TECHNOGYM CLIMATE TRANSITION PLAN

Climate change has been a material topic for Technogym since the last DMA.

Together with its customers and suppliers, Technogym aims to reduce its collective carbon footprint and build a more sustainable wellness industry in line with a 1.5 degrees scenario as outlined in the Paris Agreement.

This aligns and is embedded in Technogym business strategy as well as financial planning. To achieve this, Technogym focuses on the following objectives prioritized by their impact and defined following the guidance of SBTi[1] to deliver ambitious, science-based climate action that enables the transition to an equitable net-zero economy.

The transition plan, aligned with the aim of reaching net-zero emissions by 2050, defines the following near-term objective[2]:

Technogym commits to reduce Scope 1 and Scope 2 emissions 63% by 2035 from a 2025 base year

Technogym is committed to reducing Scope 3 emissions by 63% by 2035 from a 2025 base year, in line with the goal of limiting global warming to 1.5°C.

To strengthen its climate ambition and meet the defined objectives Technogym has allocated resources to reducing its environmental impact. Moreover, to support the future climate targets defined and continue to advance against Technogym long-term commitment to Net-Zero, it is important that future resources are allocated to the target achievement, such as:

- Investments in renewable energy and energy efficiency
- Procurement policy and choices
- Development of EcoDesigned approach to our current and future portfolio
- Supplier engagement
- Customer engagement
- Business model innovation

The financial planning including future financial resources related to our transition plan is in progress considering that Technogym completed in FY2024 a full and comprehensive GHG emissions inventory and develop the plan defining the emissions reduction levers during FY 2025 and this will be updated constantly.

Technogym is committed to aligning its investments with the EU Taxonomy Regulation, focusing on activities that contribute substantially to environmental objectives. Among these, particular emphasis is placed on services related to the repair, reuse, and refurbishment of equipment, as well as the installation of systems for the production and self-consumption of energy from renewable sources.

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[1] The SBTi Corporate Net-Zero Standard provides sector-agnostic requirements and recommendations for scope 1, scope 2 and scope 3 emissions, categories 1 to 14.

[2] These targets have been defined by the SBTi tool in order to be aligned with the Paris Agreement's 1.5°C goal.

These initiatives fall within the scope of economic activities covered by the Taxonomy Regulation and are therefore reflected in the eligibility and alignment percentages of the Capex and Opex KPIs.

Every fiscal year, the Technogym Group will conduct a new EU Taxonomy assessment. It is expected that the alignment rate will progressively increase, supported by the implementation of an ongoing technical and procedural adaptation plan.

The implementation of the plan is supervised by the Control, Risk and Sustainability Committee (CCRS), which reports directly to the Board of Directors that revised and approved the transition plan.

EMISSIONS REDUCTION LEVERS

Scope 1 & Scope 2

Technogym Scope 1 and Scope 2 emissions represent a small fraction of its GHG emissions inventory.

Technogym recognizes the following levers to support its commitment:

- **Energy efficiency measures**
  As part of its energy efficiency strategy, Technogym is finalizing the construction of a photovoltaic plant at the Technogym's headquarter. This installation will contribute to reducing reliance on externally sourced electricity by enabling on-site renewable energy generation and self-consumption

- **Switch to renewable electricity**
  Technogym currently sources renewable energy for its two most energy-intensive facilities: Tech Spa and Tech E.E. The strategic goal is to continue along this path by gradually extending the use of renewable energy to the remaining companies within the group, which, although less impactful in terms of energy consumption, still contribute to the overall footprint.
  From a total Scope 1 & 2 perspective, the impact of this extension would be relatively limited, as a significant share of renewable energy is already in place and the expected growth (CAGR) further mitigates the relative reduction. However, when considering Scope 2 emissions alone, the transition to **100% renewable energy** would result in a complete reduction, bringing the Scope 2 Market-Based emissions value down to zero.

- **Switch to renewable gas**
  Stationary Scope 1 consumption mainly originates from the plant in Slovakia, primarily due to the use of natural gas in the blast furnaces. A key measure to be implemented is the replacement of natural gas with biomethane, which will contribute significantly to reducing emissions.

- **Decarbonization of the company fleet**
  The company's strategy for fleet transition is designed to align with the evolving automotive sector by shifting to more ecological engines, such as Plug-in Hybrid Electric Vehicles (PHEVs) or Full Electric Vehicles (FEVs). This deliberate evolution moves beyond a simple replacement schedule; it involves an analysis of different usage profiles across our sites. For instance, the initial phase will focus on gradually replacing existing diesel-powered vehicles with PHEVs. Future phases will consider the suitability of FEVs or other low-emission technologies based on vehicle duty cycles, route lengths, and the availability of charging infrastructure, ensuring the engine choice is optimally matched to the operational need. This approach ensures our fleet modernization is both economically sound and environmentally effective.

Scope 3

Based on its GHG emissions inventory, Technogym identified two significant scope 3 categories that represents the major fraction of the total scope 3 emissions:

- 3.1 Purchased goods and services
- 3.11 Use of sold products

Purchased goods and services

Technogym acknowledges its dependency on suppliers' decarbonization in achieving its climate commitment. Technogym focus will be on driving impact throughout the entire value chain developing a supplier engagement program with the aim to encourage them to approach Science Based Targets and support their decarbonization journeys.

This continuous engagement will help Technogym to gather primary data from its supply chain to improve its GHG emissions inventory and be able to evaluate data driven low carbon alternatives.

Use of sold products

Since the majority of Technogym downstream climate impact occurs during the use-phase of the products, Technogym is dedicated to designing energy efficient solutions and supporting the transition to renewable energy sources.

Technogym is developing its Eco Design approach where energy efficiency requirements are a key focus. This approach allows Technogym R&D people to develop a product portfolio optimized for energy consumption during use, which not only reduces our environmental footprint but also helps its customers to lower their operating costs.

Moreover, the adoption of renewable energy by our customers, will be crucial to reach the Net – Zero ambition by eliminating CO2 emissions during the use phase. For this reason, Technogym will actively support and encourage its customers in their transition to renewables energy.

The key assumption is that electrical grids will decarbonize in line with the International Energy Agency's (IEA) Stated Policy Scenario (SPS) or Announced Pledge Scenario (APS).

Locked – in emissions

Within the framework of our transition plan, we acknowledge the existence of potential locked-in emissions, primarily related to Category 11 (use of sold products). These are downstream emissions that cannot be fully eliminated through our efficiency measures, as they depend on how customers use the products and the energy context in which they operate. While we continue to improve the environmental performance of our solutions and promote lower-carbon alternatives, we recognize that

a portion of emissions associated with product use will inevitably remain locked-in until a broader decarbonization of energy systems at the market level is achieved.

Regarding Technogym's direct emissions, a significant portion of Scope 1 Emissions are potentially locked-in due to the operational lifespan of our facilities and assets that cannot be immediately replaced or retrofitted without significant capital expenditure and operational disruption.

Furthermore, the ongoing evolution of European Union regulations regarding biogas, including sustainability criteria and feedstock availability, introduces considerable uncertainty. While biogas presents a potential avenue for reducing our Scope 1 emissions, the shifting regulatory framework makes it challenging to secure a stable, long-term supply.

This uncertainty inhibits our ability to transition to this lower-carbon alternative in the short to medium term, thereby reinforcing the locked-in nature of our current emissions profile.