

**NON-FINANCIAL
PERFORMANCE
STATEMENT
2021**

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

TABLE OF CONTENTS

	INTRODUCTION – STATEMENT FROM THE DEPUTY CEO	4
	OUR BUSINESS MODEL	6-7
	IDENTIFICATION OF THE MAIN NON-FINANCIAL CHALLENGES, RISKS AND OPPORTUNITIES OF THE HAULOTTE GROUP	8-15
	NON-FINANCIAL CHALLENGES OF THE HAULOTTE GROUP	
1	Talent attraction and retention	16-18
2	Skills management	19-23
3	Protection of IT systems and personal data (customers and employees)	24-26
4	Strengthening of our R&D policy and the intellectual property rights protection and enforcement system	27-28
5	Relationships with suppliers and subcontractors	29-30
6	Fight against climate change	31-32
7	Environmental impact of our activities	33-35
8	Respect for Human rights	36
9	Social dialogue	37-38
10	Responsibilities when conducting business	39-41
11	Occupational health and safety	42-44
12	Diversity and Disability	45-46
13	Green taxonomy	47-49
	NOTE ON METHODOLOGY	
	Information collection process	50
	Reporting period	51
	Report of the independent third-party assurance in the statement of non-financial performance	

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

ABOUT

As part of the effective transposition of the European directive on the disclosure of non-financial information (decree no. 2017-1265 of 9 August 2017 made for the purposes of order no. 2017-1180 of 19 July 2017), the Haulotte Group, as a listed company with a balance sheet total and net turnover exceeding €100 million and with an average number of permanent staff employed during the fiscal year in excess of 500, must publish its non-financial performance statement in its financial report.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

To address the societal, environmental and governance challenges of the Haulotte Group, our conduct must be guided by multi-level moral responsibility:

- Responsibility to our customers, by developing increasingly eco-friendly product and service innovations, safer for users and with a more virtuous life cycle.
- Responsibility to our employees by helping them grow through our “Let’s Dare” transformation program and our “YELLO” operational excellence program, where everyone is actively involved in collective performance.
- Responsibility to our ecosystem (in particular our shareholders, suppliers and partners) to build a future matching its expectations.



The term “responsibility” is not used in vain, as it determines how we make our decisions and how we perform our activities. It is incumbent on us all to fit into an economy based on sharing and sustainability, which meets environmental as well as economic requirements.

To achieve our ambition, we shape our strategy around 3 priorities. First of all, four years ago we opted for the electric transition with a view to becoming a Blue Company. We are proud of the fact that we were the first to offer an all-terrain boom lift that can be 100% electrically operated. It is now up to us to pursue this objective and increase from 85% to 100% of our product portfolio by 2028. We are also keen to provide innovative, agile, diversified and digitized global solutions pour keep in tune with market developments. Lastly, we are committed to providing our customers and partners with the best possible service.

Our vision for 2025 is underpinned by strong commitments to our employees, our customers and all stakeholders. Committing does not mean promising; it means putting our heads together to find ways to improve.

Alexandre SAUBOT

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

**Haulotte Group is a global leader of
people lifting equipment.**

The group designs, manufactures and markets a wide range of products focused on **mobile elevating work platforms**.

1,900
EMPLOYEES

21
SUBSIDIARIES

7 PRODUCT
RANGES

€495.8
MILLION
REVENUE

5
PRODUCTION
UNITS

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

OUR BUSINESS MODEL

HUMAN RESOURCES



More than 1,000 employees operating on Safety and Environment certified sites

ENVIRONMENTAL RESOURCES



Energy consumption of the sites*: 31,585,859 kWh
ISO 14001 certification on all our industrial sites

*See scope on page 33

ECONOMIC RESOURCES



Equity: €224 million
Net Investments: €34 million
Syndicated loan: €101 million

OPERATIONAL CAPITAL



Quality Safety and Environment policy deployed on all our sites.

OUR OTHER RESOURCES

- > 1 integrated QSE management system in the process of deployment
- > More than 9,500 active customers in 2021
- > 1 solid network of suppliers and partners
- > Teams dedicated to R&D, innovation and continuous improvement
- > R&D expenditure: €15 million
- > 1 Design office, 1 study center, 1 E-Lab

OUR VISION

To provide the safest and most cost-effective aerial work solutions, thereby ensuring the best possible customer experience.

OUR STRATEGY

We rely on human, professional and managerial values, defined and shared to guide our actions and give substance to our performance.

Our goal is to provide our customers with ever more secure, eco-friendly solutions, better suited to our partners' needs. To convert this goal into action plans, 3 major strategic priorities have been defined:

OUR VALUES

- RESPECT
- TRUST
- COMMITMENT
- RESPONSIBILITY
- EXCELLENCE
- PERFORMANCE



BECOMING

A BLUE COMPANY
A PROVIDER OF GLOBAL SOLUTIONS
THE MARKET REFERENCE FOR SLA*

With a cross-functional program to achieve these objectives: **digital transformation**, a key factor for our future success.

*Service Level Agreement

CSR PERFORMANCE



GAIA score = 74/100
(+3 points on 2020)



ECOVADIS score = 46/100
(score equal to or greater than 44% of the companies assessed)
Adapted CSR performance assessed by ECOVADIS as adopted in accordance with its own rating scale

OUR STRENGTHS

- 5 Industrial sites
- 21 Sales & service subsidiaries
- 1,900 Employees
- +100 Countries covered
- 7 Logistics platforms



OUR FUNDAMENTALS



Operational excellence



Learning company



Cultural transformation



Implementation of project portfolios

SOCIAL VALUE



- > 23.5% of new recruits were under the age of 27 in 2021
- > 26,187 training hours
- > 74% of employees completed a training course in 2021

ECONOMIC VALUE



Turnover: €497 million
Cash flow: €26 million
Taxes paid in France and abroad: €5 million

OPERATIONAL VALUE



- > Digital fleet management offers: MyHaulotte, Sherpal, etc.
- > PULSEO Range
- > Local distribution and production logic for at least 50% of our customers' needs
- > Security solutions: Activ Shield Bar, Safety Guarding Systems

ENVIRONMENTAL VALUE



- > €5.4 million in turnover associated with the circular economy (2nd Life and second-hand machines)
- > 74% of waste recycled
- > 73% of the machines we sell are electric

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

IDENTIFICATION OF THE MAIN NON-FINANCIAL CHALLENGES, RISKS AND OPPORTUNITIES OF THE HAULOTTE GROUP

It was verified that these challenges covered the main information areas specified in II of article R225-105 of the French Commercial Code (social information, societal information and environmental information), as well as areas specifically expected under III of article L225-102-1 of the Commercial Code for listed companies.

Among these specific areas, Haulotte does not provide information on the topics of societal commitment to sustainable development, the fight against food waste, the fight against food insecurity, respect of animal welfare and responsible, fair and sustainable nutrition, on the grounds that said topics do not rank among its main risks.

Haulotte completed a map of its non-financial risks for the first time in 2018. Supplementing the macro-mapping of risks already carried out by the Group, this analysis helped identify the major non-financial risks to which it is exposed.

This risk analysis was updated in 2021, as part of the work carried out for the implementation of an integrated Quality, Safety and Environment management system and an Operational Excellence program within the group.

As a result, Haulotte confirmed the existence of 12 priority non-financial challenges, in addition to those already monitored by the Group. They were all validated by the Executive Committee (EXCOM), and the policies put in place are presented throughout this document.

The table hereafter illustrates the link between these challenges and the risks & opportunities identified when mapping Haulotte's non-financial risks.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

		RISKS & OPPORTUNITIES								
		Sharp fluctuation in the price and availability of raw materials	Deterioration in relations with stakeholders by failing to take their needs and expectations into account (communication, satisfaction, contribution to climate change)	Inaccessibility of working tools / cyber-crime / Loss of information and data	Risk of corruption and unethical practices, which may affect the group's image and reputation	Inadequate or insufficient protection of the company's intellectual property rights and know-how, in particular in high-risk countries	Accidents and occupational diseases, specifically linked to our industrial activity	Breach of regulations (human rights, intellectual property, GDPR, Sapin II Law, preservation of resources, etc.)	Improper management of human resources generating a lack of commitment, departures or staff shortage	Implementation of an operational excellence program facilitating better cooperation and the sharing of good practices
CHALLENGES	Talent attraction and retention						X		X	X
	Skills management						X		X	X
	Protection of IT systems and personal data (customers and employees)			X						
	Strengthening of our R&D policy and the intellectual property rights protection and enforcement system					X		X		
	Relationship with suppliers and subcontractors	X	X		X					X
	Fight against climate change		X					X		X
	Environmental impact of our activities		X					X		X
	Respect for human rights							X		
	Social dialogue							X	X	
	Responsibilities when conducting business		X		X			X		
	Occupational Health and safety						X	X		X
	Diversity and Disability								X	

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

WHAT HAPPENED IN 2021

2021 – Launch of an Operational excellence program: YELLO

YELLO is the operational excellence program launched by Haulotte at the end of 2020. Unlike many operational excellence programs, it is not based on standards but chooses to put People at the center of the system. The goal is to create a dynamic to ensure employee engagement so that employees can embrace the approach and become actively involved in the change process. Rather than imposing a group standard, the program is consistent with a “bottom-up”, co-creation approach, as employees themselves determine their new way of working through the construction of a common framework. In addition, everyone can evaluate their level of progress in a given practice by using maturity grids developed by employees. These grids not only let you know where you are in terms of progress, they also help share good practices between those at the lowest levels of the grid and those at the highest levels.

The name YELLO has a very specific meaning, intended to reflect the spirit of the program:



You are the heart of the change.

Every employee will become actively involved in the change process. Yello allows them to come up with improvement and optimization ideas in all departments of the Group;

Excellence is our new way of working.

Not only improve but build a mindset and a system that will allow Haulotte to exceed its targets and outperform competitors;

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

Laugh and be happy.

Excellence cannot be achieved if the working environment is not ideal for all employees. Thus, in each initiative of the program, performance objectives will always be associated with working conditions to strike the right balance;

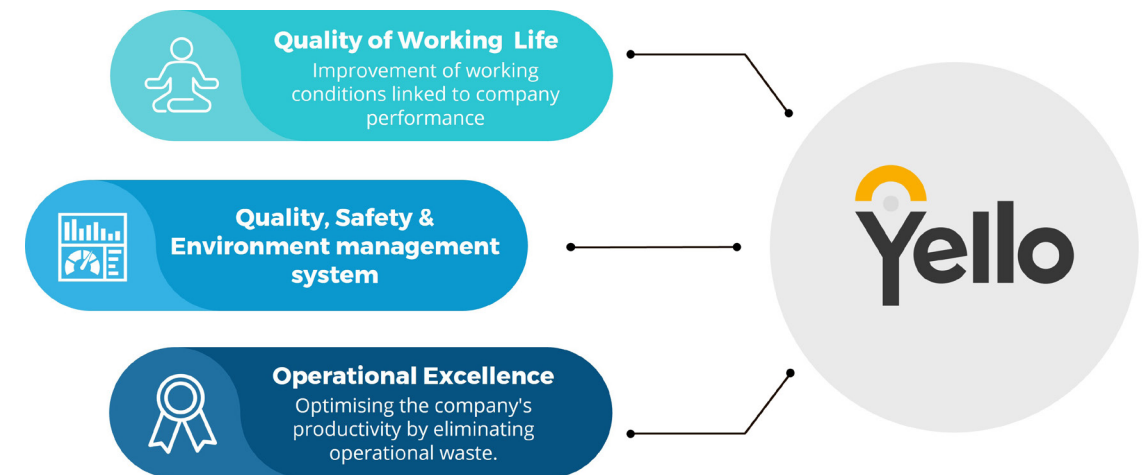
Learn from each other.

The purpose of Yello is to enable employees to create, test and share new practices. Thus, we will do away with silos while creating a trusting, mutual aid environment within the company.

Outside the box.

If we are to be innovative, we must think outside the box and make breakthrough changes. The objective in this case is to involve all employees in a different form of reflection to achieve better results.

YELLO was created to integrate operational excellence, quality of life at work and a QSE management system into a single program.



2020 and 2021 were construction years during which the Group’s framework was created. 80 key business practices have already been identified by employees and integrated into the framework (YCloud).

2022 will mark a new milestone in the Yello program, which will move from construction mode to the steering of improvement action plans and progress in terms of maturity throughout the Group’s business lines.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

2021 – Implementation of an integrated Quality, Safety & Environment management system

Since 2018, Haulotte has been working on the development of these processes, referred to as Macro-Processes. They represent the way the entire Group operates. They summarize all the activities we perform on a daily basis in the company to meet the needs of our customers and all our partners. This work began as a result of the first Haulotte employee satisfaction survey conducted in 2017

Macro-processes help us work together by clarifying the requirements of each activity, with clearly defined roles and responsibilities. They show of every employee of the Group collectively contributes to customer satisfaction, irrespective of the business line, site or department. They come with resource and performance indicators, as well as action plans.

To make a connection with our YELLO program, these macro-processes are mapped out to measure the level of maturity, and enable comparisons with every entity of the group.

To make the most of this work, a decision was made to certify all of the group's sites.

In 2021, 4 new sites were integrated into the group's certificate:

Headquarters:

- H3, with the award of the triple Quality (ISO 9001), Safety (ISO 45001) and Environment certification (ISO 14001)

Distribution subsidiaries:

- Haulotte France, with the award of an Environment certification (ISO 14001)

Manufacturing factories:

- Reims (France), with the award of a Safety certification (ISO 45001)
 - Arges (Romania), with the award of a Safety certification (ISO 45001)

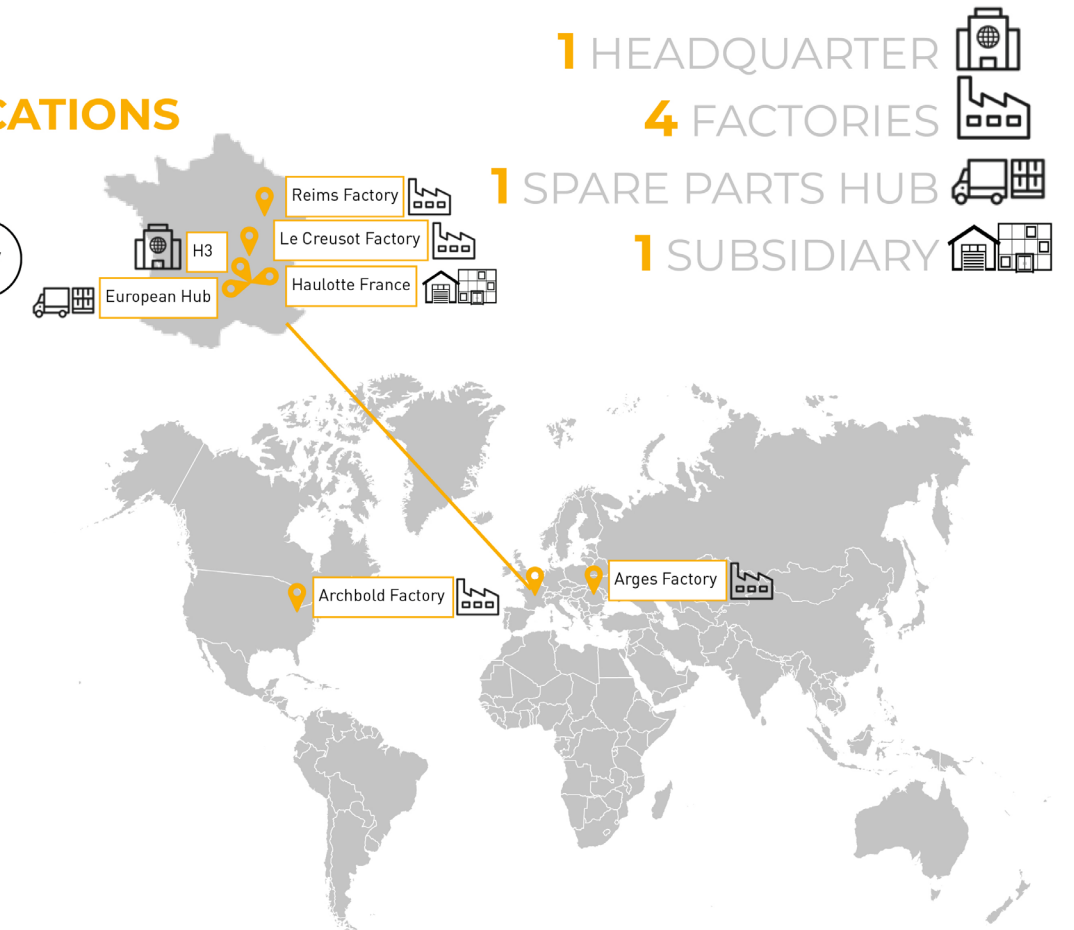
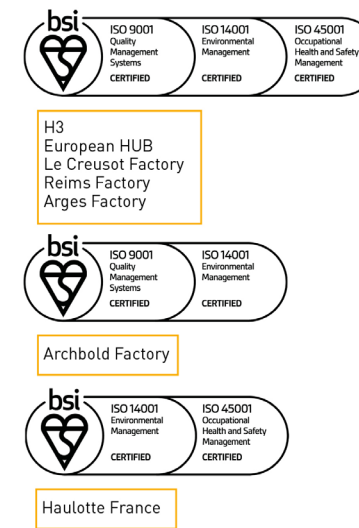
Note: our audit cycle of the group's sites was completed in December 2021. The certificates have been issued and have therefore been valid since January 2022

All our certifications can be found on the map below

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

HAULOTTE ISO CERTIFICATIONS



01/2022

2021 – Deployment of a new Quality Safety & Environment policy

In September 2021, Haulotte developed a new QSE policy, which was deployed within all sites. It translates the mission statement of the Group's Executive Committee into ambitions and objectives

It introduces a number of QSE ambitions and objectives, which all come with indicators, and focuses on the fight against climate change and the reduction of our operational activities' environmental footprints. It introduces, for the first time, the UN's sustainable development goals, which will be deployed within the Group in 2022.

In early 2022, every site will need to roll out this QSE policy by defining its own ambitions.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

LET'S DARE EXCELLENCE



QHSE POLICY

Our commitment to our customers and ourselves is to establish Haulotte's position as the most valuable and safest working-at-height solution maker in creating the serenest customer experience.

OUR AMBITIONS



- Involve all employees in the development of a genuine health and safety culture
- Provide users of our products and solutions the necessary tools and training for their safety
- Embark all employees in a social and environmental approach



- Design, industrialize and deliver products, solutions and services that meet customer expectations
- Deliver safe products and solutions that live up to our safety promise, our brand's DNA
- Design products and solutions based on our electrification strategy in order to reduce emissions and noise pollution



PRODUCTS



- Infuse a health and safety culture that allows us to aim for zero accidents
- Increase the percentage of employees who « recommend Haulotte as good place to work » in our internal satisfaction survey
- Increase our production suppliers who are rated as « exemplary »

- Achieve a best-in-class level of our products by reducing our warranty rate
- Increase the rate of component re-use
- All machine development projects include at least one initiative related to safety improvement
- Increase the customers satisfied with our solutions in our customer satisfaction survey



PRODUCTS



- Rely on our robust processes and on our teams to ensure lasting satisfaction to our partners
- Be able to provide quick, simple or complex solutions thanks to our agile and flexible organization
- Improve and control our manufacturing and transport processes in order to reduce our energy consumption and carbon footprint



- Our Operational Excellence approach is recognized as a benchmark
- Increase and stabilize our fill rate
- Increase the average daily production waste recycling rate
- Improve our indirect carbon footprint
- Reduce the carbon footprint of our production

The pictos refer to United Nations Sustainable development goals.

22.06.2021



NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

LET'S DARE EXCELLENCE



QHSE POLICY

Our commitment to our customers and ourselves is to establish Haulotte's position as the most valuable and safest working-at-height solution maker in creating the serenest customer experience.

OUR OBJECTIVES



- Infuse a health and safety culture that allows us to aim for zero accidents
- Increase the percentage of employees who « recommend Haulotte as good place to work » in our internal satisfaction survey
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PRODUCTS



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22.06.2021



NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

NON-FINANCIAL CHALLENGES OF THE HAULOTTE GROUP

1- Talent attraction and retention

CHALLENGES:

The expectations of current and future employees are changing, in particular those of new generations entering the job market.

Working on all the drivers of employee engagement is becoming a key component of corporate performance.

These engagement criteria, in addition to employee performance, have an effect on talent retention but also on the company's attractiveness.

The priority areas of the 2021 engagement survey were training and mobility.

POLICY:

This engagement development policy is based on the transformation strategy undertaken in 2017 throughout the Group, under the "Let's dare" motto.

It consists of developing all employee engagement aspects, measured every three years via the engagement survey, and implementing actions designed to improve areas identified as priorities.

The topics of the survey include empowerment and autonomy, vision and meaning, cooperation, confidence in the management, la performance, development of opportunities, retribution, quality and customer focus, resources, respect and recognition, training, corporate organization and structure.

Priority areas for improvement derived from the survey include: inter-departmental cooperation, organization and procedures, training, development opportunities and communication

KEY PERFORMANCE INDICATORS						
Indicator	Unit	2019	2020	2021	2022 objective	Scope
Permanent contract turnover	%	Not calculated	9.7	10.18	Not determined	Group
Permanent contract turnover	%	8.3	5.5	5.95	Not determined	France

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

RESULTS OF THE ENGAGEMENT SURVEY				
Indicator	2017	2020	2023 objective	Scope
Level of employee engagement	57%	64%	Increase on 2020	Group
Engagement matrix	30%	43%	47%	Group
"I am proud to work for Haulotte" Question from the engagement survey	71%	76%	80%	Group
"I would recommend Haulotte as an employer" Question from the engagement survey	49%	65%	70%	Group
"Haulotte gives me the opportunity of a stimulating and interesting job" Question from the engagement survey	67%	76%	80%	Group

The creation of an environment conducive to employee engagement contributes to talent retention and attraction

Many actions are implemented each year at local or Group level to advance the employees' engagement by prioritizing major areas with them.

As a result of this approach, progress was made on all topics from 2017 to 2021.

500 (and more) actions have been implemented since 2017

For the 2021 tax year, in addition to local actions, focus was placed on training and development opportunities, organization and procedures, in particular through macro-processes and the YELLO organization.

Several topics contribute to this environment, including those discussed more specifically in 2021:

- Shared Vision and values (Charter written by employees)



NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

- An inspiring framework created at the head office, intended to serve as a reference in the group (rolled out in 2021 in particular in the new Chinese factory).



- A language and tools shared by all managers
- Numerous internal communication actions, including a digital magazine



- Approaches and procedures structured in such a way as to work together better (Macro-processes), translated into processes and activities
- Continuous improvement actions as part of the engagement survey carried out at local and Group level.
- Employee involvement approach as part of a commitment close to the field, in particular with the YELLO program (YELLO: operational excellence program)
- Quality of Life at Work (QLW) and Telework agreements

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

2- Skills management

CHALLENGES:

With an increasingly competitive labor market, the scarcity of skills and rapid developments, notably technological, skills obsolescence is accelerating. Thus, a company's ability to maintain its workers' employability, develop their skills and provide career opportunities, so that they can become actors in their professional project, is becoming critical to its future.

POLICY:

Haulotte wishes to create an environment conducive to the development of skills, allowing everyone to address changing business needs. Training, the internal as well as external sharing and transfer of knowledge, help address the challenges to be met as part of the learning company.

This is why we wish to increase the number of trained employees and the number of training hours provided.

We are also keen to develop mobility within the Group: hierarchical, geographical, functional.

KEY PERFORMANCE INDICATORS

Indicator	Unit	2019	2020	2021	2022 objective	Scope
Number of internal mobilities	Number of mobilities	Not measured within the same scope	Not measured within the same scope	142	Not determined	Group
Employees who completed a training course	%	49	61	74	100	Group
Training hours	Hours	Not measured within the same scope	21,943	26,187	Not determined	Group

Talent attraction and retention, as well as skills management, are two avenues investigated as part of the development of employee engagement. The actions undertaken on these subjects often have a systemic effect on engagement.

In this context, a decision was made to deploy the "learning company" strategic focus, under the "Let's grow together" program name.

While this program is articulated around the setup of a Haulotte Academy, and its LMS (Learning Management System), it also requires the implementation of an entire organization and culture.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

ACTIONS AND RESULTS:

IMPLEMENTATION OF THE LEARNING COMPANY PROGRAM: "Let's grow together"

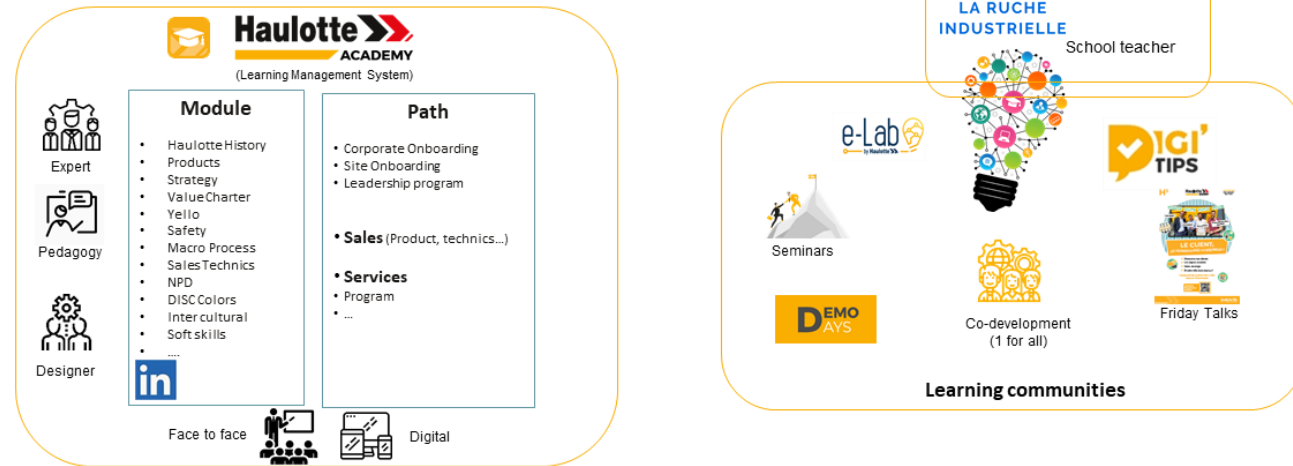
Learning how to train and sharing knowledge have become key elements for an **innovative and performing** company.

To become a Learning Company : The Let's Grow Together Program

Create and facilitate an Innovative & Learning Culture Environment

A learning organization is "capable of creating, acquiring and transferring knowledge and changing its behavior to reflect new knowledge. Five activities to develop:

- Solving problems in groups, #humanskills #Softskills
- Experimenting with pilots, #flexibility #agility
- Learning from experience, #feedback #right to make mistakes #business culture
- Learn from other stakeholders, customers, partners... #transparency #help
- Transferring knowledge for equal understanding, #inclusion #engagement



NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT



The Haulotte Academy, the cornerstone of the Learning Company, relies on an LMS platform, and business contributors supported by Empowerment teams for educational aspects.

The scope of the learning company is however much broader as it encompasses how to work together (including soft skills), experiment, enhance feedback, learn from our environment (ecosystem), as well as the transfer and sharing of knowledge, in conjunction with our strategy and our Values.

Creation and monitoring of internal training modules in 2021

Specific business Modules created and followed in 2021: Sales & Services

The purpose of these modules is to pass on specific knowledge of products and businesses to Haulotte employees and our external partners, the vast majority of which are accessible to all after their launch phase.

- **Name of the modules:** HSE Range, SIGMA 16, MyHaulotte, Sales Skills Program, Spotlight & Technote, Stage V, Sherpal, Battery cost simulator
- **Number of learners:** 338 internal learners / 57 external learners

Cross-functional modules created and open to all employees in 2021:

The purpose of these modules is to develop all employees' knowledge of key, cross-functional themes.

- **Name of the modules:** Better collaborate with China (2 1/2 hrs), ADN YELLO (operational excellence program) (1/2 hr)
- **Number of learners:** 648 internal learners

Coordination of internal training sessions 2021

- **Name of the module:** Let's dare Leadership program step 1 (16 1/2 hrs)
- **Number of learners:** 60

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT



DIGI TIPS

These are training sessions on office automation topics, provided and run by IT&S departments. These training sessions, of a maximum duration of 30 minutes, are open to all.

- **Name of the modules:** TEAMS - How to Organize a meeting in Teams, TEAMS - Conversations, Outlook - email, EXCEL - Pivot Table - TCD, Word - Direct mail, Windows 10 - Tips, Teams - Teams, OneNote - Your workbook for all your notes, EXCEL - V-H and X search formulas, FR - OneDrive - Proper use
- **Number of learners:** 177

FRIDAY TALK



As part of the sharing of knowledge among employees, events are organized once a month on a Friday at the H3 head office. These are fun training sessions run by employees to train and inform other employees on everyone's businesses.

- **Name of the modules:** Digital technology made in China – The customer, such a mysterious figure – Who wants to become a boom lift owner – Tomorrow's future within reach – Which Superhero are you – Here's the recipe – Back to the future – Social media is not rocket science
- **Duration:** approx. 1h per session
- **Number of learners:** 164

INSPIRING CONFERENCES

Initiation of conferences open to employees:

- E-Lab
- Yello
- Cybersecurity
- Purchases

CONTINUATION OF TRAINING PROVIDED INTERNALLY:

Cross-functional group training initiated in 2021:

- Sales Skills: 66 learners
- Let's dare Leadership step 1: 60 learners

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

SHARING OF KNOWLEDGE: OPENNESS TO THE OUTSIDE

- Illustration of LA RUCHE INDUSTRIELLE (The Industrial Hive)

In the same manner as the sharing of knowledge and internal experience is encouraged, the partnership with La Ruche Industrielle will help develop our employees' knowledge and experience by working on common topics & projects with peers from other businesses. A sort of external pollination...

- It is also apparent in the welcoming of and sharing with schools

All actions initiated and carried out in 2021 have already had a material impact on the skills aspect, and this trend will accelerate in 2022, with a number of topics in the pipeline.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

3- Protection of IT systems and personal data (customers and employees)

CHALLENGES:

As IT tools form an integral part of Haulotte's operation, IT security has become a genuine concern within the Group. In previous years, and still today, computer-related threats and attempted fraud have proliferated.

IT security and the protection of our data are two essential tools in reducing the risk of financial loss and/or damage in terms of image and reputation.

POLICY:

The IT Division must be a business partner that brings value through innovative, digital, sustainable and secure solutions, by contributing to the implementation of the strategic plan, drawing from the performance of completed projects, an agile organization and appropriate communication, in a context of Computer System security and data integrity.

KEY PERFORMANCE INDICATORS

Indicator	Unit	2019	2020	2021	2022 objective	Scope
IT support activity - RUN performance	Number of user requests pending	980	410	299	280	Group
IT project activities - BUILD performance (quality, cost, timeline, adoption, risk criteria)	Average project monitoring score	B+	B	B-	B	Group
Satisfaction rate Daily survey of user requests	%	83	92	93	95	Group
Satisfaction rate Annual survey	%	89	93	91	93	Group

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

ACTIONS AND RESULTS

1. Raising employee awareness

The IT charter was reviewed and aims at raising users' awareness of the effective use of IT tools. It is signed by all employees upon induction, with a view to making it binding and enforceable. As part of their induction, users also receive security training, explaining among other things what to do when a suspicious email is detected.

The IT Division is more than ever committed to protecting the company from potential cyber attacks. This year, a number of actions have been launched and will be regularly reinforced.

An alert message to be communicated to all employees in the event of an observed attack has been put in place, as has an alert platform in case of failure of IT systems in order to prevent any security breach.

Phishing campaigns are conducted every quarter to inform employees and raise their awareness.

As the satisfaction of IT system users is a good quality of service indicator, a daily satisfaction survey is conducted on closed tickets. This helps monitor user satisfaction in "real time". In addition, at the end of 2021, a global satisfaction survey was sent to users.

In 2021, the same survey revealed that 91% of users are satisfied to very satisfied.

91%

User satisfaction rate in 2021

2. Compliance with personal data protection regulations

Since the entry into force of the GDPR in May 2018, Haulotte has conducted a compliance audit in conjunction with IBM. This audit was used to map out the risks associated with the management and protection of personal data held by Haulotte, and establish an action plan to ensure sustained compliance with the regulation.

To date, Haulotte does not trade in personal data entrusted to them. Haulotte secures the consent of the person entrusting their personal data, makes sure said data is used solely for the purposes described and is effectively retained. Haulotte may return or destroy the holder's personal data, on their express request. This compliance also requires informing and training, as carried out in 2020 and continued in 2021, the departments in charge of processing personal data and, subsequently, helping said departments update the record of processing operations.

3. Number of security flaw incidents reported to CNIL

Although the business community was strongly affected by targeted attacks in 2021, no incident relating to security or damage to the integrity of the Group's information systems was reported to CNIL.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

4. Development prospects for the IT part

The past two years have seen the structuring of the IT&Solutions department from a methodological perspective, and the achievement of very convincing results.

In 2021, the IT&Solutions Division presented its new strategic plan for the next 5 years. This strategic plan is in keeping with the group's operational strategic plan. This master plan is broken down into 5 parts:

- IT&S Basics: maintaining a high level of performance, both in terms of projects and our daily support activity.
- User centricity: supporting and accompanying the transition towards a digital business by human resources, tools and through training
- Business Value: providing a solid, reliable information system, upgrading our ERP. We also aim at implementing a solid CRM solution and developing global solutions
- Data Management: Business Intelligence has become a concern for businesses. The ambition is to acquire modern, suitable tools to cope with these new DATA analysis challenges.
- IT Security: every day, businesses get hacked, which delays or disrupts their activities for weeks or even months. With this foundation, we want to guarantee business continuity by implementing an ambitious cyber attack protection and response plan.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

4- Strengthening of our R&D policy and the intellectual property rights protection and enforcement system

CHALLENGES:

- Innovating to ensure growth, coming up with new machine ranges and/or service lines, thereby maintaining Haulotte's market leadership
- Placing innovation at the heart of Haulotte's strategy, as a key component of its competitiveness.

POLICY: intellectual property as a commercial conquest and communication instrument, and increasingly dynamic R&D policy

Haulotte believes intellectual property must become a commercial conquest and communication instrument. A suitable intellectual property policy can make a considerable contribution to securing and preserving market shares.

Furthermore, the adequate protection of the Group's intellectual property rights and know-how creates legal certainty and can generate benefits in terms of profit as well as image.

Our objective is to maintain an ever more dynamic R&D policy in order to cope with the new challenges the Group may face, but also to develop our products by factoring in third party rights in this area, while guaranteeing the protection of our own intellectual property rights.

KEY PERFORMANCE INDICATORS

Indicator	Unit	2019	2020	2021	2022 objective	Scope
Turnover devoted to R&D	% of total turnover	2.7	3.74	3.01	Not determined	Group

ACTIONS AND RESULTS

1. Continued dynamism of the R&D policy

Technological developments are continuously monitored to be kept informed of new innovations available on the market.

There is also an Intellectual property Committee used to discuss current topics and disseminate important information.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

Furthermore, the Company extensively recognizes creators, beyond patentable inventions. It recognizes and respects inventors and creators of innovative ideas (employee invention policy).

Lastly, during the project creation process, an intellectual property notice is required to complete certain steps.

2. Respect for third party rights and protection of our rights

The main actions in this field are undertaken by the Industrial Property (IP) Manager.

The IP Manager regularly conducts a competitive intelligence and technological watch (freedom to operate, state of the art), in particular to identify technological changes in the company's areas of activity and make sure third party rights are not infringed upon.

This also allows them to assess the availability of intellectual property rights and check that the third party respects our rights.

Moreover, the IP Manager strives to optimize our intellectual and industrial property policy by raising the Haulotte employees' awareness of the IP risk and involving them in the management of said risk. Thus, for example, the results of the periodic watch are disseminated within the teams via monthly watch bulletins.

In addition, measures intended to raise awareness of the protection of our rights were taken over the course of 2021 among the employees concerned (a HAULOTTE INTELLECTUAL PROPERTY pamphlet was handed out on this occasion).

Lastly, the IP Manager reinforces our intellectual property rights by protecting our innovations through patent applications.

As a result, when dealing and working with third parties, we can engage in dialogue with complete peace of mind.

Below is the breakdown of patents filed over the past 3 years:

KEY PERFORMANCE INDICATORS						
Indicator	Unit	2019	2020	2021	2022 objective	Scope
Patent applications filed during the year (patent applications, patent extensions, designs and models, Soleau envelopes)	Number	17	16	24	Not determined	Group

Note: only 1st applications are taken into account (nonprovisional US applications and extensions abroad based on these 1st applications are not accounted for here).

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

5- Relationships with suppliers and subcontractors

CHALLENGES:

As Haulotte specializes in the design and assembly of lifting equipment, suppliers have a key role to play. This is why quality cooperation is needed to optimize the company's added value.

POLICY:

The Haulotte Group's strategy includes the importance of maintaining ethical and responsible relations with its suppliers.

KEY PERFORMANCE INDICATORS						
Indicator	Unit	2019	2020	2021	2022 objective	Scope
MACHINE PARTS						
Purchases from suppliers who signed a partnership agreement with a warranty charter	%	49	51	51	53	Group
Including suppliers covered only by the signing of a partnership agreement	%	30	34	36	38	Group
Purchases from suppliers covered by the signing of a responsible purchasing charter	%	63	60	64	70	Group
SPARE PARTS						
Purchases from suppliers covered by the signing of a responsible purchasing charter	%	Not measured	Not measured	62	70	Group

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

ACTIONS AND RESULTS

1. Maintaining long-lasting relationships with our suppliers

For any new supplier, a panel admission procedure must be followed, and audits are conducted. The results of the supplier audit are shared with all suppliers so that corrective actions can be taken if required to enter the panel.

Haulotte is currently working on a multi-year agreement project for all new projects.

With new suppliers, we have developed a partnership agreement to be signed prior to production launch. These agreements define all modes of operation, expression of requirements, payment terms, prices, warranty, quality standards, insurance (...), to commit to long-lasting relationships together. The improvement plans agreed upon are also featured in the agreement, with the same objective in mind, i.e. building sustainable relations.

As a result, the proportion of purchases from suppliers covered by the signing of a partnership agreement rose from 34% in 2020 to 36% in 2021. Haulotte plans to segment its supplier base with a view to determining core/strategic (complex product or long relationship) and basic suppliers. The long-term goal will be to increase the number of agreements with core and strategic suppliers as a matter of priority.

For existing suppliers, Haulotte organizes management meetings to share our respective expectations, our development strategies and the progress of projects relating to new products. These exchange meetings, which involve the management of both companies, help build a long-term vision with our supplier partners.

2. Maintaining ethical and responsible relationships with our suppliers

Responsible purchasing Charter:

238

Number of suppliers who signed our responsible purchasing charter
(suppliers with whom we worked in 2021)

The responsible purchasing charter was initially deployed for suppliers of series parts in 2019. Its objective is to create a long-lasting, balanced relationship, while respecting the respective rights and obligations of each party.

Haulotte's objective is for 70% of the 2022 annual turnover to be covered by a signed charter.

In 2021, this approach was extended to the purchase of spare parts, and Haulotte's objective is for 70% of the 2022 annual turnover to be covered by a signed charter.

In 2022, Haulotte will extend the approach to general expenses purchases, with a target of 50% of the annual turnover covered by the end of 2023.

At the same time, the confidentiality agreement has been signed between Haulotte and all its suppliers to preserve the information of each party.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

6 - Fight against climate change

CHALLENGES:

In the current context where climate change is at the center of discussions and is now an undeniable reality, this topic must be one of our primary concerns going forward. Thus, as a Group operating on various continents subject to climate constraints, Haulotte is exposed to this issue and takes it into consideration.

POLICY:

Our objective is to take climate change into account in our business, when it comes to our products, production process, production sites and points of sale.

KEY PERFORMANCE INDICATORS

Indicator	Unit	2019	2020	2021	2025 objective	Scope
Employees concerned by environmental certifications	Number	426	776	1,205	1,400	Group
Electrical machines sold	%	74	73	73	Not determined	Group

ACTIONS AND RESULTS

1. Management of environmental risks

When establishing our various entities, the climate context of the area selected is taken into account to anticipate any weather events likely to affect our activity.

For new locations, we take into account, among other things, the earthquake risks of the areas in question, and are assisted by our insurers for studies relating to the location of the premises selected.

Every entity certified by an environmental management system analyzes its context and environmental impact in order to reduce it through action plans.

2 - Integration of climate issues into our BLUE strategy and our QHSE policy

When it comes to our products, we fully recognize the importance of climate issues and the fact that energy is becoming a key development factor. This is why Haulotte is integrating the "blue" factor into its corporate strategy, by developing and including more environmentally friendly, "all-electric" solutions in the business model. It is in this context that our range of "all-electric, all-terrain" machines named PULSE0 was launched.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

A Quality, Safety and Environment policy was created and disseminated in September 2021, making it possible to unite the company, its managers and employees around a shared environmental commitment. This policy was translated into 10 languages. Our objective is to raise awareness among our employees, stakeholders and customers of the importance of protecting the environment, in particular to encourage a reduction in energy consumption.

3 . 2nd Life activity: second-hand offers and refurbishment of our machines

Haulotte, in keeping with its environmental commitments and as part of the ISO 14001 certification, puts strategies in place at all stages of the life cycle of the proposed solutions.

	2019	2020	2021
Number of second-hand machines sold	Not measured	437	576

Haulotte will start a new activity in 2022 to respond to new consumption patterns focused on the circular economy: a specific refurbishment program dedicated to the brand's second-hand machines.

In addition, an activity dedicated to the second life of machines, Second Life, has been put in place. These refurbishment solutions also extend the life of our customers' machines. They can consist of a mere aesthetic renewal, the repair and replacement of major parts, or even the addition of new technology. In any event, during these operations, Haulotte takes into account all the latest user Safety standards, as well as the latest environmental standards.

€5,376,000 Turnover associated with circular economy actions, as part of the 2nd Life activity

4. Management by macro-processes and 14001 certifications:

Haulotte has initiated a Group approach to process-based performance management with a view to harmonizing our group practices. This approach meets the full requirements of ISO standards, including 14001.

100% of Haulotte production sites are ISO 14 001 certified
(The Changzou factory, under construction in 2021, is not within the scope)

Our new H3 head office was created with this environmental performance in mind, and is ISO 14001 certified. It supports this 14001 certification process for the group, with a single multi-site certificate (per standard) for all certified group entities.

H3 leads the way in terms of environmental commitment by being a Smart building that adapts its Energy consumption to climate variations; other specific actions consistent with our environmental policy have been undertaken, such as the fight against food waste and waste sorting optimization.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

7- Environmental impact of our activities

CHALLENGES:

In the face of climate change issues, in addition to reflections on the adaptation of processes and production methods, Haulotte, like many companies, wishes to take concrete measures to protect the environment.

POLICY:

Our goal is to establish a sustainable and environmentally friendly course of action throughout the entire life cycle of our machines, more specifically in our machine production process for which direct carbon emissions are highest. This is why we aim at:

- Maximizing the recovery of our non-hazardous industrial waste and reducing our volume of waste per machine,
- Reducing our Greenhouse Gas (GHG) emissions.

KEY PERFORMANCE INDICATORS						
Indicator	Unit	2019	2020	2021	2025 objective	Scope
Waste recycling rate	% of total waste	63.46	66.12	74	90	Production sites in Europe Lorette H3 Lorette Hub
Amount of waste per metric ton of machine	Kg	67	63	62	50	Production site in Europe (excluding L'Horme site)
Weight of CO ₂ per metric ton of machine	Kg	not measured	108	129	80	Production site in Europe (excluding L'Horme site)

ACTIONS AND RESULTS

1. Waste management

Haulotte strives to control the waste generated at all stages of its activity, on production sites as well as in distribution hubs and subsidiaries.

We distinguish between 2 types of waste:

- Non-hazardous Industrial Waste (NHIW), whose composition is similar to that of household waste and can be regarded as such. It is not inert or hazardous. It takes the form of offcuts, scraps or packaging, and essentially consists of glass, plastic, metals, rubber, textile, paper, wood, organic animal or plant matter.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

- Hazardous Industrial Waste (HIW), which can adversely affect humans and the environment due to one or more of the hazardous properties listed in annex I to the decree of 18 April 2002. These properties require taking special precautions and are submitted to a tighter administrative control.

Haulotte has established a waste tracking and management mechanism, in keeping with the development of the circular economy, recycling and recovery.

Indicator	2019	2020	2021
Tons of Non-hazardous Industrial Waste (NHIW)	4,846	1,824	2388
Tons of Hazardous Industrial Waste (NHIW)	1,145	461	564

Scope: European production sites, Lorette H3 and Lorette Hub

Thus, for production waste, we recover our industrial waste in proportion to the level of production so that it can be reused in some cases. For added reliability, the monitoring indicator uses the amount of waste used per machine according to its weight (kg of waste / kg of machine), as there can be a significant difference in weight from one machine model to another.

We also carry out sorting to recover/recycle certain types of non-hazardous waste. On production sites, waste management revolves around a few basic steps:

- identification of waste with instructions presented during environmental training,
- verification of the regulatory compliance of our waste service providers,
- color chart: 1 type of waste = 1 container = 1 color: this method helps create reflexes while improving source separation,
- waste storage (retention cabinet for liquid waste, respect for product compatibility, identification to facilitate disposal, use of a cardboard compactor, etc.),
- waste traceability (hazardous waste tracking slip, waste records, declarations),
- waste treatment, with technical and regulatory knowledge of processes, under the site's responsibility,
- periodic monitoring during field visits,
- waste disposal according to its composition: essentially material or energy recovery and recycling

2. Reducing Greenhouse Gas (GHG) emissions

Carbon footprint	2019	2020	2021
Tons of CO ² equivalent	6,571	3,304	5662

The current scope for the determination of our carbon footprint includes European production sites, which account for more than 2/3 of our energy bill.

For the moment, Scopes 1 and 2 are taken into account.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

The objective is to be correlated with production increases, thereby increasing gas consumption and undoubtedly the Carbon footprint, despite action taken such as:

- Mobility plan to identify the carbon footprint of business trips and commuter journeys with a view to triggering impact reduction actions,
- Telework promotion
- Proposed installation of sub-meters on production sites to quantify the actual consumption of various locations within the factory to control energy consumption.
- Improving the painting process in order to reduce energy consumption.

Energy consumption	2019	2020	2021
Gas in kWh	33,908,107	19,899,554	24,223,591
Electricity in kWh	9,025,340	5,894,838	7,362,268

Scope: European production sites, Lorette HUB, Lorette H3).

Fluctuations with regard to gas or electricity are partly attributable to the decline in business caused by the health crisis, in addition to improvements made to furnaces.

Haulotte is in the process of defining and calculating 100% of the group's greenhouse gas emissions, including scope 3 for all group entities.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

8- Respect for Human rights

CHALLENGES:

As multinational corporations are exposed to a variety of cultures and regulations as a result of their location, the important thing is to make sure Human rights are respected within the Group, irrespective of the activity (production, distribution, central services, etc.) and geographical situation of the entities in question.

POLICY:

It is therefore important for Haulotte to ensure consistent respect for Human rights throughout its value chain, within our internal as well as external environment

ACTIONS AND RESULTS

With the “Let’s dare” approach, disseminated via multiple communication channels (training sessions, participatory events, etc.), and its associated Charter of values, Haulotte has placed humans at the heart of its activities. As mentioned above, the Group’s values have been determined by the employees themselves, during various workshops bringing together populations from all backgrounds, all countries and all departments. As a result, respect and trust stand out as two core values, giving rise to practices applicable to all and specific practices for managers.

Besides the values applied by the Group to human resources within its organization, Haulotte’s intention was also to extend a shared vision of core and basic values to its business partners. This is why Haulotte introduced a Responsible Purchasing Charter, inviting the company’s suppliers to apply basic principles for healthy and ethical business relations. This Charter continued to be deployed throughout 2021.

It features in particular a section on social commitments undertaken by Haulotte on topics such as the elimination of child labor, the fight against undeclared work or the fight against discrimination and harassment. Haulotte believes it is of the utmost importance that the Group’s commitments in this regard are adopted and observed by its partners in order to ensure this approach is as efficient and consistent as possible. We are confident that sharing these commitments will lead us to a better, sustainable partnership together.

Lastly, an anti-slavery charter was introduced within the Haulotte UK and Haulotte Australia companies (wholly-owned subsidiaries of Haulotte Group S.A). In accordance with local regulations, this charter describes the principles and good practices in combating modern slavery applied at group level.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

9- Social dialogue

CHALLENGES:

Regular, quality dialogue is a key lever for improving life at work. Haulotte maintains an ongoing dialogue between employees, executives, staff representatives and the Management. Consequently, the role of staff representatives, whether elected or appointed by employees, is recognized as an important issue for the group

POLICY:

The positive social climate within the group is based on multiple local or harmonized human resource practices, policies and agreements on topics such as social dialogue

All the provisions below relate to the French scope

ACTIONS AND RESULTS

1. Quality of Life at Work and professional equality agreement

With the firm belief that diversity and the guarantee of good quality of life at work are the bedrock of social performance, and therefore success in our company, in 2018 we entered into a four-year agreement on the quality of life at work with our social partners, to promote a balance between the quality of life at work, collective performance and the quality of the services provided to customers.

This agreement reaffirms our desire to help our employees better reconcile their work and family responsibilities, and we are committed to improving parenthood-related representation within the company, creating an environment favorable to employees with children and ensuring respect for the principle of non-discrimination in the professional development of employees with children.

As part of this agreement, due to be renegotiated with social partners in 2022, we have made commitments and implemented the following initiatives:

- Commitments regarding the right to disconnect,
- Commitments in favor of gender equality in the workplace,
- Alternative work arrangements for the beginning of the school year and employees whose child or spouse is disabled or has a long-term illness requiring ongoing care at fixed times or scheduled care,
- Organization and promotion of e-training,
- Carer’s leave for employees who wish to suspend their employment contract to care for a relative with a particularly severe disability or diminished independence.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

2. Renewed agreement on regular Telework

With the firm belief that telework is an effective lever making it easier to combine professional with personal life, reduce the constraints and risks associated with the trips, but also a way of enhancing the attractiveness of Haulotte's social model, the Management suggested initiating discussions with social partners on this new organization of working time in 2019. A new regular Telework agreement was signed in France in 2021, giving the employees of all Haulotte Group sites the option of working from home 4 days a month.

3. Other agreements

Attesting to the desire to maintain the momentum of social dialogue, an agreement on the establishment of a CSE (Social and Economic Committee), the modernization of social dialogue and the right of association entered into force in 2018 for a 5-year period.

The agreement on the organization and adjustment of working time was still valid in 2021. It is monitored by the central CSE as part of the annual consultation on the social, working conditions and employment policy.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

10- Responsibilities when conducting business

CHALLENGES:

All multinational corporations are exposed to various tax regulations, which complicates flows and controls. The Group has 6 production sites and 21 subsidiaries, and operates in more than 100 countries, making for a broad variety of tax regimes. As a result, Haulotte must pursue a responsible tax policy

Furthermore, multinational corporations located in different parts of the world subject to different regulations, cultures or customs are faced with a major challenge, i.e. the fight against corruption.

POLICY:

Following the mapping of corruption risks within the group, by virtue of the Sapin 2 Law, the company adopted an anti-corruption code of conduct as well as tools and processes designed to prevent tax evasion. With operations in 21 countries, Haulotte is committed to complying with the local tax regulations in force. The Group strives to guarantee the arm's length principle via a transfer pricing policy. In France, a proactive fiscal partnership approach was initiated in 2019

KEY PERFORMANCE INDICATORS

Indicator	Unit	2019	2020	2021	2022 objective	Scope
Corruption alerts issued	Number	0	0	0	not determined	Haulotte Group S.A. and Haulotte France
Average processing time of the corruption alerts issued	Days	No alert	No alert	No alert	Less than 20d	Haulotte Group S.A. and Haulotte France
Group's effective tax rate	% of consolidated net income before tax	27.25	-66.67	49.41	Not determined	Group

ACTIONS AND RESULTS

1. Application of a healthy business model consistent with our know-how and French regulations

Haulotte Group S.A. and Haulotte France adopted an anti-corruption code of conduct (Sapin 2 Law) validated by the Management and staff representative bodies for the French scope. This code of conduct is attached to their company regulations and was released on 12 November 2019.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

Since 2021, this code of conduct has been attached to the employment contract of any new recruit. It can be reviewed on the company's intranet and at www.haulotte.com. With the adoption of the anti-corruption code of conduct, the company reasserts its commitment to conducting its business by upholding the highest ethical standards, in accordance with all its applicable legal obligations.

In addition, the Company also introduced an anonymous whistleblowing tool for any employee in possession of information on or suspecting misconduct that may constitute corruption. The platform is hosted by the WhistleB Company, which guarantees the anonymity of any alerts and the encryption of the data collected. Potential alerts are sent to the Group's Secretary general or, if this person is accused, the Group's Deputy CEO.

20 Maximum number of days for taking alerts into account on this platform. The risk manager is granted administrator access to the platform to make sure alerts are taken into account within this period.

This tool can also be used to ask questions on an anonymous basis to assist in decision-making. Since 2020, the alert platform is accessible to employees via a link featured on the Haulotte intranet. In 2021, an e-learning tool was created to train employees in the principles defined in the code of conduct, raise their awareness of the various aspects of the "corruption" concept and explain how the alert platform works. It will be put on line on the Haulotte Academy platform in February 2022. From then on, it will be deployed among all Haulotte Group SA and Haulotte France employees who have access to the Haulotte Academy. This e-learning tool will also be integrated into the induction program of any new recruit. To monitor regulatory developments and ensure good practices in the fight against corruption, Haulotte participates in the working group initiated by Middennext.

A supplier evaluation grid was prepared in 2021 to rate their level of maturity with regard to the fight against corruption during the panel admission process. It has been used since July 2021 for the TOP 4 suppliers:

EVALUATION GRID	
TYPE OF SUPPLIER	% Volume of annual purchases
Component suppliers	10
Welded part suppliers	15
Spare part suppliers	15

In 2022, Haulotte will continue this evaluation to map out the situation by purchasing category for the TOP 10 suppliers accounting for 20% to 25% of the volume of annual purchases.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

2. Compliance with applicable tax regulations

Haulotte has operations in more than 20 different tax jurisdictions. Haulotte is committed to the payment of taxes and contributions in every country. There is no structure aimed at implementing tax optimization schemes within the Group.

Two tax consolidations were put in place between Group entities, one in France (between Haulotte Group S.A., Haulotte France and Telescopelle) and one in the USA (between Haulotte US and Equipro).

The subsidiaries' financial officers (along with consultants where appropriate) are responsible for complying with tax obligations. Most subsidiaries submit tax returns and can, where appropriate, be subject to audits.

Haulotte follows all the findings of these various audits (some of them giving rise to a specific focus on the transfer pricing policy). No significant tax adjustment has been reported as a result of the latest audits. For example, this was the case for the last two tax audits of the Haulotte Group S.A. Company. For the monitoring of fiscal developments, the Group works with consultants (local or international) to monitor changes in standards. In addition, the levels of taxes owed are reviewed by central teams to verify the consistency and changes in the amounts paid locally. The consolidated accounts feature proof of tax to explain the Group's effective level of tax. The application of the IFRIC 23 standard also helps anticipate tax risks.

3. Transfer pricing policy

When determining its transfer prices, Haulotte seeks to find the most traditional method, consistent with OECD principles, while keeping simple benchmarks and calculation methods.

This policy is developed so as to leave in each Group company the arm's length operational income defined through comparable studies and according to the subsidiaries' roles, risks and responsibilities.

Comparables are determined with the support of specialized tax lawyers working for a renowned international consultancy firm.

Transfer prices are regularly audited by tax inspectors during their tax audits.

4. Fiscal partnership with the French government

On 14 March 2019, Haulotte became a fiscal partner of the French administration. This partnership is based on a voluntary principle and is intended for major groups and mid-cap companies. It helps establish regular, transparent dialogue between businesses and the administration, to secure a firm position from said administration on complex tax issues, likely to pose a financial or legal risk. This is achieved through more transparency from both parties. With this partnership, the authorities can ensure that businesses comply with tax regulations much more effectively, while stepping up their fight against fraud and guaranteeing enhanced legal certainty.

In 2021, the Group requested this partnership on different topics, securing written rulings for some of them, where necessary.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

11- Occupational health and safety

CHALLENGES:

The prevention of occupational risks and safety at work are major concerns for Haulotte's General Management. We are strongly mobilized around the occupational health and safety theme to prevent and reduce occupational risks by providing our employees with a safe working environment.

Like 2020, 2021 was severely hit by the health crisis brought about by the Covid 19 epidemic, which impacted all our activities and required the implementation of very strict health and safety protocols with a view to protecting our employees in this unprecedented health context.

POLICY:

Our goal is to drastically reduce our number of work-related accidents on all our sites worldwide: the target remains zero accident.

In 2021, we continued our prevention efforts towards reducing frequency and severity rates in all industrial sites and distribution subsidiaries. A safety committee meets every 2 months with all those involved in prevention (heads of industrial units, heads of sites, R&D director and QSE and human resources managers) to dynamically discuss results and share good practices. Indicators of frequency and severity rates are now available on all industrial sites worldwide, and the approach was extended to distribution subsidiaries in Europe.

KEY PERFORMANCE INDICATORS

Indicator	Unit	2019	2020	2021	2022 objective	Scope
Work-related accident frequency rate	/	Not measured within the same scope	9.97	6.78	Not determined	Group
Work-related accident severity rate	/	Not measured within the same scope	0.17	0.63	Not determined	Group

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

ACTIONS AND RESULTS

1. Monitoring of work-related accidents

Work-related accident indicators have been calculated since early 2021 on all Group entities.

A dashboard was introduced at Group level, with indicators shared by all countries to enable comparisons between sites and activities (industrial, distribution, logistics warehouses and central services)

The number of accidents, frequency and severity rates are reviewed every 2 months by the safety committee.

5

Number of Safety committee meetings in 2021. These meetings bring together all those involved in prevention across the Group

This committee, originally set up for industrial purposes, was modified in 2021 to include all Group entities. All activities are now represented, and the topics discussed cover all sites of the Haulotte Group.

During these committee meetings, attended by 2 members of the Excom, we also share the prevention actions taken as well as good safety practices.

25%

Reduction in the number of lost-time work-related accidents in 2021 compared with 2020 for the Group.

Several actions undertaken in 2021 helped reduce the number of accidents within the Group:

- All work-related accidents are systematically subject to a causal analysis with a view to defining targeted action plans, via the 8D problem-solving or causal tree method. All teams in charge of safety have been trained in these analysis methods.
- In 2021, we renegotiated a new safety challenge to reinforce the individual and collective effort towards preventing work-related accidents (French scope)
- Occupational health and safety committees meet with the occupational physician every quarter to discuss safety themes and suggest prevention actions (French scope)
- The YELLO Operational Excellence program led to the organization of Short Interval Events (SIE) on the Group's sites. The purpose of these SEIs is to report any hazardous situations that may be detected and implement the required actions
- New Health and Safety certifications were obtained in 2021 (ISO 45001)

990

Number of Haulotte employees operating on certified Safety sites.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

Another example taking into account health and safety themes can be noted. The design of the new Changzhou factory includes considerable means of improving the working conditions of our employees:

- Heating and air-conditioning, even in assembly workshops
- Special attention paid to lighting in the various areas of the factory, and to soundproofing the offices
- Possibility of conducting all machine tests and verifications indoors, and partial automation to facilitate their conduct
- Implementation of digital tools to make the work easier and reduce the mental strain on assembly lines (indicator lights for parts, easily accessible documents at the workstation, etc.)
- New office layout to facilitate collaboration and allow for privacy where necessary (similar to what was done at the group's head office).

2. Management of the health crisis brought about by the Covid 19 pandemic

Significant resources continue to be deployed to protect the health and safety of our employees. Reinforced cleaning services are still deployed on all our sites.

Sustained social dialogue is established to keep close contact with the social partners, who were very instrumental in the different safety protocols put in place in order to protect employees.

Any change to safety rules (4 successive versions were released in France according to regulatory developments) was submitted to the central CSE for information and review, after which site CSEs validated all safety rules with their health, safety and working conditions committees, making any amendments rendered necessary by the configuration of their site.

The central CSE met 11 times in total in 2021, excluding the informal meetings organized almost every day. Lastly, exceptional telework measures were taken to limit the flows of people.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

12- Diversity and Disability

CHALLENGES:

We must support the company's transformation by regarding the different workstations as completely mixed. In addition to complying with our legal obligations, we need to adopt a proactive job retention policy through supporting and workstation reorganization actions, while further opening positions under recruitment to workers with disabilities.

POLICY:

Convinced that diversity is an asset for social performance and therefore the company's overall success, Haulotte has adopted a proactive policy in terms of job desegregation and gender equality in the workplace. Our aim is to improve gender balance, in particular in business lines where men or women are currently underrepresented.

The objective is also to develop access to our job offers for workers with disabilities to boost the employment of disabled workers within the Company.

KEY PERFORMANCE INDICATORS

Indicator	Unit	2019	2020	2021	2022 objective	Scope
Proportion of women in the workforce	% of total workforce	Not measured within the same scope	23.10	23.65	Not determined	Group
Index of gender equality in the workplace	Points	= 82	= 87	= 87	Not determined	Haulotte Group S.A.
New recruits under the age of 27	% of total new recruits	Not measured	Not measured	23.5	Not determined	Group
Persons with disabilities	% of total workforce	3.95	3.57	3.61	Not determined	Haulotte Group S.A.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

ACTIONS AND RESULTS

1. Actions in favor of diversity

Our management program incorporates the wealth of diversity of profiles within a team and the company, in particular by taking into account elements such as self-knowledge (natural and adapted), our personal characteristics and motivations, but also those of others and the fact that they are bound to differ (use of the AEC Disc color method).

These differences are a source of wealth for the Group, and regarding them as such helps improve interactions, communication and cooperation (for example they teach us that it is preferable to communicate with someone not as we would like them to communicate with us, but rather as they need us to communicate with them).

All managers and a number of employees have therefore been trained in this wealth and diversity needed to create a team.

We follow a neutral, egalitarian recruitment policy (all genders, ages, etc.). Regardless of the type of position on offer, the Human Resources Division undertakes to ensure that the wording and content of the ads are written in a neutral manner without reference to the gender, family situation or potentially discriminatory terminology.

On a voluntary basis on each site, a point of contact was appointed by CSEs and is in charge of combating sexist behavior. They have a preventive role which consists in particular of escalating alerts when inappropriate behavior is identified.

21

Number of countries in which Haulotte operates, i.e. 21 nationalities represented.

2. Actions in favor of disability

For many years, Haulotte has lived up to its obligation to employ disabled workers. Up until now, the main actions focused on job retention. It is now time to deploy actions with a view to increasing the recruitment rate of people with disabilities.

Thus, actions have been undertaken such as subcontracting partnerships with ESAT (Work integration social enterprises), workstation adaptations, assistance with AGEFIPH applications (association for the professional integration of people with disabilities).

Reporting procedures have undergone minor changes since 2020. The average number of disabled workers for HGSA is 23, i.e. 3.61% of the workforce instead of the 6% obligation.

The 2021 tax is now payable and calculated in April each year, which is why we do not know its amount yet.

Potential new actions are currently under examination, such as the publication of job offers on websites dedicated to the employment of disabled workers, the negotiation of a binding agreement with a view to promoting the employment of disabled workers, and the appointment of a disability contact person.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

13- Green taxonomy

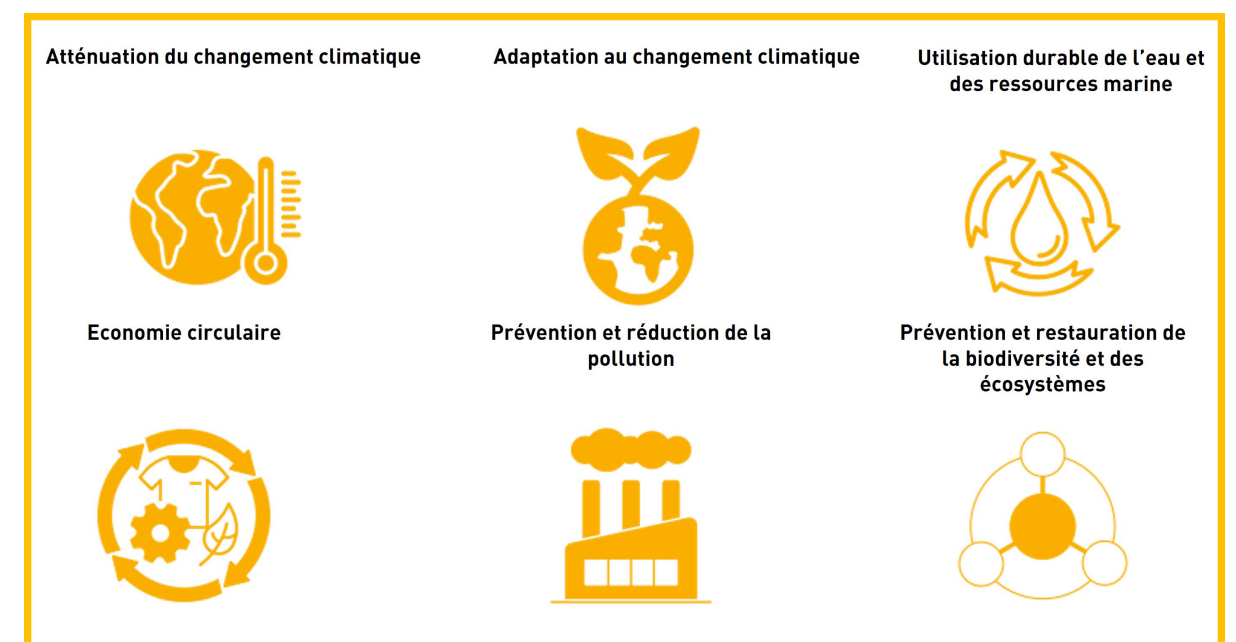
CHALLENGES:

Derived from the action plan for finance launched in 2018 by the European Commission, European regulation 2020/852 of 18 June 2020 establishes a framework to facilitate "sustainable" investment, referred to as "EU green taxonomy". Under this regulation, for the first time the Group is under the obligation, for the 2021 tax year, to publish the proportion of its business eligible for taxonomy: turnover, capital expenditure (CAPEX) and operating expenditure (OPEX), for the first two environmental objectives relating to climate change.

1. European Green taxonomy

The regulation establishing EU taxonomy sets up the framework needed for the application of this taxonomy, by defining four conditions to be met by an economic activity to be considered environmentally sustainable. An eligible activity must:

- i. Substantially contribute to one or more of the 6 environmental objectives
- ii. Not cause significant damage to any other environmental objective
- iii. Be carried out in accordance with the minimum (social) guarantees
- iv. Comply with the technical review criteria set out by the Commission. Technical review criteria must specify, for any economic activity, the performance requirements used to determine how this activity i) substantially contributes to a given environmental objective; and ii) does not cause significant damage to the other objectives.



Only the first two objectives are applicable at the end of 2021

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

The taxonomy regulation is supplemented by two delegated acts: the first one published in April 2021 outlining the environmental technical criteria for the first two objectives, and the second one published in July 2021 outlining the expected reporting methods on taxonomy.

An economic activity is considered a substantial contributor to preventing and reducing pollution when it substantially contributes to protecting the environment against pollution by preventing or, should this be impossible, reducing emissions of pollutants into air, water or soil, other than greenhouse gases.

Reducing the carbon intensity of transport fleets and infrastructures can be instrumental in climate change mitigation. We should target the reduction in leading sources of emissions by factoring in the need to refocus on less polluting forms of transport and to create infrastructures conducive to clean mobility.

2. Eligible turnover, CAPEX and OPEX as of 31 December 2021

KEY PERFORMANCE INDICATORS						
KEUR	Turnover	%	CAPEX	%	OPEX	%
A. Eligible activities	200,207	40	11,498	32	1709	9
B. Non-eligible activities	297,065	60	24,226	68	16,748	91
Denominator as of 31/12/2021	497,272		35,724		18,457	

Denominators are determined as follows:

- The total turnover corresponds with the turnover as featured in financial statements,
- Total CAPEX corresponds with the CAPEX flows as featured in financial statements: flows of tangible and intangible fixed asset acquisitions,
- The delegated regulation features a restrictive list of OPEX to be taken into account when calculating the denominator: R&D expenses, building renovation expenses, short-term leases, maintenance/servicing and repair expenses, and all other maintenance costs.

Haulotte identified a number of eligible activities in keeping with a carbon intensity reduction approach. Among these transitional economic activities, the entire electric range developed and sold by the Group contributes to reducing greenhouse gases. The Group also initiated new activities such as "2nd life", including the refurbishment of machines and sale of second-hand equipment to help extend the service life of machines. Furthermore, the "Sherpal" telematics solution ensures increased vigilance with respect to maintenance operations, thereby allowing for better control over greenhouse gas emissions (e.g. filter problems) while also contributing to extending the service life of their machines.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

The Group invests in research, innovation and development so that these activities can substantially contribute to climate change mitigation. The OPEX presented in the table above consist primarily of the amortization of capitalized R&D costs.

This initial evaluation was made based on an analysis of the Group's activities, on the reporting processes and systems in place, and on assumptions made in conjunction with the management. Only material elements were included.

The Group will revise this methodology and resulting figures to reflect regulatory changes, in particular with the publication of delegated acts relating to the other four environmental objectives in 2022.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

INFORMATION COLLECTION PROCESS

Divisions involved:

The non-financial information reporting process is under the responsibility of the Quality and Operational Excellence Division that collects the required data and information from the divisions concerned.

For 2021, the following departments were involved in the process:

- Quality Safety & Environment,
- Human Resources,
- Empowerment,
- Purchasing,
- Risk Management,
- Finance,
- Innovation and R&D,
- IT.

Collection and monitoring of indicators:

The various indicators mentioned in this Non-financial Performance Statement come from internal tracking or information systems maintained by the different Company divisions.

For example, social indicators are produced by the Human Resources Division based on extractions from the personnel and payroll management tool.

Environmental data or data relating to the Purchasing department is monitored via internal tracking files.

Each division is responsible for the data and information transmitted. Consequently, consistency checks are carried out at their level.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

REPORTING PERIOD

The data published covers the period from 1st January 2021 to 31 December 2021.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

Haulotte group SA

Rue Emile Zola
42420 Lorette

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English Speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

In our capacity as Statutory Auditor of Haulotte Group SA (hereinafter the "entity"), appointed as an independent third party and accredited by Cofrac (Cofrac Inspection Accreditation n°3-1060, whose scope is available at www.cofrac.fr), we conducted our work in order to provide a report expressing a limited assurance conclusion on the historical information (observed and extrapolated) of the consolidated non-financial information statement (hereinafter respectively the «Information» and the «Statement»), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for year ended on the 31st of December 2021, included in the management report pursuant to the legal and regulatory provisions of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

Conclusion

Based on the procedures performed, as described in the « Nature and scope of our work » section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the consolidated non-financial information statement is not compliant with the applicable regulatory provisions and that the Information, taken as a whole, are not presented fairly in accordance with the Guidelines.

Comments

Without qualifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comment: key performance indicators relating to waste recycling rate, amount of waste per metric ton of machine and weight of CO2 per metric ton of machine only cover a limited scope of 14% of the group.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to evaluate and measure the Information permits the use of different, but acceptable, measurement techniques that may affect comparability between entities and through time.

Consequently, the Information needs to be read and understood with reference to the Guidelines, significant elements of which are available upon request from the entity's headquarters.

Inherent Limitations in Preparing the Information

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Certain Information are sensitive to the methodological choices, assumptions and/or estimates used to prepare the Information presented in the Statement.

The entity's responsibility

The Board of Directors is responsible for

- selecting or establishing suitable criteria for preparing the Information;
- the preparation of the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of those policies, including key performance indicators and if applicable the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's Guidelines as mentioned above.

Responsibility of the Statutory Auditor, appointed as an independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225-105 I, 3 and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable regulations.

Regulatory provisions and professional standards applicable

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code and with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, as well as with ISAE 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information.

Independence and quality control

Our independence is defined by the provisions of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of statutory auditors. In addition, we have implemented a system of quality control including documented policies and procedures to ensure the compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

Means and resources

Our work was carried out by a team of 5 people between November 2021 and April 2022 and took a total of 3 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 22 interviews with people responsible for preparing the Statement, representing among Administration and Finance, Compliance, Human Resources, Health and Safety, Environment and Purchasing departments

Nature and scope of our work

We planned and performed our work considering the risk of material misstatement of the Information.

We consider that the procedures we performed were based on our professional judgment and allowed us to provide a limited level of assurance conclusion:

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

- we obtained an understanding of all the consolidated entities' activities, the description of the social and environmental risks associated with their activities;
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III, as well as information regarding compliance with human rights and anti-corruption and tax evasion legislation;
- we verified that the Statement presents information set out in article L. 225-105-1 II where relevant to the principal risks and includes an explanation for the absence of the information required under article L. 225-102-1 III, 2;
- we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships and products or services, as well as their policies, measures and the outcomes, including key performance indicators related to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assessed the process used to identify and confirm the principal risks and the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the appendix. Our work was performed at the consolidation entity level and, for some risks (fight against climate change, environmental impact of our activities, talent attraction and retention, diversity and disability), work has also been carried out in selected entities, namely: l'Homme, le Creusot, Reims, H3, Argès;
- we verified that the Statement covers the scope of consolidation, i.e., all the companies included in the scope of consolidation in accordance with article L. 233-16, within the limitations set out in the Statement;
- we asked what internal control and risk management procedures the entity has put in place and assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in the appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - substantive tests, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of consolidated entities (l'Homme, le Creusot, Reims, H2, Argès) which cover between 42% and 100% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

The procedures performed in a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidance of the French Institute of Statutory Auditors ("CNCC"); a higher level of assurance would have required us to carry out more extensive procedures.

Lyon, the 29th of April, 2022

One of the Statutory Auditors PricewaterhouseCoopers Audit

Matthieu Moussy
Partner

Pascal Baranger
Sustainable Development Director

NON-FINANCIAL PERFORMANCE STATEMENT

2021 REPORT

