



Interpump Group

Consolidated Non-Financial Statement at 31 December 2020



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Letter to Stakeholders

Stakeholders,

Given the events of this past year, I can only begin my letter accompanying the fourth edition of our Non-Financial Statement by highlighting how arrival of the Covid-19 virus, with its major impact on the lives of people and businesses, has spotlight once again the need for increased focus on “sustainability”. Against this adverse background, I believe it even more important to stress the renewed commitment made by the Interpump Group to social responsibility and sustainability.

Interpump has always dedicated special attention to social and environmental matters, recognizing the great value of people in all decisions made in pursuit of our various business strategies. The success of Interpump is closely tied to our 8,000 plus employees, located in more than 30 countries, who strive every day to manufacture products of the highest technical quality and provide an appropriate level of service.

The diversity of the contexts, cultures and territories in which we operate is, for us, a distinctive characteristic and a unique strength. In view of this and with the dual objective of safeguarding the value created for our clients and the health of all our collaborators, from the very start of the emergency we adopted all necessary measures to comply with the instructions issued by the Authorities in the countries where we operate, in order to resist the spread of the Coronavirus (Covid-19). In practice, we have seen how the investments made have enabled us, even under emergency conditions, to manage all our productive processes without any relaxation of our qualitative standards. Teams dedicated to managing the emergency were established at various organizational levels, ensuring the continuity of operations in all productive departments and of all client service activities. We notified our employees of the healthcare and conduct rules established by the Authorities, explaining them appropriately. Consistent with the specific nature of the manufacturing sector, we also arranged to activate remote working. All our locations took extra precautions to strengthen the hygiene measures adopted. Despite the exceptional circumstances, we continue to work every day with one goal in mind: growth.

Interpump promotes a culture based on training, diversity, inclusion and safety for all employees. The training and development paths of personnel, investment in the prevention of workplace injuries and broad share ownership are tangible examples of our commitment and drive to involve, develop and protect our people. We strive to optimize the use of natural resources and reduce our environmental impact throughout the entire value chain, from production to distribution. In this light, the optimization of energy and water consumption, lower waste and scrap generation, with enhanced recycling, all play a fundamental role.

Interpump is also concerned about the sustainability of the products sold. Here, I would like to draw attention to (among others) two new clean tech initiatives. In the Water Jetting division, we have added Bertoli Evo-Green homogenizers that lower the consumption of water, electricity and oil. In the Hydraulic division, Walvoil has developed the Adaptive Load Sensing system that, by reducing energy dispersion and consumption, lowers annual CO₂ emissions by an average of 1,315 kg for each machine on which it is installed. Care about territorial impact, respect for traditions as they evolve and adapt, constant dialog with stakeholders and the creation of value shared with collaborators, vendors, institutions and local communities are all fundamental aspects of our business model.

Our responsible approach is strengthened by the Code of Ethics of the Group, which is applied in every country where we operate and in all situations. A constant search for excellence and an unceasing drive to evolve and improve, while remaining true to our principles and values, remain hallmarks of Interpump activity over time. Thanks to all this and despite the recent difficulties and uncertainties to be overcome, we have been able to lay the solid foundations on which the success of the Group is built.

Chairman and Chief Executive Officer
Fulvio Montipò

Key social, environmental and economic indicators



108

Entities Worldwide



1,294 Mln €

Net Revenues



1,186 Mln €

Total Economic value distributed



77%

of waste produced in 2020 is recovered



-7%

of waste generated compared to 2019



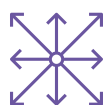
+3 p.p.

waste recovered on waste generated compared to 2019



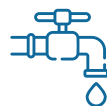
8,254

Employees and temporary workers



+5%

staff increase compared to 2018



-13.7%

Water withdrawal intensity (trend for the three-year period 2018-2020)



-25.2%

Water discharges (trend for the three-year period 2018-2020)

Impact of the Covid-19 pandemic on the Interpump Group

The Covid-19 pandemic broke out in early 2020, with major effects on all world economies due to the shutdown by governments of many activities, including those in the manufacturing sector. Those businesses that remained open continued at a slower pace, both to ensure maximum compliance with the safety instructions and due to the shutdown, in turn, of their principal clients and vendors. The pandemic originated in China, where activities were essentially shut down for the entire first quarter of the year. In the Rest of the World, the months of March and especially April were worst hit, with major suspensions of activities in almost every country in which the Group is active. The timing of the restart varied, depending on the country concerned. While activity is showing signs of recovery at the end of 2020, it has not yet reached pre-COVID levels.

In this context and with a view to safeguarding the value created for clients and the health of all collaborators, from the very start of the emergency the Interpump Group adopted all necessary measures to comply with the instructions issued by the Authorities - in each country where it operates - in order to resist the spread of the Coronavirus (Covid-19).

Despite the emergency conditions, this action made it possible to manage all productive processes without disregarding the various regulations issued from time to time throughout 2020.

From an organizational standpoint, teams dedicated to managing the emergency were established to ensure the continuity of operations in all productive departments and of all client service activities.

Each group company informed its employees of the healthcare and conduct rules established by the relevant Authorities, explaining them appropriately. In addition, where possible, the Group activated remote working and all locations took extra precautions to strengthen the hygiene measures adopted.

Overall, the business model of the Interpump Group has proved resilient to the effects generated by the pandemic. The fundamentals of the group have been shown to be sound and well able to absorb the adverse consequences inherent in the exceptional nature of the pandemic.

Despite the contraction in Revenues of about 12.6% at unchanged perimeter and exchange rates, **the resilience of the Interpump Group is confirmed by the financial performance achieved in 2020**, which closed with an **EBITDA margin that was essentially unchanged** (down from 23.2% to 22.7%), **consolidated net profit of Euro 173.3 million and an exceptional free cash flow of Euro 203.8 million**. Looking ahead, the Group believes that the Covid-19 pandemic has not compromised in any way its ability to create value over the long term.



1. The Interpump Group

The Interpump Group

GRI 102-1; GRI 102-2; GRI 102-3; GRI 102-4; GRI 102-5; GRI 102-6; GRI 102-7; GRI 102-16



The Interpump Group was founded by Fulvio Montipò in 1977 at S. Ilario d'Enza (RE), Italy, where Interpump Group S.p.A., the parent, is still headquartered.

Over the years, production has expanded from the original niche of high and very high-pressure plunger pumps, in which the Group enjoys world leadership, to include flow control components for the food processing/cosmetics/pharmaceuticals industries and a vast range of hydraulic systems and components, as well as flexible rubber hoses and rigid metallic pipes.

The strategy of the Interpump Group is to extend the range of products and the volume of sales even further, not least by targeted acquisitions.

With more than 7,000 employees and locations in over 30 countries in Europe, North America, South America, Asia and the Pacific Basin, the Group generated net revenues of Euro 1,294 million in 2020.

The mission of the Interpump Group is to pursue excellence in its operations through the application of innovation and quality. Innovation is a permanent goal of Interpump collaborators and is the result of constant,

scientific, and detailed research carried out into materials, techniques and products with the aid of the most sophisticated and advanced equipment. Quality permeates all activities of the Interpump Group. Quality is founded on the meticulous, methodical and constant control and verification of each step in the production process, from the purchase of raw materials to the finished product. The quality assured by the Interpump Group stems from the shared culture that permeates all Group companies. Products are designed to be efficient, easy and intelligent to use, warranted, capable of satisfying market needs and, where possible, energy efficient, safeguarding both users and the environment.

The entire Group draws inspiration from the principles of impartiality, honesty, propriety, confidentiality, fairness, cohesion, collaboration, team work, professional ethics and respect for positive diversity, derived from different cultural and work-related experiences.

Interpump Group promotes the acquisition, sedimentation, organization and dissemination of know-how.

The Code of Ethics adopted by the Group expresses the ethical responsibilities and commitments accepted by the

personnel of Interpump Group companies when carrying out their business operations and activities, whether they be directors, employees or those who, even on a de facto basis, manage and control the Company or act in its name and/or on its behalf (hereinafter, also “Collaborators”). Signature of the Code of Ethics or an extract from it or, in any case, compliance with its instructions and principles by the consultants, vendors and all other third parties, including customers, that work with the Company (hereinafter, also “Third Parties”) is an essential condition for the completion of contracts of any kind between them and Interpump Group companies; the clauses signed or, in any case, approved by tacit consent or otherwise, are an integral part of such contracts.

Via the Code of Ethics, the Interpump Group also strives to disseminate and consolidate a culture of safety and respect for the environment, without deviating in any way from compliance with local regulations, while also promoting responsible conduct by all Collaborators. The Company also seeks to protect, especially via preventive actions, the health and safety of workers and the interests of other stakeholders.

On the subject of human rights, the Code of Ethics formalized and adopted by all Group collaborators is worded to recognize and respect personal dignity, privacy and the personal rights of each individual. Under this Code, the conduct of collaborators in the performance of their functions must be founded on transparency and moral integrity, having regard for the multiple social, economic, political and cultural contexts in which they work. The Group guarantees and promotes diversity and respect for

gender equality: discrimination of any kind is not tolerated. All Group personnel are hired on a proper employment contract and the working relationship is maintained in full compliance with the national collective employment contract for the sector concerned, the tax, social security and insurance regulations, and the instructions governing health, safety and immigration. Unofficial work is not tolerated in any form and respect for human rights is guaranteed, especially via a total ban on child labor and the use of foreign citizens without proper residence papers. In addition, all personnel must specifically respect individuals, their dignity and their values at all times, avoiding any discrimination based on gender, racial or ethnic origin, nationality, age, political opinions, religious beliefs, state of health, sexual orientation or economic-social status.

See the “Code of Ethics” published on the website www.interpumpgroup.it for further details.

Strategic leadership of the Interpump Group on Corporate Social Responsibility matters is entrusted to the Board of Directors of Interpump Group S.p.A. which, on 29 October 2020, assigned to the Control, Risks and Sustainability Committee the task of supporting the considerations and decisions of the Board with appropriate analysis and proposals regarding the “sustainability” strategy of the Company.

Focus on the Water Jetting and Hydraulic sectors

GRI 102-2

→ The **Water Jetting** sector includes companies active in Interpump's traditional core business: the production and sale of plunger pumps rated from 1 to 2000 HP (from 0.7 to 1500 kW), and the related accessory components. The smaller models are primarily used in pressure washers; as the power rating increases, and hence the available pressure, the range of applications is extended to include car washes, atomization, road cleaning and jet rodding of sewers, seawater desalination, descaling of steel; even higher pressures allow the use of the fluid (water or another medium) to bore holes, make cuts, remove

paint, deburr metal components and even for demolition works. Lastly, plunger pumps are suitable for use in all industrial processes (chemicals, food processing, cosmetics, manufacturing) that require very high pressures to homogenize or separate foods or compounds, to make chemical reactions possible, to sterilize and for countless other processes. The higher efficiency of plunger technology compared to other types of pump leads to better performance and savings in energy usage; moreover, in many of the applications mentioned water technology brings benefits related to hygiene, the environment, or processing time with respect to the conventionally employed systems. The following principal brands are used by the Interpump Group for the above applications:



Since 2017 the Water Jetting sector also includes companies engaged in the production of special pumps, mixers, agitators, cleaning systems, valves and tanks for the food, cosmetics and pharmaceutical industries: these products

offer physiological commercial synergies and significant technological affinities with the historic core business of plunger pumps. The principal brands used for these applications are:



→ The **Hydraulic** sector, inaugurated in 1997, includes companies active in the production and sale of a continually expanding range of hydraulic components: power take-offs (mechanical device connected to the engine or gearbox of an industrial vehicle, to which a pump is coupled to power the hydraulic circuit), gear pumps, cylinders, hydraulic motors, oil tanks, directional controls (the central component that assures constantly correct distribution of oil among all the segments of a complex hydraulic system) and related electronic or mechanical control systems, hydraulic lines (flexible rubber hoses, flexible metal pipes, and rigid pipes), flanges and fittings.

Hydraulic technology is used in almost all mechanized aspects of human activity: in equipped industrial vehicles (dumpers, truck cranes, waste compactors...), in agricultural vehicles, earthmoving machines, forklift trucks and telehandlers with work platforms, as well as in fixed applications including cranes, elevators, in the mining sector, marine sector, industrial automation, and even for funfair rides. Pipes and fittings have an even broader range of application (including a large number of applications in the Water Jetting sector), and some companies in the Group offer complete services of design, construction

and maintenance of simple or extremely complex piping systems.

In addition, Interpump is also present in the gears/ power transmissions sector. These are used on all types of industrial and domestic machines that need to reduce the speed of a motor in a safe and efficient manner, while also increasing rotational torque. As a transmission system, gears are highly complex with very many variants, depending on the needs and specifications for each application. There are numerous applications across multiple business sectors, from logistics to agriculture, from heavy industry to food processing, and from animal husbandry to the circular economy and mining.

The entry of Interpump into this sector between the end of 2019 and the beginning of 2020, with the acquisition of Reggiana Riduttori and Transtecno, radically extended activities in the transmission sector, where Interpump was already world leader in the production of power take-offs (PTO) for mobile hydraulic systems.

The principal brands belonging to the Hydraulic Sector are presented by product category on the following page.



Hoses and Fittings



Cylinders



Valves



Gears/ power transmissions



Power Take-Offs



Manufacturing and commercial operations are integrated and supported by **research and development activities**. In addition to strategic guidance provided by the parent company, R&D activities are performed by the group's production companies for specific products (e.g. Interpump Group S.p.A. and Hammelmann GmbH for the Water Jetting Sector; Walvoil S.p.A., Interpump Hydraulics S.p.A. and IMM Hydraulics S.p.A. for the Hydraulic Sector)

with the aim of continually improving the quality and performance of the products, creating new products and identifying different applications for existing products in order to penetrate new sectors. As in the past, Group strategy is to continue the heavy investment in research and development, in order to give renewed impetus to internal growth.

Structure of the Interpump Group

GRI 102-4; GRI 102-5; GRI 102-6; GRI 102-7; GRI 102-45

At 31 December 2020 the Interpump Group comprises an organization headed by Interpump Group S.p.A., a company incorporated in Italy and listed in the FTSE MIB segment of the Milan stock exchange, that holds direct and indirect controlling interests in 107 subsidiaries operating in the two business sectors described above.

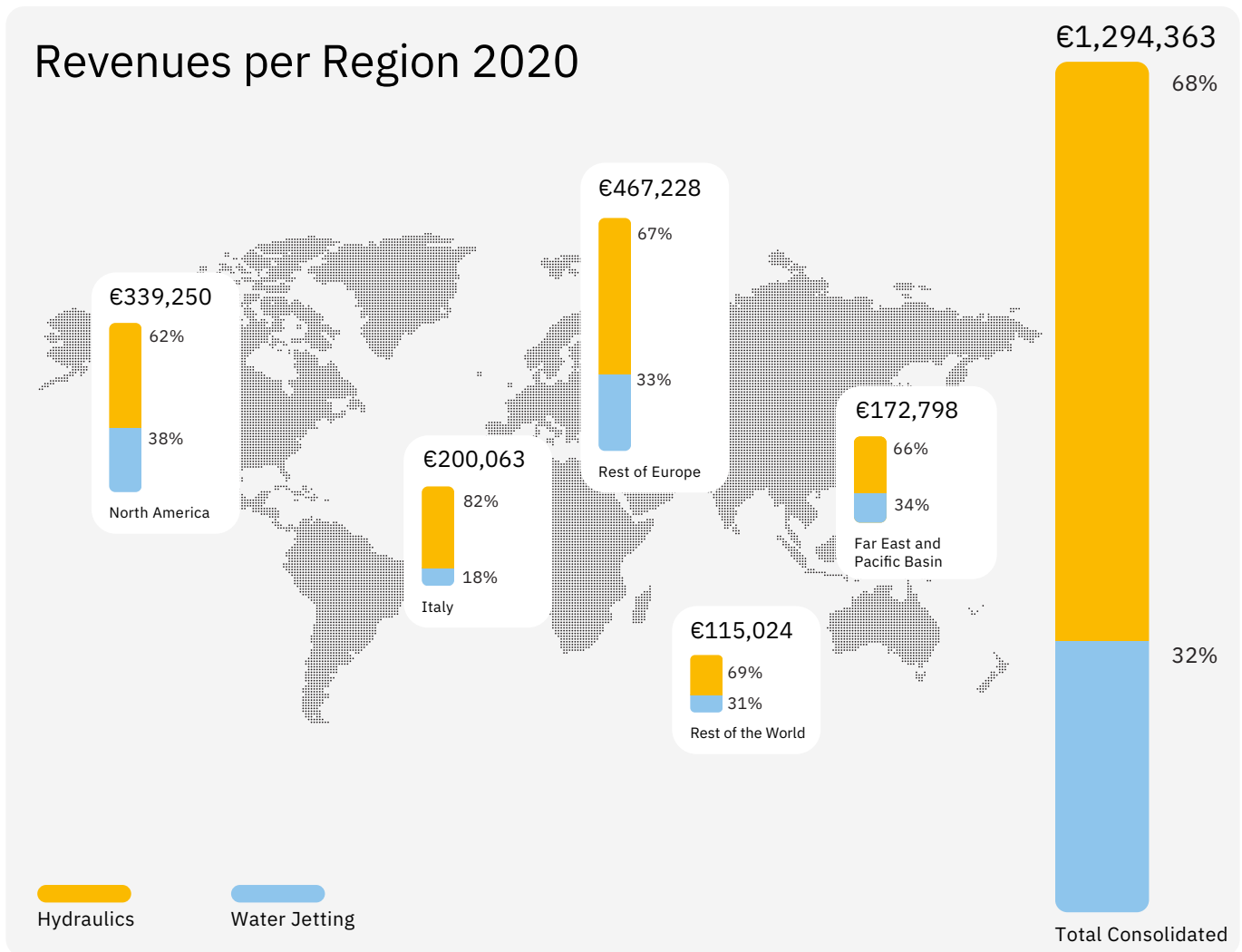
The Group is composed of a large number of companies, including small size concerns, that perform primarily production and/or sales activities under the strategic and operating coordination of the group parent company.

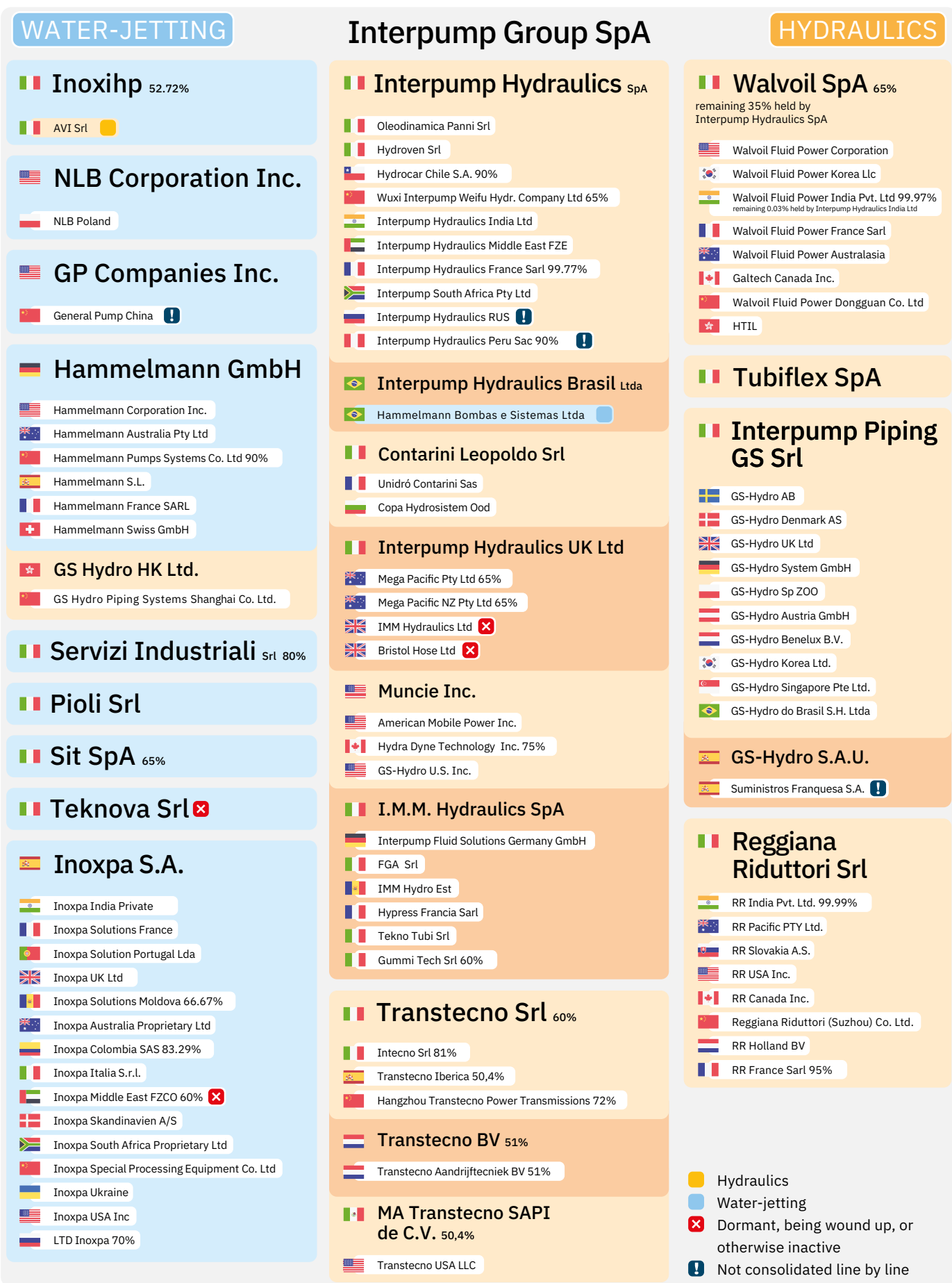
The Group has production facilities in Italy, the US,

Germany, China, India, Brazil, Bulgaria, Romania, South Korea, Portugal, France and Spain, with a direct presence in more than 30 countries. The geographical areas in which the Group operates, both in terms of manufacturing and sales activities, are grouped as follows:

- Italy;
- Rest of Europe;
- North America;
- Far East and Oceania;
- Rest of the World.

See the following chart for further details:





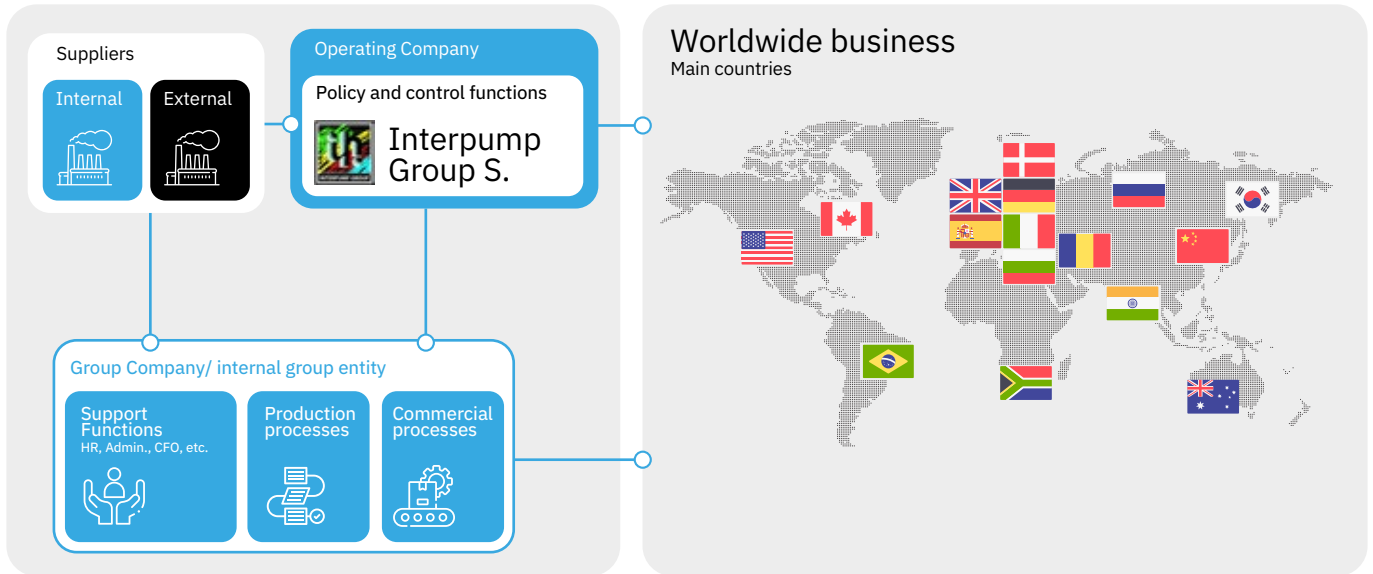
Group Structure as at 31/12/2020. All holdings 100% unless otherwise specified.

Interpump Group value chain

GRI 102-9

The following is a simplified representation of the value chain of the Interpump Group, useful for the mapping and description (in the following chapters of this document) of the risks, corporate management model and policies

adopted on significant topics in five areas (environmental, social, personnel, respect for human rights and anti-corruption).



The main elements of the Interpump value chain are:

- vendors, which may be small/medium-size companies or large multinationals. Among the Group's main procurement categories, we list the following, by way of example without limitation: raw materials, components and intermediates, finished products, packaging, work processes (e.g. heat treatments, small metal parts, assembly, surface coating, etc.), utilities, machine manufacturers, services (e.g. transport, consultancy, waste management, etc.).
- Interpump Group companies that are primarily engaged in production (essentially mechanical production and assembly of components) and/or sales activities.
- clients, around 23% of which are distributors and dealers, while 77% are OEMs¹ and end customers. Overall, the number of customers exceeds 20,000, spread over more than 130 countries. The top customer in terms of sales accounted for about 1.6% of revenues in 2020.

The Interpump Group combines a process of internal growth with an external growth path, resulting in sometimes significant changes in the product mix with, therefore, an impact on the consistency of certain indicators.

The following principal acquisitions took place during the years analyzed:

- January 2018, the international branches of GS-Hydro - active in the design and installation of and support for piping systems used in weld-free assemblies (contributing about 5% of consolidated revenues);
- October 2019, the Reggiana Riduttori group;
- January 2020, the Transtecno group;
- July 2020, Servizi Industriali (Macfuge brand);
- November 2020, Dz Trasmissioni.

1 Original Equipment Manufacturer



INTER
PL

EN 857 - DN 19 I.D. 3/4" - W.P. 105 bar/1523 PSI
57 - DN 19 I.D. 3/4" - W.P. 105 bar/1523 PSI
EN 857 - DN 19 I.D. 3/4" - W.P. 105 bar/1523 PSI
EN 857 - DN 19 I.D. 3/4" - W.P. 105 bar/1523 PSI
EN 857 - DN 19 I.D. 3/4" - W.P. 105 bar/1523 PSI
EN 857 - DN 19 I.D. 3/4" - W.P. 105 bar/1523 PSI



2. Note on methodology

Note on methodology

GRI 102-45; GRI 102-46; GRI 102-48; GRI 102-49; GRI 102-50; GRI 102-52; GRI 102-53; GRI 102-54; GRI 102-56

This document is the Consolidated Non-Financial Statement (hereinafter, also NFS) of the Interpump Group (Interpump Group S.p.A. and those subsidiaries consolidated on a line-by-line basis, hereinafter also the Group or “IPG”), prepared pursuant to Italian Legislative Decree 254 dated 30 December 2016 (hereinafter, also the “Decree” or “Decree 254/2016”) and, as envisaged in the Decree, is a separate document with respect to the Board of Directors' Report.

This NFS addresses the material topics envisaged in art. 3 of Decree 254/2016 with reference to the 2020 financial year (from 1 January to 31 December), to the extent necessary in order to provide an understanding of the business, its performance, its results and the social and environmental impact of the Group. The material topics for the Interpump Group and its stakeholders were determined using a process for the analysis of materiality described in the chapter on “Stakeholder engagement and materiality matrix”.

This document has been subjected to a limited assurance engagement performed by EY S.p.A., under the International Standard on Assurance Engagements - ISAE 3000 (Revised). The assurance was performed in compliance with the procedures described in the “Independent Auditors' Report” included at the end of the document.

The Board of Directors of the Interpump Group approved this NFS on 19 March 2021.

Scope and standard of reporting

This annual NFS relates to 2020 (from 01/01/2020 to 31/12/2020), consistent with the **reference period** for the consolidated financial statements, and includes the companies consolidated on a line-by-line basis for financial reporting purposes (see the corporate structure of the Interpump Group at 31/12/2020, presented in section 1.1 Structure of the Interpump Group). The following companies are not included, since they are dormant/in liquidation: Bristol Hoses Ltd, Interpump Piping GS S.r.l., HTIL, IMM Hydraulics Ltd, Teknova S.r.l.

The document also contains non-financial data for 2019 and 2018 for comparative purposes.

In addition, to aid understanding of the foregoing comparison, where significant the notes supporting the indicators show the changes in the scope of reporting attributable to the entities acquired during the three-year period, as well as the impact of exchange-rate fluctuations.

This NFS has been prepared in compliance with the GRI Sustainability Reporting Standards: Core option, published in 2016 by the Global Reporting Initiative (GRI). Compared with the Statement for 2019, IPG has adopted the updated version of Disclosure GRI 303 (Water and Effluents)

issued by the GRI in 2018 and, accordingly, the historical data for 2018 and 2019 has been aligned with the new requirements of the Standard.

The Statement includes a “GRI Core Indicators correlation table” in section 3.2 (Analysis of materiality), in order to show the coverage of the GRI indicators associated with each topic determined to be material. In addition, each chapter/section makes reference to the indicators addressed.

Methods of calculation

The main methods of calculation and assumptions made for the non-financial performance indicators reported in this statement are indicated below, in addition to those already described in the text of the NFS (e.g. examples of specific calculation formulas include indicator 401-1 concerning in/out turnover rates, 403-9 concerning rates of injury, 302-3 related to energy intensity, and 306-1 concerning water discharge).

A.— Where specific environmental data was unavailable, conservative estimates were made by choosing assumptions for environmental performance that were less favorable for the Company. For example, with reference to the new standard on the withdrawal and discharge of water, the following have been considered fresh water:

- water sourced from third-party vendors, such as the public supply (mains), for which no exchange of materials is envisaged at any point in the productive process;
- water drawn from own wells when the related discharges are analyzed to check their quality parameters. The purpose is to confirm that the productive process did not result in an exchange of materials causing total dissolved solids to increase by more than 1g/liter. In the absence of analyses confirming compliance with the 1g/liter limit, the Group takes a prudent approach by classifying the water concerned in the “other” category.

B.— In order to assess water stress in the various countries in which the Group operates, reference was made to the Acqueduct database, using the 32 capitals of each country as benchmark values. Countries are classified as subject to water stress if the value identified is greater than or equal to 3.

C.— Greenhouse gas emissions were calculated using the following formula: activity value (m³ of natural gas, kWh of electrical energy, etc.) multiplied by the respective emission factor. Also, losses of refrigerant gas (kg) were considered, multiplied by the respective Global Warming Potential (GWP).

D.— The emission factors and GWP values utilized for calculation of GHG emissions were as follows:

- **Emissions Scope 1** the emission factors for fuels and the GWP of refrigerant gases were taken from the “UK Government GHG Conversion Factors for Company Reporting - fuel properties” published by the Department for Environment, Food and Rural Affairs (*hereinafter, also “DEFRA”*) and updated annually.
- **Emissions Scope 2** the emissions for electricity purchased from the grid were calculated using two methods, as required by the GRI Standards:
 1. the Market-based calculation used the residual mix emission factors reported in the most recent versions for each reporting year of the following documents: “European residual mix” published by the Association of Issuing Bodies (AIB) and “Green-e Energy Residual Mix Emissions Rates” published by the Center for Resource Solutions; for those countries whose residual mix factors were not publicly available from accredited sources at the time of preparing this document, the emission factors applied in the Location-based calculation were used instead. Further, note that:
 - ↪ the emission factor applied in relation to the US plants was the arithmetic average for the entire country;
 - ↪ the 2020 emission factor relating to Canada was the same as that applied in 2019 (2018 Green-e Energy Residual Mix Emissions Rates), since an updated version was not available.
 2. the Location-based calculation used the emission factors reported in the “International Comparisons” document published by Terna.

E.— The personnel data (e.g. employment) relates to natural persons (not standardized using FTEs¹) at 31/12 in the reporting period.

F.— The health and safety indicators were calculated in the manner envisaged by the GRI Standards, using 200,000 (equivalent to the hours worked each year) as the multiplier, so that:

- **Injury rate:** no. of injuries * 200,000 / hours actually worked
- **Injury rate (incidents with high-consequence):** no. of serious injuries * 200,000 / hours actually worked
- **Lost days rate (LDR):** no. of days lost * 200,000 / theoretical hours worked
- **Occupational disease rate:** no. of occupational diseases * 200,000 / hours actually worked

1 Full-time equivalent

Corporate Governance

GRI 102-1; GRI 102-3; GRI 102-5; GRI 102-18

The corporate governance model adopted by Interpump Group is based on the provisions envisaged by current regulations, consistent with the requirements of the Code of Self-Regulation and the new Code of Corporate Governance, both promoted by Borsa Italian S.p.A.

More specifically, with effect from 1st January 2021, Interpump Group S.p.A. has adopted the new Code of Corporate Governance for listed companies, published by the Corporate Governance Committee of Borsa Italian S.p.A. in January 2020.

As indicated in the report on corporate governance and the ownership structure for 2020, which can be consulted on the Group's institutional website in the “Governance” section, to which we invite you to refer for more details, Interpump Group S.p.A. has adopted a traditional form of administration and control:

- company management is delegated to the Board of Directors (Board);
- supervisory functions are addressed by the Board of Statutory Auditors;
- the legal audit of the accounts and accounting checks are performed by the independent auditing firm appointed at the shareholders’ meeting;
- a Supervisory Body is appointed pursuant to Decree 231/2001.

Interpump Group S.p.A. manages and coordinates its Italian subsidiaries pursuant to art. 2497 of the Italian Civil Code, although they retain their legal independence and apply the principles of proper corporate and business management.

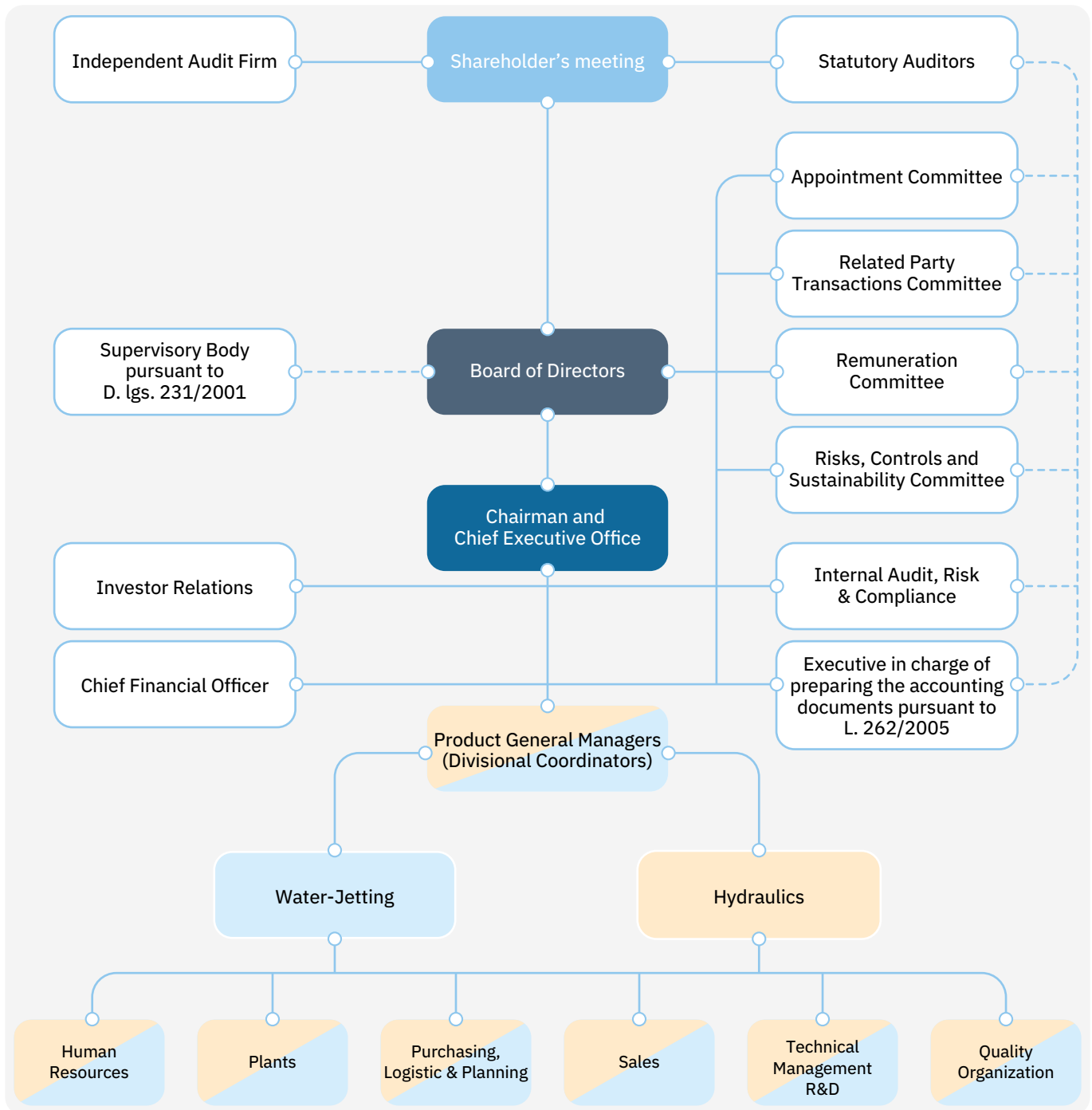
The composition of the Board of Directors of Interpump Group S.p.A. and, specifically, the information required by art. 10, para. 1, of Decree 254/2016 concerning the gender diversity of the administrative, management and control bodies, are illustrated in the Report on corporate governance and the ownership structure in sections 4.1 and 4.2 “Appointments and replacements” and “Composition of the Board of Directors” and 13 and 14 “Appointment of Statutory Auditors” and “Composition and Operation of the Board of Statutory Auditors”.

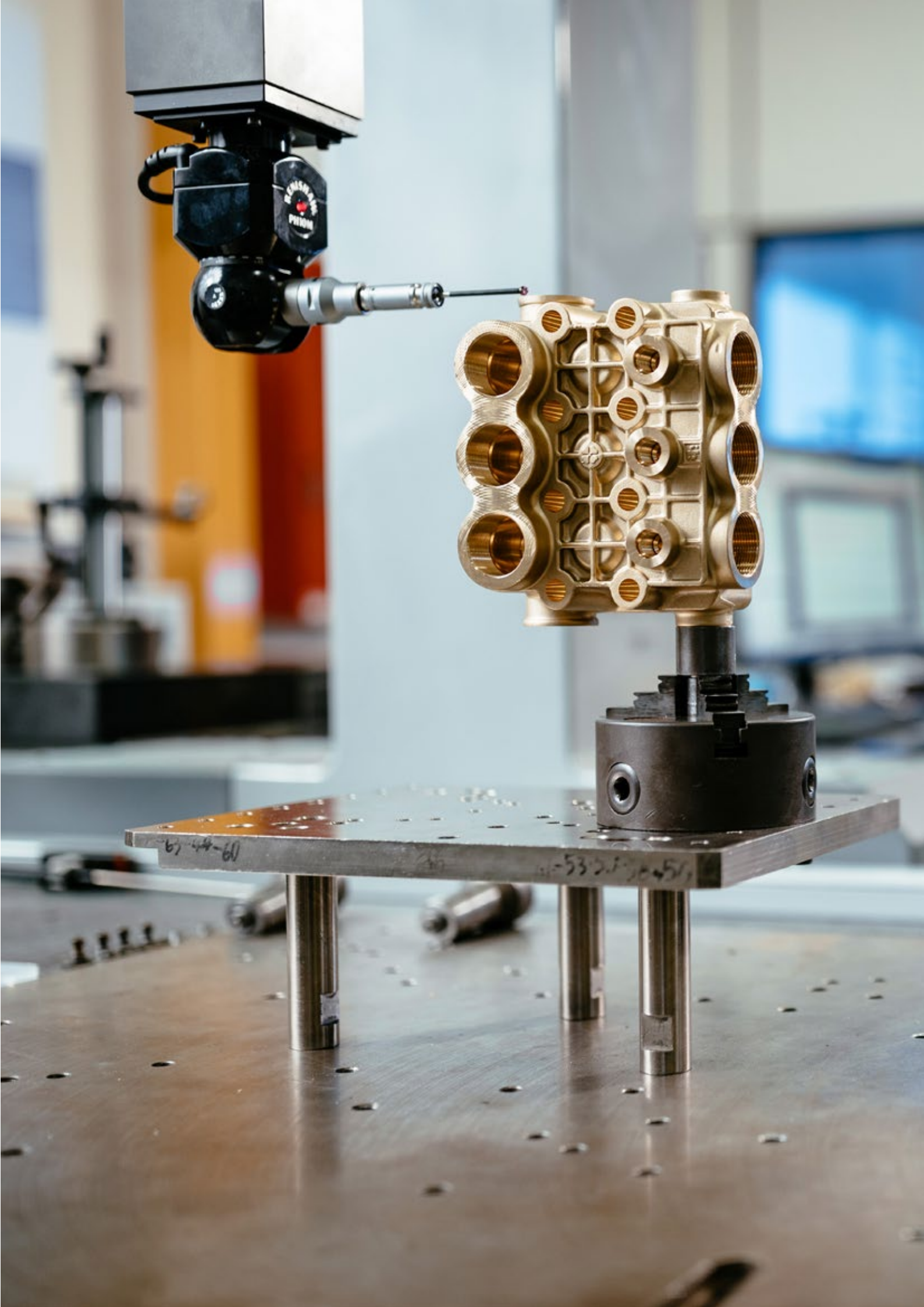
With regard to gender diversity, the statutory provisions and the matters provided for by arts. 147-(3), para. 1-(3), and 148, para. 1-(2), of Decree 58 dated 24 February 1998 are complied with in full.

The Board of Directors has established the following Board Committees: the Remuneration Committee, the Control, Risks and Sustainability Committee, the Appointments Committee, and the Related-Party Transactions Committee.

Consistent with the requirements of the codes of conduct of listed companies, most members of each Committee are independent and, in particular, all the members of the Control, Risks and Sustainability Committee are independent. In addition, the diversity of the members

of the Board of Directors ensures that it possesses the necessary accounting, financial and risk management experience. The organizational structure of Interpump Group S.p.A. at 31 December 2020 is illustrated below.







3.

Quali-quantitative description of risks and policies for their management

Quali-quantitative description of risks and policies for their management

In line with art. 3, paras. 1 and 2, of Decree 254/2016, this NFS includes both descriptive aspects (e.g. policies, risks, governance) and results in terms of performance.

The approach implemented by Interpump Group S.p.A. takes account of the five areas indicated by the legislator:



In particular, this non-financial statement was prepared in the following key stages:

- mapping the stakeholders of the Group and related prioritization;
- identification of the material non-financial topics via an analysis of materiality;
- mapping of the main risks, generated or sustained, that derive from the business activity and from its products, services or commercial relationships, including the chain of supply;
- identification of the policies practiced, where applicable, and the governance adopted for management of the five topics;
- definition and implementation of a process (on Group level) of collection, aggregation and transmission of the information required by the essential performance indicators selected based on the significant themes for IPG and envisaged by the chosen reporting standard.

Even though the analysis conducted is specific in relation to the five topics identified by the legislator, in order to guarantee greater usefulness of the text it was decided to first present the transverse qualitative information and

the qualitative-quantitative information specific for the individual topics only thereafter.

Stakeholder engagement and materiality matrix

GRI 102-40; GRI 102-42; GRI 102-43

The Group strives to build a relationship of trust with its numerous **stakeholders**, developing active and constant dialog where possible. In particular, stakeholders are entities or individual influenced significantly by the activities, products and services offered by the business and/or whose actions influence the ability of the business to implement successfully its strategies and achieve its established objectives.

When updating the NFS for 2020, Interpump Group S.p.A. checked the validity of the mapping of stakeholders carried out in 2019, in order to identify those of greatest significance to the Group. These checks did not identify any required changes.



In addition, the principal channels used to communicate with these stakeholders were identified:

Methods of interaction, listening and involvement

GRI 102-43

| Category of Stakeholder | Frequency of involvement | Method |
|---|--------------------------|---|
| Employees and collaborators | <i>Continuous</i> | Training programs, inc. ethics Communications from top management Collective bargaining Periodic assessment of performance and results |
| Shareholders | <i>Continuous</i> | Institutional website Shareholders' meeting Press releases |
| Local Community | <i>Continuous</i> | Institutional website Donations Meetings for student orientation Apprenticeships/internships |
| Competitors | <i>Periodic</i> | Institutional website Participation in initiatives and events |
| Trade unions | <i>Periodic/ad hoc</i> | Institutional meetings |
| Trade associations | <i>Continuous</i> | Institutional meetings Participation at conferences and information sessions |
| Lenders and investors | <i>Periodic</i> | Institutional website Periodic meetings with investors and financial analysts Roadshows (meetings with the financial community) Press releases Shareholders' meetings Press releases |
| Vendors | <i>Continuous</i> | Institutional website Constant relations with the relevant business functions Participation in initiatives and events |
| Public administration and control bodies | <i>Continuous</i> | Institutional relations |
| Clients | <i>Continuous</i> | Institutional website Management of complaints Catalogs After-sales service Trade fairs |
| Legislator | <i>Continuous</i> | Institutional website Information on request Reports and financial statements Press releases Shareholders' meetings |

The Group also strives to participate in trade associations and other significant initiatives at local and international level. Interpump Group S.p.A. is a member of the following principal organizations:

→ *Unindustria – territorial association of the Confindustria system*

- *Afidamp – association of players in the professional cleansing value chain in Italy*
- *Ecoped – national consortium for the management of waste*
- *AUSED – Association of users of data processing systems*
- *IBC – Association of consumer goods industries*



Analysis of materiality

GRI 102-44; GRI 102-46; GRI 102-47; GRI 102-49; GRI 103-1; GRI 103-2

In order to provide an understanding of the activities carried out, the progress made, the results achieved and the resulting impact, the Group performed an analysis of materiality in 2019 that identified the economic, environmental and social topics to be included in the NFS. During 2020, the Group performed a check to identify if, and to what extent, there were any changes with respect to the topics identified in the prior year. Excluding appropriate considerations attributable to the Covid-19 pandemic, described in the introduction to this document, these checks did not identify any changes to be made.

In particular, as envisaged in the GRI Standards, the material topics were selected with reference to their ability to influence significantly the decisions and opinions of stakeholders, as well as to their impact on the Group and its performance.

With the involvement of top management, an internal working party carried out the process of defining the material topics, which comprised to distinct phases:

The first involved **identifying the universe of non-financial topics** that were potentially significant, by analyzing sources in the following categories:

- *sustainability trends at a global level*, i.e. key non-financial aspects considered by the main stock exchanges that have published guidelines for sustainability reporting, by the sustainability rating indices (DJSI, MSCI, etc.), by international organizations (GRI, World Economic Forum, etc.) and by supranational bodies (EU, UN, etc.).
- *sector performance*, i.e. non-financial aspects that have emerged as significant for the reference sector of IPG.

In particular, the indications present on the Europump website were analyzed, as were the publications of several international organizations (RobecoSam, SASB, etc.).

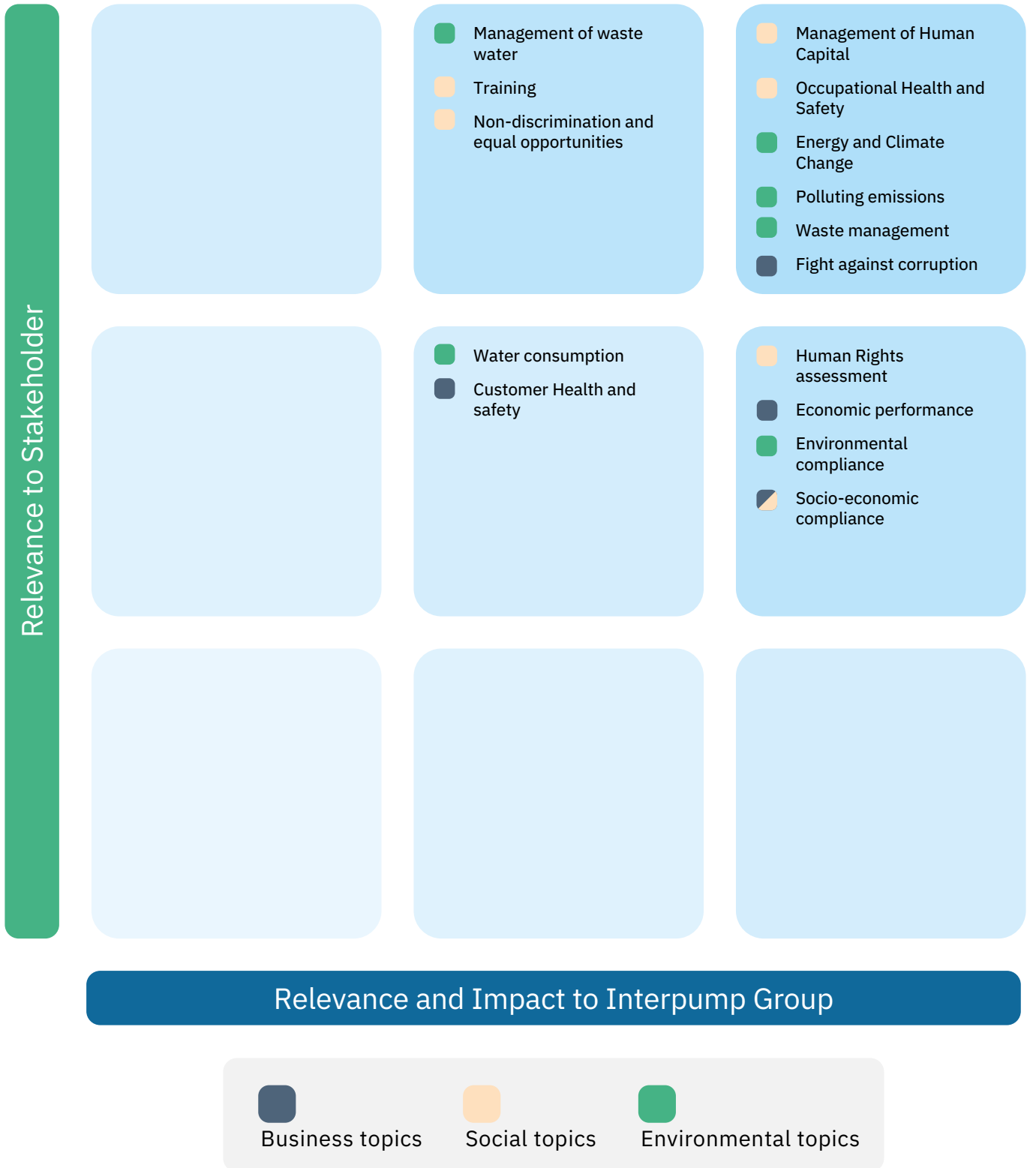
- *analysis of press clippings* regarding the Group and the industry concerned.
- *company priorities*, with reference to the five topics of Decree 254/2016, identified from analysis of the main corporate documents (Code of Ethics, 231 Model, Risk assessment, etc.).

The analysis found 26 significant topics, which were then assessed.

The next phase involved **prioritization of the topics identified** in order to distinguish the most important based on the two variables considered:

- *Influence over the assessments of stakeholders and their decisions*: their importance for stakeholders was evaluated using the results obtained from the above analyses.
- *Significance of the economic, environmental and social impacts for IPG*: this assessment was made by top management during an ad hoc workshop, during which participants assigned a score, in terms of significance, to each topic identified.

The results of this analysis therefore led the Group to identify the material topics, based on their impact on IPG and their significance for its stakeholders, as shown in the following matrix:



The 15 topics identified as material are discussed in the document.

GRI Core Indicators correlation table

102-46; 103-1

The correlation table between the GRI Standards and the material topics identified is presented below together with the related reporting scope.

| Material topics for IPG | GRI Standard | Scope | | |
|--|---|-----------|---|---|
| | | Internal | External | Limitations |
| Environmental topic | | | | |
| Energy and Climate change | <i>GRI 302: Energy 2016 (302-1, 302-3, 305-1, 305-2, 305-4)</i> | IPG Group | | |
| Polluting emissions | <i>GRI 305: Emissions 2016 (305-7)</i> | IPG Group | | |
| Water consumption | <i>GRI 303: Water and Effluents (303-3)</i> | IPG Group | | |
| Management of waste water | <i>GRI 303: Water and Effluents (303-4)</i> | IPG Group | | |
| Waste management | <i>GRI 306: Effluents and Waste 2016 (306-2)</i> | IPG Group | | |
| Environmental compliance | <i>GRI 307: Environmental Compliance 2016 (307-1)</i> | IPG Group | | |
| Socio-economic topic | | | | |
| Economic performance | <i>GRI 201: Economic Performance (201-1)</i> | IPG Group | | |
| Taxation | <i>GRI 207: Tax (207-1;207-2;207-3)</i> | IPG Group | | |
| Customer health and safety | <i>GRI 416: Customer Health and Safety 2016 (416-2)</i> | IPG Group | | |
| Socio-economic compliance | <i>GRI 419: Socio Economic Compliance 2016 (419-1)</i> | IPG Group | | |
| Personnel-related topic | | | | |
| Occupational health and safety | <i>GRI 403: Occupational Health and Safety 2018 (403-9)</i> | IPG Group | External personnel working on Group sites | Reporting partially extended to external boundary |
| Management of human capital | <i>GRI 401: Employment 2016 (401-1)</i> | IPG Group | | |
| Training | <i>GRI 404: Training and Education 2016 (404-1)</i> | IPG Group | | |
| Non-discrimination and equal opportunities | <i>GRI 405: Diversity and Equal Opportunity 2016 (405-1)</i> | IPG Group | | |
| | <i>GRI 406: Non-discrimination 2016 (406-1)</i> | IPG Group | | |
| Topic related to respect for human rights | | | | |
| Human rights assessment | <i>GRI 412: Human Rights Assessment 2016 (412-3)</i> | IPG Group | | |
| Anti-corruption topic | | | | |
| Fight against corruption | <i>GRI 205: Anti-corruption 2016 (205-3)</i> | IPG Group | | |
| | <i>GRI 206: Anti-competitive Behavior 2016 (206-1)</i> | IPG Group | | |
| | <i>GRI 415: Political Contribution (415-1)</i> | IPG Group | | |

Risks

The main risks identified for the 5 topics indicated by the legislator, that may become of significance in relation to the pursuit of the Interpump Group strategy in the medium/long-term, are identified in the related headings.

Interpump Group however considers transverse risks (applicable to the environmental, social, personnel, human rights and anti-corruption topics), and as such listed in this heading and not repeated in correspondence with the individual topics:

- reputation risks that arise from the risks listed for each topic;
- risks linked to possible issues - whether environmental, social, product quality related, concerning anti-corruption, etc. - with the chain of supply.

In this regard, note that in the context of the internal control and risk management system, a process has been implemented of Risk Assessment of business risks

originating from external and internal sources based on self-assessment of the risk by the Risk Owners - identified as coinciding with the top management of the Group. The analysis starts from a catalog of risks developed specifically for the Group, based on the typical business areas and the operating and compliance problems and periodically reviewed to take account of any newly identified risk profiles. The business risks examined, i.e. all risks that may become significant in terms of the medium/long-term sustainability of the activities of the Issuer, are classified as strategic, financial, compliance or operational. The Risk Assessment process makes it possible to identify the business risks, to evaluate the degree of risk and to monitor any corrective actions adopted. In this regard, the catalog of risks to be used during 2021 has been revised to specify better those relating to the topics of a non-financial nature addressed in this report.

Risk management

Policies

In addition to the “whistleblowing management policy”, applicable to the Group, which regulates the method of execution and management of whistleblowing concerning presumed irregularities or illegalities, the Code of Ethics adopted by all Group companies (for China, taking account of the country factor), defines the principles of conduct and the guidelines concerning the 5 topics referenced by Legislative Decree 254/2016 (environmental, social, personnel, respect for human rights, and anti-corruption). Top management deemed it appropriate to formalize Group policies with reference to the non-financial aspects of the greatest significance for Interpump Group, taking into account the marked diversification of the companies/production sites and their independence. For further details, see the Global Competence Program described in the next heading.

Model

Given the company structure of the Interpump Group, composed of multiple companies, also of small size, that work in different countries with diversified areas of business and taking account of the variable perimeter of the Group from one year to the next, it has not been deemed appropriate to date to define a centralized management model of the themes related to the 5 topics specified in Decree 254/2016.

Interpump Group S.p.A. has adopted an Organization, Management and Control Model pursuant to Decree 231/2001 (the “231 Model”), which details the various roles and responsibilities and enables decision-making

processes to be traced, even in the areas covered by this Statement. Together with the Code of Ethics, the 231 Model provides an additional tool for promoting awareness among all employees and all those who collaborate for various reasons with the Company. This helps to ensure compliance, in the execution of their activities in pursuit of the corporate objects, with proper and transparent forms of conduct in line with the Company's ethical-social values, thereby preventing the risk of committing the offenses contemplated in the Decree. The 231 Model has also been implemented, after using the same methodology to assess the risk of committing the offenses identified in the Model, by those Italian subsidiaries that, considering their size and organizational complexity, have relatively greater exposure to the offenses considered in Decree 231/2001.

Interpump Group has decided to implement a **Global Compliance Program** that extends the principles and rules of conduct set down in the 231 Model to the Italian companies for which adoption of the Model is deemed unnecessary, as well as to the foreign companies. The purpose is to achieve ever greater levels of compliance with all applicable legislative measures, and ensure respect for the concepts of legality and ethical conduct in the performance of business activities. The Global Compliance Program of Interpump Group S.p.A. defines a model for the organization and management of activities in line with International Best Practices, to prevent misconduct in the context of the Decree, namely in the following areas: environment, social, personnel, human rights, and the fight against both active and passive corruption. The Global Compliance Program comprises guidelines that define the principles and rules of conduct

to be followed, in order to organize and manage companies in a manner that complies with the applicable regulations and respects the concepts of legality and ethical conduct in the performance of business activities. The Global Compliance Program was approved by the Board of Directors of Interpump Group S.p.A. with the timing indicated below:

- in 2019 with regard to the fight against active and passive corruption. Adoption and implementation are currently being finalized by all Group companies, having regard for the acquisitions made subsequent to the approval date and the delays caused by the onset of the Covid-19 pandemic;
- in 2020 with regard to the environmental, social and personnel topics and respect for human rights. Having regard for effects attributable to the onset of the Covid-19 pandemic, the related adoption and implementation work should be completed during 2021.

With reference to the quality-related topic, a number of Group companies have adopted and implemented quality management systems certified pursuant to UNI EN ISO 9001 (see below for further details); some plants are certified pursuant to UNI ISO/TS 16949:2009.

In addition, several companies have adopted and implemented environmental management systems certified in compliance with international standard EN ISO 14001:2004 – in certain cases the system update process has been launched to comply with the new requirements of standard 14001:2015 – and safety management systems certified in compliance with international standard ISO 45001. See the specific section on environmental and personnel matters for further details.

Interpump top management recognizes, as an essential principle, respect for the laws and regulations in force in the countries of operation of the Group companies, where they are required to comply with those laws and regulations without exceptions of any kind.

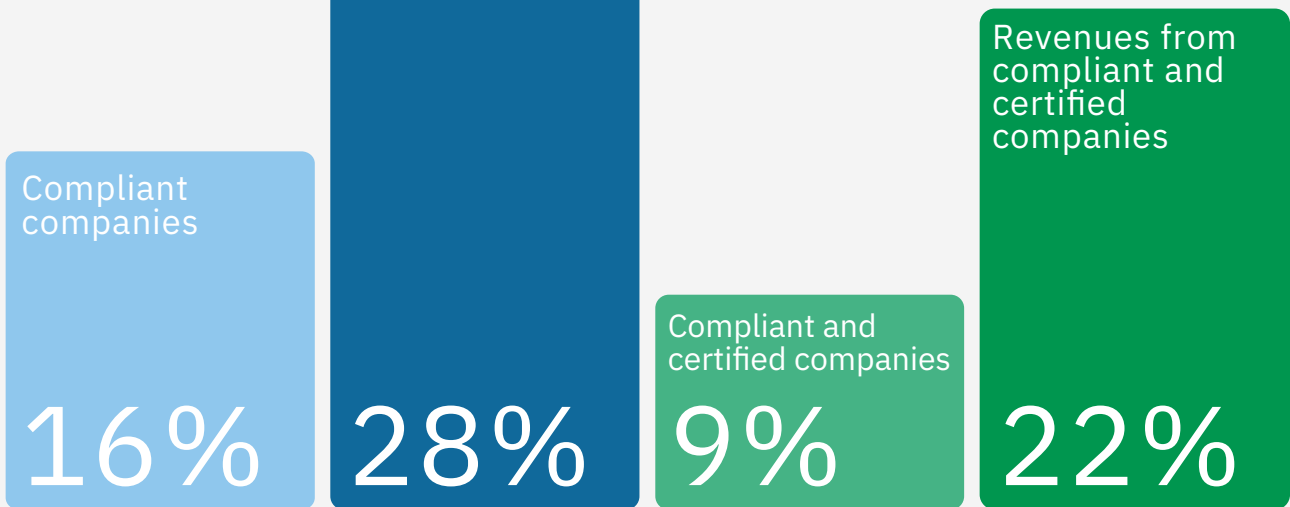
System Management summary tables 2020

GRI 103

The tables do not analyze companies without production/assembly/storage locations.

Occupational Health and Safety Management System 2020

OHSAS 18001
ISO 45001

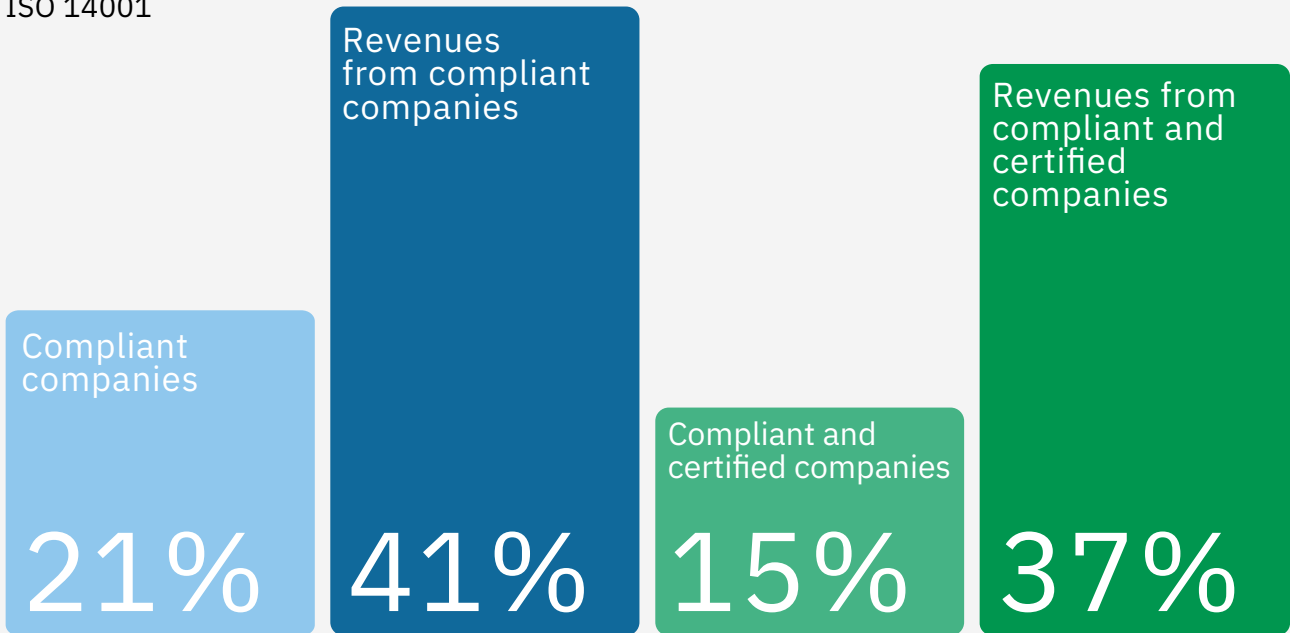


Certifications as a % of legal entities can be misleading, due to the extreme difference in company size within the Interpump Group. The share of sales provides a more realistic indication.

Environmental Management System

2020

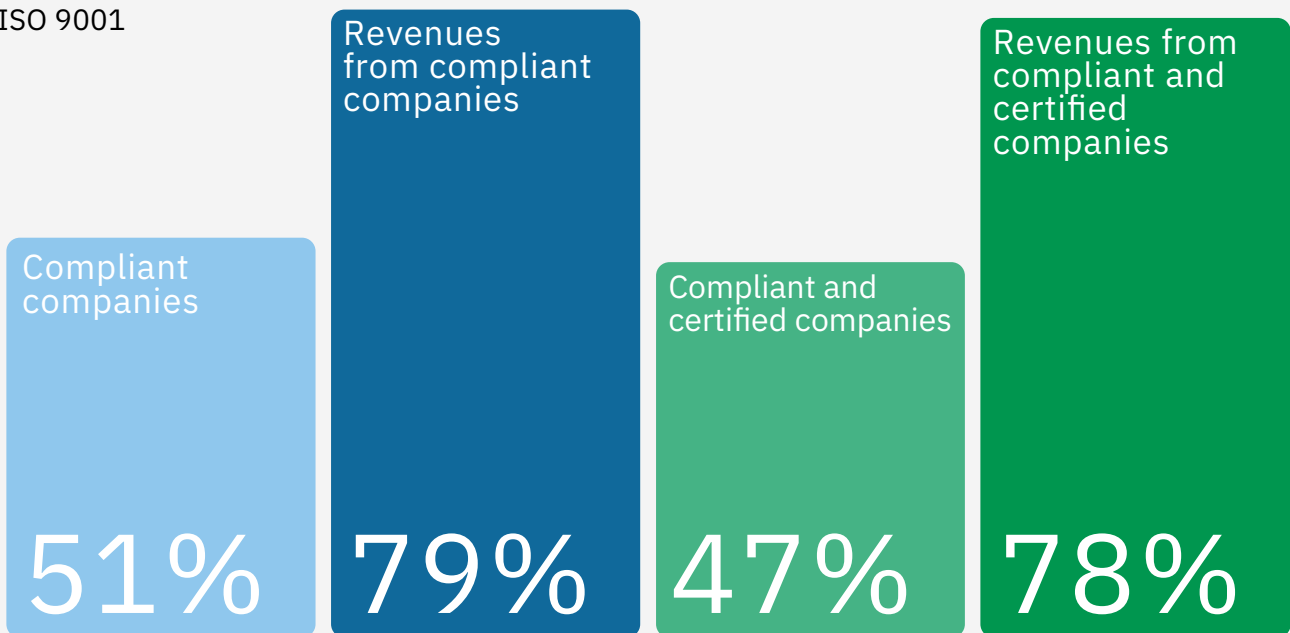
ISO 14001



Quality Management System

2020

ISO 9001



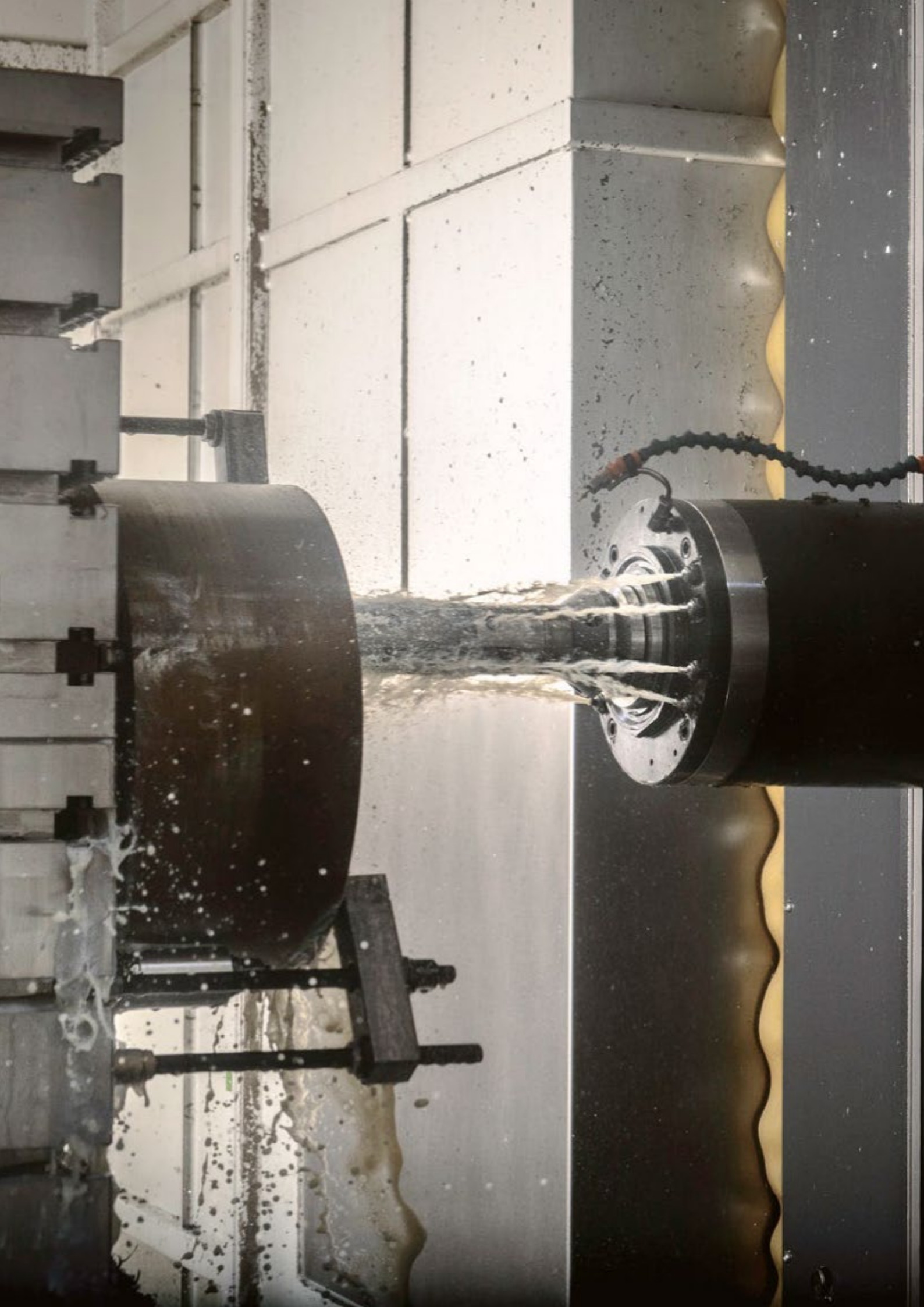
Certifications as a % of legal entities can be misleading, due to the extreme difference in company size within the Interpump Group. The share of sales provides a more realistic indication.

Performance indicators

The Interpump Group has selected several GRI indicators, associated with material topics, that can aid correct and balanced understanding of the performance of the company, of its results and the impact of its activity in relation to the topic in question. The purpose of the set of GRI indicators is to maximize the comparability and uniformity of the data presented, while also guaranteeing

consistent representation of environmental and social performance in the various sectors in which the Group operates.

The associated reporting should therefore include a reading of the economic-financial aspects, thereby developing a more thorough understanding of business activities and their social-environmental impacts.



4. Environmental area

Material topics

Based on the analysis of materiality (see p. 26 *Analysis of materiality*), the material topics for Interpump Group in the environmental area are:

- Polluting emissions;
- Energy and Climate change;
- Water consumption;
- Management of waste water;
- Waste management;
- Environmental compliance.

Interpump focuses on the use of energy and natural resources in the context of all productive processes and

to help reduce the consequences of climate change. The commitment made by Interpump to implement policies designed to reduce progressively the direct and indirect impacts of its activities is formalized in the Code of Ethics. In addition, it will be recalled that numerous Group products contribute to the reduction of greenhouse gas emissions.

With reference to the effects that climate change might have on the Group, no particular risks for business operations have been identified at this time, even after considering the possibility of product obsolescence or the loss of entire sectors as a result of global warming.

Risks

The main risks identified in the environmental area, such that can become of significance in relation to the pursuit of the company strategy in the medium/long-term, are related to:

- **operating risks** – linked to the low control of energy consumption, the use of water resources and the management of waste water;
- **compliance risks** – omitted compliance with national or local legislative requirements concerning the environment could lead to the imposition of fines, criminal charges (e.g. for offenses covered by Decree 231/01), and possible environmental harm.

Risk management

| Risk type | Risk management | |
|------------|--|---|
| | Policies | Model |
| Operating | Monitoring of energy consumption, the use of water resources and management of waste water (work in progress) | <ul style="list-style-type: none"> ↪ Environmental management systems certified in compliance with international standard EN ISO 14001:2004 - with reference to certain companies/plants (in some cases the process of updating the system to comply with the new requirements of standard 14001:2015 has been launched) |
| Compliance | <ul style="list-style-type: none"> ↪ Code of Ethics – with special reference to the commitment to protect the environment and the adoption of the most suitable measures to preserve it, by means of ongoing orientation towards the progressive reduction of direct and indirect impacts of its activities, both on the local level (quality of the soil, air and water in the area in which the company operates) and also with reference to global challenges (biodiversity and climate change). ↪ Environmental policies – in relation to the companies/plants in which environmental systems are implemented. | <ul style="list-style-type: none"> ↪ Special part of the Organization and Management Model – concerning Italian companies for which this is deemed appropriate in view of the activities performed and the level of risk. ↪ Global Compliance Program (see p.29 for further details) – concerning all Group companies without an Organization, Management and Control Model ↪ Environmental management systems certified in compliance with international standard EN ISO 14001:2004 - with reference to certain companies/plants (in some cases the process of updating the system to comply with the new requirements of standard 14001:2015 has been launched) ↪ Insurance cover for accidental cases of air or subsoil pollution. The scope of application covers the entire Group. |

Performance indicators

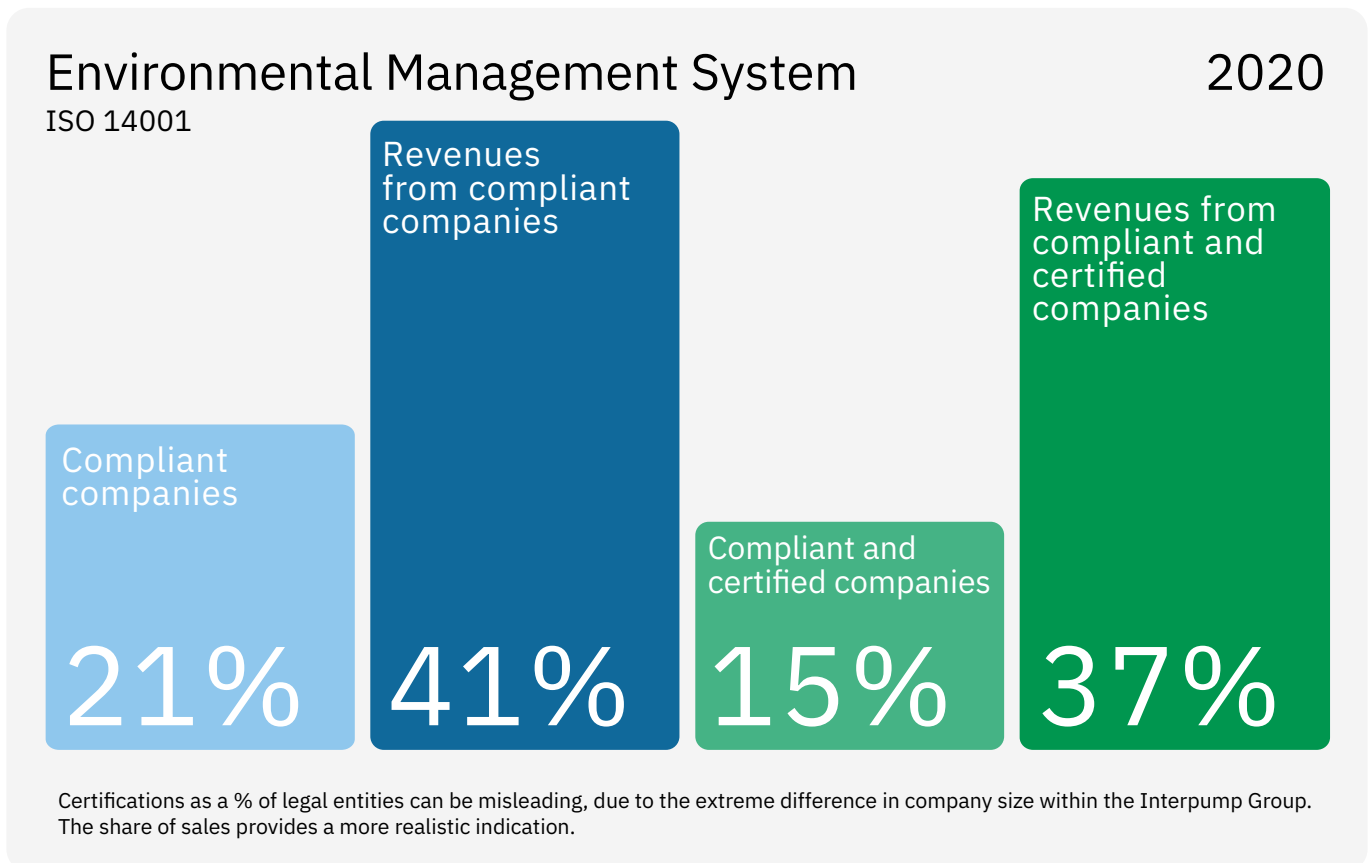
Environmental management systems

GRI 103-2; GRI 103-3

In recent years, the Interpump Group has focused efforts on introducing environmental management systems certified pursuant to UNI EN ISO 14001:2004. At the time of preparing this Statement, about 21% of Group companies - contributing about 41% of consolidated revenues - have implemented environmental management

systems pursuant to ISO 14001.

About 15% of Group companies have not only implemented environmental management systems pursuant to ISO 14001, but are also certified in accordance with that international standard at the time of preparing this Statement. Those companies account for about 37% of consolidated revenues.



Use of energy resources

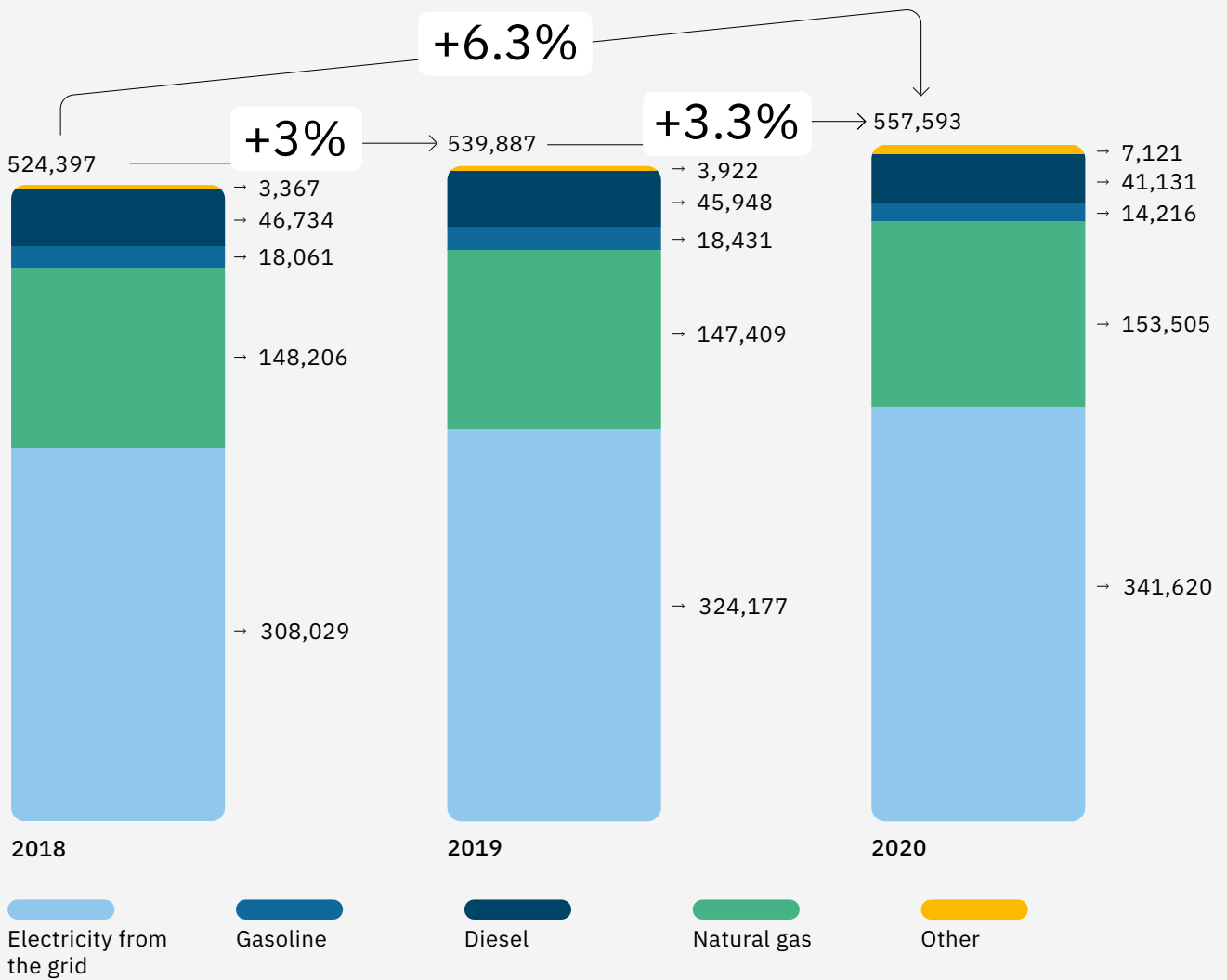
GRI 302-1; GRI 302-3

In 2020 the Interpump Group consumed energy resources totaling 557,593 GJ, up by 3.3% compared to 2019. This consumption breaks down as follows: 61.3% electricity drawn from the grid¹, 27.5% natural gas, 7.4% diesel for trucks, 2.5% gasoline, and 1.3% other. Other mostly includes electricity self-generated using PV plants and, to a minimal extent, purchased steam.

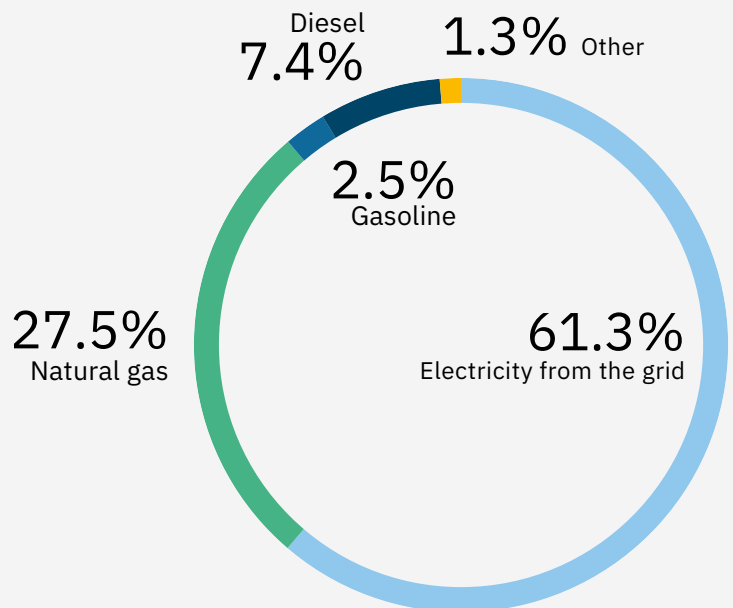
By comparison, consolidated revenues were about 5.4% lower overall with respect to the prior year. Although small, this downturn is essentially attributable to the macroeconomic effects of the onset of the Covid-19 pandemic.

¹ The percentage of electricity generated from renewable sources and consumed by the Group depends on the various national electricity generation mixes. Also, own consumption of renewable electricity produced by PV plants must be considered for Italy, as more fully illustrated on the next page.

Energy consumption in GJ



Energy consumption distribution 2020



The increase was essentially due to the effects of the acquisitions made during 2020. In fact, at unchanged perimeter, energy consumption would be 3.6% lower, confirming the desire of the Group to reduce the use of energy resources as much as possible. In addition, fuel consumption was in any case lower in 2020 than in 2019:

gasoline (-22%) and diesel (-10%). This was principally because, given the pandemic, the Group adopted a policy of reducing in-person meetings and travel, in order to safeguard the health of collaborators and impede the spread of the Covid-19 virus.

GRI 302-1

| Energy consumption | UoM | 2018 | 2019 | 2020 |
|---------------------------|-----------|----------------|----------------|----------------|
| Electricity from the grid | MWh | 85,564 | 90,049 | 94,894 |
| Natural gas | m3 | 4,111,663 | 4,118,298 | 4,286,899 |
| Gasoline | Liters | 551,659 | 570,252 | 440,127 |
| Diesel | Liters | 1,299,726 | 1,280,389 | 1,147,442 |
| Other | GJ | 3,367 | 3,922 | 7,121 |
| Total in GJ | GJ | 524,397 | 539,887 | 557,593 |

Even though energy consumption takes place in sites with highly diversified energy profiles, in order to describe the main types of consumption and give context to the numbers, it is confirmed that most electricity is consumed by production activities, with a residual portion attributable to office equipment and, in some cases, to heating as well. On the other hand, the predominant element of natural gas consumption is attributable to space heating requirements, with industrial applications using it to a lesser extent. The

consumption of diesel and gasoline mainly relates to the use of company vehicles.

At Group level, energy intensity¹ was 0.43 GJ/ k€ in 2020, up by 0.03 GJ/ k€ with respect to the prior year for the reasons illustrated above.

¹ Calculated as follows: total energy consumed [GJ] / sales [k€], where total energy consumed is that defined in GRI disclosure no. 302-1.

GRI 302-3

| Energy intensity | UoM | 2018 | 2019 | 2020 |
|-----------------------|-------|-----------|-----------|-----------|
| Energy consumption | GJ | 524,397 | 539,887 | 557,593 |
| Consolidated revenues | k€ | 1,279,167 | 1,348,177 | 1,294,363 |
| Energy intensity | GJ/k€ | 0.41 | 0.40 | 0.43 |

The increase in energy intensity between 2019 and 2020 was due to the greater contraction of revenues - influenced during the period by the effects of the Covid-19 pandemic - than of energy consumption.

Use of water resources

GRI 303-3; GRI 303-4

The Interpump Group uses water in its productive processes, especially in the manufacture and testing of high and very-high pressure pumps. Water is withdrawn in

essentially equal proportions from the public network (52%) and own/ licensed wells (48%).

With reference to the countries in which the Interpump Group operates, 20 are subject to medium/low levels of water stress (category <2), while 12 (including Italy) are included in the medium/high-stress classes.

| Water stress category | No. of countries |
|-----------------------|------------------|
| 0 | 13 |
| 1 | 4 |
| 2 | 3 |
| 3 | 5 |
| 4 | 7 |
| Consolidated | 32 |

The following details relate to the withdrawal and discharge of water resources in countries included in medium/high-stress classes (>=3).

About 87% of the water not consumed in productive processes is discharged into the drainage system (127,452/146,624).

| Countries with medium/high water stress | | | |
|--|----------------|----------------|----------------|
| Total water withdrawals by source (m3) | 2018 | 2019 | 2020 |
| Public water network | 151,884 | 149,325 | 116,523 |
| of which: fresh water | 151,884 | 149,325 | 116,523 |
| of which: other | - | - | - |
| Owned/ licensed Wells | 149,312 | 96,803 | 128,612 |
| of which: fresh water | 148,619 | 96,099 | 127,068 |
| of which: other | 693 | 704 | 1,544 |
| Other sources | - | - | - |
| of which: fresh water | - | - | - |
| of which: other | - | - | - |
| Surface water (rivers, lakes, seas) | - | - | - |
| of which: fresh water | - | - | - |
| of which: other | - | - | - |
| Total water withdrawals | 301,196 | 246,129 | 245,135 |
| of which: fresh water | 300,503 | 245,425 | 243,591 |
| of which: other | 693 | 704 | 1,544 |

| Countries with medium/high water stress | | | |
|--|----------------|----------------|----------------|
| Total water discharge by destination (m3) | 2018 | 2019 | 2020 |
| Discharges into sewage | 205,525 | 145,999 | 127,452 |
| of which: fresh water | 202,263 | 145,003 | 124,920 |
| of which: other | 3,262 | 996 | 2,532 |
| Discharges into surface water (rivers, lakes, seas) | - | - | 19,172 |
| of which: fresh water | - | - | 19,172 |
| of which: other | - | - | - |
| Other types of water discharge (into the soil) | 293 | - | - |
| of which: fresh water | - | - | - |
| of which: other | 293 | - | - |
| Total water discharged | 205,818 | 145,999 | 146,624 |
| of which: fresh water | 202,263 | 145,003 | 144,092 |
| of which: other | 3,555 | 996 | 2,532 |

The following data relates to water withdrawals and discharges by the Interpump Group.

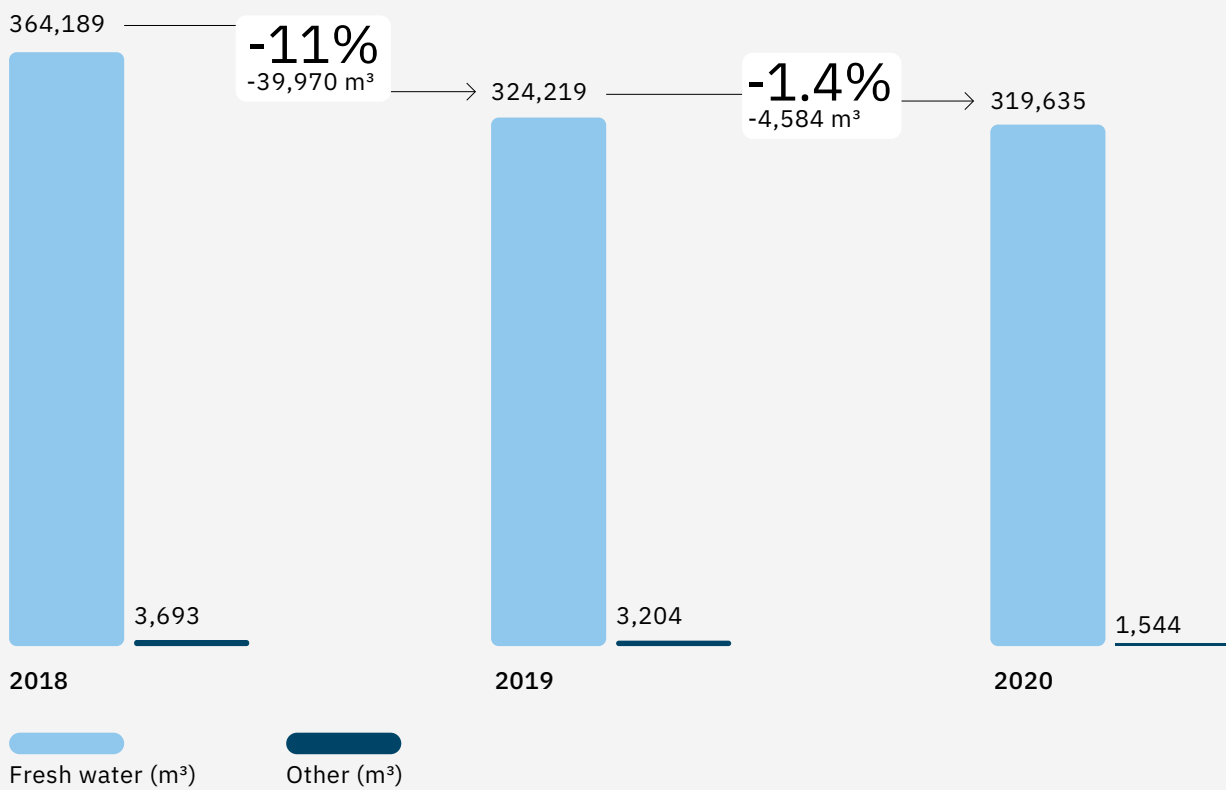
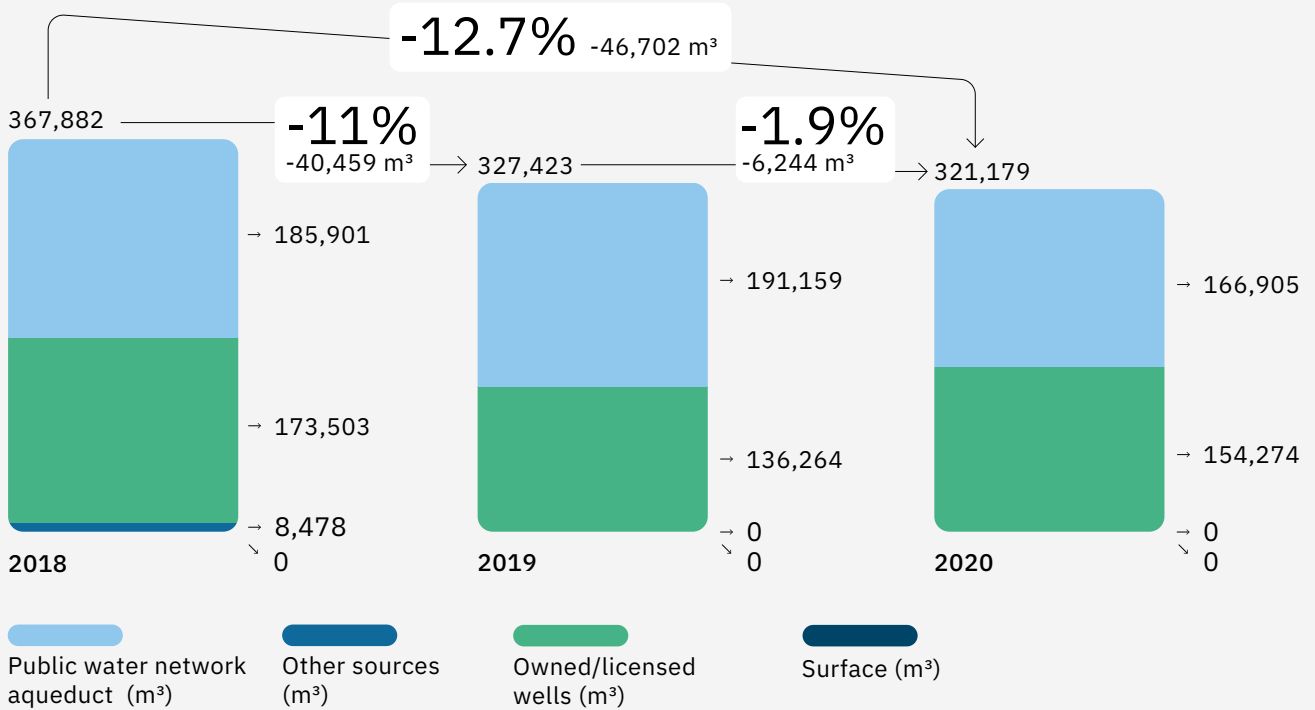
Around 321 thousand cubic meters of water were drawn in 2020, down by 1.9% compared to 2019, and used primarily for civil, productive and firefighting purposes. **The reduction in consumption was attributable to a review of processes to lower their water requirement, increased awareness about the use of water** (including for industrial purposes), **and the effects deriving from onset of the Covid-19 pandemic.**

At unchanged perimeter, water consumption was 5.3% lower. In fact, the change in reporting scope following the addition of new Group companies has offset significantly the effects on the consolidated indicator of the Group policy to reduce the consumption of water. **With regard to water withdrawals, 99.5% can be classified as fresh water i.e. with total dissolved solids of less than 1g/liter.**

GRI 303-3 Water withdrawal

| Source | UoM | 2018 | 2019 | 2020 |
|---------------------------------|-----------|----------------|----------------|----------------|
| Public network/ aqueduct | m3 | 185,901 | 191,159 | 166,905 |
| of which: fresh water | m3 | 185,901 | 191,159 | 166,905 |
| of which: other | m3 | - | - | - |
| Wells owned/licensed | m3 | 173,503 | 136,264 | 154,274 |
| of which: fresh water | m3 | 169,810 | 133,060 | 152,730 |
| of which: other | m3 | 3,693 | 3,204 | 1,544 |
| Other sources | m3 | 8,478 | - | - |
| of which: fresh water | m3 | 8,478 | - | - |
| of which: other | m3 | - | - | - |
| Surface water bodies | m3 | - | - | - |
| of which: fresh water | m3 | - | - | - |
| of which: other | m3 | - | - | - |
| Group total | m3 | 367,882 | 327,423 | 321,179 |
| of which: fresh water | m3 | 364,189 | 324,219 | 319,635 |
| of which: other | m3 | 3,693 | 3,204 | 1,544 |

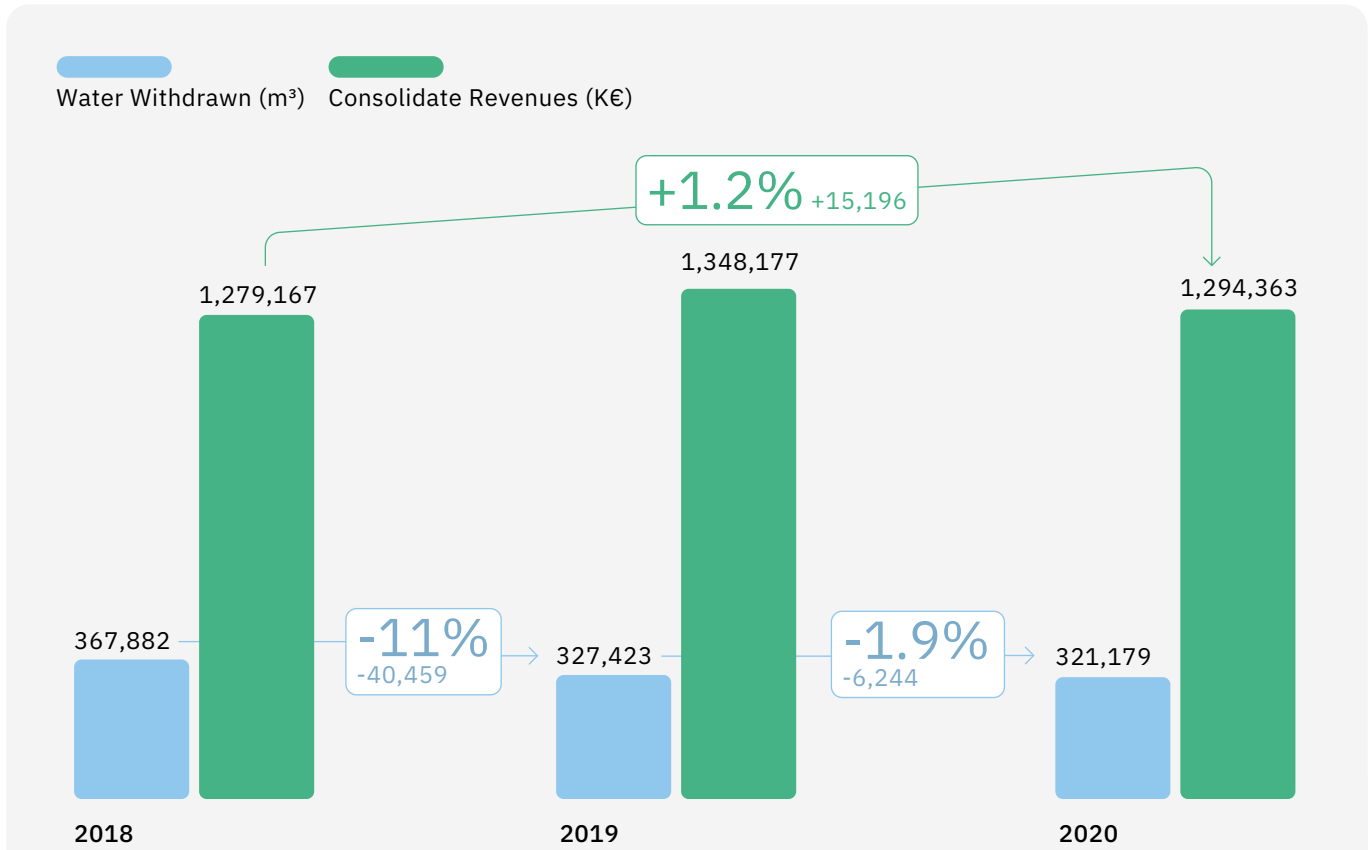
Group water withdrawals



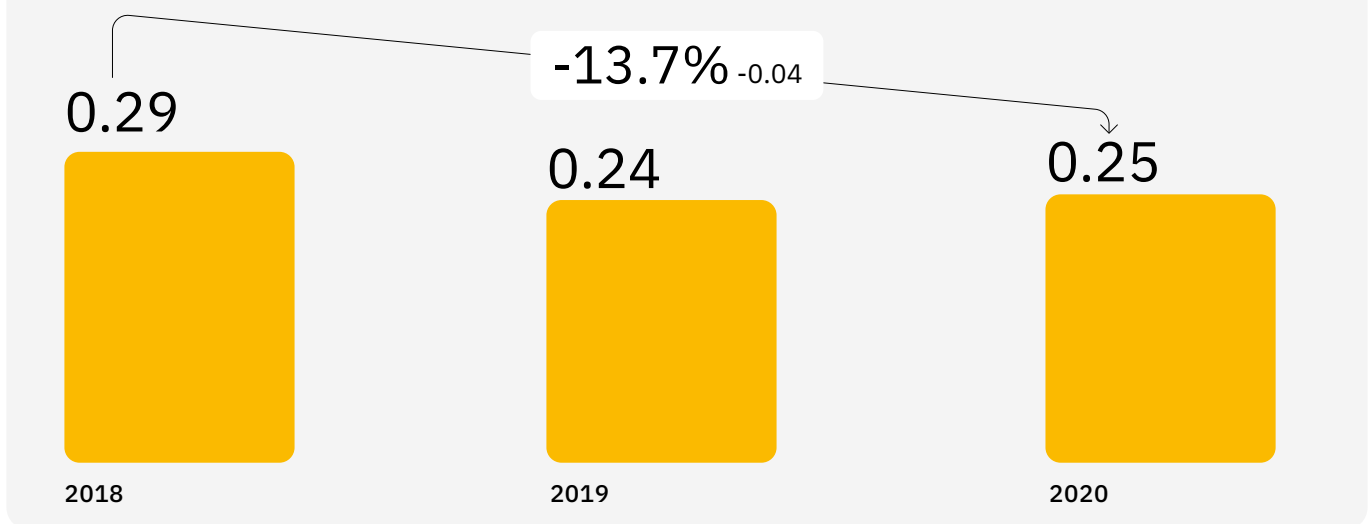
The ratio of water withdrawn to sales rose in 2020 compared with the prior year: from 0.24 m³/k€ to 0.25 m³/k€, up by 0.01 m³/k€. As indicated in relation to energy consumption,

this rise was essentially due to the greater decline in consolidated revenues than in water withdrawals.

| Water consumption intensity | UoM | 2018 | 2019 | 2020 |
|-----------------------------|--------------------|-----------|-----------|-----------|
| Water drawn | m ³ | 367,882 | 327,423 | 321,179 |
| Consolidated revenues | k€ | 1,279,167 | 1,348,177 | 1,294,363 |
| Water consumption intensity | m ³ /k€ | 0.29 | 0.24 | 0.25 |



Water consumption intensity (Water withdrawn/ Revenues)



Process water¹ discharged in 2020, totaling approximately 180 thousand cubic meters (-3.2% versus the prior year), went almost entirely into the sewer system, in compliance with the authorizations granted. **The reduction reflects the lower consumption of water (withdrawn) and confirms the wish of the Group to optimize further the use of water in its productive processes.**

In addition, the reduction in water withdrawals during 2020 was partly due to lower employee attendance at company locations, as well as to a partial reduction in production requirements due to the effects of the Covid-19 pandemic.

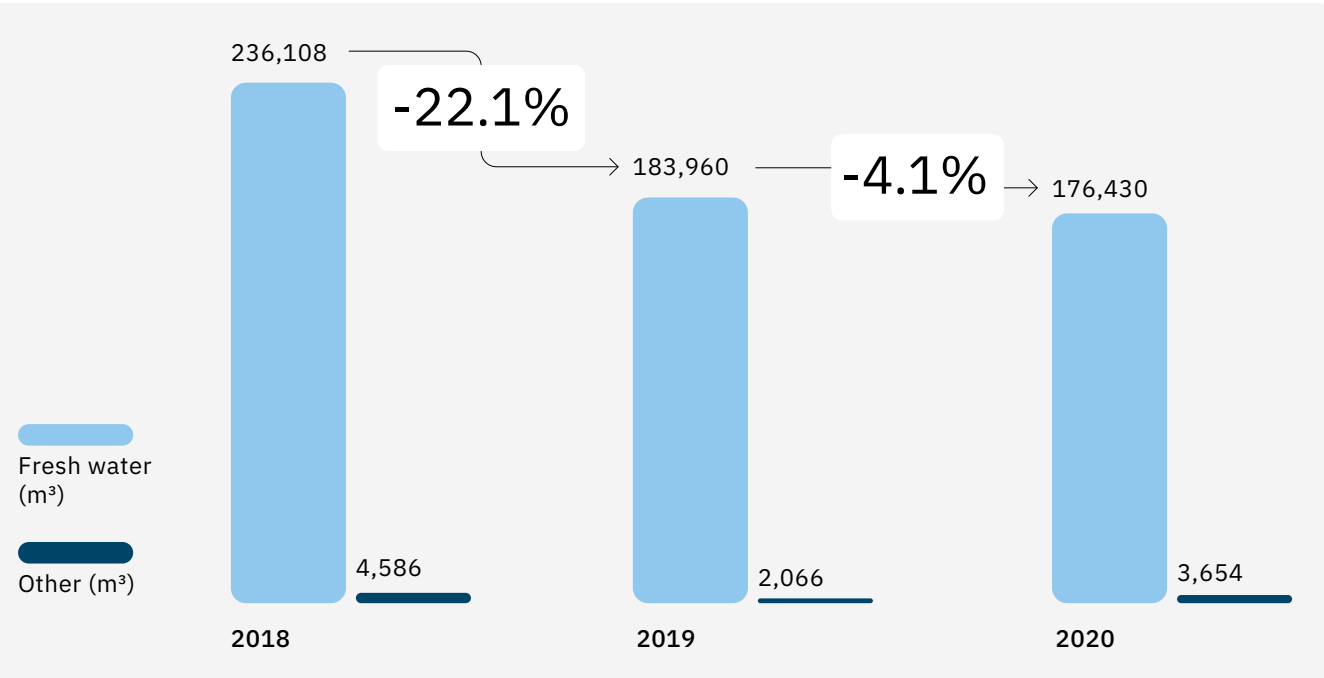
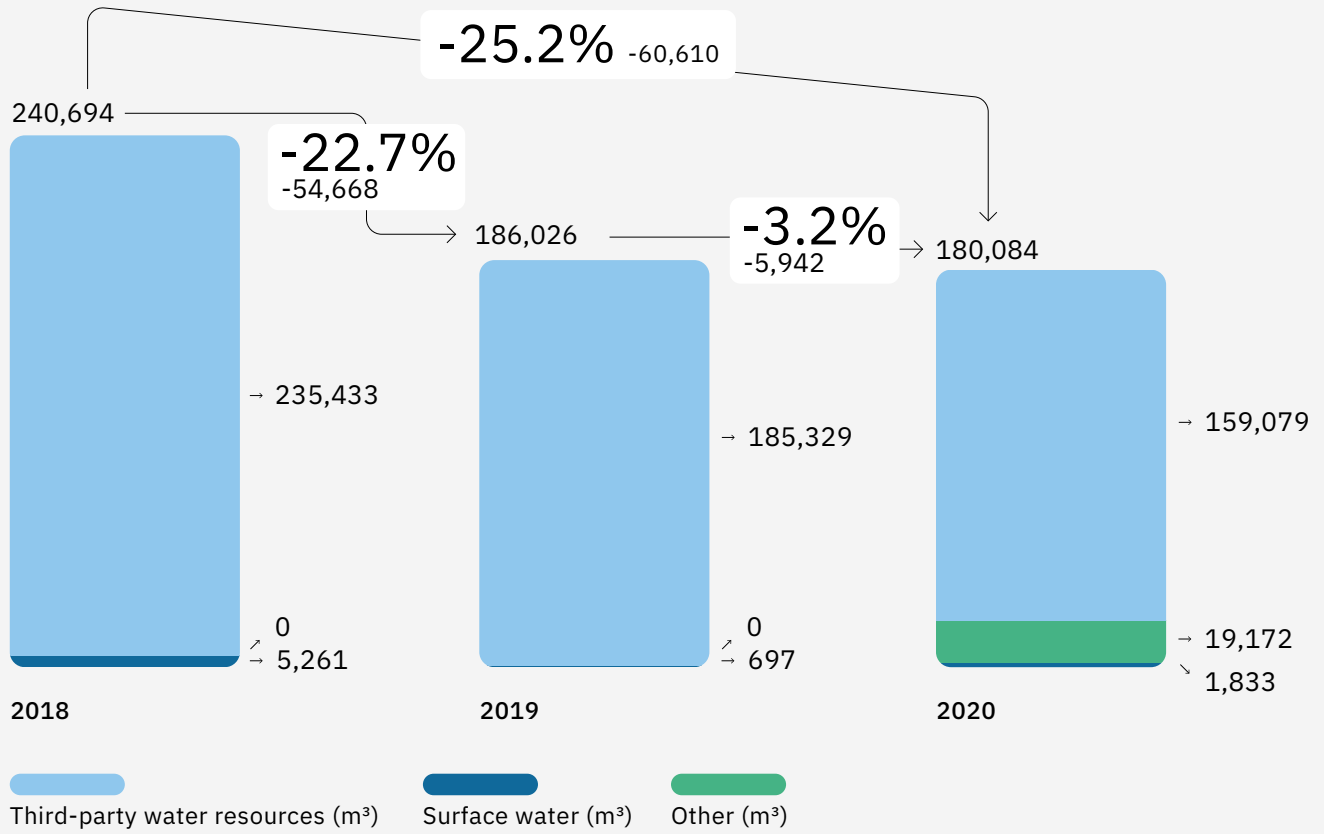
Water discharge

GRI 303-4

| Destination | UoM | 2018 | 2019 | 2020 |
|-----------------------------|-----------|----------------|----------------|----------------|
| Sewage | m3 | 235,433 | 185,329 | 159,079 |
| of which: fresh water | m3 | 231,140 | 183,263 | 155,425 |
| of which: other | m3 | 4,293 | 2,066 | 3,654 |
| Surface water bodies | m3 | - | - | 19,172 |
| of which: fresh water | m3 | - | - | 19,172 |
| of which: other | m3 | - | - | - |
| Other | m3 | 5,261 | 697 | 1,833 |
| of which: fresh water | m3 | 4,968 | 697 | 1,833 |
| of which: other | m3 | 293 | - | - |
| Group total | m3 | 240,694 | 186,026 | 180,084 |
| of which: fresh water | m3 | 236,108 | 183,960 | 176,430 |
| of which: other | m3 | 4,586 | 2,066 | 3,654 |

1 When applying standard 303-4, domestic sewage and rainwater discharges were disregarded unless requested by the Authority. Accordingly, the methodology is consistent with the approach adopted in prior years. The quality of water discharged must comply with locally applicable regulation.

Group water discharge



Atmospheric emissions

GRI 305-1; GRI 305-2; GRI 305-4; GRI 305-7

The Group's atmospheric emissions of greenhouse gases (hereinafter also GHG) were calculated in terms of the following emission types:

- Scope 1 - direct emissions
- Scope 2 - indirect energy emissions

Scope 1 emissions by the Group correspond to GHG emissions deriving from:

- the use of fuel (gasoline, diesel, fuel oil and natural gas);

- leakages of refrigerant gas from air conditioning/refrigeration systems.

In 2020 emissions deriving from fuels totaled 12,700 tonnes of CO₂eq, while the contribution from the refilling of air conditioning and refrigeration plants was 724 tonnes of CO₂eq. The total Scope 1 emissions of the Interpump Group were therefore 13,424 tonnes CO₂eq, up by 1.0% versus the prior year. The situation would have been greatly different at unchanged reporting perimeter, as the direct emissions would have been 12,601 tonnes of CO₂eq, with a reduction of 5.2% compared with the prior year.

GRI 305-1

| GHG emissions - Direct | UoM | 2018 | 2019 | 2020 |
|----------------------------------|-----------------------------|---------------|---------------|---------------|
| Fuels | ton CO ₂ eq | 13,218 | 12,987 | 12,700 |
| Refilling refrigerant gases | ton CO ₂ eq | 339 | 303 | 724 |
| Total emissions - Scope 1 | ton CO₂eq | 13,557 | 13,291 | 13,424 |

The reduction in emissions deriving from fuel with respect to 2019 (by 2.2%) was due to the lower consumption of natural gas for heating and certain production activities, the more efficient use of the vehicle fleet, the reduction in travel and the recourse made, where possible, to remote working policies following the onset of the Covid-19 pandemic.

Scope 2 emissions mainly related to purchased electricity and only marginally to purchased thermal energy. Considering that the energy required for Group activities is supplied by external entities, with the exception of that produced internally by PV plants, Scope 2 emissions (location-based method) totaled 37,903 tonnes of CO₂eq in 2020 (up by 5.3% compared to the prior year).

GRI 305-2

| GHG emissions - Indirect - Location | UoM | 2018 | 2019 | 2020 |
|-------------------------------------|-----------------------------|---------------|---------------|---------------|
| Indirect from electricity | ton CO ₂ eq | 35,188 | 35,979 | 37,884 |
| Indirect from thermal energy | ton CO ₂ eq | 2 | 2 | 20 |
| Total emissions - Scope 2 | ton CO₂eq | 35,190 | 35,981 | 37,903 |

The calculation of emissions using the market-based method is presented below.

GRI 305-2

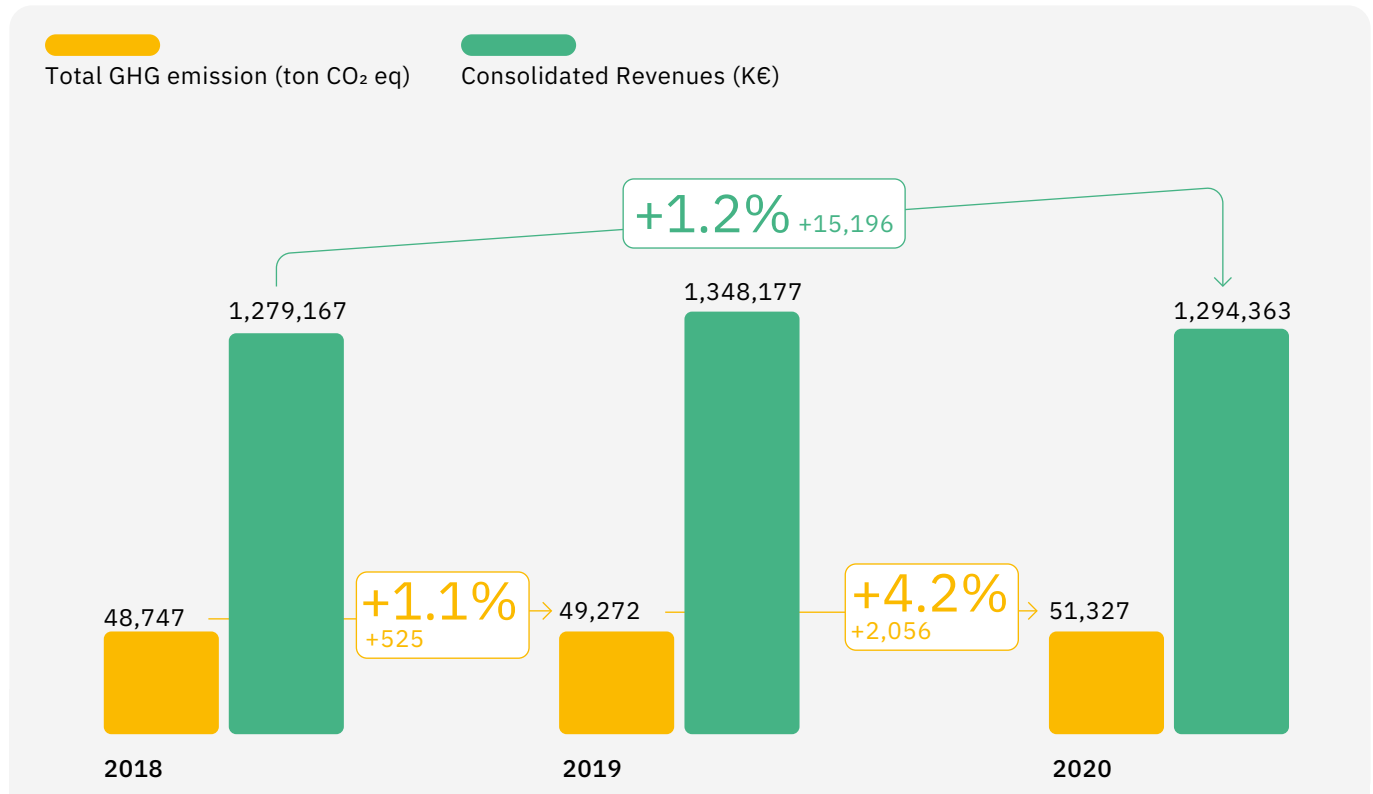
| GHG emissions - Indirect - Market | UoM | 2018 | 2019 | 2020 |
|-----------------------------------|-----------------------------|---------------|---------------|---------------|
| Indirect from electricity | ton CO ₂ eq | 42,905 | 45,089 | 44,842 |
| Indirect from thermal energy | ton CO ₂ eq | 2 | 2 | 20 |
| Total emissions - Scope 2 | ton CO₂eq | 42,907 | 45,091 | 44,861 |

The increase in Scope 2 emissions in 2020 was partly due to the change in the reporting perimeter, following the acquisitions made during the year, as well as to the greater reduction in revenues than in energy consumption.

As a result, the intensity of GHG emissions in 2020 was slightly higher than in the prior year: 0.040 tCO₂/k€ compared with 0.037 tCO₂/k€.

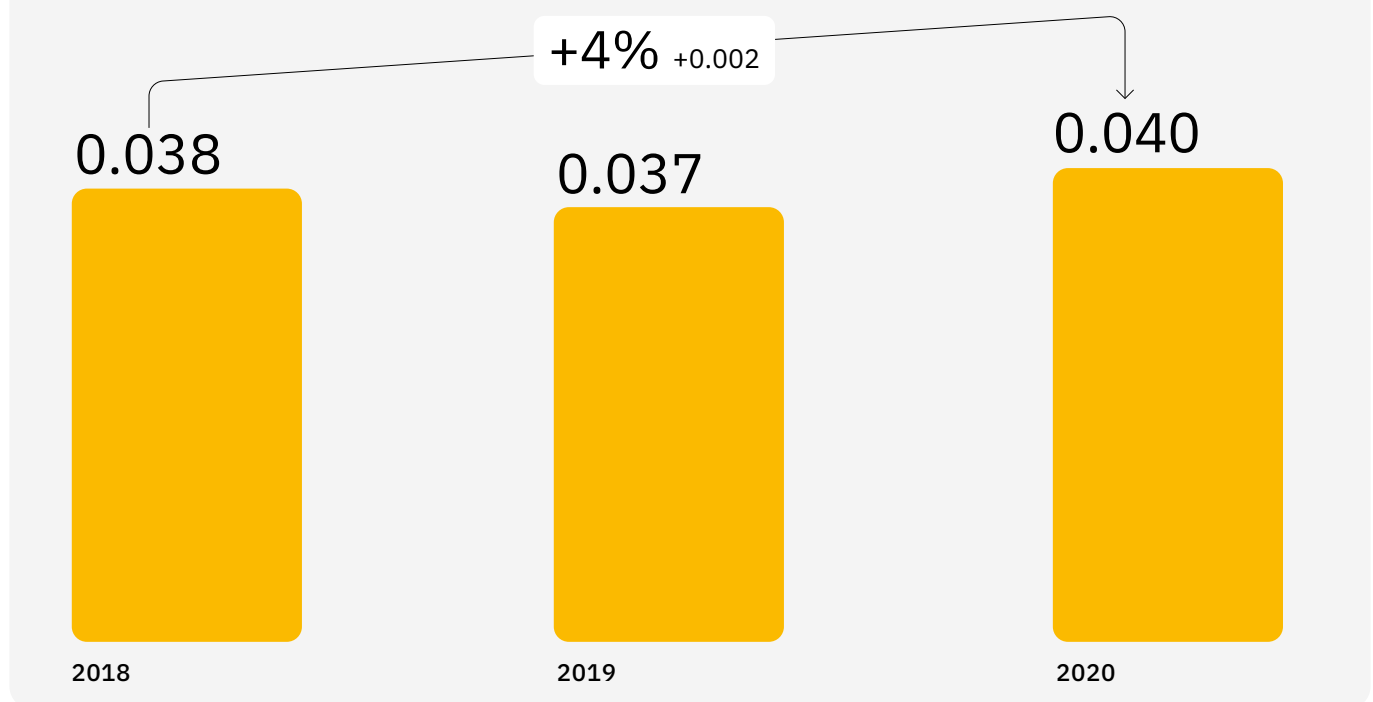
GRI 305-4

| Intensity of GHG emissions | UoM | 2018 | 2019 | 2020 |
|----------------------------|------------------------|-----------|-----------|-----------|
| Total GHG emissions | ton CO ₂ eq | 48,747 | 49,272 | 51,327 |
| Consolidated revenues | k€ | 1,279,167 | 1,348,177 | 1,294,363 |
| Intensity of GHG emissions | tCO ₂ /k€ | 0.038 | 0.037 | 0.040 |



Intensity of GHG emissions

(Total GHG emissione/Revenues)



Another impact generated by the Group concerns direct pollutant emissions into the atmosphere. As expected given the nature of the activities carried out at Interpump plants, the most significant element comprises nitrous

oxides and dust, which have decreased largely due to application of the new standard methodology for recording data and the effects of the macroeconomic situation.



GRI 305-7

| Atmospheric emissions | UoM | 2018 | 2019 | 2020 |
|-----------------------|-------|------|------|------|
| Particulate | Tons | 3.5 | 4.5 | 4.2 |
| NOX | Tons | 1.6 | 16.8 | 3.1 |
| CO | Tons | 0.1 | 1.2 | 0.0 |
| Dioxins and Furane | qITEQ | - | - | - |
| IPA | Tons | - | 0.0 | - |
| COT | Tons | 0.7 | 1.8 | 1.3 |
| PB | Tons | - | - | - |
| ZN | Tons | - | 0.0 | 0.0 |
| HG | Tons | - | - | - |
| SOX | Tons | 0.0 | 1.0 | 0.0 |
| HCl | Tons | 0.2 | 0.1 | 0.3 |
| HF | Tons | 0.0 | 0.0 | 0.1 |
| NI | Tons | - | 0.0 | 0.0 |
| Oil mist | Tons | 0.0 | 0.6 | 0.4 |

Waste produced

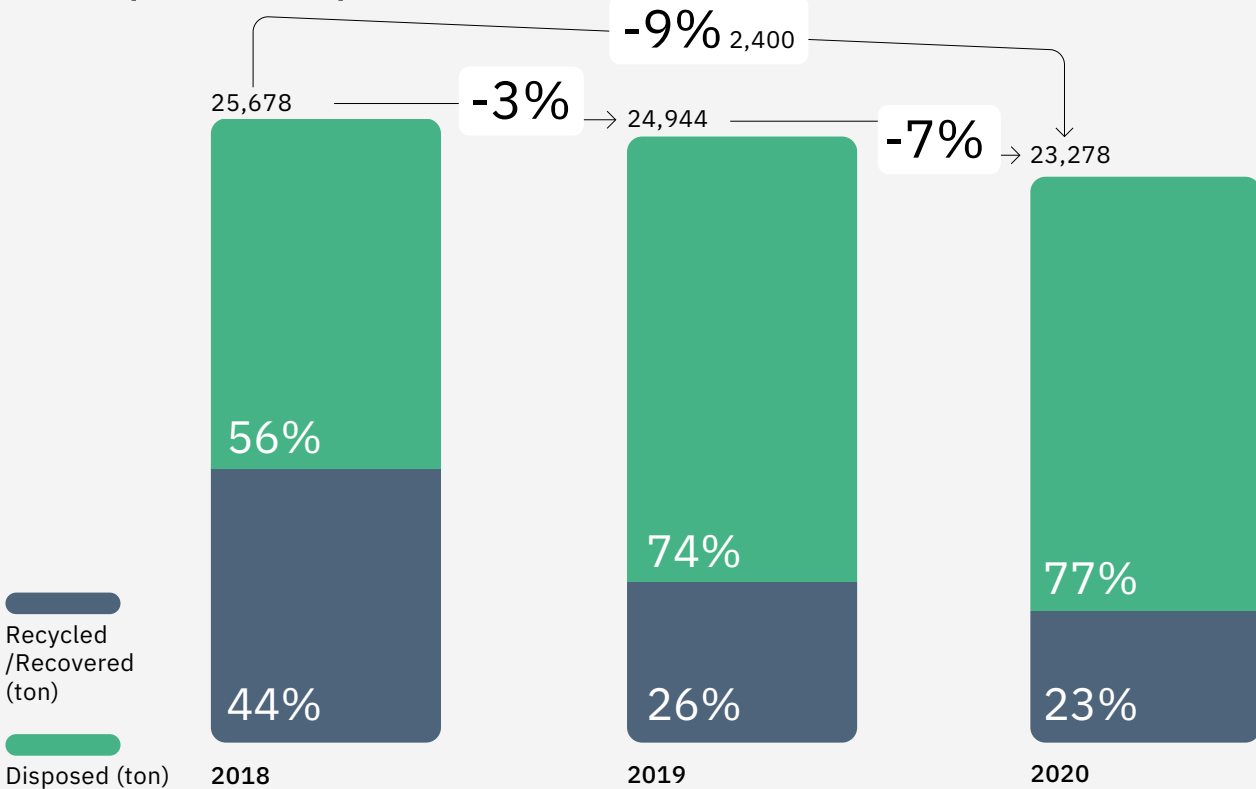
GRI 306-2

In 2020 the Group generated a total of around 23 thousand tonnes of waste, of which 85% non-hazardous and 15% hazardous. **The reduction in total waste produced** compared with the prior year (24,944 tonnes in 2019 vs 23,278 in 2020), down 7%, **is essentially consistent with the decline in revenues**, influenced by the effects of the

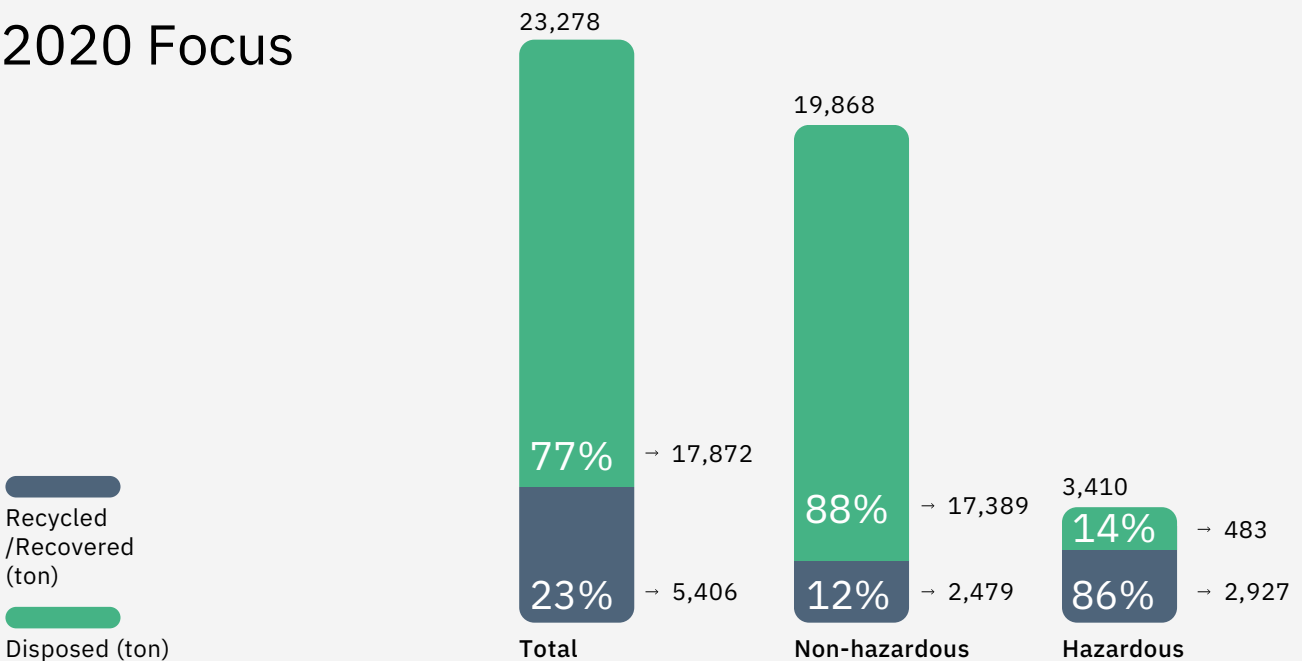
Covid-19 pandemic, **by 5.4%. At unchanged reporting perimeter, waste production would have been 16.4% lower, compared with a natural reduction in revenues of 12.6%.** This is consistent with the improvement in efficiency and the revision of productive processes.

The following analysis of the waste produced indicates the quantity recycled/recovered, disposed, hazardous and non-hazardous (in tonnes).

Group waste produced



2020 Focus



In quantitative terms, **the principal waste produced by the Group consisted of ferrous metal filings and shavings** totaling 12.5 thousand tonnes in 2020 (53.8% of the total waste generated: 23,278 tonnes), which was **mostly (77%) sent for recycling**. The final destination of non-hazardous waste in 2020 was as follows:

- about 88% (17,389 tons) recycled,
- about 12% (2,479 tons) disposed.

With regard to the 3,410 tonnes of **hazardous** waste produced (5.5% more than in the prior year):

- about 14% (483 tons of hazardous waste) was sent for recycling;
- about 86% (2,927 tons of hazardous waste) was sent for disposal.

Some of the main categories of non-hazardous waste are given below:

GRI 306-2

| Non-hazardous waste | UoM | 2018 | 2019 | 2020 |
|---|------------|---------------|---------------|---------------|
| 12.01.01 - Ferrous metal filings and shavings | ton | 13,883 | 13,299 | 12,520 |
| 12.01.02 - Ferrous metal powders and particulates | ton | 1,059 | 1,006 | 1,084 |
| 12.01.99 - Unspecified waste | ton | 703 | 759 | 713 |
| 15.01.01 - Paper and board packaging | ton | 782 | 563 | 464 |
| 17.04.05 - Iron and steel | ton | 1,467 | 1,243 | 1,074 |
| 20.03.01 - Non-differentiated urban waste | ton | 1,812 | 1,958 | 1,281 |
| Other | ton | 3,000 | 2,882 | 2,732 |
| Total non-hazardous waste | ton | 22,706 | 21,710 | 19,868 |

With regard to hazardous waste, “emulsions and solutions for machinery” are the substances produced in the

greatest quantity, (about 7.7% of the total waste generated in 2020).

GRI 306-2

| Hazardous waste* | UoM | 2018 | 2019 | 2020 |
|---|------------|--------------|--------------|--------------|
| 12.01.09* - Emulsions and solutions for machinery | ton | 1,705 | 1,842 | 1,806 |
| 12.03.01* - Water-based washing solutions | ton | 455 | 439 | 602 |
| 15.02.02* - Absorbents, filtering materials | ton | 166 | 209 | 149 |
| 08.01.19* - Water-based suspensions containing paints | ton | 12 | 18 | 20 |
| Other | ton | 634 | 725 | 832 |
| Consolidated | ton | 2,972 | 3,234 | 3,410 |

Overall, 17,872 tonnes of waste were recovered in 2020, while about 5,406 tonnes were sent for disposal.

Environmental compliance

GRI 307-1

Finally, note that based on best practices connected to the environmental management systems implemented in some Group companies and given the growing attention paid to sustainability themes, some Interpump Group vendors were subjected to an environmental assessment during the

three-year reporting period; there was an increase in this practice in the period concerned.

During the three-year reference period, the number and value of fines levied for non-compliance with environmental laws and/or regulations were insignificant, amounting to 0 in 2020.





5. Socio- Economic area

Material topics

Based on the analysis of materiality (see p. 26, *Analysis of materiality*), the material topics for IPG in the socio-economic area are:

- Economic performance;
- Client health and safety;
- Socio-economic compliance.

Risks

The main risks identified in the company area, such that can become of significance in relation to the pursuit of the company strategy in the medium/long-term, are related to:

- **operational** risks linked to product labeling (i.e. the information that accompanies the product, describing its characteristics), and market policy (e.g. unfair and unethical conduct in relation to competitors).

- **compliance risks and legal risks**, due to non-compliance with regulations and further to damage to property or personal injury caused by the product, linked to safety during use of products sold by Group companies.

The economic and financial risks are described in the Report on operations of Interpump Group S.p.A.

Risk management

| Risk type | Risk management | |
|------------|--|--|
| | Policies | Model |
| Operating | <p>Code of Ethics – with special reference, in addition to the matters stated above, to the undertaking to guarantee adequate quality standards of the services/products on offer based on predefined levels and periodic monitoring of the perceived quality.</p> <p>Technical training programs</p> | <p>Quality management systems certified in compliance with the provisions of international standard ISO 9001 – with regard to some companies/facilities (Monitoring of nonconformities reported by customers)</p> |
| Compliance | <p>Code of Ethics – with reference to the full and scrupulous compliance with the antitrust regulations and the rules of market regulatory authorities. Relations with competitors are characterized by loyalty and fairness and the Group disapproves of any behavior that could constitute an impediment or disturbance.</p> <p>The Group undertakes to ensure that its activities are conducted in such a way as to avoid violating, under any circumstances, international laws of embargo and control of exports in force in the countries in which it operates.</p> | <ul style="list-style-type: none"> ↪ Special part of the Organization and Management Model – concerning Italian companies for which this is deemed appropriate in view of the activities performed and the level of risk. ↪ Global Compliance Program (see p. 29 for further details) – concerning all Group companies without an Organization, Management and Control Model. ↪ Insurance cover – product liability insurance. |

Performance indicators

Economic performance

GRI 102-5; GRI 102-7

The number of ordinary shares of Interpump Group S.p.A. outstanding at 31 December 2020 totals 108,879,294. Interpump Group was listed on the Milan Stock Exchange

in 1996. Interpump Group was added to the FTSE MIB, the principal list on the Milan Exchange, on 22 June 2020. During the final session of the year (30/12/2020) the share price closed at 40.34 euro, representing a market capitalization of about Euro 4.39 billion. The significant holdings of share capital are listed on the following page.

| Shareholders | Nationality | % of ordinary share capital |
|---|-------------|-----------------------------|
| GRUPPO IPG HOLDING SRL* | Italian | 24.253 |
| Fulvio Montipò* | Italian | 0.583 |
| FMR LLC (Fidelity Management and Research)* | USA | 5.790 |
| FIN TEL SRL* | Italian | 4.133 |
| AZIONI PROPRIE (Interpump Group S.p.A.)** | Italian | 2.041 |
| Reggiana Finanziaria S.r.l.* | Italian | 3.490 |

Source: Consob updated at 15/02/2021

** Source: Draft financial statements of the company at 31/12/2020

Economic value generated and distributed

GRI 103-2; GRI 103-3; GRI 201-1

The economic value generated and distributed represents the ability of business to create wealth and distribute it

among its stakeholders. The economic value generated by the Interpump Group during 2020 amounted to Euro 1,313 million (Net revenues - net result), of which 90% (Euro 1,185 million) was distributed.

| (in thousands of Euro) | 2018 | 2019* | 2020 |
|---------------------------------------|------------------|------------------|------------------|
| Total economic value generated | 1,310,378 | 1,395,254 | 1,313,794 |
| Total economic value distributed | 1,160,540 | 1,242,020 | 1,185,613 |
| - Personnel | 297,162 | 319,757 | 309,065 |
| - Vendors** | 761,600 | 818,921 | 784,720 |
| - Public administration | 69,659 | 65,265 | 55,646 |
| - Shareholders*** | 24,157 | 28,580 | 30,042 |
| - Financial system | 7,962 | 9,497 | 6,140 |
| Total economic value retained | 149,838 | 153,234 | 128,181 |

* The schedule of economic value generated and distributed was calculated with reference to the consolidated income statement of the Group, including the Reggiana Riduttori Group which was excluded from the reporting perimeter of the 2019 NFS

** This caption includes the amortization of intangible assets

*** This caption includes the proposed distribution of dividends

for 2020, which the Board of Directors has resolved to recommend to the Shareholders' Meeting of Interpump Group S.p.A.

See the "Annual Report for 2020" on the corporate website www.interpumpgroup.it for further details.

Taxation

Approach to tax

GRI 207-1

Interpump Group S.p.A. also acts in an honest, proper and transparent manner in the management of its tax affairs, consistent with the principles defined in the Code of Ethics adopted by all Group companies.

The Group believes that the payment of taxation contributes to the achievement of global objectives for sustainable social and economic development, and to the consolidation and growth of the economies in which Group companies operate. For this reason, the Group strives to comply with the tax regulations, acting in a proper and responsible manner in each jurisdiction, and works closely with tax

advisors, auditors and the fiscal authorities to ensure payment of the taxes due. The Group does not pursue an aggressive fiscal policy designed to save tax and, by contrast, does contribute actively to the fight against tax evasion by avoiding recourse to fictitious corporate structures without economic or commercial justification.

The Group actively seeks not to earn income in territories classified as tax havens or which are considered uncooperative by the tax authorities. When setting intercompany transfer prices, the Group applies the principle of arm's-length competition.

Acting responsibly from a tax standpoint represents a conduct intended to safeguard the assets of the Group and create long-term value in the context of sustainable growth

Tax governance within the Group is underpinned by the principles embodied in the Code of Ethics.

Responsibility for managing the tax affairs of the Interpump Group is assigned to the directors of each company, as coordinated by the Group CFO in compliance with the rules contained in the Code of Ethics, corporate procedures and, where applicable, the Organization, Management and Control Model. The functions responsible for the management of tax matters at each Group company operate in compliance with the Code of Ethics and the corporate procedures established by the Parent Company. A channel for communications and interaction exists between the tax functions of each Group company and the financial and administrative function of the Parent Company.

The tax approach adopted by the Group is founded on compliance with the domestic and international tax regulations. The Group seeks to comply with both the letter and the spirit of the tax regulations in force in the countries where it operates, balancing business activity with the pursuit of sustainable development.

The Group cooperates with the tax authorities, making necessary information available to them for the effective and equitable application of tax laws, and responds promptly and fully to the requests for information and documentation received from the competent authorities in each jurisdiction.

Tax governance, control, and risk management

GRI 207-2

La governance fiscale del Gruppo fa capo all'Organo Group tax governance is the responsibility of the Board of Directors, which is assisted by the CFO of Interpump and the administrative managers at each subsidiary.

Group companies adopt a system of internal control that is overseen by the director responsible for the system of internal control and risk management, in order to check compliance with the tax regulations.

The Group seeks to minimize tax risk, taking all useful and practical precautions to achieve that objective. The tax treatment of each transaction is based on reasonable and well-founded decisions and interpretations made, where necessary, with support from experienced external tax advisors.

Tax risks are managed in accordance with the overall Enterprise Risk Management model and the procedures for compliance with Law 262/2005 adopted by those companies falling within the scope of that legislation.

The corporate whistleblowing channels may also be used to report any issues with potentially unethical or unlawful conduct, or the tax status of the organization.

Stakeholder engagement and management of concerns related to tax

GRI 207-3

At this time, the Group has not received requests or reports from stakeholders with regard to tax matters. Should requests or reports be received from stakeholders, they will be analyzed by the corporate functions responsible for tax compliance.

Relations with the tax authorities are founded on the principles of propriety, transparency, professionalism, honesty and respect for the differing regulations applicable in the countries where the Group operates.

Group relations with the competent tax authorities are managed in compliance with the Code of Ethics and specific internal procedures.

In the event of tax audits at Group companies, the Group acts with transparency, propriety and professionalism in all communications with the competent tax authorities, responding promptly to their questions and requests.

If requests are received, the Group provides timely and exact information to the tax authorities, together with truthful and complete documentation.

Other performance indicators

GRI 206-1; GRI 416-2

During the three-year reference period, no legal proceedings were initiated in relation to unfair competition, anti-trust and monopoly practices concerning or involving the Interpump Group.

At Interpump Group level, no cases of non-conformity with the product safety regulations were identified in 2020 and 2019 that would have required activation of the product recall policy.

Finally, during the three-year reporting period several Group vendors were subjected to an assessment of social topics. In any case, the principles regarding respect for those topics are set down in the Code of Ethics, which is distributed to the main vendors.



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6. Personnel- related area

Material topics

Based on the analysis of materiality (see p. 26, *Analysis of materiality*), the material topics for the Interpump Group in the personnel-related area are:

- Management of human capital;
- Training;
- Non-discrimination and equal opportunities;
- Occupational health and safety.

Risks

The main risks identified in the area of personnel, such that may become significant in relation to the pursuit of the company strategy in the medium/long-term, are related to:

→ **operating** risks, connected to change management (e.g. risks linked to inability/difficulty in finding new qualified/specialized staff), to the protection of minorities (gender - given the group's core business, language groups, etc.) and in general, to management of the workforce (employees and temporary workers) in various world countries.

→ **compliance** risks due to failure to respect normative requirements related to regulations concerning employment and occupational health and safety. Events of this type could expose the company to penalties and legal proceedings, including criminal charges (e.g. offenses included in Decree 231/01). Such events could also expose the company to disputes, such as employee disputes (e.g. health and safety, employment and salaries, etc.)

Risk management

| Risk type | | Risk management | |
|------------|--|--|--|
| | | Policies | Model |
| Operating | | <p>Training programs on the subject of occupational health and safety</p> <p>Succession policies and diversity policies with reference to the group parent company (currently being evaluated)</p> | <p>Systems for management of occupational health and safety pursuant to international standards ISO 45001 - 2018 - with reference to certain companies/facilities</p> |
| Compliance | | <p>Code of Ethics – in particular, ensuring equal opportunities and basing its conduct on principles aimed at acknowledging the value of human resources, with special reference to the physical and moral integrity of workers and correct management of personnel, ensuring that each manager values the work activities of his or her personnel, requesting duties that are consistent with their job descriptions and with the work organization plans.</p> <p>In addition, the Group undertakes to diffuse and consolidate a culture of safety, performing actions of a technical and organizational nature and basing its conduct on principles aimed at preventing risks and avoiding all potentially hazardous situations.</p> <p>Workplace health and safety policies – in relation to companies/facilities having safety management systems.</p> | <p>↪ Special part of the Organization and Management Model – concerning Italian companies for which this is deemed appropriate in view of the activities performed and the level of risk.</p> <p>↪ Global Compliance Program (see p. 29 for further details) – concerning all Group companies without an Organization, Management and Control Model</p> <p>↪ Systems for management of occupational health and safety pursuant to international standards ISO 45001 - 2018 - with reference to certain companies/facilities</p> <p>↪ Insurance cover – employer's liability insurance.</p> |

Performance indicators

Human capital

GRI 102-8; GRI 103-2; GRI 103-3

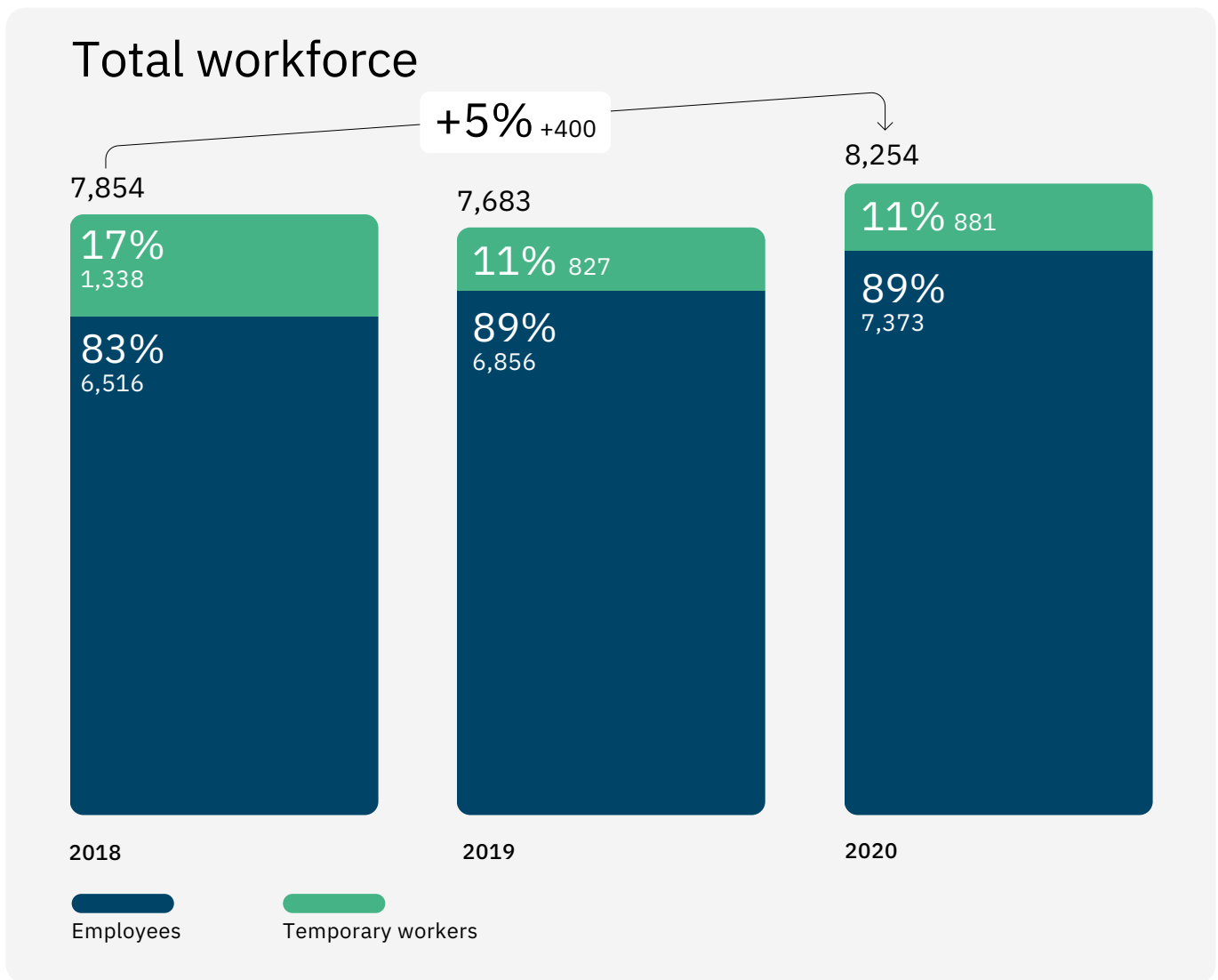
The Interpump Group considers human capital to be a key resource underpinning the success and continuity of the business, and a distinctive factor in maintaining the global leadership consolidated by the Group in recent years.

The number of employees included within the scope of this NFS totals 7,373 (8,254¹), up from 6,856 (7,683²) in 2019. The increase of 517 was essentially attributable to the acquisitions made during 2020, which were discussed earlier.

The total workforce grew by 5% in the three-year period 2018-2020 (+400 persons).

In addition to employees (89%), the Interpump Group's workforce in 2020 also includes 881 temporary workers (11%).

1, 2 Including temporary workers. See also "Total Workforce" below.



The large majority of temporary workers are blue-collar workers (about 95%), mostly men (93.8%), and are split almost equally between those under 30 and those between

30 and 50. The total workforce is analyzed by geographical area on the following page.

| | Group total | | | Italy | | | Rest of Europe | | | North America | | | Far East and Pacific Basin | | | Rest of the World | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|---------------|--------------|--------------|----------------------------|------------|------------|-------------------|--------------|--------------|
| | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 |
| Workforce | 7,854 | 7,683 | 8,254 | 3,458 | 3,322 | 3,581 | 1,533 | 1,608 | 1,580 | 954 | 1,091 | 1,071 | 420 | 427 | 616 | 1,489 | 1,235 | 1,406 |
| Employees | 6,516 | 6,856 | 7,373 | 2,990 | 3,080 | 3,334 | 1,469 | 1,553 | 1,547 | 886 | 1,044 | 1,036 | 419 | 409 | 601 | 752 | 770 | 855 |
| Temporary workers | 1,338 | 827 | 881 | 468 | 242 | 247 | 64 | 55 | 33 | 68 | 47 | 35 | 1 | 18 | 15 | 737 | 465 | 551 |

The workforce is analyzed by gender and geographical area below, distinguishing between personnel with formalized

contracts (permanent/fixed term) and external/not formalized collaborations.

| | Group total | | | Italy | | | Rest of Europe | | | North America | | | Far East and Pacific Basin | | | Rest of the World | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|---------------|--------------|--------------|----------------------------|------------|------------|-------------------|--------------|--------------|
| | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 |
| Workforce - permanent contract | 6,151 | 6,613 | 7,175 | 2,851 | 2,990 | 3,269 | 1,284 | 1,436 | 1,461 | 881 | 1,042 | 1,035 | 386 | 379 | 555 | 749 | 766 | 855 |
| Men | 5,060 | 5,476 | 5,885 | 2,278 | 2,413 | 2,629 | 1,064 | 1,216 | 1,220 | 722 | 850 | 846 | 304 | 292 | 402 | 692 | 705 | 788 |
| Women | 1,091 | 1,137 | 1,290 | 573 | 577 | 640 | 220 | 220 | 241 | 159 | 192 | 189 | 82 | 87 | 153 | 57 | 61 | 67 |
| Workforce - fixed-term contract | 365 | 243 | 198 | 139 | 90 | 65 | 185 | 117 | 86 | 5 | 2 | 1 | 33 | 30 | 46 | 3 | 4 | 0 |
| Men | 326 | 195 | 155 | 121 | 69 | 49 | 170 | 98 | 73 | 5 | 2 | 1 | 27 | 22 | 32 | 3 | 4 | 0 |
| Women | 39 | 48 | 43 | 18 | 21 | 16 | 15 | 19 | 13 | - | - | 0 | 6 | 8 | 14 | - | - | 0 |
| External collaborators/ not formalized | 1,338 | 827 | 881 | 468 | 242 | 247 | 64 | 55 | 33 | 68 | 47 | 35 | 1 | 18 | 15 | 737 | 465 | 551 |
| Men | 1,257 | 767 | 826 | 416 | 202 | 203 | 58 | 52 | 33 | 56 | 37 | 31 | - | 18 | 15 | 727 | 458 | 544 |
| Women | 81 | 60 | 55 | 52 | 40 | 44 | 6 | 3 | 0 | 12 | 10 | 4 | 1 | - | 0 | 10 | 7 | 7 |
| Consolidated workforce | 7,854 | 7,683 | 8,254 | 3,458 | 3,322 | 3,581 | 1,533 | 1,608 | 1,580 | 954 | 1,091 | 1,071 | 420 | 427 | 616 | 1,489 | 1,235 | 1,406 |
| Men | 6,643 | 6,438 | 6,866 | 2,815 | 2,684 | 2,881 | 1,292 | 1,366 | 1,326 | 783 | 889 | 878 | 331 | 332 | 449 | 1,422 | 1,167 | 1,332 |
| Women | 1,211 | 1,245 | 1,388 | 643 | 638 | 700 | 241 | 242 | 254 | 171 | 202 | 193 | 89 | 95 | 167 | 67 | 68 | 74 |

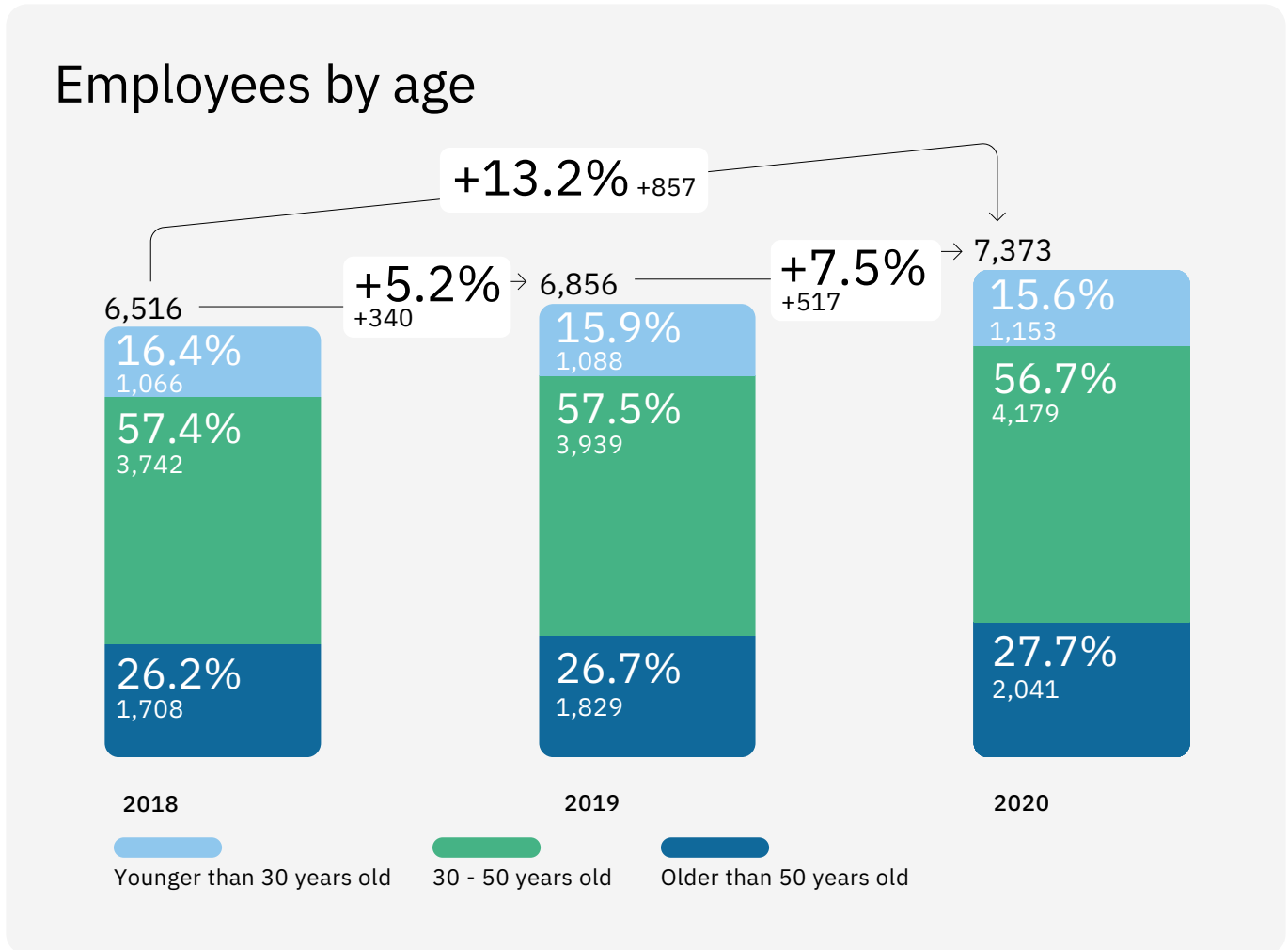
Employment

GRI 102-8-1; GRI 102-8-3; GRI 102-41; 103-2; GRI 103-3; GRI 405-1_b

The Interpump Group workforce has grown steadily over the years, having more than doubling in the last decade (see the Report on operations in 2020 for more details). At 31 December 2020, the number of employees included within the scope of the Non-Financial Statement totaled 7,373, up by 7.5% compared with the prior year and by

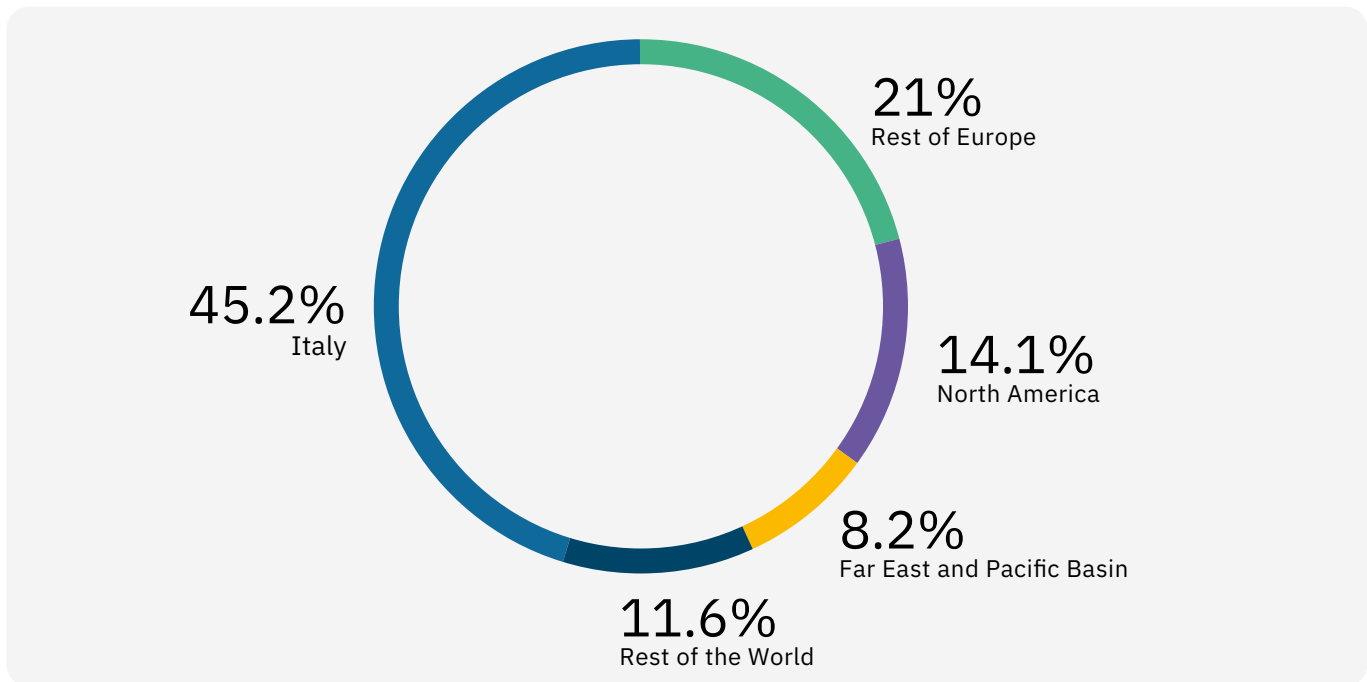
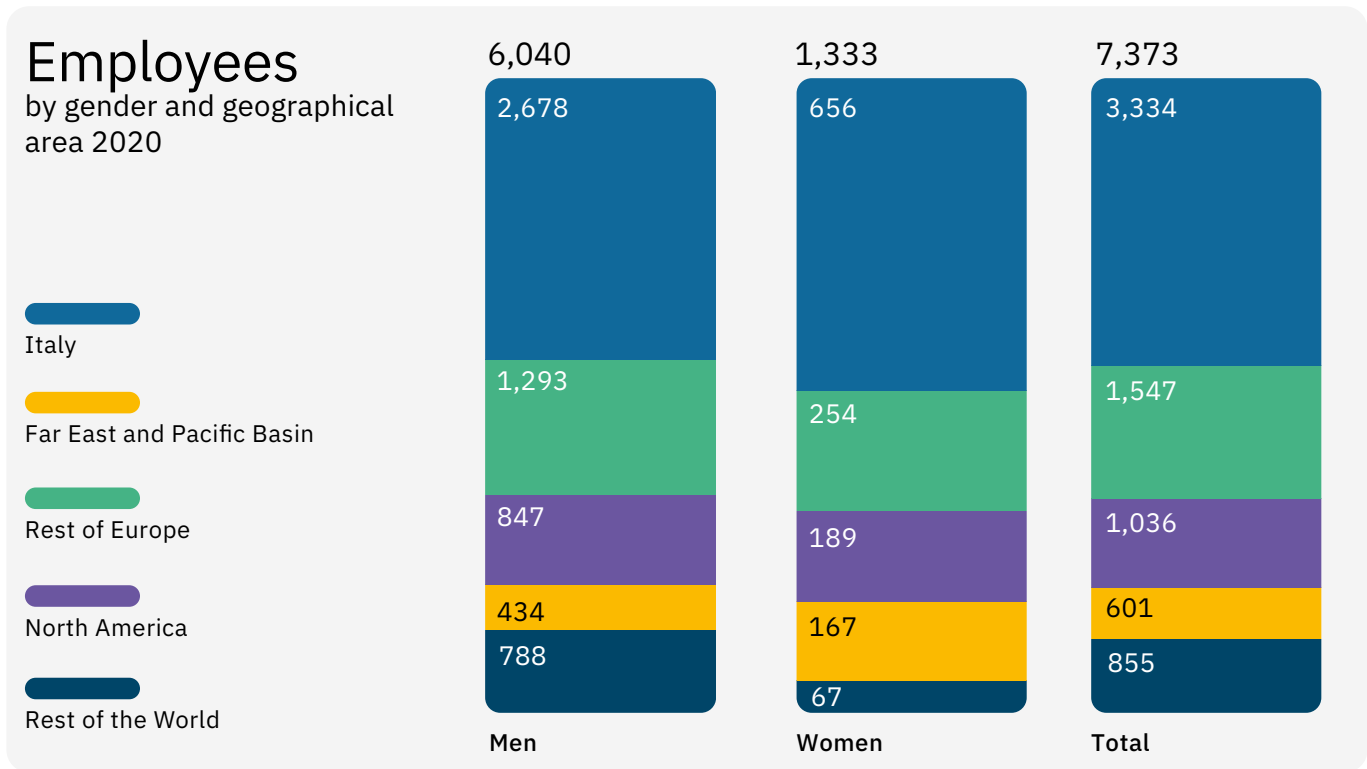
13.2% since 2018 (+857 persons). The increase during the year was mainly due to the change in the scope of reporting.

Persons employed in Italy account for 45.2% (3,334 persons) of the total workforce (7,373 persons). In particular, despite the international vocation of the Group, with a presence in more than 30 countries, no policies have been adopted to delocalize the traditional activities, which are still carried out in Italy.



The breakdown of personnel by age shows a majority (56.7%) in the 30 to 50 age group; 27.7% are above the

age of 50, while the remaining part (15.6%, or 1,153 individuals) are under 30.



Most employees are located in Italy and elsewhere in Europe (especially Germany, Spain and the United Kingdom). The Interpump Group considers the ability to attract and retain young talents to be fundamental and a key strength of the business. The average age of

employees falls in the 30-50 range (56.7%). Female employees account for 18% of the total. The level of female employment is nonetheless significant, given that the sector is historically considered to be a male domain.

GRI 102-8-1

| Employees | 2018 | | | | 2019 | | | | 2020 | | | |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | < 30 | 30 - 50 | > 50 | Total | < 30 | 30 - 50 | > 50 | Total | < 30 | 30 - 50 | > 50 | Total |
| Blue collar | 764 | 2,248 | 1,016 | 4,028 | 781 | 2,387 | 1,115 | 4,283 | 839 | 2,454 | 1,255 | 4,548 |
| White collar and managers | 301 | 1,407 | 607 | 2,315 | 307 | 1,462 | 620 | 2,389 | 314 | 1,620 | 686 | 2,620 |
| Executives | 1 | 87 | 85 | 173 | - | 90 | 94 | 184 | - | 105 | 100 | 205 |
| Consolidated | 1,066 | 3,742 | 1,708 | 6,516 | 1,088 | 3,939 | 1,829 | 6,856 | 1,153 | 4,179 | 2,041 | 7,373 |

With regard to the composition of personnel, the situation was stable during the period 2018-2020. In 2020, 61.7%

of employees are blue-collar workers, 35.5% are white-collar workers and managers and 2.8% are executives.

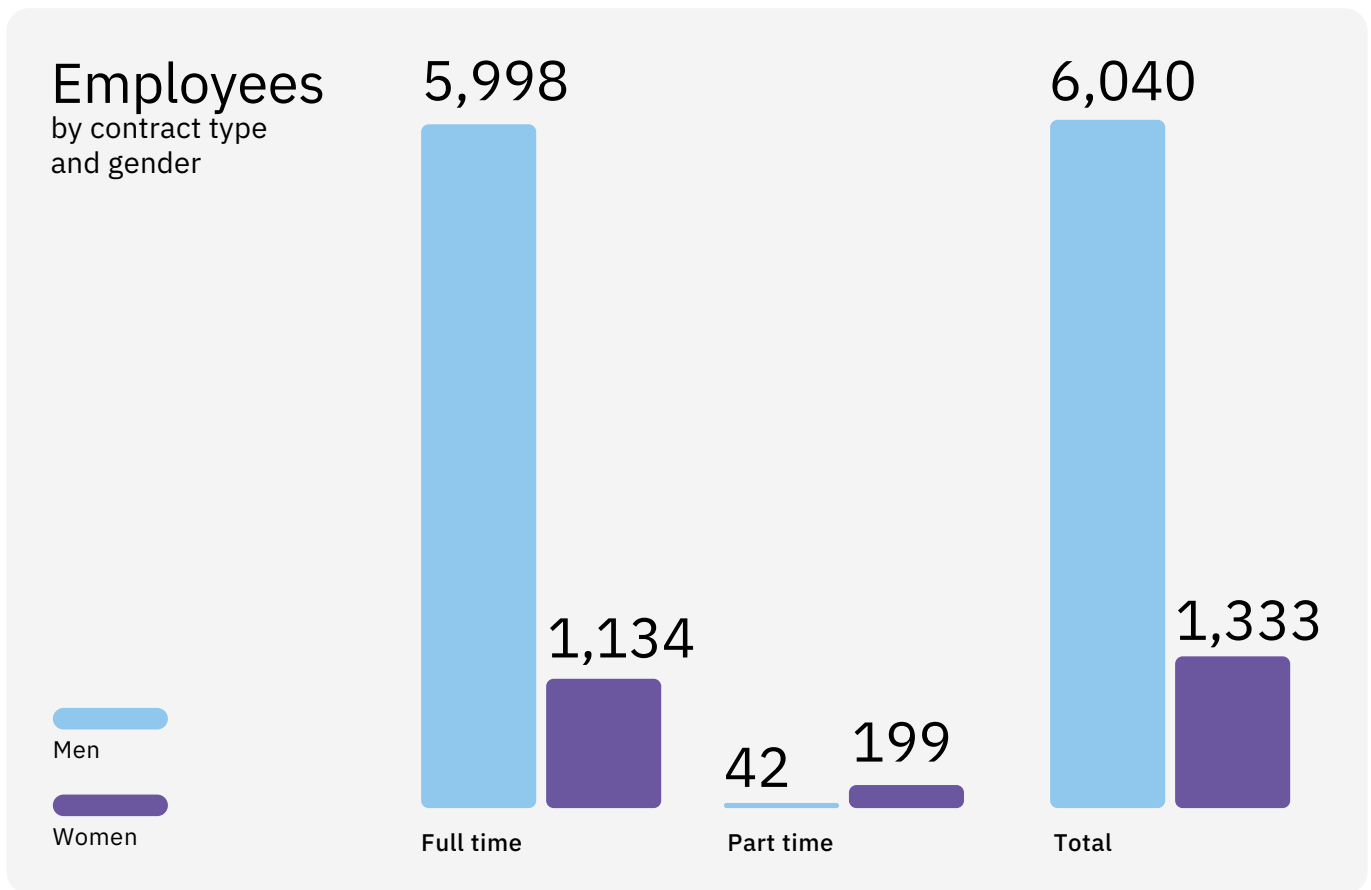
GRI 102-8

| Employees by contract type | 2018 | | | 2019 | | | 2020 | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Men | Women | Consolidated | Men | Women | Consolidated | Men | Women | Consolidated |
| Full-time | 5,342 | 964 | 6,306 | 5,633 | 1,011 | 6,644 | 5,998 | 1,134 | 7,132 |
| Part-time | 44 | 166 | 210 | 38 | 174 | 212 | 42 | 199 | 241 |
| Consolidated | 5,386 | 1,130 | 6,516 | 5,671 | 1,185 | 6,856 | 6,040 | 1,333 | 7,373 |

Most employees are on full-time (96.7%) contracts; part-time contracts (241 individuals in 2020) are mainly granted to women (82.6%).

Employment is analyzed by gender and geographical area below.

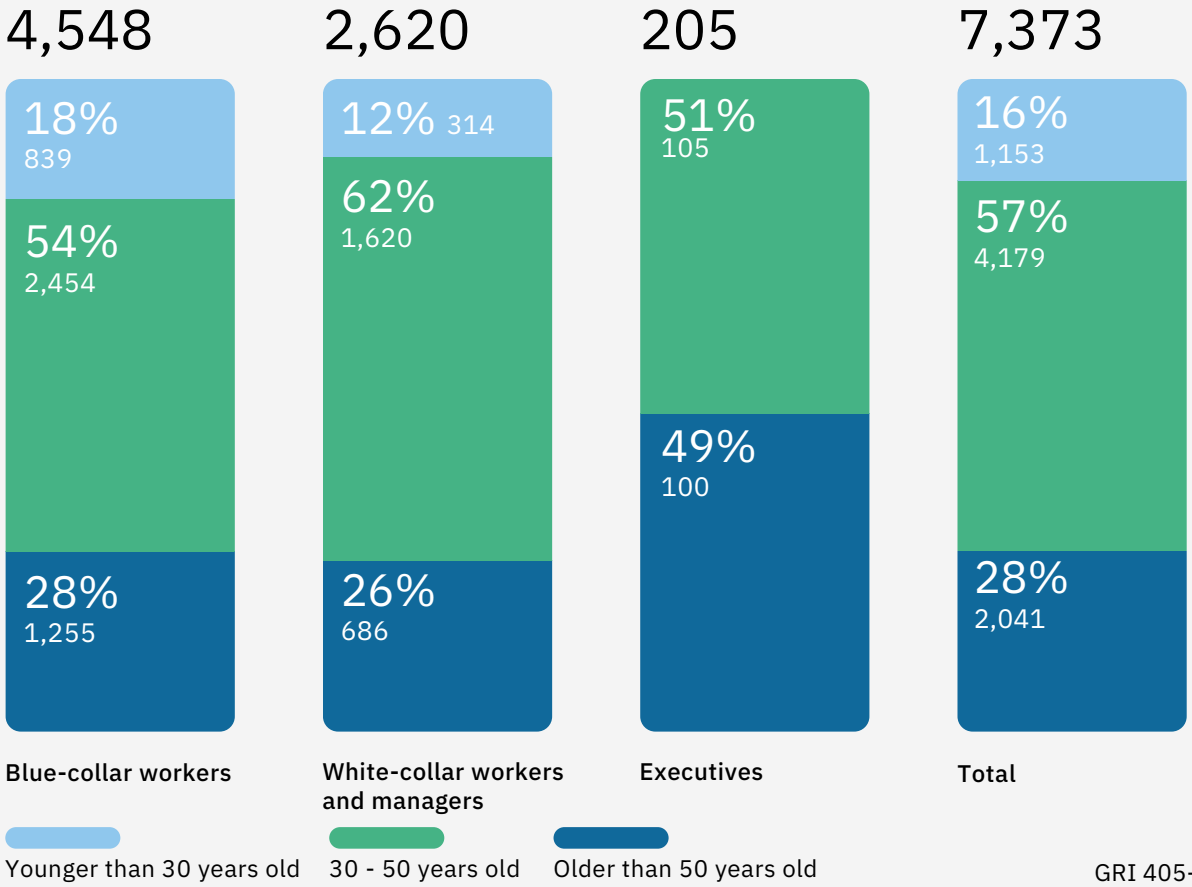
| | Group total | | | Italy | | | Rest of Europe | | | North America | | | Far East and Pacific Basin | | | Rest of the World | | |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|---------------|--------------|--------------|----------------------------|------------|------------|-------------------|------------|------------|
| | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 |
| Blue collar | 4,028 | 4,283 | 4,548 | 2,097 | 2,179 | 2,311 | 849 | 897 | 856 | 488 | 618 | 594 | 199 | 186 | 309 | 395 | 403 | 478 |
| Men | 3,612 | 3,833 | 4,046 | 1,800 | 1,876 | 2,000 | 801 | 843 | 795 | 438 | 551 | 530 | 183 | 169 | 260 | 390 | 394 | 461 |
| Women | 416 | 450 | 502 | 297 | 303 | 311 | 48 | 54 | 61 | 50 | 67 | 64 | 16 | 17 | 49 | 5 | 9 | 17 |
| White collar | 2,315 | 2,389 | 2,620 | 843 | 850 | 973 | 569 | 603 | 635 | 372 | 393 | 405 | 195 | 198 | 257 | 336 | 345 | 350 |
| Men | 1,620 | 1,675 | 1,816 | 553 | 559 | 632 | 388 | 423 | 446 | 266 | 274 | 287 | 129 | 126 | 150 | 284 | 293 | 301 |
| Women | 695 | 714 | 804 | 290 | 291 | 341 | 181 | 180 | 189 | 106 | 119 | 118 | 66 | 72 | 107 | 52 | 52 | 49 |
| Executives | 173 | 184 | 205 | 50 | 51 | 50 | 51 | 53 | 56 | 26 | 33 | 37 | 25 | 25 | 35 | 21 | 22 | 27 |
| Men | 154 | 163 | 178 | 46 | 47 | 46 | 45 | 48 | 52 | 23 | 27 | 30 | 19 | 19 | 24 | 21 | 22 | 26 |
| Women | 19 | 21 | 27 | 4 | 4 | 4 | 6 | 5 | 4 | 3 | 6 | 7 | 6 | 6 | 11 | 0 | 0 | 1 |
| Consolidated | 6,516 | 6,856 | 7,373 | 2,990 | 3,080 | 3,334 | 1,469 | 1,553 | 1,547 | 886 | 1,044 | 1,036 | 419 | 409 | 601 | 752 | 770 | 855 |
| Men | 5,386 | 5,671 | 6,040 | 2,399 | 2,482 | 2,678 | 1,234 | 1,314 | 1,293 | 727 | 852 | 847 | 331 | 314 | 434 | 695 | 709 | 788 |
| Women | 1,130 | 1,185 | 1,333 | 591 | 598 | 656 | 235 | 239 | 254 | 159 | 192 | 189 | 88 | 95 | 167 | 57 | 61 | 67 |



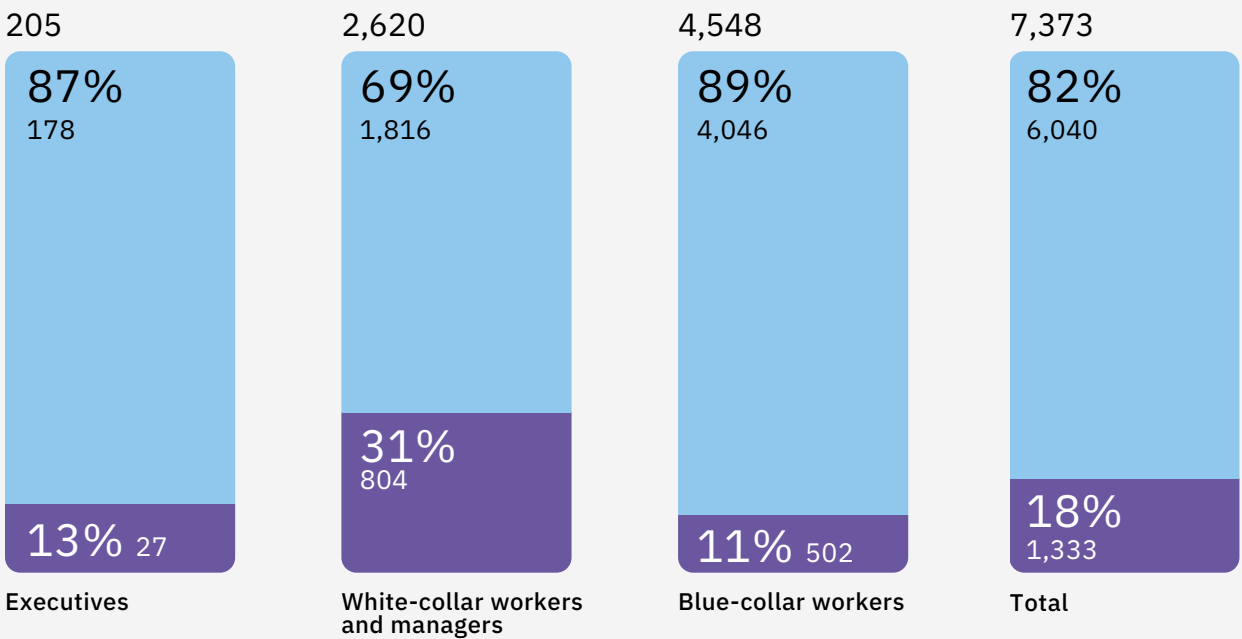
Executives are almost equally distributed in the 30-50 and over-50 age groups, while the categories of blue-collar workers and white-collar workers and managers comprise,

respectively, the intermediate age group (54% and 62% respectively), over-50s (28% and 26% respectively), and under-30s (18% and 12% respectively).

Employees by age and classification level 2020



Employees by gender and classification level 2020

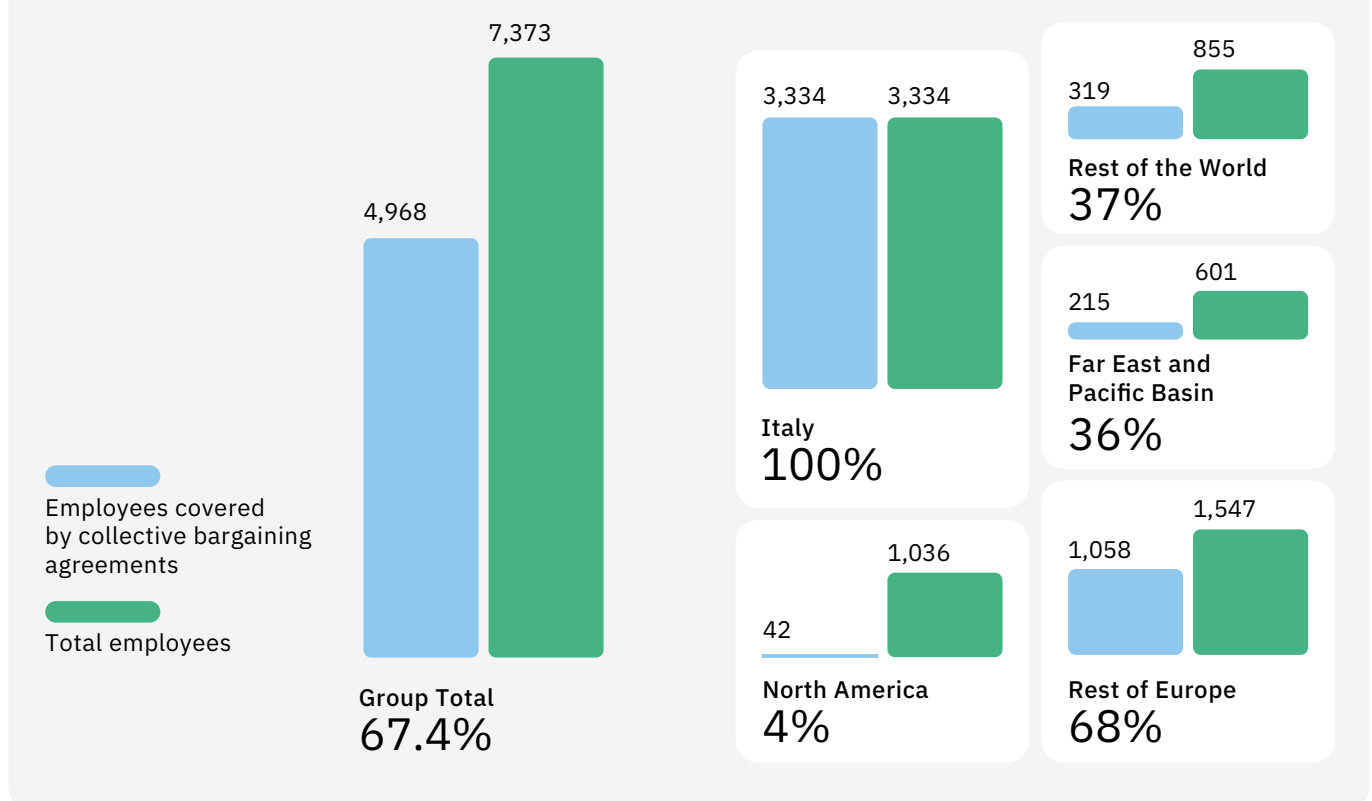


Percentage of employees covered by collective contracts

GRI 102-41

| | Italy | North America | Far East and Pacific Basin | Rest of Europe | Rest of the World | Group total |
|---|-------|---------------|----------------------------|----------------|-------------------|-------------|
| Employees covered by collective bargaining agreements | 3,334 | 42 | 215 | 1,058 | 319 | 4,968 |
| Total employees | 3,334 | 1,036 | 601 | 1,547 | 855 | 7,373 |
| % personnel covered by collective bargaining agreements | 100% | 4.1% | 35.8% | 68.4% | 37.3% | 67.4% |

Percentage of personnel covered by collective bargaining agreements



The Group strives to maintain constructive dialog with the trade unions, in compliance with the regulations in force in each country of operations.

At 31/12/2020, **67.4% of all Group employees are covered by collective bargaining agreements.**

Personnel: New hires and departures

GRI 401-1

The number of new hires and terminations is strongly influenced by the turnover of fixed-term employees. In this regard, the GS Hydro Group (consolidated from 2018) produces piping systems for projects in the industrial, naval and energy fields. These systems are installed

by work crews hired for the duration of the project. The majority of terminations of fixed-term contracts is attributable to this characteristic of the GS Hydro Group.

The number of new hires in 2020 totaled 865, down by 26.3% with respect to the prior year.

| New hires | | 2018 | | 2019 | | 2020 | |
|--------------|---------|--------|------|--------|------|--------|------|
| | | Number | Rate | Number | Rate | Number | Rate |
| Gender | Men | 998 | 19% | 1,026 | 18% | 741 | 12% |
| | Women | 144 | 13% | 149 | 13% | 124 | 9% |
| Consolidated | | 1,142 | 18% | 1,175 | 17% | 865 | 12% |
| Age | < 30 | 413 | 39% | 403 | 37% | 386 | 33% |
| | 30 - 50 | 613 | 16% | 627 | 16% | 374 | 9% |
| | > 50 | 116 | 7% | 145 | 8% | 105 | 5% |
| Consolidated | | 1,142 | 18% | 1,175 | 17% | 865 | 12% |

Terminations in 2020 totaled 959, also down with respect to the prior year (-9.6%).

| Terminations | | 2018 | | 2019 | | 2020 | |
|--------------|---------|--------|------|--------|------|--------|------|
| | | Number | Rate | Number | Rate | Number | Rate |
| Gender | Men | 952 | 18% | 937 | 17% | 817 | 14% |
| | Women | 88 | 8% | 124 | 10% | 142 | 11% |
| Consolidated | | 1,040 | 16% | 1,061 | 15% | 959 | 13% |
| Age | < 30 | 252 | 24% | 279 | 26% | 279 | 24% |
| | 30 - 50 | 607 | 16% | 552 | 14% | 432 | 10% |
| | > 50 | 181 | 11% | 230 | 13% | 248 | 12% |
| Consolidated | | 1,040 | 16% | 1,061 | 15% | 959 | 13% |

New hires and terminations during the reporting period are analyzed below together with the consequent incoming and outgoing turnover rates¹; the new hires and terminations in

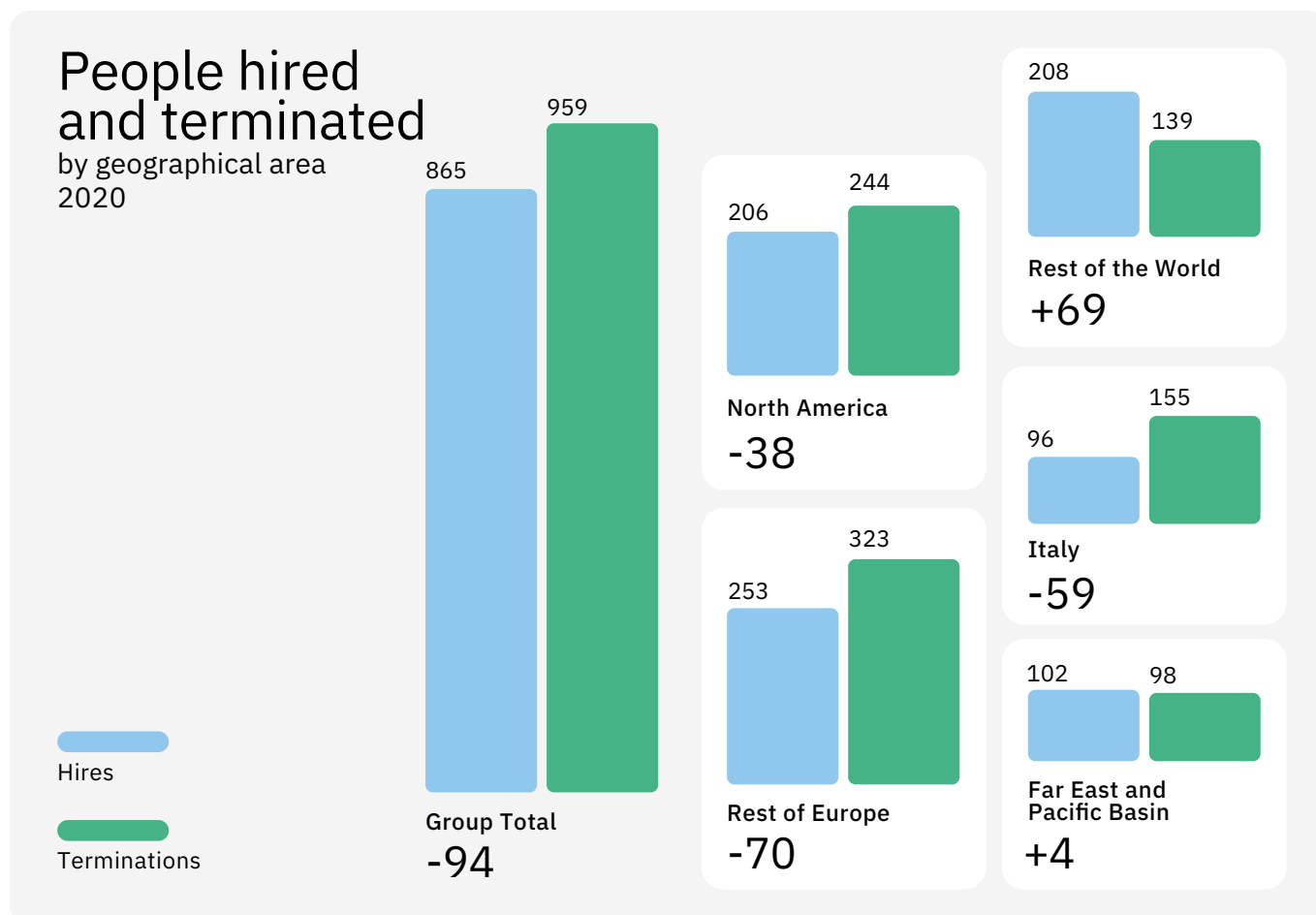
2020 are also analyzed by geographical area. At Group level, the outgoing turnover rate was about 13% (959 departures in total), while the incoming turnover rate was 11.7% (865).

1 The incoming turnover rate is calculated as follows:

(number of hires / total employees) x 100;

Outgoing turnover rate calculated as follows: (number of terminations/total employees) x 100.

| Focus 2020 | Group total | Italy | Rest of Europe | North America | Far East and Pacific Basin | Rest of the World |
|---------------------------------------|-------------|------------|----------------|---------------|----------------------------|-------------------|
| Total new hires by gender | 865 | 96 | 253 | 206 | 102 | 208 |
| Men | 741 | 80 | 219 | 170 | 83 | 189 |
| Women | 124 | 16 | 34 | 36 | 19 | 19 |
| Total new hires by age band | 865 | 96 | 253 | 206 | 102 | 208 |
| <30 | 386 | 44 | 62 | 84 | 55 | 141 |
| 30 - 50 | 374 | 45 | 136 | 86 | 46 | 61 |
| >50 | 105 | 7 | 55 | 36 | 1 | 6 |
| Total terminations by gender | 959 | 155 | 323 | 244 | 98 | 139 |
| Men | 817 | 131 | 287 | 197 | 82 | 120 |
| Women | 142 | 24 | 36 | 47 | 16 | 19 |
| Total terminations by age band | 959 | 155 | 323 | 244 | 98 | 139 |
| <30 | 279 | 31 | 47 | 85 | 51 | 65 |
| 30 - 50 | 432 | 45 | 172 | 117 | 36 | 62 |
| >50 | 248 | 79 | 104 | 42 | 11 | 12 |



Occupational health and safety

GRI 103-2; GRI 103-3; GRI 403-9

Management of occupational health and safety

GRI 403-1; GRI 403-2; GRI 403-3; GRI 403-4; GRI 403-5; GRI 403-6; GRI 403-7

The Covid-19 pandemic broke out in early 2020, with the shutdown by governments of many activities in the manufacturing sector. Those businesses that remained open continued at a slower pace, both to ensure maximum compliance with the safety instructions and due to the shut down, in turn, of their principal clients and vendors. The pandemic originated in China, where the Interpump Group is active and where activities were essentially shut down for the entire first quarter of the year. In the Rest of the World, the months of March and especially April were worst hit, with major suspensions of activities in almost every country in which the Group is active.

In this context and with a view to safeguarding the health of all collaborators, from the very start of the emergency the Interpump Group adopted all necessary measures to comply with the instructions issued by the Authorities - in each country where it operates - in order to resist the spread of the Coronavirus (Covid-19).

Despite the emergency conditions, this action made it possible to manage all productive processes without disregarding the various regulations issued from time to time throughout 2020.

From an organizational standpoint, teams dedicated to managing the emergency were established to ensure the continuity of operations in all productive departments and of all client service activities.

Each group company informed its employees of the healthcare and conduct rules established by the relevant Authorities, explaining them appropriately. In addition, where possible, the Group activated remote working and all locations took extra precautions to strengthen the hygiene measures adopted.

This confirms the fact that the Interpump Group focuses attention on occupational health and safety and strives to guarantee a safe workplace for all employees. For this reason, the Group has included specific health and safety guidelines in the Global Compliance Program (see section 3.4 for further details), in to align further the management of this topic within the Group.

Although a global model for OHS management was not available in 2020, Group companies strive to identify specific internal functions responsible for the management of health and safety matters. For example, most Group companies have implemented processes to identify any workplace hazards on a systematic basis; in particular, after identifying risks, the company prepares specific

procedures to mitigate them via the provision of targeted training to employees. This is consistent with the best international practices, such as ISO 45001. In addition, as shown in the following chart, the management systems of 16% of Group companies are compliant with ISO 45001 and/or OHSAS 18001.

In terms of reporting any hazards, professional incidents and/or hazardous situations in the working environment, most production companies allows employees to notify their managers (e.g. Workers' Safety Representative or Protection and Prevention Manager (HSO) in the Italian context) using predetermined channels. If necessary, these managers then prepare internal procedures compliant with the local regulations, providing employees with the information needed to mitigate the hazards identified.

The following principal activities contribute to the identification and reduction of health and safety risks:

- periodic visits to and inspections of the workplace by the appointed medical officer;
- monthly checks assisted by the relevant functions;
- external audits carried out every quarter;
- teams dedicated to prevention activities;
- employee training.

In order to ensure the quality of the above activities, additional checks are carried out by such professionals as the medical officer or the HSO or other suitable personnel (as required by local regulations), who carry out periodic medical check-ups in the workplace during working hours.

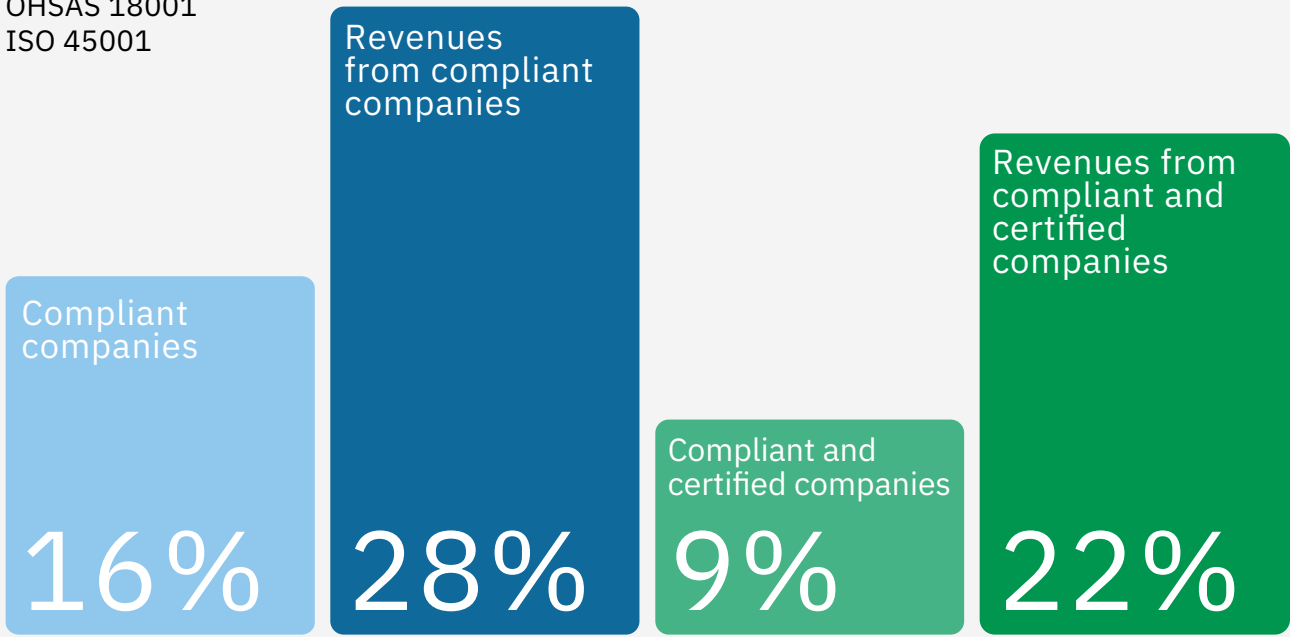
In addition, where possible, Group companies strive to ensure employee participation and consultation with them regarding the development, implementation and assessment of the OHSMS; in certain cases, this process is facilitated by the formal participation, as required by local regulations, and involvement of the appointed workers' safety representatives. Where formal worker-management committees have been established, their principal activities include: health monitoring, risk assessment, investigation of incidents and promotion of corrective actions to improve the conditions of workers.

General training, which is essential for the prevention of health and safety risks, is provided by most Group companies. Depending on the specific duties of different categories of worker, specific modules may also be activated to address the risks involved in their activities, for example: physical, ergonomic and chemical hazards present in the workplace and working environments.

Additionally, in some cases when not already required by law, voluntary access to healthcare and medical services by workers is facilitated by the arrangement of supplementary health insurance or membership of supplementary healthcare plans. Lastly, with regard to prevention and mitigation of the impact of OHS issues on commercial relations, vendors are requested to read and sign for acceptance the Code of Ethics adopted by the Group.

Occupational Health and Safety Management System 2020

OHSAS 18001
ISO 45001



Certifications as a % of legal entities can be misleading, due to the extreme difference in company size within the Interpump Group. The share of sales provides a more realistic indication.

Employees suffered 121 injuries involving more than one day of absence during 2020 (-20% vs 2019). There was also a reduction in the injuries involving absence of less than 24 hours (94 in 2019 compared with 88 in 2020).

Overall, therefore, the total number of injuries was 37 fewer than in 2019.

Below we give the main injury data and rates¹ for the three-year reporting period, with an indication of the details for each type. This information is also provided for temporary workers; including them, the total number

of injuries involving absence from work for more than 24 hours was 127 in 2020 (121 employees and 6 temporary workers). This was also less than the prior-year total of 167 (152 employees and 15 temporary workers).

Further information is provided in the following table:

¹ Injury rate (IR) = (num. of injuries / num. Hours worked)

* 200,000. Occupational disease rate (ODR) = (num. professional diseases / num. Hours worked) * 200,000.

| GRI 403-9 Health and safety | 2018 | 2019 | 2020 |
|---|-------------|--------------|--------------|
| A. Employees | | | |
| Hours worked | 11,892,124 | 12,378,272 | 12,485,874 |
| Total injuries | 196 | 246 | 209 |
| inc. with absence ≤ 1 day | 25 | 94 | 88 |
| inc. with absence > 1 day and without high-consequence | 169 | 150 | 120 |
| inc. with absence > 1 day and with high-consequence | 2 | 2 | 1 |
| Total injury rate | 3.30 | 3.97 | 3.35 |
| inc. with absence ≤ 1 day | 0.42 | 1.52 | 1.41 |
| inc. with absence > 1 day and without high-consequence | 2.88 | 2.46 | 1.94 |
| Total injury rate (incidents with high-consequence): | 0.03 | 0.03 | 0.02 |
| B. Temporary workers | | | |
| Hours worked | 2,723,626 | 2,272,136 | 1,384,097 |
| Total injuries | 11 | 21 | 6 |
| inc. with absence ≤ 1 day | - | 6 | - |
| inc. with absence > 1 day and without high-consequence | 11 | 15 | 6 |
| inc. with absence > 1 day and with high-consequence | - | - | - |
| Total injury rate | 0.81 | 1.85 | 0.87 |
| inc. with absence ≤ 1 day | - | 0.53 | - |
| inc. with absence > 1 day and without high-consequence | 0.81 | 1.32 | 0.87 |
| Total injury rate (incidents with high-consequence): | - | - | - |
| C. External firms | | | |
| Hours worked | 47,757 | 61,583 | 34,210 |
| Total injuries | 1 | 5 | 2 |
| inc. with absence ≤ 1 day | - | - | - |
| inc. with absence > 1 day and without high-consequence | 1 | 5 | 2 |
| inc. with absence > 1 day and with high-consequence | - | - | - |
| Total injury rate | 4.19 | 16.24 | 11.69 |
| inc. with absence ≤ 1 day | - | - | - |
| inc. with absence > 1 day and without high-consequence | 4.19 | 16.24 | 11.69 |
| Total injury rate (incidents with high-consequence): | - | - | - |
| A+B+C. Total workforce | | | |
| Hours worked | 14,663,508 | 14,711,992 | 13,904,180 |
| Total injuries | 208 | 272 | 217 |
| inc. with absence ≤ 1 day | 25 | 100 | 88 |
| inc. with absence > 1 day and without high-consequence | 181 | 170 | 128 |
| inc. with absence > 1 day and with high-consequence | 2 | 2 | 1 |
| Total injury rate | 2.84 | 3.70 | 3.12 |
| inc. with absence ≤ 1 day | 0.34 | 1.36 | 1.27 |
| inc. with absence > 1 day and without high-consequence | 2.50 | 2.34 | 1.86 |
| Total injury rate (incidents with high-consequence): | 0.03 | 0.03 | 0.01 |

The efforts made by the Group to reduce workplace risks is reflected in the decline (with respect to 2019) in the number of injuries involving absence from work for more

than one days, as well as in the average length of absence (lost days rate - LDR), which was 6.1% lower than in 2019. The death rate from injuries was zero in 2020.

| Health and safety Focus on injuries with absence > 1 day | | 2018 | | | 2019 | | | 2020 | | |
|---|----------------------------------|------|-------|-------|------|-------|-------|------|-------|-------|
| | | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Employees | Injuries (no.) | 155 | 16 | 171 | 133 | 19 | 152 | 118 | 3 | 121 |
| | Injury rate (IR) | 3.1 | 1.8 | 2.9 | 2.6 | 1.9 | 2.5 | 2.3 | 0.3 | 1.9 |
| | Occupational diseases rate (ODR) | - | - | - | - | 0.1 | 0.0 | - | - | - |
| | Lost days rate (LDR) | 78,3 | 61.9 | 75.6 | 45.6 | 60.8 | 48.1 | 52.0 | 12.0 | 45.2 |
| | Average days lost per employee | 0.8 | 0.6 | 0.7 | 0.4 | 0.5 | 0.5 | 0.5 | 0.1 | 0.4 |
| | Deaths from injury (no.) | 1.0 | - | 1.0 | - | - | - | - | - | - |

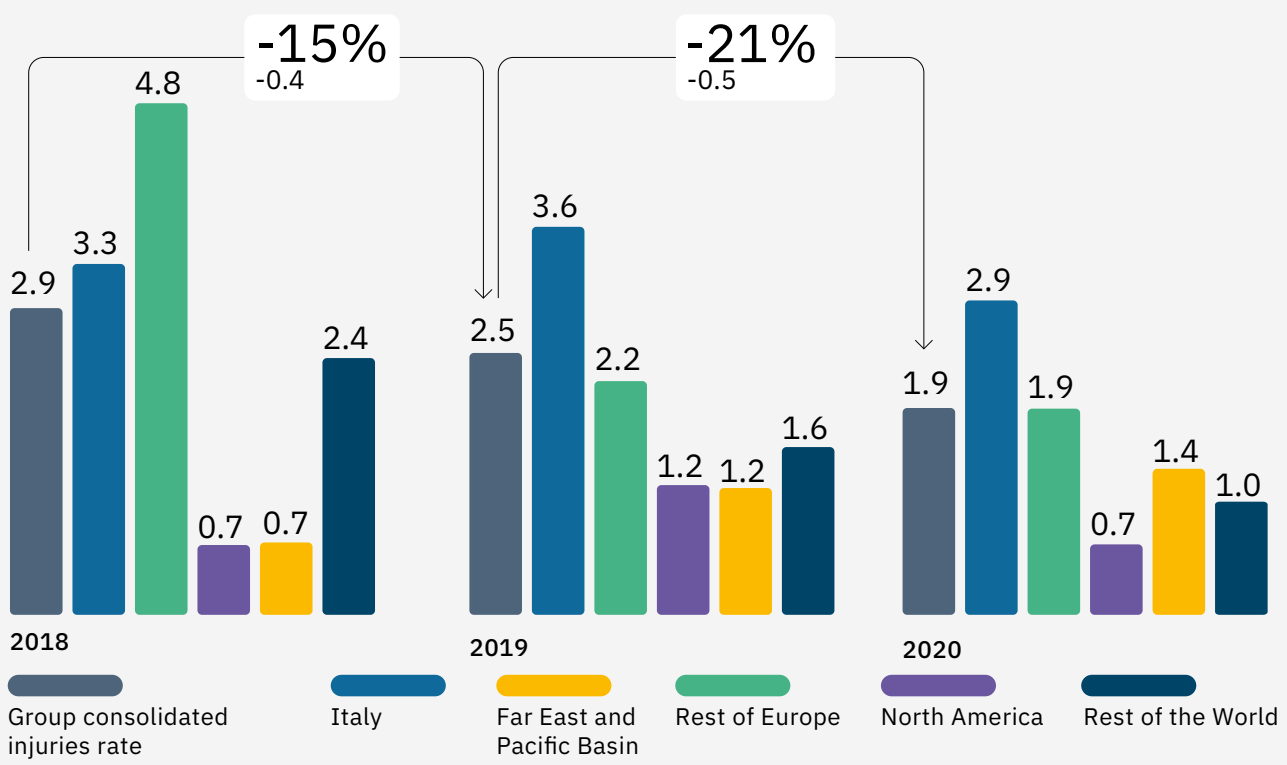
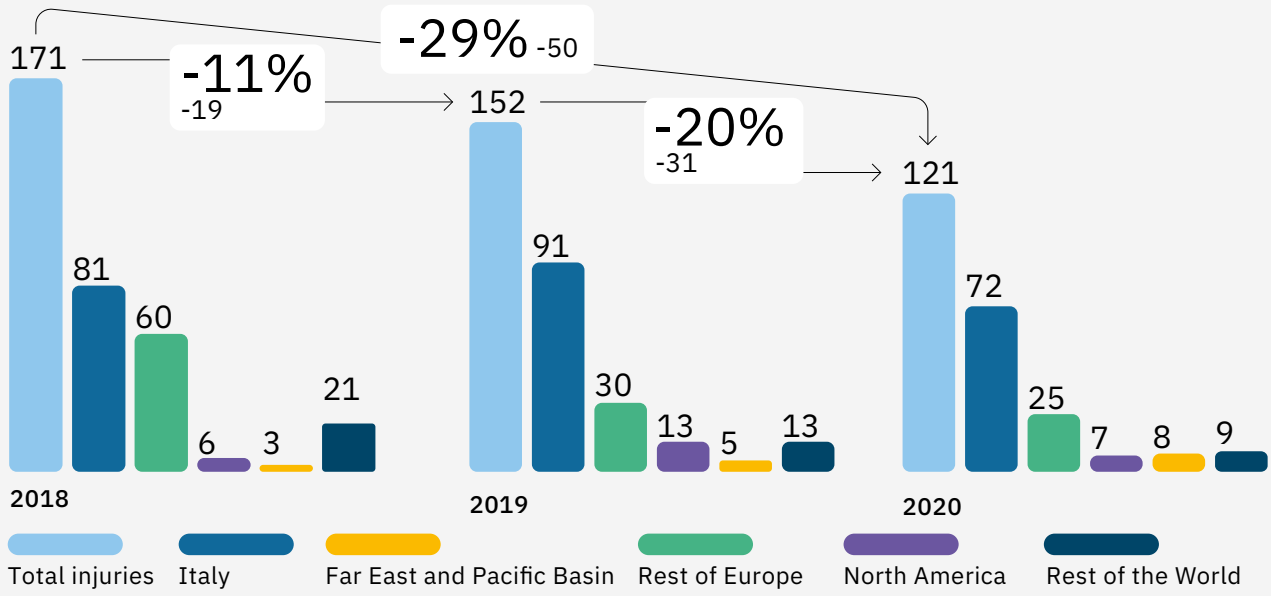
In terms of geographical area, the foregoing values can be broken down as follows:

| Health and safety | | 2020 – Focus injuries with absence > 1 day | | | | | |
|-----------------------------|----------------------------------|--|-------|----------------|---------------|----------------------------|-------------------|
| Detail by geographical area | | Consolidated | Italy | Rest of Europe | North America | Far East and Pacific Basin | Rest of the World |
| Employees | Injuries (no.) | 121 | 72 | 25 | 7 | 8 | 9 |
| | Injury rate (IR) | 1.9 | 2.9 | 1.9 | 0.7 | 1.4 | 1.0 |
| | Occupational diseases rate (ODR) | - | - | - | - | - | - |
| | Lost days rate (LDR) | 45.2 | 66.8 | 34.3 | 29.4 | 23.9 | 16.7 |
| | Average days lost per employee | 0.43 | 0.64 | 0.30 | 0.29 | 0.24 | 0.17 |
| | Deaths from injury (no.) | - | - | - | - | - | - |

In addition, most workforce injuries involving absence for more than 24 hours (129 incidents, including temporary

workers and external businesses) related to crushing (36%) and cuts (17%).

Injuries with absence > 1 day



GRI 403-9

| Health and safety | 2018 | | | 2019 | | | 2020 | | |
|--------------------------|------|-------|-------|------|-------|-------|------|-------|-------|
| Temporary workers | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Injuries (no.) | 9 | 2 | 11 | 13 | 2 | 15 | 6 | - | 6 |
| Deaths from injury (no.) | - | - | - | - | - | - | - | - | - |

The employee absentee rate was 3.0% in 2020.

This rate is expressed as a percentage: number of days of absence (days lost due to illness + unjustified absences) /

number of working days. The hours covered by government lay-off assistance and similar measures are not included in the days of absence.

| Employee absentee rate (AR) | 2018 | 2019 | 2020 |
|-----------------------------|------|------|------|
| Men | 3.1% | 3.0% | 2.9% |
| Women | 3.6% | 3.3% | 3.3% |
| Total | 3.2% | 3.0% | 3.0% |

Development and qualification of the workforce

GRI 404-1; GRI 205-2; GRI 405-1

A significant aspect of personnel management is the attention paid to internal resources, which can take multiple forms; among these one of the main activities is the training of employees.

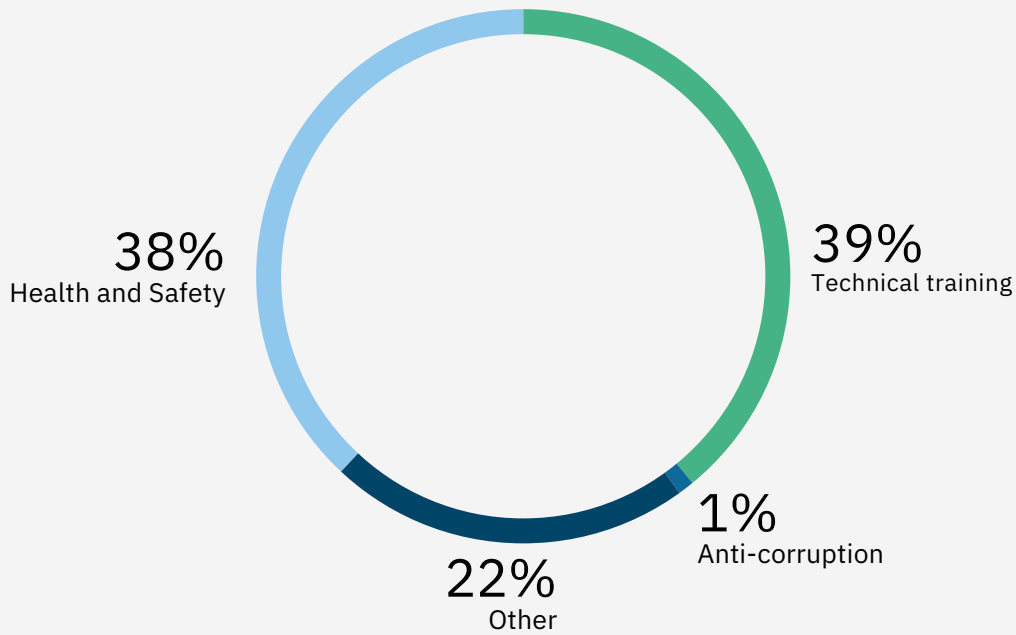
A total of 53,368 training hours were delivered in 2020, down by 34% compared with 2019. Per capita training

hours totaled 7.2 in 2020, which was less than in 2019 (11.9 hours). Without doubt, this is explained by the organizational difficulties caused by the onset of the pandemic. The principal areas of training provided by Interpump comprise technical matters, occupational health and safety and topics relating to the fight against corruption.

Details concerning the per capita training hours delivered in the reporting period are shown below.

| Training hours per capita | | 2018 hrs/emp | 2019 hrs/emp | 2020 hrs/emp |
|---------------------------|---------------------------|-----------------|-----------------|-----------------|
| Gender | Men | 11.9 | 12.0 | 7.2 |
| | Women | 9.8 | 11.1 | 7.5 |
| | Total | 11.5 | 11.9 | 7.2 |
| Category | Blue collar | 11.0 | 11.7 | 6.7 |
| | White collar and managers | 12.3 | 11.9 | 7.8 |
| | Executives | 13.1 | 14.1 | 12.6 |
| Consolidated | | 11.5 | 11.9 | 7.2 |

Training hours percentage by topic 2020 on a total of 53,368 hours



Diversity on corporate bodies

GRI 405-1_a

With regard to the diversity of the administrative bodies, the following information about the members of the Boards of Directors of Group companies relates to their gender and

age. In particular, in 2020, out of a total of 293 individuals (some of whom sitting on several administrative bodies), 93.9% were men (94.6% in 2019); 64.8% are over 50, while the remainder are essentially in the 30 to 50 range.

| Diversity on corporate bodies | | 2020 | |
|-------------------------------|---------|--------|-------------|
| | | Number | Incidence % |
| Gender | Men | 275 | 93.9% |
| | Women | 18 | 6.1% |
| Consolidated | | 293 | 100% |
| Age | < 30 | 1 | 0.3% |
| | 30 - 50 | 102 | 34.8% |
| | > 50 | 190 | 64.8% |
| Consolidated | | 293 | 100% |

Episodes of discrimination and corrective actions taken

GRI 406-1

At Interpump Group level, **no instances of discrimination were reported during the three-year period under review.**



7. Area related to respect for human rights

Material topics

Based on the analysis of materiality (see p. 26, *Analysis of materiality*), the topic relating to respect for human rights is certainly important for IPG.

Risks

The main risks identified in with reference to the respect of human rights, such that can become of significance in relation to the pursuit of the company strategy in the medium/long-term, concern:

→ **operating** risks, linked to inefficient management of any issues related to the abuse of human rights, whether real or presumed.

→ **legal and compliance** risks, in the case of management of any lawsuits associated with violations (real or presumed) of universally recognized human rights, such as child labor or slave labor, whether linked to the direct or indirect workforce (chain of supply) or to the local communities in which the Group operates, especially in higher risk geographical areas.

Risk management

| Risk type | Risk management | |
|-----------------------------------|---|--|
| | Policies | Model |
| Compliance and legal Operating | <p>Code of Ethics – with special reference to the assurance of equal employment opportunities in the recruitment of personnel (avoiding discrimination on the basis of race, color, gender, creed, nationality, and age), to the undertaking to protect the moral integrity of its workers, guaranteeing the right to working conditions that are respectful of personal dignity and the intolerance of any form of illegal labor practices. Moreover, the Group guarantees respect of equal opportunities also in management of the employment relationship and in the maintenance of discrimination-free workplaces.</p> | <p>↪ Special part of the Organization and Management Model – concerning Italian companies for which this is deemed appropriate in view of the activities performed and the level of risk.</p> <p>↪ Global Compliance Program (see p. 29 for further details) – concerning all Group companies without an Organization, Management and Control Model.</p> |

Performance indicators

Significant contracts that include human rights clauses

GRI 412-3

Contracts with vendors follow different approval procedures based on their significance and, hence, the more important the contract the more it is subject to a stringent hierarchy of checks and approval steps. At Interpump Group level, 10, 15 and 13 significant contracts¹ were signed in 2020, 2019 and 2018 respectively. Of these, two signed in 2019 (13% of the

total) and one signed in 2018 include specific human rights clauses, while none of those signed in 2020 contain specific clauses in this regard.

¹ For the purposes of this report, purchase orders or contracts having overall value greater than 500,000 euro (per single order or contract) are classified as significant.



 ORIGINAL SPARE PARTS
X11250706/106
PRESTON POMPANTE Ø65 L=297mm HA34 + NLBC

 ORIGINAL SPARE PARTS
10753502/106
PRESTON POMPANTE Ø65

 ORIGINAL SPARE PARTS
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PRESTON POMPANTE Ø65

 ORIGINAL SPARE PARTS
10753502/106
PRESTON POMPANTE Ø65



8. Area concerning anti-corruption activities (active and passive)

Material topics

Based on the analysis of materiality (see p. 26, *Analysis of materiality*), the anti-corruption topic is certainly important for the Group.

Risks

In the context of anti-corruption activities, the main risks that can become significant in the context of pursuit of the medium/long-term corporate strategy are related to the commission of acts of corruption from/toward the public administration and from/toward members of the public. In particular, these risks can comprise:

→ **operating** risks

→ **compliance** risks and consequent exposure of the organization to criminal charges in countries with anti-corruption legislation. Corruption-related risks can affect multiple company processes, from selection of contractual counter-parties to the management of gifts, donations and entertainment expenses, the recruitment of personnel or lack of transparency in company reporting, management of cash flows, and so forth.

Risk management

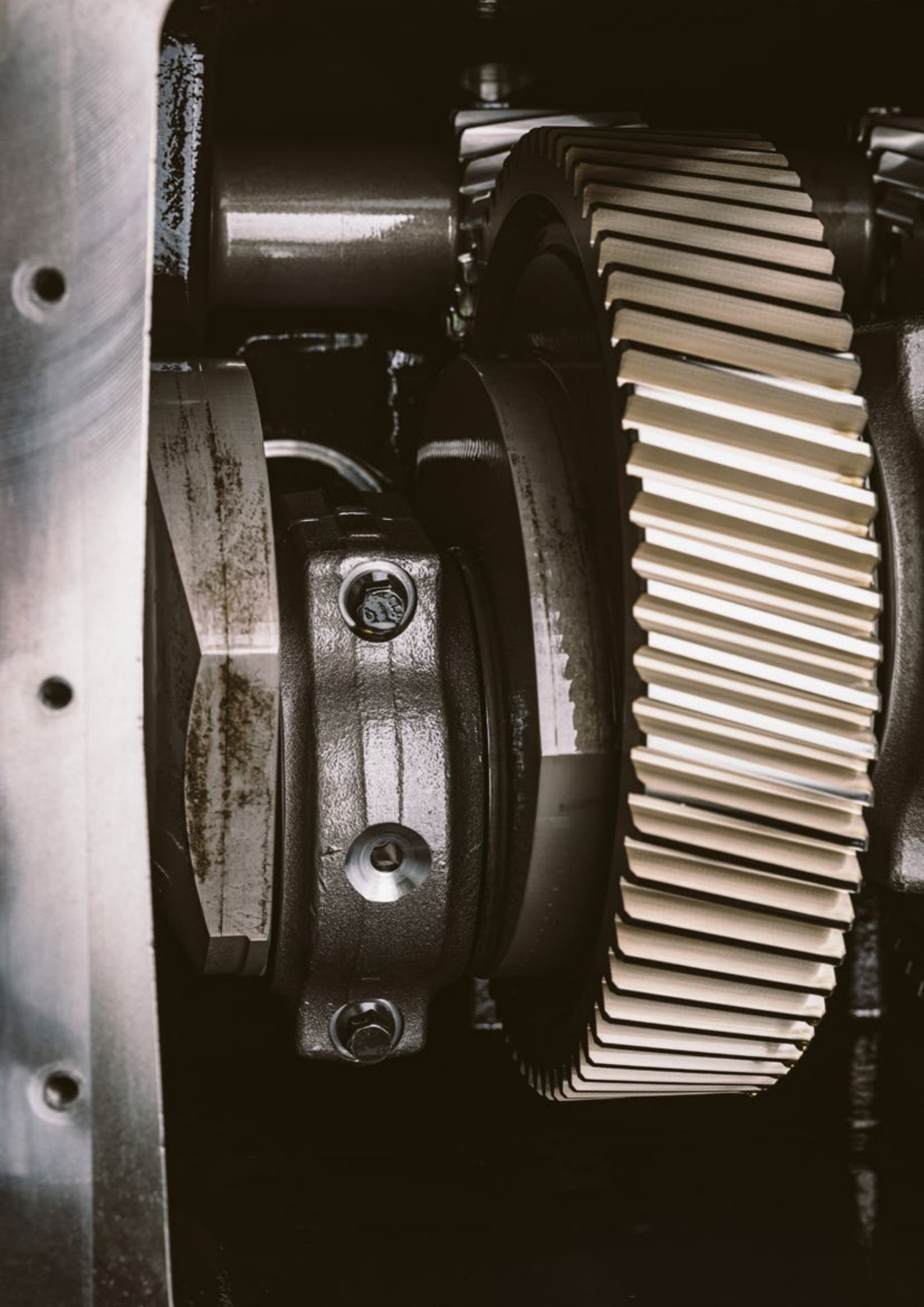
| Risk type | Risk management | |
|----------------------|---|--|
| | Policies | Model |
| Compliance and legal | <p>Code of Ethics – with special reference to the Anti-Corruption Program (“ACP”) that defines the position of the Group with respect to anti-corruption activities and defines the aspects on which attention must be focused to remove the risk of cases of noncompliance in this area. Moreover, the Group is resolute in its condemnation of any form of public and/or private corruption or bribery, requiring each Group Company to implement all the necessary actions aimed at preventing the commission of offenses of corruption of any whatsoever type. The Group prohibits any conduct, irrespective of the party concerned, involving direct or indirect promises or offers of cash or other benefits to private parties, public officials and/or local or foreign public servants, such that could result in an undue or illicit interest or advantage. The foregoing types of conduct are not permitted either if adopted directly by the one of the Group companies, by its corporate bodies or by its employees, or if adopted by persons acting on behalf of the Group and/or on behalf of any of the Group Companies.</p> | |
| Operating | | <p>↪ Special part of the Organization and Management Model – concerning Italian companies for which this is deemed appropriate in view of the activities performed and the level of risk.</p> <p>↪ Global Compliance Program (see p. 29 for further details) – concerning all Group companies without an Organization, Management and Control Model.</p> |

Performance indicators

GRI 103-2; GRI 103-3; GRI 205-3; GRI 415-1; GRI 419-1

At the Interpump Group level, no cases of corruption or payments to political parties were identified or reported during the three-year reporting period.

During the three-year reference period the number and value of fines levied for non-compliance with laws and/or regulations in the economic and social area were **not significant**.





9. GRI Content Index

| GRI Standard | Name of standard | Chapter - page / Description | Omission |
|-----------------------------------|--|--|----------|
| General Disclosures (2016) | | | |
| 102-1 | Name of the organization | 8, 19 | |
| 102-2 | Activities, brands, products, and services | 8, 10 | |
| 102-3 | Location of headquarters | 8, 19 | |
| 102-4 | Location of operations | 8, 12 | |
| 102-5 | Ownership and legal form | 8, 12, 19, 52 | |
| 102-6 | Markets served | 8, 12 | |
| 102-7 | Scale of the organization | 8, 12, 52 | |
| 102-8 | Information on employees and other workers | 59, 61, 63 | |
| 102-9 | Supply chain | 14 | |
| 102-10 | Significant changes to the organization and its supply chain | 14, 18, 19 | |
| 102-11 | Precautionary principle or approach | 29, 30, 31 | |
| 102-12 | External initiative | 18, 24, 25, 29, 30, 31 | |
| 102-13 | Membership of association | 25 | |
| 102-14 | Statement from senior decision-maker | 3 | |
| 102-16 | Values, principles, standards, and norms of behaviour | 8, 9 | |
| 102-18 | Governance structure | 19, 20 | |
| 102-40 | List of stakeholder groups | 24 | |
| 102-41 | Collective bargaining agreements | 66 | |
| 102-42 | Identifying and selecting stakeholder | 24 | |
| 102-43 | Approach to stakeholder engagement | 24, 25 | |
| 102-44 | Key topic and concern raised | 26 | |
| 102-45 | Entities included in the consolidated financial statements | 13, 18 | |
| 102-46 | Defining report content and topic Boundaries | 18, 26, 28 | |
| 102-47 | List of material topics | 26-28 | |
| 102-48 | Restatements of information | 18 | |
| 102-49 | Changes in reporting | 18, 26 | |
| 102-50 | Reporting period | 18 | |
| 102-51 | Date and most recent report | March 2020 | |
| 102-52 | Reporting cycle | 18 | |
| 102-53 | Contact point for questions regarding the report | Write to csr@interpumpgroup.it for more information about this NFS. | |
| 102-54 | Claims of reporting in accordance with the GRI Standards | 18 | |
| 102-55 | GRI content index | 86, 87, 88, 89 | |
| 102-56 | External assurance | 90, 91, 92 | |
| Economic aspects | | | |
| GRI 201 | Economic performance 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 52-53 | |
| 103-3 | Evaluation of the management approach | 29-30, 52-53 | |
| 201-1 | Direct economic value generated and distributed | 53 | |
| GRI 205 | Anti-corruption 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |

| GRI Standard | Name of standard | Chapter - page / Description | Omission |
|----------------|---|------------------------------|---|
| 103-2 | The management approach and its components | 29-30, 82 | |
| 103-3 | Evaluation of the management approach | 29-30, 82 | |
| 205-3 | Confirmed incidents of corruption and actions taken | 82 | |
| GRI 206 | Anti-competitive behaviour 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 53-54 | |
| 103-3 | Evaluation of the management approach | 29-30, 53-54 | |
| 206-1 | Legal actions for anti-competitive behaviour, anti-trust and monopoly practices | 54 | |
| GRI 207 | Tax 2019 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 53, 54 | |
| 103-3 | Evaluation of the management approach | 29-30, 53, 54 | |
| 207-1 | Approach to tax | 53 | |
| 207-2 | Tax governance, control, and risk management | 54 | |
| 207-3 | Stakeholder engagement and management of concerns related to tax | 54 | |
| 207-4 | Country-by-country reporting | | Information unavailable For 2020 (first year of application of Standard 207), Interpump Group has not reported the information requested by GRI 207-4 for reasons linked to the difficulty of obtaining certain data at the required level of detail for each tax jurisdiction. The Company is committed to obtaining the data and information needed to make this disclosure in future reporting years. |

Environmental Aspects

| | | | |
|----------------|--|------------------|--|
| GRI 302 | Energy 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 34-35 | |
| 103-3 | Evaluation of the management approach | 29-30, 35 | |
| 302-1 | Energy consumption within the organization | 35-37 | |
| 302-3 | Energy intensity | 37 | |
| GRI 303 | Water and effluents – 2018 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-29 | |
| 103-2 | The management approach and its components | 29-30, 34, 38 | |
| 103-3 | Evaluation of the management approach | 29-30, 34, 38-43 | |
| 303-1 | Interactions with water as a shared resource | 38-43 | |
| 303-2 | Management of water discharge-related impacts | 42 | |
| 303-3 | Water withdrawal | 38-42 | |
| 303-4 | Water discharge | 42-43 | |

| GRI Standard | Name of standard | Chapter - page / Description | Omission |
|-----------------------|---|------------------------------|----------|
| GRI 305 | Emissions 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 34, 44 | |
| 103-3 | Evaluation of the management approach | 29-30, 34, 44 | |
| 305-1 | Direct (Scope 1) GHG emissions | 44 | |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 44 | |
| 305-4 | GHG emissions intensity | 45 | |
| 305-7 | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions | 46 | |
| GRI 306 | Effluents and waste 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 34, 47 | |
| 103-3 | Evaluation of the management approach | 29-30, 34, 47 | |
| 306-2 | Waste by type and disposal method | 47, 48 | |
| GRI 307 | Environmental compliance 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 48 | |
| 103-3 | Evaluation of the management approach | 29-30, 48 | |
| 307-1 | Non-compliance with environmental laws and regulations | 48 | |
| Social Aspects | | | |
| GRI 401 | Employment 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 58, 59 | |
| 103-3 | Evaluation of the management approach | 29-30, 58, 59 | |
| 401-1 | New employee hires and employee turnover | 67-68 | |
| GRI 403 | Occupational health and safety 2018 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 69, 70 | |
| 103-3 | Evaluation of the management approach | 29-30, 69, 70 | |
| 403-1 | Occupational health and safety management system | 69-70 | |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 69-70 | |
| 403-3 | Occupational health services | 69-70 | |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 69-70 | |
| 403-5 | Worker training on occupational health and safety | 69-70 | |
| 403-6 | Promotion of worker health | 69-70 | |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 69-70 | |

| GRI Standard | Name of standard | Chapter - page / Description | Omission |
|----------------|--|------------------------------|----------|
| 403-9 | Work-related injuries | 71-73 | |
| GRI 404 | Training and education 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 58, 74 | |
| 103-3 | Evaluation of the management approach | 29-30, 58, 74 | |
| 404-1 | Average hours of training per year per employee | 74 | |
| GRI 405 | Diversity and equal opportunity 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 58 | |
| 103-3 | Evaluation of the management approach | 29-30, 58 | |
| 405-1 | Diversity of governance bodies and employees | 63, 75 | |
| GRI 406 | Non-discrimination 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 75 | |
| 103-3 | Evaluation of the management approach | 29-30, 75 | |
| 406-1 | Incidents of discrimination and corrective actions taken | 75 | |
| GRI 412 | Human Rights Assessment 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 78 | |
| 103-3 | Evaluation of the management approach | 29-30, 78 | |
| 412-3 | Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | 78 | |
| GRI 415 | Public policy 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 82 | |
| 103-3 | Evaluation of the management approach | 29-30, 82 | |
| 415-1 | Political contributions | 82 | |
| GRI 416 | Customer Health and Safety 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 54 | |
| 103-3 | Evaluation of the management approach | 29-30, 54 | |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | 54 | |
| GRI 419 | Socioeconomic compliance 2016 | | |
| 103-1 | Explanation of the material topic and its Boundary | 26-28 | |
| 103-2 | The management approach and its components | 29-30, 82 | |
| 103-3 | Evaluation of the management approach | 29-30, 82 | |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | 82 | |



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Independent auditors' report on the consolidated disclosure of non-financial information in accordance with Article 3, par. 10, of Legislative Decree 254/2016 and with Article 5 of Consob Regulation adopted with Resolution n. 20267 of 18th January 2018

(Translation from the original Italian text)

To the Board of Directors of
Interpump Group S.p.A.

We have been appointed to perform a limited assurance engagement pursuant to Article 3, paragraph 10, of Legislative Decree 30 December 2016, n. 254 (hereinafter "Decree") and article 5 of Consob Regulation adopted with Resolution 20267/2018, on the consolidated disclosure of non-financial information of Interpump Group S.p.A. and its subsidiaries (hereinafter the "Group") for the year ended on 31st December 2020 in accordance with article 4 of the Decree approved by the Board of Directors on 19th March 2021 (hereinafter "DNF").

Responsibilities of Directors and Board of Statutory Auditors for the DNF

The Directors are responsible for the preparation of the DNF in accordance with the requirements of articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" defined by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), identified by them as a reporting standard.

The Directors are also responsible, within the terms provided by law, for that part of internal control that they consider necessary in order to allow the preparation of the DNF that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for identifying the contents of the DNF within the matters mentioned in article 3, par. 1, of the Decree, considering the business and the characteristics of the Group and to the extent deemed necessary to ensure the understanding of the Group's business, its performance, its results and its impact.

The Directors are also responsible for defining the Group's management and organization business model, as well as with reference to the matters identified and reported in the DNF, for the policies applied by the Group and for identifying and managing the risks generated or incurred by the Group.

The Board of Statutory Auditors is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for *Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior. Our audit firm applies the *International Standard on Quality*

EY S.p.A.
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Capitale Sociale Euro 2.525.000,00 i.v.
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Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the DNF with the requirements of the Decree and of the GRI Standards. Our work has been performed in accordance with the principle of "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the DNF is free from material misstatements. Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("*reasonable assurance engagement*") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the DNF were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the DNF, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the relevant matters in relation to the activities and characteristics of the Group reported in the DNF, in order to assess the reasonableness of the selection process applied in accordance with the provisions of article 3 of the Decree and considering the reporting standard applied;
2. analysis and evaluation of the criteria for identifying the consolidation area, in order to evaluate its compliance with the provisions of the Decree;
3. comparison of the economic and financial data and information included in the DNF with those included in the Interpump Group's consolidated financial statements;
4. understanding of the following aspects:
 - Group's management and organization business model, with reference to the management of the matters indicated in the article 3 of the Decree;
 - policies adopted by the Group related to the matters indicated in the article 3 of the Decree, results achieved and related key performance indicators;
 - main risks, generated or suffered related to the matters indicated in the article 3 of the Decree.

With regard to these aspects, we obtained the documentation supporting the information contained in the DNF and performed the procedures described in item 5. a) below.

5. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the DNF.



In particular, we have conducted interviews and discussions with the management of Interpump Group S.p.A. and with the personnel of Contarini Leopoldo S.r.l., Copa Hydrosystem Ood and IMM Hydro Est and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the DNF.

Furthermore, for significant information, considering the Group activities and characteristics:

- at group level
 - a) with reference to the qualitative information included in the DNF, and in particular to the business model, policies implemented and main risks, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- For the sites of Lugo (Italia) of Contarini Leopoldo S.r.l., Troyan (Bulgaria) of Copa Hydrosystem Ood and Catcau and Dej (Romania) of IMM Hydro Est, that we have selected based on their activities, relevance to the consolidated performance indicators and location, we have carried out site visits and remote interviews during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the DNF of the Interpump Group for the year ended on 31st December 2020 has not been prepared, in all material aspects, in accordance with the requirements of articles 3 and 4 of the Decree and the GRI Standards.

Bologna, 29th March 2021

EY S.p.A.

Signed by: Marco Mignani
(Auditor)

This report has been translated into the English language solely for the convenience of international readers.



Interpump Group

Registered office Via E. Fermi 25 - Sant'Ilario d'Enza - RE

Share Capital 56,617,232.88 fully paid

Reggio Emilia Companies Register

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