

**GUIDELINES FROM THE BOARD OF STATUTORY AUDITORS OF  
TECHNOGYM S.P.A. TO THE SHAREHOLDERS ON THE COMPOSITION  
OF THE BOARD OF STATUTORY AUDITORS**

## **Foreword**

The Board of Statutory Auditors of Technogym S.p.A. (hereinafter also the "Company") is composed of three Standing Auditors and two Alternate Auditors and is appointed by the Shareholders' Meeting on the basis of the "list vote" mechanism. The Chairperson of the Board of Auditors is appointed from among the Auditors elected by the minority.

The Company's Board of Statutory Auditors currently in office consists of the Auditors Francesca di Donato (Chairperson), Ciro Cornelli and Claudia Costanza (Standing Auditors) and two Alternate Auditors (Laura Acquadro and Stefano Sarubbi). The Chairperson, Francesca di Donato, and the Alternate Auditor, Stefano Sarubbi, have been elected from the minority list. The Board of Statutory Auditors shall remain in office until the approval of the Financial Statements at 31 December 2021.

Therefore, the Shareholders' Meeting, at its next meeting, will be called upon to renew the Technogym's Board of Statutory Auditors.

At the time of the expiry of its term of office and of the appointment of the new Board of Statutory Auditors, the outgoing Board of Statutory Auditors has drawn up this document, approved at its meeting of 18 March 2022, in order to provide its guidelines to shareholders regarding the Board of Statutory Auditors that will be elected by the Shareholders' Meeting called to approve the financial statements for the 2021 financial year, with regard to the expertise and professionalism deemed appropriate, taking into account both aspects related to the composition and professionalism characteristics and the operations carried out by the Board, also with reference to a balance of roles within it.

Every year, the Board of Statutory Auditors carries out a self-evaluation process in order to collect the opinions of its members on the composition and functioning of the Board as a whole, taking into account the evolution of its role over time.

Therefore, the Board of Statutory Auditors currently in office has prepared this document, with the aim of making available to the Shareholders (on the basis of the results of the self-evaluation process) a summary of the expertise and professionalism that have contributed most to the effective performance of the duties of the control body, so as to provide guidance for the appointing of the new Board.

In the course of the three-year period, the functions required of the Board have been extended:

- by the regulations on non-financial reporting, which have provided for additional supervisory activities on compliance with the applicable provisions and the more recent regulations on environmental, social and governance (ESG) criteria;

- by the recommendations issued annually by the Corporate Governance Committee;
- by the Consob requirements on disclosure with respect to the COVID-19 pandemic emergency and to the improvement of information flows.

In addition, at the Board meeting of 7 March 2022, Technogym has approved the Diversity Policy applied to the Board of Directors and the Board of Statutory Auditors (hereinafter also referred to as the "Policy"), aimed at providing indications, that include but are not limited to and that are not binding, on aspects relating to diversity in the composition of the Board of Directors and the Board of Statutory Auditors, so as to ensure effective and functional performance of the tasks and responsibilities entrusted to the corporate bodies.

### **Future composition of the Board of Auditors**

On the basis of the self-evaluation carried out, it emerged that Technogym's Board of Statutory Auditors is characterised by a composition broadly in line with the ideal profile of expertise and professionalism, with a good degree of gender and tenure diversity, which should also play an important role in the composition of the future Board of Statutory Auditors.

In addition, the characteristics and composition of the future Board of Auditors should be consistent with the Policy approved by the Company.

First of all, it is considered that the Board of Statutory Auditors must have an adequate composition to ensure the independence and professionalism of its control functions, as well as adequate time to devote to the task.

With reference to the personal and professional characteristics of the candidate for the positions of Statutory Auditors, which are already well represented within the Board and which are considered important for the future, it should be noted that, also in light of the Diversity Policy approved by the Board of Directors:

- they are figures with a professional and/or academic profile such as to achieve complementary and balanced skills and expertise, also with reference to age groups;
- they have expertise in accounting, with particular regard to the financial reporting process, and in statutory auditing, which enable them to maintain a continuous dialogue with the appointed auditing firm;
- they have expertise in matters relating to corporate finance and extraordinary transactions;

- they have expertise in corporate governance and knowledge of internal controls and risk management;
- they have knowledge of the Company's reference sector;
- they have expertise in sustainability and ESG issues;
- they have experience accrued in listed companies.

Pursuant to the By-Laws, each of the lists presented by the shareholders for the election of the Board of Statutory Auditors consists of two sections: one for candidates for the office of Standing Auditor, the other for candidates for the office of Alternate Auditor. The first of the candidates of each section must be enrolled in the register of auditors and have performed legal account auditing activities for a period of at least 3 (three) years. Other candidates, if they do not meet the above requirement, must meet the other professional requirements set forth by legislation and regulations in force *at the time*.

The By-laws also set forth that each list for the appointment of a standing auditor and an alternate auditor must include a number of candidates belonging to the less represented gender which ensures, within such list, respect for gender balance at least to the minimum extent required by legislation and regulations in force at the time.

As regards the position of the Chairperson, moreover, they should:

- be a person capable of ensuring adequate coordination of the work of the Board with the activities carried out by the other parties involved in the governance of the internal control and risk management system;
- foster a spirit of cohesion among the members of the Board, in order to ensure the effective performance of the supervisory functions entrusted to that body.

## **Conclusions**

It is therefore important that the Board includes members with expertise in accounting, with particular reference to the financial reporting process, the internal control and risk management system and sustainability issues. To be noted is also the importance attributed to experience built in listed companies.

It is also recommended that candidates for the office of Statutory Auditor consider their availability of time to devote to the task.

Shareholders are also invited, when preparing the lists of candidates for the renewal of the Board of Statutory Auditors, to take into account the following:

- the presence of appropriate professional and/or academic experience;
- the maintaining of a mix of seniority in office to ensure a balance between the need for continuity and renewal;
- the maintaining of gender diversity.

With regard to the adequacy of the remuneration paid to the Statutory Auditors, in view of the size of the Company and the international development of the Group, the professionalism and commitment required to perform the task, in an increasingly complex legal and economic context, the Board of Statutory Auditors, which also performs the duties of the Internal Control and Audit Committee, points out that it would be advisable for the Shareholders' Meeting to approve an increase in the remuneration paid to the control body.

The Board of Statutory Auditors.