



TECHNOGYM S.P.A.

REGISTERED OFFICE IN CESENA, VIA CALCINARO, 2861

SHARE CAPITAL EURO 10,050,250.00 FULLY SUBSCRIBED AND PAID IN

REGISTRATION WITH THE FORLÌ-CESENA COMPANIES' REGISTER NO. 315187 - TAXPAYER ID NUMBER  
06250230965

**REPORT BY THE BOARD OF DIRECTORS ON THE MOTION PUT FORWARD AS THIRD POINT ON THE  
AGENDA OF THE EXTRAORDINARY SHAREHOLDERS' MEETING OF TECHNOGYM S.P.A. CALLED  
FOR 23 APRIL 2020 IN SINGLE CALL**

**1. Amendment of Art. 17 and Art. 28 of the Articles of Association in force to implement the new legislation on gender balance in the composition of the administration and control bodies. Resolutions pertaining thereto and resulting therefrom.**

Dear Shareholders,

the present report is provided in accordance with Art. 125-ter of Italian Leg. Decree No. 58, 24 February 1998 (“**Consolidated Finance Law**”) and Art. 72 of Annex 3A of the implementing Regulation of the Consolidated Finance Law concerning regulations for issuers, adopted by CONSOB with its resolution no. 11971 of 14 May 1999 as amended (“**Issuers' Regulations**”).

You have been called in extraordinary meeting by the Board of Directors, to discuss and resolve (among other things) on the motion to amend the provisions of the Articles of Association of Technogym S.p.A. (“**Technogym**” or “**Company**”) indicated below on gender balance in the composition of the administration and control bodies.

**1. Reasons for the amendments to the Articles of Association proposed**

The reasons for the draft amendments described below lie in the need to make some changes to the Articles of Association, which has become necessary as a result of the coming into force of Law n. 160, 27 December 2019 (“**2020 Budget Law**”).

We remind that Law n. 120, 12 July 2011, (“**Golfo-Mosca Law**”) had introduced the principle according to which listed companies should adopt criteria for the composition of corporate bodies able to ensure gender balance. In particular, Art. 147-ter, Par. 1-ter and Art. 148, Par. 1-bis of the Consolidated Finance Law had required companies with listed shares to adopt composition criteria able to ensure that at least one-third of the members of the administration and control bodies were chosen from the less represented gender. These composition criteria had to be applied for three consecutive mandates from the coming into force of said law (or else, from the listing if subsequent to said coming into force).

Subsequently, by virtue of the delegated powers granted by said law, CONSOB, with resolution n. 18098 of 8 February 2012, has integrated and completed the provisions on gender balance, adding Art. 144-undecies.1 to the Issuers' Regulation. Pursuant to this article: (a) the gender balance criteria must be applied to lists with fewer than three candidates and (b) if number of members of the administration and control bodies chosen from the less represented gender as a result of the application of the gender balance criteria is not an integer, this number must be rounded up to the nearest integer. In compliance with those provisions, the Articles of Association of listed companies must therefore specify: (i) the procedures for the drawing up of lists; (ii) the additional criteria for the identification of the individual members of the administration and control bodies; (iii) the procedures to replace members who leave before the end of their term in office and (iv) the procedures for the exercise of the appointment rights, where specified, for the purposes of guaranteeing gender balance.

On 1 January 2020, the provisions of the 2020 Budget Law amending Art. 147-*ter*, Par. 1-*ter*, and Art. 148, Par. 1-*bis*, of the Consolidated Finance Law have come into force. In particular, starting with the corporate bodies renewed after 1 January 2020, the law has: (i) raised the percentage of members to be chosen from the less represented gender, from at least one-third to at least two-fifths, both for the administration and for the control body; and (ii) extended the effective period of the new selection criteria of at least two-fifths for six consecutive mandates rather than three.

Note also that, with regard to corporate bodies with three members, in view of the interpretative doubts concerning the application of the new selection criteria of at least two-fifths to the less represented gender, with Notification n. 1/20, 30 January 2020, CONSOB has clarified that – while it waits for an initiative to amend the regulatory provisions – it will consider the principle of the rounding up to the nearest integer specified by Par. 3, Art. 144-*undecies*.1 of the Issuers' Regulation not applicable due to arithmetical impossibility. Therefore, with regard to those bodies, CONSOB believes the rounding down to the nearest integer to be in line with the new provisions.

These changes in the legal and regulatory framework have made it necessary to amend Art. 17 and Art. 28 of the Articles of Association, being understood that the new provisions shall apply starting from the next renewal of the corporate bodies, to be carried out by the Shareholders' Meeting of Technogym on approval of the financial statements as at 31 December 2020, for the Board of Directors, and 31 December 2021, for the Board of Statutory Auditors.

## 2. Amendments to Art. 17 and Art. 28 of the Articles of Association

The amendments to the Articles of Association of Technogym proposed below aim at guaranteeing compliance of the Articles of Association with the new legal and regulatory provisions described above. Art. 17 and Art. 28 have been reformulated to reference in a flexible way the legal and regulatory provisions on gender balance in force, with regard to the drawing up of lists of potential members, respectively, of the Board of Directors and the Board of Statutory Auditors.

In the light of the above, we submit the amendments to the Articles of Association as displayed in the table below, which shows side to side the text of Art. 17 and Art. 28 in the current version (left column) and in the version with the proposed amendments (right column), and we invite you, if you agree, to approve these motions, shown in bold.

The amendments in question shall be effective from registration at the relevant Companies' Register of the resolution adopted by the extraordinary Shareholders' Meeting called for 23 April 2020 in single call; none of them falls within the scope of application of Art. 2437 of the Italian Civil Code and, therefore, the shareholders not contributing to the corresponding resolutions shall not have the right to withdraw, for all or part of their shares.

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CURRENT TEXT	PROPOSED TEXT
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**BOARD OF DIRECTORS**

**ART. 17 (PRESENTATION OF LISTS)**

17.1 Lists may be presented by the Board of Directors in office and by the shareholders who, alone or with others, at the time of the presentation of the list hold a percentage equity investment at least equal to the one set by CONSOB regulations pursuant to Art. 147-ter of the Consolidated Finance Law.	Unchanged
17.2 Each shareholder, shareholders participating in a Shareholders' agreement relating to the relevant Company as set forth in Art. 122 of the Consolidated Finance Law, the controlling party, the subsidiaries and companies subject to common control and other parties among which there is an affiliation, even indirect, pursuant to the legal and regulatory provisions in force at the time, cannot present or take part in the presentation, not even through a third party or trust company, of more than one list nor may vote for different lists.	Unchanged
17.3 Each candidate may appear only on one list, being otherwise deemed ineligible.	Unchanged
17.4 Each list carries the names of the candidates, with a sequential number; the number of candidates cannot exceed the number of members to be elected.	Unchanged
17.5 Any list with a number of candidates equal or below 7 (seven) must include and identify at least 1 (one) candidate with the independence requirements set according to the legal and regulatory provisions in force at the time for Independent Directors. Any list with a number of candidates above 7 (seven) must include and identify at least 2 (two) candidates with the independence requirements set according to the legal and regulatory provisions in force at the time for Independent Directors. If these obligations	Unchanged

<p>are not fulfilled, the list is deemed as not presented.</p>	
<p>17.6 For the period of application of the legal and regulatory provisions in force at the time on gender balance, any list presenting at least 3 (three) candidates must also include candidates of both genders, so that at least one-third (rounded up) of candidates belong to the less represented gender. If these obligations are not fulfilled, the list is deemed as not presented.</p>	<p><del>17.6 For the period of application of the legal and regulatory provisions in force on gender balance,</del> Any list presenting no less than 3 (three) candidates must also include <b>a number of candidates of the less represented gender such as to ensure gender balance at least to the minimum extent required by the legal and regulatory provisions in force at the time</b>, so that at least one third (rounding up) of the candidates to the office of Standing Auditor and at least one candidate to the office of Alternate Auditor (if the list also includes candidates to the office of Alternate Auditor) belongs to the less represented gender. If these obligations are not fulfilled, the list is deemed as not presented.</p>
<p>17.7 The lists must be filed at the offices of the Company, also remotely, following the procedures specified in the call notice, and made available to the public in the terms and with the procedures specified by legal and regulatory provisions in force at the time.</p>	<p>Unchanged</p>
<p>17.8 The lists must be accompanied by the following:</p> <p>(a) information on the identity of the shareholders who have presented the lists, with the specification of the percentage equity investment held in total, being understood that evidence of the ownership of this equity investment may be presented even after the deposit of the lists provided this is done within the term set for the publication of the lists by the Company;</p> <p>(b) a statement of the shareholders other than those holding, alone or jointly, a controlling interest or a relative majority, stating the absence of relations of affiliation, even indirect, pursuant</p>	<p>Unchanged</p>

<p>to the legal and regulatory provisions in force at the time, with the latter;</p> <p>(c) exhaustive information on the personal and professional characteristics of the candidates, possibly specifying their qualifications as Independent Directors pursuant to the legal and regulatory provisions in force at the time (and/or pursuant to the codes of conducts on corporate governance promoted by management companies of regulated markets if adopted by the Company), as well as a statement by the candidates that the requirements set by the legal and regulatory provisions in force at the time and by the Articles of Association, including those of integrity and, if applicable, independence, are met, and that they accept the candidature and, if elected, the office;</p> <p>(d) any other additional or different statement, information and/or document required by the legal and regulatory provisions in force at the time.</p> <p>If these obligations are not fulfilled, the list is deemed as not presented.</p>	
<p>17.9 The vote of each shareholder is given to a list and therefore, automatically, to all candidates on the list, without changes, additions or exclusions.</p>	<p>Unchanged</p>

CURRENT TEXT	PROPOSED TEXT
<p><b>BOARD OF STATUTORY AUDITORS</b></p> <p><b>ART. 28 (PRESENTATION OF LISTS)</b></p>	
<p>28.1 The lists may be presented by the shareholders who, alone or with others, at the time of the presentation of the list, hold a percentage equity investment at least equal to the one specified in Art. 17.1 above.</p>	<p>Unchanged</p>

<p>28.2 Each shareholder, the shareholders participating in a Shareholders' agreement relating to the relevant Company as set forth in Art. 122 of the Consolidated Finance Law, the controlling party, the subsidiaries and the companies subject to common control and other parties among which there is an affiliation, even indirect, pursuant to the legal and regulatory provisions in force at the time, cannot present or take part in the presentation, not even through a third party or trust company, of more than one list nor may vote for different lists.</p>	<p>Unchanged</p>
<p>28.3 Each candidate may appear only on one list, being otherwise deemed ineligible.</p>	<p>Unchanged</p>
<p>28.4 Each list carries the names of the candidates, with a sequential number; the number of candidates cannot exceed the number of members to be elected.</p>	<p>Unchanged</p>
<p>28.5 The lists are divided into two sections: one for candidates for the office of Standing Auditor, the other for candidates for the office of Alternate Auditor. The first candidates of each section must be listed in the register of Independent Auditors and have carried out auditing activities for no less than 3 (three) years. The other candidates do not need to meet this requirement but must meet the other professionalism requirements specified by the legal and regulatory provisions in force. If these obligations are not fulfilled, the list is deemed as not presented.</p>	<p>Unchanged</p>
<p>28.6 For the period of application of the legal and regulatory provisions in force on gender balance, any list presenting no less than 3 (three) candidates (considering both sections) must also include candidates of both genders, so that at least one-third (rounding up) of the candidates to the office of Standing Auditor and at least one candidate to the office of Alternate Auditor (if the list also</p>	<p><del>28.6 For the period of application of the legal and regulatory provisions in force on gender balance, any list presenting no less than 3 (three) candidates (considering both sections) must also include candidates of both genders, so that at least one-third (rounding up) of the candidates to the office of Standing Auditor and at least one candidate to the office of Alternate Auditor (if the list also</del></p>

<p>includes candidates to the office of Alternate Auditor) belongs to the less represented gender.</p> <p>If these obligations are not fulfilled, the list is deemed as not presented.</p>	<p><del>includes candidates to the office of Alternate Auditor) belongs to the less represented gender.</del></p> <p><b>Any list for the office of Standing Auditor and Alternate Auditor must include a number of candidates of the less represented gender sufficient to ensure, within the list, gender balance at least to the minimum extent required by the legal and regulatory provisions in force.</b></p> <p>If these obligations are not fulfilled, the list is deemed as not presented.</p>
<p>28.7 The lists must be filed at the offices of the Company, also remotely, following the procedures specified in the call notice, and made available to the public in the terms and with the procedures specified by legal and regulatory provisions in force at the time. If, at the date of expiration of the term for the filing of the lists, a single list has been presented, or else if only lists presented by interrelated shareholders pursuant to the legal and regulatory provisions in force have been presented, the provisions of the legal and regulatory provisions in force shall apply.</p>	<p>Unchanged</p>
<p>28.8 The lists must be accompanied by the following:</p> <p>(a) information on the identity of the shareholders who have presented the lists, with the specification of the percentage equity investment held in total, being understood that the evidence of the ownership of this equity investment may be presented even after the deposit of the lists provided this is done within the term set for the publication of the lists by the Company;</p> <p>(b) a statement of the shareholders other than those holding, alone or jointly, a controlling interest or a relative majority, stating the absence of relations of affiliation, even indirect, pursuant</p>	<p>Unchanged</p>



<p>to the legal and regulatory provisions in force at the time, with the latter;</p> <p>(c) exhaustive information on the personal and professional characteristics of the candidates, with specification of the administration and control positions held in other companies, as well as a statement by the candidates that they meet the requirements set by the legal and regulatory provisions in force and by the Articles of Association, including those of integrity, professionalism, independence and limit on the accumulation of positions, and that they accept the candidature and, if elected, the office;</p> <p>(d) any other additional or different statement, information and/or document required by the legal and regulatory provisions in force at the time.</p> <p>If these obligations are not fulfilled, the list is deemed as not presented.</p>	
<p>28.9 The vote of each shareholder is given to a list and therefore, automatically, to all candidates on the list, without changes, additions or exclusions.</p>	<p>Unchanged</p>

If you agree with the motion we have illustrated, we kindly ask you to approve the following draft resolution:

*‘The extraordinary Shareholders’ Meeting of Technogym S.p.A.:*

- *having examined the Report of the Board of Directors,*
- resolves***
- *to approve the motion to amend Art. 17.6 of the Articles of Association as follows:*  
*“17.6 Any list presenting no less than 3 (three) candidates must also include a number of candidates of the less represented gender such as to ensure gender balance at least to the minimum extent required by the legal and regulatory provisions in force at the time. If the obligations as set forth in this Par. are not fulfilled, the list deemed as not presented.”*
  - *to approve the motion to amend Art. 28.6 of the Articles of Association as follows:*  
*“28.6 Any list for the office of Standing Auditor and Alternate Auditor must include a number of candidates of the less represented gender sufficient to ensure, within the list, gender balance at least to the minimum extent required*

*by the legal and regulatory provisions in force. If the obligations as set forth in this Paragraph are not fulfilled, the list is deemed as not presented.*

- *to hereby vest the Board of Directors, and therefore its legal representatives at the time, jointly and severally, with a mandate to execute the resolutions above and comply with all necessary formalities, including the filing of the resolution in the Companies' Register, to ensure that the resolutions adopted obtain regulatory approval, with the power to make any non-material modifications, variations or additions required for the purpose, also at the time of filing, and in general to carry out all necessary activity for the full execution of the resolutions, with all powers necessary and appropriate for this purpose, with no exclusion or derogations, also for the purposes of fulfilling all formalities, acts, filing of petitions or documents, required by the relevant supervisory authorities and/or the applicable legal and regulatory provisions in force at the time.”*

on behalf of the Board of Directors  
The Chairman  
Nerio Alessandri