

TECHNOGYM S.p.A

Registered office in Cesena (FC), Via Calcinaro No. 2861 – Share Capital Euro 10,050,250 fully paid-in

Forlì-Cesena Companies' Register, tax code and VAT reg. No. 06250230965

Company website: corporate.technogym.com

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

In accordance with Article 123-ter of Italian Legislative Decree No. 58/1998)

Approved by the Board of Directors meeting on 17 March 2020

INTRODUCTION

This report on the remuneration policy and compensation paid (the “**Report**”) of Technogym S.p.A. (the “**Company**” or “**Technogym**”), approved on 17 March 2020 by the Board of Directors on the proposal of the Remuneration Committee - in compliance with Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998, subsequent amended and supplemented (Consolidated Finance Law), Article 84-quater of the Issuers' Regulation adopted by CONSOB with Resolution No. 11971 of 14 May 1999 and subsequent amendments and additions (the “**Issuers' Regulation**”), as well as taking into account the recommendations of the Corporate Governance Code for listed companies in the version last approved in July 2018 (the “**Corporate Governance Code**”), to which Technogym adheres - provides:

- (i) in the first section, an illustration of the remuneration policy for the year 2020 (the “**Policy**” or “**Remuneration Policy**”) for (a) the members of the Board of Directors of Technogym (the “**Directors**”), distinguishing between Executive and Non-Executive Directors, (b) the Standing members of the Board of Statutory Auditors of the Company (the “**Statutory Auditors**”) and (c) the key managers of the Company and the Technogym Group (the “**Group**”), i.e. individuals who have the power and responsibility - directly or indirectly - for planning, managing and controlling the activities of the Company and the Technogym Group according with the definition in Annex 1 of the CONSOB Regulation for Transactions with Related Parties adopted with resolution No. 17221 of 12 March 2010 (the “**Key Managers**”);
- (ii) in the second section, a summarized description in table form of the remuneration of Directors, Statutory Auditors and Key Managers for 2019.

The Policy is one of the main management tools with regard to the compensation systems of the Company and the Technogym Group (the “**Group**”), consistently with Technogym's governance model.

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

Pursuant to Article 84-quater of the Issuers' Regulation, this Report will be made available to the public at the Company's registered office and on its website <http://corporate.technogym.com>, under Governance/Shareholders' Meetings section, as well as at the “eMarket STORAGE” storage mechanism, available at www.emarketstorage.com, no later than the 21st day prior to the date of the Shareholders' Meeting.

SECTION I - REMUNERATION POLICY FOR THE YEAR 2020

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

The Remuneration Policy is defined through a process involving the Board of Directors of the Company, the Nomination and Remuneration Committee set up within the Board and the Ordinary Shareholders' Meeting of the Company (the "**Shareholders' Meeting**").

The Board of Directors currently defines the Policy based on the proposal put forward by the Nomination and Remuneration Committee and, together with this Committee, oversees its implementation by determining, consistently with the policy, the remuneration of Directors holding specific offices, under the proposal of the Committee and with the input of the Board of Statutory Auditors in accordance with Art. 22 of the Articles of Association.

The Committee, in accordance with the recommendations contained in Art. 6 of the Corporate Governance Code, has the duty of assisting the Board of Directors, formulating proposals and providing advice, in the assessments and in the decisions pertaining to the composition of the Board of Directors and the remuneration of Directors and Key Managers.

BOARD OF DIRECTORS

The Board of Directors in office on the date of the Board's approving the Policy was appointed by the Ordinary Shareholders' Meeting of the Company held on 8 May 2018 for a period of three years until the approval of the Financial Statements as at 31 December 2020. Below is the composition of the Board of Directors on the date of approval of this Report, as appointed by the Shareholders' Meeting of the Company held on 8 May 2018, with separate indication of the office held by each of the members as well as the tasks and the qualification as Independent Director pursuant to the combined provisions of Arts. 147-ter, paragraph 4 and 148, paragraph 3 of the Consolidated Finance Law and pursuant to Art. 3 of the Corporate Governance Code for Listed Companies promoted by the Corporate Governance Committee set up by Borsa Italiana S.p.A. (the "**Corporate Governance Code**" or the "**Code**").

FIRST AND LAST NAME	OFFICE	FUNCTION
Nerio Alessandri	Chairman and Chief Executive Officer	Executive Director
Pierluigi Alessandri	Deputy Chairman	Executive Director
Erica Alessandri	Director	Non-Executive Director
Francesca Bellettini	Director	Independent, Non-Executive Director
Carlo Capelli	Director	Executive Director
Maurizio Cereda	Director	Non-Executive Director
Chiara Dorigotti	Director	Independent, Non-Executive Director
Vincenzo Giannelli	Director	Independent, Non-Executive Director
Maria Cecilia La Manna	Director	Independent, Non-Executive Director
Riccardo Pinza	Director	Non-Executive Director

Andrea Giuseppe Zocchi Director	Independent Non-Executive Director elected from the list submitted by minority shareholders
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BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors in office on the date of approval of this Policy was appointed by the Shareholders' Meeting of the Company on 8 May 2019 and will remain in office until the approval of the Financial Statements as at 31 December 2021. The Board of Statutory Auditors consists of 3 Standing Auditors (of which two from the less represented gender) and 2 Alternate Auditors (of which one from the less represented gender).

FIRST AND LAST NAME	OFFICE
Francesca Di Donato	<i>Chairman of the Board of Statutory Auditors</i>
Claudia Costanza	<i>Standing Auditor</i>
Ciro Piero Cornelli	<i>Standing Auditor</i>
Laura Acquadro	<i>Alternate Auditor</i>
Stefano Sarubbi	<i>Alternate Auditor</i>

With regard to remuneration, the Board of Statutory Auditors expresses the opinions required by current regulations with reference, in particular, to the remuneration of Directors holding specific offices pursuant to Art. 2389 of the Italian Civil Code, also verifying its consistency with the general policy adopted by the Company.

NOMINATION AND REMUNERATION COMMITTEE

With its resolution of 16 March 2016, the Board of Directors of the Company established, with effect from the first day of trading of the shares on the stock market (i.e. from 3 May 2016), the Nomination and Remuneration Committee, approving the related internal regulation that governs the composition, duties and operating procedures of the Committee.

During the Board meeting on 15 May 2018, the Company Board of Directors, appointed by the Ordinary Shareholders' Meeting of 8 May 2018, appointed the new members of the internal board committees. As a result, the Nomination and Remuneration Committee in office, on the date of approval of this Policy, consists of the following three Non-Executive Directors, two of which are independent: Vincenzo Giannelli (Independent Director, appointed as Chairman), Riccardo Pinza (appointed as Deputy Chairman of the Committee) and Andrea Giuseppe Zocchi (Independent Director). It should be noted that, in its capacity as a committee established within the Board of Directors, the Nomination and Remuneration Committee has the same duration as the Board itself and, therefore, its expiry date coincides with the date of approval of the Financial Statements as at 31.12.2020, unless otherwise decided.

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

- a) to express opinions to the Board of Directors on the size and composition of the Board and make recommendations on the professional profiles whose presence on the Board of Directors is believed to be appropriate;

b) to make recommendations to the Board of Directors on the maximum number of positions of Director or Statutory Auditor in other listed companies in regulated markets (including abroad), in financial, banking and insurance companies or large companies, which may be considered consistent with the effective performance of the office of Director of the Issuer, taking into account the participation of Directors in the committees established within the Board of Directors;

c) to make recommendations to the Board of Directors if difficulties arise in the application of the non-competition obligation specified for Directors under Art. 2390 of the Italian Civil Code, if the Shareholders' Meeting of the Company has authorized, in general terms and in advance, deviations from this prohibition to meet organizational needs;

d) to propose to the Board of Directors candidates to the office of Director in co-optation cases, if it becomes necessary to replace Independent Directors; and

e) to carry out a preliminary analysis for the preparation of a succession plan for Executive Directors of the Company, if the Board of Directors decides to adopt such a plan.

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

a) to make proposals to the Board of Directors on the remuneration policy for Directors and Key Managers;

b) to assess at regular intervals the appropriateness, overall consistency and practical application of the remuneration policy for Directors and Key Managers, making use, in this regard, of the information provided by the delegated Directors;

c) to make proposals or express opinions to the Board of Directors on the remuneration of Executive Directors and the other Directors holding specific offices, as well as on the specification of performance objectives for the variable component of such remuneration, and to monitor the application of the decisions adopted by the Board of Directors, verifying, in particular, the actual achievement of the performance objectives.

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

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

For the purposes of defining this Policy, the Company analyzed the market practices and remuneration levels also through data provided by independent experts in aggregate form and without making specific reference to other companies.

C. AIMS OF THE REMUNERATION POLICY, UNDERLYING PRINCIPLES AND ANY CHANGES TO THE REMUNERATION POLICY COMPARED TO THE PREVIOUS YEAR

The Company Remuneration Policy is also defined in line with the recommendations of the Corporate Governance Code with the aim of:

i) attracting, retaining and motivating persons who have the individual and professional qualities required to achieve corporate business development objectives and to promote the creation of value for Shareholders in the medium-long term;

ii) aligning the interests of management with those of the Company and of the Shareholders in the medium-long term.

Substantially adhering to the recommendations of the Code, the Policy is therefore based on the following criteria:

a) the fixed and variable components of remuneration of Key Managers are adequately balanced according to the strategic objectives and risk management policy of the Company, also taking into account the business segment in which it operates and the characteristics of the business activity carried out as well as the role played by every party;

b) there are maximum limits to the payment of the variable part (short and medium-long term) to Key Managers, differentiated according to the role played by the individual within the Company and his/her ability to affect the results of the Company and the Group. In particular, the short-term component given by the 2020 MBO must not exceed 56% of gross annual compensation, whereas the long-term variable component (LTIP) of the individual plan, at the end of the three-year cycle, must not exceed 75% of the gross annual compensation of the year of assignment of the individual beneficiary net of the capital gain (capital gain given by the difference between the sale price and the share grant price).

c) the fixed component is sufficient to compensate the performance of Directors and Key Managers if the variable component is not paid out because of the failure to attain the performance objectives indicated by the Board;

d) performance objectives - i.e. the operating results and any other specific objectives connected to the payment of the variable components (including the objectives defined for stock-based compensation plans) - as better defined below, are predetermined, measurable and connected to the aim of creating value for Shareholders in the medium-long term;

e) the variable component of compensation comprises a portion tied to short-term criteria (Management by Objectives - MBO, based on the achievement of Group and individual annual results. The individual objectives may also include sustainability KPIs by individual area of competence) and a portion tied to long-term criteria (Long Term Incentive Plan - LTIP). The latter, in terms of relevance, represents at least 36% of the annual variable compensation;

f) for Non-Executive and Independent Directors, remuneration is aimed at recognizing the required effort and does include performance-related variable components.

With reference to indemnities for termination of the office of Director, please refer to Paragraph K.

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

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

- i) for Directors and Key Managers – fixed part, which has to remunerate the assigned responsibilities, experience and distinctive competencies held, and must be competitive on the market to assure an adequate retention level;
- ii) for Directors and Key Managers – annual variable part, which has to ensure a direct connection between remuneration and performance results and is aimed at rewarding the achievement of corporate and individual objectives (“MBO” – Management by Objectives) and/or one-off bonuses tied to extraordinary results and/or specific non recurring projects. These one-off bonuses may not account for more than 20% of the gross annual compensation of the individual Key Manager;
- iii) for Directors and Key Managers – long-term variable part (LTIP), which ensures growth in the value of the business and the achievement of results that are sustainable over time, including beyond those defined each year in the budget, the retention of key resources and the alignment of management objectives with those of Shareholders;
- iv) for some positions – for Directors and Key Managers – a retention plan may be defined, which rewards long service in the company independently of corporate or individual performance indicators through the payment of bonuses on predetermined dates;
- v) for Directors and Key Managers – adequate offer of benefits, in accordance with reference market practices.

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

A detailed description follows of the short and medium-long term incentive policies implemented and/or expected to be implemented in 2020 by the Company, represented by a variable monetary component (MBO Plan) and a variable component based on financial instruments (LTIP).

D.1.1 MBO PLAN FOR KEY MANAGERS

The annual variable component of remuneration is calculated according to procedures established in the 2020 MBO Plan; this Plan is defined on the basis of targets to be achieved during the year and parameters (KPIs) against which the targets will be measured.

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

In particular, the awarding of the bonus is subject to the achievement of both the Group's minimum EBIT and FCF targets (Gate). If these minimum objectives are achieved, the bonus awarded to each Key Manager will be determined on the basis of the achievement of further Group (equally measured on the achievement of certain EBIT and FCF values) and individual objectives. Individual objectives may relate to the economic performance of the relevant unit/function, the implementation of specific projects, customer satisfaction,

specific sustainability objectives for each area of competence, in general, efficiency objectives for the area of activity.

The bonus, if proven to be due following approval of the Financial Statements and on the basis of the economic and financial indicators determined at the end of 2020, will be paid at the same time as the payment of remuneration for April 2021 (if the final balance is not complete, the payment will occur in the subsequent months). In any case, the actual payment of the bonus depends on the continued service of the beneficiary as of 30.04.2021.

The main conditions of the Technogym 2020 MBO & Bonus Plan are set out below:

Recipients	Gate (system activation)	Weight of the Objectives
Key Managers	Group EBIT and FCF	Group KPIs: min 60% - max 80% Individual KPIs: min 20% - max 40%

The value of the annual bonus has a lower weight than the gross annual compensation and must be no higher than 56% of gross annual compensation in the case of overperformance of the beneficiary.

D.1.2 LTIP PLANS

Since 2016, the company has implemented three Long-Term Incentive Plans (LTIP): the first for 2017-2019, the second for 2018-2020 and the third for 2019-2021. For details of the plans, please refer to the information documents relating to the plans approved by the Shareholders' Meetings on 21 April 2017, 8 May 2018 and 8 May 2019, respectively.

A new long-term incentive plan for the 2020-2022 period is currently being examined; it is based on the granting of the right to receive shares free of charge if specific Company performance objectives are achieved.

This incentive plan for 2020-2022 is characterized by:

- (i) Predetermined performance objectives, identified in the economic and financial performance of the Company, calculated with reference to:
 - the Cumulative Net Profit for 2020-2022, and
 - the arithmetic mean of the stock market price of Technogym ordinary shares in the three months preceding the closing date of the Vesting Period (December 2022, and January and February 2023);
- (ii) Adequate periods of accrual of the right to obtain the allotted shares (three-year vesting period);
- (iii) Non-transferability of shares for 6 months from the date of their allocation, without prejudice to the percentage of shares set in the individual plans in order to arrange the payment of taxes.

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

The number of shares allotted by the Board of Directors at the end of the vesting period is determined according to the achievement of the performance objectives on the basis of the gross annual compensation predetermined

by the Board of Directors and provided that 90% of the performance objective is achieved. The shares shall be assigned to the beneficiaries, subject to the fulfilment of the conditions set out in the Plan, no later than the 60th day after approval of the Group Consolidated Financial Statements as at 31.12.2022. At the time of the allocation, the Board of Directors will have the right to grant the beneficiary a sum of money equal to the value of the shares to which (s)he would have been entitled according to the criteria indicated in the Plan if, for reasons of a regulatory nature, the assignment of financial instruments to the beneficiary is not allowed.

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

The variable remuneration component for plan beneficiaries at the end of the three-year cycle must not exceed 75% of gross annual compensation of the year of assignment of the individual beneficiary net of the capital gain (capital gain given by the difference between the sale price and the share grant price).

D.2. REMUNERATION POLICY WITH REFERENCE TO INDIVIDUAL SIGNIFICANT POSITIONS

D.2.1 REMUNERATION OF THE CHAIRMAN/CHIEF EXECUTIVE OFFICER

Fixed part

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

Annual variable part

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

Medium/long-term incentives

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

Benefits

Non-monetary benefits include use of a company vehicles and mobile phone as well as the stipulation, solely at the Company’s expense, of all the most appropriate insurance policies to cover the civil liability of directors and officers, the so-called “D&O” (Directors’ and Officers’ Liability Insurance), and insurance coverage for the reimbursement of medical expenses as well as for occupational and non-occupational accidents.

D.2.2 REMUNERATION OF THE DEPUTY CHAIRMAN

Fixed part

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

Annual variable part

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

Medium/long-term incentives

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

Benefits

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

D.2.3 REMUNERATION OF EXECUTIVE DIRECTORS

Fixed part

The fixed component of the Executive Directors' compensation is approved by the Shareholders' Meeting and by the Board of Directors in accordance with Art. 2389, paragraph 3 of the Italian Civil Code and comprises a predetermined gross annual compensation for the Director's entire term in office, commensurate with the required commitment, and to be paid *pro rata temporis*, based on the actual term in office. Attendance fees are also allocated for participation at board meetings.

Annual variable part

Executive Directors shall not participate in annual variable incentive plans.

Medium/long-term incentives

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

Benefits

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

D.2.4 REMUNERATION OF NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors and Independent Directors is determined in a fixed amount and is commensurate with the required effort, including in relation to participation in auxiliary committees. In compliance with Standard 6.C.4 of the Code, the remuneration of Non-Executive Directors is therefore not tied to the operating results achieved by the Company. Attendance fees are also allocated for participation at board meetings.

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

D.2.5 REMUNERATION OF KEY MANAGERS

Fixed part

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

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

Annual variable part

Key Managers shall participate in the 2020 MBO annual incentive plan as described in paragraph D.1.1 and/or one-off bonuses tied to extraordinary results and/or non-recurring project commitments (bonuses).

Medium/long-term incentives

In order to contribute to value creation in the medium-long term, Key Managers are also recipients of the long-term incentive plans (LTIP) described in paragraphs C and D.1.2.

Benefits

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

D.2.6 REMUNERATION OF MEMBERS OF THE BOARD OF STATUTORY AUDITORS

Standing Auditors are remunerated with a gross annual compensation resolved by the Meeting at the time of the appointment for the entire term in office, commensurate with the required commitment, and to be paid *pro rata temporis*, based on the actual term in office.

E. ADOPTED POLICY WITH REGARD TO NON-MONETARY BENEFITS

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

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

With reference to the variable components, description of the performance objectives on the basis of which they are allotted, distinguishing between short and medium-long term variable components, and information on the connection between the change of the results and the change of remuneration.

Please refer to the description in paragraph D above.

F. WITH REFERENCE TO THE VARIABLE COMPONENTS, A DESCRIPTION OF THE PERFORMANCE OBJECTIVES ON THE BASIS OF WHICH THEY ARE ASSIGNED, DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE

COMPONENTS, AND INFORMATION ON THE CONNECTION BETWEEN THE CHANGE IN RESULTS AND THE CHANGE IN REMUNERATION

Please refer to the description in paragraph D above.

G. CRITERIA APPLIED TO ASSESS THE PERFORMANCE OBJECTIVES ON WHICH THE ALLOCATION OF SHARES, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER VARIABLE REMUNERATION COMPONENTS ARE BASED

In relation to the criteria applied to assess the performance objectives on which the allocation of shares, options, other financial instruments or other variable remuneration components are based, these shall be based on the operating results and profitability achieved by the Group and on the performance of Company stock.

H. INFORMATION AIMED AT SHOWING THE CONSISTENCY OF THE REMUNERATION POLICY WITH THE PURSUIT OF THE LONG-TERM INTERESTS OF THE COMPANY AND WITH THE RISK MANAGEMENT POLICY

As described in paragraphs C and D above, the Remuneration Policy aims to create value for the Company and its Shareholders in a sustainable way.

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

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

I. VESTING PERIOD, DEFERRED PAYMENT SYSTEMS, WITH AN INDICATION OF THE DEFERRAL PERIODS AND CRITERIA APPLIED TO DETERMINE THESE PERIODS AND CORRECTION MECHANISMS EX POST

Please refer to the description in paragraph D above.

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

Both existing LTIPs and those being defined provide for lock up commitments for the beneficiaries for a period of 6 months from their allocation, without prejudice to the percentage of shares set in the individual plans in order to arrange the payment of taxes.

K. POLICY PERTAINING TO PAY IN THE CASE OF CESSATION OF OFFICE OR TERMINATION OF THE EMPLOYMENT RELATIONSHIP

Although it is not a typical practice of the Company, agreements may be stipulated with Directors and/or Key Managers which regulate ex ante the financial aspects in the case of cessation of office, or relating to the possible early termination of the employment relationship at the initiative of the Company or the interested party.

In addition, non-competition agreements may be stipulated with Key Managers in compliance with the provisions and legal limits in force.

L. INFORMATION ABOUT INSURANCE COVERAGE, THAT IS SOCIAL SECURITY OR PENSION, OTHER THAN MANDATORY COVERAGE

As indicated in paragraph E above, non-monetary benefits may include insurance policies to cover the civil liability of Directors and Officers, the so-called “D&O” (Directors’ and Officers’ Liability Insurance), life insurance policies, accident policies, supplementary health coverage, and coverage of another nature to be assessed from time to time.

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

The Policy involves the assignment of additional compensation in a fixed amount for Non-Executive Directors and Independent Directors who are members of the Committees established within the Board, to adequately remunerate the additional work and effort made to the benefit of the Company.

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

N. INFORMATION ABOUT ANY USE OF OTHER COMPANIES’ REMUNERATION POLICIES AS A REFERENCE

For the purposes of determining the Policy, no remuneration policies of specific companies were used as a reference.

SECTION II – INFORMATION ON THE IMPLEMENTATION OF THE REMUNERATION POLICY

INTRODUCTION

This section consists of:

1. a first part, which provides a concise descriptive representation of the remuneration for 2019 of Directors, Statutory Auditors and Key Managers (for the latter the information is provided at an aggregate level as the conditions required by current legislation for disclosure on an individual basis are not met);
2. a second part, which shows the above remuneration in a table form.

I. FIRST PART

Board of Directors

Fixed Remuneration

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

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

Variable remuneration

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

Non-monetary benefits

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

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

Committee Members

Fixed Remuneration

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

- a gross annual compensation of Euro 15,000.00 (fifteen thousand/00) to the Director who holds the office of Chairman of the Control and Risk Committee, to be paid pro rata temporis, based on the actual term in office, in addition to the annual fixed compensation for the office of Director and any compensation which (s)he may be entitled to as Chairman, Deputy Chairman or member of the Nomination and Remuneration Committee;
- a gross annual compensation of Euro 15,000.00 (fifteen thousand/00) to the Director who holds the office of Chairman of the Nomination and Remuneration Committee, to be paid pro rata temporis, based on the actual term in office, in addition to the annual fixed for the office of Director and any compensation which (s)he may be entitled to as Chairman, Deputy Chairman or member of the Control and Risk Committee;
- a gross annual compensation of Euro 10,000.00 (ten thousand/00) to each Director who holds the office of Deputy Chairman or member of the Control and Risk Committee, to be paid pro rata temporis, based on the actual term in office, in addition to the annual fixed compensation for the office of Director and any compensation which (s)he may be entitled to as Chairman, Deputy Chairman or member of the Nomination and Remuneration Committee;
- a gross annual compensation of Euro 10,000.00 (ten thousand/00) to each Director who holds the office of Deputy Chairman or member of the Nomination and Remuneration Committee, to be paid pro rata temporis, based on the actual term in office, in addition to the annual fixed compensation for the office of Director and any compensation which (s)he may be entitled to as Chairman, Deputy Chairman or member of the Control and Risk Committee;

- an attendance fee to each Director who holds the office of Chairman, Deputy Chairman or member of the Committee for Transactions with Related Parties, determined from time to time by the Board of Directors based on the nature and number of transactions with related parties subject to assessment by the Committee itself.

Board of Statutory Auditors

Fixed Remuneration

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

Variable remuneration and non-monetary benefits

The members of the Board of Statutory Auditors shall not receive any variable remuneration or non-monetary benefits.

Key Managers

Fixed Remuneration

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

Variable remuneration

Key Managers took part in the 2019 MBO annual incentive plan as described in paragraph D.1.1. of Section I of this Report.

Non-monetary benefits

All Key Managers are also granted the following benefits: company car, mobile phone, insurance policy to cover the civil liability of directors and officers (the so-called “D&O”, Directors’ and Officers’ Liability Insurance), including civil liability deriving from the prospectus, life insurance, insurance coverage for the reimbursement of medical expenses as well as for occupational and non-occupational accidents.

Agreements providing indemnities in the case of early termination of employment

No agreement is in place that provides for indemnities to be paid in the case of early termination of employment with Directors, Statutory Auditors or Key Managers.

II. SECOND PART

This second part analytically reports the compensation paid in 2019, for any reason and in any form, to the parties who during the year held, even for a part of the period, the office of member of the Board of Directors and Board of Statutory Auditors, General Manager or Key Managers.

In 2019, Key Managers took part in the 2019 MBO annual incentive plan as described in paragraph D.1.1 of the Policy, to which reference is made. Moreover, to contribute to value creation in the medium-long term, Key Managers are also recipients of the LTIP incentive plan described in paragraph D.1.2 of the Policy.

On the basis of the draft financial statements as at 31 December 2019, the Group's EBIT and Free Cash Flow targets, which are the gateway to the 2019 MBO, were achieved. Upon achieving these minimum objectives (Gate), the bonus awarded to each Key Manager under the 2019 MBO will be determined on the basis of the achievement of further individual objectives but not Group objectives, as these have not been reached. The relevant individual bonus will be paid no later than May 2020.

For specific reference to the 2019 compensation, please refer to the Tables that follow.

This part also includes Table No. 1 and Table No. 2 set forth in Attachment 3A, Schedule 7-ter, of the Issuers' Regulation, which show the equity investments held in the Company and its subsidiaries by Directors, Statutory Auditors and Key Managers, in accordance with Art. 84-quater, paragraph 4, of the Issuers' Regulation.

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

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

All compensation is paid by the company that prepares the Financial Statements. Values expressed in Euro.

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
First and last name	Office	Period for which the office was held in 2019	Expiry of the office	Fixed Compensation	Compensation for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other compensation	Total	Fair Value Equity compensation	Indemnity when leaving office
Nerio Alessandri	Chairman and Chief Executive Officer	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	1,500,000 ⁽¹⁾			9,471.27		1,509,471.27		
Pierluigi Alessandri	Deputy Chairman	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	500,000 ⁽²⁾			8,585.38		508,585.38		

⁽¹⁾ Of which Euro 25,000 for the office of Director and Euro 1,475,000 for the office of Chairman and Chief Executive Officer.

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

Maurizio Cereda	Director	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	32,000 ⁽³⁾	10,000 ⁴				42,000		
Francesca Bellettini	Director	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	29,000 ⁽⁵⁾					29,000		
Riccardo Pinza	Director	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	32,000 ⁽⁶⁾	10,000 ⁽⁷⁾				42,000		

⁽³⁾ Of which Euro 25,000 for the office of Director and Euro 7,000 as attendance fees.

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

⁽⁵⁾ Of which Euro 25,000 for the office of Director and Euro 4,000 as attendance fees.

⁽⁶⁾ Of which Euro 25,000 for the office of Director and Euro 7,000 as attendance fees.

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

Erica Alessandri	Director	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	32,000 ⁽⁸⁾					32,000		
Carlo Capelli	Director	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	32,000 ⁽⁹⁾					32,000		
Vincenzo Giannelli	Director	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	32,000 ⁽¹⁰⁾	15,000 ⁽¹¹⁾				47,000		
Chiara Dorigotti	Director	01/01/2019- 31/12/2019	Approval of the Financial Statements as at 31	31,000 ⁽¹²⁾	11,000 ¹³				42,000		

⁽⁸⁾ Of which Euro 25,000 for the office of Director and Euro 7,000 as attendance fees.

⁽⁹⁾ Of which Euro 25,000 for the office of Director and Euro 7,000 as attendance fees.

⁽¹⁰⁾ Of which Euro 25,000 for the office of Director and Euro 7,000 as attendance fees.

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

⁽¹²⁾ Of which Euro 25,000 for the office of Director and Euro 6,000 as attendance fees.

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

			December 2020							
Andrea Giuseppe Zocchi	Director	01/01/2019-31/12/2019	Approval of the Financial Statements as at 31 December 2020	32,289.90 ⁽¹⁴⁾	11,000 ⁽¹⁵⁾				43,289.90	
Maria Cecilia La Manna	Director	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2020	30,000 ⁽¹⁶⁾	17,000 ⁽¹⁷⁾				47,000	
TOTAL				2,282,289.90	74,000				2,374,346.55	

⁽¹⁴⁾ Of which Euro 25,000 for the office of Director, Euro 7,000 as attendance fees and Euro 289.90 as reimbursement of expenses.

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

⁽¹⁶⁾ Of which Euro 25,000 for the office of Director and Euro 5,000 as attendance fees.

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

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

All compensation is paid by the company that prepares the Financial Statements. Values expressed in Euro.

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
First and last name	Office	Period for which the office was held in 2019	Expiry of the office	Fixed Compensation	Compensation for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other compensation	Total	Fair Value Equity compensation	Indemnity when leaving office
Francesca Di Donato	Chairman of the Board of Statutory Auditors	08/05/2019-31/12/2019	Approval of the Financial Statements as at 31 December 2021	19,479.45 ⁽¹⁸⁾					19,479.45		
Claudia Costanza	Chairman of the Board of Statutory Auditors until 07/05/2019 and Standing Auditor from 08/05/2019	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2021	23,448 ⁽¹⁹⁾					23,448		

⁽¹⁸⁾ Compensation for the office of Chairman of the Board of Statutory Auditors from 8 May 2019.

⁽¹⁹⁾ Of which Euro 10,161 for the office of Chairman of the Board of Statutory Auditors until 8 May 2019, Euro 12,986 for the office of Standing Auditor from 8 May 2019 and Euro 301 for reimbursement of expenses.

Ciro Piero Cornelli	Standing Auditor	01/01/2019 - 31/12/2019	Approval of the Financial Statements as at 31 December 2021	21,920 ⁽²⁰⁾					21,920		
Gianluigi Rossi	Standing Auditor	01/01/2019-07/05/2019	Approval of the Financial Statements as at 31 December 2018	7,743.07 ⁽²¹⁾					7,743.07		

⁽²⁰⁾ Of which Euro 20,000 for the office of Standing Auditor and Euro 1,920 for reimbursement of expenses.

⁽²¹⁾ Of which Euro 6,666.67 for the office of Standing Auditor until 8 May 2019 and Euro 1,076.40 for reimbursement of expenses.

Table 1 – bis: Compensation paid to Key Managers. All compensation is paid by the company that prepares the Financial Statements. Values expressed in Euro.

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number	Office	Period for which the office was held	Expiry of the office	Fixed Compensation	Compensation for participation in committees	Non-equity variable compensation	Non-monetary benefits	Other compensation	Total	Fair Value Equity compensation	Indemnity when leaving office
8 ⁽²²⁾				1,651,262		105,000	46,246	94,480	1,896,988	116,856	

(1) Compensation relating to: gross annual compensation, retention plan and Board Member fees for participation in the boards of directors of subsidiaries. The values relating to 4 Key Managers were measured pro quota with respect to the actual period of stay in the company.

(3) Compensation as one-off bonuses related to extraordinary results and/or project commitments (bonuses) accrued in 2019.

(4) Euro 21,683 as taxable car benefits. Euro 24,563 as taxable non-occupational accident policies, life insurance policies and reimbursement of medical expenses.

(5) Compensation relating to housing allowance and travel indemnities.

(7) Relating to the impact of the costs of individual plans in 2019. The stated values relate to 5 Key Managers.

⁽²²⁾ The values relating to 4 Key Managers were measured on a pro-rata basis, with respect to the actual period of stay in the company during 2019.

Table 3A: Incentive plans based on financial instruments, other than stock options, in favor of members of the Board of Directors, General Managers and other Key Managers.

Values expressed in Euro

(A)	(B)	Financial instruments assigned in the previous years not vested during the year			Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and assignable		Financial instruments accrued in the year
		-1	-2	-3	-4	-5	-6	-7	-8	-1			
First and last name	Office	Plan	Number and type of financial instrument	Vesting Period	Number and type of financial instrument	Fair value at the Allotment Date	Vesting Period	Allotment Date	Market price at allotment	Number and type of financial instrument	Number and type of financial instrument	Value at the vesting date	Fair Value
Key Managers		Long Term Incentive Plan (02/05/2017)	57,000	April 2017 - April 2020									
Key Managers		Long Term Incentive Plan (01/07/2018)	44,000	June 2018 - June 2021									
Key Managers		Long Term Incentive Plan (16/07/2019)			68,300	15,245	June 2019 - June 2022	19 July	9,880				
		TOTAL											116,856

TABLE No. 1 required by Annex 3A, Schedule 7-ter of the Issuers' Regulation
Information on the participation of the members of the administration and control bodies

FIRST AND LAST NAME	OFFICE	INVESTEE	NUMBER OF SHARES HELD AT THE END OF THE PREVIOUS YEAR	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES SOLD	NUMBER OF SHARES HELD AT THE END OF THE CURRENT YEAR
NERIO ALESSANDRI	Chairman and Chief Executive Officer	Technogym S.p.A.	156,725	0	0	156,725
PIERLUIGI ALESSANDRI	Deputy Chairman	Technogym S.p.A.	0	0	0	0
ERICA ALESSANDRI	Director	Technogym S.p.A.	0	0	0	0
FRANCESCA BELLETTINI	Director	Technogym S.p.A.	0	0	0	0
CARLO CAPELLI	Managing Director	Technogym S.p.A.	0	0	0	0
MAURIZIO CEREDA	Director	Technogym S.p.A.	0	0	0	0
CHIARA DORIGOTTI	Director	Technogym S.p.A.	0	0	0	0
VINCENZO GIANNELLI	Director	Technogym S.p.A.	0	0	0	0
MARIA CECILIA LA MANNA	Director	Technogym S.p.A.	0	0	0	0

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

**TABLE No. 2 required by Annex 3A, Schedule 7-ter of the Issuers' Regulation
Information on the participation of Key Managers²³**

NUMBER OF KEY MANAGERS	INVESTEES	NUMBER OF SHARES HELD AT THE END OF THE PREVIOUS YEAR	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES SOLD	NUMBER OF SHARES HELD AT THE END OF THE CURRENT YEAR
8	Technogym S.p.A.	51,013	5,000	15,111	40,902

²³ data processed on the basis of the information available to the Company and provided by the interested parties.