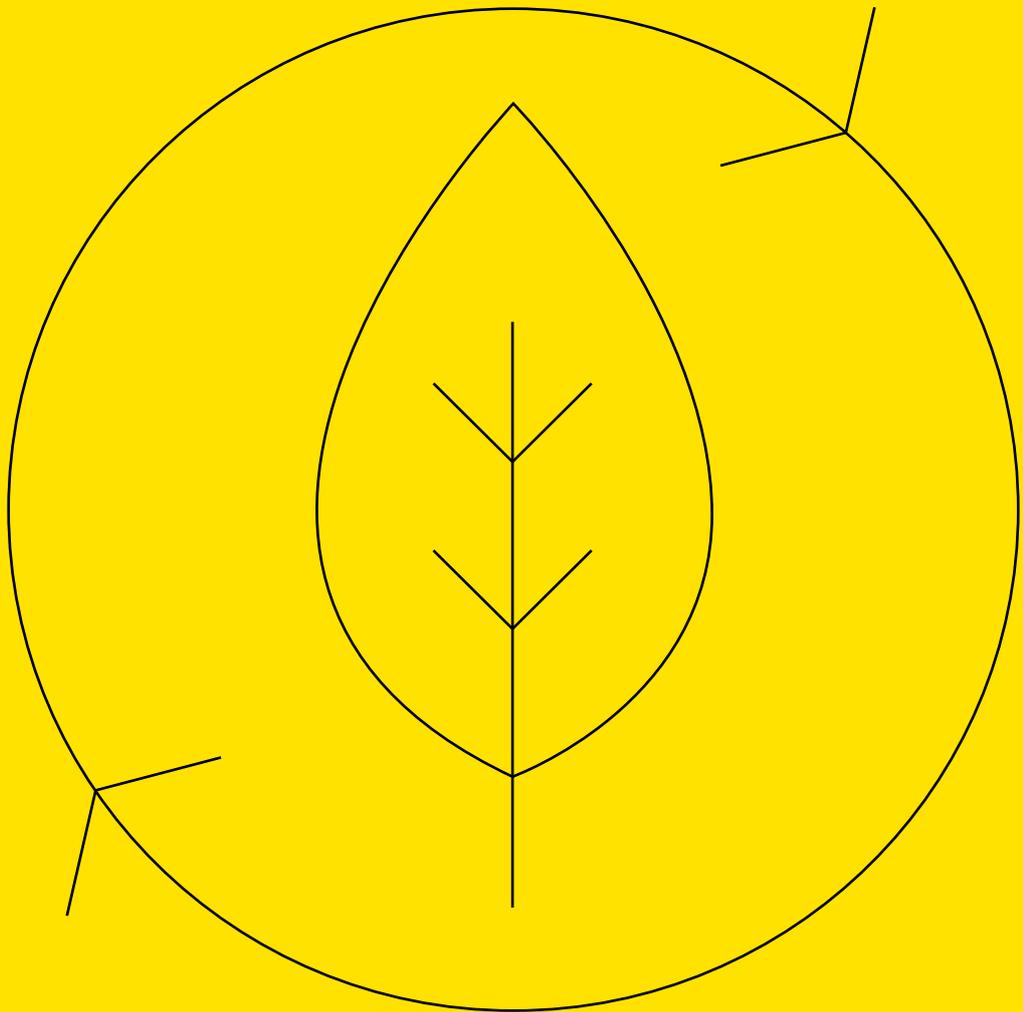
Contact: [investor.relations@technogym.com](mailto:investor.relations@technogym.com)



# HIGHLIGHTS

# Sustainability and Corporate Governance System

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⇒ **Diversity**  
Policy

Approved in 2022

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⇒ **Sustainability**  
Policy

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⇒ **Sustainability**  
Operating plan

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# Customer focus

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**15,716**

hours of training provided to  
branches and distributors

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**20,000**

certifications issued to trainers  
globally

# Responsible innovation and design

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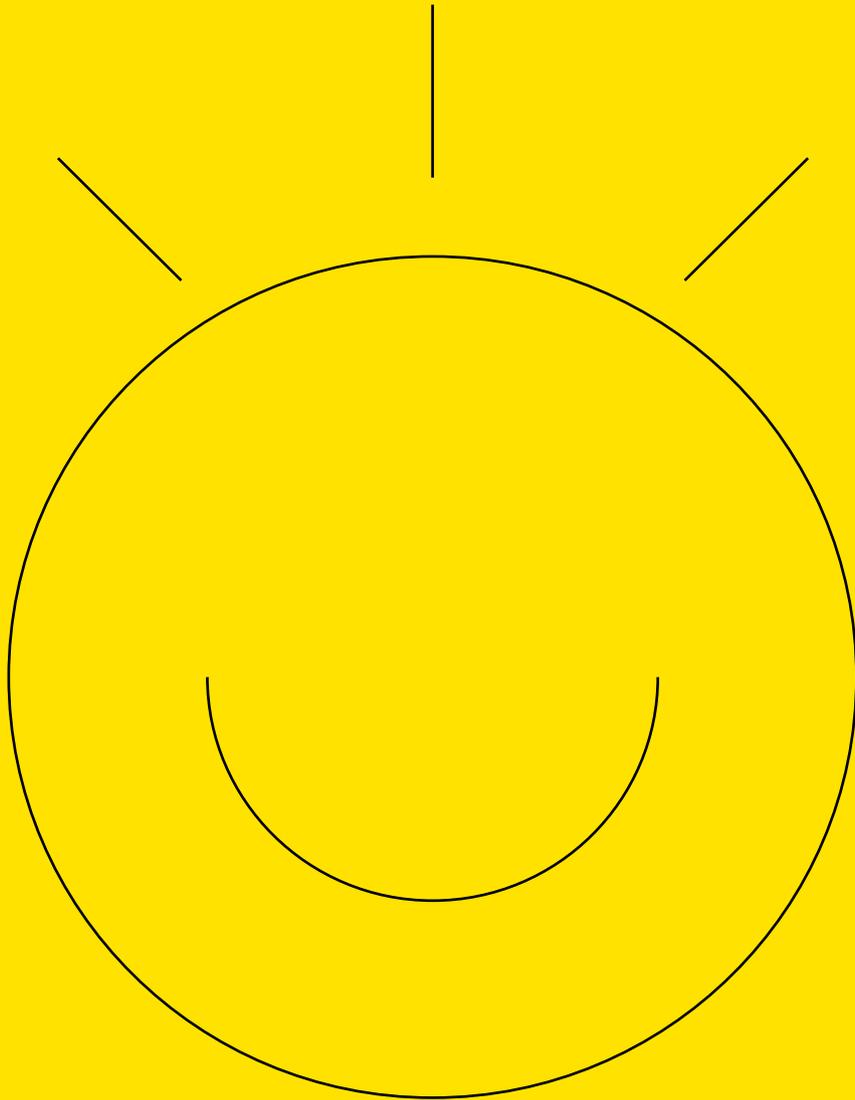


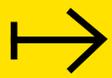
**100%**

of projects tested during the  
design phase

---

# Personal welfare





# 2,155

Group employees

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# 96%

Technogym S.p.A.  
permanent contracts

---



# 77%

Technogym EE  
permanent contracts

Up by 10% on 2019

---



# 20.4%

women on the  
Operational Committee

Compared with 18.1%  
in 2020

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# Sustainable supply chain management

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**72%**

Suppliers with registered office in Italy

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**14**

ESG audits carried out in 2021

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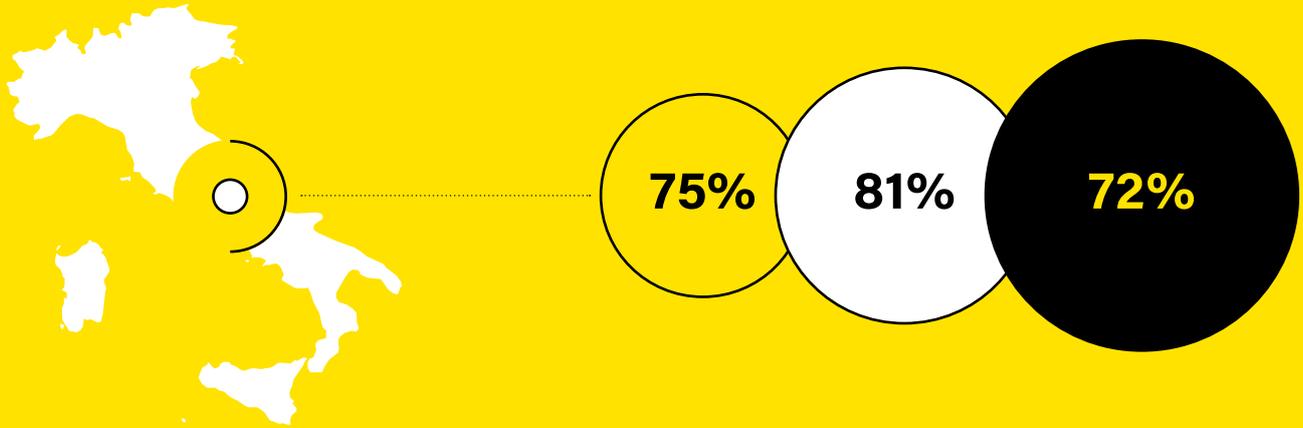


**21%**

Suppliers ISO 9001 certified

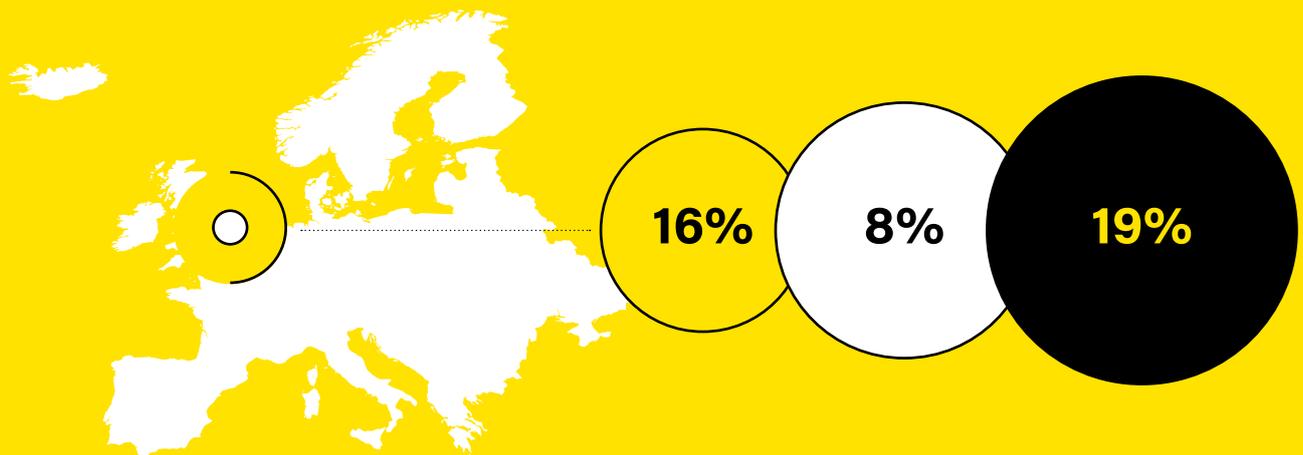
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### Purchases from Italy



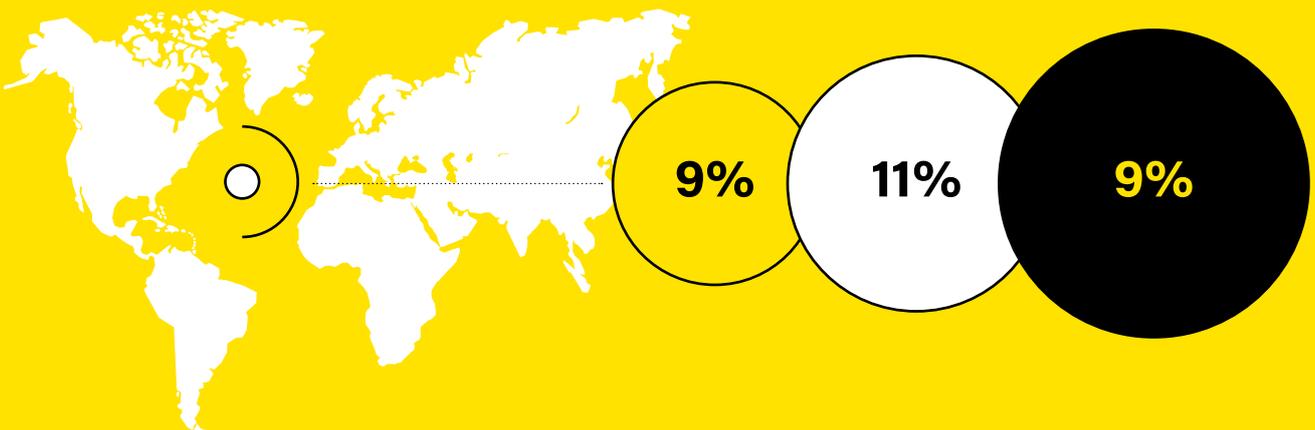
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### Purchases from Europe (excluding Italy)



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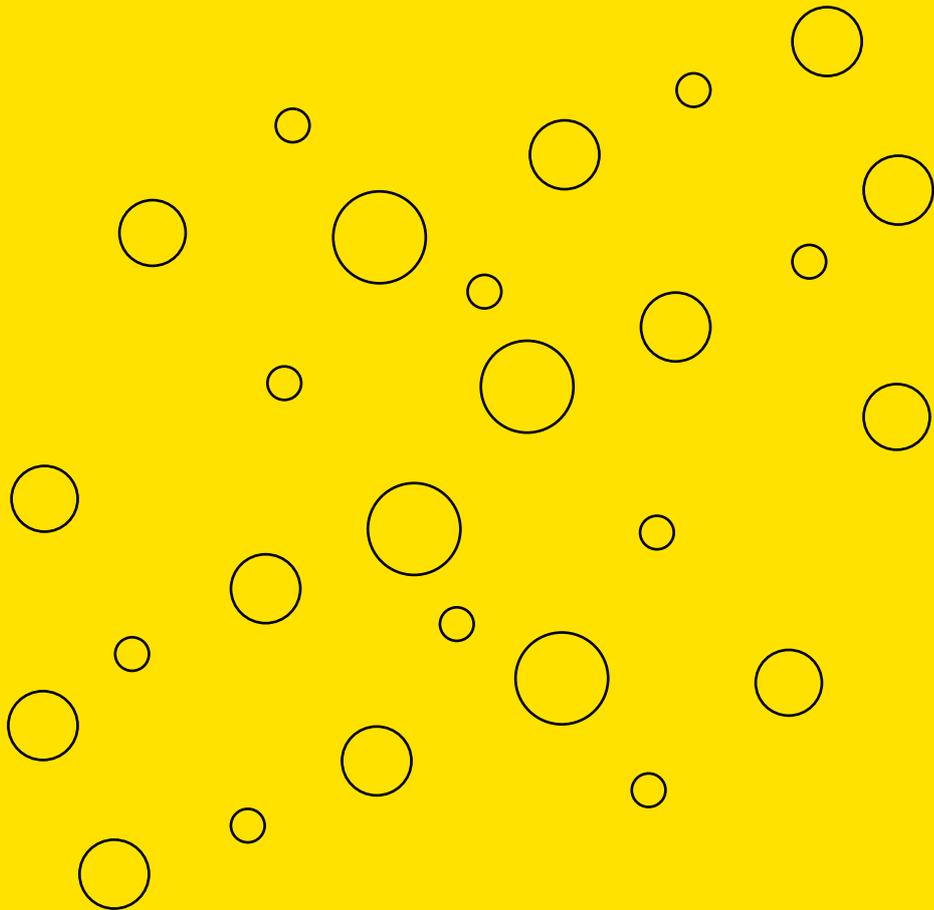
### Purchases from the Rest of World



# Environmental welfare

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## Energy consumption and emissions



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⇒ **83,377**  
(GJ)

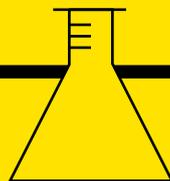
Energy consumption in  
2021

---

⇒ **2,849**  
tonnes of CO<sub>2</sub> (Scope 1)

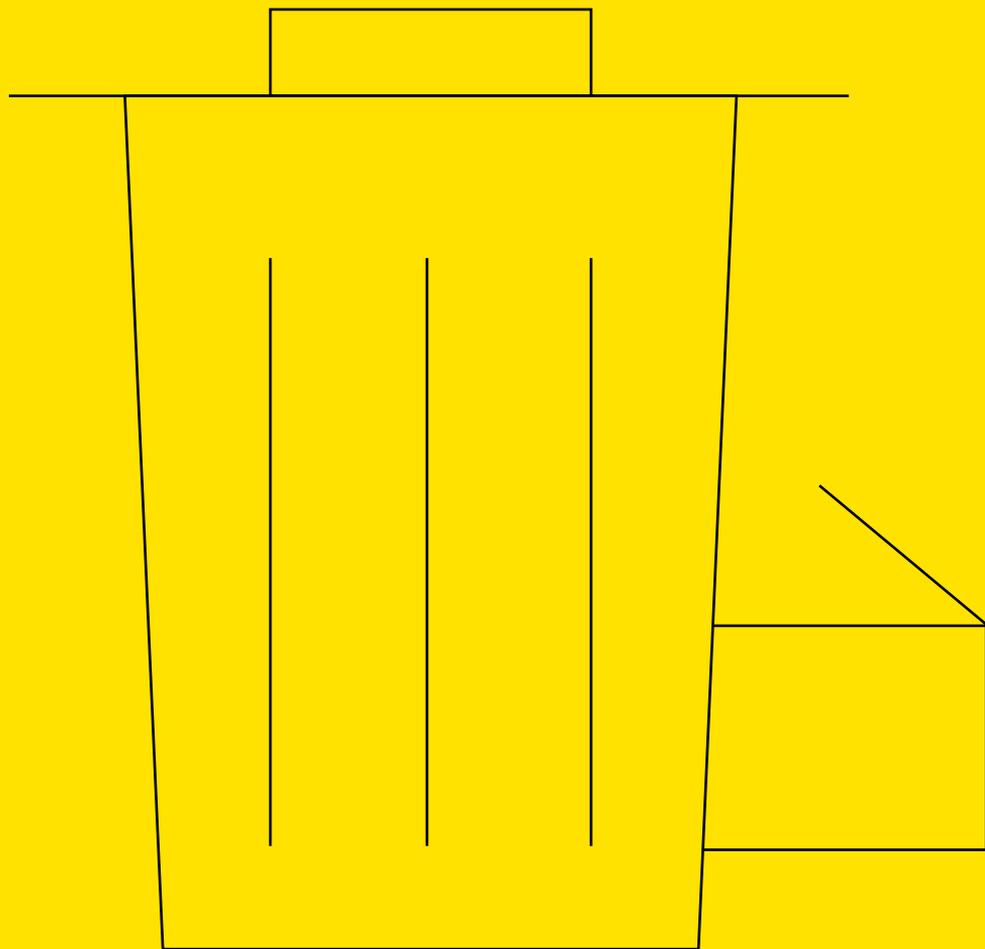
Emitted in 2021  
compared with  
2,223.67 in 2020

**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 have strengthened 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





**30%**

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

contributing to a reduction  
in environmental impact  
and the use of raw  
materials



**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<sup>®</sup>" 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<sup>®</sup>, 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, around 90% of company sales occurred outside Italy and roughly 40% outside Europe, with a highly positive trend in North America and APAC, strategic markets for the future development of the company. In Europe, the main market in terms of revenues, the Group maintained its market shares in 2020, with excellent performance in Germany, France and Benelux countries, partially offset by the uncertainties related to Brexit in the UK and the difficult economic and geopolitical context in Russia. With regard to the latter, management is carefully monitoring developments in the Russia-Ukraine conflict. In terms of financial risks, Technogym is continuously assessing its limited exposure on the Russian market, implementing all exchange rate hedging practices, and is also complying with all international sanctions that may be applied.

## Milestones in Technogym's history





## VISION AND STRATEGY

Technogym's mission is to "Spread the Wellness Lifestyle" by way of a vision aiming "To be the world's leading Wellness Solution 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 experience for fitness, sport and wellbeing. 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.

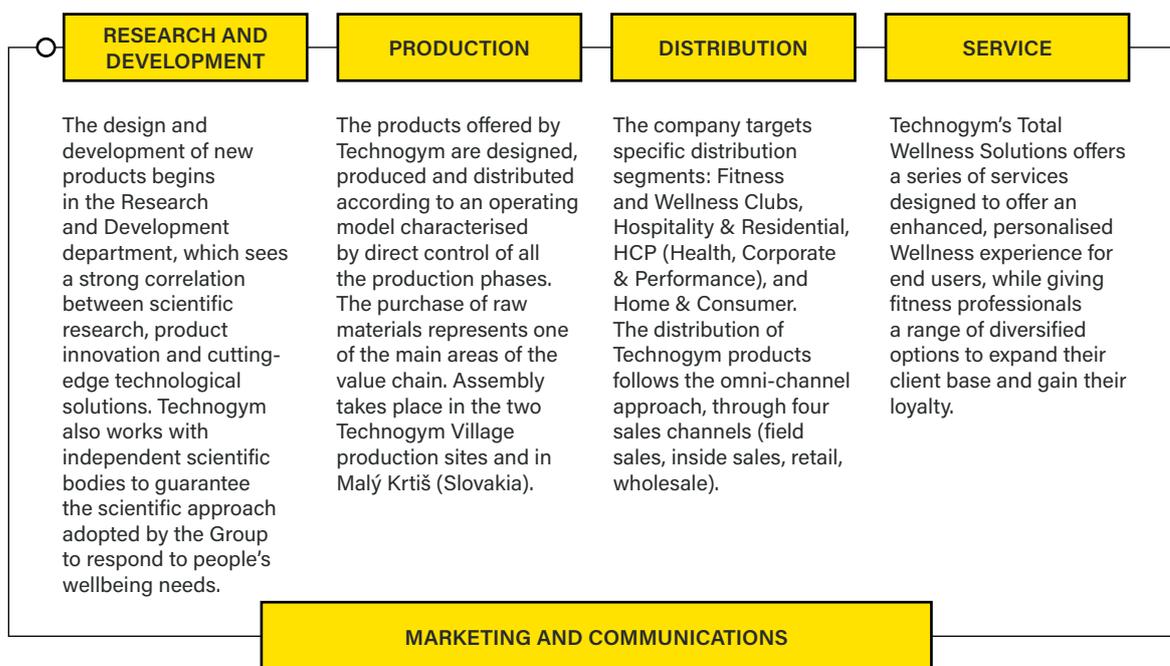
## THE BUSINESS MODEL AND TOTAL WELLNESS SOLUTION

Technogym's business model consists of four main phases<sup>1</sup>: 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 consumers 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 experience<sup>2</sup>.

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 chain<sup>3</sup>.

Attention to people's wellbeing is also evident in the provision of safe working environments<sup>4</sup> - particularly for the production activities carried out in the Cesena and Malý Krtíš (Slovakia) plants. Technogym also manages environmental issues<sup>5</sup> 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 chain<sup>6</sup>.

## 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.

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, Art. 3 para. (1) -  
Environmental issues; Art. 3  
para. 2(a),(b) and (c)

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

## **Equipment**

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**

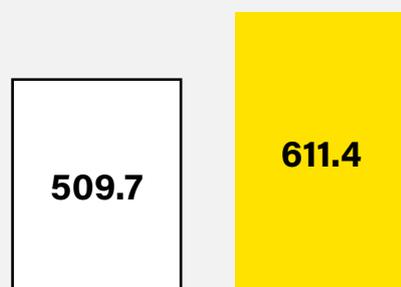
- › **Interior Design:** Thanks to the Wellness Design service, Technogym can offer the full design of wellness areas in hotels, businesses, medical centres or private homes. The objective is to create peaceful and stimulating spaces and environments and enable customers to stand out thanks to a unique 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**

Following the 2019 launch of Technogym Bike, in 2020 Technogym made the content from its Technogym Live platform available on all cardio products. This will enable each user to choose their preferred training from a huge library of on-demand experiences: one-on-one, trainer-led sessions, group classes, specific routines for athletic training or virtual programmes set in the countryside or in the world's most beautiful cities. In June, the company announced the launch of the Technogym App, which guides users in obtaining the best results in the shortest period of time with customised training programmes and libraries of on-demand content. Whether the goal is to improve fitness level or increase sports performance, Technogym Coach, based on artificial intelligence, adapts the workout to user needs, wherever they are and whenever they prefer to work out. Every day, the app proposes the most suitable training for each individual combining scientific research, artificial intelligence and engaging and challenging video content.

## SUSTAINABLE VALUE

## Revenues



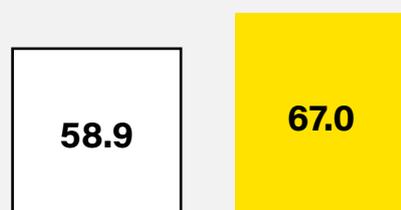
**+20%**

101,732 / 2021 vs 2020

Adj EBITDA<sup>1</sup>

**+10.5%**

10,139 / 2021 vs 2020

Adj.net operating income<sup>2</sup>

**+13.8%**

8,146 / 2021 vs 2020

Adj Group profit<sup>3</sup>

**+17.9%**

7,784 / 2021 vs 2020

[The data in this document include the effects of implementing the new accounting standard IFRS 16, unless specified otherwise.]

2020 2021

1. The Group defines: adjusted *EBITDA* as the net operating income, adjusted by the following income statement items: (i) net provisions; (ii) depreciation, amortisation and revaluations; and (iii) non-recurring income/(expenses); and the *adjusted EBITDA margin* as the ratio between adjusted EBITDA and total revenues.
2. The Group defines adjusted net operating income as the net operating income adjusted for non-recurring income/(expenses).
3. The Group defines adjusted group profit as group profit adjusted for non-recurring income/(expenses) and non-recurring taxes.

[in millions of Euro and ratios]

[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 2021 was €623,409.74 thousand, a rise of 19.3% on 2020, while the economic value distributed was €520,177.55 thousand, which also increased on 2020 by 16.2%.**

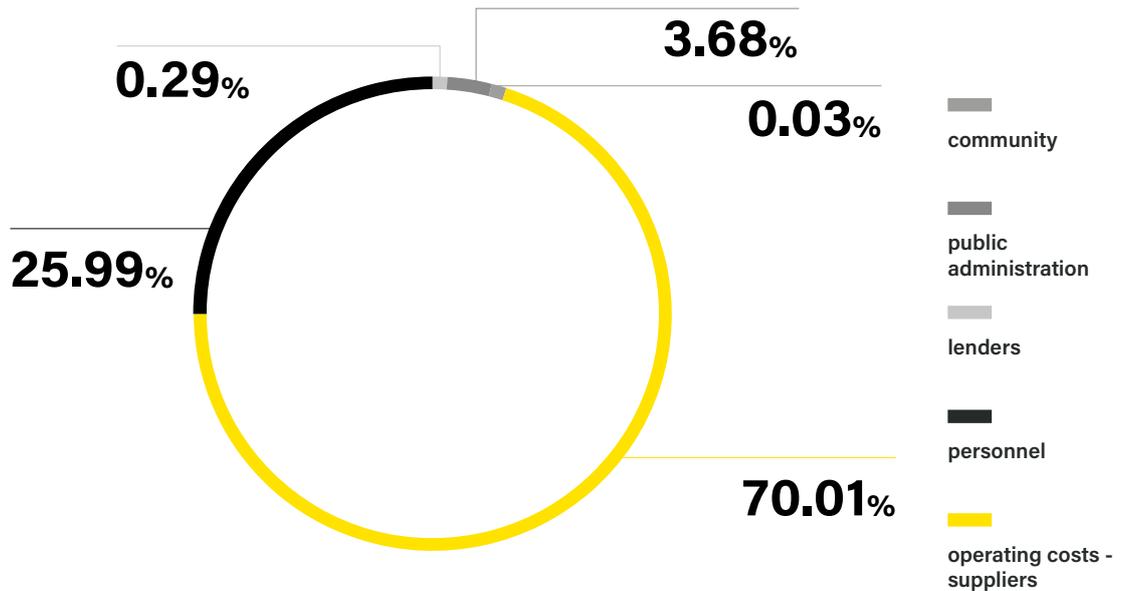
<b>Topic area</b>	<b>2021</b> <i>(thousands of Euro)</i>
Economic value generated	623,409.74
Economic value distributed	520,177.55
Operating costs - suppliers	364,175.02
Personnel	135,180.75
Investors	—
Lenders	1,519.13
Public Administration	19,125.61
Community	177.04
<b>Economic value retained</b>	<b>63,064.59</b>

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 can be found in the relevant sections of the Separate Financial Statements.

## 2021 economic value



The largest share is allocated to the **suppliers and operating costs** item, and is equal to 70.01%. The share allocated to **personnel**, consisting of salaries, wages, social security contributions and benefits, is 25.99%, 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 0.03%, 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.

Specifically, 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) <sup>7</sup>.

<sup>7</sup>  
The Board of Directors approved this in early 2021.

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. 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 Transfer Pricing Manual ("Country File") for the preparation of documents on transfer prices, reviewed annually.

In addition to the above, Technogym requested prior sharing of its transfer pricing policies with the Italian Revenue Agency by way of an advance pricing agreement (APA), which is currently under way. 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**

With reference to Regulation (EU) 2020/852 on the establishment of a framework which fosters sustainable investment, Technogym presents below the disclosure required as a company subject to the obligation to publish a Non-Financial Statement (NFS).

The Taxonomy Regulation identifies the criteria to determine whether an economic activity may be considered eco-sustainable, based on six environmental objectives:

- a. the mitigation of climate change;
- b. the adaptation to climate change;
- c. the sustainable use and protection of waters and marine resources;
- d. the transition towards a circular economy;
- e. the prevention and reduction of pollution;
- f. the protection and restoration of biodiversity and eco-systems.

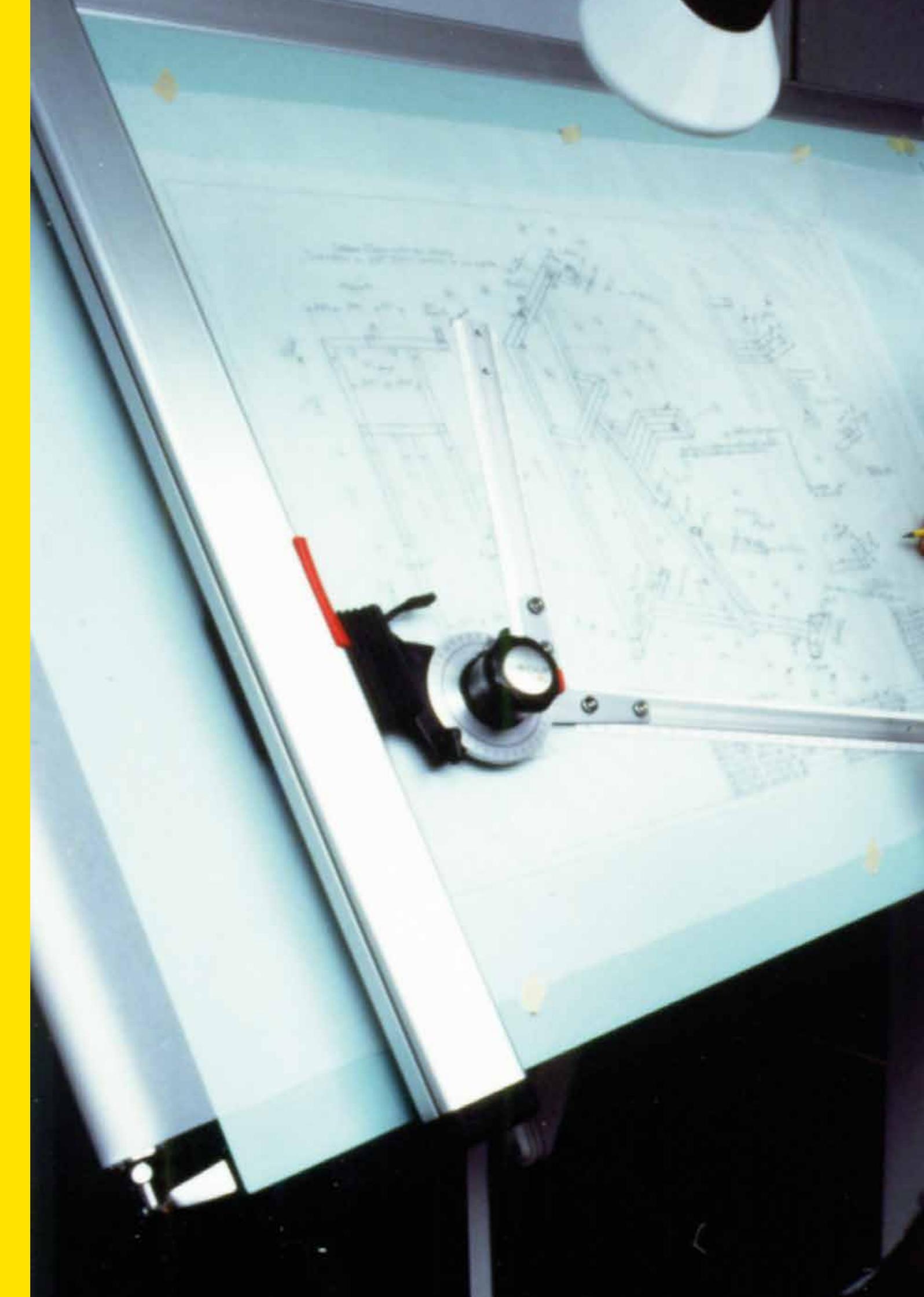
An economic activity is considered “eco-sustainable” when it jointly satisfies a number of conditions, that is:

- i. it contributes in a sustainable way to the achievement of one or more of the environmental objectives;
- ii. it does not cause significant damage to any of the other environmental objectives;
- iii. it is carried out in compliance with minimum safeguarding guarantees;
- iv. it meets the technical screening criteria adopted by the European Commission.

Lastly, it should be noted that for this first reporting year, the Group's economic activities are assessed against only the first two of the environmental objectives mentioned above.

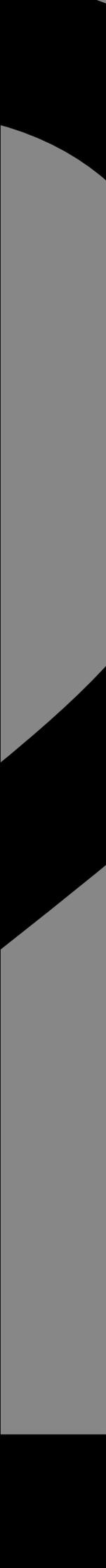
Therefore, in order to comply with the regulatory requirements, Technogym carried out an analysis of its economic activities, including an assessment of whether they are consistent with the NACE codes reported in the delegated acts relating to the technical screening criteria. In light of this first phase, Technogym has not identified any economic activities as “eligible activities” with reference to the first two environmental objectives.

Where possible, Technogym will assess the causes of non-eligibility of these activities in order to identify best practices to implement to enable them to be reported in future.









# 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:

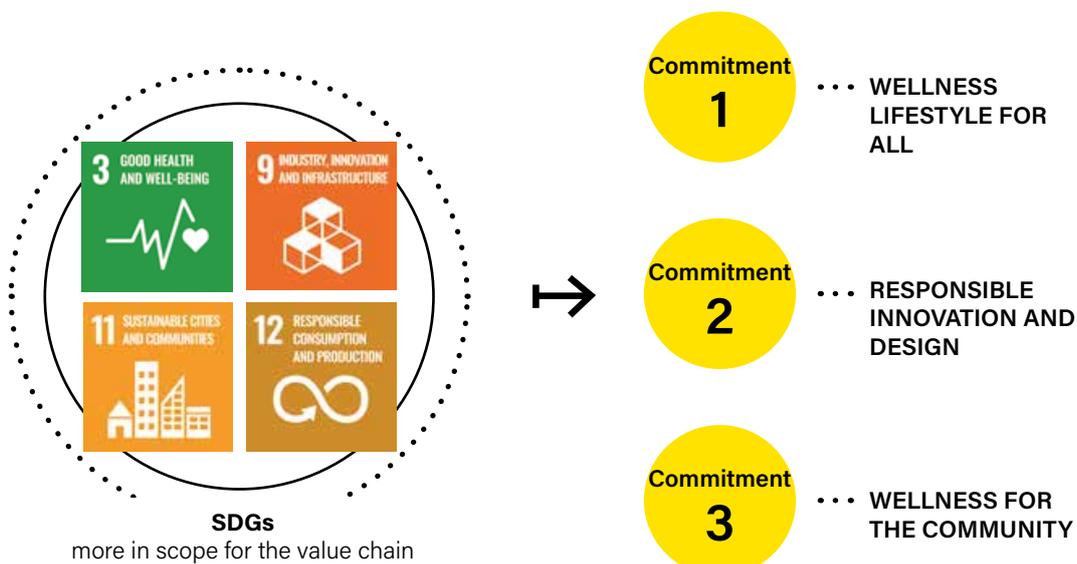
- › opportunities to create value starting from the Group's core business (Commitment 1);
- › sustainable innovation (Commitment 2) to increasingly guide choices towards the responsible management of risks relating to climate change<sup>8</sup>;
- › wellbeing of the community in which it operates and of the stakeholders with which Technogym collaborates and dialogues (Commitment 3).

During 2021 Technogym made every effort to improve the Group's level of information and commitment regarding issues related to climate change, diversity and inclusion, and a responsible business approach. The foundations were therefore laid for defining a first sustainability plan that reflects how the policy commitments are adopted at operational

<sup>8</sup>. European guidelines on sustainable finance, particularly the recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD).

level. At the time of publication of this document, the plan is shared and discussed with the Control, Risks and Sustainability Committee during the first quarter of 2022.

## 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 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 be the world's leading Wellness Solution Provider.**

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:

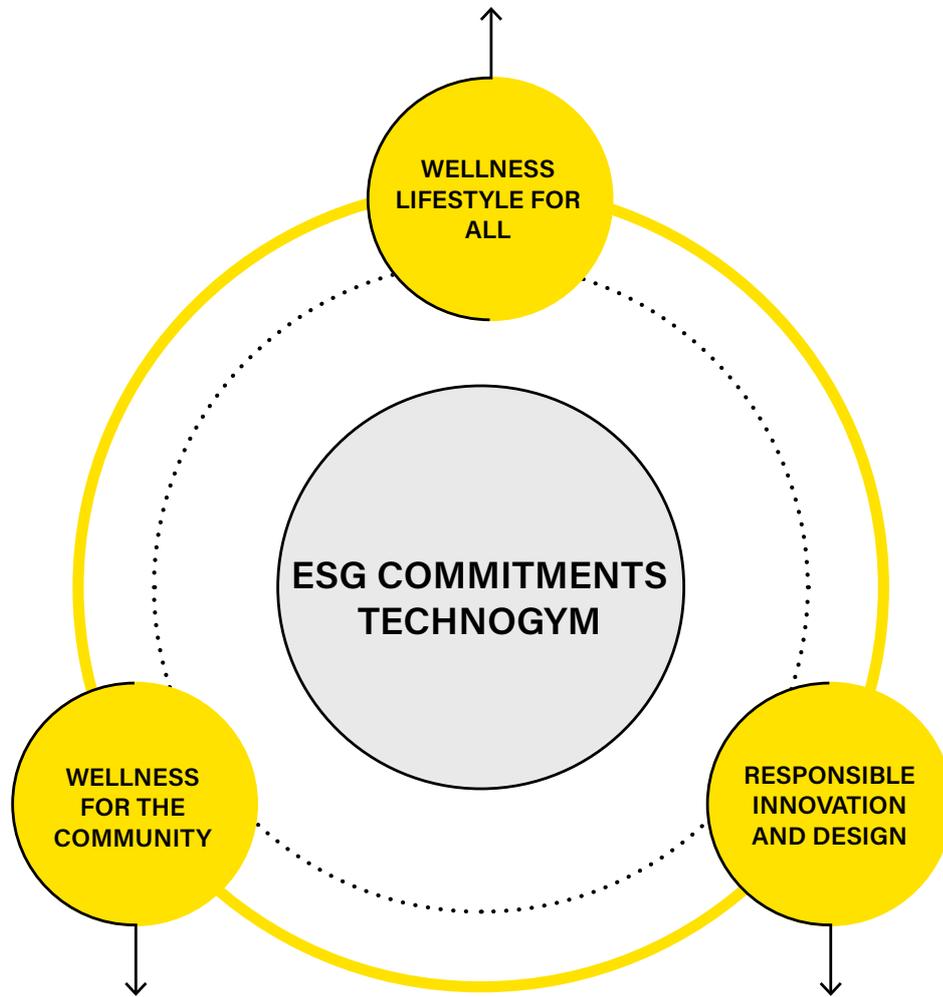
- › to support the communities in which Technogym is present and make wellness accessible to all;
- › to roll out the Wellness Valley worldwide, bearing in mind the particular features of each region, in order to develop a wellbeing community;
- › to support fitness professionals in disseminating wellness 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.

**3** Objectives

**5** Guidelines

**8** Actions\*



**4** Objectives

**2** Guidelines

**9** Actions\*

**3** Objectives

**6** Guidelines

**9** Actions\*

\* These refer to the action areas (targets)

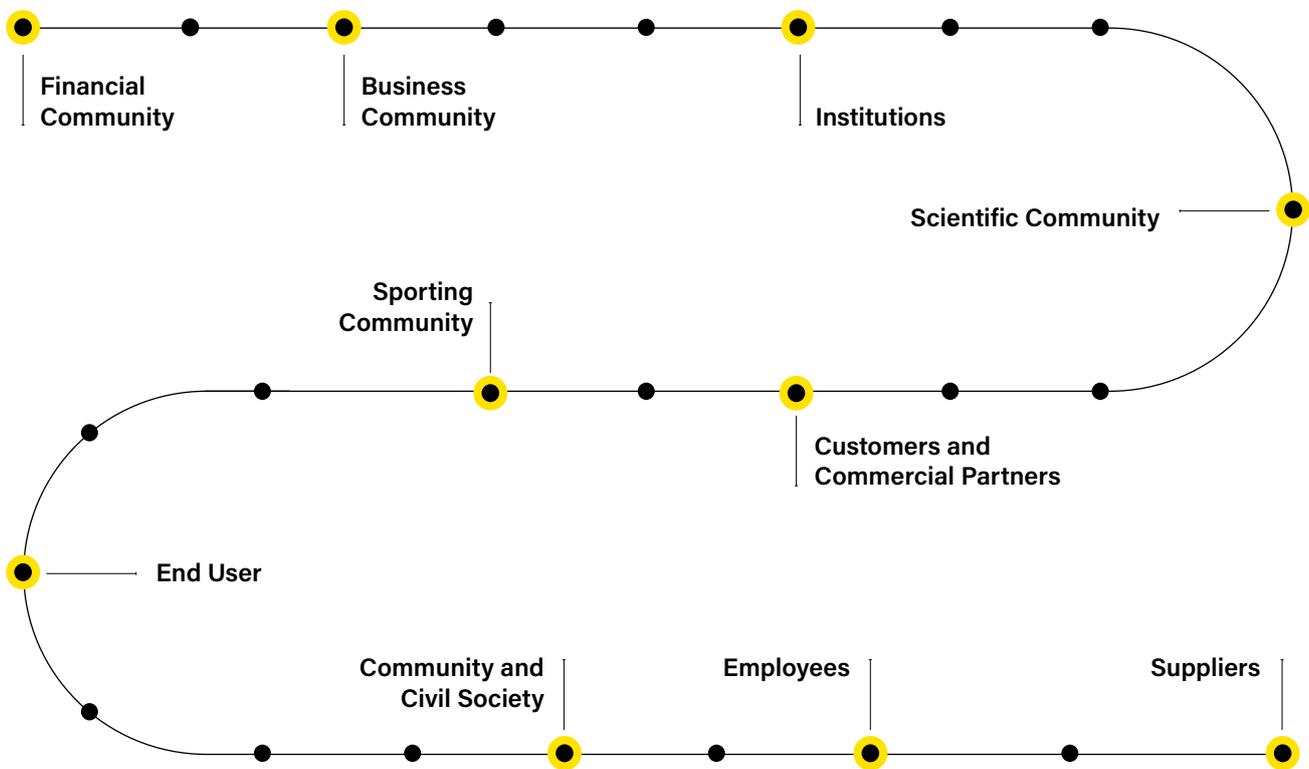
## MATERIAL TOPICS

[102-47]

In order to comply with Italian Legislative Decree 254/16, and in line with the 2016 GRI Sustainability Reporting Standards, businesses need to identify key issues based on the importance of economic, environmental and social impact of their organisation, and their material influence on the opinions 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, 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.

### Our stakeholders



The results of the **materiality analysis** of the direct and external engagement achieved in 2020 were considered valid for 2021. This was also confirmed by the Group's Sustainability Policy and the subsequent commitment to define the Group's Sustainability Plan.

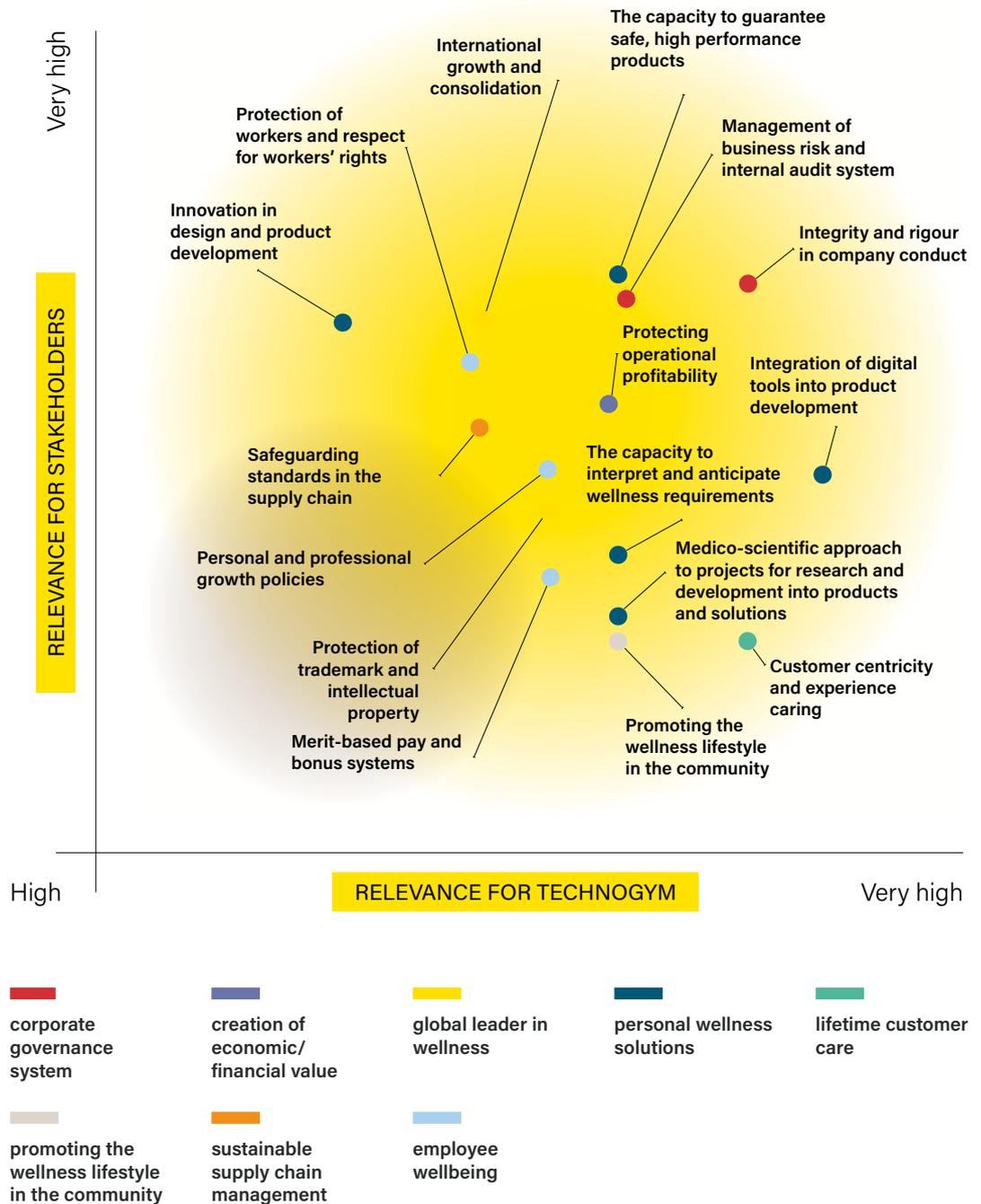
It should be noted that, in 2020, the materiality analysis included an assessment of the results of the workshop that led to the definition of the sustainability policy and the priority sustainable development goals; the assessment of the results from the administration of a questionnaire to the internal management; and the priorities expressed by the external stakeholders via an online survey.

The topics in question were assessed from the points of view of Technogym and its stakeholders, leading to these topics being positioned within a matrix displaying the topics that exceeded the materiality threshold. In short, the most important topics arising from the survey were:

- › **Corporate Governance System** indicates how the perspectives of Technogym and its stakeholders are aligned with regard to the importance for the organisation of issues such as business integrity and risk management.
- › **"Solutions for personal wellness"** testifies to the importance to the Group strategy of interpreting and responding to individual needs.

The other topics covered in the analysis are consistent with the previous analysis, namely: "creation of financial and economic value, "global brand leader in wellness"; "lifetime customer care"; "promoting the wellness lifestyle in the community"; "employee wellbeing"; "environmental wellbeing" and "responsible supply chain management".

## Technogym's materiality matrix



Based on these considerations, this document summarises all the issues that were found to be relevant. In any case, all the topics covered by the Decree have been included. Finally, the creation of economic and financial value which has been mentioned in this document, is dealt with in more detail in the Annual Report.







# **CORPORATE GOVERNANCE SYSTEM**

# 3

# Corporate Governance System

## 3.1

### GOVERNANCE BODIES

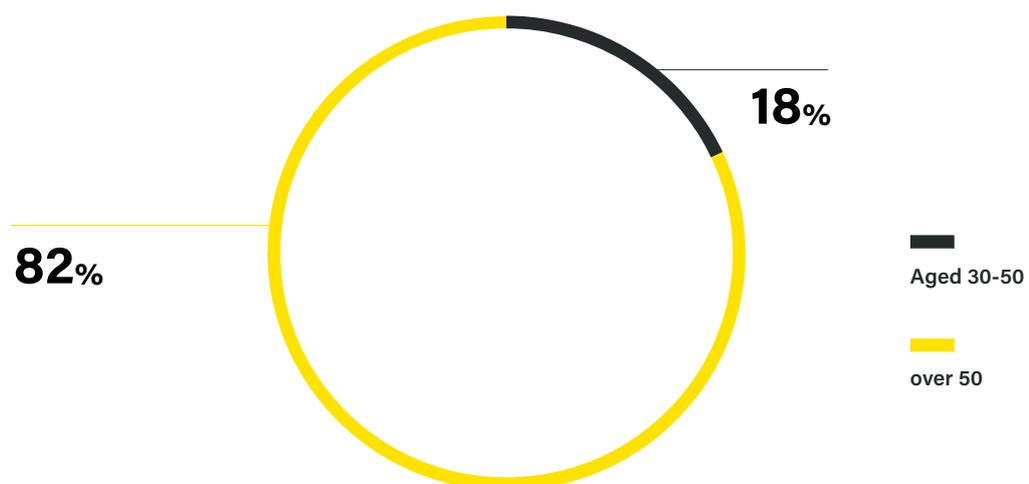
Technogym's Corporate Governance system conforms to the Corporate Governance Code for Listed Companies published by Borsa Italiana S.p.A., and to national and international best practice.

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

- › Meeting of Shareholders;
- › the Board of Directors, from which a Chairperson and Chief Executive are appointed, and a Vice Chairperson are appointed;
- › the Board of Statutory Auditors.

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. [102-18; 102-22; 102-23; 405-1]

#### Board of Directors - composition by age



With regard to the representation of women, Technogym has defined a gender policy which provides for 40% of women. This is approved at the time of publishing this NFS and is

available on the company website at: [corporate.technogym.com](http://corporate.technogym.com).

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. [102-18]

→ 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>).

## Code of Ethics

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

[102-16]

“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 231 legislation offences, 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. 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 5 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 introduced 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,

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### CONTROL

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### TOOLS

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- ↳ Code of Ethics
- ↳ 231 Model
- ↳ Technogym Vision Book
- ↳ Code of Conduct

sponsorships; managing the bonus system. [Art. 3 para. 1(c), Italian Legislative Decree 254/16 – Risks]

Relations 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.

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 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]

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### **CONTROL**

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### **TOOLS**

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↳ 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.

## INTEGRATED RISK MANAGEMENT

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 (<https://corporate.Technogym.com/it/governance/report> e <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.

In 2021, the Group continued with its review of the ERM system to bring the tool “closer” to operations and make it more usable in the processes<sup>9</sup>. Technogym, therefore, conducted a preliminary mapping of processes and associated risks. By implementing the Integrated Management System, the Group has ensured a structured approach to identifying and managing risks across the 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 areas<sup>10</sup>. 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.

9. As at the date of publication, the review has not been fully implemented.

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

DECREE AREA	PRINCIPAL POTENTIAL RISKS	CONTROL SYSTEMS AND TOOLS
 <p><b>Environmental aspects</b></p>	<ul style="list-style-type: none"> <li>→ Inadequate management of waste, of temporary deposits on the production site, and transfer of waste to third parties for transport/disposal/recycling</li> <li>→ High generation and inadequate containment of greenhouse gas emissions and polluting atmospheric emissions caused by production operations throughout the supply chain</li> <li>→ Land, subsoil and water contamination caused by production operations throughout the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>→ Code of Ethics</li> <li>→ Integrated Policy of Management Systems ISO 9001, ISO 13485, ISO 14001 and ISO 27001. ISO 45001, ISO 50001</li> <li>→ ISO 14001 Environmental Management System</li> <li>→ 231 Management Model</li> </ul>
 <p><b>Social aspects</b></p>	<ul style="list-style-type: none"> <li>→ Accidents, including major accidents, which may occur on the production sites</li> <li>→ Malfunctioning, construction defects or non-conformities with product technical and contractual specifications</li> <li>→ Malfunction of equipment due to inadequate installation and/or maintenance service</li> <li>→ Failure to respond to requests/needs/expectations of customers and the potential market</li> <li>→ Lack of transparency in customer communications (marketing, labelling)</li> </ul>	<ul style="list-style-type: none"> <li>→ Code of Ethics</li> <li>→ Integrated Policy of Management Systems ISO 9001, ISO 13485, ISO 14001, ISO 27001, ISO 45001 and ISO 50001</li> <li>→ ISO 9001 Quality Management System</li> <li>→ Occupational Health and Safety Management System ISO 45001</li> <li>→ ISO 13485 Quality Management System - Medical devices</li> <li>→ ISO 27001 Information Security Management System</li> <li>→ GSP Procedure</li> </ul>

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

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, 72% of suppliers are based in Italy, ensuring compliance with current legislation. As Technogym has adopted a structured supply chain assessment process, on-site audits and checks.<sup>11</sup> are carried out to ensure continuous monitoring.

<sup>11</sup>. 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 fundamentally 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.

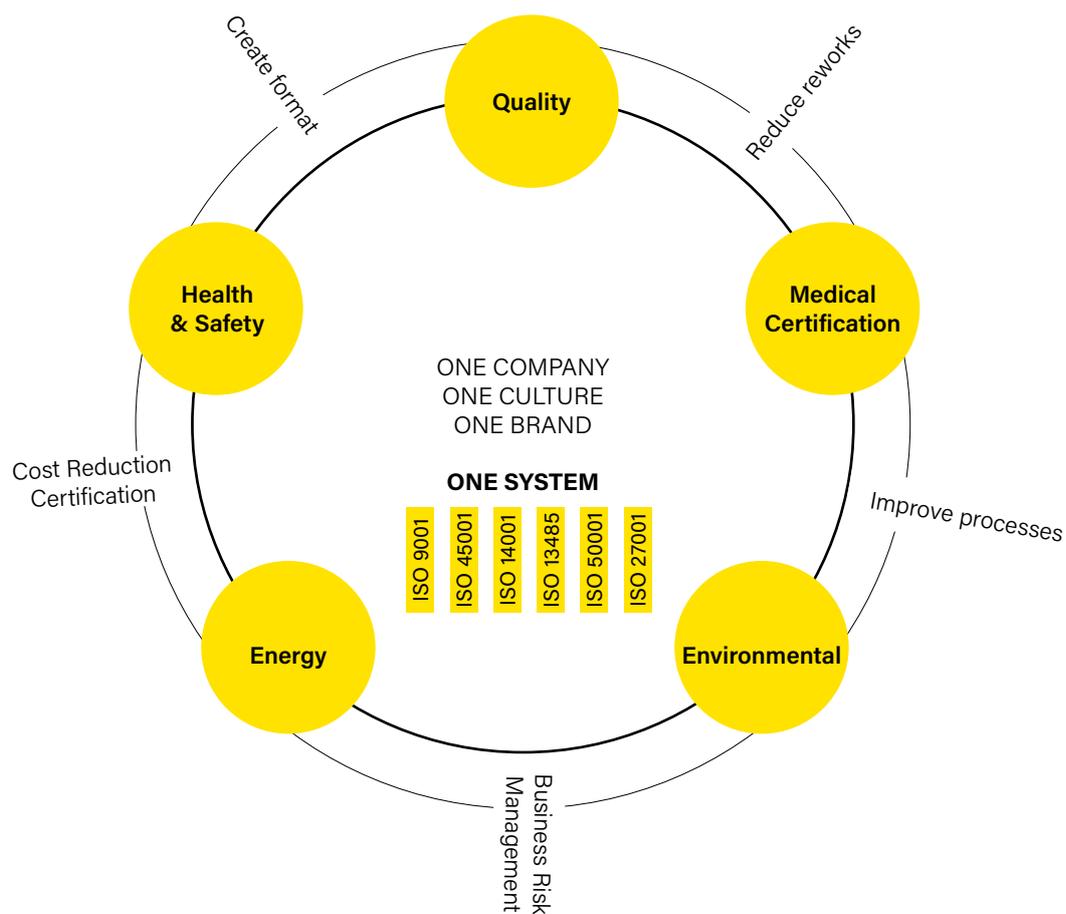
ISO 9001 quality certification was first obtained for the Italian plant in the year 2000. ISO 14001 environmental certification followed in 2003, with OHSAS 18001 health and safety certification in 2006, transitioning to the new ISO 45001 standard in 2018.

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.

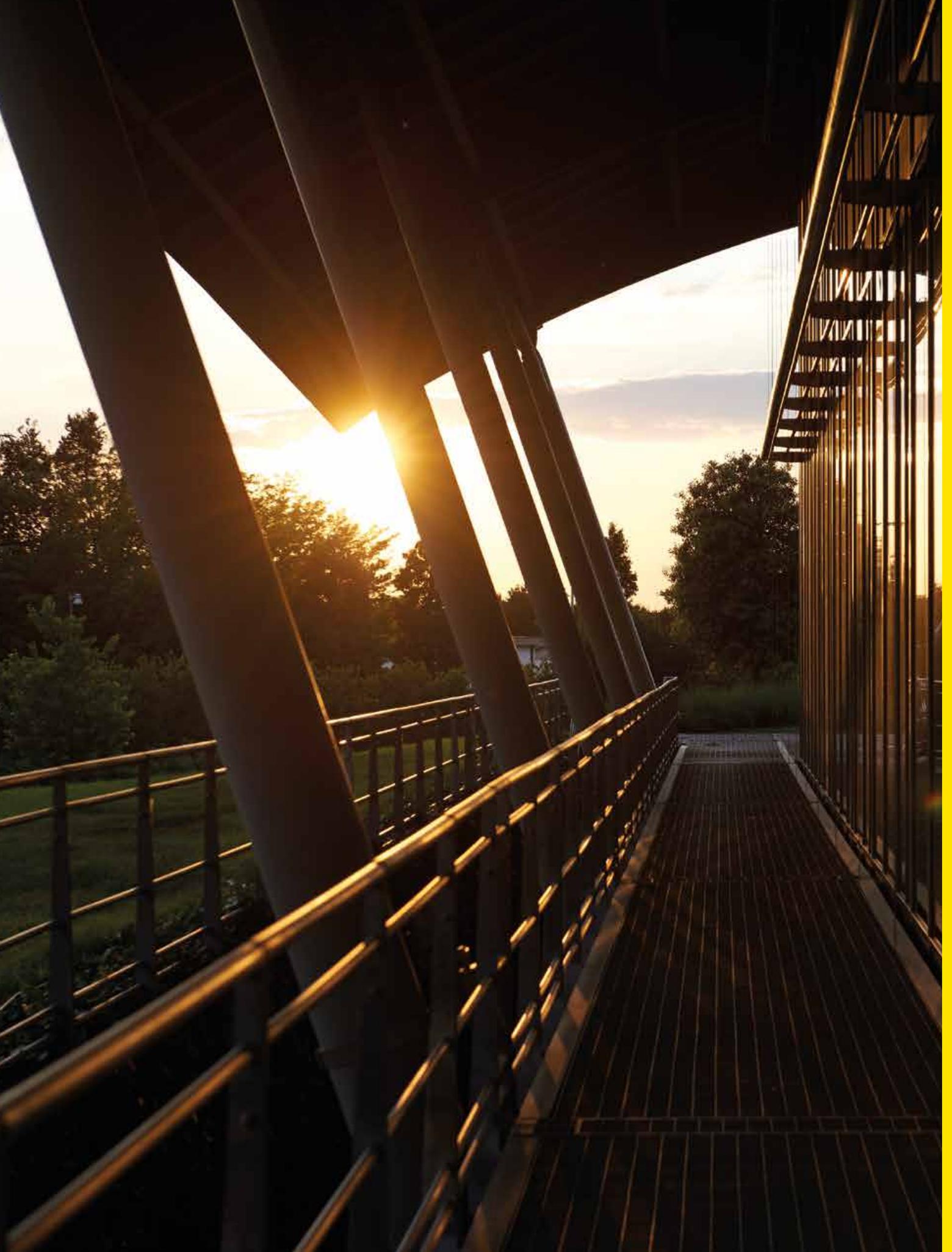
The project has improved the standardisation of processes and the procedural system that governs these processes, with efficiency gains in terms of economic resources and the commitment of staff who are personally involved in these processes.

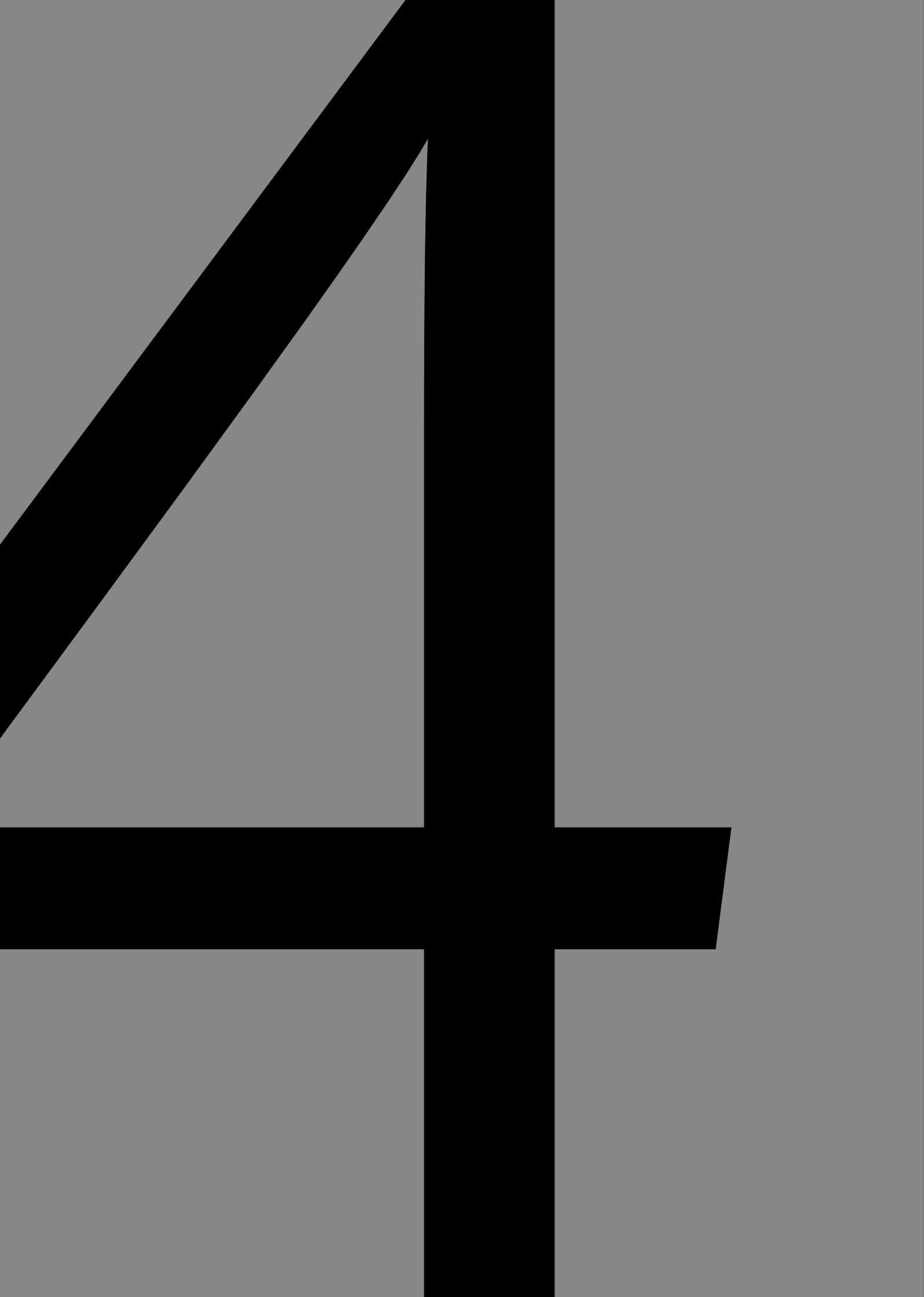
Specifically, the system includes the following management systems certifications: Quality (ISO 9001:2015), Medical Devices (ISO 13485:2016); the Environment (ISO 14001:2015); Energy (ISO 50001) and Occupational Health and Safety (ISO 45001:2018) relative to aspects of design, production, installation 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 more than 10 years ago 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® has become a key theme of 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 years, Technogym 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 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.

In 2021, in the absence of the traditional annual trade fairs and sector events due to the pandemic, the company organised numerous online events and seminars with the aim of continuing its educational, cultural and scientific activities to 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**

Historic partnership between Technogym and American College of Sport 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 2021, 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 EuropeActive annual book**

For years, Technogym has been the sponsor (with a contribution of €30,000) of the annual publication of EuropeActive, the European industry association, which has a two-fold objective: on the one hand, to create awareness among institutions of the impact of the fitness and wellness sector in terms of the better health and wellbeing of people and, on the other, to create a culture and education for fitness professionals and managers. The 2021 publication of the title "Horizon 2030" focused on the future of the sector and the new opportunities provided by digital technology.

### **"The Silent Games" exhibition**

The Tokyo 2020 Olympics, held in the summer of 2021, was the first major global sporting event after the pandemic. On this occasion, in addition to its role as Official Supplier of training centres for over 12,000 athletes, Technogym also sponsored an art installation aimed at communicating the cultural value of sport. In Tokyo, we witnessed a far-from-ordinary Olympic Games, in which silence was the main player: the absence of the public during the competitions and ancillary events reduced to a minimum - unusual scenes for an Olympics of the modern era. This reflection gave rise to the idea of an exhibition/art installation called

"The Silent Games", sponsored by Technogym and curated by Davide Rampello, which focuses on the nobility and the cultural role of sport. It was a multimedia exhibition route housed in *Casa Italia*, the base for the Italian Olympic team in Tokyo, in which six young athletes were portrayed during their Olympic preparations both in the gym and in their competitive environments, surrounded by a silent space, just like the sport arenas of these unusual post-pandemic Olympic Games.

### **Donation of a gym to the Fondazione Universitaria "Foro Italico" of Rome**

A long series of scientific studies attests to the high prevalence of physical exercise in the prevention and management of metabolic diseases such as type 2 diabetes. With this in mind, Technogym, which for over 30 years has been promoting the culture of wellness and health around the world via its social media campaign "Let's Move for a better World", decided to donate an exercise therapy gym to a leading Italian organisation dedicated to scientific research on the benefits of exercise for the prevention and treatment of diabetes.

The location for building the gym at the Centre for Sports Medicine and Physical Exercise, in collaboration with the Fondazione Universitaria "Foro Italico", has been identified as the Foro Italico University of Rome. The research group comprises a collaboration between the Department of Clinical and Molecular Medicine at the La Sapienza University of Rome (Prof. Giuseppe Pugliese) and the Department of Motor, Human and Health Sciences at the Foro Italico University of Rome.

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 concrete 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.

## **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 fundamental role played by regular physical exercise is now recognised not only as a weapon to prevent various illnesses, including tumours, but also as an ally of cancer-fighting treatments, capable of reducing side effects and improving patients' 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.

The partnership between Technogym and IOR does not only involve the donation of the best exercise equipment, but thanks also to the digital platform and professionals employed by the company, there will also be a monitoring and research service to measure the effects and benefits of physical activity on patients, in order to continuously improve the response to treatment and contribute to the scientific literature on the subject with targeted studies.

## **Training GPs on how to use physical exercise as medicine**

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.

In 2021, the "Wellness Lifestyle and Exercise is Medicine" training activities also involved future pharmacists studying for a master's degree in pharmacy at the Rimini Campus of the University of Bologna.

Pharmacies have always been places that promote health and during the period of the pandemic, pharmacists were called on to play an active role in supporting the health and wellbeing of the population.

## **Higher training for managers in the hospitality sector**

Since 2017, Technogym has partnered the ITS Foundation Turismo e Benessere (Tourism and Wellbeing) to train highly qualified managers in the tourist industry and promote the local area. After lockdown, the population changed its approach towards the concept of holidays and increasingly started to look for wellness options. This new scenario has led to the need to rethink the tourism offer and the need for hotel managers to convert guests' requirements into wellness-oriented services.

In 2021, Technogym made a contribution to this with a digital training session for hospitality managers to support them in converting a guest's stay into a complete wellness experience.

## **Wellness Parks**

Launched in 2011 in Cesena, the Wellness Parks project became a feature of excellence in the offer of wellbeing in the region and continues to grow constantly in terms of attendances, type of activities offered and number of parks opened.

The Wellness Parks project comprises a calendar of free physical activities in the main public parks of the towns involved. Technogym and the fitness clubs in the region make their most qualified trainers available to the initiative to promote a habit of movement, recognised as a key factor in a healthy lifestyle.

In 2021, the activities in Cesena's parks were held in selected locations with a variety of courses on offer and the opportunity for participants to find out more about healthy eating, one of the key aspects of a wellness lifestyle.

## **Sports education centre**

Sport has always constituted a complete training experience for the psycho-physical and social development of human beings. Historically, its educational value has been placed at the centre of the growth of the very young, who, in this way, and partly thanks to healthy competition, learn respect for rules, ethical behaviour comparison with others, problem-solving and creative adaptation to new situations.

In 2021, thanks to a partnership between the Italian National Olympic Committee (CONI) and Technogym, a new sports education centre was created for young people as part of the "Cesena Sport City" project. This is a multidisciplinary project developed in order to encourage young people from Cesena, from 5 to 14 years old, to take part in sports, thanks to the provision of Technogym products and to the commitment and continuous collaboration of all the local sports associations. In this way, in the summer, young people had the chance to try out different sports disciplines, a key element in building a varied and complete motor skill set, with the opportunity to discover their talent and helping them to find their way towards taking part in competitive sport.

## **Wellness Waterfront Rimini Project**

The Wellness Waterfront Rimini social project, fostering a wellness lifestyle culture and its individual and collective benefits through the new facilities of the Mare di Rimini Park, continued to operate.

In 2021, the Technogym Outdoor station for physical activity outdoors, which had been set up the previous year on the seafront, provided further opportunities for exercise to the population and tourists; this was partly thanks to the implementation of the new Technogym App, which provides users with videos and training tutorial programmes dedicated to various needs encompassing fitness, sport and health.

## **Active Lifestyle Program 2021**

After more than a year of restrictions and constraints, protocols and social distancing, an increasing number of people feel the need for a holiday dedicated to wellness. The Wellness Valley Consortium, with its certified wellness accommodation facilities and “tailor-made” wellbeing services responds to this strong need, and the Wellness Valley is able to offer all these features together and provide a unique and unrepeatable holiday and life experience.

In 2021, Technogym created the Active Lifestyle Program 2021, a full program of experiences and initiatives for experiencing wellness on holiday, and to ensure one never stops moving, via a unique schedule of wellbeing experiences and new proposed activities. These include physical activity for guests, using the Technogym Ball, from toning to stretching and postural rebalancing; guests can relax while exercising, supervised by a fitness expert, and in unique settings such as the beach or immersed in the countryside, all adding up to a summer of wellness.

The 2021 Active Lifestyle Program, promoted by the Wellness Valley Consortium, Wellness Foundation and Technogym in collaboration with Time to Move, involved various consortium structures such as the Grand Hotel in Rimini, and other structures in the region such as the Grand Hotel Da Vinci in Cesenatico, the Hotel De Londres in Rimini, the Luna in Riccione, the Tosco-Romagnolo di Bagno di Romagna and the Fantini Beach Club in Cervia.

## **Wellness Pyramids for healthy growth in younger generations**

In keeping with its commitment to contributing to healthy growth in younger generations, Technogym has embarked on a partnership with the Associazione Culturale dei Pediatri della Romagna (Cultural Association of Paediatricians of Romagna), to study and develop wellness pyramids for children. These are tools for parents, teachers and doctors to use to understand and immediately explain the best lifestyle for children based on the three dimensions of wellness: physical activity, nutrition and a positive mental approach.

Thanks to the scientific contribution of the paediatricians, we were able to organise the wellness lifestyle into four age groups: 0-1 years 1-6 years, 6-11 years and 11-14 years. Technogym’s financial support for the project enabled the pyramids to be developed, with 10,000 copies distributed to 150 paediatricians across the Cesena area.

## **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 in 2021. Technogym's support ensured that the children were safe while walking along the route and provided reflective vests for each of them.

## **Alzheimer's Marathon and Diabetes Marathon**

Amateur sports events to raise awareness of disease, promoting prevention, raising funds for research and supporting 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 initiatives combine a sporting competition with a number of side events for anyone who wants to be involved, but not take part in the race. Over the years, communities with thousands of people have formed, interested in being a part of these important movements to support people fighting disease and alleviate the pain of 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 €11,000.

Both events revamped their format in 2021 in line with the new measures dictated by the pandemic, ensuring the running of sporting events and extending the community information and education initiatives aimed at preventing illness by leading a healthy lifestyle.

In 2021, the *Diabetes Marathon* created a new route for runners and walkers, and added a huge programme of live streams on Facebook and YouTube. Technogym has made an important contribution to scientific research on how physical exercise affects people with diabetes.

Technogym also teamed up with *Diabete Romagna Onlus* to develop two special training programmes for diabetics in the official Wellness Valley app that can be accessed free of charge on any smartphone.

The *Maratona Alzheimer* maintained the traditional sporting event at the *Parco del Levante* in Cesenatico, adding a bicycle route of 16km that is suitable for everyone. The event involved a large number of participants over several days to bring the message of solidarity and awareness of the disease. The 2021 event was important as it marked ten years of collaboration between the *Maratona Alzheimer* and Technogym, which had supported this event and helped it grow since the very first one.

Technogym also lent its support to the printing of the information brochure on correct lifestyles, "*Prevenire l'Alzheimer Si Può!*" ("You can prevent Alzheimer's!"), with 4,000 copies disseminated in Romagna's main squares, as well as posters along the marathon route with messages about the correct lifestyles for preventing neurodegenerative diseases.

## **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.

In 2021, opportunities for healthy eating and relaxation and dedicated children's events, such as "Let's Move for a Better World Kids", a special circuit for very young children, created to bring the new generation to a sporting discipline and aimed at promoting the importance of keeping fit at all ages, starting from childhood, were added to the programme.

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.

The 2021 event was organised in compliance with Covid-19 protocols and extended to five days to ensure a good turn-out for the regulated activities, thus allowing people to do sport, exercise in safety, and take part in the activities and courses planned.

## **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 €16,000 paid to the Consortium, Technogym makes a considerable contribution to supporting over 60 initiatives, ranging from associations, to sports and cultural events, benefiting over 10,000 young people.

## **Wellness Valley at Expo Dubai**

As part of the "Health and Wellness Week" at Expo Dubai, Wellness Valley was presented as an example of a regional ecosystem that focuses on the health and quality of life of people at the conference "*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"). The conference will be organised on 28 and 29 January 2022 at Padiglione Italia by the University of Modena and Reggio Emilia in partnership with the Emilia-Romagna regional authorities, ART-ER, Alma Mater Studiorum University of Bologna, University of Ferrara and the University of Parma.





# 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 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.



**TECHNOGYM**

**FOR MANY YEARS  
TECHNOGYM HAS  
BEEN THE REFERENCE  
PARTNER OF EUROPEAN  
INDUSTRY ASSOCIATION  
EUROPEACTIVE.**





**150 MINUTES OF MODERATE-  
INTENSITY PHYSICAL  
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CHRONIC DISEASES**

The main scientific organisations

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

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.

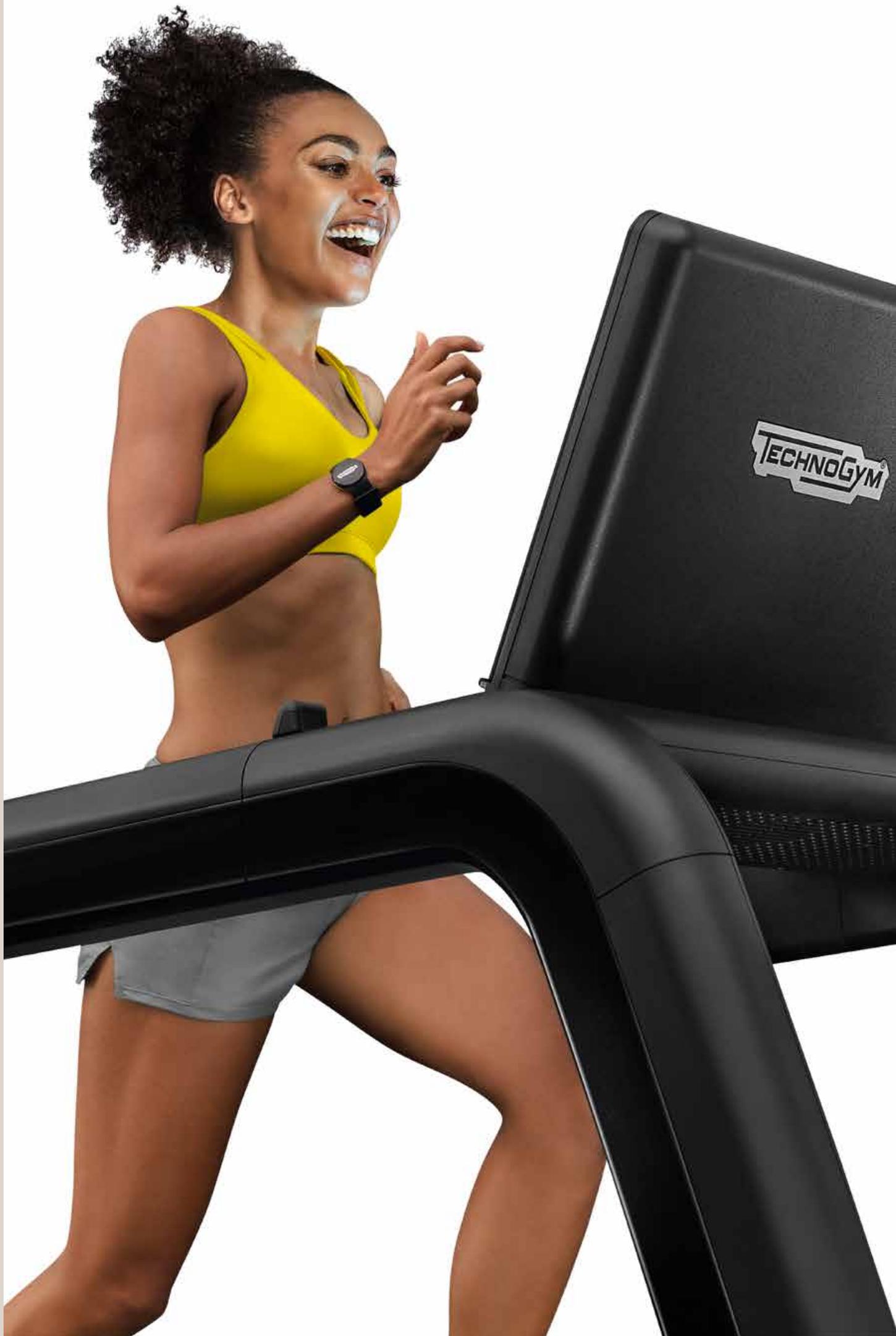
The campaign's specific aim is to include "movement", defined as structured exercise, in the medical prescription: the quantity and quality of the physical activity undertaken by patients must be considered by their GP as a "clinical parameter" along with blood pressure, weight and glycaemia.

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.



**Keep moving  
for a better  
world**





**In such a tough year, health has become the main priority for everyone. The lockdowns that have affected many countries across the world made many people inactive and provided a real test of physical and mental health. At Technogym, we have never stopped helping people to exercise more.**

It has been a challenging year as our lifestyles have been disrupted and we have been forced to make a string of sacrifices that have affected our wellbeing. However, while certainty and familiarity have been upended, we have realised that continuing to exercise is vital for the health of our **bodies and minds**.

At Technogym, we have never stopped **moving to get the world moving** and this year we decided to take to a new level **Let's Move For A Better World**, the social initiative we launched in 2014 to combat **inactivity and childhood obesity**. A campaign that reflects our mission: to promote wellness on a global scale and encourage healthy lifestyles the world over. Inspiring young people to exercise is essential if they are to adopt a healthy lifestyle. For some time now, the World Health Organization has warned of the need to stop the increase in childhood obesity, which is linked to the future rise in related illnesses such as diabetes and cardiovascular disease. In 2016, the WHO set up a "Commission on Ending Childhood Obesity", but the results so far are not encouraging: there are currently 640 obese adults around the world, and it is estimated that around 50 million girls and 74 million boys aged 5-19 are obese. Technogym's actions, starting with the creation of the Wellness Foundation to promote the wellness lifestyle on a global scale, are among the initiatives aimed at tackling this crisis, and we interact with various stakeholders including schools, institutions, gyms and healthcare professionals.

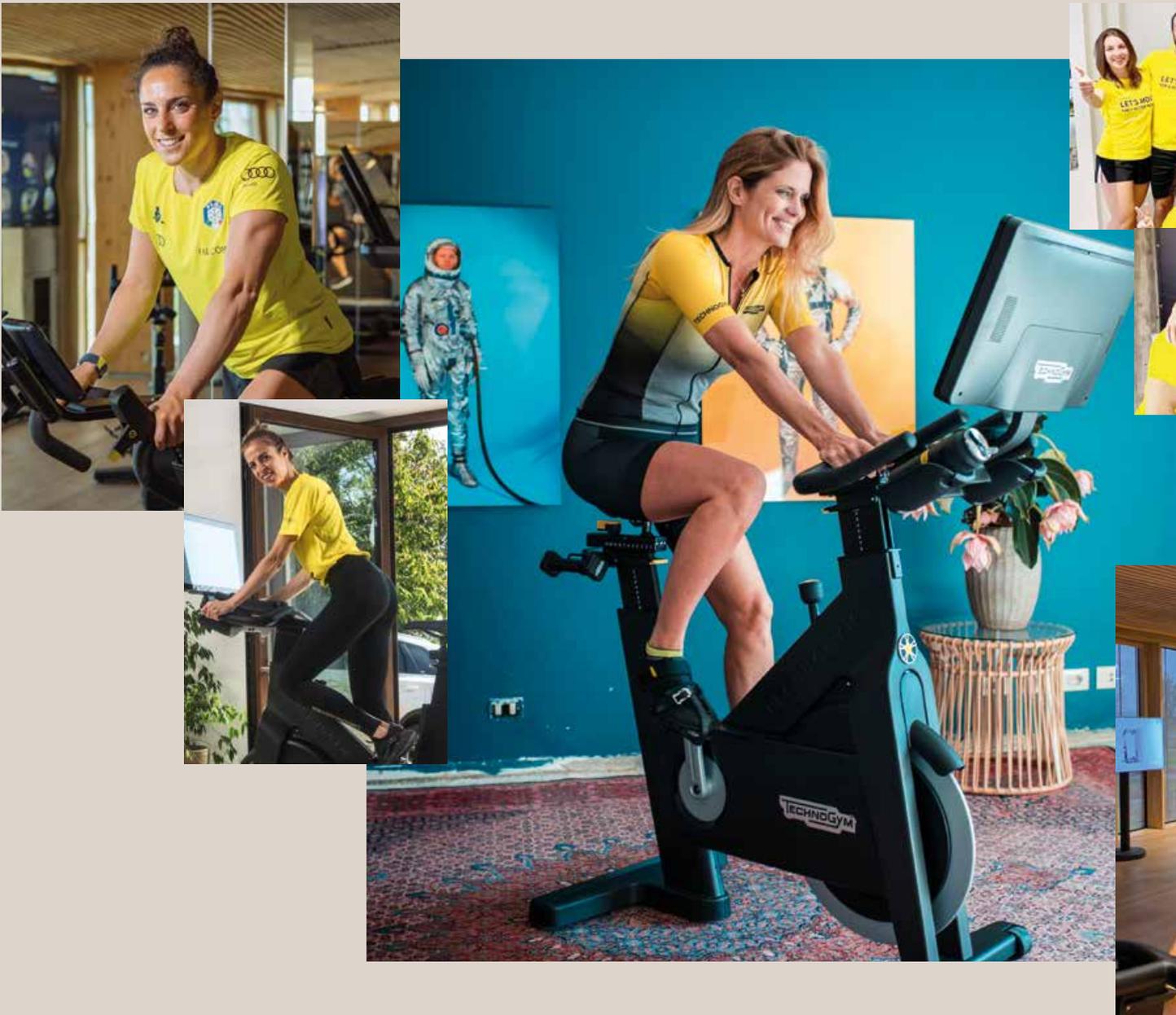
The biggest weapon against obesity is **prevention**, and that includes physical exercise. The scientific community recommends 150 minutes of exercise per week, and exercise is such an important tool that doctors in several Italian regions can prescribe it as a therapy in itself, particularly for children at risk of becoming obese. In such a critical year, we decided that it was essential to help spread this message as widely as possible: on 16 May 2020, our **Let's Move For a Better World** campaign went online in the form of the first Let's Move for a Better World Day, a virtual global event that united a community of thousands of people in more than 100 countries for a day dedicated to exercise. This was an important moment for rediscovering a sense of collectivity in mutual motivation and training, albeit remotely. The event was hosted on Technogym's social media channels and led by our master trainers, who offered a selection of online workouts, but there were also live training sessions organised by clubs the world over, seizing the opportunity to reconnect with their communities.

Our social campaign saw a second initiative in November during the height of the second wave of COVID-19. In order to help our community find motivation and fresh stimuli, we engaged clubs, sports stars and celebrities in a week dedicated to promoting and sharing in physical exercise, punctuated by many events. Throughout **Let's Move Week** (7-14 November), two teams of Technogym Ambassadors took part in a remote **Bike Challenge** on Technogym Bike, led by Virgin Active trainers. Captained by Vanity Fair Editor-in-Chief Simone Marchetti and his GQ counterpart Giovanni Audiffredi, the two teams comprised film and theatre stars such as Elisabetta Canalis, Matilde Gioli, Martina Colombari, Nicoletta Romanoff, Filippa Lagerback, Sarah Felderbaum and Catrinel Marlon, and sports stars such as Olympic gold medal-winning cyclist Elia Viviani, tennis prodigy Jannik Sinner and racing driver Carlos Sainz. The challenge was held to coincide with World Diabetes Day, the aim being for Technogym to donate a gym to a centre working on the cure and prevention of this disease. In addition to the Bike Challenge, over the course of Let's Move Week, there were fitness events, challenges and on- and offline activities accessible from home, outdoors or in the gym, ticking both boxes in terms of raising people's awareness as to the importance of exercise and

**INSPIRING YOUNG PEOPLE  
TO EXERCISE IS ESSENTIAL  
IF THEY ARE TO ADOPT A  
HEALTHY LIFESTYLE**

**LET'S MOVE**  
**FOR A BETTER WORLD**

**TECHNOGYM®**



**LET'S MOVE FOR A BETTER WORLD DAY IS A GLOBAL, VIRTUAL EVENT THAT BROUGHT TOGETHER A COMMUNITY OF THOUSANDS OF PEOPLE IN OVER 100 COUNTRIES**

Technogym



helping the fitness industry back to its feet after a several-month-long interruption by involving old members and attracting new users.

# 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 adopted worldwide.**

Never has **health** been more at the centre of our thoughts and of the global agenda than in 2020. 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** by combatting 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 Organization 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: the **Wellness Valley**, an initiative of the Wellness Foundation, a non-profit organisation with the mission of divulging the benefits of a wellness lifestyle. Thanks to this visionary initiative, Romagna has established itself as the world's leading areas of expertise for wellbeing and quality of life, making use of local assets to create a system that goes way beyond merely promoting physical exercise. Today, this initiative involves more than 250 public and private local stakeholders - individuals above

all, 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: The number of people who cycle on a daily basis is three times higher than the Italian national average; the workforce is 11 percentage points higher; and the number of overweight people and the risk of disability as a result of chronic illness are both falling. In 2014, Emilia-Romagna became the first region in Italy and one of the first in Europe to officially prescribe physical exercise as part of its healthcare system, and since 2015 it has held the annual **Wellness Week**. At the sixth staging this year, the series of events and initiatives saw vast numbers of people take part in over 300 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. Moreover, the InWellness project, which began in 2015, anticipated the current hybrid training trend - a combination of training in the gym, at home and at outdoors - bringing physical exercise into people's lives in public parks, on beaches, in squares and in historical places. Against this background, 2020 saw the launch on Rimini's new seafront of the first Technogym Outdoor island, a global première of the public-space concept that offers a solution for completely safe open-air exercise for users of all ages and physical conditions.

The benefits of the project are not just for people's health; they also have a positive impact on the entire local area by attracting tourists and creating jobs. 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. 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  
FOREMOST, BUT ALSO  
BUSINESSES, INSTITUTIONS,  
TOURISM AND COMMUNITIES  
AS A WHOLE ENJOY  
THE BENEFITS OF THE  
PROJECT, WHICH SINCE  
2003 HAS MADE ROMAGNA  
THE WORLD'S LEADING  
DISTRICT FOR EXPERTISE IN  
WELLBEING AND QUALITY OF  
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 the Wellness Valley has made it a global case study: at the 2016 World Economic Forum in Davos, the Wellness Valley was used in a study as an international benchmark for creating sustainable health systems. 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

# 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 out 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 model includes four specific distribution 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 appealing, immersive, 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 run by the world's leading 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:

- › **Branches and Distributors**, in 2021 - in view of the pandemic - training was carried out remotely. Of the total training hours of 15,716, 96% were delivered to branches and the rest to headquarters. Also with regard to the Live Classes, most of the hours of training delivered were at branches (59 hours), with 7 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 20,000 certificates were issued worldwide in 2021, most of which were the result of e-learning. Obviously, in 2021, as in 2020, there were limited sign-ups, which meant relying mainly on the existing database and confirming the number of certified trainers at above 55,000.

## 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 lifecycle.

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 2021, there were 301 service providers, 67% of whom were single customers (down from 71% in 2020), 31% were companies with a workforce of up to 10 staff, and the remaining 2% were businesses with more than 10 employees.

CONTROL

TOOLS

↳ GSP Procedure

CONTROL

TOOLS

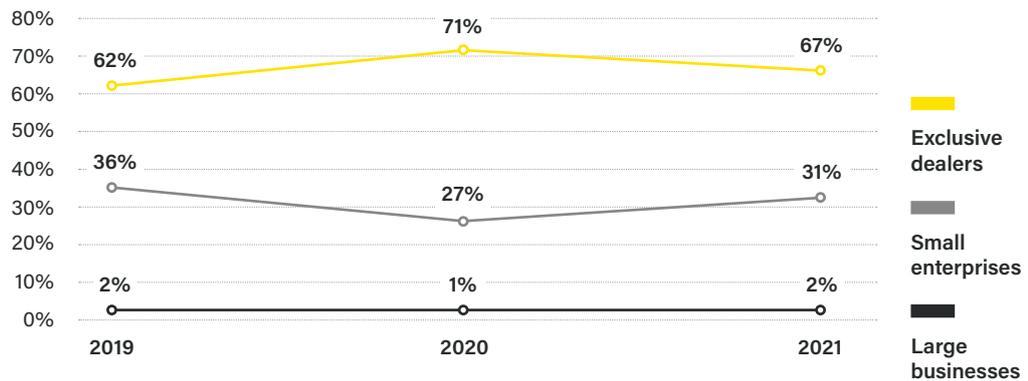
↳ User manual

↳ Service manual



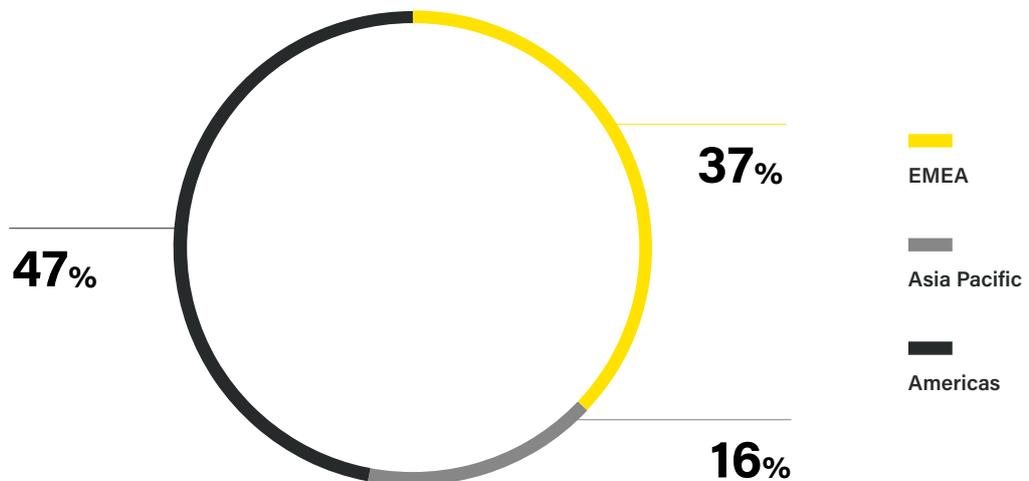


## Service providers by company size



At global level, distribution for 2021 did not change dramatically, with 47% in the Americas, 37% in the EMEA region and 16% in Asia Pacific.

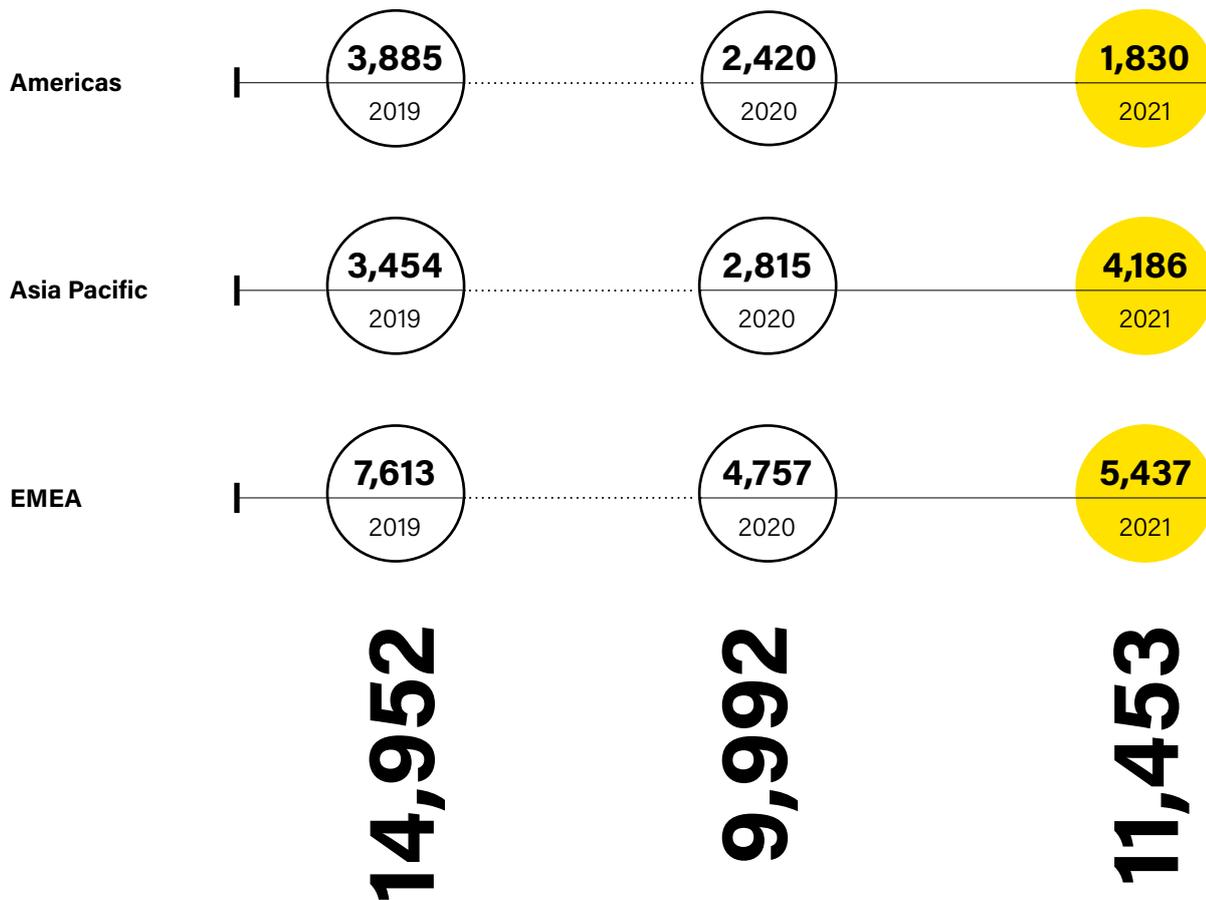
## Service providers by geographical area



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 proof of the Group's commitment, in spite of the long lockdown and the inability to travel and do classes in person, nearly **11,500 hours** of training were delivered in 2021. 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**



**5.3**

**DATA MANAGEMENT**

In 2021, Technogym launched the Technogym App, a digital application integrated with the Technogym® equipment and, therefore, with the Mywellness platform.

The introduction of this new digital solution was accompanied by the launch of a system of virtual coaching. This is based on both the digital platform and on artificial intelligence algorithms, which enable the personal training to evolve depending on the results and aspirations of each user.

The concept of "wellness on the go", already introduced in previous years, has therefore been enhanced with the latest-generation precision training systems, to offer 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 to enable them to train at home, in the gym, or "on the go".

We have addressed the implications for the protection of personal data generated by this initiative, by updating the data processing register, the Data Protection Impact Assessment (DPIA) and, lastly, the privacy policy which, over the course of the various revisions made during the year, led to the definition of one information document, which was approved at the end of 2021 and which will be published on all the touch points in the first quarter of 2022.

As part of a general strengthening of controls governing personal data processing, at its meeting held on 15 December 2021, the Board of Directors assigned the role of Data Protection Officer to an external consultant. The intention is to create an internal organisational system on privacy, which provides for an organisational distribution of competencies relating to privacy across all departmental managers (Privacy Managers), each responsible for ensuring compliance with the regulatory provisions and legislation, and for checking that the rules identified by the company are correctly carried out and that the "Persons Authorised to Process", i.e. all those who materially carry out operations on personal data, are precisely identified and authorised. At the same time, plans were made to create a Data Protection Committee, i.e. a committee composed of some Privacy Managers, chosen according to an assessment of the risk and privacy impact of the data processed in their area of competence, and the DPO, already appointed by the company. The Committee would have tasks of direction, coordination of activities and compliance obligations, while ensuring ongoing control of the "as-is" situation and an integrated approach to new projects, according to the privacy by design and privacy by default principles laid down by the European legislator and reaffirmed by the national legislator. This proposed organisation will be submitted for the formal approval of the Board of Directors at its first meeting in 2022.

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 marketing, we have also instigated a

process to review the Lead Generation Policy, the procedure that defines the methods of managing personal data for marketing purposes. Checks and amendments to this policy are in fact currently under way as a result of the adoption of more sophisticated marketing automation and target advertising tools.

With regard to accessing and using data on the Technogym Mywellness platform, we continued to respond to the various requests from data subjects, including data deletion, portability and access requests. ISO 27001 certification was also maintained. This is an international standard that sets out the requirements for an information security management system that is also recognised outside the EU. It applies to the whole spectrum of business information, not only to personal data which is already covered by GDPR compliance.

The stance on information security is part of a process of an ongoing improvement process and takes into account the integration of products and services necessary to protect our information assets. Similarly, during the same year, security training was also regularly provided with the aim of raising users' awareness of the increasingly sophisticated threats.

Moreover, as in previous years, in 2021, within the broader context of corporate protection, as well as to safeguard customers' security, with the agreement of the other dedicated functions, support was given to the enforcement actions necessary to protect the authenticity of the product against brand and design counterfeits. Lastly, there were some reports of security issues which, following an accountability assessment, were managed without notifying the data protection authorities. These reports were noted in the Data Breach Register and specific training is planned on this front. 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.

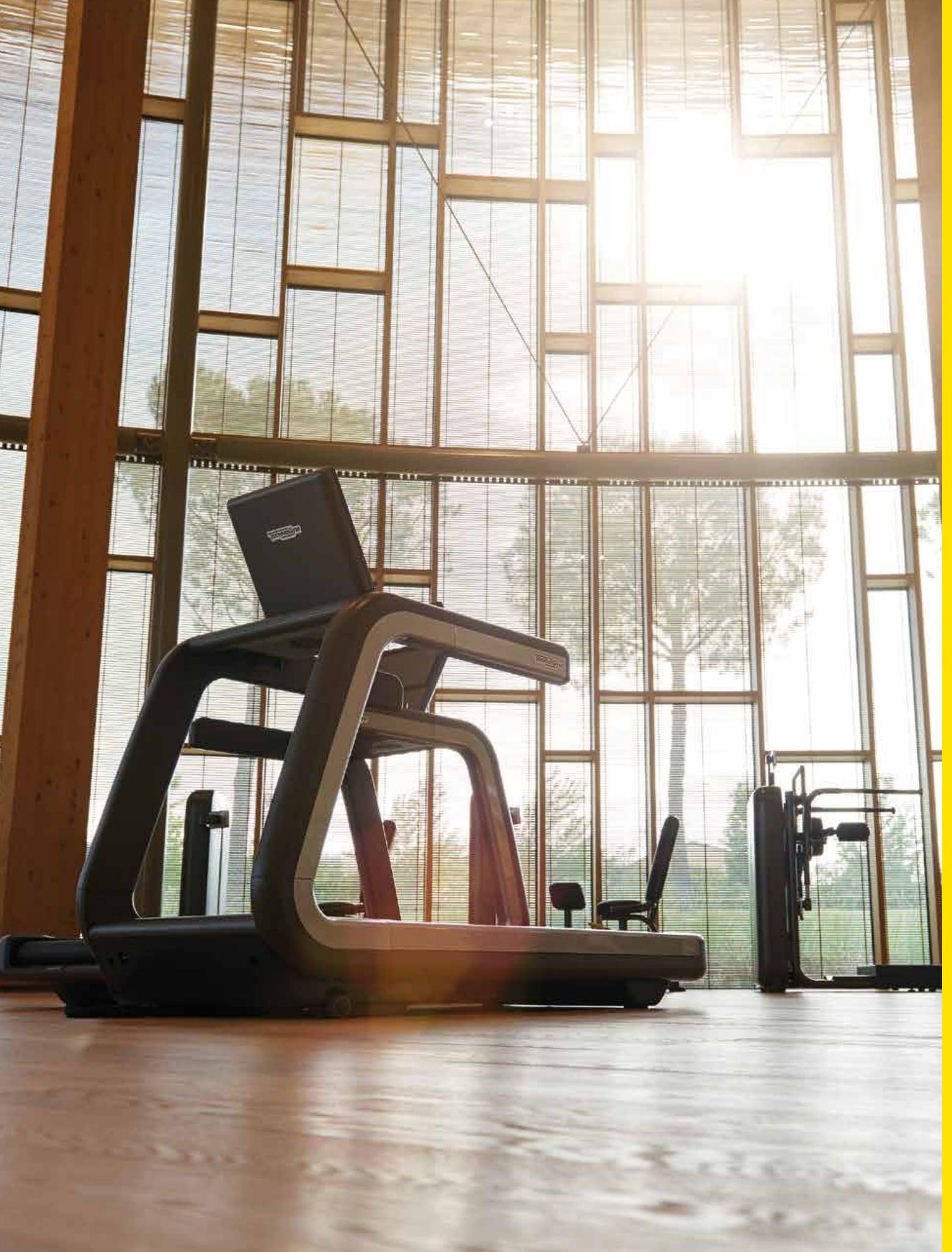
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#### CONTROL

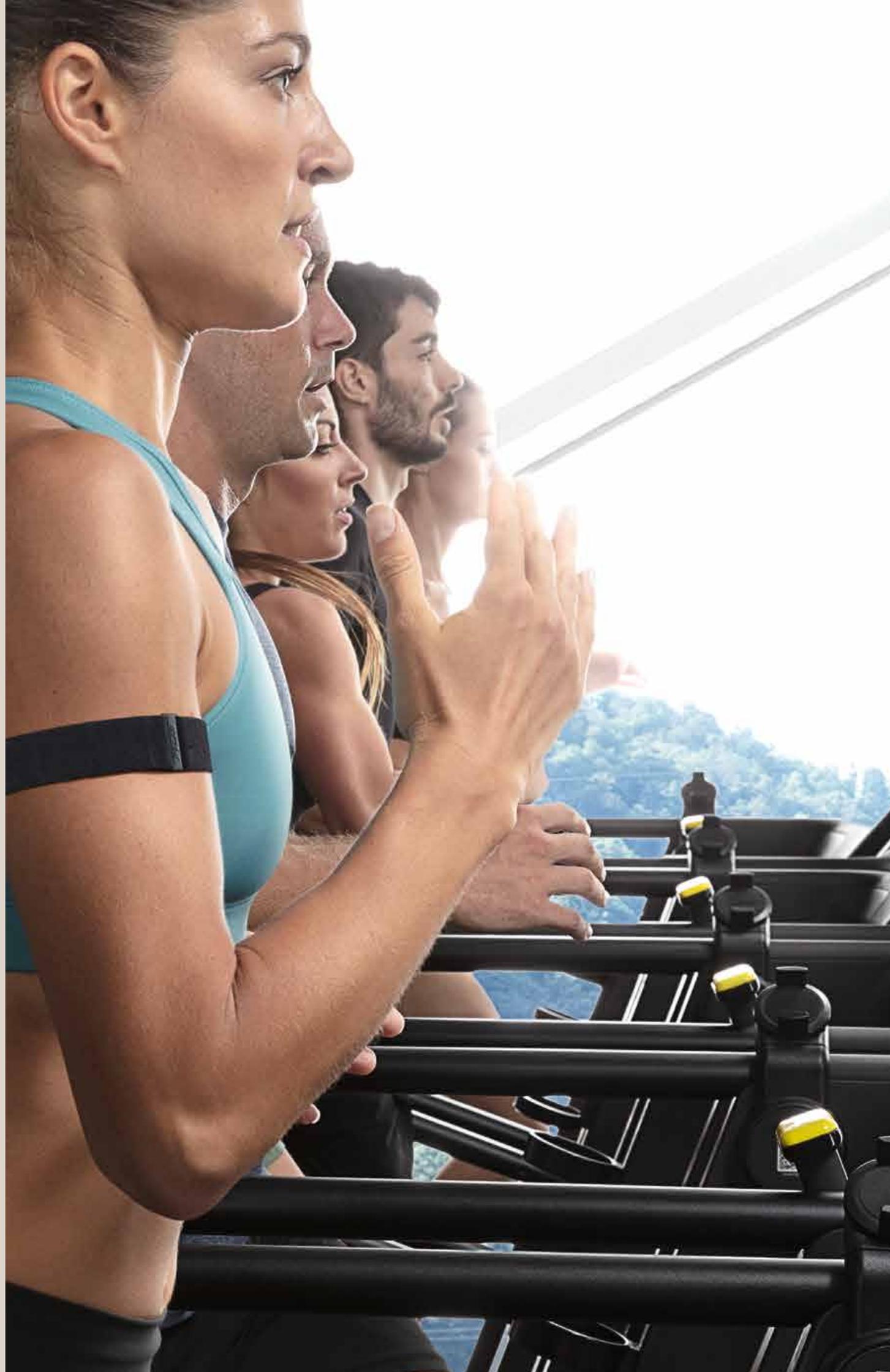
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#### TOOLS

- Privacy policy (new unified version for all touch points of users, leads, prospects and customers)
- Data Processing Agreement (template for the Mywellness platform and for the management of Technogym suppliers)
- Information Security Policy
- Lead Generation Policy (currently being updated)
- ISO 27001 certification for the "wellness-on-the-go" and "precision training" Technogym management platform (Mywellness)



**Stronger  
Together:  
supporting our  
customers**

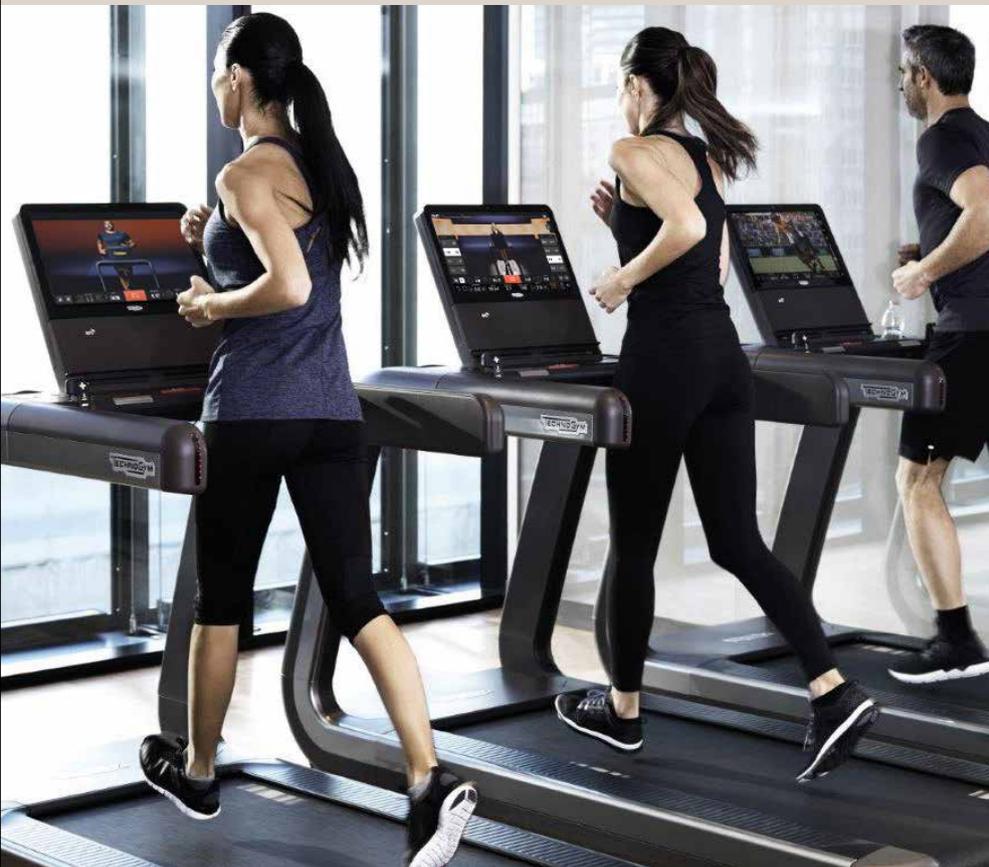




40

CHNOGYM

**WE MAY ALL BE DESPERATE  
FOR A RETURN TO  
NORMALITY, BUT IT WILL  
NECESSARILY BE A NEW  
NORMALITY**





**In a difficult year for fitness clubs and trainers, we created a series of tools and solutions to keep supporting them. And we have endeavoured to look beyond the current obstacle together because this upheaval presents not only challenges but also opportunities.**

**Wellness** is a philosophy that aims to improve people's quality of life through regular physical exercise, a healthy diet and a positive mental attitude. This has been Technogym's mission since 1993, a mission that it shares on a daily basis with the clubs and trainers across the world who join us in the fight against inactivity. That is why, in what was such a tough year for fitness clubs and professionals around the world, forced to down tools for lengthy periods as a result of the health emergency, we remained by our customers' side by offering services and new products designed to help them deal with the situation.

We have always made customer support a main priority via a series of services combined into what we call the **Total Wellness Solution**, which offers fitness professionals a wide range of commercial, financial and marketing tools to support their business and guarantee the satisfaction, loyalty and safety of the end user. Now more than ever, users want their fitness professional to engage with and reassure them so they feel at ease when they go back to the gym, but also so they do not feel abandoned while the gyms are closed.

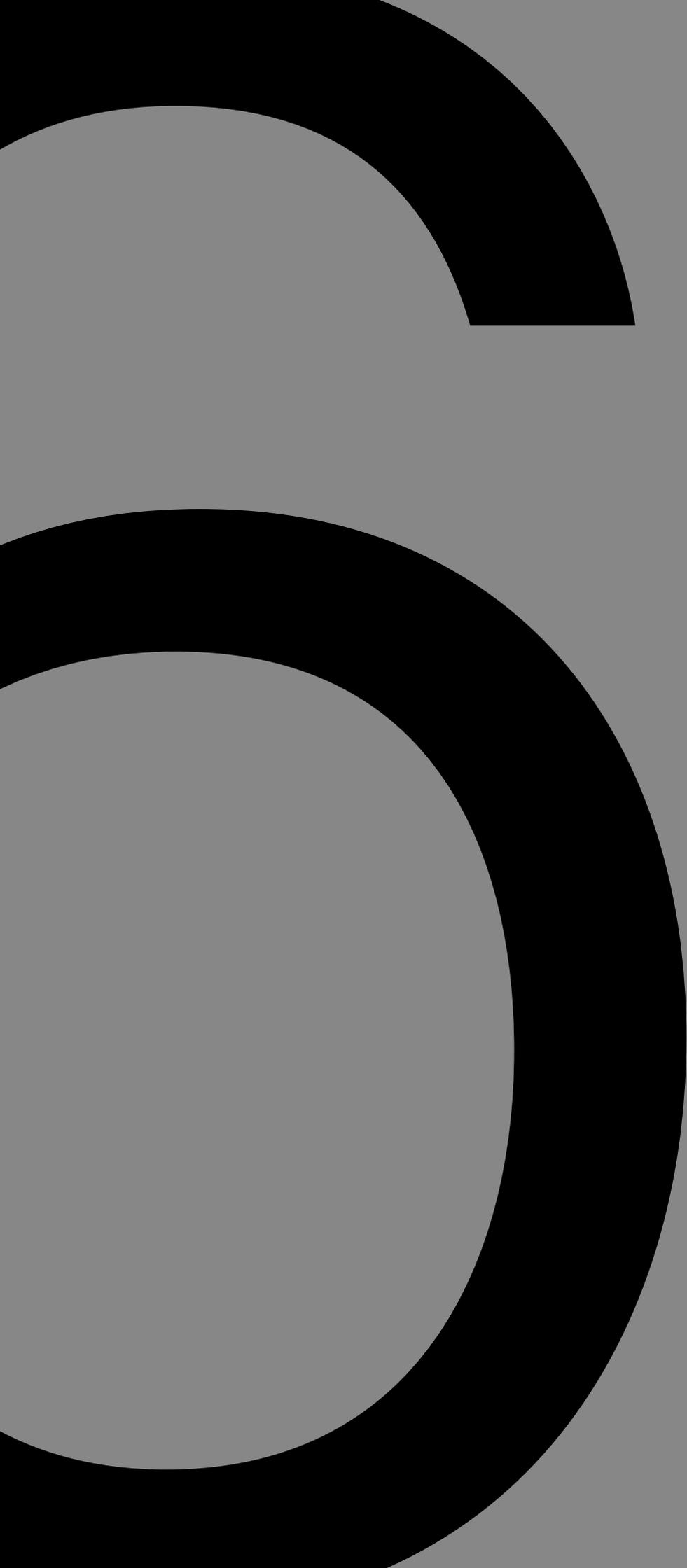
In May 2020, when many clubs around the world were reopened after the first national lockdowns, we created a guide - **Re-open for a Better World** - to help operators in this delicate phase. The document included: a section with practical advice on how to adapt layouts to new social distancing requirements; hygiene and sanitisation guidelines; and digital services for managing gym access. The Technogym website offered downloadable, high-res cartoons that could be shared with end users, showing them

in an immediate and light-hearted manner how best to return in total safety. The guide to reopening also contained a series of communication tools to help clubs and gyms become and remain a reference point for the wellbeing of their local community, including during periods of closure, stressing for example the importance of digital communications in maintaining and consolidating end-user relationships. With this in mind, we launched the new app MyWellness 5.0 to enable fitness clubs to stream their fitness classes and programmes to customers at home.

As the pandemic has endured, it has become apparent that the consequences for our day-to-day lives will be long-reaching and that the situation requires clubs to rethink their long-term business model. **Fitness trends** emerged in 2020 which are likely to stay: the success of online and virtual training, outdoor and home training and the growth of medical fitness as we realise the extent to which physical exercise affects our health. We may all be desperate for a return to normality, but it will necessarily be a **new normality**. So many opportunities are presenting themselves: physical and mental wellbeing is everyone's priority, and many who were previously inactive now understand how important it is to keep in shape; training is no longer restricted to a single place or schedule - it can be done from home, at the gym or outdoors at any time. This has extended the ways in which fitness professionals can help, offering their professionalism and expertise and the appeal of a collective training experience that can foster a sense of community. These professionals are now required to build a new future, using these skills and relationships as their foundations. Technogym will work alongside the professionals to develop a series of solutions - based on considerable integration between in-person and digital and on personalised training experiences - that enable them not only to get people back into their clubs but also to reach a new audience who have become more aware and are finally ready to get moving. The long-term challenge is to offer a **hybrid solution** so that people have an all-encompassing attitude to physical and mental wellbeing.



**WE HAVE ALWAYS MADE  
CUSTOMER SUPPORT A MAIN  
PRIORITY VIA A SERIES OF  
SERVICES COMBINED INTO  
WHAT WE CALL THE TOTAL  
WELLNESS SOLUTION**





# RESPONSIBLE INNOVATION AND DESIGN

# 6

# 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 effective exercise with high accessibility and gradual intensity 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 regulated 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), now 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.

In 2021, to strengthen its commitment to raising awareness, on a scientific basis, of the benefits of wellness, Technogym has donated physical exercise centres, equipped with the most sophisticated equipment and technology, to the Centro Oncologico Romagnolo (Oncology Institute of Romagna) and the new Centre of Exercise Therapy at the IUSM, 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 in 2021.

---

# +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<sup>12</sup>. [416-1]

12. In 2021, 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<sup>13</sup>. 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 acclaimed 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 2021, 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. In 2021, there were 11 scientific productions with Technogym products and 28 webinars to promote

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

physical exercise 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. In its first year, 6 students enrolled on the course, 12 in the 2018-2019 academic year and 27 in the 2019-2020 academic year.



# Technogym Ecosystem: personalised training





# HOME TRAINING IS INCREASINGLY BECOMING A LONG-TERM EXERCISE TREND



Through years of research and investment, we have created a genuine digital ecosystem - comprising smart equipment, apps and content - within which each individual user can move around



Many people want to have fun while exercising on aesthetically pleasing, easy-to-use equipment with the help of in-person or virtual coaches; they want to be able to train at home or in the gym, following their passions and engaging with other members of the community. Technogym has now made all of this possible.

Major crises are a watershed in history, with a before and after established clearly in relation to a single event. These are moments in which the normal passing of time is altered: changes that in normal times would have taken place over decades happen in the space of a few months and we are suddenly forced into a **new normality**. The pandemic that has left its mark on every aspect of our lives in 2020 is most assuredly one of these events. All sectors, from fashion to cinema and tourism to entertainment, have been profoundly affected and it is now apparent that we must adapt, embracing and (where possible) anticipating change rather than suffering from it. If we look at the wellness sector, these trends are reflected in the trends for 2020: in its 15th annual report, the American College of Sports Medicine (ACSM) outlined the trends for the months ahead, including the growing success of **online training**, the large-scale spread of **wearable technologies** used to monitor training, and the popularity of **virtual training**.

At Technogym, we do not see **digital** technology as being a current fad; it is something that always been in our DNA as a company that believes strongly in innovation. In 1996, we launched the world's first gym training management software, the Wellness System, which enabled users to automatically activate Technogym equipment by using a portable key and to keep track of their training programmes and data: the TGS Key can be considered the world's first wearable device, well before the mobile revolution.

2012 saw the launch of **MyWellness Cloud**, the only cloud platform in the fitness sector enabling people to connect to their personal training programme and to access their data anywhere and at any time: from home, at the gym, in a hotel, at work or outdoors, through the MyWellness app. Globally, there are currently around 15 million people registered on our platform and more than 15,000 fitness clubs use it regularly to offer services and coaching to their customers.

Thanks to the revolutionary **Technogym Live** platform, you can now choose your Training Experience from a vast library of on-demand video content: live classes with your favourite spinning trainer, one-to-one cardio or strength training sessions, athletic conditioning routines, basic exercises or virtual courses set in the countryside or your favourite city.

The new Technogym Live console is available on all the latest Technogym equipment and can be added to older products. You can choose your favourite **Technogym Session** based on your specific goal, whether that is losing weight, improving stamina or something else. You can then supplement that with **Routines**, which are intuitive, guided exercises with a particular objective and level of intensity. If you prefer traditional target-based training (with that target being a particular time, distance or number of calories), **Exercises** is the option for you. The **Outdoor Virtual Training** option provides virtual and immersive courses set in the countryside or in your favourite city. Lastly, the Technogym Live console offers an infinite number of entertainment options such as TV channels, social media, Netflix and a wide range of apps that include things like games and news.

During the last year, we have experienced a genuine explosion in **home fitness**, a trend that has been growing for years but accelerated rapidly in 2020. The Technogym Ecosystem – made up of smart equipment, apps and content – has enabled people to access from their homes a fully personalised experience tailored to their individual goals, passions and aspirations. As the vaccine rollout gathers pace and transmission of the virus slows, fitness clubs the world over will start to reopen and the gym and home fitness segments can co-exist.

# **AT TECHNOGYM, WE DO NOT SEE DIGITAL TECHNOLOGY AS BEING A CURRENT FAD; IT IS SOMETHING THAT HAS ALWAYS BEEN IN OUR DNA AS A COMPANY THAT BELIEVES STRONGLY IN INNOVATION**

People will train both at home and at the gym, just like they eat out but sometimes get food delivered to their homes. Home fitness can never replace the gym experience in terms of socialising, variety of equipment and a professional service. It is, however, perfectly complementary and represents a huge opportunity for businesses to provide domestic services and programmes.







# 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 hours<sup>14</sup>. [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. [DMA 412]

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.

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.

<sup>14</sup>. 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.

## **ORGANISATION, PROTECTION AND SAFETY OF PERSONNEL DURING THE PANDEMIC**

Throughout 2021, the company continued to adopt preventive measures aimed at containing, mitigating and countering the risk of infection.

The Covid-19 Code of Conduct was reviewed and updated to take account of the various regulatory measures, which, together with the considerable organisational measures implemented in all working environments, enabled the company's production and office staff to work safely.

Information was circulated on behaviours to be adopted and on personal hygiene precautions, as well as on how to enter/leave the premises, how to clean and sanitise the workplace and how to manage and allocate protective equipment, through the continual updating of specific procedures.

In October 2021, in compliance with the regulations, the company introduced an access control system consisting of the daily checking of Green Passes.

Moreover, at organisational level, the company continued to manage shifts and rotations in the production area and allowed office staff to work at home via platforms that facilitated remote working.

The company's various measures, introduced in Italy and internationally, include the launch of a medical opinion service at the headquarters, managed by the Medical Officer, which can provide all the health information relating to Covid-19.

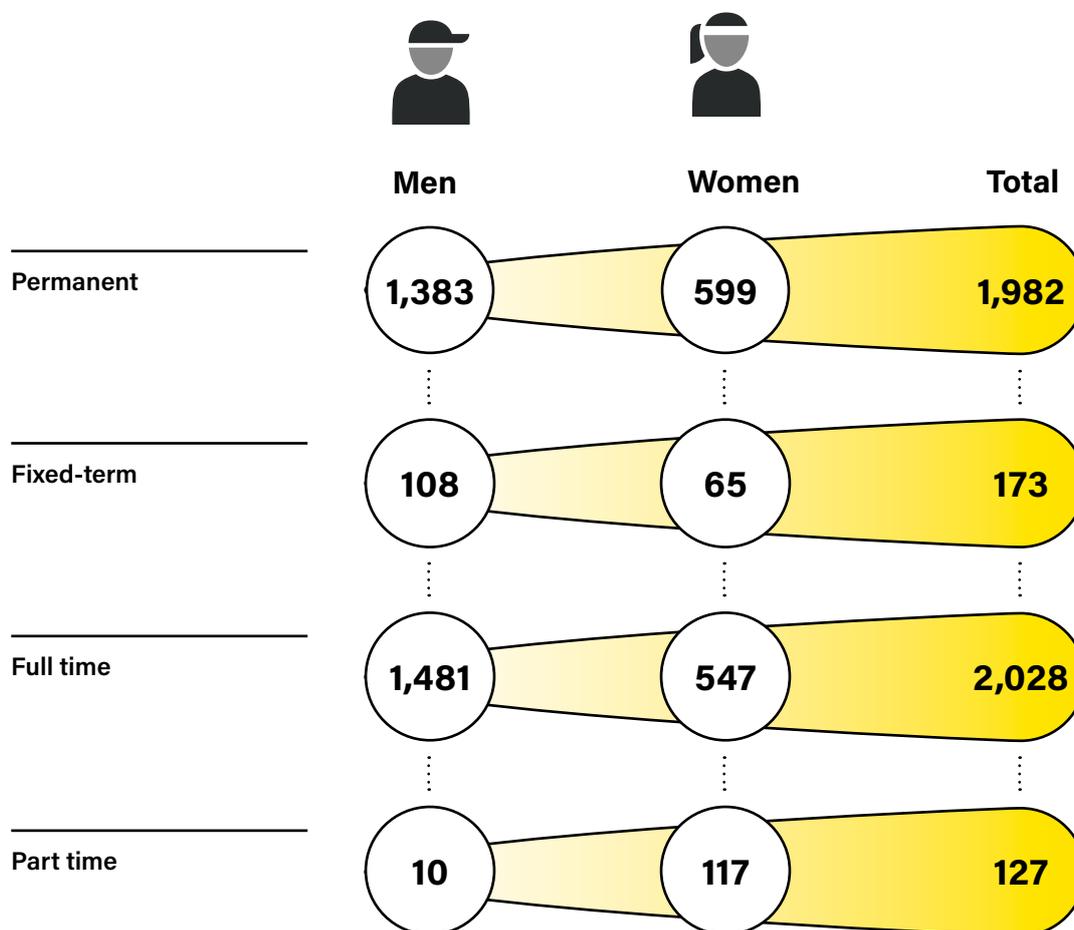
Furthermore, in compliance with the safety protocols issued during the pandemic, a centralised company committee was set up consisting of the PPSM (Prevention and Protection Service Manager), WSR (Workers' Safety Representatives), the MO (Medical Officer) and certain corporate functions to ensure that the measures adopted by the company are being implemented properly and comply with the Protocols.

## THE GROUP'S PEOPLE

The Group aims to encourage permanent employment, which strengthens the employees' sense of belonging to the organisation.

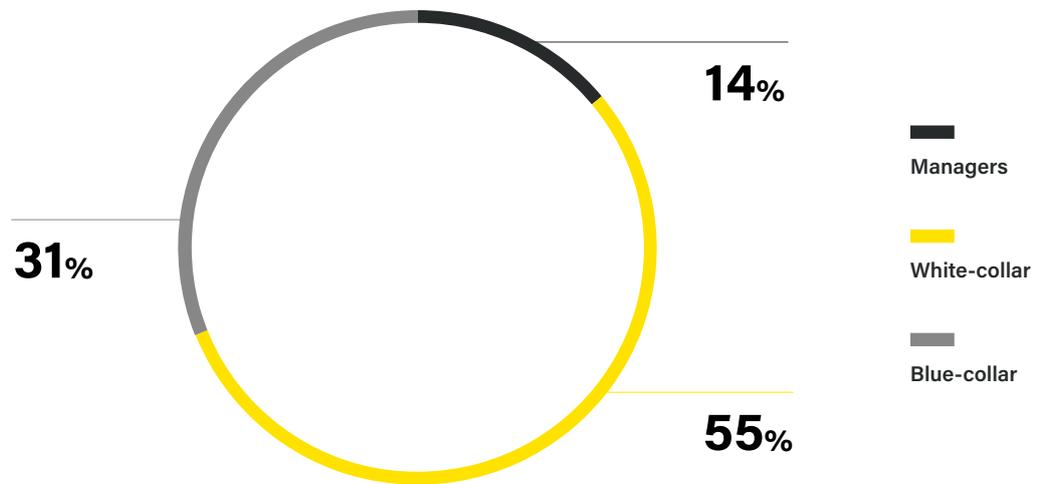
In 2021, the Group had 2,155 employees. At Technogym S.p.A., 96% of contracts are permanent, confirming the efforts being made to enhance the Human Capital skills. At Technogym EE, 77% of contracts are permanent, a similar figure to 2019. This is strongly linked to the need to cover seasonal production peaks, requiring flexibility in the use of resources. For the rest of the world, the percentage of permanent contracts remains stable compared with 2020, at 96%. [102-8]

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

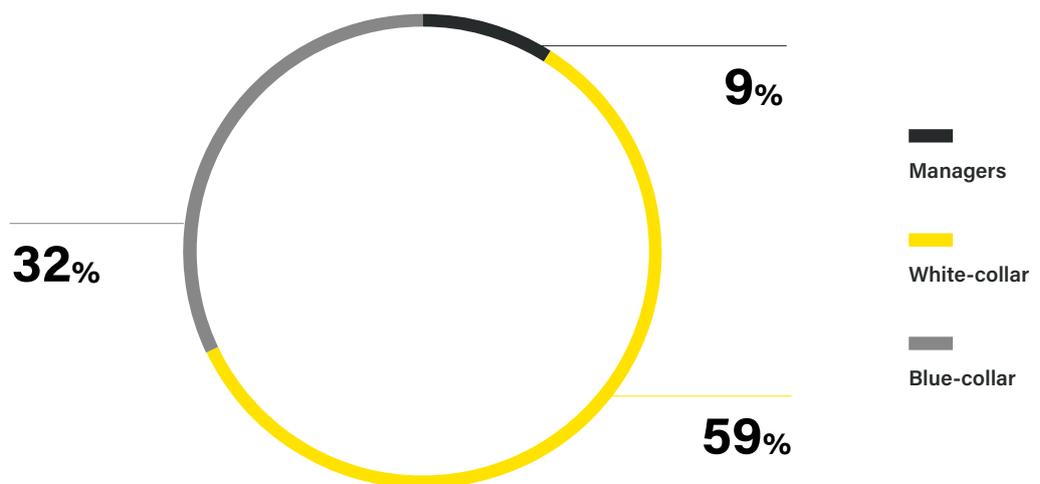


With reference to salary levels, at the offices and Italian production site of Technogym S.p.A., 14% of personnel have a managerial role, 55% are clerical workers and 31% are manual workers. With regard to the rest of the world (sales branches and the Slovakian production site), 9% have a managerial role, 59% are clerical workers, while 32% are manual workers

## TG S.p.A.



## Subsidiaries



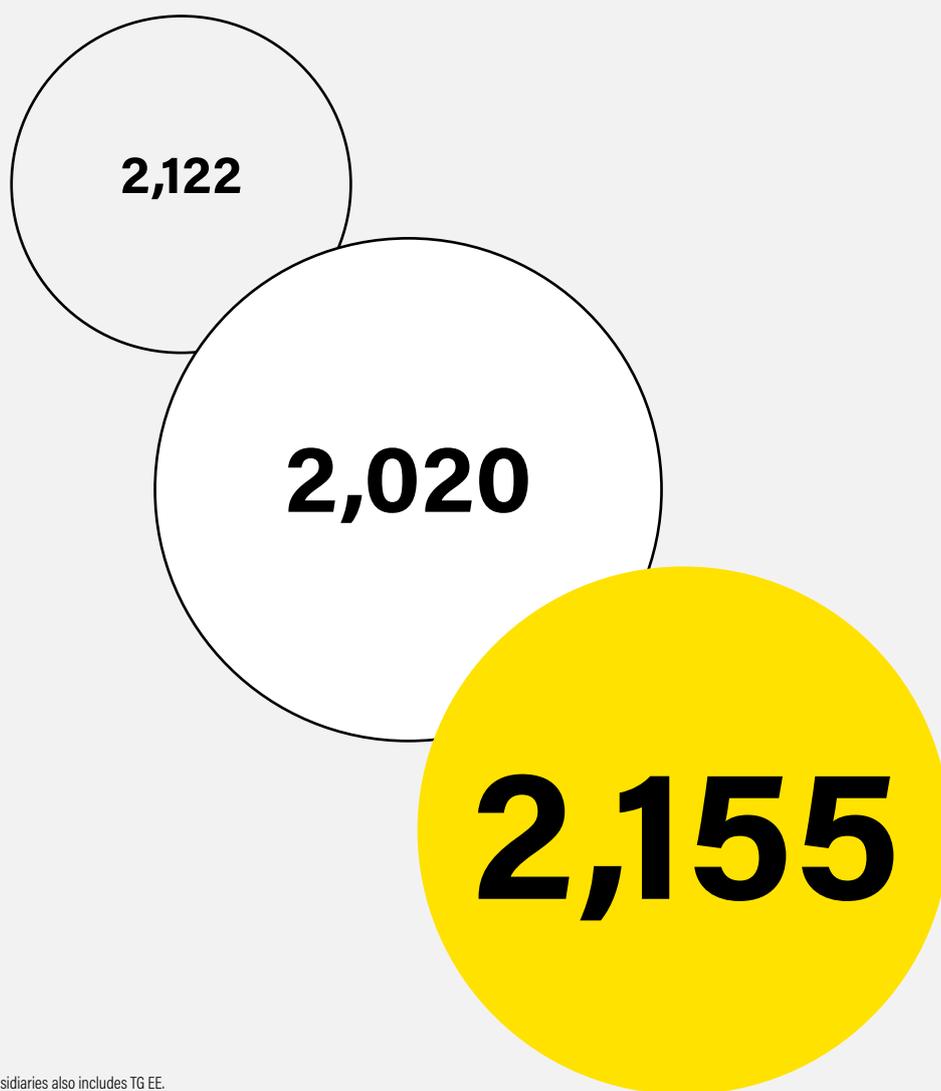
Overall, 525 people joined the Group in 2021, while 390 departed. The trend varied depending on geographical area<sup>15</sup>.<sup>[401-1]</sup>

In 2021, most new hires were once again in the 30-50 age group. This percentage fell slightly from the previous year, which was offset by the over-50 age group. The percentage of new hires of young people aged under 30 is broadly stable at 41%.

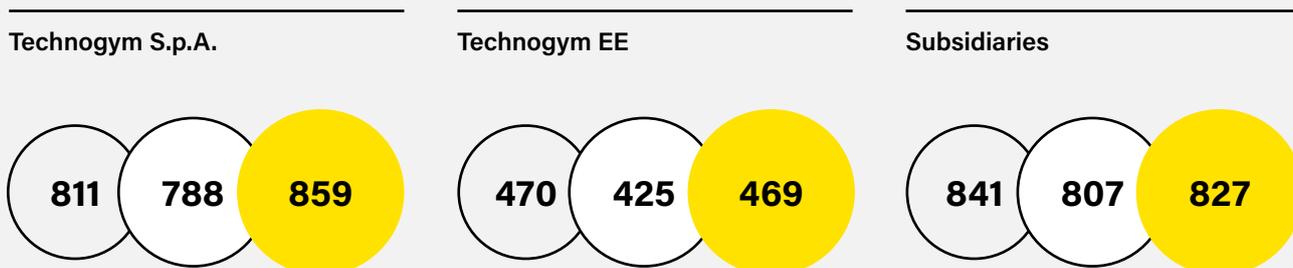
For departures, the situation was broadly flat for employees under 30 (26%), while leavers in the 30-50 age group increased slightly, offset by a percentage decrease in leavers aged over 50.

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

▶ Total headcount



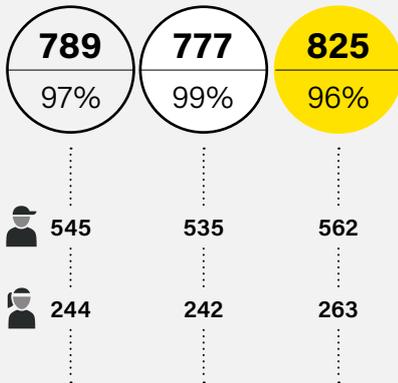
16. The figure relating to the subsidiaries also includes TG EE.



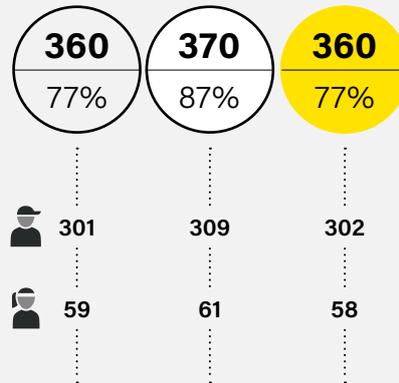
## Employees on permanent contracts



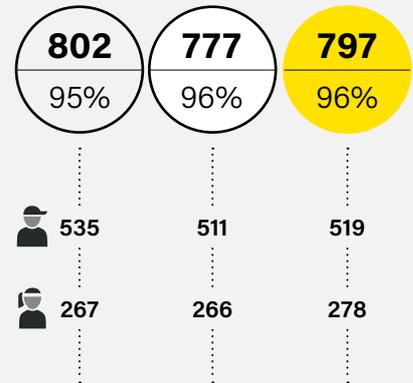
### Technogym S.p.A.



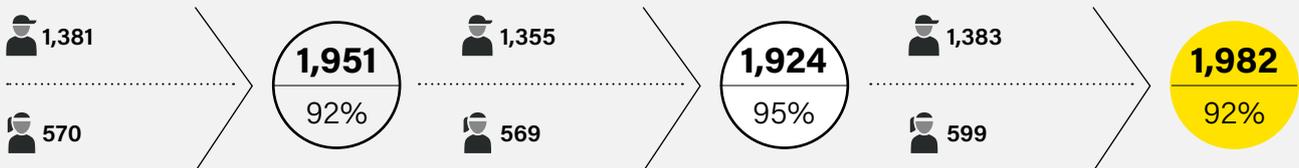
### Technogym EE



### Subsidiaries

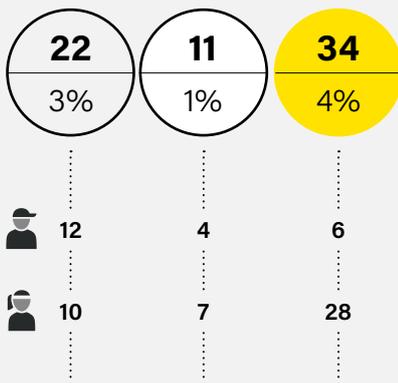


### Total

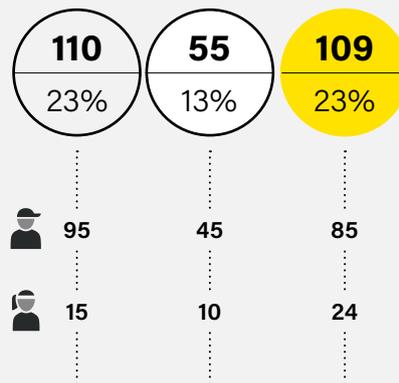


## Employees on fixed term contracts

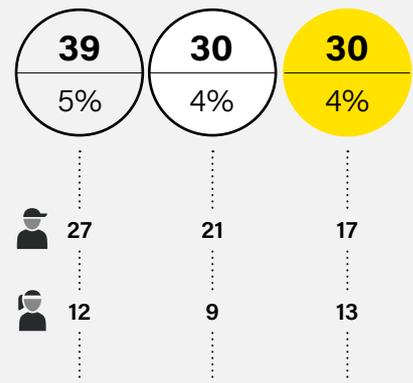
### Technogym S.p.A.



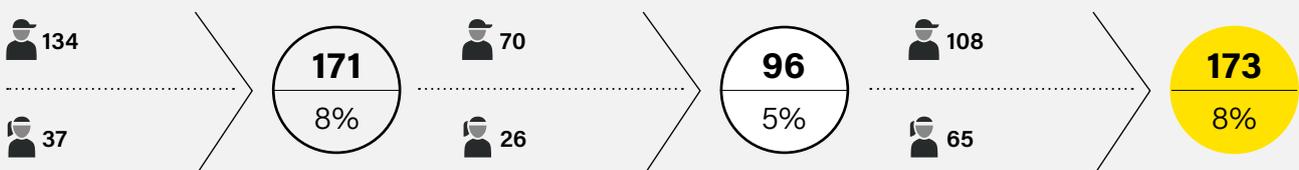
### Technogym EE



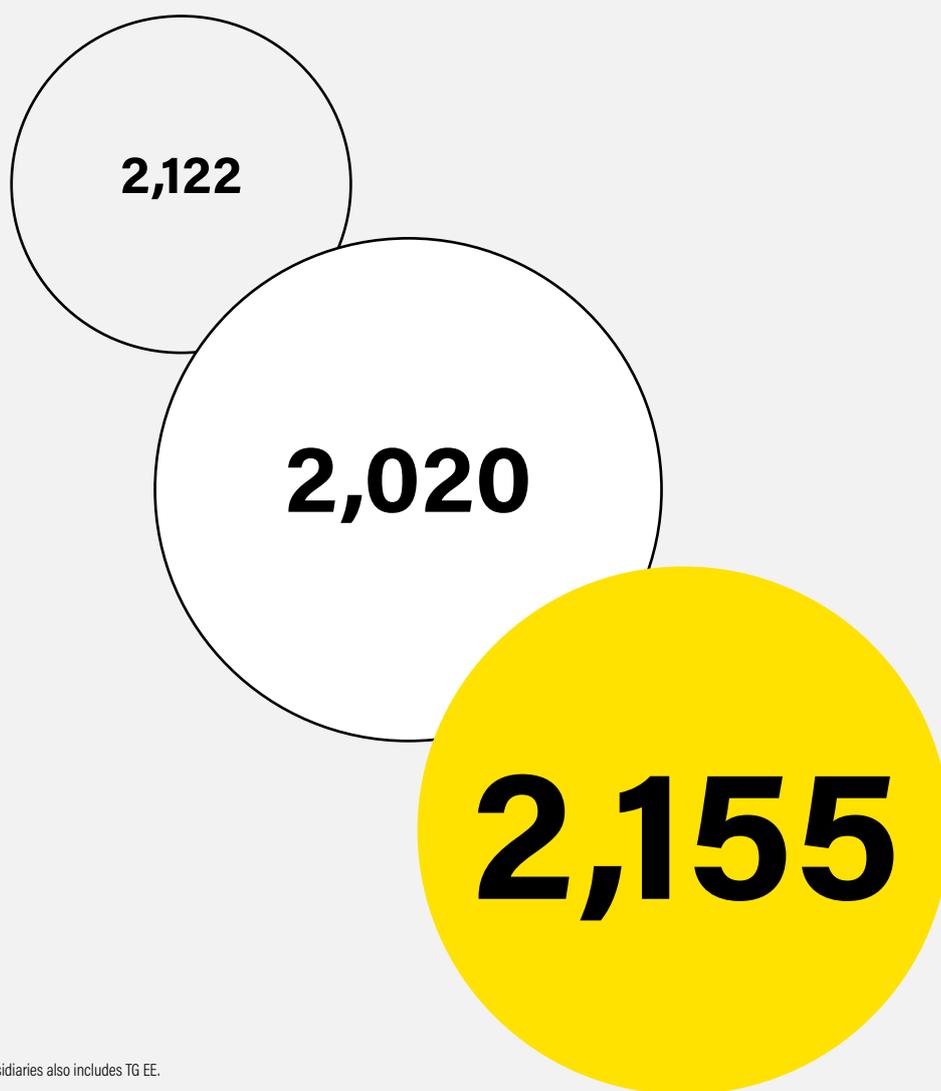
### Subsidiaries



### Total



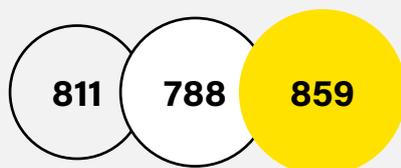
▶ Total headcount



<sup>17</sup> The figure relating to the subsidiaries also includes TG EE.

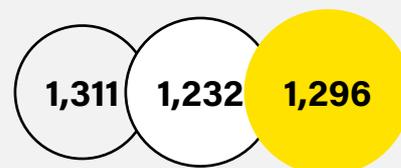
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Technogym S.p.A.



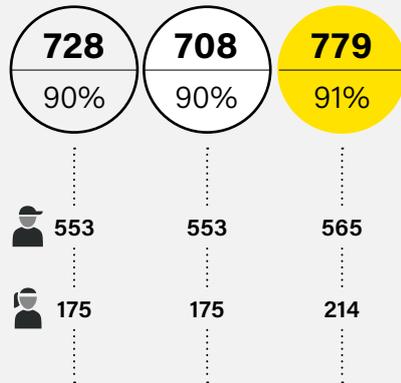

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Subsidiaries

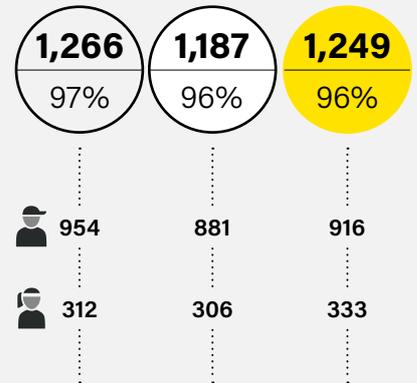


## Full-time workers

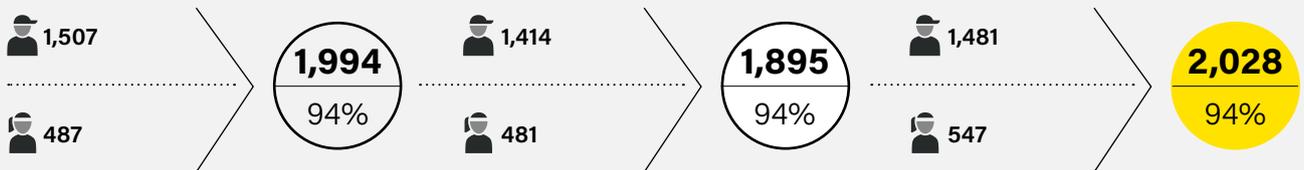
Technogym S.p.A.



Subsidiaries

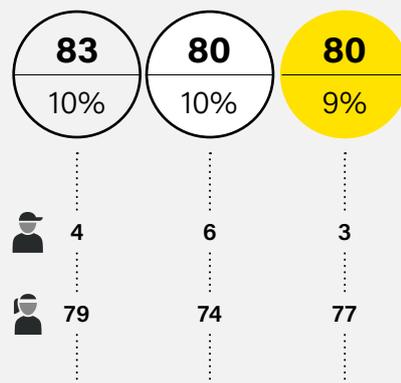


Total

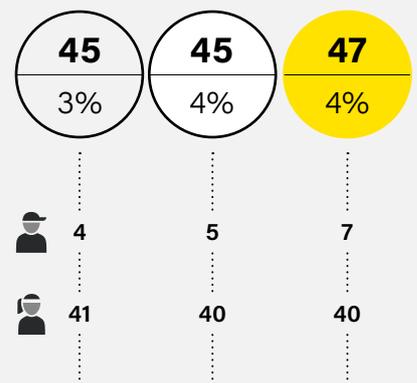


## Part-time workers

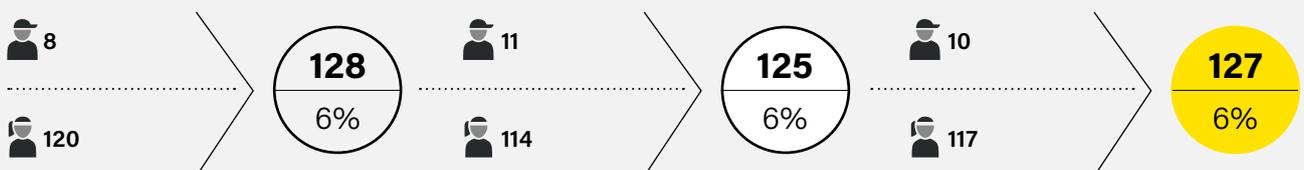
Technogym S.p.A.



Subsidiaries



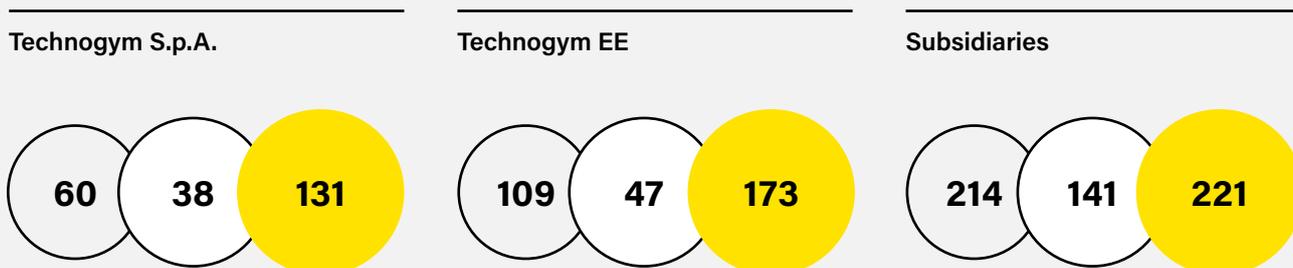
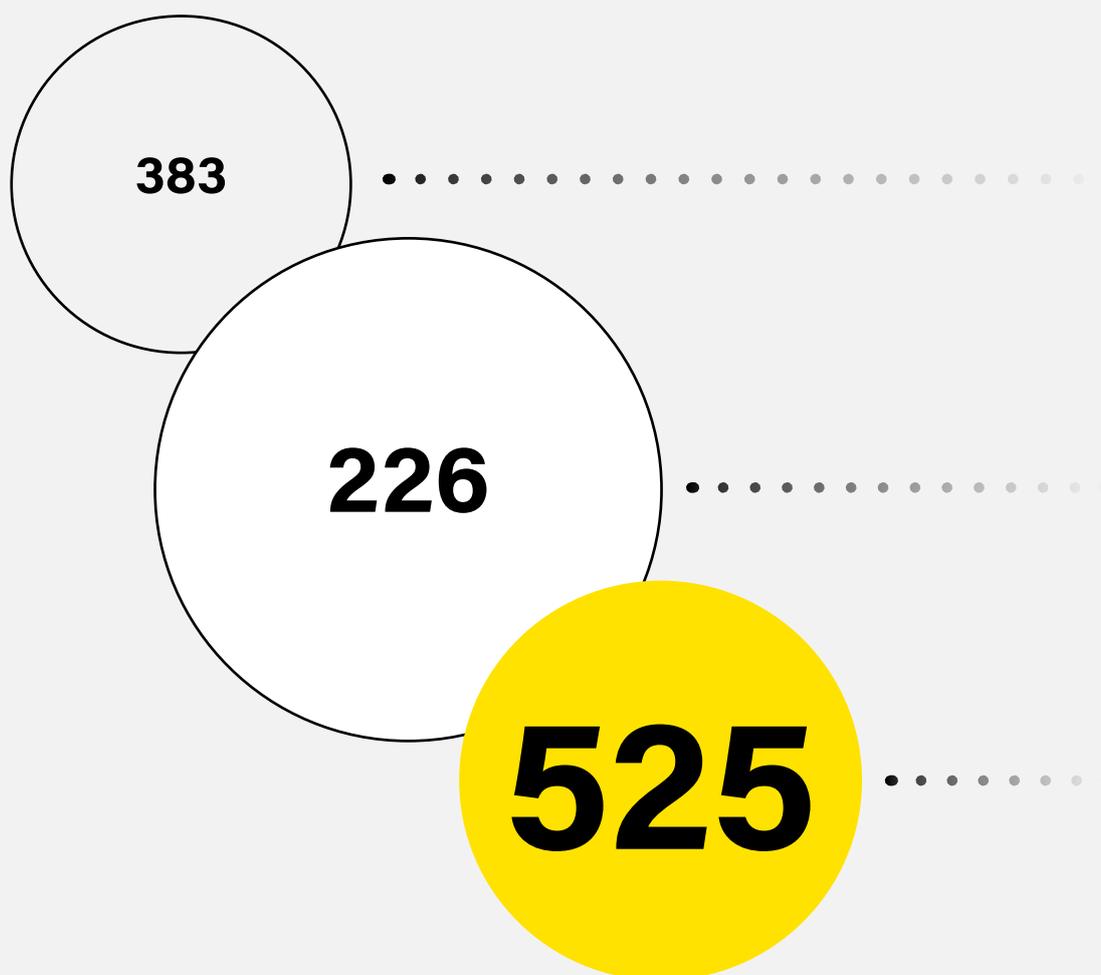
Total



**EMPLOYEES JOINING AND LEAVING  
THE ORGANISATION, BY GENDER**



**▶ Total employees hired during the year**





## Men

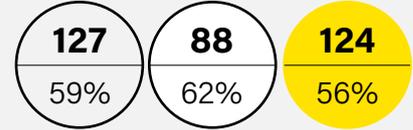
Technogym S.p.A.



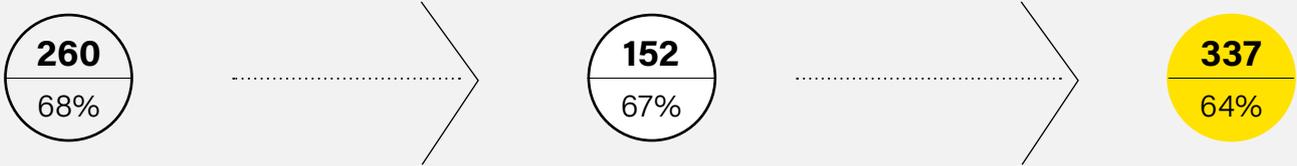
Technogym EE



Subsidiaries



Total



## Women

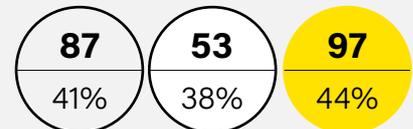
Technogym S.p.A.



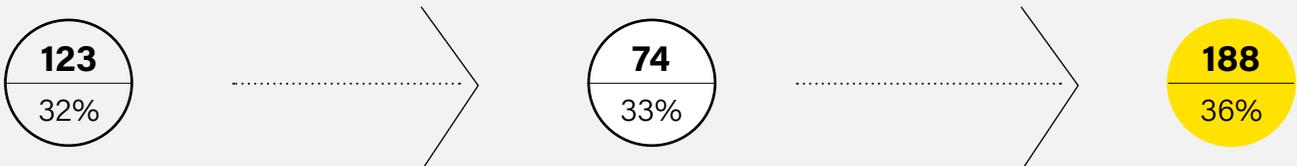
Technogym EE



Subsidiaries



Total



18. 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)<sup>18</sup>

Technogym S.P.A.	<b>7.2 %</b> [2021]	<b>7.7 %</b> [2020]	<b>6.8 %</b> [2019]
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Technogym EE	<b>28.9 %</b> [2021]	<b>20.3 %</b> [2020]	<b>26.4 %</b> [2019]
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Subsidiaries	<b>24.8 %</b> [2021]	<b>22.5 %</b> [2020]	<b>24.6 %</b> [2019]
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The turnover figures for 2021 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 (+2.3%) compared with the previous year, while for Technogym S.p.A. it decreased by half a percentage point.

## 7.4

### GROWTH AND DEVELOPMENT

“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 results are achieved, investments need to be made in human resources by considering the capacities and potential of all employees. For Technogym, training and development are strategic levers in improving staff performance.

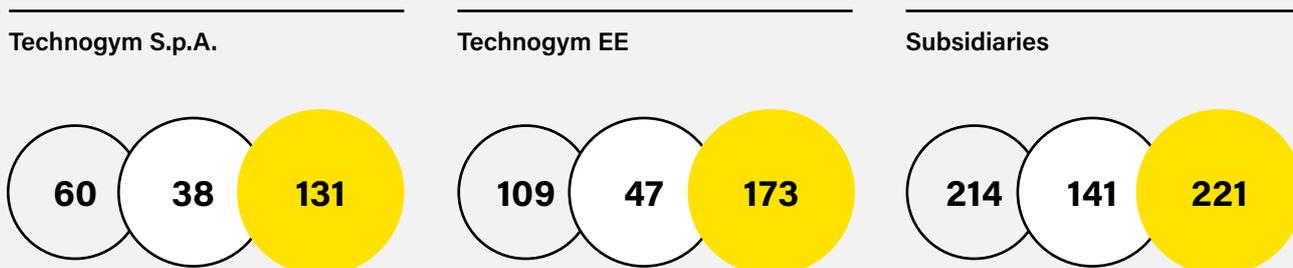
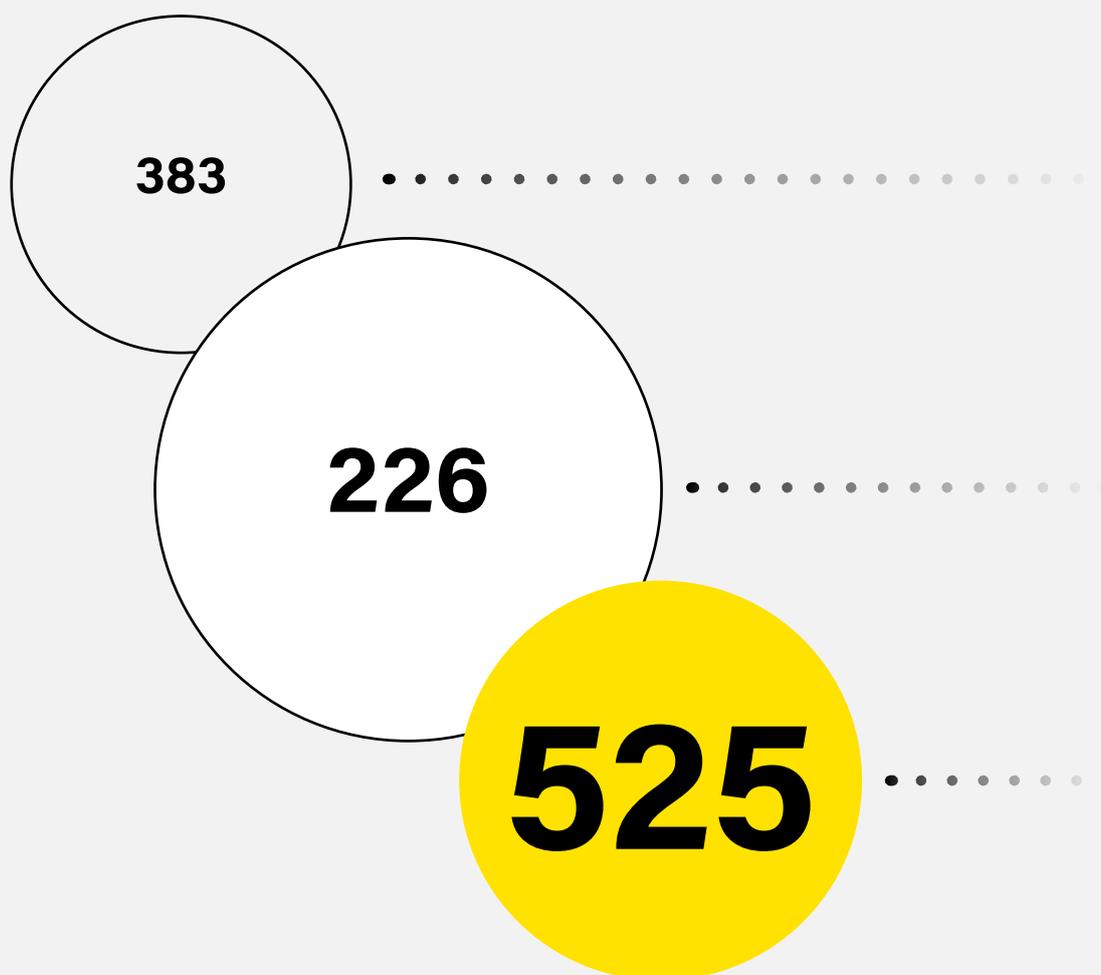
Training and development programmes represent a body of experiences that generate learning through an exchange of expertise (knowing), abilities (knowing how to do) and attitude (knowing how to be). [DMA 404]



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



**▶ Total employees hired during the year**



## Under 30

### Technogym S.p.A.



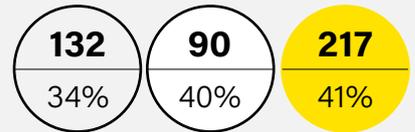
### Technogym EE



### Subsidiaries



### Total



## Aged 30 to 50

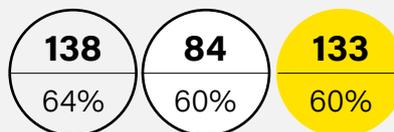
### Technogym S.p.A.



### Technogym EE



### Subsidiaries



### Total



## Over 50

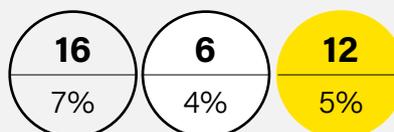
### Technogym S.p.A.



### Technogym EE



### Subsidiaries



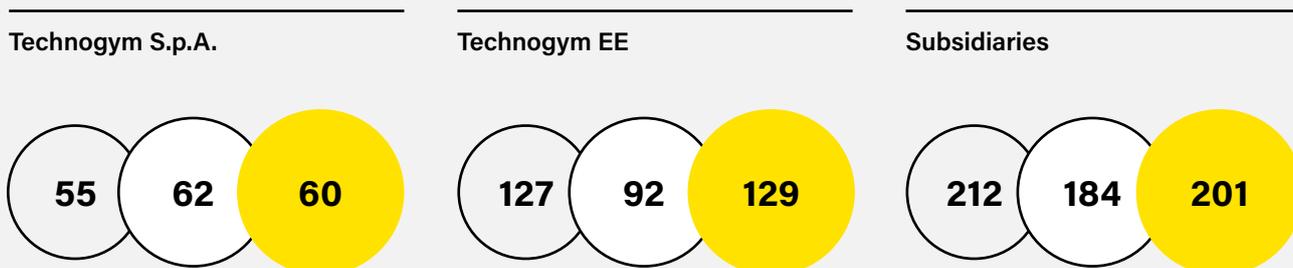
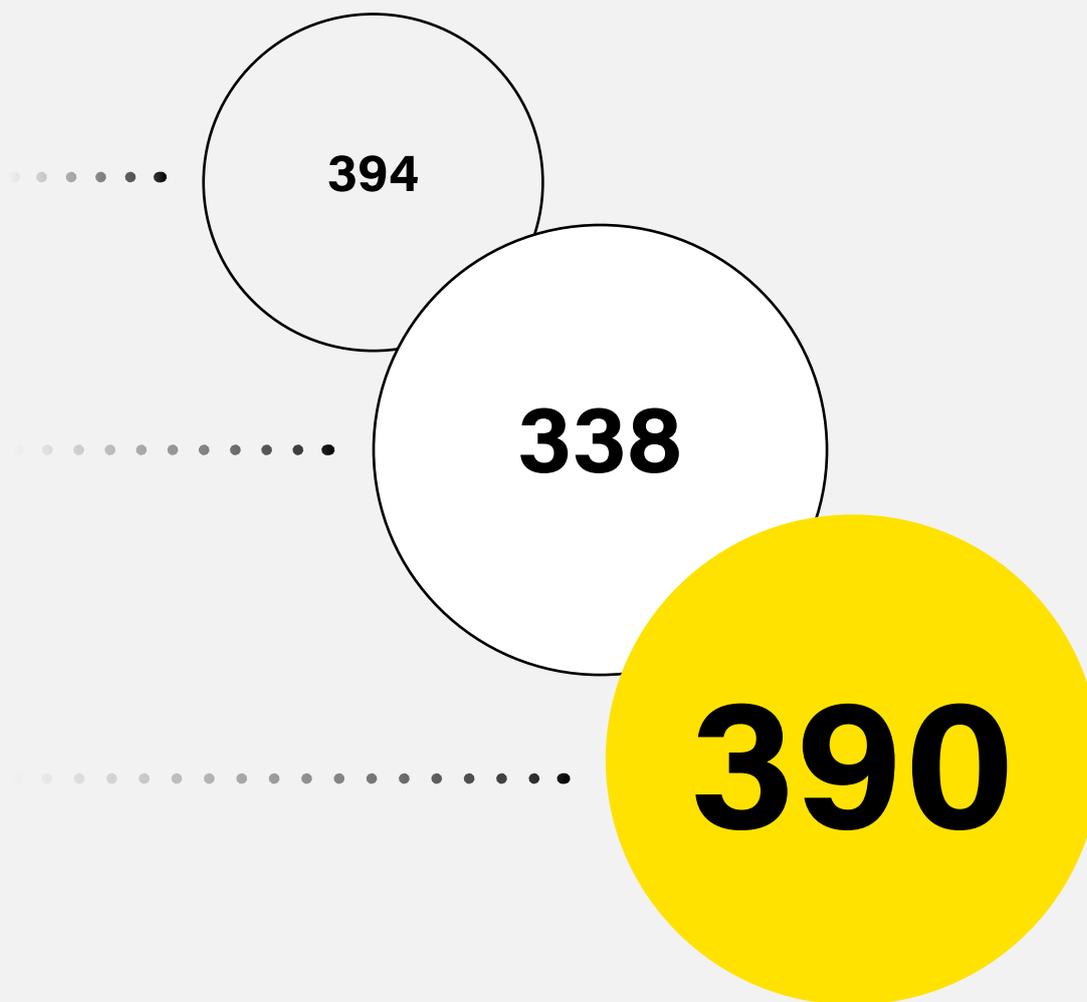
### Total



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



**▶ Employees leaving the organisation during the year**



## Under 30

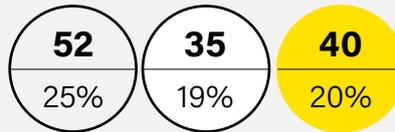
### Technogym S.p.A.



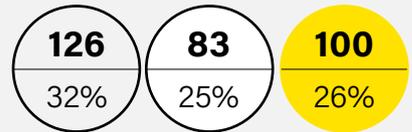
### Technogym EE



### Subsidiaries

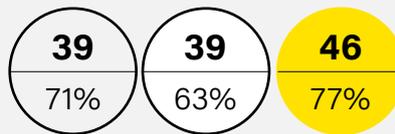


### Total



## Aged 30 to 50

### Technogym S.p.A.



### Technogym EE



### Subsidiaries



### Total

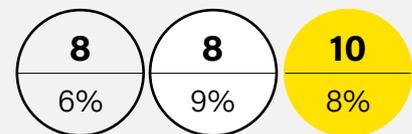


## Over 50

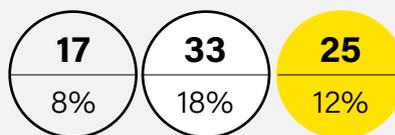
### Technogym S.p.A.



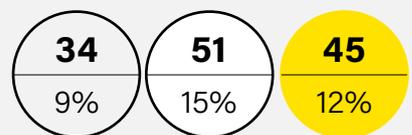
### Technogym EE



### Subsidiaries



### Total



## **Ongoing training and strengthening of skill set**

Training is an important way to develop and consolidate personal skills, while diffusing 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 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. Needs are identified during the appraisal process.

Training is delivered in various forms: on-the-job training, via the assignment of projects and new, challenging activities; continuous feedback, coaching and mentoring to support staff through the development process, and e-learning to ensure regular updating via self-training. Training is also provided in classes and at 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.

### ***2021 average training hours by grade and gender at Technogym S.p.A., TG EE and subsidiaries***

In 2021, a large part of the training was delivered as e-learning or distance training, and planned specifically. However, existing events and courses were resumed in compliance with safety regulations.

In line with the company's values and promoting the culture of leadership at all levels, training on the Technogym leadership model continued at headquarters. This involved all managers and team leaders and was delivered via classroom training, experiential workshops and team coaching.

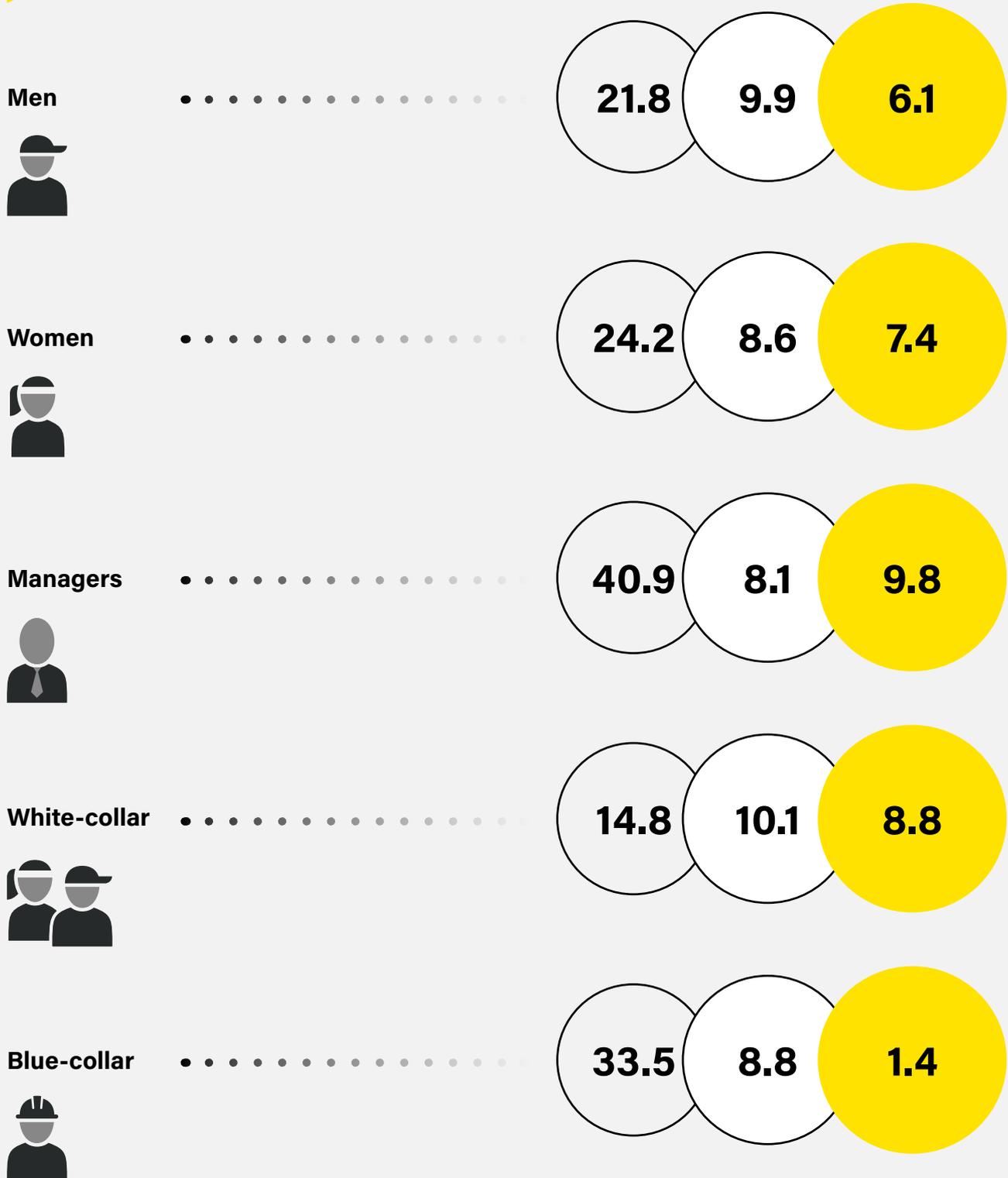
Training on the professional role of workers continued at headquarters with the Scuola dei Mestieri (Skills School) Project. This involved the new entrants in the production area, i.e. mainly temporary staff (temps), who do not fall within the scope of the figures included in the Sustainability Report.



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

2019 2020 2021

 Total number



## Men

Technical and managerial



Health and safety



Commercial



## Women

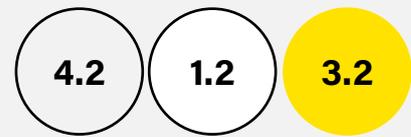
Technical and managerial



Health and safety



Commercial



## Managers

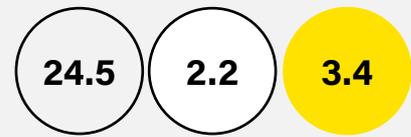
Technical and managerial



Health and safety



Commercial



## White-collar

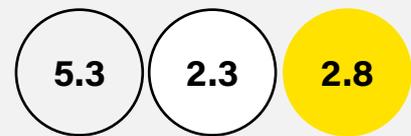
Technical and managerial



Health and safety



Commercial



## Blue-collar

Technical and managerial



Health and safety



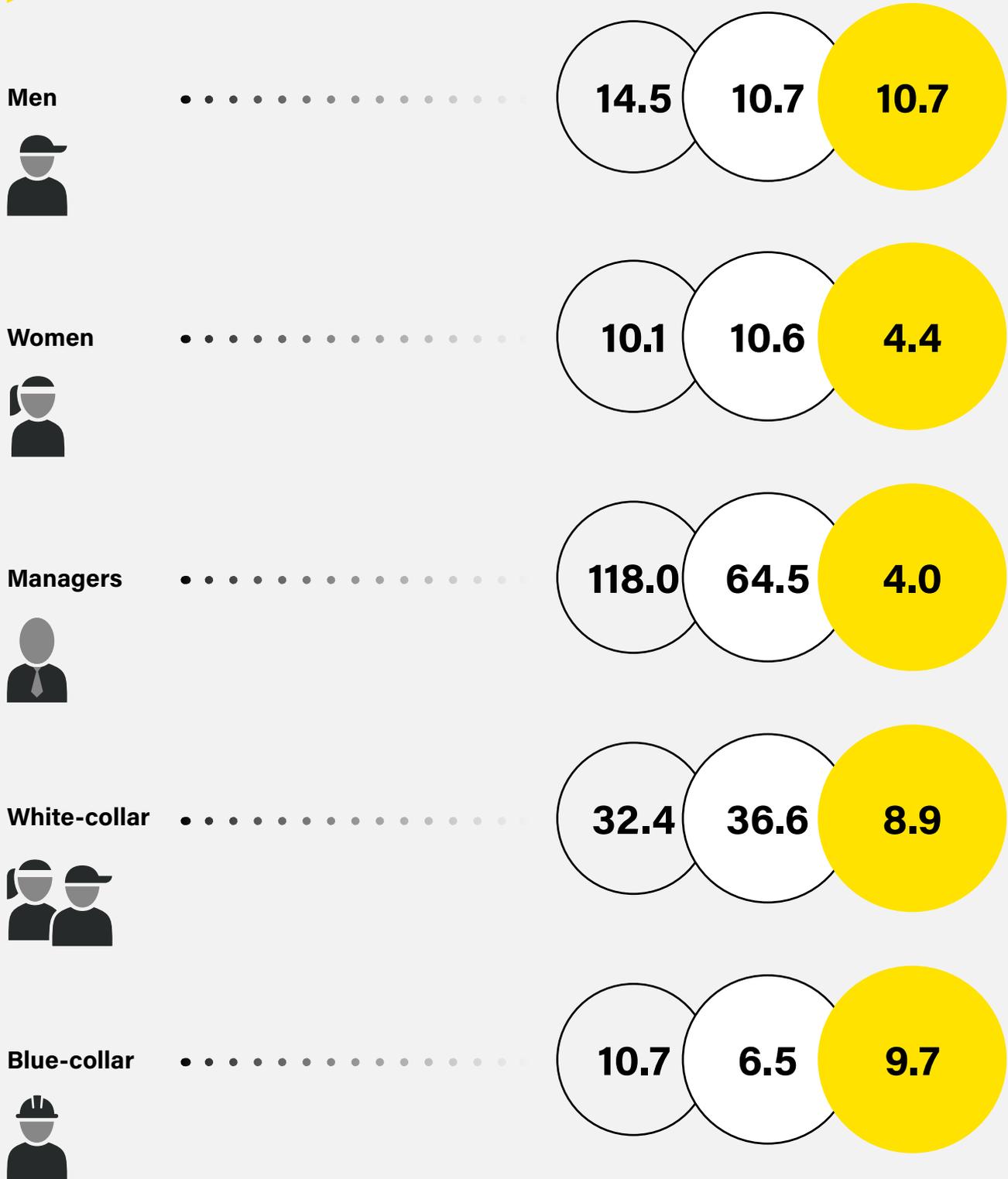
Commercial



**AVERAGE TRAINING HOURS  
BY JOB CATEGORY AND GENDER  
AT TECHNOGYM EE<sup>19</sup>**



**Total number**



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

## Men

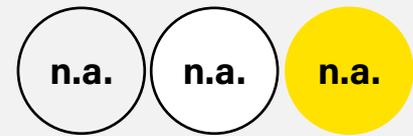
Technical and managerial



Health and safety



Commercial



## Women

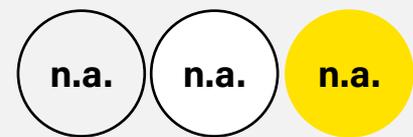
Technical and managerial



Health and safety



Commercial



## Managers

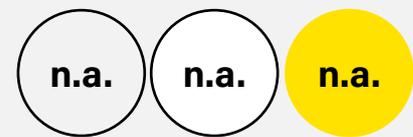
Technical and managerial



Health and safety



Commercial



## White-collar

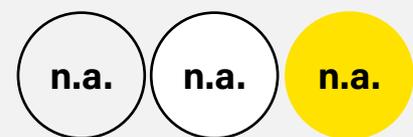
Technical and managerial



Health and safety



Commercial



## Blue-collar

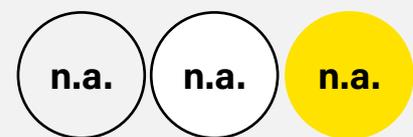
Technical and managerial



Health and safety



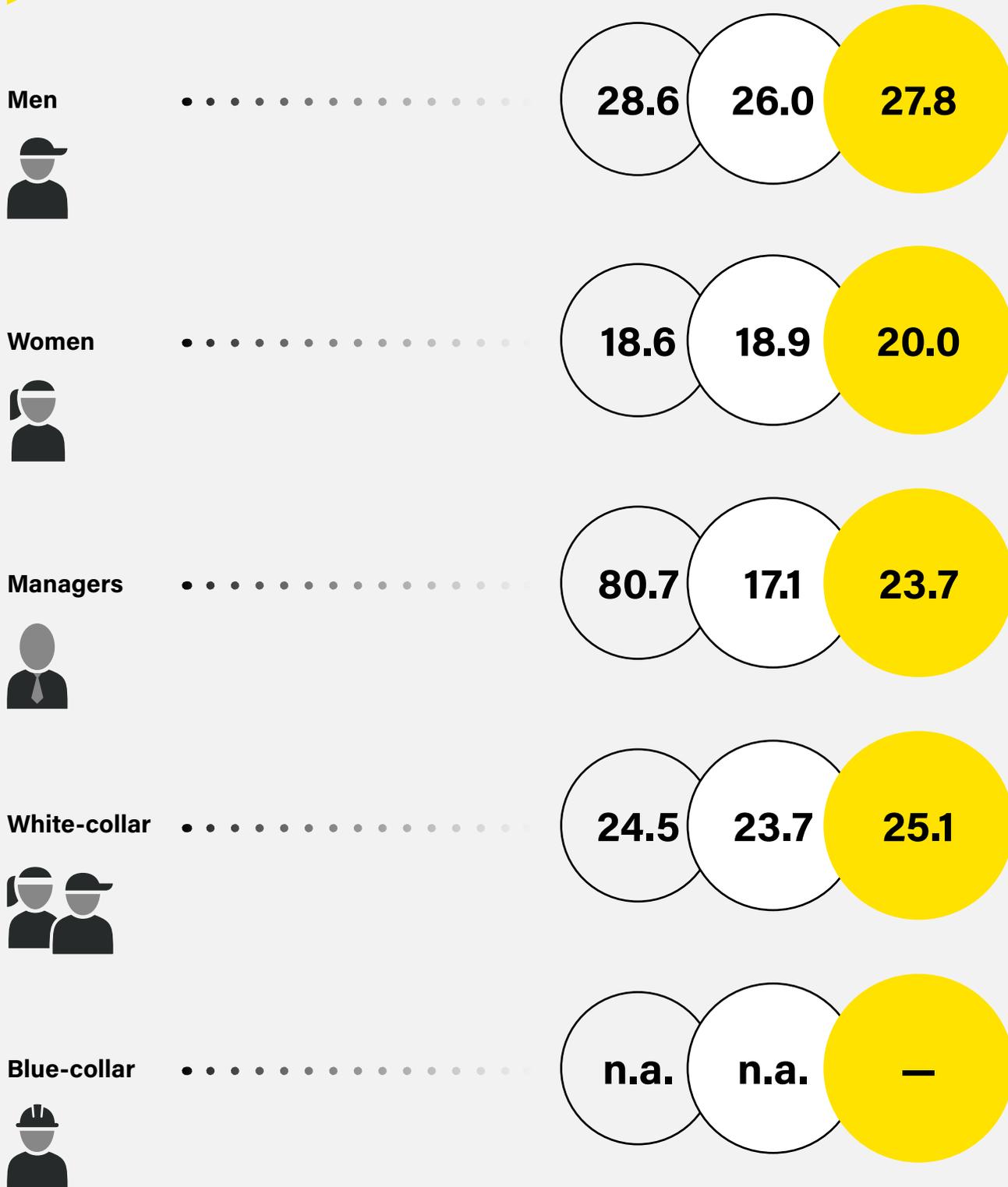
Commercial



**AVERAGE TRAINING HOURS,  
PER JOB CATEGORY AND GENDER,  
FOR THE SUBSIDIARIES <sup>20</sup>**



**▶ Total number**



20. 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

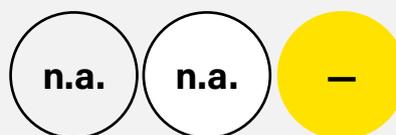


## Blue-collar

Technical and managerial



Health and safety



Commercial



## 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.

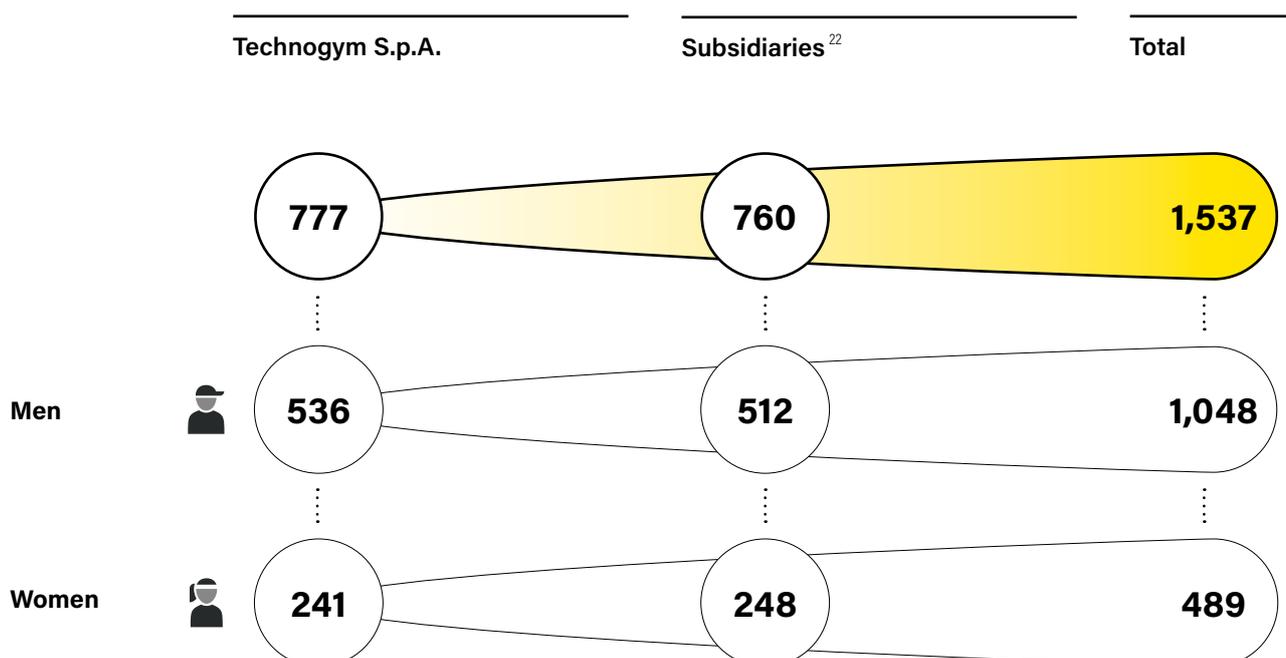
Performance appraisal is a strategic process used by the company to measure and assess the fulfilment of individual targets and behaviours in each role.

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 2020 was 1528. For 2021, the only figures available were for the eligible employees, as the appraisal process ends in April 2022.

### EMPLOYEES RECEIVING A PERFORMANCE APPRAISAL DURING THE YEAR, BY GENDER AND JOB CATEGORY, IN 2020 <sup>21</sup>

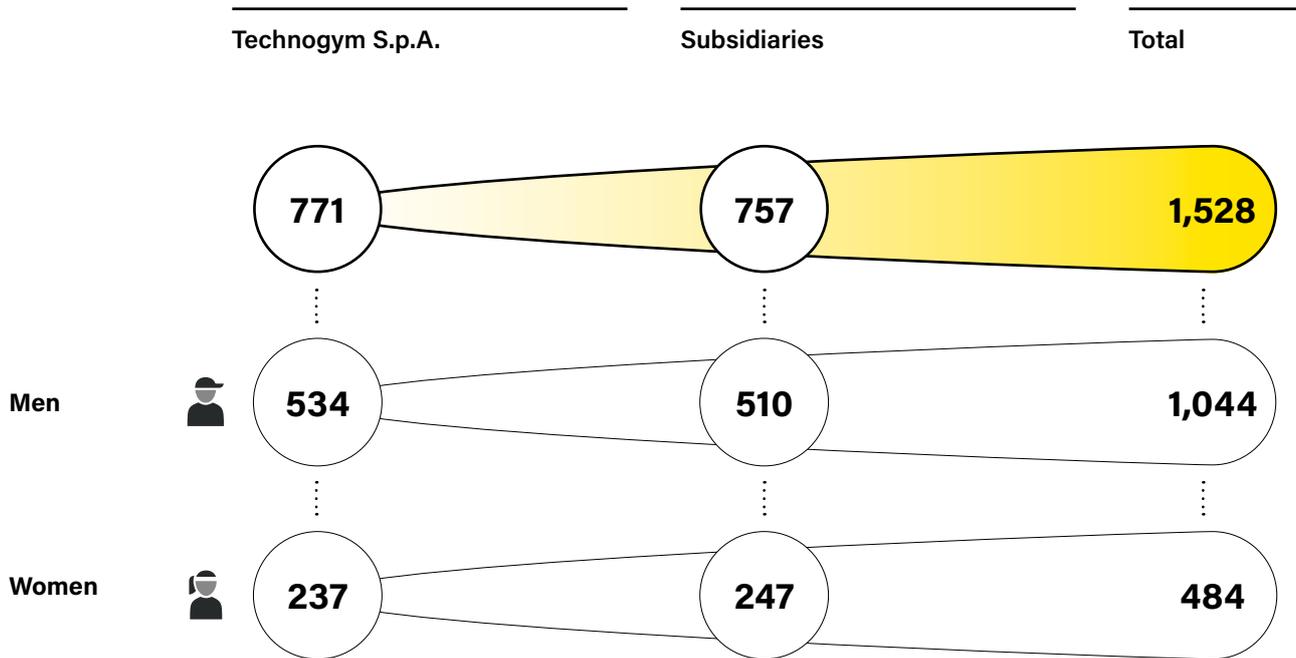
#### Total number of eligible employees



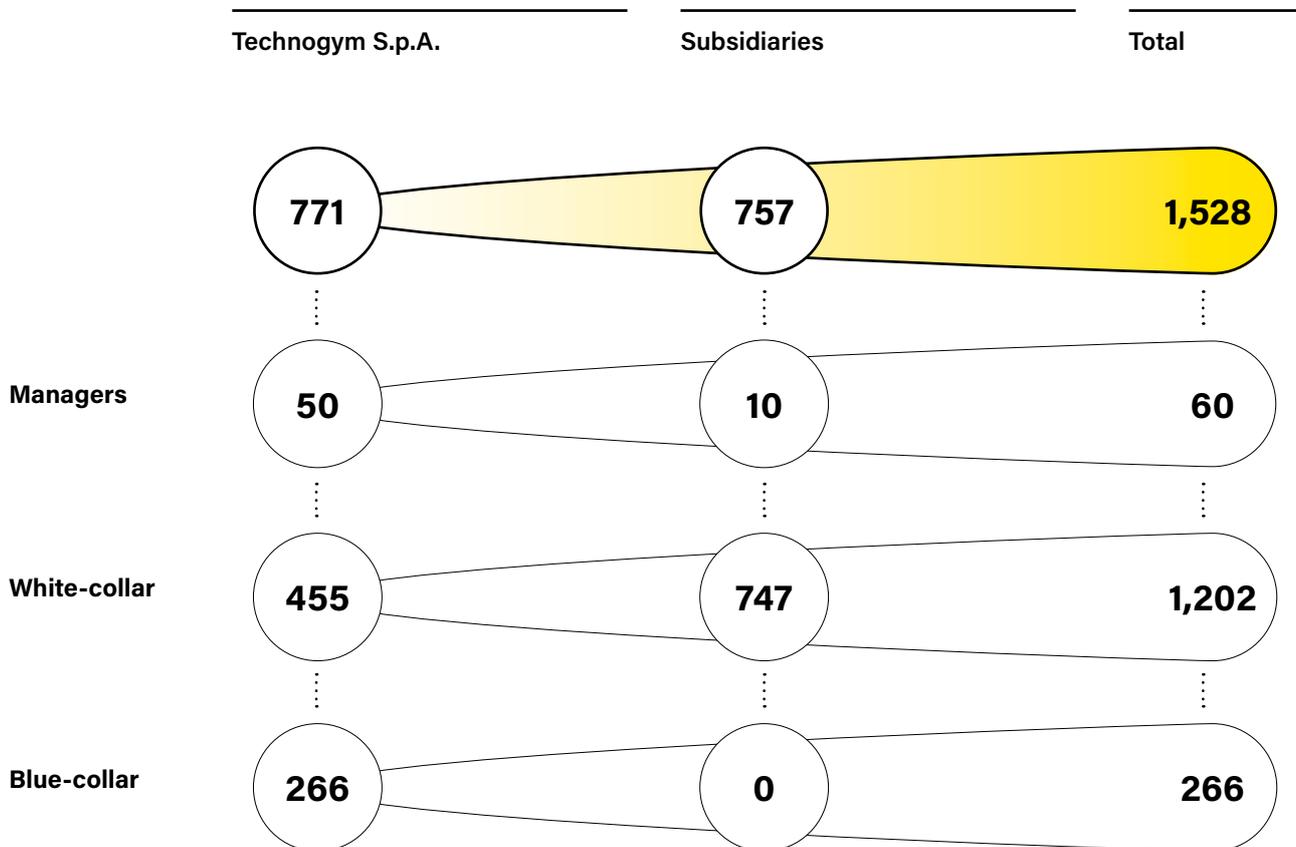
21. The figure relating to the subsidiaries also includes TG EE.

22. The figure relating to the subsidiaries also includes TG EE.

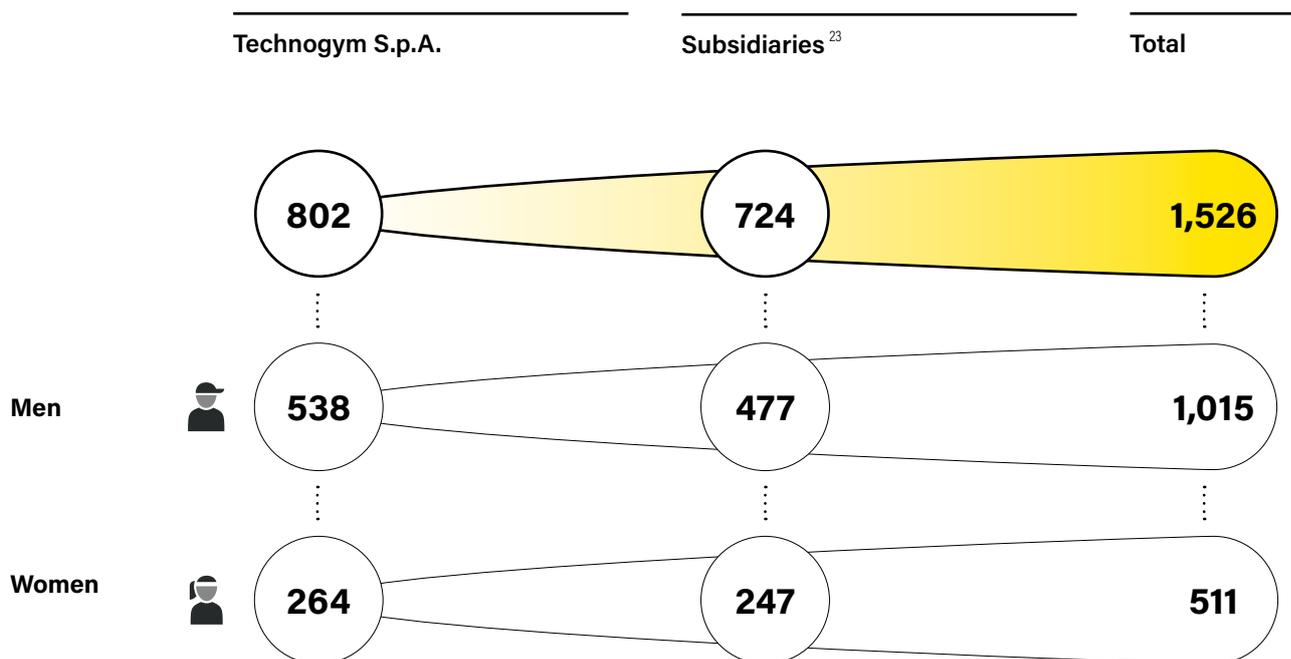
## Total number of employees *appraised*



## Number of employees *appraised*



## Total number of eligible employees, 2021



23. The figure relating to the subsidiaries also includes TG EE.

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 2021 involved a growing number of staff from all company areas.

### Diversity and equal opportunities

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<sup>24</sup>.

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.

### 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.

#### CONTROL

#### TOOLS

↳ Code of Ethics

↳ GTD Manual

24. There were no instances of discriminatory behaviours from 2016 to 2021. [406-1]

	2019	2020	2021
Number of employees with disabilities	28	27	27
Number of people provided for in the Provincial agreement (Art. 11)	3	3	0
Number of people employed under agreements with social cooperatives (Art. 22)	4	2	2
Number of employees hired, classified as disabled	0	0	0
Exemption quota recognised by the Provincial authority	14	16	23
Total shortfall	0	0	0

## 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 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 challenging 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.

Long-term variable remuneration is only for key positions within the company, and is designed to align individual and company results with investor interests.

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 7.4 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).

## 7.5 WORKING 4 WELLNESS

For over 30 years, Technogym's philosophy has been that the more people who enjoy physical and mental wellbeing, the better place the world will be. Once again this year, in order to bring about 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 enjoy a wellness lifestyle in all areas.

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 Centre.

**Corporate Wellness** is one of the core services in the W4W programme, offering all Technogym staff the chance to access the company **Wellness Centre** or wellness clubs offering special rates, plus medical check-ups, customised training and educational programmes.

A **Wellness Ambassador** team was set up within the Corporate Wellness service. The team consists of Technogym employees from all over the world who are willing to promote and engage all their other colleagues in transmitting the values and culture that form the principles of our Corporate Wellness. Our Team of Ambassadors is constantly involved in all the main internal communications relating to the Corporate Wellness project, including training on specific products, solutions and company formats.

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

The service generates benefits for all the stakeholders involved: employees, in terms of their wellbeing, personal health and engagement, Technogym in terms of productivity, and clients and end users thanks to the greater expertise and experience with the product and target sector gained by employees.

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 ingredients with a low salt and saturated fat content. Fresh seasonal fruit and vegetables are always available. Since 2019, the new **T-Take Home** service has been



available, which allows all Technogym S.p.A. staff to book dinner directly from an app, pick it up, take it home and enjoy a meal with their families. The **W4W** programme **also includes**:

- › **Special agreements** with stores, services and associations in the local area for staff and their families;
- › **A tax advice service**: offering professional support to manage staff's tax matters;
- › **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.
- › **"All will be well" policy**: an insurance policy for reimbursing medical expenses due to Covid-19.
- › **Summer Centre** for employees' children

Since 2017, there has also been the T-Welfare (Technogym-Welfare) project, 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.

## **Engagement with social parties**<sup>25</sup>

"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 2021, relations with workers' representatives were constructive and conducive to inclusivity and maintaining a healthy working environment. This meant we were able to renew the supplementary agreement which expired at the end of 2020, by confirming the main contents of the previous agreement with regard to objectives, work-life balance, welfare and involvement in ongoing improvement.

Again in 2021, the pandemic and health emergency required continual dialogue and discussions with workers' representatives on all the measures required to ensure the utmost workplace safety and the health of all workers.

## **7.6**

### **OCCUPATIONAL HEALTH AND SAFETY**

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

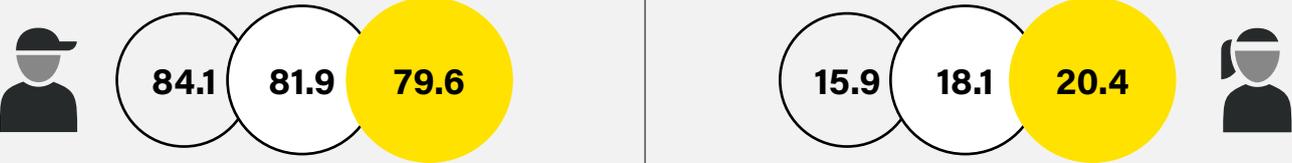
Health and safety at Technogym are part of the value chain. Focusing on and continually improving the workplace environment is not just a way for the company to comply with laws and regulations and reduce operational, financial and reputational risks, it is also one of the levers through which it achieves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

25. This section is intended to give an overview of the way the Group deals with this topic, with particular details in relation to Technogym S.p.A.

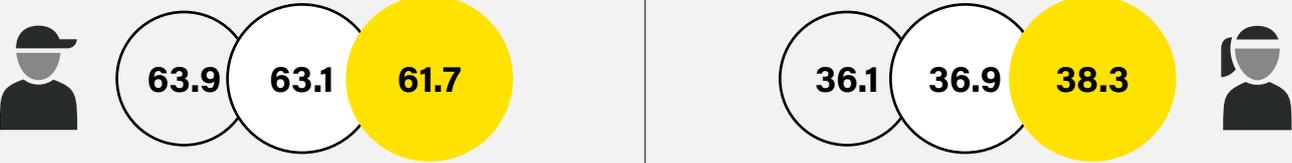
**EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER**



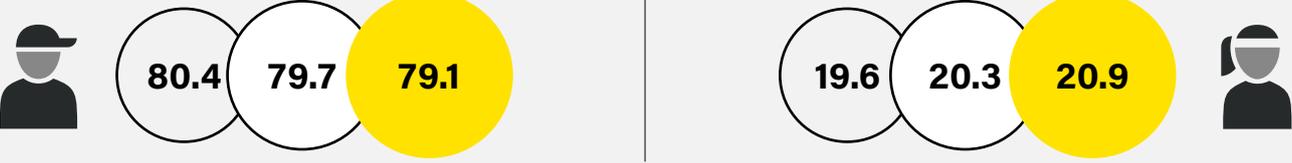
**Percentage of Operations Committee members (%)**



**Percentage of clerical staff (%)**



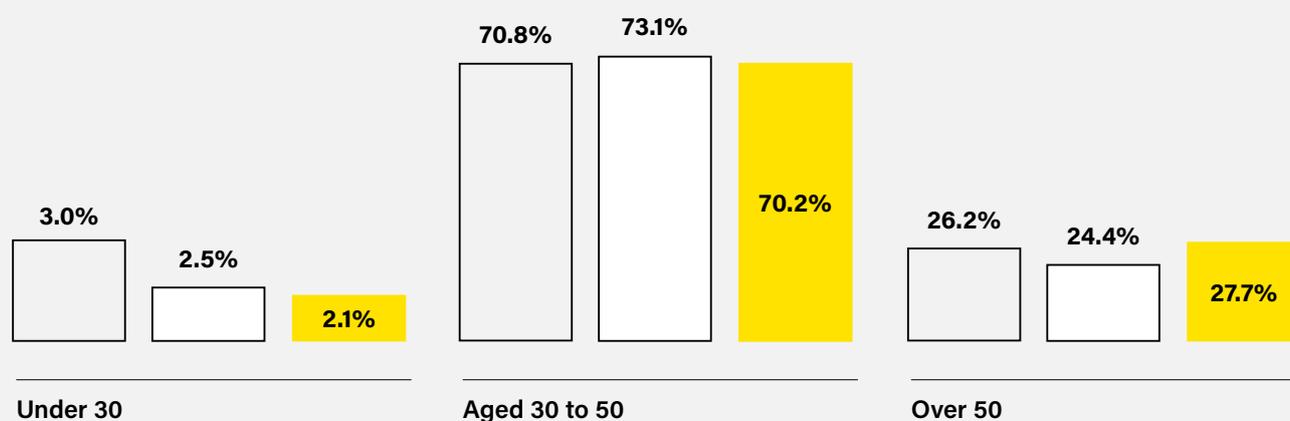
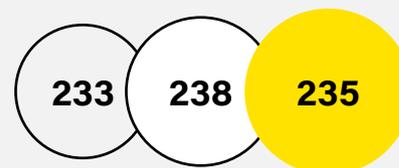
**Percentage of manual workers and equivalents (%)**



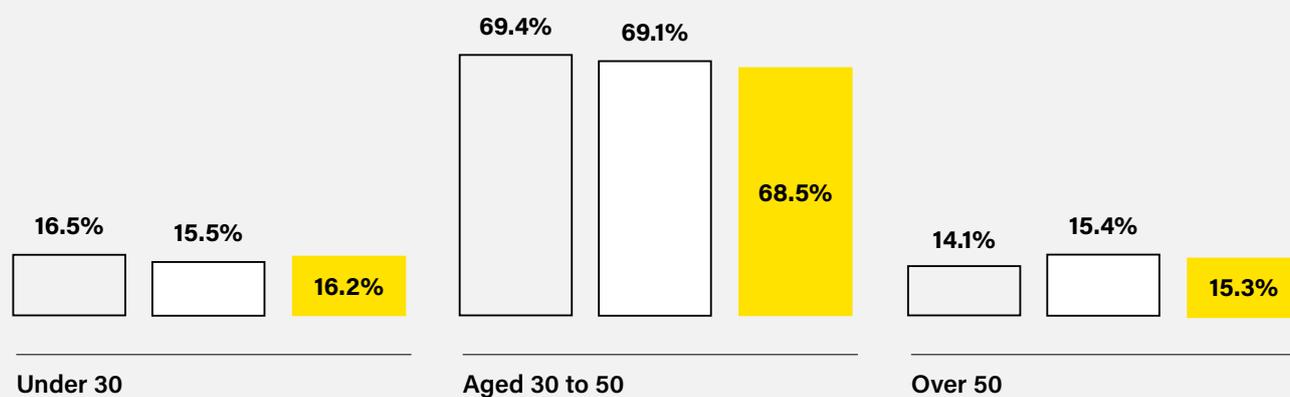
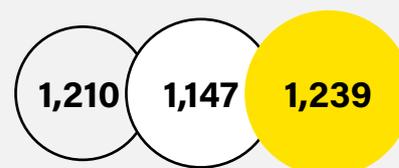
## EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE GROUP



### Total number of Operations Committee members



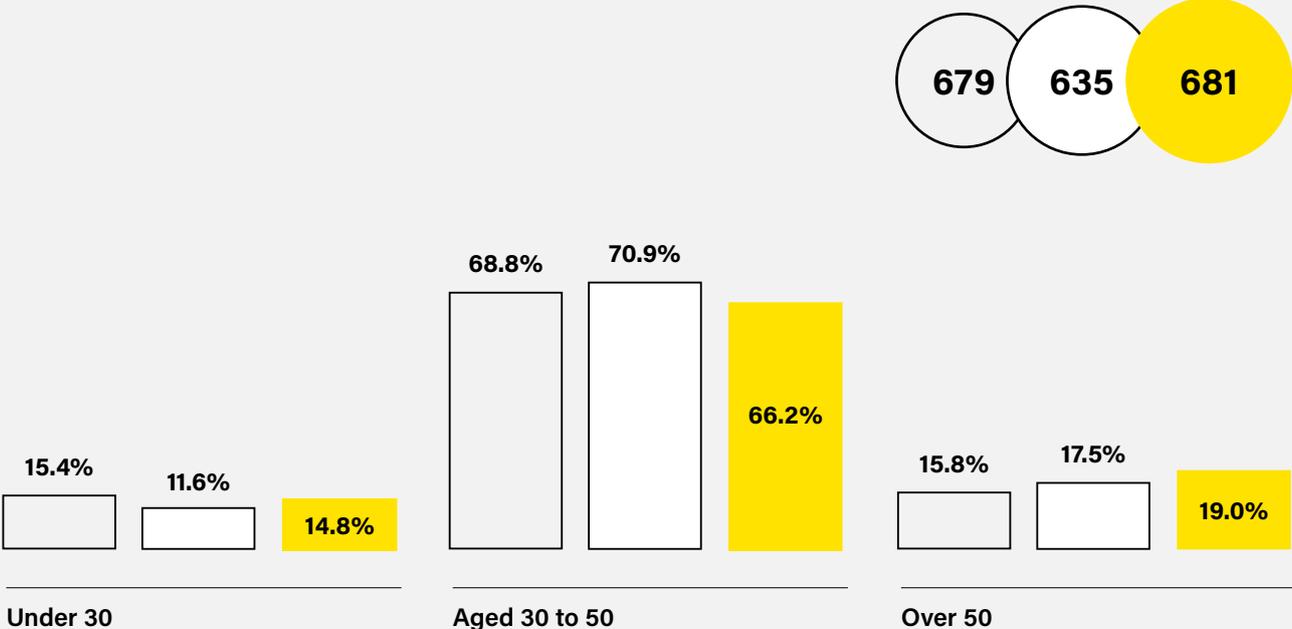
### Total number of employees



**EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE GROUP**



**Total manual blue-collar and equivalents**



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

27. One accident occurred in October 2021. This should be considered pending until the formal paperwork for the accident has been completed.

Despite the presence of several high-risk operations (staff working at height, electricians, workers using lifting equipment and handling and storing materials,<sup>26</sup> etc.), the Group has not experienced any serious accidents, nor have its employees suffered any significant exposure to chemical and biological risks, and this is evidenced by the trend in accident data. There were no serious accidents in 2021<sup>27</sup> and the incidents that did occur led to the implementation of remedial actions, including enlarging certain work spaces. There was one case of an occupational illness in 2021. The paperwork was processed by INAIL (Istituto nazionale Assicurazione Infortuni sul Lavoro, the Italian national institute for insurance against workplace accidents) and rejected.

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 to give it an advantage.

Since 2006, oversight of health and safety has been performed by a voluntarily implemented OHSAS 18001-certified Management System that evolved to ISO 45001 certification in 2018 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.

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. It should be stressed that the circumstances of 2021 did not allow for the normal scheduling of these activities.

In the last year, 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 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 2021 in Italy, 1,732.5 training hours were delivered on health and safety issues to 394 employees. The number of hours in Slovakia was 3,875.5 delivered to 523 employees<sup>28</sup>.

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## CONTROL

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### TOOLS

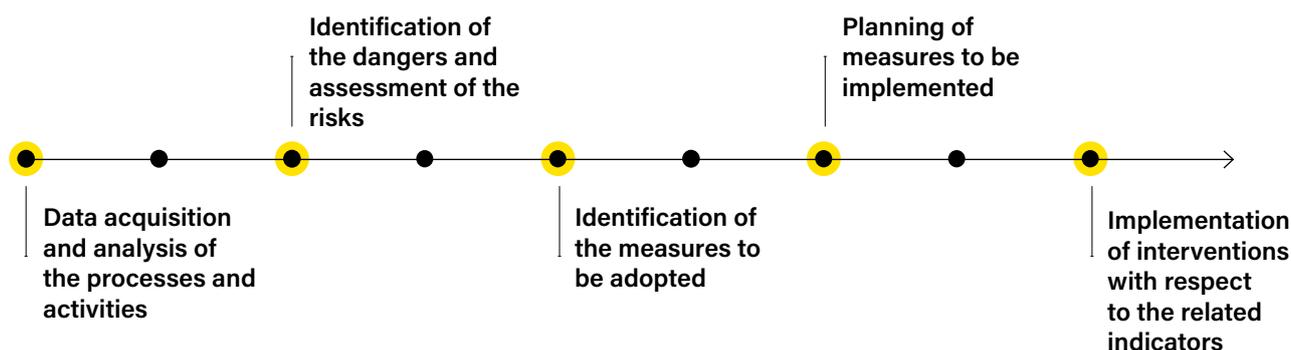
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- Code of Ethics
- Health and Safety Management Policy
- ISO 45001 Management System

28. The increase compared with 2020 was because of the fewer restrictions placed on training activities in 2021 due to Covid-19.

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.

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 an effective prevention process.

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.

Workers are represented by Workers' Safety Representatives, who are part of the company's Workers' Council. The three 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 2021. 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<sup>29</sup>.

In 2021, there was an increase in accidents in Italy compared with the previous year, with a resulting increase in the frequency index.

29. There is a dedicated section on how the COVID emergency is being managed at the start of the NFR.

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. 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 worker can also view the health and safety management system documents on the dedicated section of the company's intranet. Information and training materials produced during the Covid period, including the Covid protocol, internal company procedures and animated information videos, are considered part of the company's Health and Safety communications. The materials were disseminated via videos in all company areas, information leaflets, and in specific cases, training for workers on the procedures to be adopted.

## Accident index<sup>30</sup>

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

Accident index <sup>31</sup>	Technogym S.p.A.	Technogym EE
	2019 <sup>32</sup>	2019 <sup>33</sup>
<b>No. of employee accidents</b>	<b>7</b>	<b>2</b>
Men	4	2
Women	3	0
<b>Total number of occupational illnesses</b>	<b>0</b>	<b>0</b>
<b>Total number of work-related fatalities</b>	<b>0</b>	<b>0</b>
<b>Working days lost</b>	<b>142</b>	<b>72</b>
Men	44	72
Women	98	0
<b>Accident frequency (total)<sup>34</sup></b>	<b>5.31</b>	<b>2.56</b>
Men	4.26	2.97
Women	7.93	0.00
<b>Severity index<sup>35</sup></b>	<b>0.11</b>	<b>0.07</b>
Men	0.05	0.09
Women	0.26	0

30. There were 14 workplace accidents at Technogym S.p.A. Five of these happened to temporary staff, who were treated as non-employees.

31. The 2020 data are presented in accordance with the new 403 2018 Standard, whereas this table refers to the 403 2016 GRI. It was decided to leave the table for full disclosure.

32. For 2019, data on indicators related to Health and Safety were reported by gender, so cannot be compared with 2018, when aggregate data was used.

33. See the previous note

34. The frequency index is calculated as: (total no. of accidents/no. of hours worked) \*1,000,000.

35. The severity index is calculated as: (no. of days lost through injury and occupational illness/total hours worked) \*1,000, according to UNI 7249:2007.

**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 50 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 to be liveable 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 site 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 take 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.

Today like never before, it is important to support the **work/life balance** of our colleagues, who in 2020 often had to cope with uncertainty, anxiety and reconciling work with childcare. In order to fulfil the need of reassuring employees, a series of measures were implemented and a lot of work was done on communicating and sharing the new working methods and procedures for using space. As early as the end of January 2020, after the first international signs of the COVID-19 emergency, we committed to taking preventive action to contain and counter the risk of contagion.

A code of conduct was drawn up, and subsequently revised and updated, and a Medical Opinion service was launched to provide all the health-related information related to the pandemic. We have implemented organisational measures at all workplaces so our people can continue to work safely, whether in production sites or offices. In terms of organisation, we defined shifting



TECHNOGYM

TECHNOGYM

# WORKING FOR WELLNESS IS OUR UNIQUE COLLEAGUE HEALTH PROGRAMME

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



# THE TECHNOGYM VILLAGE IS AN INNOVATIVE, PEOPLE-FOCUSED WORKPLACE

and rotation methods in production areas and initiated **home working** for office-based roles, using platforms that enabled work to be managed remotely and gave colleagues the flexibility they needed to manage what was an extraordinary situation.

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 important awards, including "Best Place to Work" - as a benchmark for the quality of its working environments and staff services.



# 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 to potential candidates to come and work. But what makes a company the ideal place for a young person fresh on the jobs 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 2020, the group's workforce grew to over 2,000, and we receive more than 8,000 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-department 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, challenging activities; continuous feedback; coaching and mentoring; and classes and seminars. In 2020, as a result of the global pandemic, most training was delivered remotely and by e-learning; this enabled us to enrich our e-learning platform content and reach, train and motivate our staff all year round.

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 continual 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 performances, behaviours and technical expertise, and to select the resources in which to invest by way of individual development plans. To guarantee coverage of the key positions, succession plans are drawn up every year and are used as the basis for individual development pathways. In 2020, these pathways concerned a growing 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 a preference for international induction courses for our staff.

What unites us and makes us a great team is a



**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 EXPERTISE

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.









# THE SUPPLY CHAIN

# 8

# The Supply Chain

## 8.1

### SNAPSHOT OF THE SUPPLY CHAIN

“To guarantee constant improvement and steady growth of its supplier relations, Technogym has defined its reference values and specific policies for developing its supplier base” [102-9]

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 functional product components.**

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 2021, purchases for production operations alone totalled €282,617,209.50. Technogym S.p.A. and Technogym EE S.r.o. used a total of 912<sup>36</sup> providers.

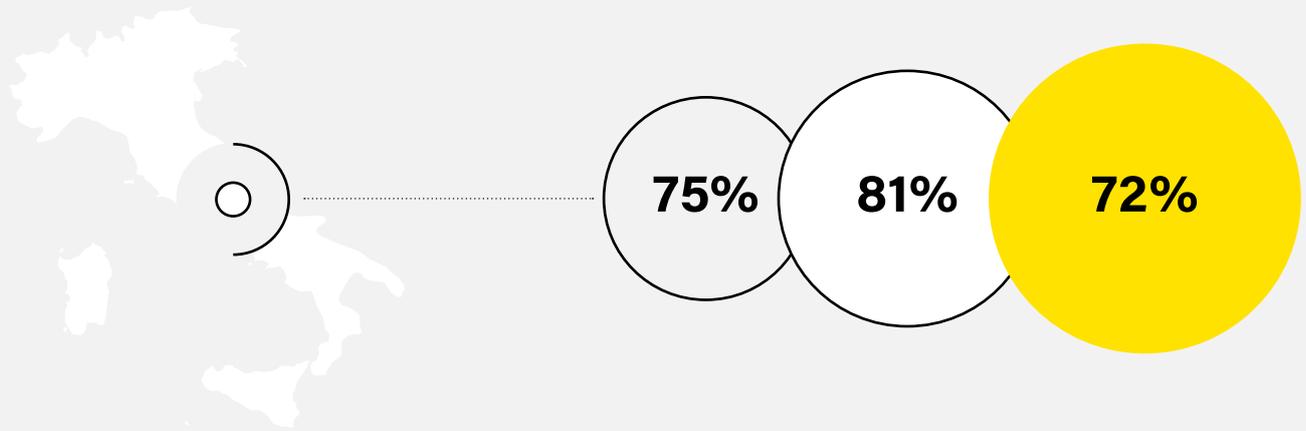
The supplier base is broadly unchanged. The differences compared with previous years relate particularly to the “Other” category.

36. 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.

	2019	2020	2021
Total purchases for production activity (Euro)	248,332,914.91	201,146,760.87	282,617,209.50

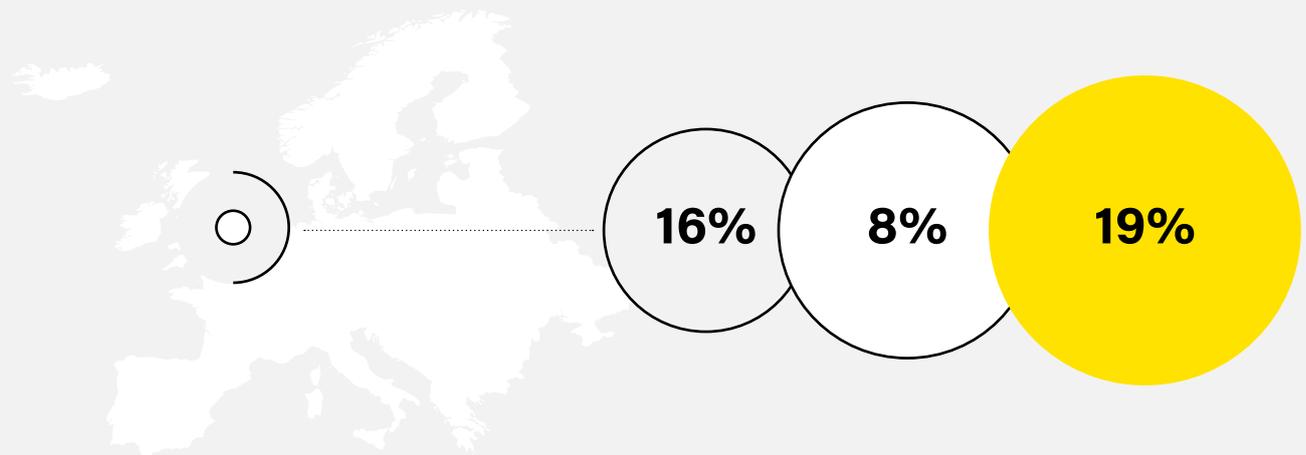
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### Purchases from Italy



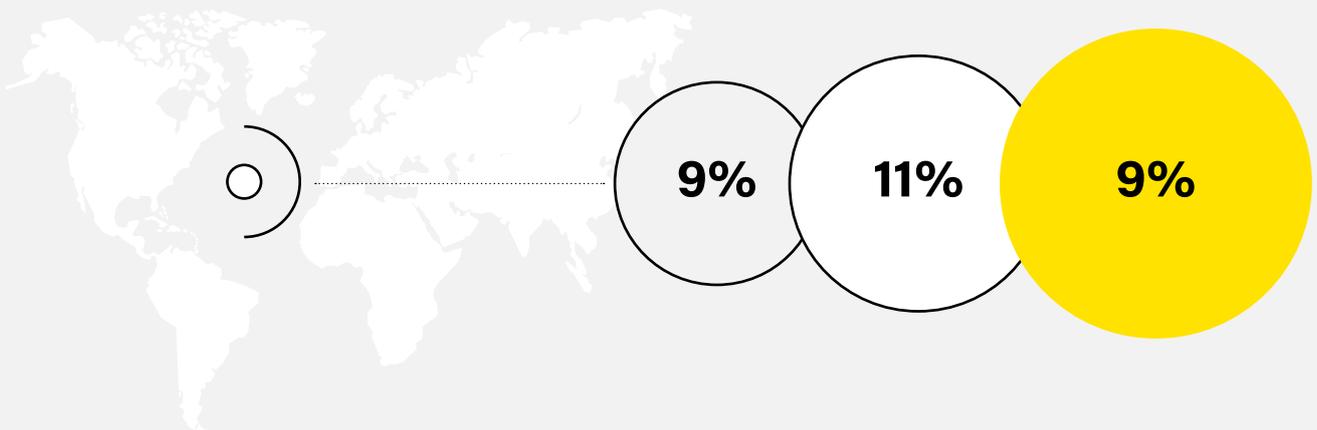
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### Purchases from Europe (excluding Italy)



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### Purchases from the Rest of World



The supply chain is mainly **based in Italy**, where, in 2021, 72% of suppliers have a registered office. The remaining purchases are spread across Europe (19%) and the rest of the world (9%).

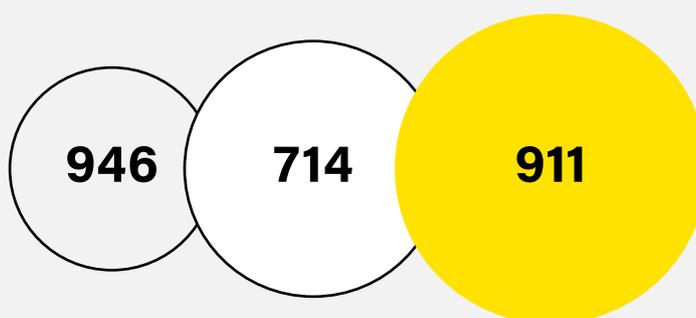
37.  
The term "local" indicates that the companies are based in Italy.

In Italy, Technogym mainly works with small and medium enterprises (SMEs) and local businesses<sup>37</sup>; 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).

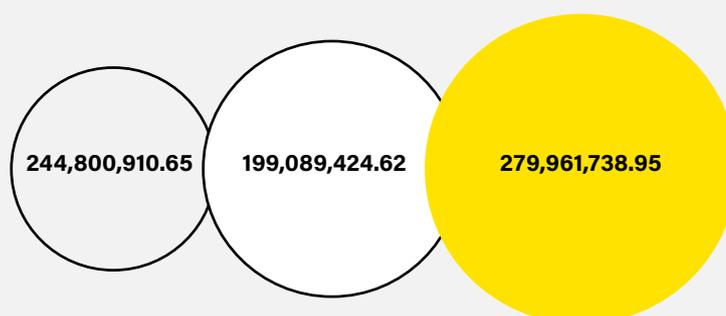
## Suppliers per product category<sup>38</sup>

<sup>38</sup>. Suppliers with an amount of more than €10,000



	2019	2020	2020
Total suppliers in category 1 <b>Carpentry</b>	43	41	40
Total suppliers in category 2 <b>Machining</b>	77	79	90
Total suppliers in category 3 <b>Upholstery</b>	30	32	37
Total suppliers in category 4 <b>Custom electronics</b>	23	21	26
Total suppliers in category 5 <b>Plastics</b>	77	76	78
Total suppliers in category 6 <b>Electromechanics/wiring/motors</b>	51	46	47
Total suppliers in category 7 <b>Powder coating</b>	5	6	7
Total suppliers in category 8 <b>Other</b> <sup>39</sup>	640	413	586

## Purchases, by product category\*



	2019	2020	2021
Total purchases for category 1 <b>Metal structures</b>	49,785,491.16	42,431,900.55	61,421,368.60
Total purchases for category 2 <b>Machining</b>	27,255,526.61	22,462,884.60	35,617,551.13
Total purchases for category 3 <b>Upholstery</b>	12,149,649.29	11,170,505.39	15,429,039.77
Total purchases for category 4 <b>Custom electronics</b>	38,522,651.78	32,311,342.19	41,342,309.88
Total purchases for category 5 <b>Plastics</b>	38,452,498.24	32,578,222.58	41,871,343.09
Total purchases for category 6 <b>Electromechanics/wiring/motors</b>	13,382,780.16	12,224,331.06	15,265,266.81
Total purchases for category 7 <b>Powder coating</b>	2,470,261.93	3,828,031.24	4,174,010.62
Total purchases for category 8 <b>Other</b>	62,782,051.48	42,082,207.01	64,840,849.05

<sup>39</sup>.

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; 412]

### 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 evaluation 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 2021, 21% of suppliers had ISO 9001 certification. In Italy, where most suppliers are located, approximately 23% had ISO 9001 certification and nearly 7% ISO 14001 certification in 2021. In addition, 16 suppliers in Italy have adopted ISO 45001 certification and five are SA 8000 certified.

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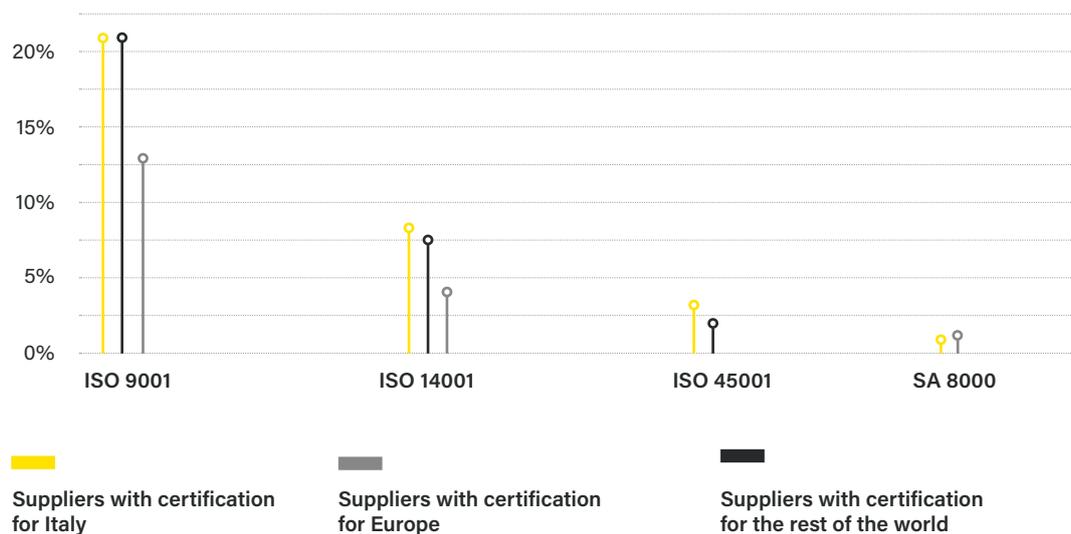
### CONTROL

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### TOOLS

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- ↳ Code of Ethics
- ↳ 231 Model
- ↳ Procedure for "Supplier Qualification and Rating"



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 2021, 14 audits were carried out, of which seven were for new product suppliers. As a result, one supplier was excluded for not meeting the requirements. The findings of our audits have never highlighted any adverse environmental or social impacts. Lastly, Technogym plans to formalise its engagement with suppliers, during the life of the Sustainability Plan; this will include 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**

# 9

# Environment<sup>40</sup>

40. 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 by all the subsidiaries (including the Italian branch) has not been included for the first reporting year, considering the commercial nature of their activities.

“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.<sup>41</sup>

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<sup>42</sup>.

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.

41. 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.

42. The UK subsidiary also has ISO 9001, ISO14001 and ISO 45001 certifications.

[DMA 302; 305]

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 2 energy diagnosis exercises in 2015 and 2018, and in 2018, the procedure for ISO 50001 certification purposes was also completed.

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 testimony to 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.

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 policies the purchasing of energy 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. Despite the unusual features of the last two years due to the Covid emergency, Technogym started its recovery by keeping the Group's employees safe; this led to an increase in spaces for office use, shift-working programmes and compliance with the government's regulations, such as the regular ventilation of closed spaces. All this has led to an increase in energy consumption and a resulting increase in greenhouse gas emissions<sup>43</sup>.

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. Thanks to this system, Technogym Village was able to achieve overall efficiency of 24,198.86 kWh, corresponding to 21.5 tonnes of CO<sub>2</sub> 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 CO<sub>2</sub> generated.

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**CONTROL**

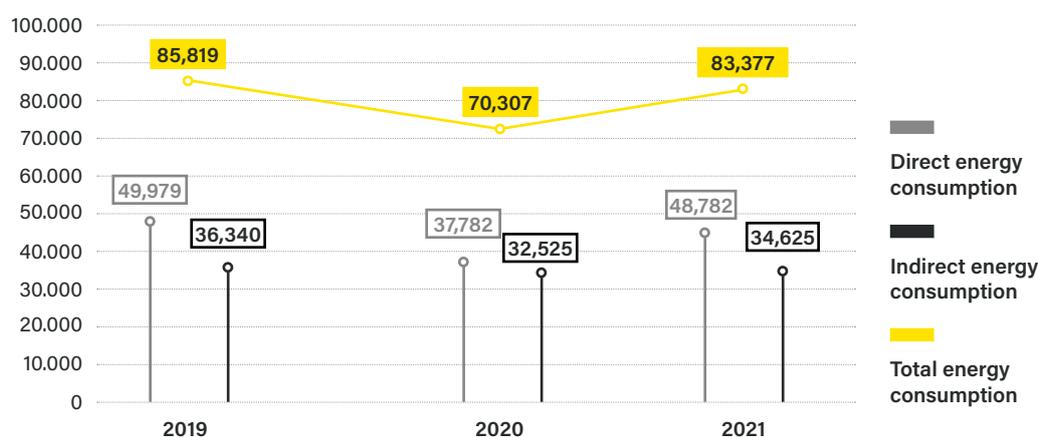

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**TOOLS**

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

43. The rise in CO<sub>2</sub> emissions equated to around 120.46%, calculated with reference to the total emissions derived from the location-based calculation. Using a market-based methodology, however, emissions fell by 36.18%.

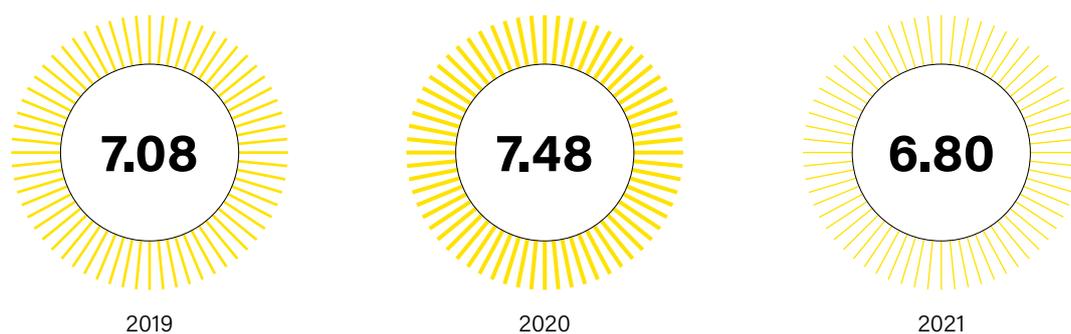
## Direct and indirect energy consumption (GJ) [302-1]



Energy efficiency projects implemented at Technogym Village, accompanied by a 23.52% increase in the number of hours worked in 2021 compared with the previous year, meant that Technogym S.p.A.'s energy intensity improved over the three years, falling from 7.08 to 6.80. This figure derives from the overall energy consumption of approximately 10 million kWh, of which 45.6% derives from direct consumption.

During 2021, the Slovakian plant recorded a recovery in production and, as a result, resource utilisation was almost at the same capacity as in 2019, rising by around 24% on 2020. Last year, there were inefficiencies due to the low utilisation of plants in certain months, especially April and May, as a result of which energy intensity had increased compared with the previous year. The situation worsened in 2021 due to a combination of absenteeism caused by the pandemic and related reasons, and an increase in volumes. It was necessary to increase the working days with a fall in daily production. Continuous improvement activities offset this deterioration and ensured that energy intensity did not change dramatically. Total energy consumption totalled around 13 million kWh, of which 68.4% was due to direct consumption and the remainder due to indirect consumption.

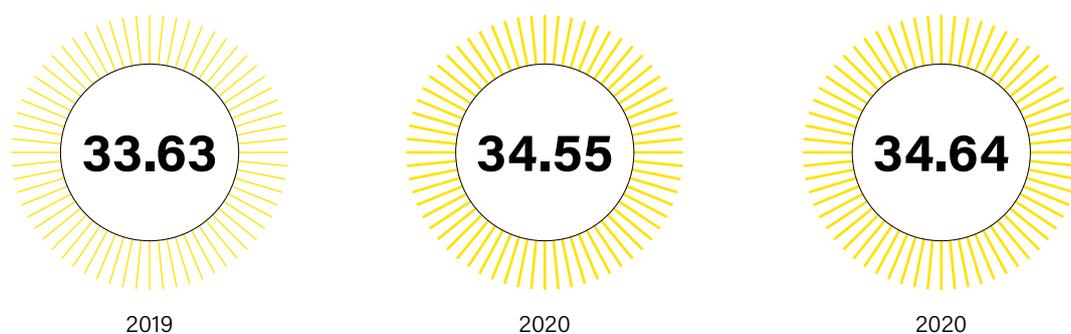
## Energy intensity for Technogym S.p.A. [302-3]



	Unit of measurement	2019	2020	2021
<b>Energy intensity</b>		<b>7.08</b>	<b>7.48</b>	<b>6.80</b>
Energy consumption <sup>44</sup>	kWh	10,495,884	8,982,860	10,083,987.77
Total hours worked		1,483,251	1,200,935.8	1,483,371.05

44. The energy consumption figure in both tables was obtained from the sum of direct and indirect consumption.

## Energy intensity for Technogym EE



	Unit of measurement	2019	2020	2021
<b>Energy intensity</b>		<b>33.63</b>	<b>34.55</b>	<b>34.64</b>
Total energy consumed	kWh	13,342,811	10,546,833	13,076,308.95
Total standard hours <sup>45</sup>		396,723	305,245.0	377,517.00

45. 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 2021, out of a total of 107 company cars, 14 ran on methane.

## 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 CO<sub>2</sub> calculation. Moreover, only the most important suppliers have been considered. Taking into account emissions across the entire logistics system, there were 122,700.18 tonnes of CO<sub>2</sub> equivalent emissions in 2021, a slight fall on 2020, of which 95.16% resulted from road transportation.

## Inbound and outbound logistics <sup>46</sup>

Type of transport (tonnes of CO <sub>2</sub> -equivalent)	2020	2021
Air	1,244.8	1,617.70
Road	126,584.7	116,765.70
Sea	780.3	4,316.78
Rail	0.1	0.00
<b>Total</b>	<b>128,609.9</b>	<b>122,700.18</b>

46. The 2020 and 2021 figures represent the emissions from eight key suppliers. For calculating the tonnes of CO<sub>2</sub>e in 2021, the most up-to-date conversion factors from the Department for Environment Food & Rural Affairs (DEFRA), January 2022, were used.

## 9.2 WATER CONSUMPTION

[DMA 303]

### 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.

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.

Total water withdrawal in 2021 was 99,725 million litres<sup>47</sup>, of which 92.64% was attributable to Technogym S.p.A. Nearly all came from third-party water resources. Of the total water consumed, 71.38% was destined for irrigation and the rest for the gym and other services. At Technogym EE, 4,245 million litres came from surface water and 3,095 million litres from groundwater.

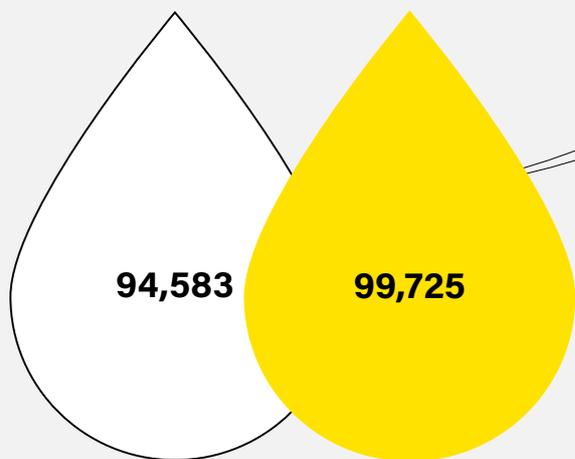
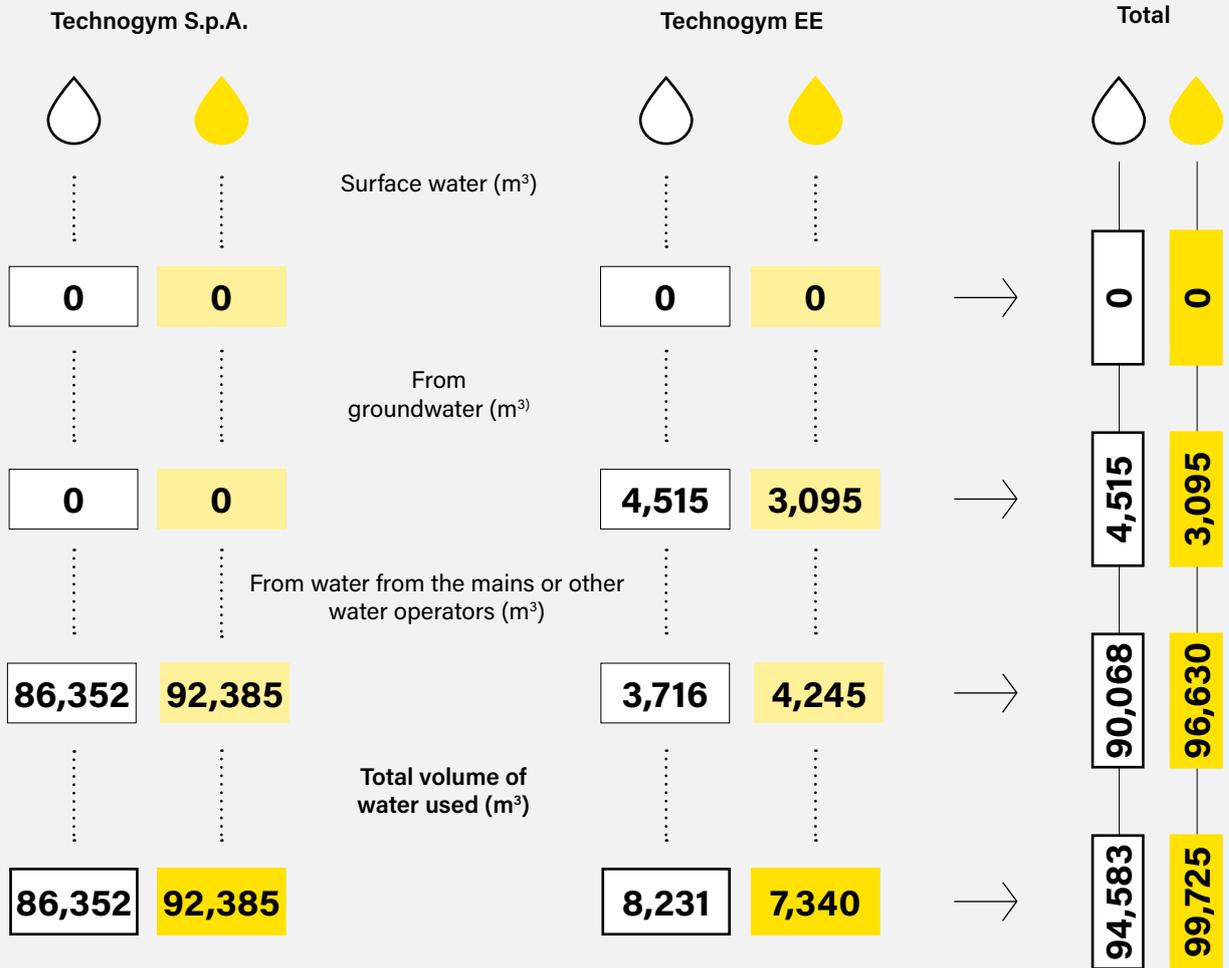
47. The 2020 and 2021 figures reported in the table are shown as required by the update to GRI 303: Water and Effluents (2018). The rest of the 2019 figures are shown in a separate table as they are reported according to the previous GRI 303.

### Water withdrawal by source, 2019

Type of transport	Unit of measurement	Technogym S.p.A.	Technogym EE	Total
Groundwater	millions of litres	0	3,370	3,370
Water procured from public aqueducts or other water management operators	millions of litres	70,837	5,072	75,909
<b>Total water withdrawal</b>	millions of litres	<b>70,837</b>	<b>8,442</b>	<b>79,279</b>

# Water withdrawal by source <sup>48</sup>

2020 2021



48. Water consumption in the headquarters of Technogym EE for 2020 were adjusted in line with that reported for 2021, as the company does not use surface water but only groundwater and third-party water.

### 9.3

## WASTE MANAGEMENT<sup>49</sup> [DMA 306]

49. The data in the document does not include waste collected and disposed of in common areas, as these are managed by municipal or independent providers, and therefore the GRI indicator does not apply for this reason.

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.

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

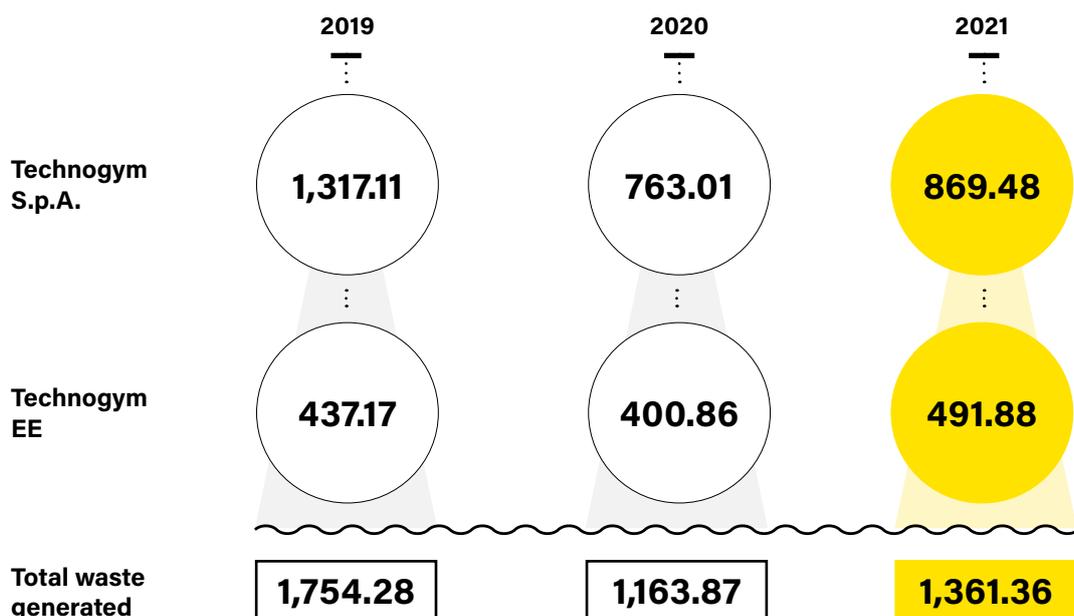
recognition conferred on the company by Recycla S.p.A., which is given to the most virtuous companies in terms of waste management, shows the effectiveness of the environmental management system, which enabled the company to recover 69% of the waste generated, to avoid 1,355 kg of production of it, and 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 2021, 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%.

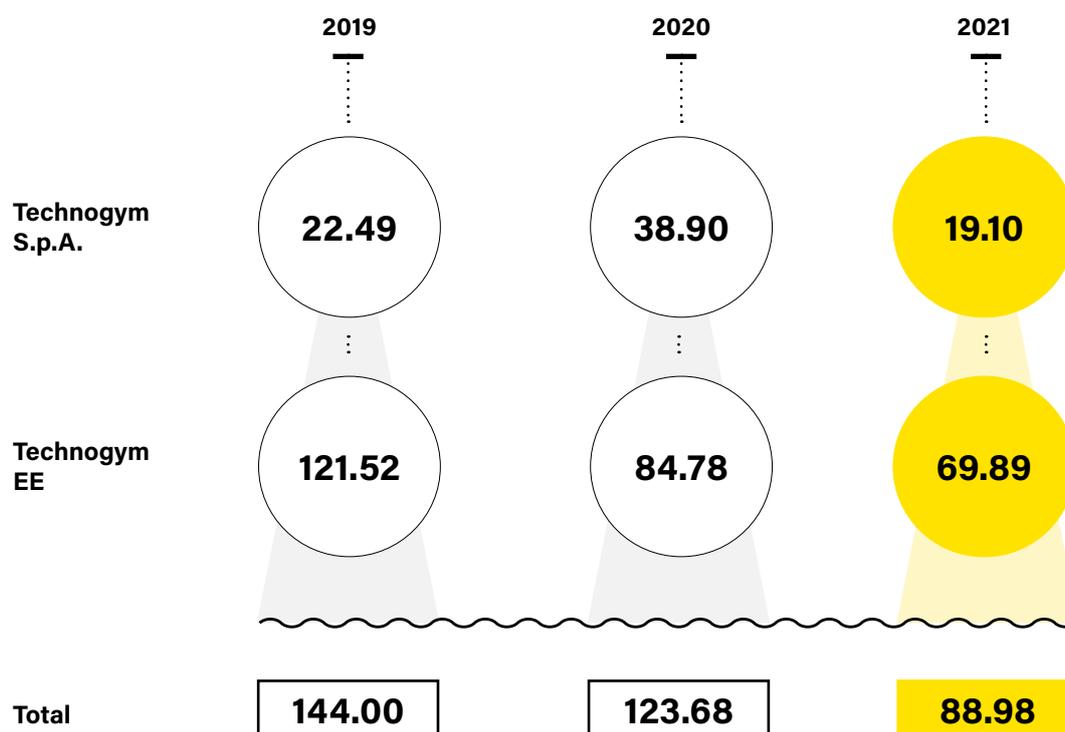
#### CONTROL TOOLS

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

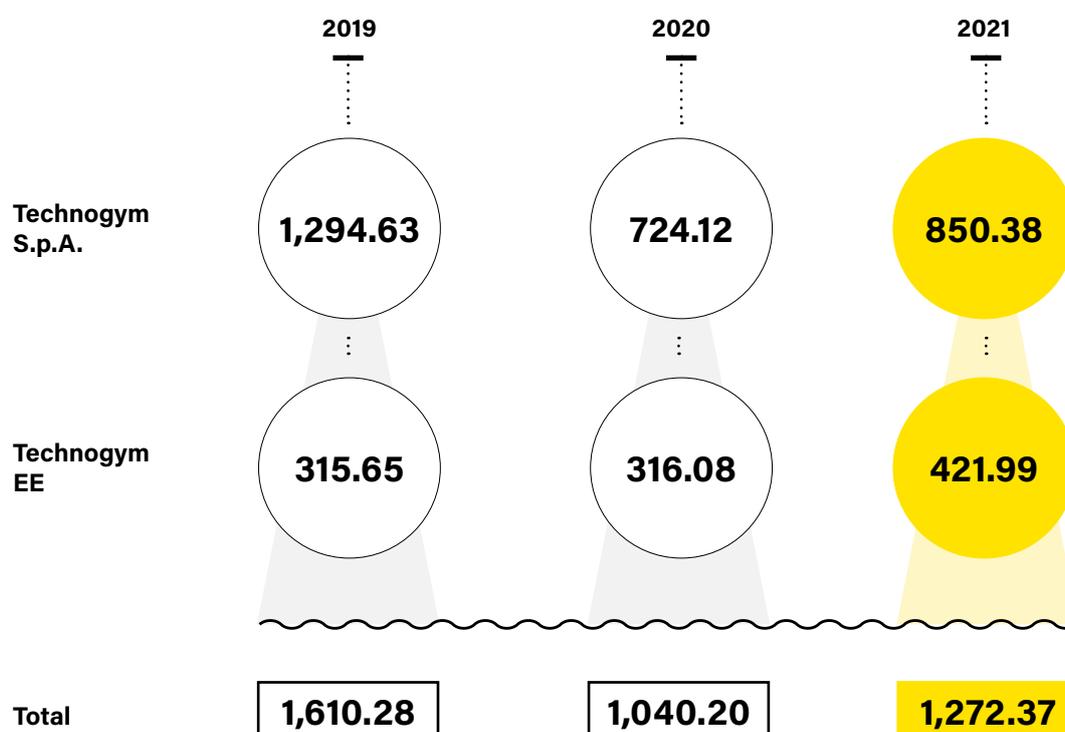
### Total weight of hazardous and non-hazardous waste based on the following disposal methods (tonne) [306-3, 306-4 & 306-5]



**Total weight of hazardous waste based on the following disposal methods (tonne)** [306-3, 306-4 & 306-5]



**Total weight of non-hazardous waste based on the following disposal methods (kg)** [306-3, 306-4 & 306-5]



## Total waste not directed to disposal (tonne)

	Technogym S.p.A.			Technogym EE			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>Total waste not directed to disposal (at an external site)</b>	<b>1,295.71</b>	<b>738.50</b>	<b>855.08</b>	<b>195.79</b>	<b>198.95</b>	<b>300.46</b>	<b>1,491.50</b>	<b>937.45</b>	<b>1,155.54</b>
<b>Hazardous waste</b>	<b>22.03</b>	<b>38.36</b>	<b>18.43</b>	<b>3.84</b>	<b>4.71</b>	<b>3.09</b>	<b>25.87</b>	<b>43.07</b>	<b>21.51</b>
Re-use	0	0	0	1.64	0.95	0.92	1.64	0.95	0.92
Recycling	0	0	0	0	0	0	0	0	0
Composting <sup>50</sup>	0	0	0	0	0	0	0	0	0
Recovery, including energy recovery	22.03	38.36	18.43	2.20	3.76	2.17	24.23	42.12	20.59
<b>Non-hazardous waste</b>	<b>1,273.68</b>	<b>700.15</b>	<b>836.65</b>	<b>191.95</b>	<b>194.24</b>	<b>297.37</b>	<b>1,465.63</b>	<b>894.39</b>	<b>1,134.02</b>
Re-use	0	0	0	0	0	0	0	0	0
Recycling	0	0	0	182.92	185.29	287.41	182.92	185.29	287.41
Composting	0	0	0	2.32	1.26	3.31	2.32	1.26	3.31
Recovery, including energy recovery	1,273.68	700.15	836.65	6.71	7.69	6.65	1,280.39	707.84	843.30

50. Includes waste taken to special plants.

## Total waste directed to disposal (tonne)

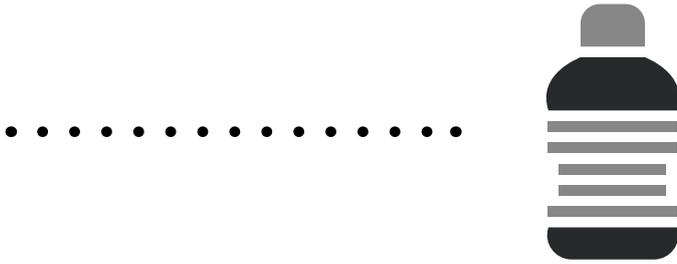
	Technogym S.p.A.			Technogym EE			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>Total waste directed to disposal</b>	<b>21.40</b>	<b>24.51</b>	<b>14.40</b>	<b>241.38</b>	<b>201.91</b>	<b>191.42</b>	<b>262.78</b>	<b>226.42</b>	<b>205.82</b>
<b>Hazardous waste</b>	<b>0.46</b>	<b>0.54</b>	<b>0.67</b>	<b>117.68</b>	<b>80.07</b>	<b>66.80</b>	<b>118.13</b>	<b>80.61</b>	<b>67.47</b>
Incinerator	0	0	0	0	0	0	0	0	0
Landfill	0.46	0	0	54.16	42.37	57.43	54.61	42.37	57.43
On-site storage	0	0	0	0	0	0	0	0	0
Other (water for washing)	0	0.54 <sup>51</sup>	0.67	63.52	37.70	9.38	63.52	38.24	10.04
<b>Non-hazardous waste</b>	<b>20.94</b>	<b>23.97</b>	<b>13.73</b>	<b>123.70</b>	<b>121.84</b>	<b>124.62</b>	<b>144.65</b>	<b>145.81</b>	<b>138.35</b>
Incinerator	0	0	0	0	0	0	0	0	0
Landfill	20.94	0	0	123.70	119.10	122.95	144.65	119.10	122.95
On-site storage	0	0	0	0	0	0	0	0	0
Other (water for washing)	0	23.97	13.73	0.00	2.74	1.67	0	26.71	15.40

51. In 2020, 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"

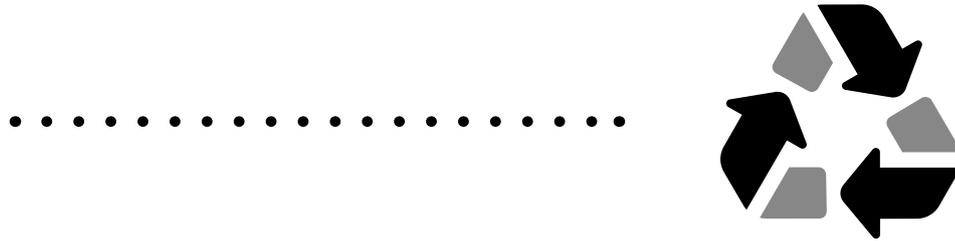
Technogym "I am Green" is an initiative to reduce plastic and foster a strong awareness among staff, through correct waste disposal.

Starting from the second half of 2019, water dispensers were installed at the corner cafes in the Technogym Village, and staff have been encouraged to use refillable water bottles. Plastic bottles have been replaced with aluminium ones, 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

## ENVIRONMENTAL IMPACT OF PRODUCTS AND PACKAGING STRATEGY

Our focus on the environment also extends to our products. Our catalogue contains various self-powered machines<sup>52</sup> 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"<sup>53</sup> 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<sup>54</sup>.

This reduces the environmental impact and maximises the use of raw materials: in 2021, 30% 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 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.

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 packaging management consists of four main actions:

### 1. Packaging Redesign, the aims of which are:

- › To reduce packaging weight, which can have a positive impact on resource consumption, on carbon emissions associated with the procurement of materials, production and transportation, and on 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 (FSC) is an international, not-for-profit NGO, which 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.

52.  
The catalogue contains 7 self-powered machines: Excite Live 10" Human Powered Bike, Recline, Synchro, Vario, SkillRow, Group Cycle Ride/Connect.

53.  
The process refers to the Still Novo product.

54.  
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.

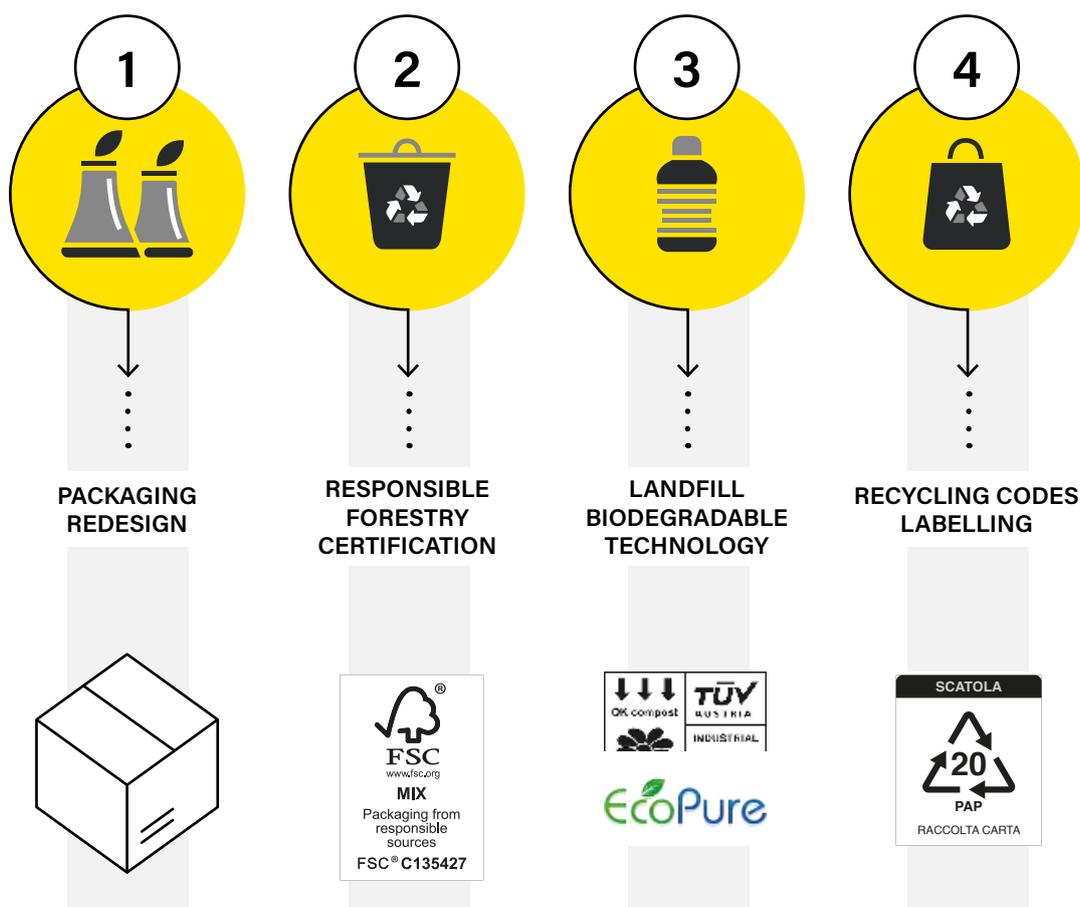
### 3. Landfill biodegradable technology

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<sup>55</sup> [302-1]

	Technogym S.p.A.			Technogym EE			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>Direct energy consumption (GJ)</b>									
<i>From non-renewable sources</i>									
<b>Direct energy consumption</b>	<b>17,675.48</b>	<b>13,609.50</b>	<b>16,552.71</b>	<b>31,804.00</b>	<b>24,172.30</b>	<b>32,199.67</b>	<b>49,479.48</b>	<b>37,781.80</b>	<b>48,752.39</b>
Natural gas	11,243.8	8,684.79	10,519.15	31,335	23,840.8	31,761.71	42,578.8	32,525.59	42,280.86
Diesel	6,061	4,579.01	5,589.87	469	331.5	437.96	6,530.1	4,910.51	6,027.83
Petrol	21.98	8.88	46.69	0	0	0	21.9	8.88	46.69
Methane	348.7	336.816	397.00	0	0	0	348.7	336.816	397.00
<b>Indirect energy consumption</b>	<b>20,109.80</b>	<b>18,728.80</b>	<b>19,749.64</b>	<b>16,230.00</b>	<b>13,796.30</b>	<b>14,875.04</b>	<b>36,339.80</b>	<b>32,525.10</b>	<b>34,624.68</b>
Electricity consumption	13,329.3	15,718.1	16,854.11	15,825	13,382.4	14,355.12	29,154.3	29,100.5	31,209.23
Cooling energy consumption	6,780.5	3,010.7	2,895.53	405	413.9	519.92	7,185.5	3,424.6	3,415.45
<i>Of which from renewable sources<sup>56</sup></i>	0	0	2,683.98	0	0	0	0	0	2,683.98
<b>Total energy consumption</b>	<b>37,785.28</b>	<b>32,338.30</b>	<b>36,302.36</b>	<b>48,035</b>	<b>37,968.60</b>	<b>47,074.71</b>	<b>85,819.28</b>	<b>70,306.90</b>	<b>83,377.07</b>

55. For calculating the energy consumption in 2021, in gigajoules, conversion factors published by the Department for Environment Food & Rural Affairs (DEFRA) were used.

56. The figure shows the typical energy mix of Technogym S.p.A.'s supplier and equates to 13.59% of total consumption.

## Direct and indirect CO<sub>2</sub> emissions (tonnes of CO<sub>2</sub>)<sup>57</sup> [305-1; 305-2]

Direct CO <sub>2</sub> emissions (tCO <sub>2</sub> e)	Technogym S.p.A.			Technogym EE			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>Scope 1</b>									
Natural gas for heating	538.44304	491.20703	590.24	1,500.565	1,346.677	1,782.19	2,039.01	1,837.90	2,372.43
Diesel	438.70219	343.329	417.81	33.968	24.759	32.73	472.67019	368.09	450.54
Petrol	1.52870	0.636	3.40	0	0	0	1.5287	0.64	3.40
Methane	11.2	17.06310	22.58	0	0	0	11.2	17.06	22.58
<b>Total direct GHG emissions (Scope 1)</b>	<b>989.8801</b>	<b>852.23636</b>	<b>1,034.03</b>	<b>1,534.533</b>	<b>1,371.436</b>	<b>1,814.92</b>	<b>2,524.4131</b>	<b>2,223.67</b>	<b>2,848.95</b>

Indirect CO <sub>2</sub> emissions (tCO <sub>2</sub> e)	Technogym S.p.A. <sup>45</sup>			Technogym EE			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>Scope 2</b>									
Location-based: Mains electricity	1,244.07	1,467.026	2,420.44	861.58	728.60	2,579.93	2,105.65	2,195.62	5,000.37
Location-based: Cooling energy	632.8475891	280.997	415.83	22.05	22.53	93.44	654.90	303.53	509.27
<b>Total indirect GHG emissions (Scope 2)</b>	<b>1,876.91</b>	<b>1,748.023</b>	<b>2,836.27</b>	<b>883.63</b>	<b>751.13</b>	<b>2,673.38</b>	<b>2,760.54</b>	<b>2,499.15</b>	<b>5,509.64</b>
Market-based: Mains electricity	1,873.50	2,209.271	2,148.90	3,125.44	2,643.018	869.28	4,998.94	4,852.29	3,018.18
Market-based: Cooling energy	953.0383335	423.168	369.18	79.99	81.741	31.48	1,033.03	504.91	400.66
<b>Total indirect GHG emissions (Scope 2)</b>	<b>2,826.54</b>	<b>2,632.439</b>	<b>2,518.08</b>	<b>3,205.43</b>	<b>2,724.76</b>	<b>900.77</b>	<b>6,031.97</b>	<b>5,357.20</b>	<b>3,418.85</b>

57. For calculating the greenhouse gas emissions in 2021, conversion and emission factors published by Terna S.p.A. in 2020 and by the Department for Environment, Food & Rural Affairs (DEFRA) in 2021, were used. The 2019 figures have been recalculated using this source.





**TABLE OF AREAS  
COVERED BY THE  
DECREE  
GRI STANDARDS**

## 10

# Table of areas covered by the Decree - GRI Standards

MATERIAL TOPIC	DECREE AREA	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
Creation of economic/ financial value		Chapter 1. The Technogym brand	See Annual Report for more details	201 "Economic performance"		
Corporate governance system	Anti-corruption	Chapter 3. Corporate Governance System	See the Corporate Governance Report for more details	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"> <li>• Code of Ethics</li> <li>• 231 Model</li> <li>• Technogym Vision Book</li> <li>• Code of Conduct</li> </ul>
Promoting the Wellness lifestyle in the community	Social aspects	Chapter 4. Wellness for the community			The material topic and related chapter refer to the promotion of a culture of wellness for the community. It describes actions taken locally in terms of sponsorship that are unrelated to any sensitive activities or risks other than those already described in the 231 Model and in section 3.	

MATERIAL TOPIC	DECREE AREA	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
Lifetime Customer Care	Social aspects	Chapter 5. Customer focus		416 "Consumer health and safety"	<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 perceive new trends</p>	<ul style="list-style-type: none"> <li>•GSP Procedure</li> <li>•User manual</li> <li>•Service manual</li> <li>•Privacy policy for the Technogym site and Mywellness account</li> <li>•Data Processing Agreement (template for the Mywellness platform and for the management of Technogym suppliers)</li> <li>•Information Security Policy</li> <li>•Lead Generation Policy</li> <li>•Retention and cancellation policy for Mywellness</li> <li>•Launch of portability and cancellation system on the Mywellness cloud platform</li> <li>•ISO 27001 certification for the Mywellness platform</li> </ul>
Personal wellness solutions	Social aspects	Chapter 6. Responsible innovation and design		416 "Customer Health and Safety"	<p>Accidents, including major accidents, which may occur at production sites;</p> <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>	<ul style="list-style-type: none"> <li>•UNI CEI EN ISO 14385</li> <li>•GSP Procedure</li> </ul>

MATERIAL TOPIC	DECREE AREA	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
Employee wellbeing	Social aspects and personnel management	Chapter 7. Human Resources		102-8 "Information on employees and other workers"; 401 "Employment"; 402 "Labour management relations"; 403 "Occupational health and safety"; 404 "Training and education"; 405 "Diversity and equal opportunities"; 406 "Non-discrimination"; 407 "Freedom of association and collective bargaining"; 408 "Child labour"; 412 "Human rights assessment".	Accidents, including major accidents, which may occur at production sites;  Discrimination against employees  Loss of key skills for implementing the strategy  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.	<ul style="list-style-type: none"> <li>•Code of Ethics</li> <li>•Technogym Vision Book</li> <li>•GTD Manual</li> <li>•Health and Safety Management Policy</li> <li>•UNI CEI ISO 45001 Management System</li> </ul>
Sustainable supply chain management	Respect for human rights	Chapter 8 "The supply chain"		102-9 "Description of the organisation's supply chain"; 204 "Procurement practices"; 308 "Supplier environmental assessment"; 412 "Human rights assessment"; 414 "Supplier social assessment"	Inadequate working conditions linked to cases of child labour, discrimination, salubrriousness of the working environment, personnel health and safety	<ul style="list-style-type: none"> <li>•Code of Ethics</li> <li>•231 Model</li> <li>•Contractual clauses for acknowledgement and acceptance of the Code of Ethics and 231 Management Model</li> <li>•"Supply Management" procedure</li> <li>•Procedure for the "Management of obligations related to works and temporary contracts, and temporary mobile sites"</li> <li>•Procedure for "Supplier Qualification and Rating"</li> <li>•"Qualification of manufacturing and production approval processes" procedure</li> <li>•Application for RoHS certification and compliance with REACH regulations"</li> </ul>

MATERIAL TOPIC	DECREE AREA	NFS CHAPTER	REFERENCE TO OTHER DOCUMENT	GRI STANDARDS	RISKS	CONTROL TOOLS
Environmental welfare	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"> <li>•Code of Ethics</li> <li>•231 Model</li> <li>•Integrated Environmental, Quality and Management Systems Policy ISO 9001, ISO 14001, ISO 50001 and ISO 45001</li> </ul>



# GRI-REFERENCED TABLE

# GRI-referenced table ("GRI-core")

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
<b>ORGANISATIONAL PROFILE</b>					
GRI 102: General Disclosures 2016	102-1 "Name of the organisation"	Chapter 1 "The Technogym brand" page 26			
GRI 102: General Disclosures 2016	102-2 "Activities, brands, products and services"	Chapter 1 "The Technogym brand" page 26			
GRI 102: General Disclosures 2016	102-3 "Location of headquarters"	Chapter 1 "The Technogym brand" pages 26; 250			
GRI 102: General Disclosures 2016	102-4 "Location of operations"	Chapter 1 "The Technogym brand" page 27			
GRI 102: General Disclosures 2016	102-5 "Ownership and legal form"	Guide to the Statement page 8			
GRI 102: General Disclosures 2016	102-6 "Markets served"	Chapter 1 "The Technogym brand"  Chapter 5 "Customer focus" pages 27; 106			
GRI 102: General Disclosures 2016	102-7 "Scale of the organisation"	Chapter 1 "The Technogym brand"  Chapter 7 "Personal wellbeing"  Chapter 5 "Customer focus"  Chapter 6 "Responsible Innovation and Design" pages 26; 109; 126; 146			For details on operations and total capitalisation, divided into payables and share capital, see the Annual Report
GRI 102: General Disclosures 2016	102-8 a. "Employees by contract type and gender"	Chapter 7 "Personal wellbeing" page 146			
GRI 102: General Disclosures 2016	102-8 b. "Employees by contract type and gender"	Chapter 7 "Personal wellbeing" page 146			

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
GRI 102: General Disclosures 2016	102-9 "The supply chain"	Chapter 8 "The supply chain" pages 200-202			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 102: General Disclosures 2016	102-10 "Significant changes to the organisation and its supply chain"	Chapter 1 "The Technogym brand"  Chapter 8 "The supply chain"			There were no significant changes in the size, structure, ownership or supply chain
GRI 102: General Disclosures 2016	102-11 "Precautionary principle"	Chapter 3 "Corporate Governance System"			Technogym adopts a prudential approach to reducing the environmental impact of its production processes and products, according to principle no. 15 of the United Nations Rio Declaration
GRI 102: General Disclosures 2016	102-12 "External initiatives"	Chapter 4 "Wellness for the community" pages 67-68			
GRI 102: General Disclosures 2016	102-13 "Membership of associations"	Chapter 2 "Sustainability at Technogym" page 44			
GRI 102: General Disclosures 2016	102-14 "Statement from senior decision-maker"	Letter to Stakeholders page 7			
GRI 102: General Disclosures 2016	102-16 "Values, principles, standards and norms of behaviour"	Chapter 1 "The Technogym brand"  Chapter 3 "Corporate Governance System" pages 32; 55			
GRI 102: General Disclosures 2016	102-18 a. "Governance structure"	Chapter 3 "Corporate Governance System" pages 54-55		Reference is made to the Report on Corporate Governance and Ownership Structure for more details	
GRI 102: General Disclosures 2016	102-22 a. v. "Composition of the highest governance body and its committees by gender"	Chapter 3 "Corporate Governance System" page 54		Reference is made to the Report on Corporate Governance and Ownership Structure for more details	
GRI 102: General Disclosures 2016	102-23 a. "Indication of whether the Chair of the highest governance body is also the Chief Executive"	Chapter 3 "Corporate Governance System" page 54			
GRI 102: General Disclosures 2016	102-40 List of stakeholder groups	Chapter 2 "Sustainability at Technogym" page 48			
GRI 102: General Disclosures 2016	102-41 "Collective bargaining agreement"	Chapter 7 "Personal wellbeing" page 144			
GRI 102: General Disclosures 2016	102-42 "Identifying and selecting stakeholders"	Chapter 2 "Sustainability at Technogym" page 48			

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
GRI 102: General Disclosures 2016	102-43 "Approach to stakeholder engagement"	Chapter 2 "Sustainability at Technogym" pages 48-49			
GRI 102: General Disclosures 2016	102-44 "Key topics and concerns raised"	Chapter 2 "Sustainability at Technogym" pages 48-49			
GRI 102: General Disclosures 2016	102-45 "Entities included in the consolidated financial statements"	Guide to the Statement pages 8-9			
GRI 102: General Disclosures 2016	102-46 "Defining report content and topic boundaries"	Guide to the Statement pages 8-9			
GRI 102: General Disclosures 2016	102-47 "List of material topics"	Chapter 2 "Sustainability at Technogym" page 49			
GRI 102: General Disclosures 2016	102-48 "Restatements of information"	Guide to the Statement pages 8-9			Note that water consumption in the headquarters of Technogym EE for 2020 was adjusted in line with that reported for 2021, as the company does not use surface water but only groundwater and third-party water.
GRI 102: General Disclosures 2016	102-49 "Changes in reporting"	Guide to the Statement pages 8-9			There are no significant changes in reporting
GRI 102: General Disclosures 2016	102-50 "Reporting period"	Guide to the Statement pages 8-9			
GRI 102: General Disclosures 2016	102-51 "Date of the most recent report"	Guide to the Statement pages 8-9			
GRI 102: General Disclosures 2016	102-52 "Reporting cycle"	Guide to the Statement pages 8-9			
GRI 102: General Disclosures 2016	102-53 "Contact point for questions regarding the report"	Guide to the Statement pages 8-9			
GRI 102: General Disclosures 2016	102-54 "Claims of reporting in accordance with the GRI Standards"	Guide to the Statement pages 8-9			
GRI 102: General Disclosures 2016	102-55 "GRI Content Index"	"GRI-referenced table" pages 234-243			
GRI 102: General Disclosures 2016	102-56 "External assurance"	"Report of the Independent Auditors" pages 246-249			
<b>MATERIAL TOPIC: CREATION OF FINANCIAL ECONOMIC VALUE</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 1 "The Technogym brand" pages 35-37			

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
	103-2 The management approach and its components	Chapter 1 "The Technogym brand" pages 35-37			
	103-3 Evaluation of the management approach	Chapter 1 "The Technogym brand" pages 35-37			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Chapter 1 "The Technogym brand" pages 36-37			
<b>MATERIAL TOPIC: CORPORATE GOVERNANCE SYSTEM</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 3 "Corporate Governance System" pages 54-57			
	103-2 The management approach and its components	Chapter 3 "Corporate Governance System" pages 54-57			
	103-3 Evaluation of the management approach	Chapter 3 "Corporate Governance System" pages 54-57			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Chapter 3 "Corporate Governance System" page 57			During 2021, no cases of corruption were recorded
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 2021, no legal actions relating to unfair competition or anti-trust activities were recorded
GRI 207: Tax 2019	207-1 Approach to tax	Chapter 1 "The Technogym brand" pages 37-38			
GRI 207: Tax 2019	207-2 Tax governance, control and risk management	Chapter 1 "The Technogym brand" pages 37-38			
GRI 207: Tax 2019	207-3 Stakeholder engagement and management of concerns related to tax	Chapter 1 "The Technogym brand" pages 37-38			

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
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 assessing how to organise itself to be ready to respond to the requirements of the Decree and to ensure suitable implementation in accordance with best practice.
<b>ENVIRONMENTAL WELFARE <sup>57</sup></b>					
	103-1 Explanation of the material topic and its boundary	Chapter 9 "Environment" page 210			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
	103-2 The management approach and its components	Chapter 9 "Environment" page 210			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
	103-3 Evaluation of the management approach	Chapter 9 "Environment" page 210			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	302-1 "Energy consumption within the organisation"	Chapter 9 "Environment" page 212			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" page 213			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	GRI 303-1 Interactions with water as a shared resource	Chapter 9 "Environment" pages 214-215			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

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

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
GRI 303: Water and Effluents 2018	GRI 303-2 Management of water discharge-related impacts	Chapter 9 "Environment" pages 214-215			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	GRI 303-3 Water withdrawal by source	Chapter 9 "Environment" pages 215-216			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 <sub>2</sub> "	Chapter 9 "Environment" page 225	The source of emissions factors and global warming potential is the "GHG Protocol tool for stationary combustion" (Version 4.7, World Resources Institute (WRI), 2015), provided by GHG Protocol		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 <sub>2</sub> "	Chapter 9 "Environment" page 225	The source of emissions factors and global warming potential is the "GHG Protocol tool for stationary combustion" (Version 4.7, World Resources Institute (WRI), 2015), provided by GHG Protocol		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" page 217			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" pages 217-219			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" pages 217-219			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 STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
GRI 306: Waste 2020	306-5 "Waste directed to disposal"	Chapter 9 "Environment" pages 217-219			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
<b>MATERIAL TOPIC: SUSTAINABLE SUPPLY CHAIN MANAGEMENT</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 8 "The supply chain" pages 200; 204-205			The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
	103-2 The management approach and its components	Chapter 8 "The supply chain" pages 200; 204-205			The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
	103-3 Evaluation of the management approach	Chapter 8 "The supply chain" pages 200; 204-205			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" page 206			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 according to environmental criteria"	Chapter 8 "The supply chain" page 206			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 b. "Number of suppliers identified as having actual and potential environmental impact on the supply chain"	Chapter 8 "The supply chain" page 206			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. "State the actual and potential adverse major impacts identified in the supply chain"	Chapter 8 "The supply chain" page 206			The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
<b>MATERIAL TOPIC: EMPLOYEE WELLBEING</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 7 "Personal wellbeing" pages 144-145			
	103-2 The management approach and its components	Chapter 7 "Personal wellbeing" pages 144-145			

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
	103-3 Evaluation of the management approach	Chapter 7 "Personal wellbeing" pages 144-145			
GRI 401: Employment 2016	401-1 "Total number of hirings and turnover rate"	Chapter 7 "Personal wellbeing" pages 147; 152-153			
GRI 402: Labour Management Relations 2016	401-2 "Benefits provided for full-time employees, that are not provided to temporary or part-time employees"	Chapter 7 "Personal wellbeing" page 172			
GRI 403: Occupational Health and Safety 2018	403-1 "Occupational health and safety management system"	Chapter 7 "Personal wellbeing" pages 178-180			The perimeter includes TG S.p.A. and TG EE.
GRI 403: Occupational Health and Safety 2018	403-3 "Occupational health services"	Chapter 7 "Personal wellbeing" page 180			The perimeter includes TG S.p.A. and TG EE.
GRI 403: Occupational Health and Safety 2018	403-4 "Worker participation, consultation, and communication on occupational health and safety"	Chapter 7 "Personal wellbeing" pages 179-180			The perimeter includes TG S.p.A. and TG EE.
GRI 403: Occupational Health and Safety 2018	GRI 403-5 Worker training on occupational health and safety	Chapter 7 "Personal wellbeing" page 160			The perimeter includes TG S.p.A. and TG EE.
GRI 403: Occupational Health and Safety 2018	GRI 403-8 "Workers covered by an occupational health and safety management system"	Chapter 7 "Personal wellbeing" page 178			The perimeter includes TG S.p.A. and TG EE.
GRI 403: Occupational Health and Safety 2018	GRI 403-9 Work-related injuries	Chapter 7 "Personal wellbeing" page 181			The perimeter includes TG S.p.A. and TG EE.
GRI 403: Occupational Health and Safety 2018	GRI 403-10 Work-related ill health	Chapter 7 "Personal wellbeing" page 181			The perimeter includes TG S.p.A. and TG EE.
GRI 404: Training and Education 2016	404-1 "Average hours of training per year per employee"	Chapter 7 "Personal wellbeing" pages 162-167			
GRI 404: Training and Education 2016	404-3 "Percentage of employees regularly receiving performance and career appraisals, by gender and role"	Chapter 7 "Personal wellbeing" pages 168-170			The subsidiary perimeter does not include Russia.

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
GRI 405: Diversity and Equal Opportunity 2016	405-1 "Diversity of governance bodies and employees"	Chapter 3 "Corporate Governance System"			
		Chapter 7 "Personal wellbeing" pages 54; 171; 175-177			
GRI 406: Non discrimination 2016	406-1 "Incidents of discrimination and corrective actions taken"	Chapter 7 "Personal wellbeing" page 170			
<b>MATERIAL TOPIC: SUSTAINABLE SUPPLY CHAIN MANAGEMENT</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 8 "The supply chain" pages 200; 204-205			The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
	103-2 The management approach and its components	Chapter 8 "The supply chain" pages 200; 204-205			The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
	103-3 Evaluation of the management approach	Chapter 8 "The supply chain" pages 200; 204-205			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	414-1 "Percentage of new suppliers assessed according to social criteria"	Chapter 8 "The supply chain" page 206			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 a. "Number of suppliers assessed according to social criteria"	Chapter 8 "The supply chain" page 206			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 b. "Number of suppliers identified as having actual and potential social impact on the supply chain"	Chapter 8 "The supply chain" page 206			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 c. "State the actual and potential adverse major impacts identified in the supply chain"	Chapter 8 "The supply chain" page 206			The subsidiaries are excluded from the perimeter as the production operations with the highest risks and impacts relate to the Italian and Slovakian plants
<b>MATERIAL TOPIC: LIFETIME CUSTOMER CARE</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 5 "Customer focus"; Chapter 6 "Responsible Innovation and Design" pages 106-109; 130-131			

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
	103-2 The management approach and its components	Chapter 5 "Customer focus";  Chapter 6 "Responsible Innovation and Design" pages 106-109; 130-131			
	103-3 Evaluation of the management approach	Chapter 5 "Customer focus";  Chapter 6 "Responsible Innovation and Design" pages 106-109; 130-131			
GRI 416: Customer Health and Safety 2016	416-1 "Assessment of the health and safety impacts of product and service category"	Chapter 6 "Responsible Innovation and Design" page 131			100% of projects tested during the design phase
GRI 416: Customer Health and Safety 2016	416-2 "Incidents of non-compliance concerning the health and safety impacts of products and services"	Chapter 6 "Responsible Innovation and Design" page 131			
GRI 416: Customer Health and Safety 2016	Managerial approach according to GRI 103 (v. 2016) for topic 418 "Consumer privacy" (v. 2016)	Chapter 5 "Customer focus" pages 113-114			
GRI 416: Customer Health and Safety 2016	418-1 "Substantiated complaints concerning breaches of customer privacy and losses of customer data"	Chapter 5 "Customer focus" page 114			
<b>MATERIAL TOPIC: GLOBAL BRAND-LEADER IN WELLNESS</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 1 "The Technogym brand" pages 32-34			
	103-2 The management approach and its components	Chapter 1 "The Technogym brand" pages 32-34			
	103-3 Evaluation of the management approach	Chapter 1 "The Technogym brand" pages 32-34			
<b>MATERIAL TOPIC: PERSONAL WELLNESS SOLUTIONS</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 1 "The Technogym brand"  Chapter 6 "Responsible innovation and design" pages 33-34; 126-127			

GRI STANDARDS	DESCRIPTION	NFS CHAPTER	DIRECT REFERENCE	REFERENCE TO OTHER DOCUMENT	NOTES
	103-2 The management approach and its components	Chapter 1 "The Technogym brand"  Chapter 6 "Responsible innovation and design" pages 33-34; 126-127			
	103-3 Evaluation of the management approach	Chapter 1 "The Technogym brand"  Chapter 6 "Responsible innovation and design" pages 33-34; 126-127			
<b>MATERIAL TOPIC: PROMOTING THE WELLNESS LIFESTYLE IN THE COMMUNITY</b>					
	103-1 Explanation of the material topic and its boundary	Chapter 2 "Sustainability at Technogym"  Chapter 4 "Wellness for the community" pages 46; 66-67			
	103-2 The management approach and its components	Chapter 2 "Sustainability at Technogym"  Chapter 4 "Wellness for the community" pages 46; 66-67			
	103-3 Evaluation of the management approach	Chapter 2 "Sustainability at Technogym"  Chapter 4 "Wellness for the community" pages 46; 66-67			







# REPORT OF THE INDEPENDENT AUDITORS



# Report of Independent Auditing Firm



**TECHNOGYM SPA**

**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**

**YEAR ENDED 31 DECEMBER 2021**



## **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 and its subsidiaries (the "Group") for the year ended 31 December 2021 prepared in accordance with article 4 of the Decree, and approved by the Board of Directors on 23 March 2022 (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 2020, 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 2021 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, 8 April 2022

PricewaterhouseCoopers SpA

*Signed by*  
Roberto Sollevanti  
(Partner)

Paolo Bersani  
(Authorised signatory)

*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 2021 translation.*



## **Corporate data**

### **Registered Office**

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### **Legal Details**

Authorised and subscribed share capital Euro 10,066,375  
VAT number, Tax Code and  
CCIAA (Chamber of Commerce, Industry, Craft Trade and Agriculture)  
no.: 06250230965  
Forlì Cesena Economic and Administrative Register no. 315187

### **Technogym stores**

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**Milan** Via Durini 1  
**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  
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