2022 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

MANITOU GROUP

UNIVERSAL REGISTRATION DOCUMENT SUBMITTED TO THE AMF

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

This universal registration document was submitted on Friday, April 21, 2023 to the AMF in its capacity as competent authority pursuant to Regulation (EU) no. 2017/1129, without prior approval in accordance with Article 9 of said regulation.

The universal registration document may be used for the purposes of offering financial securities to the public or admitting financial securities for trading on a regulated market, if it is accompanied by an offering notice and, as applicable, a summary and all amendments made to the universal registration document. The whole set of documents is then approved by the AMF in accordance with Regulation (EU) no. 2017/1129.

This document is a reproduction of the official version of the universal registration document incorporating the annual 2022 financial report, which was prepared in ESEF (European Single Electronic Format) and filed with the AMF. It is available on the Company's website and that of the AMF.

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EDITORIAL

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

In 2022, one crisis follows another. After the pandemic, which persists in certain geographical areas, the conflict in Ukraine has had a major impact on our business, with a drastic increase in the price of raw materials and energy, accompanied by very debilitating supply disruptions. This increase in costs has impacted the pace of our growth and has unfortunately led us to revise our operating margin forecast downwards from 4.5% to 3.5% at the end of 2022.

However, our order intake has been very good all year. As further evidence of our customers' confidence in our products, we ended the year with an order book of €3.5 billion. Our growth for 2022 remains very strong due to the increase in volumes and in an inflationary context that should continue in 2023.

We proceeded with a €375 million refinancing in the middle of the year to support the group's growth, accelerate our low carbon trajectory and promote the digitalization of our company. To support our capacity growth, we have continued to carry out major expansion work on our production facilities at all our French and foreign sites. Our two U.S. plants are currently undergoing a transformation to increase our production capacity.

Our Board of Directors has approved four acquisitions in 2022 to better serve our clients and to add new skills. The Board of Directors and I continue to monitor the Group's CSR issues as closely as possible, in particular through the Board's CSR Committee.

I would like to sincerely thank the 5,000 men and women of Manitou Group who have worked tirelessly to meet the high demand and who have been able to adapt on a daily basis to cope with supply difficulties.

In 2022, on behalf of our Board of Directors, I would like to acknowledge the continued efforts of the President & CEO and the Executive Committee who are demonstrating great agility in a difficult and still uncertain economic environment.

Furthermore, for the sake of ensuring the stability of Manitou Group governance, the Board of Directors proposed renewing all board member terms of office for a period of four years in order to continue a long-term policy and support Manitou Group with the expertise acquired by the members of the Board of Directors. With this in mind, and according to the General Meeting decision of May 2023, I would be honored to continue my commitment as Chair of the Board of Directors for the duration of my future term of office.

I would like to thank our shareholders, who put their trust in us, and I reassure them of my total dedication.

Jacqueline Himsworth

Chairman of the Board of Directors

MESSAGE FROM THE PRESIDENT & CEO

VISION AND STRATEGIC PRIORITIES

Production at a record level

2022 followed on from 2021 with continued growth in all our geographical areas. Our order intake reflects this situation with an order book of more than €3.5 billion at the end of 2022, a historic record for our group, after 2021's record. This very strong momentum is the result of the efforts of all Manitou Group teams and the commercial success of the group's entire dealer network, present in more than 130 countries. However, this growth is still disrupted by raw material prices that are still higher than their pre-Covid levels, in a context of global inflation and a supply chain that is being challenged in all industries. In view of these factors, we have sometimes been forced to postpone our rate increases. Nevertheless, we ended the year with record production for the group, on all sites, proof of continuing strong demand.

A long-term vision

To continue to transform our group, and in line with our New Horizons 2025 roadmap, we have continued to invest in our production sites. Our Ancenis plant has seen its storage capacity increase, and a new shipping dock has been built to facilitate the management of our carriers' flows. Changes have also been made at our other French sites. In 2022, we announced a significant €70 million investment plan for our production sites in the United States in order to modernize our industrial tools and increase our production capacity in a market with strong potential for the group.

These long-term investments are also reflected in several acquisitions in Finland and Italy to strengthen the proximity and service to our customers in these regions. More recently, we acquired a majority stake in a French company specializing in battery assembly, in order to acquire key skills to accelerate our energy transition.

Diversification of our ranges

Our product development has been particularly consistent in 2022 with launches across all our ranges:

- a new line of articulated loaders manufactured in the United States;
- the launch of our ultra compact telehandler produced in Laillé (35);
- the launch of our new agricultural telehandler, NewAg XL, designed in Ancenis (44);
- the renewal of our range of medium height telehandlers for the construction industry with four new models manufactured in Ancenis;
- the launch of seven new electric products, including :
    - Four platforms manufactured in our factories in Candé (49),
    - two new models of rotating telehandlers manufactured in Italy,
    - the commercial launch of our first 100% electric telehandler manufactured in Laillé.

These launches have already been a great success with our customers and reward the strong involvement of all our teams at all our sites, where the pace has been very sustained.

In parallel with an electric offer that is being structured on numerous product ranges, we are continuing to make progress on reducing our emissions with a real R&D approach to hydrogen. At the end of the year, we presented the world's first prototype of a telehandler using a fuel cell.

Validation of our low carbon trajectory

After announcing our greenhouse gas reduction commitments as part of our 2030 low carbon trajectory, we are proud to have our major objectives validated by the international SBTi initiative:

- Reduction of absolute greenhouse gas emissions in scopes 1 and 2 by 46.2% by 2030 compared to the 2019 reference year. A target in line with a 1.5-degree trajectory;
- reduction of scope 3 greenhouse gas emissions by 33.7% per hour of use for our machines sold by 2030.

These scientific targets pave a clearly defined path for us to reduce our emissions and ensure the sustainability of our low carbon model. In this transformation process, given that 89% of emissions are linked to the use of our products, the group has set itself the target of achieving 43% sales of low-emission machines by 2030.

A promising future

We end fiscal year 2022 with historic record revenue of €2.4 billion, representing overall growth of 26%. I would like to congratulate all of the group's dealers around the world who continue to successfully develop the penetration of our machines and services, and I would also like to salute all of the teams for their total commitment to satisfying our customers' needs.

Our industrial organizations are designed to meet the high demand of our customers in a tense supply chain environment. Given these factors, we are looking forward to 2023 with measured confidence, anticipating a 20% growth in revenue compared to 2022.

Thanks to the deployment of our zero-emission ranges, our digital transformation, and all the innovation we bring to the table every day, we will continue to "set the world in motion." The mobilization of all employees remains our greatest strength in achieving our ambitious goals.

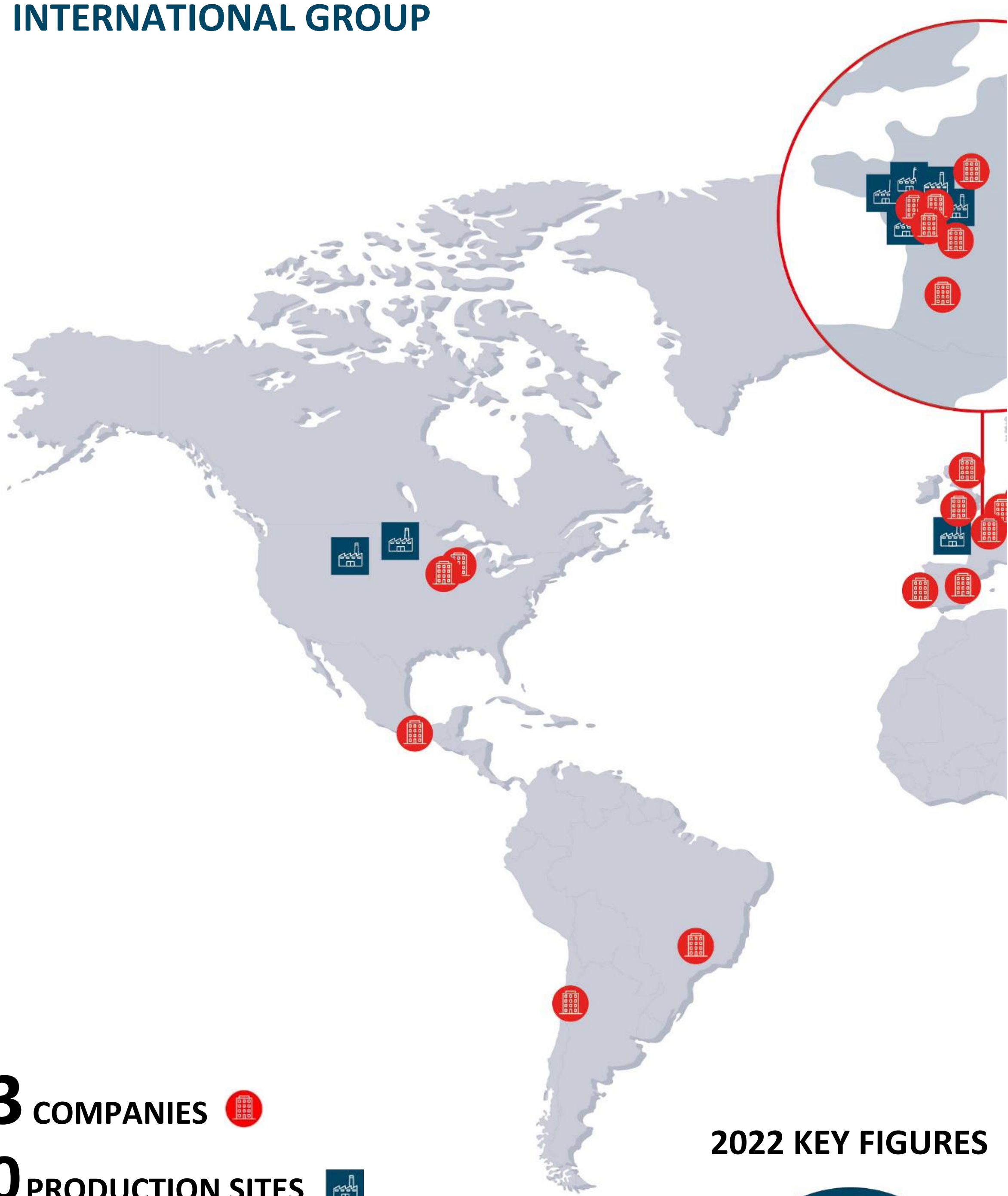
Michel Denis

President & CEO

1. MANITOU GROUP

1.1. GROUP PROFILE

AN INTERNATIONAL GROUP



33 COMPANIES

10 PRODUCTION SITES

2 MAIN BRANDS

2022 KEY FIGURES

€2,362 m

of sales

5,000 employees

worldwide

80% of sales outside of France

3.6% in recurring operating income

€129.7 m* EBITDA

€105 m in investments

€213 m* net debt

65% of capital held by the founding families

* Excluding lease commitment.

1.2. HISTORY AND HIGHLIGHTS

GROUP HISTORY

1945
Creation of the Ets BRAUD Mécanique Générale by Andrée Braud, a construction and public works company.

1953
Association Braud et Faucheux.

1958
Creation of the first rough-terrain forklift based on the idea of Marcel Braud.

1993
- Launch of the first MRT rotating telehandlers and aerial work platforms.
- Acquisition of Loc Manutention.

1995
Launch of the first truck-mounted forklifts.

2008
Acquisition of the American Gehl Company, specialized in agricultural equipment since 1859.

2010
Gehl and Mustang articulated loaders launched.

SIGNIFICANT EVENTS IN 2022

JANUARY
Announcement of the 2030 low carbon trajectory with two major objectives: 46.2% reduction in direct and indirect carbon emissions. 33.7% reduction in CO_2 emissions of machines per hour of use.

Launch of a new Manitou ULM/Gehl GCT ultra-compact telehandler model.


ULM telehandler

FEBRUARY
Announcement of a €70 million investment plan allocated to the production sites in Yankton and Madison (South Dakota).

MARCH
Official inauguration of the new factory in Candé (49) dedicated to the articulated and rough-terrain articulated and telescoping aerial work platforms, from which the 100% electric models are produced.

Implementation of a group-wide gender equality index.

APRIL
Acquisition of the Finnish distributor Lifttek.

MAY
Launch of a distribution network for the Gehl brand in France.

JUNE
Inauguration of the new premises of the German subsidiary Manitou Deutschland in Friedrichsdorf.

JULY
Broadcast of the second annual "On the Way Up" issue, dedicated to the Manitou Group CSR roadmap.

Validation of the group's low carbon trajectory by the internationally recognized Science-Based Target initiative (SBTi).

Signing of a new credit agreement of almost €375 million.

SEPTEMBER
Acquisition of the intellectual property of the French company ATN Platforms (47), specialized in the design of vertical aerial work platforms.

OCTOBER
Manitou Group named to Forbes International Best Employers list.

Launch of four new 100% electric aerial work platform models.

Launch of the first 100% electric MT 625e telehandler, as well as the MRT 2260e and MRT 2660e electric rotating models.

Launch of a new range of compact medium height telehandlers.


MRT 2260e


MT 625e

1959
Launch of the Manitou brand (in French "*manie tout*" - handles everything).

1963
Creation of the Manitou department at Braud and Faucheux.

1972
Beginning of internationalization with the opening of the first subsidiary in the United Kingdom.

1981
Launch of the first telehandlers in Ancenis.

1984
Entry to the Secondary Stock Market in Paris.

1985
Creation of the first US subsidiary "K-D Manitou" in Waco, Texas.

1986
Acquisition of stake in FARGH, which will become MCI, the Italian subsidiary.

2017
Acquisition of the company Terex Equipment India.

2018
- Celebration of 60 years since the first Manitou forklift.
- Introduction of the world's first electric telehandler prototype.

2022
Launch of the first Manitou telehandler.

Introduction of the world's first hydrogen prototype powered telehandler.

NOVEMBER

Extension of the agricultural range of telehandlers with the new model MLT 850 NewAg XL.

Announcement of the acquisition of the Italian company GI.ERRE, specialized in the service and maintenance of Manitou machines.

DECEMBER

Announcement of the acquisition of a majority stake in the French company easyLi (86), which specializes in the design and production of lithium-ion batteries.

Presentation of the world's first hydrogen prototype fuel cell telehandler.

Hydrogen-powered telehandler

Portrait of Mr. Marcel Braud

In 1953, Marcel Braud joined the family business Braud and Faucheux, alongside his mother, Andrée Braud. The family business manufactured concrete, cranes, and concrete block presses.

Then in 1958 as a workshop leader, he had the idea of diversifying the company's activity by "inverting" the classic use of a tractor to make it an rough-terrain forklift. He would make the company's success and give it global reach.

Marcel Braud would go on to hold various positions, from workshop manager to head of procurement, before taking on the position of Chairman and Chief Executive Officer of Manitou BF from 1971 to 1998. He would then become Chairman of the Supervisory Board, then of the Board of Directors until 2017.

Today, Marcel Braud is the Honorary President and Founder of the Manitou.

1.2.1. GROUP GOVERNANCE

The group relies on its strong corporate governance structure led by the Board of Directors, comprised of 12 members, four of whom are independent members, and two employee representatives, as well as by the Executive Committee, which is comprised of six members, one of whom is the Chief Executive Officer.

The primary mission of this corporate governance structure is to define and implement the group's strategy.

For more information, see chapter 5 "Corporate Governance."

COMPOSITION OF THE BOARD OF DIRECTORS

1 **Jacqueline Himsworth** – Chairman of the Board of Directors

2 **Sébastien Braud** – Board member

3 **Dominique Himsworth** – Board member

4 **Michel Trotter** – Employee Board member

5 **Émilie Braud** – Board member

6 **Pierre-Henri Ricaud** – Independent Board member

7 **Christopher Himsworth** – Board member

8 **Marcel-Claude Braud** – Board member

9 **Alexandra Matzneff** – Independent member

10 **Cécile Helme-Guizon** – Independent member

11 **Dominique Bamas** – Independent member

12 **Pascal Raoult** – Employee Board member

COMPOSITION OF THE EXECUTIVE COMMITTEE

1 **Michel Denis** – President & CEO

2 **Hervé Rochet** – Corporate Secretary – CFO

3 **Elisabeth Ausimour** – President, Product Division

4 **Maxime Deroch** – President, Services & Solutions division

5 **Laurent Bonnaure** – Executive Vice President, Sales & Marketing

6 **Christine Prat** – Executive Vice President, Human Resources

1.3. PRESENTATION OF ACTIVITIES AND MARKETS

1.3.1. THE GROUP'S ACTIVITIES

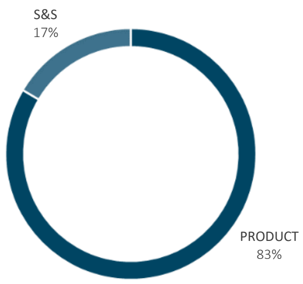
As a world reference in the handling, aerial work platforms, and earth moving equipment, Manitou Group's mission is to improve working conditions, safety, and performance around the world, while protecting people and their environment.

Through its flagship brands – Manitou and Gehl – the group designs, produces, distributes and services equipment for construction, agriculture and industry.

Since January 1, 2021, the group's organization has been based on two divisions around which the operating activities are structured: the Product division and the Services & Solutions division.

The distribution of the group's range of products and services is led by the sales and marketing division, which both develops the network of 900 dealerships and builds direct relationships with key accounts (international groups and rental companies). The group is active in 140 countries.

NET SALES BY DIVISION AS OF DECEMBER 31, 2022



PRODUCT DIVISION

The Product division designs, manufactures, and distributes material handling, access, and earthmoving equipment for construction, agriculture and industrial markets (environment, defense, mines and quarries, etc.). It boosts group development through the quality, appeal, and competitiveness of its products, thus pursuing the historic tradition. The product ranges cover rough-terrain fixed, rotating, and heavy-duty telehandlers, rough-terrain, semi-industrial, and industrial forklift trucks, wheeled or tracked skid-steer loaders, articulated loaders, backhoe loaders, aerial work platforms, truck-mounted forklifts, as well as warehousing equipment and attachments. The division develops and manufactures all of its machines at sites in Ancenis, Candé, Laillé and Beaupréau (France), Castelfranco (Italy), Yankton and Madison (United States), and Greater Noida (India).

FIXED TELEHANDLERS

With a lifting height between 4 and 18 meters ans a loading capacity up to 6 tons, the fixed telehandlers are used in both the construction and agricultural sectors, and the utilization rate of the telehandler may be up to 1,500 hours per year. A wide variety of attachments (bucket, jib, winch, cup, clamps, etc.) make the telehandlers very versatile. As part of the deployment of the Oxygen label dedicated to low-emission machines, the group offers 100% electric compact fixed telehandlers as well as 100% electric and hybrid rotating telehandlers.

HEAVY DUTY TELEHANDLERS

The heavy duty rough-terrain equipment offers specialized handling solutions for the environmental, mining, and industrial sectors, as well as to institutional customers such as the armed forces and organizations such as the UN, civil protection bodies, etc. When equipped with attachments such as tire clamps or cylinder clamps, these machines handle the maintenance of bulky, heavy equipment. The highest-performing equipment can lift loads of over 33 tons to a height of up to 12 meters.

ROTATING TELEHANDLERS

The rotating telehandlers make it simple to lift loads or personnel to heights ranging from 16 to 35 meters with a load capacity of up to 7 tons. These characteristics give these telehandlers with the largest lifting capacity in the world. The very large range of available attachments and the 360 degree rotation make these machines very versatile for any work site, including civil engineering works.

AERIAL WORK PLATFORMS

The platforms designed and marketed by the group include articulated, telescopic, and vertical platforms. They are adapted to a working height of between 8 and 28 meters depending on the model.

The engines of the platforms are primarily combustion engines for rough-terrain outdoor uses or electric engines for interior industrial applications. In 2019, Manitou launched the Oxygen label to classify low-pollution products. The first machine of this label is an all-terrain zero-emission 20 meter-high aerial work platform, followed by three 16 meter and 18 meter models in 2022.

The platforms are primarily marketed through independent regional, national, or international rental companies, which makes this a cyclical business.

ROUGH-TERRAIN FORKLIFT TRUCKS

Sturdy and simple to use, the rough-terrain forklift trucks are the ideal product for outdoor applications where stability and maneuverability are essential. With a load capacity ranging from 1.8 to 7 tons, they carry heavy and bulky loads and are designed to work on all the land, even the most rugged.

INDUSTRIAL AND SEMI-INDUSTRIAL FORKLIFT TRUCKS

The forklift trucks are designed for industrial handling applications. Several ranges are offered to meet various user needs: semi-industrial forklift trucks, combustion forklift trucks, and electric forklift trucks.

TRUCK-MOUNTED FORKLIFTS

The truck-mounted forklifts are compact forklifts that use telescopic booms or masts and are intended to meet the handling needs of carriers. The days of waiting for a forklift truck to become available for unloading are over. A forklift mounted directly on the truck gives the carrier total autonomy and provides a complete handling service.

WAREHOUSING EQUIPMENT

Warehousing equipment is distributed under the Loc and Manitou brand names and is designed for warehouse handling activities. Numerous adaptations allow the equipment to be used for specific purposes.

SKID-STEERS

Skid-steers are compact handling machines that are both highly agile and versatile and can pivot 360°. Their small size means they can be used in cramped environments. Simple and robust, these machines can be equipped with multiple attachments for a wide range of applications. Skid-steers are primarily intended for the construction and agricultural sectors, and to a lesser extent, the industrial sector.

ARTICULATED LOADERS

Articulated loaders are compact and versatile machines of small, medium, or high capacity designed to conduct handling operations in tight spaces.

TRACK LOADERS

The track loaders are designed with tracks, which make them particularly agile on loose surfaces. This type of equipment is mainly used for construction and agriculture.

BACKHOE LOADERS

In 2017, the group added to its offering with a range of backhoe loaders produced by its production site located in India. This range is primarily aimed at the Asian markets and is suitable for the construction industry in these countries.

SERVICES & SOLUTIONS DIVISION

The S&S division, Services & Solutions, seeks to develop offerings that meet the expectations of its users. In addition to the products and their performance, Manitou Group supports its customers with a range of value-added services: technical training for the network and major accounts, new or refurbished spare parts, after-sales service, machine connectivity, financing solutions, maintenance contracts, warranty extension contracts, rent-to-rent leases, full service contracts, recovery, repair, and resale of used equipment. Developed in partnership with its dealers and large accounts, these services provide support to customers throughout the life cycle of the machine and help them differentiate themselves by promoting proximity, collaboration, and long-term loyalty.

SPARE PARTS

All new spare parts for the maintenance and repair of machines are available for order through various digital tools. Manitou Group is also a committed player in the circular economy and sells a standard alternative replacement parts solution.

Five main platforms for storage and shipping are based in France, the United States, Italy, India, and Singapore to ensure delivery of parts to its customers within the shortest possible time frame. For regions that are farther away, some of the group's distribution subsidiaries are also equipped with logistics platforms for improved responsiveness.

ATTACHMENTS

A wide range of traditional or customized attachments is offered to make the machines versatile, which represents an essential advantage for customers. The group offers them solutions when purchasing the machine or during its life cycle through the S&S division and its spare parts business.

In order to better serve customers and strengthen the expertise acquired in attachments, in 2021, the group created a unique brand called "Manitou Group Attachments" to equip all the group's machines.

FINANCING SOLUTIONS

End customers are offered a complete range of solutions incorporating financing and services (extensions of warranty/maintenance/connected services). Stock financing solutions for the Manitou network are also available in certain countries to give customers a simple solution to ensure that cash flow problems are not an obstacle to sales development.

FLEET MANAGEMENT

In order to respond to the operational needs of its key accounts, the S&S division offers direct management of the maintenance of industrial forklift trucks and other leased equipment (including a short or long-term full-service contract). Customers can focus on their core business by delegating their fleet management to Manitou Group.

CONNECTED MACHINES

Most of the equipment is connected in standard to improve the service rendered and provide the end customers real-time information on their machine. Simplifying day-to-day operations and limiting downtime is facilitated by the providing collaborative tools developed by the group to optimize customer experience and satisfaction throughout the life cycle.

WARRANTY EXTENSIONS / MAINTENANCE CONTRACTS

To enable its customers to focus on their core business without worrying about the indirect maintenance costs, maintenance and extended warranty contracts are offered for up to 6 years/6,000 hours.

TRAINING

A range of training for the dealers, maintenance technicians, and end customers is available in order to ensure that the quality of the service and maintenance is consistent around the world. This training is given in the production entities in France or the United States as well as locally in certain subsidiaries in order to be able to provide timely training in evolutions of the handling solutions. Video tutorials are also made available for distance learning.

SECOND-HAND EQUIPMENT

Second-hand equipment for dealers and end customers is also available. The division has a platform dedicated to reconditioning and refurbishment as well as a market place for this activity: used.manitou.com.

1.3.2. SALES REGIONS AND MARKETS

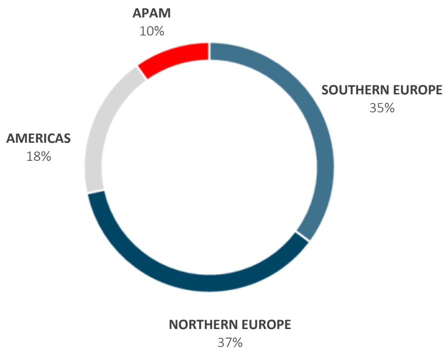
SALES REGIONS

The distribution of the group’s full range of products and services is led by the sales and marketing division (S&M), which both develops the network of business partners (dealers) and builds direct relationships with key accounts (international groups and rental companies). The group is active in 140 countries.

These sales and marketing teams are divided into four geographical regions:

- the Northern Europe region represented 37% of the group's revenue in 2022. The primary countries in this region are the United Kingdom, Germany, and Belgium;
- the Southern Europe region represented 35% of the group's revenue in 2022. France, Italy, and Spain are the main countries in the region;
- the Americas region represented 18% of the group's revenue in 2022. The United States is the main contributor;
- the APAM region (Asia, Pacific, Africa, Middle East), where the significant countries are Australia, South Africa, and India, represented 10% of the group's revenue in 2022.

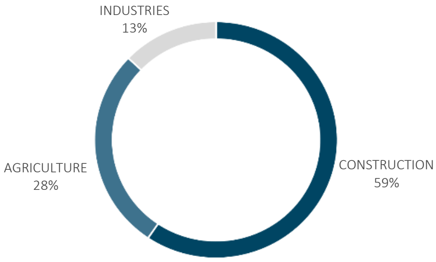
NET SALES BY GEOGRAPHIC REGION



THE MARKETS

In response to users’ needs, Manitou Group developed a range of products to meet the requirements of markets as diverse as agriculture, construction, or industries. The group regularly conducts customer satisfaction surveys in all geographic areas to provide optimal service adapted to each type of user.

NET SALES BY MARKET

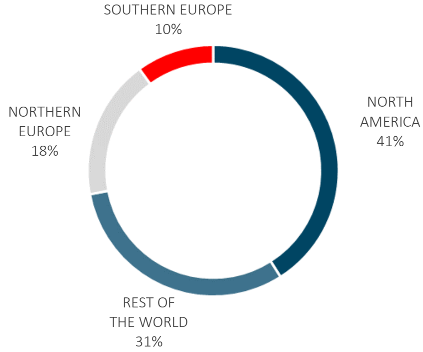


1.3.3. ADDRESSABLE MARKETS AND COMPETITIVE POSITION

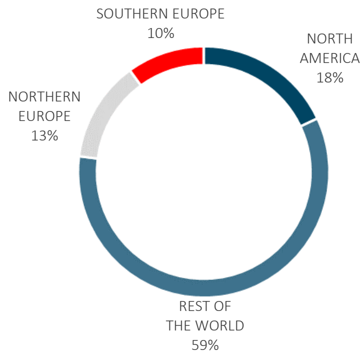
ADDRESSABLE MARKETS IN 2022

The markets on which the group's machines may potentially be sold are estimated at €53 billion. The breakdown by geographic region and product range is as follows:

ADDRESSABLE MARKET BY REGION FOR ROUGH TERRAIN HANDLING



ADDRESSABLE MARKET BY REGION FOR INDUSTRIAL HANDLING



ROUGH-TERRAIN HANDLING ADDRESSABLE MARKET BY PRODUCT RANGE

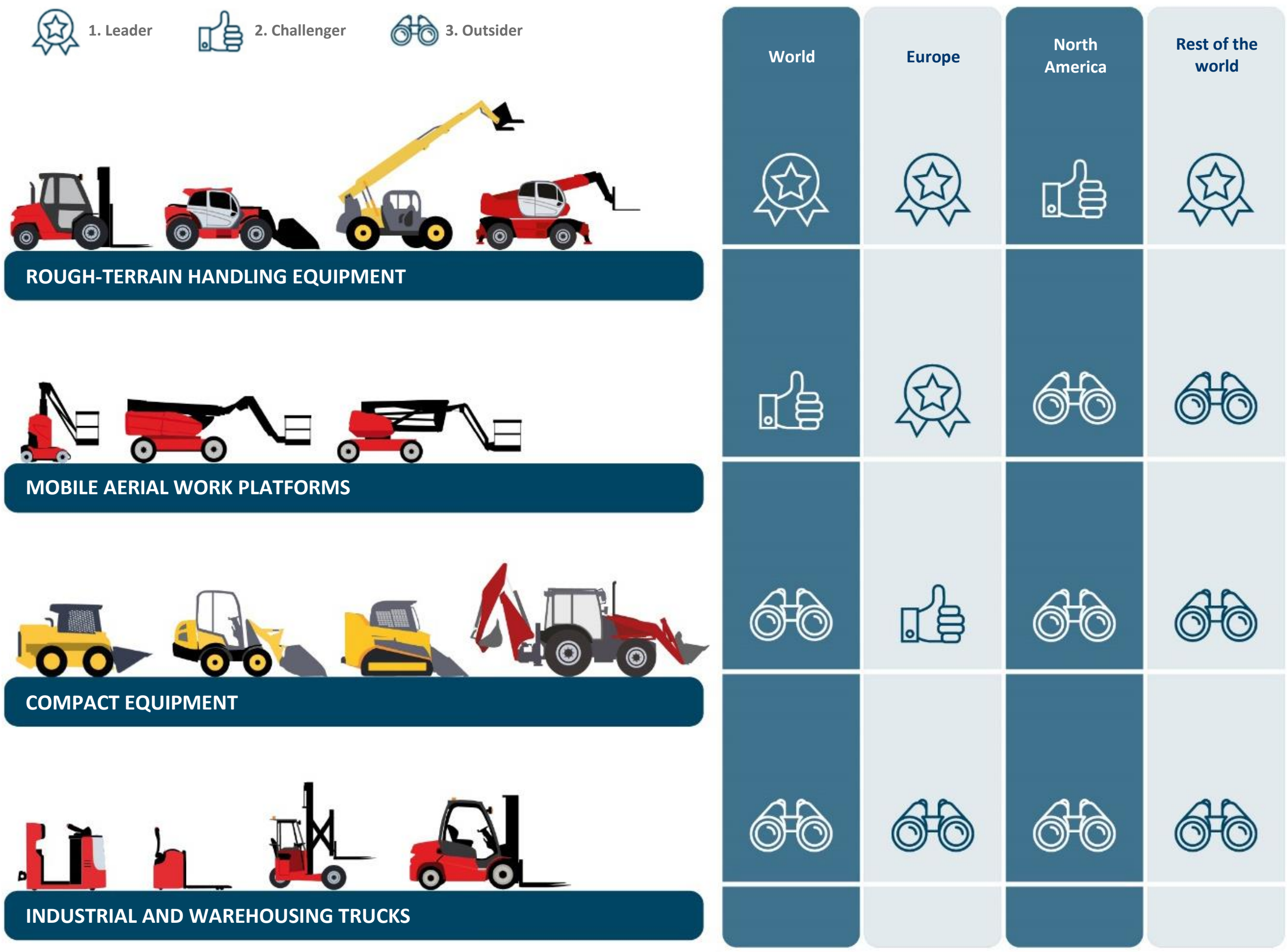
	Products	€BN	%
1	Telehandlers	4.7	25
1	Aerial work platforms	4.9	25
1	Rough-terrain forklift trucks	0.2	1
	Compact track loaders	3.9	20
	Backhoe loaders	1.9	10
	Compact skid-steer loaders	1.3	7
	Compact loaders	2.0	10
	Truck-mounted forklifts	0.4	2
	TOTAL	19.3	100

1. Leader

INDUSTRIAL HANDLING ADDRESSABLE MARKET BY PRODUCT RANGE

Products	€BN	%
Internal combustion forklift trucks	16.9	50
Electric warehousing trucks	9.0	27
Electric forklift trucks	7.7	23
TOTAL	33.6	100

MANITOU GROUP'S POSITION IN 2022



COMPETITIVE POSITION OF THE GROUP

For the Product division, the main competitors are as follows:

CONSTRUCTION AND AGRICULTURE MARKETS

Name	Nationality	Listed/ unlisted
Ausa	Spain	Unlisted
Bobcat (Doosan Group)	South Korea	Listed
Caterpillar	United States of America	Listed
Claas	Germany	Unlisted
CNH Industrial	United States of America	Listed
Dieci	Italy	Unlisted
Dingli	China	Listed
Genie (Terex Group)	United States of America	Listed
Haulotte	France	Listed
JCB	United Kingdom	Unlisted
JLG (Oshkosh Group)	United States of America	Listed
John Deere	United States of America	Listed
LGMG	China	Listed
Magni	Italy	Unlisted
Merlo	Italy	Unlisted
Sany	China	Listed
XCMG	China	Listed
Zoomlion	China	Listed

INDUSTRIAL MARKET

Name	Nationality	Listed/ unlisted
Kion	Germany	Listed
Jungheinrich	Germany	Listed
Nacco	United States of America	Listed
Toyota	Japan	Listed

1.4. STRATEGY AND BUSINESS MODEL

1.4.1. VISION AND STRATEGIC PRIORITIES (NEW HORIZONS 2025)

VISION

Manitou Group sees human life and the environment as capital to be preserved and developed. It contributes to this through its engaged brands by designing safe and efficient solutions while limiting their environmental impact. The objective is to make the life of its customers simple and safe.

MISSION

Manitou Group's mission is to improve working conditions, safety, and performance around the world, while protecting people and their environment.

ACTIONS

Through our two iconic brands – Manitou and Gehl – Manitou Group develops, manufactures, and distributes equipment and services for handling, aerial work platforms, and earthmoving businesses. Through innovation, the group continuously strives to bring value to its customers. Manitou Group is committed to inspiring and cultivating the passion of the men and women of the group. The group makes every effort to "elevate" its talented employees to promote their personal and professional development.

CHALLENGES

Manitou Group builds its strategy based on very strong CSR objectives that are aligned with the recommendations of the United Nations. In place for more than 10 years, this approach aims to build a responsible and sustainable industry with all its stakeholders, while putting in place an ambitious and realistic low carbon trajectory. *(Manitou Group's detailed CSR approach is presented in Chapter 3)*

STRATEGIC PRIORITIES

The strategic priorities of the 2025 plan are based around four areas:

1. EXCEED CUSTOMERS EXPECTATIONS WITH VALUE-ADDED SERVICES

- Moving from the "sales of machinery" to "customer proximity".
- Supporting the customer with a range of services, parts, and attachments throughout the life of the machine.
- Offering attractive offers to customers around the world.
- Ensuring safety and offering a unique customer experience.

2. DRIVE THE GREEN TRANSITION FOR A SUSTAINABLE BUSINESS MODEL

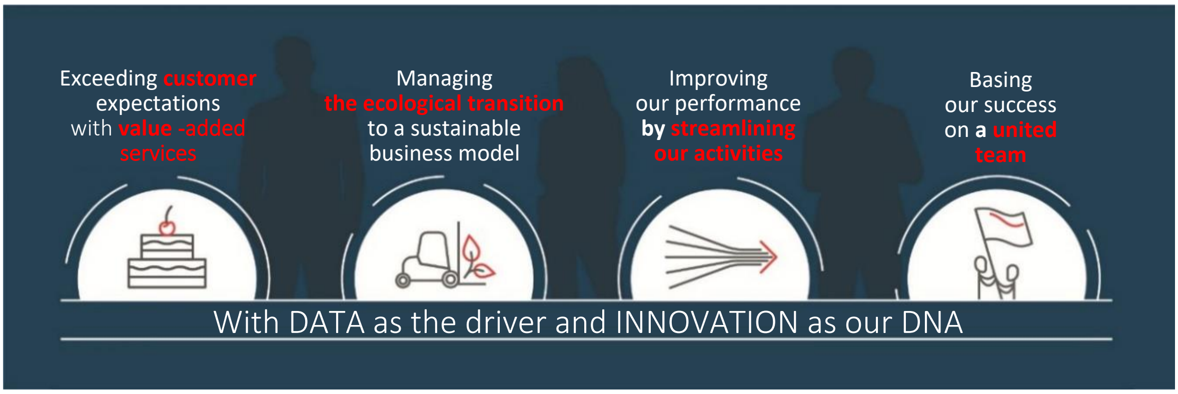
- Innovating with low carbon products and services.
- Measuring and reducing our direct and indirect emissions.
- Providing sustainable products with the best TCO in their category.
- Engaging our teams and stakeholders on a shared sustainable path.

3. BOOST PERFORMANCE WITH STREAMLINED OPERATIONS

- Developing scalability of product ranges and standardization of components.
- Improving operational performance.
- Strengthening industrial agility within the group.

4. BUILD OUR SUCCESS ON ONE UNITED TEAM

- Sharing the same mission and values: commitment, reliability, passion.
- Promoting autonomy and agility.
- Improving safety and working conditions.
- Developing talent through diversity and equal opportunities.



STRENGTHS & RESOURCES

HUMAN CAPITAL

5,009 employees

79.4% permanent contracts

75 % engagement rate

INTELLECTUAL CAPITAL

6 R&D centers in France and 4 internationally

400 employees in R&D

197 patents held

2 emblematic brands

FINANCIAL CAPITAL

Shareholders' equity of €792 million

Net debt of €213 m

Stable shareholding structure: 65% of the capital held by the founding families

INDUSTRIAL CAPITAL

Global presence with 33 companies in 24 countries

10 production sites

1 battery assembly site

8 logistics centers

ENVIRONMENTAL CAPITAL

- **Supply:** metals, elastomers, oils
- Creation of a Responsible Purchasing position
- **Production*:** energy (2,508 Kwh/machine -13% vs. 2021); water (2.4m^3/machine +20% vs. 2021); greenhouse gases (686.5 kgCO_2 eq/machine -13% vs. 2021 scopes 1 & 2)
- **Use:** 80% of environmental impacts related to the use and maintenance of products according to a multi-criteria life cycle analysis Creation of an ACV expert position
- "**End of life**": 90%+ recyclability rate for machines
- Creation of an eco-design manager position

ECONOMIC MODEL

MISSION

Improving working conditions, safety, and performance around the world, while protecting people and their environment

STRATEGIC PRIORITIES

Exceeding customer expectations with value-added services, managing the ecological transition to a sustainable business model, improving our performance by streamlining our activities, basing our success on a united team

BUSINESS LINES

Design, production, distribution, services

OFFER

Handling, access platforms, earth moving

MARKETS

Construction, agriculture, industries

DISTRIBUTION CHANNELS

900 dealers in 140 countries, 22 Manitou Centers, Key Accounts

END CUSTOMERS/USERS

More than 500,000 end users, for a usage time of between 500 and 3,000 hours a year

[1] The United Nations have defined 17 Sustainable Development Goals. Manitou Group's strategy is based on 11 of these goals.
* Carriage equivalent: definition on page 3.
** For 77% of the workforce.
*** Employees and temporary staff.

2022 DEVELOPMENTS

HUMAN CAPITAL

1,004 new recruits with open-ended contracts

16 hours training on average***

Employee accident frequency rate of 18.54% and severity rate of 0.31%***

722 hours of skills-based sponsorship offered

INTELLECTUAL CAPITAL

22 patents filed, including 8 in the field of energy transition

FINANCIAL CAPITAL

Revenue: 26% growth in activity

Recurring operating income: +€84.6 m

Dividend paid per share: €0.80

Group portion of net income per share as of December 31, 2022: €1.43

INDUSTRIAL CAPITAL

€105 m in investments

Expansion and adaptation projects at production sites

ENVIRONMENTAL CAPITAL

- **Supply**

49.8% of suppliers audited and CSR certified
Implementation of the supplier evaluation with Ecovadis

- **Production**

Management of the composite indicator of the Manitou Environmental Footprint (MEF) at production sites

- **Use**

Validation of the low carbon trajectory by SBTi scopes 1, 2 & 3 by 2030 (-46.2% scopes 1 & 2 and -34% scope 3 per hour of machine use)

- **End of life**

Launch of the study on the recyclability of +20% of second-hand machine sales

VALUE CREATION SHARED WITH STAKEHOLDERS

NET SALES
2022:
€2,362 m

SUPPLIERS
(RAW MATERIAL PURCHASING):
€1,624 m

EMPLOYEES
(COMPENSATION IN 2022):
€360 m

GOVERNMENTS
(CORPORATE TAX IN 2022):
€25 m

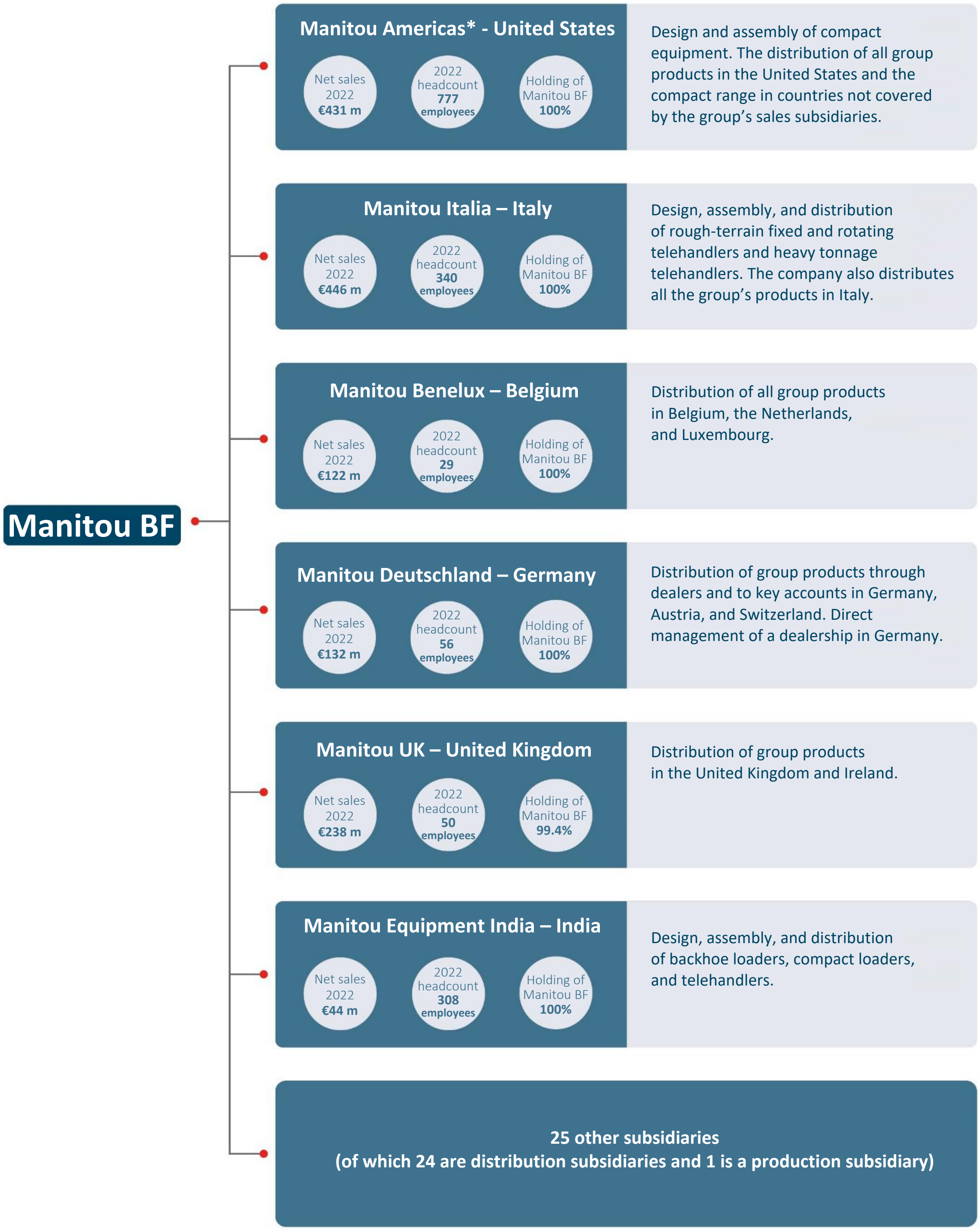
SHAREHOLDERS
(DIVIDENDS PAID IN 2022):
€31 m

SUSTAINABLE DEVELOPMENT GOALS (1)

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

1.5. SIMPLIFIED ORGANIZATIONAL CHART

The simplified organizational chart below shows the structure of the general legal organization of Manitou Group and the key figures of its main subsidiaries. Manitou BF directly or indirectly owns the companies comprising the group and coordinates the group's primary functions and activities. It designs and assembles equipment for the Product division and has a logistics center for Services & Solutions activities. It distributes all of the group's products and services for France and for the regions not covered by the group's other subsidiaries. In 2022, Manitou BF's revenue amounted to €1,625 million with 2,717 employees.



** Manitou Americas includes Manitou Equipment America & Manitou North America*

The detailed list of subsidiaries is available in Note 19 of the consolidated financial statements.

2. 2022 ACTIVITY & FINANCIAL RESULTS

The group's consolidated financial statements are drawn up in accordance with the IFRS published by the International Accounting Standards Board (IASB) and as approved by the European Union. The accounting principles are explained in detail in the notes to the consolidated financial statements.

Segment information is disclosed on the basis of the group's operational structure, with two divisions:

- the Product Division
- the Services & Solutions division (S&S).

The consolidated financial statements for fiscal year 2022 were closed by the Board of Directors on March 2, 2023. The consolidated financial statements were audited and certified by the statutory auditors.

2.1. 2022 KEY FIGURES

Net sales	Recurring operating income	Net income attributable to the equity holders of the parent	Net debt	Order Intake
€2,362 m	**€85 m** 3.6% margin	**€55 m** or a NEPS*of €1.43	**€213 m**	**€2,500 m**
+26% ↑	-32% ↓	-37% ↓	+1,6X EBITDA ↑	-31% ↓
Record net sales	**Operating income impacted by inflation**	**Decline in income from operations due to lower operating margin**	**Net debt** of €213 m Gearing** of 27%**	**Order intake still high after a record year in 2021**

** Net earnings per share*
***Excluding lease commitment*

2.2. SIGNIFICANT EVENTS

INFLATION

In an environment of accelerating inflation, the group is affected by increases in its energy and raw material costs. These increases thus reduced the group's profitability in 2022.

In order to compensate for this inflation, the group has implemented a policy of increasing its selling prices country by country.

Since Q1, it has also integrated sales price adjustment mechanisms at delivery. These mechanisms will influence the valuation of the machinery order book carried forward and valued, historically, at the price on the day of the order.

Given the size of the order book, these increases will gradually offset inflation in raw materials, particularly steel and energy.

SUPPLY CHAIN

The Covid-19 crisis, with a sharp slowdown in production in 2020, and the recovery in global business are causing significant supply and transport difficulties.

This situation is causing supply disruptions for some of the group's suppliers.

These disruptions limited the group's growth and profitability over the fiscal year.

WAR IN UKRAINE

The war in Ukraine had limited repercussions on the group's business which had suspended its machinery shipments to Russia and Belarus at the start of the conflict.

In 2021, the group's revenue in Russia, Ukraine, and Belarus was around 4% of its consolidated revenue. The order book in this same area was around 6% of the order book at December 31, 2021.

The group does not supply directly to Ukraine, Belarus, or Russia. To date, despite increasing pressure on the availability of raw materials and components, the group has not had any difficulties in sourcing components specifically related to suppliers which could be affected by the war in Ukraine.

The breaking out of the conflict has been contributing to the acceleration of rising energy and raw material prices seen over the past several months. These increases have an impact on the group's profitability.

The group has a distribution subsidiary in Russia. Since March 2022, the sales of this subsidiary are limited to the distribution of spare parts. At the date of publication of this report, the group had no client risks to its activities in these countries, and the financial situation of the subsidiary is expected to meet its liquidity requirements for the whole of 2023.

See also Note 4 of the consolidated financial statements ending December 31, 2022.

SIGNING OF A NEW CREDIT AGREEMENT OF 375 MILLION EUROS

In July 2022, the group signed a new credit agreement for the amount of 375 million euros with a maturity of 5 years and the possibility of a 2-year extension. This financing is going to replace the credit agreement of €180 million put in place in December 2016 that was going to mature in December 2023.

Consisting solely of an RCF (revolving credit facility), this financing complements the various bond and long-term lines of 105 million euros put in place in 2019.

The new contract also includes the possibility of including additional facilities for a total maximum amount of up to €200 million. This mechanism makes it possible to accelerate the financing process of growth operations.

An amendment was signed in December 2022 to qualify this financing as a Sustainability Linked Loan (SLL).

Three CSR criteria have been added to the RCF line, relating to the scope 3 low carbon trajectory, the safety of its employees and its sustainable purchases. Annual achievement targets in line with the group's CSR policy have been set and will give rise to a positive or negative adjustment mechanism on the margin applied to the RCF.

This new financing enables the group to pursue the development of its businesses in accordance with the ambitions of the "New Horizons 2025" roadmap, in particular to carry out the major capacity investments that the group has announced in France (€80 million) and in the United States (€70 million), and finally to accelerate the energy transition, digitalization and service businesses.

It also reinforces the group's ambitions in terms of the energy transition and financially commits Manitou Group to achieving its CSR objectives.

US INVESTMENT PLAN

On February 22, 2022, the group announced a €70 million investment plan for its two North American production sites in Yankton and Madison, South Dakota. It will focus on expanding these two factories, strengthening innovation, and developing new ranges, particularly electric ones. These projects, which have begun, will continue through 2026 as part of the overall €460 million investment budget for the “New Horizons 2025” strategic plan. The group thus reaffirms its strong ambitions to achieve the goals set in its “New Horizons 2025” strategic plan.

CARBON TRAJECTORY

After presenting its new CSR roadmap to all stakeholders in 2021, Manitou Group presented, in January 2022, its commitments to reduce its greenhouse gas emissions as part of its 2030 low carbon trajectory.

Thus, the group undertakes:

- to reduce its absolute greenhouse gas emissions in scopes 1 and 2 by 46.2% by 2030 compared to the 2019 reference year. This target is in line with a 1.5-degree trajectory;
- to reduce the scope 3 greenhouse gas emissions coming from:
  - goods and services purchased;
  - upstream transport and distribution;
  - of 33.7% per hour of use, for products sold by 2030.

In this transformation process, given that 88.9% of emissions are linked to the use of its products, the Group has set itself the target of achieving 43% sales of low-emission machines (electric and hydrogen) by 2030. Furthermore, going forward, all new aerial work platform projects will be solely electric.

These objectives have been validated by the Science Based Target initiative (SBTi), an independent benchmark organization led by four international organizations: the United Nations, the Carbon Disclosure Project (CDP), the World Resources Institute (WRI) and the World Wildlife Fund (WWF).

To achieve these targets, the group will rely on a number of tactics:

- develop new electric ranges and innovate with hydrogen;
- continue the work undertaken in the last 10 years on the energy efficiency of equipment;
- reinforce eco-design with a global life cycle approach;
- increase the use of recycled materials in purchases of components and parts;
- use low carbon solutions for upstream and downstream freight;
- develop the activity of spare parts from the circular economy;
- reduce the energy consumption of its sites and roll out a green energy procurement program.

LIFTTEK ACQUISITION

In May 2022, the group acquired a majority stake in the capital of its Finnish distributor Lifttek, based near Helsinki.

Lifttek is a company specializing in the import, sale and after-sales service of lifting equipment, with a strong focus on group products. Its customers are mainly machine rental companies, construction companies and agricultural contractors.

With a turnover of 7.4 million euros in 2022, the company has 30 people and 3 sites located in the cities of Vantaa (Helsinki region) and Tampere.

This acquisition of a stake is a long-term strategy that strengthens the group’s roots in the region and brings it closer to its customers.

ACQUISITION OF THE INTELLECTUAL PROPERTY AND SOME OF THE EMPLOYEES OF ATN PLATFORMS

In August 2022, the group completed the purchase of the intellectual property of ATN Platforms, a company specializing in the design and assembly of aerial work platforms, in the context of receivership proceedings before the Agen Commercial Court.

With this purchase, the Group is benefiting from the expertise of some dozen ATN Platforms employees, who will continue to be based in Tonneins (Lot-et-Garonne), the historic site of ATN Platforms. It is therefore extending its existing product range in order to accelerate its development in a particularly fast-moving market. The two aerial work platform production sites located in Candé (Maine-et-Loire) will assemble the vertical aerial work platform models resulting from ATN Platforms' know-how.

JCB LITIGATION

On July 5, 2022, the High Court of London delivered its first instance decision in the infringement dispute between J. C. Bamford Excavators Ltd (JCB) and Manitou BF and Manitou UK Ltd relating to four JCB patents.

Three JCB patents examined during the trial have been invalidated in their entirety:

- European patent EP 1 532 065 B2 (EP 065) and its British equivalent GB 2 390 595B (GB 595);
- and European patent EP 2 263 965 B9 (EP 965).

As a result, all the infringement actions brought by JCB against Manitou on the basis of these three patents have failed.

In addition, the Court considered that the European patent EP 2 616 382 B3 (EP 382) was valid and that, consequently, certain configurations of certain telescopic forklifts sold in Great Britain were infringing.

Manitou and JCB filed for appeal of this judgment.

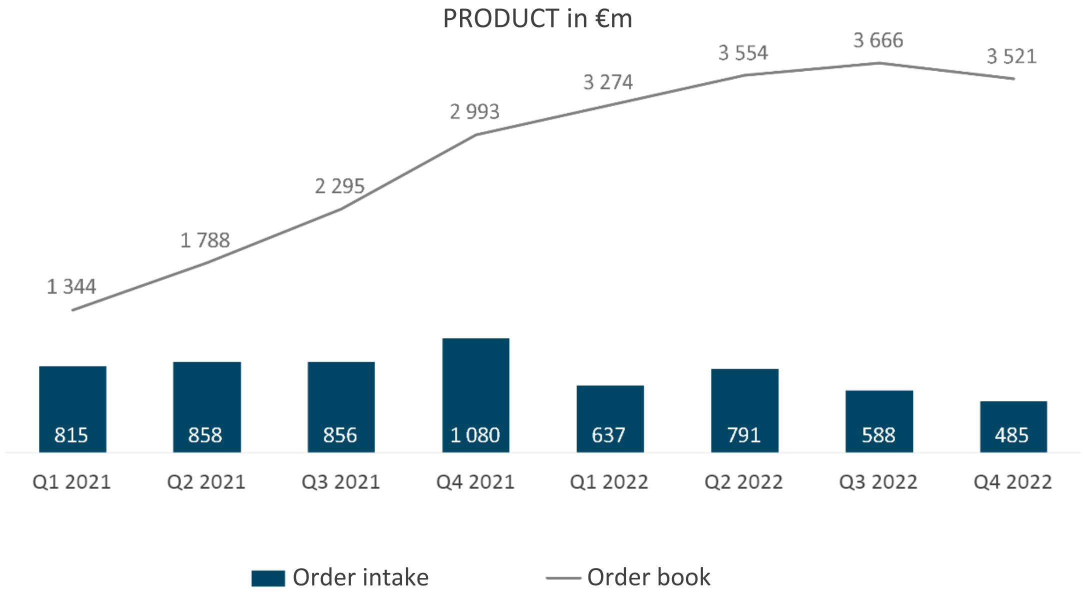
This decision has no significant impact on Manitou’s commercial business in Great Britain or on the business of its customers.

As such, Manitou Group will continue to vigorously defend itself in the infringement disputes between it and JCB over the patents.

See also Note 11.2 of the consolidated financial statements ending December 31, 2022.

2.3. BUSINESS

ORDER INTAKE



In 2022, the commercial momentum seen in 2021 continued. Thus, order intake once again reached a high level at €2,500.3 million, versus €3,609.7 million in 2021, down 30.7%. The increase in our order book and inflation are pushing customers to anticipate their orders in order to secure their future supplies. In order to limit the massive anticipation of orders for 2024, these orders are now being opened progressively with dealers.

All geographic regions and markets were dynamic.

Therefore, as of December 31, 2022, the group's order book stood at €3,521.0 million, up 17.7% compared to the previous year, a historic level.

It provides more than one year of visibility for the Products division.

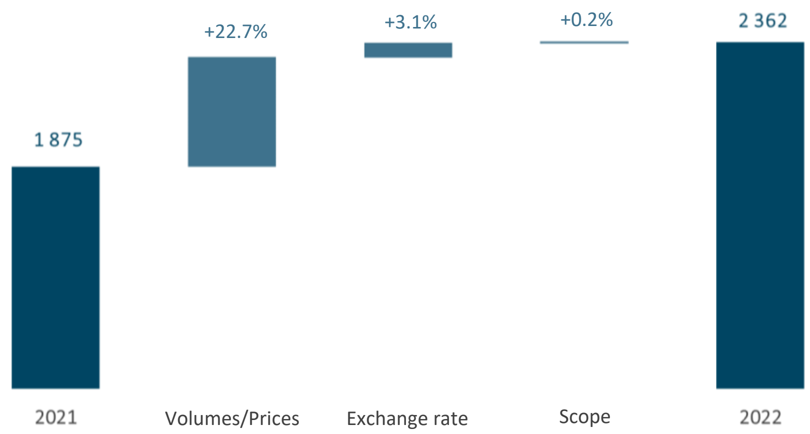
In order to meet this demand, the Product division has put in place additional means of production to achieve the expected production volumes.

In order to limit the effects of inflation, in the first half of 2022, the group incorporated mechanisms for adjusting its sales prices at delivery. These mechanisms will influence the valuation of the machinery order book carried forward and valued at the price on the day of the order.

Given the depth of our order book, the sales price increases implemented will not take full effect until after 2022.

The markets remain generally well oriented. Only the construction sector in Europe, notably the United Kingdom and Germany, is showing less dynamism or a slowdown. However, this is not noticeable among rental companies, which remain in demand on all continents.

NET SALES IN MILLIONS OF EUROS



In 2022, the group earned revenue of €2,361.6 million, up 26.0% over 2021 using actual data and 23% using comparable data.

This performance was achieved in a context of heightened tensions on the supply chain thanks to the commitment of all the teams and with a strong acceleration over Q4.

Sales price increases had only a partial effect in 2022. The very high level of invoicing in the fourth quarter concerned old orders.

All markets and business sectors rallied extremely strongly.

The exchange rate impact over the period was positive by €58.0 million (3.1 points).

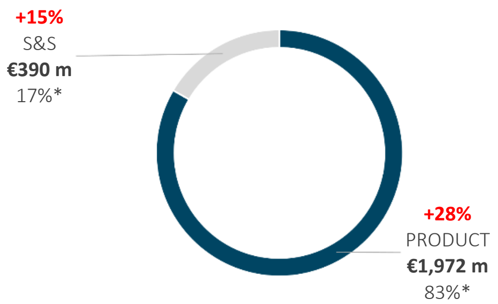
The group's two divisions benefited from this rebound.

The Products division benefited from this recovery, with a 28% increase in its activity compared to 2021 (25% at constant exchange rates). In order to limit the massive anticipation of orders for 2024, these orders are now being opened progressively with dealers. All operations focused on accelerating production rates, supply chain management, and investments in R&D and capacity expansion underway in France and the United States.

The S&S division is experiencing sustained growth of 15% in 2022 in all of its activities, especially its second-hand business, with availability and pricing pressure on the distribution of spare parts. The division is strengthening the capacity of its logistics platforms and continuing to reinforce its service offerings.

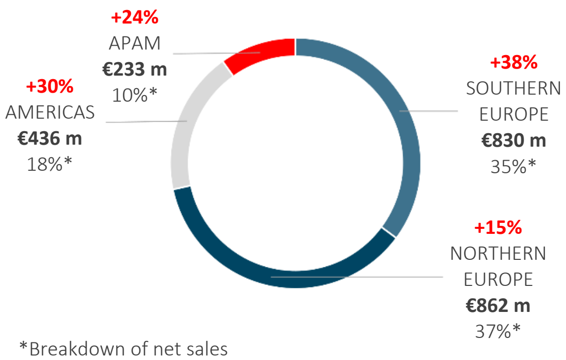
The group’s revenue is up across all geographical regions and especially in Southern Europe (+38%) and in the Americas (+30%).

BUSINESS TRENDS BY DIVISION (% CHANGE IN NET SALES)



*Breakdown of net sales

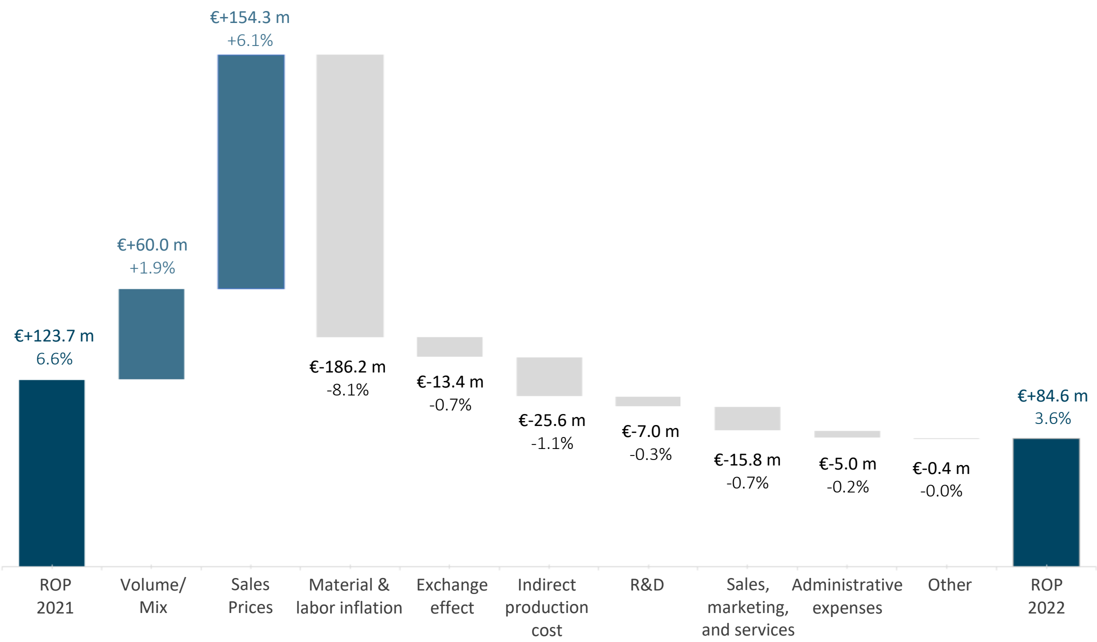
BUSINESS TRENDS BY REGION (% CHANGE IN NET SALES)



*Breakdown of net sales

2.4. INCOME

2.4.1. RECURRING OPERATING INCOME



The group's recurring operating profit was €84.6 million, or 3.6% of revenue, down 3.0 points compared to 2021 (€123.7 million, or 6.6% of revenue), which had benefited from a strong recovery in business.

This decline, despite a 26% increase in business, is mainly due to:

- margin on cost of sales down 3.6 points, impacted over the period by the inflation of raw materials, energy and fixed production costs. The announced sales price increases had only a limited effect in 2022, and the very high invoicing in the fourth quarter concerned old low-margin orders;
- an increase in R&D costs (+28%, i.e., €7.6 million) with the continuation of innovation programs in order to achieve the group's carbon trajectory objectives in particular;
- and an increase in overheads over the period (+15.6%, i.e., +€26.3 million) linked to inflation, the increase in marketing costs and services to support the group's projects.

2.4.2. OPERATING INCOME

The operating income comes to €82.3 million, or 3.5% of revenue, down €36.9 million compared to 2021 (€119.2 million, or 6.4% of revenue).

In 2022, this result included net non-recurring operating expenses of €2.4 million (-€4.6 million in 2021), including €0.8 million due to storm damage at the Madison site (United States), legal fees of €0.6 million in the context of an ongoing dispute and €0.6 million in expenses relating to external growth.

In 2021, net expenses related to income from the sale of land and buildings for €3.0 million, legal fees of €3.7 million in the context of an ongoing dispute and €3.2 million in expenses relating to the launch of a pension plan outsourcing process.

2.4.3. NET INCOME

PROFIT OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

The profit of companies accounted for using the equity method stands at €2.0 million, down €0.9 million compared to 2021.

This profit was generated by Manitou Group France and Manitou Finance LTD, owned 49% by the group and 51% by BNP Paribas Leasing Solutions. They offer financing, leasing, and long-term rental solutions to end users of Manitou Group' products, especially in France, the United Kingdom, and Italy, as well as stock financing solutions for dealerships.

FINANCIAL RESULT

Financial result came to -€4.3 million, compared to -€5.9 million in 2021, thanks to net exchange gains over the fiscal year.

TAX RATE

The tax rate on net income is 32.0% versus 25.7% in 2021. See Note 12.3 of the annual financial statements ended December 31, 2022.

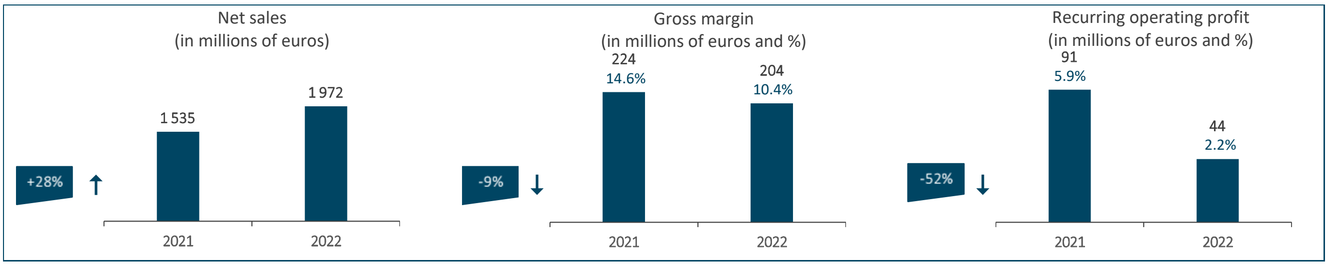
The taxes on income amount to -€24.9 million, versus -€29.2 million in 2021.

NET INCOME

The group net income comes to €55.1 million, or 2.3% of revenue, down €32.0 million compared to 2021.

2.5. OPERATIONAL PERFORMANCE BY DIVISION

2.5.1. PRODUCT DIVISION



The Product division reported revenue of €1,972 million in 2022, up 28% compared to 2021 (+25% at constant exchange rates and scope). Growth was disrupted by supply chain tensions and, at the beginning of the year, by the health crisis. Operations focused on accelerating production rates, supply chain management, R&D investments and capacity expansions in progress in France and the United States.

The division's revenue increased in all of its markets and in all geographic areas, especially Southern Europe.

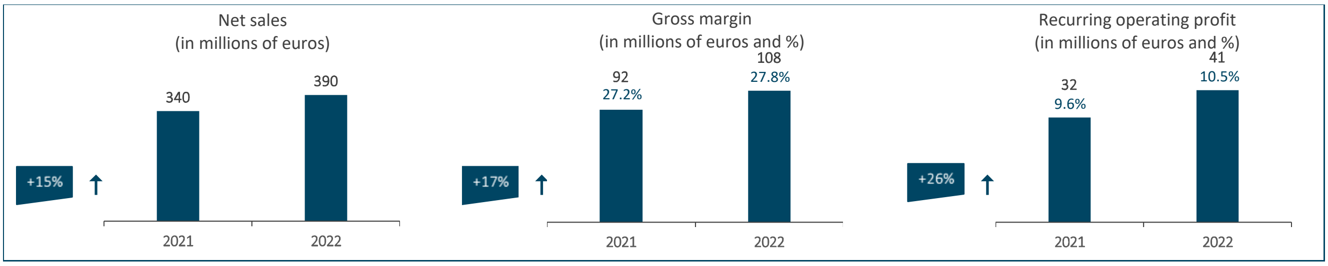
The sales margin of the division came to €204.1 million, down 9% on the year-earlier period. The sales margin as a percentage of sales deteriorated by 4.2 points, impacted by inflation in raw materials and energy. Given the depth of the order book, the major sales price increases announced had a partial effect in 2022, and the very high invoicing in Q4 concerned old low-margin orders.

The R&D costs increased by €7.6 million with the continuation of innovation programs in order to achieve the objectives of the Group's carbon trajectory.

Overheads are also up by 18% (+€19.7 million) to support projects and were impacted by inflation. Thus, the recurring operating income of the Product division is down by €47.6 million (-52%) to €43.7 million (2.2% of revenues) compared with €91.3 million in 2021 (5.9% of revenues).

In order to limit overly high expectations of orders for 2024, these are now being opened gradually with dealers.

2.5.2. S&S DIVISION



With revenue of €390 million, the Services & Solutions (S&S) division recorded revenue growth of 15% for the year (+11% at constant exchange rates and scope). The division benefited from very strong market demand, with tensions over availability and prices in the distribution of spare parts. It is also increasing the capacity of its logistics platforms and continuing to strengthen its service offerings.

Business grew in all geographic regions, particularly in the Americas and Northern Europe, as well as in all of its activities, in particular in the used machines.

The margin on cost of sales was up by €15.7 million (+17%) to €108.2 million compared with 2021. This increase is explained by the growth in activity and a 0.5 point improvement in the sales margin as a percentage of sales. The pricing policy enabled the division to limit the impact of inflation.

The administrative, sales, marketing and service expenses were contained in an inflationary environment, with an increase of 10.9% (+€6.6 m).

2.6. CASH FLOW AND FINANCIAL STRUCTURE

2.6.1. CHANGES IN SHAREHOLDERS' EQUITY

As of December 31, 2022, the consolidated shareholders' equity came to €792 million, versus €751 million as of December 31, 2021. This net increase of €40 million is mainly due to:

- consolidated income of almost €55.1 million;
- the payment of dividends to Group shareholders in the amount of -€31 million;
- +€9 million change in foreign currency translation adjustments;
- and +€7 million in actuarial gains net of deferred taxes relating to pension commitments and financial instruments.

2.6.2. CASH FLOW AND DEBT

Earnings before depreciation and amortization decreased €41 million to €137 million compared to €178 million in 2021, impacted by the decrease in pre-tax income.

The working capital requirement (WCR) increased by €210 million compared with an increase of €1 million in 2021.

In 2022, the change in WCR was mainly due to:

- an increase in inventories, particularly in finished products and components;
- the increase in trade payables and trade receivables following the growth in activity at the end of the year.

The cash flow generated during the period comes to -€104 million (versus +€130 million in 2021). This decline is the result of the decrease in income and lower working capital requirements.

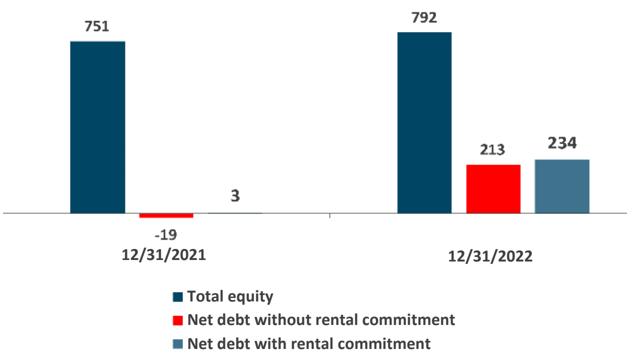
The net investment flows (excluding rental fleet) were up €54 million compared to the previous fiscal year and stand at €96 million. This change is due to the group's investment programs and external growth. In 2021, €10.4 million worth of assets were sold, including land and buildings, compared with only €1 million in 2022.

The group also distributed dividends for €31 million, compared to €23 million in 2021.

Thus, as of December 31, 2022, cash flow was €16 million, for an opening cash flow of €193 million.

The net financial debt (excluding lease commitment) comes to €213 million as of December 31, 2022, up €232 million compared to the end of December 2021. The ratio of net financial debt (excluding lease commitments) to EBITDA is 1.6 (leverage ratio) compared with -0.1 at December 31, 2021. The ratio of net financial debt (excluding lease commitments) to equity (Gearing) is 27.0% compared with -2.5% at December 31, 2021.

Financial debt in millions of euros



	2021	2022
Net debt excluding lease commitment / Shareholder's equity (Gearing)	-2.5%	27.0%
Net debt including lease commitment / Shareholder's equity (Gearing)	0.4%	29.6%
Net debt excluding rental commitment / EBITDA	-0.1	1.6
Net debt including rental commitment / EBITDA	0.0	1.7

2.6.3. INVESTMENTS

In 2022, the group's investments amounted to €105 million, versus €71 million in 2021. This increase is mainly due to the deployment of the capacity investment plans announced in France (€80 million) and the United States (€70 million). These investments are aimed at accelerating the energy transition, digitalization, and the deployment of service activities. They are part of the "New Horizons 2025" strategic plan.

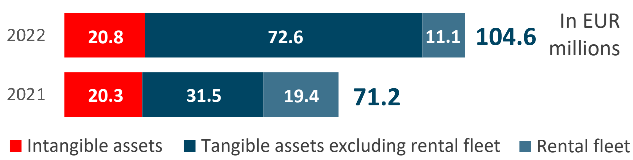
In the United States, investments were made at the two North American production sites in Yankton and Madison, South Dakota. They focus on expanding the two sites, strengthening innovation, and developing new ranges, particularly electric ones.

In France, capital expenditure is allocated to the redevelopment and expansion of production sites, driven by the prospects for sustainable growth and the need to industrialize future electric and hybrid models.

Intangible investments accounted for 20% of investments, i.e. €21 million. They corresponded primarily to development costs for new products or technologies (€15 million), to include electric machines and IT investments (€6 million).

Tangible investments accounted for 80% of investments, of which 36% was in buildings, 51% in industrial equipment, and 13% in fleets of equipment. In view of the order book and sales demand, the group has reduced its investment in equipment fleets for rental activities in order to give priority to the sale of its machines to its dealers.

These investments also include the acquisition of equipment (€3.0 million) and R&D costs (€3.2 million) for the development and manufacture of electric machines.



2.6.4. RESEARCH AND DEVELOPMENT

Research and development are at the heart of the group's strategy and goals. It aims to differentiate its offer and create value for the customer, whether through machines, attachments, or related services and solutions, as well as reduce the total cost of ownership of machines, while improving their performance and environmental impact.

The activity is conducted based on:

- studies of changes in the use or market of its customers;
- studies to better understand and appreciate the technological changes that affect the business lines;
- ongoing monitoring of technological changes occurring in associated industry sectors (automotive, etc.);
- long-standing collaboration with suppliers or public and private institutions that develop innovative technological solutions.

It is also intended to meet the needs of the three types of customers for which a machine is intended:

- owners, who expect high performance and a return on their investment;
- users, or drivers, who expect safety, usability, and ease of use;
- those in charge of its maintenance, who expect reliability and a high level of associated service.

The group's research and development is made up of a central innovation division and seven decentralized study and R&D offices, each directed by the product line for which it works. The research teams represent 7% of the group's workforce.

In 2022, the group continued its research and development programs, with expenses and investments up by €7.1 million (+17%) over 2021.

in millions of euros	2021	2022
Capitalized expenses	14.4	13.9
% of net sales	0.8%	0.6%
Non capitalized expenses and amortization allowance	27.4	34.9
% of net sales	1.5%	1.5%
TOTAL	41.8	48.9
% of net sales	2.2%	2.1%

The group holds a number of patents protecting the innovations developed in its various research offices.

The total number of active patents at the end of the 2022 fiscal year was 197. In addition, 28 patent applications were filed in 2022.

DEVELOPMENT OF INNOVATIONS AND LAUNCH OF NEW PRODUCTS

The year 2022 saw the group accelerate its Research and Development efforts in the following technological areas:

- energy, with the development of machines powered by electricity, hydrogen, or a hybridization of the two;
- robotic applications, across the value chain, and for a transition to human-machine collaboration;
- the connectivity of its machines and the exploitation of its data in order to offer value to its different types of customers (operator, site manager, large account);
- an improved, harmonized and adaptable user experience across all its product lines.

In particular, as part of its energy transition, the group has:

- presented the first prototype of a telescopic forklift equipped with a fuel cell allowing it to be powered exclusively by hydrogen, which is also green, and therefore has zero impact in terms of carbon footprint. This presentation was accompanied by a hydrogen charging station at the company's test and endurance center in order to assess the full impact;
- presented seven new electric models at the world construction trade show;
- extended to its entire range intended for the European markets the stop and go function equipment on all machines equipped with a Stage V generation engine.

The group is also continuing to launch new products and renew its product ranges in order to incorporate the changes in requirements and make substantial improvements for its users.

2022 saw the launches of:

- ULM and GCT ultra-compact lift trucks;
- a new range of articulated loaders for agricultural and construction applications (AL 330/430);
- the electric version of two complete ranges of rotating telehandlers released in 2021, MRT Vision and Vision Plus, with a new cabin and improved cabin ergonomics for an innovative user experience;
- its first 100% electric compact telehandler. The MT 625e, with a capacity of 2.5 tons and a height of 6 meters, guarantees performance as good as the internal combustion version and is the same size. Fitted with a 25 or 33 kWh lithium-ion battery, this model reduces maintenance by 56% and drastically reduces the total cost of ownership for the user;
- the 4-wheel steering version of the 200 ATJ E 4WS electric aerial work platform. A new version of the 120 AETJ aerial work platform has also been added to the industrial range. This model benefited from specific work on the accessibility of the components, such as the pivoting battery containers and tool-free access, for savings on machine maintenance;
- four new internal combustion models with between 7 meters and 13 meters of lifting height for a lifting capacity of 3.5 tons, namely MT 735, MT 935, MT 1135 and MT 1335. The 11 meter and 13 meter models are available with two transmission versions, torque converter or hydrostatic, to meet the different needs of users;
- the fourth model of the NewAg XL range, after the launches of the MLT 841, 1041 and 961. With a load capacity of 5 tons and a working height of 7.6 meters, this new model completes the existing range to meet the needs of large farms and cooperatives, but also the agro-industry and the recycling sector.

2.7. POST-CLOSING EVENTS

MAJORITY STAKE ACQUIRED IN EASYLI

The 23rd January 2023, the group acquired an 82% stake in easyLi, a company specializing in the design and production of lithium-ion batteries. This operation will enable the group to acquire specific skills as part of its energy transition. Based in Poitiers (France), the company easyLi has 25 employees and recorded a turnover of 1 million euros in 2022.

ACQUISITION OF THE ITALIAN COMPANY GI.ERRE SRL

On March 1, 2023, the Group acquired all the shares of the Italian company GI.ERRE SRL, based in Castelfranco, Italy, and specialized in service activities for Manitou products.

In 2022, GI.ERRE generated revenue of €4 million for a workforce of 14 employees.

SIGNING OF AN EXCLUSIVE PARTNERSHIP WITH KILOUTOU FOR THE FIRST RETROFIT PROJECT

In February 2023, the group announced the signing of an exclusive 12-month partnership with Kiloutou, a major player in European rental, to offer electrification kits for used Manitou internal combustion telescopic handlers. The retrofit will extend the life of the equipment while reducing its environmental impact and, in particular, its carbon emissions, in line with the commitments of the two groups in their respective CSR roadmaps.

RENEWAL OF CURRENT GOVERNANCE

The Board proposes, in the interest of stability in Manitou Group’s governance, to renew all the directors' terms of office for a period of four years. This proposal is intended to advance a long-term policy and to support Manitou Group with the expertise acquired by the members of the Board of Directors.

2.8. 2023 OUTLOOK

Market demand and the depth of the order book lead the group to anticipate revenue growth of around 20% in 2023, despite persistent pressure on the supply chain, and an increase in the ratio of recurring operating profit to revenue of around 100 basis points, thanks to an improvement in the second half of the year.

3. CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

3.1. INTRODUCTION

Materials handling, access platforms and earthwork lie at the heart of many agricultural, industrial, human and environmental challenges. Population growth, urbanization, and economic development all require an increase in agricultural production and the construction and renovation of housing and communications infrastructures, all the while optimizing the use of natural resources.

Manitou Group is rising to the challenge by improving working conditions, safety, as well as performance around the world, all while protecting people and their environment:

- machines customized to each use that are designed to promote the health and safety of people and property are meeting needs for improved working conditions.
- innovative and adapted machines make people’s work easier and meet the need to transport increasingly heavy loads.
- products and service offerings dedicated to each application are meeting increasing productivity needs, with the lowest total cost of ownership (TCO) and smallest environmental footprint possible.
- low carbon impact machines are meeting the needs of low emission zones (LEZ[1]) and clean work sites.
- connected machines are meeting the need for integration in a digital world to optimize the user experience.
- new services are meeting customers’ needs for innovative approaches that incorporate the life cycle and accessibility conditions of the machines differently: leasing and used machines are becoming relevant solutions to control TCO and limit environmental footprint.
- Corporate Social Responsibility (CSR), at the heart of the group's mission, helps it move towards a safer, more innovative, sustainable world of handling, access platforms, and earthmoving.

The name of the CSR approach, the Elevation Plan, therefore conveys several meanings:

- elevation is the heart of the business and the group’s “raison d’être,” a way of supporting its users to make their work easier and safer.
- elevation reflects our commitment to rise to the challenges facing society related to the group's business. The group has acknowledged its responsibilities and those of its stakeholders and is working with its entire value chain to anticipate and respond to these challenges more effectively.
- elevation also means mobilizing all of the company's employees on sustainable development issues, supporting talent by promoting diversity and encouraging entrepreneurial spirit, and rewarding success, while safeguarding optimum quality of life at work.
- elevation reflects the goal of moving the group towards a sustainable development model with engaged governance.

This approach is directly led by Manitou’s Executive Committee with the full backing of the Board of Directors.

Since 2015, Manitou Group has adhered to the ten principles of the UN Global Compact[2]. This membership, which it renewed in 2022, commits the group to integrate each of these ten principles, comprised of a set of core values in the areas of human rights, the fight against corruption, and labor and environmental standards in its strategy, culture, operations, and interactions with its stakeholders.

[1] The purpose of a LEZ is to regulate the circulation of polluting vehicles to improve air quality within an given area
[2] Global Compact: level GC Active.

3.2. AMBITIONS AND COMMITMENTS

With more than ten years' experience in CSR, leading to the deployment of structuring and transforming actions, the group is continuing its efforts in terms of sustainable strategy with the deployment of the New Horizons 2021-2025 strategic plan associated with its new CSR roadmap.

With 50 CSR objectives for 2025 and 2030, the CSR roadmap constitutes a solid trajectory that is followed at the highest level of the company. All of the objectives are based on the following four major priorities:

- a human and ethical company;
- safety and improvement of working conditions;
- low carbon trajectory;
- circular economy.

2022 will have been shaped in particular by:

- the CSR Committee's in-depth review of the roadmap and its challenges;
- quarterly monitoring of objectives by the CSR steering committee;
- a major effort to set multi-year objectives in each department in order to achieve the defined trajectories of the roadmap;
- acceleration of the implementation of tools, resources and actions in the different areas;
- lead management training.

3.2.1. MAIN NON-FINANCIAL RISKS AND OPPORTUNITIES

The main environmental, social/societal and governance (ESG) risks and opportunities for stakeholders and for the group are identified and prioritized through two complementary approaches described below. A joint effort by the CSR and Audit, Risks and Compliance Departments has made it possible to identify the group's main non-financial risks through the analysis of the two tools.

Risk mapping: shared with the Audit Committee and the Board of Directors, it identifies and prioritizes priority risks with a major or significant impact on the Group. It is updated every year. Among the eleven major risks, five non-financial risks were identified in 2022 and reviewed by the CSR Committee:

- purchasing and supply;
- climate change;
- skills management;
- employee health and safety;
- corruption, anti-competitive practices and export controls.

The group's ESG risk mapping process and its results are presented in chapter 4 (4.4 Risk Factors).

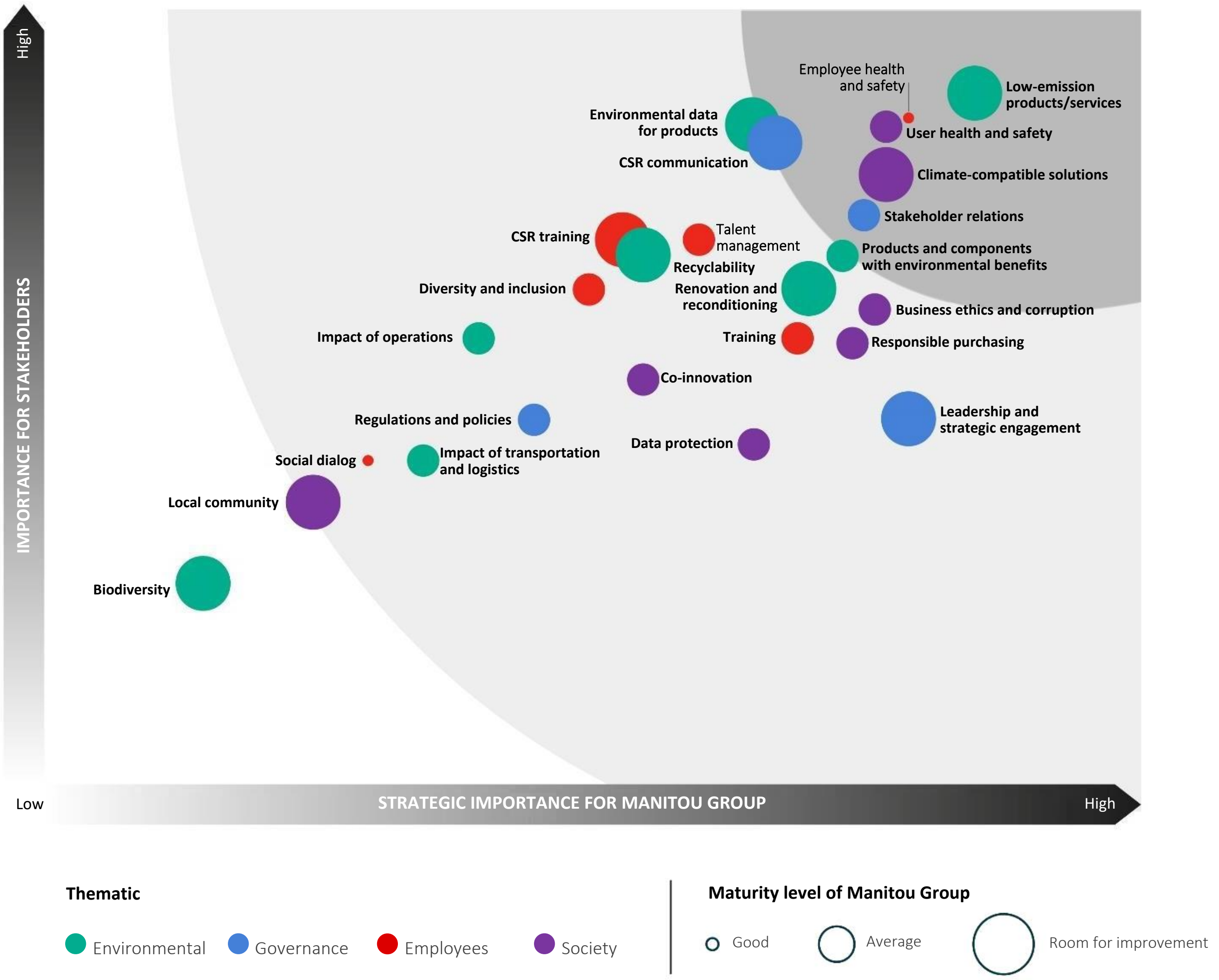
The materiality matrix: shared in the CSR Committee and with the Board of Directors, this matrix makes it possible to identify and prioritize the non-financial issues that are a priority for the company and its stakeholders. These are both commercial, reputational and strategic risks and opportunities.

Led by the CSR Department in 2020, the consultation of internal and external stakeholders was conducted with employees, customers and users, dealers, suppliers, professional associations and local authorities, and citizens more broadly. In total, the consultation collected more than 1,100 responses across 20 countries. More in-depth discussions were held with some 15 key stakeholders (employees, suppliers, dealers, rental companies, citizens, users, etc.).

The study and analysis of this data allowed Manitou Group to:

- update the materiality matrix of its CSR issues and identify the sustainable development macro-issue that need to be accelerated in order to continue its transformation towards a more sustainable future for the group and its internal and external stakeholders;
- present an updated and enhanced CSR road map to the Executive Committee and the Board of Directors;
- review the group's overall strategy by integrating the evolution of the CSR strategy into the evolution of its New Horizons 2025 strategic plan.

CSR ISSUE MATERIALITY MATRIX



The identified CSR macro-issues are the following.

- Low carbon products and services

Products and services that make it possible to reduce greenhouse gas emissions throughout the product life cycle.

- User health and safety

Measures and services to reduce and prevent risks associated with the use of machines designed and manufactured by Manitou Group.

- Climate-compatible solutions

The company's actions, beyond its product offering, provide concrete evidence of the group's contribution to the climate change challenge.

- CSR communication

Transparency, relevance, frequency, and accessibility of the quantitative and qualitative data on the group's environmental and social impact.

- Stakeholder relations

The frequency and level of dialog established with the group's stakeholders to develop sustainable, constructive, and transparent relationships while continuing to create value.

- Talent management

The actions taken to detect potential talent at all levels of the company, avoid turnover over the long term and achieve a better match between positions and required skills. All of this in order to anticipate the needs of the company for today and tomorrow.

- Machines and components with environmentally friendly characteristics

The characteristics of machines and/or components aimed at reducing their environmental impact in all or part of their life cycle.

- Remanufacturing and reconditioning

The logistical and technical capacity to collect, clean, repair, or remanufacture used parts and equipment to give them a second life.

- Business ethics and the fight against corruption

Consistency, transparency, and the level of ethics between values and compliance with the commitments made by Manitou Group and the way in which the group conducts its business throughout its value chain.

To meet these material challenges and to address each non-financial risk, the group has structured its CSR roadmap for 2021-2025. The entire process of this deployment is described in this chapter.

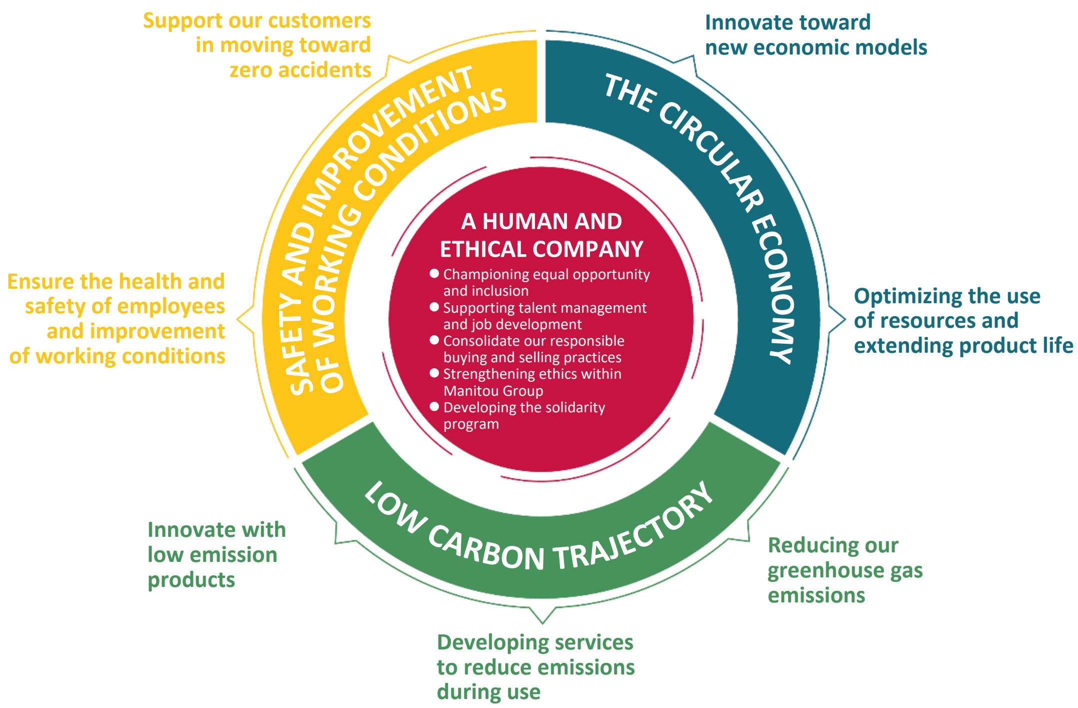
3.2.2. THE ELEVATION PLAN

Through its strategy, the group wishes to accelerate its transformation towards a more sustainable model, with the involvement of its employees and stakeholders. Guided by the group's signature, "Set the world in motion," Manitou Group is aware of its responsibilities and is positioning itself as an actor of change.

The group's mission is to improve working conditions, safety, and performance around the world, while protecting people and their environment. Its CSR strategy, led by the group's Management, is based on 11 of the 17 United Nations Sustainable Development Goals.

THE ELEVATION PLAN 2025

4 priorities, 12 issues:



3.2.3. COMPLIANCE WITH SAFETY STANDARDS

Manitou Group's CSR approach is based on international standards and benchmarks to guide, structure and reinforce its strategy.

INTERNATIONAL STANDARDS AS A STARTING POINT

The group draws inspiration from various guidelines and adheres to different principles to conduct its CSR policy (see correspondence table):

- the 10 Principles of the United Nations Global Compact since 2015: commitments on human rights, working conditions, the environment and the fight against corruption;
- the Sustainable Development Goals (SDGs) of the United Nations since 2018: they designate the 17 objectives established by the States to eradicate poverty in all its forms and in all countries, protect the planet and guarantee prosperity for all;
- the GRI (Global Reporting Initiative) framework since 2013: this is a framework of indicators that measures the level of progress of companies' sustainable development programs. It provides a common international framework for sustainability reporting;
- the ISO 26000 standard since 2013: the ISO 26000 standard is a standard from the International Organization for Standardization (ISO) establishing guidelines for corporate social responsibility and more generally for organizations, defining how organizations can and should contribute to sustainable development.

Manitou Group scrupulously respects the fundamental human rights set out in the following treaties.

- The United Nations Charter of Human Rights.
- ILO Fundamental Conventions No. 29 (forced labor), No. 105 (abolition of forced labor), No. 138 (minimum age) and No. 182 (worst forms of child labor).
- Principles 1, 2, 4 and 5 of the UN Global Compact.
- Principle 5 of the OECD Guidelines for Multinational Enterprises, and in particular those relating to work, in all geographical areas in which its employees operate. Manitou group has the same requirements of its stakeholders.

Due to its international influence, it is essential for the group to constantly improve its practices. To do this, it relies on the following standards and international reference basis:

- ISO 9001: the quality management system;
- ISO 14001: the environmental management system (see 3.7.3);
- ISO 45001: the occupational health and safety management system (see 3.4.1);
- ISO 50001: the energy management system (see 3.7.2);
- ISO 37001: anti-corruption management system (see 3.5.1);
- Science Based Targets as part of the definition of its low carbon trajectory (see 3.7).

INTERNAL POLICIES AND CHARTERS AS THE BASIS FOR THE GROUP'S PRINCIPLES

Code of Ethics: facilitates understanding of the group's ethical principles and identifying its various components published in its reference framework. It is considered the first and essential step that guides employees to the resources they will need (such as reference procedures, for example) to help them find a response.

Code of Conduct and other compliance-related documents: Manitou Group adheres to the MiddleNext code and has deployed an internal reference framework consisting of procedures governing the behavior of group employees (e.g., gift policy, invitations, donations – whistleblowing procedure, etc.).

Quality, Health, Safety and Environment Policy: presents the group's principles, actions and commitments in terms of product quality, production hygiene, employee protection and environmental impact.

Responsible Purchasing Policy: the aim of the charter is to share the group's principles with all current and future suppliers in terms of purchasing policy and governance, environmental, social, ethical and economic responsibility (see 3.6.4).

Employee Development Policy: the policy defines the overall approach to employee development and aims to strengthen the skills of the individual (see 3.6.3).

Awards and Employee Recognition Policy: The policy defines the principles of awards (seniority, attitude, etc.) and the process for awarding them.

Compensation and Benefits Policy: the Compensation Policy defines the rules for setting all elements of compensation (see 3.6.3).

Sponsorship Policy: the policy defines the guidelines for the group's sponsorship activities, the eligibility criteria for projects, and the process for submitting and monitoring a project (see 3.6.5).

Charter for the Promotion of Professional Equality: the charter defines the areas in which the group is committed to professional equality (recruitment, promotion, career development, etc.) (see 3.5.2).

3.3. RESPONSIBILITY AT THE HEART OF THE STRATEGY AND GOVERNANCE

Manitou Group aims to have a positive impact on society and reduce its impact on the environment while being economically viable. A balance that the group tries to build with the help of its stakeholders, i.e. its employees, customers, suppliers, shareholders and local players.

The social and environmental responsibility policy is the outcome of contributions from all of its actors. The CSR Department oversees activities through the 2025 CSR roadmap in collaboration with various governance bodies.

3.3.1. DIALOG WITH STAKEHOLDERS AND CSR NETWORKS

CORPORATE CULTURE AND CSR CULTURE

The deployment of a proactive CSR policy requires the participation of all employees. To ensure that CSR becomes a true corporate culture, Manitou Group regularly shares its ambitions and the progress of its actions in order to make all employees players in the transformation.

Among the many communication and awareness-raising operations, two main events punctuate the life of the group each year in order to share the major issues of its strategy.

INTERNALLY

Since 2013, Elevation Days: every year, a week of employee awareness raising at all sites.

In 2022, in line with the roadmap, the group's 100 top managers attended a “Fresque du Climat” workshop to discuss climate issues and the group's low carbon strategy. These interactive sessions helped to build a common base of knowledge and a better understanding of the low carbon trajectory as a driver of transformation for the group.

All employees were invited to attend “2tonnes” workshops to better understand their levers for achieving this trajectory in 2050 and to put the company's actions into perspective.

Numerous other events provided an opportunity to review the structural projects implemented during the year in detail:

- conference on the group's climate strategy and on the results of the Carbon Calculator, a tool for measuring and monitoring the group's greenhouse gas emissions, scopes 1, 2 and 3;
- conference on sponsorship partnerships with the presentation of a partner associations whose mission is to cool the planet. An opportunity to discuss the group's sponsorship policy and the opportunities for employees to become involved. This partnership was led by an employee volunteer.
- The spare parts and attachments distribution business, which is part of the Services & Solutions division, benefits from services provided by the MHA and CEP divisions (R&D, qualification of parts, qualification of suppliers), from the installed base of machines sold, and from the brand name recognition developed by these divisions.

In total, more than 50 hours of workshops were held with 1,250 employees.

In 2022, video conferences were also organized during several seminars at the request of the entities of the group in order to present the new CSR strategy and encourage its appropriation by the teams and new employees. In addition, an e-learning program on the CSR roadmap will be put in place in 2023 for all employees so that they can become proactive players both internally and externally in favor of this transition.

EXTERNAL

The "On the way up" digital program since 2021:

Second edition of the 100% CSR program: an inspiring meeting with internal and external speakers, such as experts, partners or committed leaders. Attended by nearly 500 people, including 70 media representatives from around the world, this new edition enabled the group to explain the progress of its CSR roadmap over the last 12 months and provide information on its short and medium-term projects. All of these initiatives help to boost credibility, motivate teams, and attract new talent.

REINFORCING REGIONAL PRESENCE

The group is aware of the importance of the role its partners and the local community play in the success of its business. That is why it values and promotes dialog with its customers, regional players (schools, local communities and organizations, associations, etc.) and international players, to include:

- participation in the Sustainable Development Committee of the European Rental Association (ERA)[3];
- Manitou Nordics' partnership with the World Wildlife Fund (WWF Green Office Program[4]) in 2021. The objective of this program is to improve the environmental management system of offices in order to reduce their carbon footprint and use natural resources sustainably. Following this audit, Manitou Nordics and WWF Finland have defined a three-year progress plan with annual targets;
- the partnership with Neoline, a transcontinental sailing ship, since 2020;
- a member of Dirigeants Responsables de l’Ouest (DRO): an association that brings together committed and active managers who wish to put CSR at the heart of their company's strategy and to spread their convictions throughout the northwestern region of France;
- the signing of the Manifesto for an eco-responsible industry of the regional competitiveness cluster EMC2, of which the group is a member;
- the signing of the Charter of Accession to the regional plan for gender equality in the workplace;
- the partnership with a local producer and supplier of hydrogen produced from 100% renewable energy.

These initiatives are developed with the goal of contributing to a responsible economy, co-constructing solutions, and disseminating and sharing its expertise.

In addition, every year the group hosts and trains students through job placements or work-study contracts within its various organizations. Eighty-three work-study students were accepted in 2021, and one hundred and ten were accepted in 2022.

Partnerships with business or engineering schools also allow the group to support the training of its future technicians, sales staff, engineers, and managers within the employment pools and facilitate recruitment.

[3] European Rental Association.

[4] Program developed by the Finnish WWF and rolled out in a still limited number of countries.

A Jeunes Techs promotion will be launched in 2023 to train internal staff in the after-sales service professions.

In France, the group is continuing to develop partnerships with regional players through the payment of the apprenticeship tax with 19 partner establishments in 2022, compared with 17 in 2021 (*grandes écoles*, engineering schools, universities, vocational schools).

In 2022, the group signed a partnership with seven schools or universities in Italy.

3.3.2. ORGANIZATION AND GOVERNANCE

With the integration of the Elevation Plan in the New Horizons 2025 strategic plan, in 2021 the group decided to restructure its CSR governance to ensure that the group's action plans are aligned with its CSR ambitions. Supported by this strengthened governance, the CSR strategy was fully integrated into the roadmaps of all the departments concerned in 2022.

COMPOSITION AND ROLE OF CSR GOVERNANCE BODIES (see 5.1.3)

- Board of Directors

The Board of Directors approves the strategic guidelines proposed by General Management and incorporates environmental and societal issues when considering its strategy.

- CSR Committee (created in July 2021)

consisting of four directors, one of whom is independent, the CSR Committee examines the group's strategy, goals, and commitments in terms of environmental and social responsibility. It reviews the non-financial performance declaration (DPEF). The CSR Committee meets three times a year (four times a year starting in 2023). The Chairman of the CSR Committee is also a member of the Audit Committee.

- Audit Committee

consisting of four directors, two of whom are independent, the Audit Committee's role is to examine compliance issues related to CSR, such as anti-corruption, the duty of vigilance, data protection, and alert mechanisms, as well as the group's risk mapping, which includes non-financial risks. It also reviews the non-financial performance declaration (DPEF).

- Compensation Committee

consisting of four directors, two of whom are independent, the Compensation Committee's role is to review policies on employment and working conditions in the areas of employee health and safety, equal opportunities and inclusion, talent management, and employment development. It also examines the social impacts of major restructuring and/or reorganization projects.

- Executive committee

The Executive Committee defines and reviews the progress of the CSR roadmap.

- CSR Steering

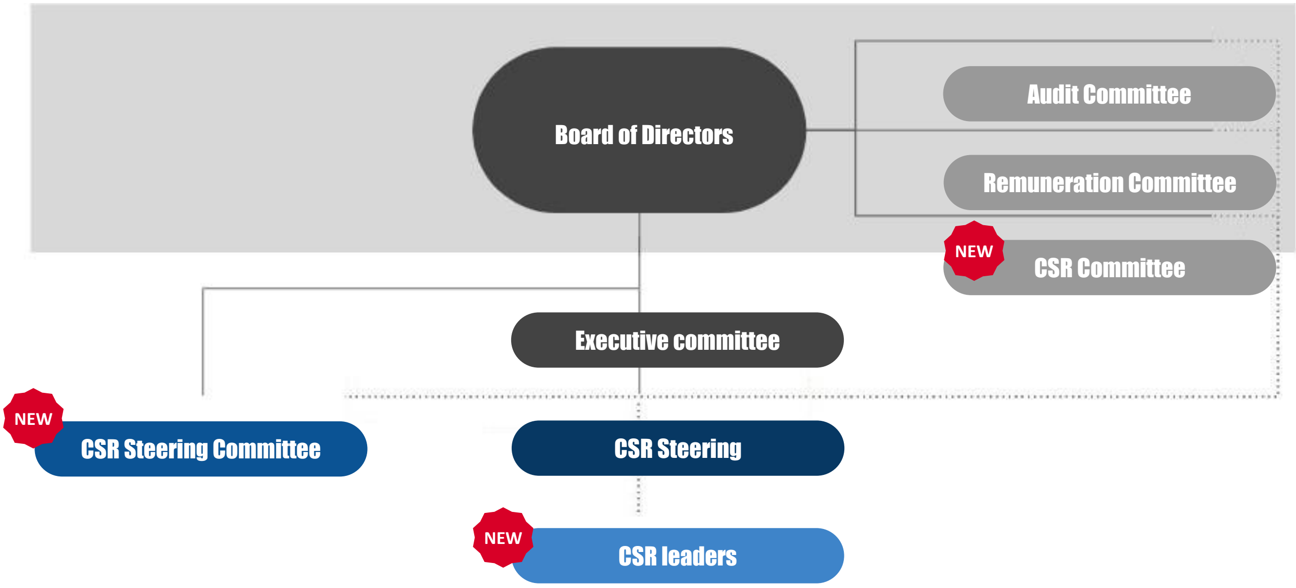
Reporting a member of the Executive Committee (the Corporate Secretary), the CSR Department proposes changes to be made as part of the CSR roadmap based on stakeholder expectations and strategic guidelines. It supports the business lines and coordinates the various action plans to achieve the objectives set. In 2022, the CSR Department strengthened its team with the hiring of two new project managers to support the business lines.

- CSR Steering Committee

Sponsored by the Chief Executive Officer, led by the Head of CSR, and made up of 14 permanent members, the CSR Steering Committee prepares the strategic development of CSR objectives. It measures and monitors the progress of the action plan every two months and accelerates initiatives to better protect people and their environment.

- CSR leaders

Accelerate and communicate the action plan to their business lines as well as the social, societal, and environmental KPIs. They facilitate the implementation of actions and propose innovative ideas through specific CSR training.



*New: created in 2021.

An Ethics Committee is also responsible for ensuring the proper application of the group's core principles set out in the Code of Ethics and the group's standards to which all of its employees adhere.

3.3.3. CSR AND COMPENSATION

The variable compensation of the Chief Executive Officer is indexed each year to the group's CSR performance (see 5.2.1.1.). The Chief Executive Officer receives annual base variable compensation for his duties, the criteria of which are based on elements relating to the Group's financial, commercial, environmental, and societal performance (35%).

For the past two years, all top management has been assigned annual CSR objectives based on the CSR roadmap and its four pillars.

By 2025, the group aims to assign 100% of managers CSR objectives.

3.4. CSR PERFORMANCE

In order to achieve the commitments made by the group, the group's CSR performance is measured and monitored by the various dedicated governance bodies. Each year, for all 50 of the company's CSR 2025 objectives, an action plan with thresholds ranging from 50% to 125% is used to monitor progress on the roadmap.

3.4.1. GOALS AND PERFORMANCE MEASUREMENT

The 2021-2025 CSR roadmap presented here is a non-exhaustive summary of the group's strategic CSR indicators. Based on the group's four CSR priorities, each 2025 target is broken down into annual action plans, the progress of which is monitored quarterly by the CSR Steering Committee. The action plans are drawn up with each of the departments concerned with the objective of achieving the 2025 target. Thus, the progress of 2022 targets corresponds to the progress of the action plan for the year (scale of 50% to 125%). The average achievement of all 2022 targets is 82%.

2021-2025 CSR ROAD MAP

SUSTAINABLE DEVELOPMENT GOALS	SECURITY & IMPROVEMENT OF WORKING CONDITIONS	Ambitions 2025	Progress on the 2022 objective	2022 significant actions	Item
3 GOOD HEALTH AND WELL-BEING 10 REDUCED INEQUALITIES	Ensure the health and safety of employees and improvement of working conditions	Train 100% of employees in safety measures related to their activity	50% of employees trained in safety over the past 5 years 100%	130 HSE (Health, Safety and Environment) representatives trained to conduct field audits	3.4.1
	Support our customers in moving toward zero accidents	Equip 100% of new machines with digital access to security documents and training	Respect for the QR code release schedule 75%	Implementation of QR codes on machines produced in France and Italy	3.4.2
		Implement safety innovation on machines	Develop multiple solutions 50%	1 solution developed	3.4.2

OBJECTIFS DE DÉVELOPPEMENT DURABLE	A HUMAN AND ETHICAL COMPANY	Ambitions 2025	Progress on the 2022 objective	2022 significant actions	Item
4 QUALITY EDUCATION	Champion equal opportunity and inclusion	Obtain a score of B on the global gender equality index – Manitou Group Gender Index	Deployment of the index in 4 countries 125%	Deployment of the index in four countries: France, USA, Italy and India	3.5.2
5 GENDER EQUALITY	Consolidate responsible buying and selling practices	Qualify 75% of suppliers as CSR (in terms of spending by assessed suppliers)	+10 points certified suppliers 100%	Investment in an external solution to strengthen the identification of at-risk suppliers and evaluate their performance – Recruitment of a responsible purchasing project manager	3.5.4
		Check 100% of suppliers posing a CSR risk (with a vigilance plan)	Implementation of supplier CSR risk mapping 100%		
		Evaluate 100% of dealers for CSR with target setting	Over 85% of eligible dealers evaluated with new questionnaire 100%	100% of dealers evaluated on their CSR practices	3.5.4
8 DECENT WORK AND ECONOMIC GROWTH	Supporting talent management and job development	Train 100% of strategic functions in CSR/sustainable practices specific to their business line	3 actions carried out under the training plan 100%	CSR training for the Board of Directors, “Fresque du Climat” workshop for the group's top 80 managers	3.5.3
	Strengthen ethics within Manitou Group	Train 95% of employees on the new code of ethics	Implement a new code of ethics before July 2022 125%	Implementation of a new code of ethics presented to the Board of Directors	3.5.1
17 PARTNERSHIPS FOR THE GOALS	Developing the solidarity program	Allocate 1% of the net income to educational and inclusion-related activities	Allocate more than €300k to actions 50%	35% of funds allocated to environmental projects and causes with two new 3-year partnerships 36% of funds allocated to Ukraine aid organizations, and 28% to insertion and inclusion causes	3.5.5

OBJECTIFS DE DÉVELOPPEMENT DURABLE	LOW CARBON TRAJECTORY	Ambitions 2025	Progress on the 2022 objective	2022 significant actions	Item
7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION	Steer the low carbon trajectory	Reduce the scope 1 and 2 greenhouse gas emissions by 23.77% by 2025 Reduce scope 3 greenhouse gas emissions by 26.02% per hour of use by 2025	Finalize the scope 1, 2, and 3 carbon footprint in the first half of the year 125%	Validation of the group's climate targets by the Science Based Targets Initiative	3.6.1
	Innovate with low emission products	Sell 23% low emission products	Compliance with the release schedule of new electrical equipment in the catalog 75%	7 electric models were presented at the Bauma international construction exhibition	3.6.2
		Develop 2 hydrogen demonstrators	Complete the first operational demonstrator 100%	1 hydrogen demonstrator completed	3.6.2
		Eco-design 100% new products with a carbon performance measurement tool	Ecodesign measurement tool integrated into the R&D process 75%	Tool selection made and measurement tests started	3.6.2
	Develop services to reduce emissions during use	Sell 35% of machines equipped with the eco-stop or Stop & Start system	Equip the machines with different systems 100%	25 % of machines equipped with ecostop or Stop & Start	3.6.3
	Reduce our greenhouse gas emissions	Cover 40% of the sites' energy with green electricity certificates	Achieve 10% green energy coverage 100%	Purchase of green energy certificates covering 10% of consumption	3.6.3
		Reduce operational emissions by 10%	Reduce operational greenhouse gas emissions by -1% 125%	Implementation of an energy sobriety program	3.6.5

OBJECTIFS DE DÉVELOPPEMENT DURABLE	THE CIRCULAR ECONOMY	Ambitions 2025	Progress on the 2022 objective	2022 significant actions	Item
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Innovate toward new economic models	Implement a sustainable circular business model	Start the machine dismantling 75%	Integration of Centrale Supélec's "Circular Economy Alliance" research chair	3.3.1
	Optimize the use of resources and extend product life	Sell 7% of the volume of spare parts from the circular economy	Development of the international offer and simplification of the tools for purchasing materials 75%	Expansion of the ReMAN spare parts range Partnership with engine manufacturers for better support Improvement of the financial management of component buyback transactions	3.3.1
		Reach €43 million in second-hand sales	Reach €17 million in second-hand sales 100%	Achievement of the objective	3.3.1
		Integrate 40% recycled or low carbon steel in products	Include 7.5% recycled or low carbon steel in products 125%	12% recycled or low carbon steel[5] in products	3.2.1 and 3.3.2.
		Find an alternative for more than 40% of the plastic in spare parts packaging	Identify sustainable solutions for the 2 main warehouses (France and USA) 100%	Identification and testing of sustainable solutions for the packaging of spare parts	3.3.1

To monitor performance, data is collected at the local level for each entity, and the overall CSR performance is derived from the consolidated results of all group entities.

Manitou Group is expanding its CSR commitment in its financing by signing an amendment to the credit agreement put in place in 2022. This amendment qualifies the financing as a Sustainability Linked Loan (SLL) and commits the company financially. Three CSR criteria have been added to the RCF (Revolving Credit Facility) line, relating to the scope 3 low carbon trajectory, employee safety and sustainable purchasing. Annual achievement targets in line with the group's CSR policy have been set and will give rise to a positive or negative adjustment mechanism on the margin applied to the amount drawn from the RCF.

3.4.2. RECOGNIZED CSR PERFORMANCE

The group's performance has been recognized and rewarded by its inclusion in the most important CSR indexes as well as by the award of several prizes, a few examples of which follow.

Gaïa Index 2022: Manitou Group is in 39th place (out of 371) in the general ranking, in 19th place in the ranking of companies with "Revenue > €500 million" out of 176 (versus 81st place in 2020), and in 5th place in the industry ranking, out of 76. For the tenth year, the group answered the Gaïa Index questionnaire, a national stock market index.

Le Point newspaper with its ranking of the most responsible companies in France 2022: 70th of a panel of 2,000 companies employing more than 500 employees and having their registered office in France. Manitou Group ranks 3rd in the aeronautics and other vehicles sector.

Manitou Group will be included in the *Forbes* International Best Employers ranking, ranked 121/800 companies in 2022.

Capital magazine: the group won the Best Employer in France award in the 2022 ranking of companies preferred by employees in the industrial machinery and equipment sector.

Ecovadis score, an international agency specializing in the documented evaluation of companies' CSR performance, for which Manitou Group obtained a score of 67/100 and a gold medal, while the average score for companies in the same sector is 43/100. The group scored 62/100 in 2021.

Carbon Disclosure Project (CDP): organization that publishes data on the environmental impact of companies. It holds the world's largest database on the environmental performance of companies. Manitou Group received a grade of "C" in 2022, which represents the "Awareness" level.

SBTi: a partnership between CDP, the United Nations Global Compact, the World Resources Institute (WRI), and the World Wildlife Fund (WWF). Companies joining the SBTi commit to defining objectives to reduce their greenhouse gas emissions (on the three scopes of the GHG - greenhouse gas balance sheet, in accordance with the scientific recommendations mentioned at COP 21). Manitou Group obtained validation of its reduction targets in July 2022.

[5] *Steel with a reduced carbon footprint during its production phase compared to conventional steel*

3.4.3. EU TAXONOMY FOR SUSTAINABLE ACTIVITIES

3.4.3.1. PRESENTATION OF THE EU TAXONOMY FOR SUSTAINABLE ACTIVITIES

The EU Sustainable Taxonomy Regulation is a key element of the European Commission's action plan on sustainable finance, which aims to redirect capital flows towards a more sustainable economy. The taxonomy is a classification system for environmentally-sustainable economic activities.

As a group subject to the obligation to publish non-financial information in accordance with Article 29a of Directive 2013/34/EU, Manitou Group falls within the scope of Article 8 of the European Union (EU) Taxonomy Regulation and must therefore disclose to what extent its activities are associated with economic activities that are classified as sustainable.

The six environmental objectives defined in the EU Taxonomy Regulation are:

Objectives applicable in 2022

Climate change mitigation

Climate change adaptation

Objectives pending publication of delegated acts

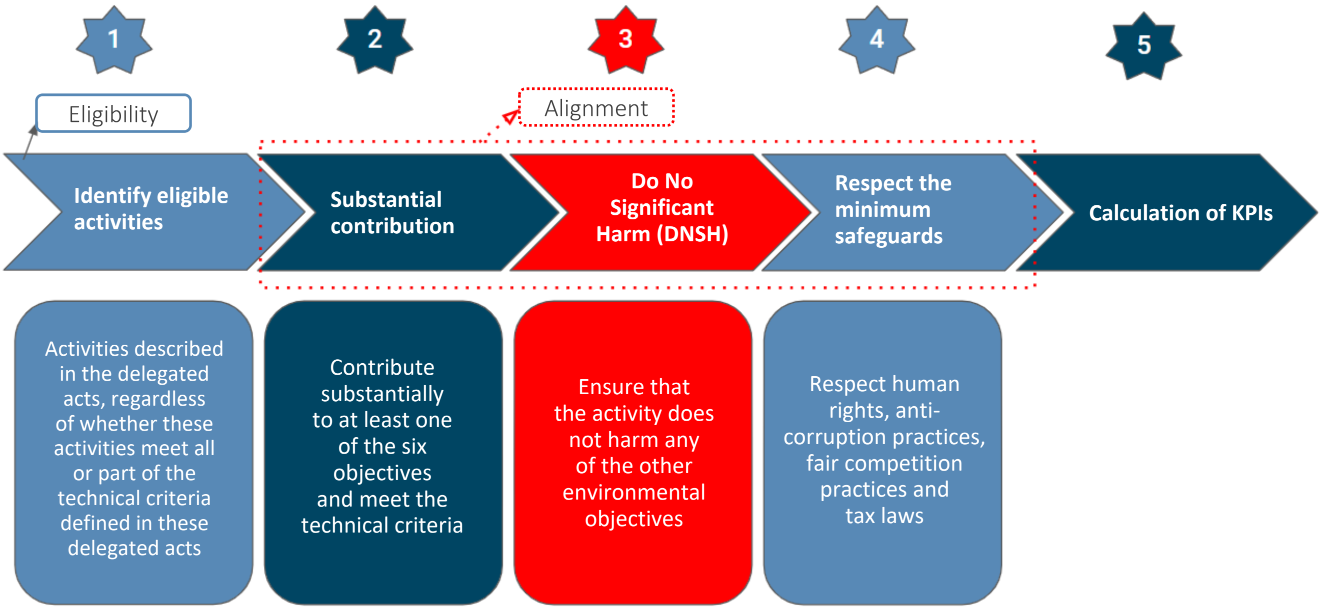
Sustainable use and protection of water and marine resources

Transition to a circular economy

Pollution prevention and control

Restoration of biodiversity and ecosystems

The taxonomy is a five-step process that can be summarized as follows.



3.4.3.2. THE GROUP'S ACTIVITIES

MAIN ACTIVITY

Manitou Group examined all the economic activities eligible for the taxonomy listed in the Delegated Act on Climate Change in light of its activities. After an in-depth examination involving all the relevant functions of the company, the two main economic activities eligible for the taxonomy are the manufacture of low carbon intensity machines (activity 3.6) and the manufacture of hydrogen-powered machines (activity 3.2). It should be noted that this second activity is in the development phase and did not generated any net sales in 2022.

Eligible economic activity	Description of the activity within Manitou Group	NACE code	Climate change mitigation	Climate change adaptation
3.2. Manufacture of equipment for the production and use of hydrogen	Manufacture of handling, access, and earthmoving equipment powered by hydrogen	C28	✔	✔
3.6. Manufacture of other low carbon technologies	Manufacture of handling, access, and earthmoving equipment making it possible to substantially reduce greenhouse gas emissions	C28	✔	✔

The description of activity 3.6 in Appendix I to the Delegated Act on Climate Change does not contain a clear definition of the term "low carbon manufacturing technology" and is therefore open to interpretation. In the absence of a definition and in the spirit of the EU taxonomy, Manitou Group has defined this term in reference to the manufacture of electrical machinery eligible under the taxonomy for activity 3.6 of Appendix I to Article 8 of the Delegated Act.

In 2022, revenue aligned to activity 3.6 came to 2.9% of total revenue, or €67.9 million.

In addition, the capital expenditure and operating expenses associated with this activity are in fact aligned. These include production activities and research and development in connection with machinery using low carbon manufacturing technology (*see part 3.7 of this chapter*).

Capital expenditure (CapEx) and operating expenditure (OpEx) related to economic activities aligned with the EU Taxonomy for sustainable activities in 2022 include:

- capital expenditure related to buildings and industrial equipment partially[6] dedicated to the development of electrical ranges:
  - €1.2 million for the purchase of industrial equipment partly intended for the manufacture of electric platforms at the Candé (France) sites;
  - €1.4 million linked to the acquisition of industrial equipment partially dedicated to the manufacture of electric platforms at the Greater Noida (India) site;
- capital expenditure (€3.2 million) related to research and development (R&D) projects devoted to reducing, preventing, or eliminating greenhouse gas emissions. The main R&D projects included in these capital and operating expenses are:
  - study of the next generation of zero-emission machines;
  - electrification of existing product lines;
  - innovation project on the use of green hydrogen, launched on two machines.

In 2022, eligible and capitalized R&D costs amount to 22% of the total R&D costs capitalized by Manitou Group.

These projects are part of Manitou Group's strategy to focus development efforts on carbon neutral machinery as part of its commitment to reach 43% low carbon products sold by 2030.

Manitou Group’s low carbon trajectory is presented in section 3.7 of this chapter. This trajectory will result in capital expenditure that could be aligned with the Green Taxonomy Regulation.

ELIGIBLE AND INDIVIDUAL INVESTMENT AND OPERATING EXPENDITURES

In addition, Manitou Group has identified individually sustainable economic activities resulting in capital expenditure (CapEx) and operating expenditure (OpEx) allowing certain target activities (non-eligible activities) to become low carbon or lead to greenhouse gas reductions. These activities are presented in the summary table below.

[6][6] *See "Methodological Details - Taxonomy" in section 3.9.2 for more details on the allocation keys.*

Eligible economic activity	Description of the activity within Manitou Group	NACE code	Climate change mitigation	Climate change adaptation
4.12 Hydrogen storage	The assembly and operation of hydrogen storage and release facilities	NA	✔	✔
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Group vehicle fleet (all engine types combined in accordance with the Delegated Act)	N77	✔	✔
7.3 Installation, maintenance, and repair of energy efficiency equipment	CapEx related to the installation and maintenance of energy efficiency equipment (e.g. replacement of lighting systems with more energy-efficient systems)	F43	✔	✔
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CapEx related to the installation and maintenance of charging stations for electric vehicles, particularly on MBF sites	F43	✔	✔
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CapEx related to the installation, maintenance and repair of smart electrical meters, such as at the Greater Noida site in India	F43	✔	✔
7.6 Installation, maintenance, and repair of renewable energy technology	Installation of solar panels in subsidiaries in Italy, South Africa, Spain and Portugal	F43	✔	✔
7.7 Acquisition and ownership of buildings	CapEx and OpEx related to the acquisition of buildings (legal ownership or economic ownership as a tenant with right of use), for example in Germany and India	L68	✔	✔

3.4.3.3. EVALUATION OF ALIGNMENT WITH THE TAXONOMY

SUBSTANTIAL CONTRIBUTION

In order to determine whether an economic activity is aligned within the meaning of the taxonomy, it must substantially contribute to one or more of the six environmental objectives. Some activities contribute to both climate change mitigation and adaptation objectives. In order to avoid double counting and since all activities contribute to mitigation, Manitou Group has chosen to align activities to this objective only. In order to contribute to an environmental objective, an activity must meet specific technical criteria defined for that activity in the relevant appendix of the Climate Delegated Act. These criteria and how they were evaluated are presented below.

All eligible activities contribute in whole or in part to climate change mitigation for the following reasons:

- activity 3.2: the activity fulfills the technical criterion by the sole fact of being a manufacturing activity of hydrogen-powered machines;
- activity 3.6: the criterion is validated when it can be demonstrated that the manufacturing technologies have substantial life-cycle carbon emission reductions compared to the best performing alternative technologies/products/solutions on the market. To demonstrate this, Manitou Group has implemented life cycle assessment (LCA) procedures to evaluate the CO_2 emissions of a selection of electric products compared to their internal combustion equivalent. The analyses conducted by Manitou Group have been verified by an external third party. To date, all the evaluations carried out have confirmed that the electrical products manufactured by Manitou Group have made a substantial contribution, with the exception of the warehousing machines produced by LMH;
- activity 4.12: the operation of hydrogen storage facilities contributes to climate change mitigation when the stored hydrogen does not exceed the thresholds defined by the Delegated Act of the taxonomy. Since Manitou Group only uses hydrogen from renewable energy sources, the emissions associated with its production are very low, and the criterion is therefore met;
- activity 6.5: the use of passenger cars or light commercial vehicles can meet the substantial contribution criterion as long as these vehicles do not exceed the emission threshold of 50 g CO_2/km set by the delegated regulation. This includes part of the fleet of electric and hybrid vehicles operated by Manitou Group, which has approached the vehicle rental company to justify compliance with this threshold;
- activity 7.3: a system for collecting the energy classifications of changed equipment has been set up at the Manitou Group level. This validates the criterion for all installation costs that demonstrate the achievement of the highest energy classes for the energy-efficient installation;
- activity 7.4: the activity meets the criterion by the sole fact of being an activity of installation, maintenance or repair of electric vehicle charging stations in buildings;
- activity 7.5: the activity meets the criterion by the mere fact of involving the installation of a zoned or smart thermostat, a detection system, a building energy management or lighting control system, a smart meter for gas, heat, cooling and electricity, or an integration of facade shading elements;

- activity 7.6: all of the renewable energy installation work fulfills the criterion for this activity;
- activity 7.7: for buildings acquired or leased during the year, Manitou Group has carried out an energy performance analysis in relation to the top 15% of the regions' stock using figures from the Observatoire de l'Investissement Durable. For countries not included in the analysis, a comparable country in terms of average temperature was considered. Manitou Group's new construction projects will also be aligned with this substantial contribution criterion if an energy performance diagnostic is produced that substantiates a performance 10% below the project's Nearly Zero Energy Building (NZEB) threshold.

For more information on how the KPIs were determined, please refer to the paragraph "Methodological details - Taxonomy" in section 3.9.2.

DO NO SIGNIFICANT HARM (DNSH)

For all business activities where Manitou Group is able to demonstrate a substantial contribution to climate change mitigation, it further analyzes the various DNSH criteria. This assessment generally begins with the relevant sites where economic activities are carried out.

CLIMATE CHANGE ADAPTATION

For all activities contributing to climate change mitigation, a physical climate risk assessment is required in accordance with Appendix A of the Climate Delegated Act.

For each of the sites, a preliminary review of the climate-related risks, as mapped in Appendix A of the Climate Delegated Act, was conducted. Nineteen risks were deemed relevant and/or material and were analyzed in more detail. The level of analysis and the list of selected hazards will be refined in the coming years to achieve an analysis that is as close as possible to the requirements of the European Commission, including hazards that are currently considered to be of little significance.

Given that the expected lifetime of all relevant activities is greater than ten years, the climate risk assessment was conducted considering both an optimistic and a pessimistic scenario relative to the current risk.

The IPCC[7] SSP1-2.6 and SSP5-8.5 (Shared Socio-economic Pathways) scenarios were selected because they represent the optimistic outcome of a temperature increase of about 2°C and the pessimistic outcome of an increase of about 4.3°C by 2100, respectively.

Aqueduct (WRI), Géorisques, Cotton 2040, Think Hazard, and Google maps were used and supplemented with climate data available from IPCC Atlas and Worldbank. Risks are assessed on the basis of a risk score defined as the weighted average of the probability of a hazard occurring at a site, the level of exposure of the activity at that site, and the vulnerability of the activity based on the sensitivity of the activity to the identified hazard at the given location. This first level of risk is weighted by a score relating to the adaptation plan that may be specifically planned for each hazard and each site.

The result of the climate risk assessment is calculated for each identified hazard and for each scenario and results in a score that indicates the materiality of each physical risk. Following the consultation of the managers of the eligible sites and their EHS teams[8] by questionnaire and interview, it has been determined that the activities' exposure to climate risks today is limited. The eligible sites have therefore not developed any specific short-term adaptation plan (apart from a heat wave adaptation plan).

The management of physical climate risks is considered satisfactory with respect to the requirements of the taxonomy.

SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES

The use of water resources is limited in the context of Manitou Group's main activities. Raw material transformation is limited and does not require significant water consumption. Activities that have an impact on water consumption are painting and machine cleaning. This consumption is considered low in relation to the scale of the economic activity of the sites. Manitou Group's extensive analysis shows that the main production sites are not located in areas subject to high levels of water stress.

For machinery manufacturing activities 3.2 and 3.6, the production facilities located in the EU have all undergone an environmental impact assessment and passed the assessment, including a water impact assessment. In some cases, specific measures have been put in place to meet the requirements imposed by the authorities to ensure good water status and good ecological potential. For facilities outside the EU, Manitou Group has valid operating permits in accordance with local laws and regulations as well as ISO 14001 certification that the activity has no significant impact on water. Manitou Group monitors water consumption at each of its production sites in order to control and limit it as much as possible. These elements make it possible to validate the DNSH principle.

The other activities are not concerned by this DNSH principle.

Water resource management and monitoring are considered satisfactory with respect to the requirements of the taxonomy.

TRANSITION TO A CIRCULAR ECONOMY

For machine manufacturing activities 3.2 and 3.6, the waste management plans, the development of the reuse channel, and the eco-design methods implemented by Manitou Group make it possible to meet the DNSH requirement linked to the circular economy objective.

To learn more about the policy of waste management, development of the reuse channel and development of eco-design methods within Manitou Group, please refer to the *chapter "3.7 Creating value through a circular economy"* of the DPEF.

For activity 4.12, hydrogen storage, the site is located in France and is subject to the ICPE[9]. An application was therefore submitted to the prefecture for authorization. The waste management plan included in this authorization made it possible to validate the DNSH principle. In addition, Manitou Group has ensured that there are channels for recycling the materials comprising the storage units installed on its site. These assumptions are incorporated into the financial projections or official project documents.

For activity 6.5, Transport by motorbikes, passenger cars and light commercial vehicles, Manitou Group has relied on local regulations. In Europe, which is the only area with vehicles that meet the technical criteria, the European directive on the end of life of vehicles automatically allows the DNSH requirement to be met.

The other activities are not concerned by this DNSH principle.

[7] *Intergovernmental Panel on Climate Change*
[8] *Environment, Health, and Safety*
[9] *Installations classified for the protection of the environment*

Pollution prevention and control

Manitou Group is attentive to the regulations in force concerning the risks of pollution and implements permanent monitoring to reduce and limit its impact.

Activities 3.2 and 3.6:

the DNSH criteria for the prevention and remediation objective require that the activity does not lead to the manufacture, marketing, or use of specific substances as specified in Appendix C of the Climate Delegated Act. Manitou Group has implemented a Responsible Purchasing Charter and a specific supplier and purchasing validation process that takes into account the REACH regulations. This process informs suppliers of the applicable regulations regarding the management of hazardous materials and obtains their commitment to eliminate the use of the most sensitive substances. The group has also set up a process for monitoring substances of potential concern based on its own tests and information provided by its suppliers. Manitou products take the regulations into consideration and are exempted from the ROHS directive[10] as non-road mobile machinery made available for professional use. However, despite the precautions taken and due to the late publication on December 19, 2022 of the Commission's draft opinion on the interpretation and implementation of the Climate Delegated Act, Manitou Group was not able to fully adapt its analysis process to cover all the substances referred to in the answer to question number 178 of this publication (FAQ 178). Improvements to the substance analysis currently underway will incorporate the substances covered by FAQ 178 and will eventually ensure that the criteria are fully met.

Taking these considerations and measures into account meets all the requirements to comply with these DNSH criteria.

Activity 4.12:

because the storage is less than 5 tons, the activity is not subject to Directive 2012/18/EU of the European Parliament and of the Council.

Activity 6.5:

the DNSH pollution prevention and control criteria for activity 6.5 require that motorcycles, passenger cars and light commercial vehicles comply with specific requirements defined in European regulations.

All vehicles used comply with the latest applicable stage of the Euro 6 type approval for light vehicle emissions and with the EU requirements on motor vehicle noise. The emission thresholds for clean light-duty vehicles defined in accordance with Regulation (EC) No. 715/200 are met by all battery electric vehicles but only by a part of plug-in hybrid vehicles. Finally, Manitou Group evaluated the external rolling noise requirements and the rolling resistance coefficient of the tires used on its vehicles. However, it was unable to obtain detailed information on the tires used from its rental providers. Manitou Group believes, however, that its vehicles meeting the technical criteria are aligned as it is currently implementing a process to ensure that all tires on its vehicles are of the highest class or the two highest classes under the European Product Registry for Energy Labeling (EPREL).

Activity 7.3:

the DNSH criteria for the prevention and remediation objective require that the activity does not lead to the manufacture, marketing, or use of specific substances as specified in Appendix C of the Climate Delegated Act. Also, the components and materials of construction meet the criteria established in Appendix C of this Annex. Manitou Group has implemented a Responsible Purchasing Charter and a specific supplier and purchasing validation process that takes into account the REACH regulations. This process informs suppliers of the applicable hazardous materials management regulations and obtains their commitment to comply with these rules in a transaction with Manitou Group.

In the case of adding thermal insulation to the existing building envelope, a property diagnosis is carried out in accordance with national legislation by a competent specialist trained in asbestos detection. Any removal of thermal insulation that contains or is likely to contain asbestos or the breaking or mechanical drilling, screwing or removal of insulation boards, tiles and other materials containing asbestos is carried out by properly trained personnel subject to a health inspection before, during and after the work in accordance with national legislation.

Taking these considerations and measures into account meets all the requirements to comply with these DNSH criteria.

Protection and restoration of biodiversity and ecosystems

Activities 3.2, 3.6 and 4.12:

Appendix D requires that an environmental impact assessment or screening be conducted in accordance with Directive 2011/92/EU. Where required by law, production facilities located in the EU have undergone an environmental impact assessment resulting in an authorization to operate.

Manitou Group's production sites are located in planned industrial areas, and the development of the areas occupied is planned in agreement with the local authorities, taking into account the compatibility of the activity with the surrounding ecosystem issues.

In return, Manitou Group ensures compliance with biodiversity regulations, and follows up on issues identified during the submission of construction permits for facilities, particularly for invasive species.

Apart from the anthropization of the land mentioned above, Manitou Group's activities do not have a significant direct impact on the surrounding biodiversity. Also, as the sites are located outside of protected areas and the activities have little impact on the immediate environment, the risk is not considered to be material with regard to the protection of biodiversity.

Regular reports on the impact of Manitou Group on biodiversity are prepared, especially following the artificialisation of an additional area. The reports prepared have received positive conclusions.

Taking these considerations and measures into account meets all the requirements to comply with these DNSH criteria.

[10] Restriction of Hazardous Substances Directive.

MINIMUM SAFEGUARDS

The final step in aligning with the taxonomy is compliance with the minimum safeguards. Minimum safeguards include all procedures implemented to ensure that economic activities are conducted in accordance with:

- the OECD's guiding principles for multinational enterprises;
- the United Nations Guiding Principles on Business and Human Rights (UNGP), including the principles and rights set forth in the eight core conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work;
- the International Human Rights Charter.

In the absence of further guidance from the European Commission, Manitou Group based its assessment on the "Final Report on Minimum Safeguards" published by the EU Platform on Sustainable Finance in October 2022.

The scope of the minimum safeguards covers the following four topics:

- human rights (including labor and consumer rights);
- the fight against corruption;
- taxation;
- fair competition.

Manitou Group follows a two-dimensional assessment approach to evaluate compliance with the minimum safeguards. On the one hand, adequate processes have been put in place to prevent negative impacts (procedural dimension). On the other hand, results are monitored to verify whether the processes are effective (result dimension).

Manitou Group understands that the behavior of all employees and other actors in its value chain plays a central role in compliance with the minimum safeguards. Manitou Group has been a signatory to the United Nations Global Compact since 2015 and is committed to integrating the ten principles of ethical business conduct into its business strategy and operations. The group, through various departments (Risk and Compliance, Legal, Human Resources, Finance and CSR), ensures compliance with legal obligations regarding the minimum safeguards and the code of conduct (see *chapter 4 "Risks and Controls")*.

A mandatory training system in line with the recommendations of the AFA (French Anti-Corruption Agency) as part of the deployment of the Sapin II law has been deployed since 2018. With regard to its supply chains and business relationships, Manitou Group has a Responsible Purchasing Charter to ensure that stakeholders do not violate the group's human values and ethical principles. Therefore, the requirements of the minimum safeguards are an integral part of the commercial contracts and the Responsible Purchasing Charter. The latter aims to promote and enforce human rights, ethics, environmental protection and safety practices. Manitou Group expects each of its suppliers to comply with the group's ethical principles and to ensure that the charter is respected by all of its employees and subcontractors. In addition, its supplier selection and evaluation processes include anti-corruption due diligence.

In addition to these preventive measures, Manitou Group has set up an external alert system accessible to employees and external stakeholders. This system makes it possible to report, to the extent permitted by law, violations on reportable ethical topics including:

- the fight against corruption;
- the fight against anti-competitive practices;
- conflicts of interest;
- the fight against discrimination and harassment in the workplace;
- violations of the applicable internal control rules of Manitou Group and in particular violation of the limits of proxy, delegation of authority (DoA) and/or power of attorney (PoA).

This system, which provides for confidentiality and anonymity (when authorized by law), is accessible 7 days a week, 24 hours a day, 365 days a year.

Alerts are treated confidentially by the Ethics Committee in accordance with the procedure governing its operation. They are analyzed regularly and may result in disciplinary sanctions and/or updates to internal procedures.

In 2021, the Executive Committee has decided that December 9th will be Compliance Day within the group, creating an opportunity to communicate and raise awareness among employees about the results of the system deployed throughout the Manitou Group.

HUMAN RIGHTS (INCLUDING LABOR AND CONSUMER RIGHTS)

Manitou Group scrupulously respects the fundamental human rights set out in the following treaties:

- The United Nations Charter of Human Rights;
- ILO Fundamental Conventions No. 29 (forced labor), No. 105 (abolition of forced labor), No. 138 (minimum age) and No. 182 (worst forms of child labor);
- principles 1, 2, 4 and 5 of the UN Global Compact;
- principle 5 of the OECD Guidelines for Multinational Enterprises, and in particular those relating to work, in all geographical areas in which its employees operate. Manitou group has the same requirements of its stakeholders.

The processes implemented within Manitou Group ensure that prompt corrective action is taken in the event of serious human rights violations and, if necessary, compensation is provided to those affected. The effectiveness of these processes is regularly monitored through internal reviews. Anyone who believes their human rights have been violated by the activities of Manitou Group or any actor in its value chain can contact Manitou Group through its whistleblower system.

During fiscal year 2022, there were no significant human rights convictions against Manitou Group.

FIGHT AGAINST CORRUPTION

Manitou Group focuses particular attention on compliance with prevailing legislation and the actions to be taken to conform and to adapt its activities to new regulations and national and international rules. Thus, Manitou Group has worked to adapt its practices and procedures to comply with the French Law on Transparency, the Fight against Corruption and the Modernization of Economic Life (Article 17 of Law 2016-1601, the so-called "Sapin 2 Law") of December 9, 2016.

In addition to its Internal Audit Department, Manitou Group has set up a Risk and Compliance Department.

A working group, under the responsibility of the Compliance Director, has been set up to implement the law in accordance with the AFA recommendations published on January 21, 2021. The system was audited in December 2022. In addition, the group's South African subsidiary obtained ISO 37001 certification in 2021, which will be renewed in 2022. The Belgian and Italian subsidiaries have joined the ISO 37001 certification program in 2022.

During fiscal year 2022, there were no significant corruption convictions against Manitou Group.

Taxation

In line with Manitou Group's ethical values, tax governance and compliance are important elements of oversight, and the group is committed to complying with all relevant tax laws and regulations. Manitou Group undertakes to manage its tax policy in a responsible and transparent fashion. It ensures that Manitou BF and its subsidiaries comply with all of the tax rules and laws that apply in all of the countries where the group operates. This means that all of the tax declarations required by the law or regulations are submitted by the legal deadlines and that all of the taxes and deductions are paid as a result. With regard to cross-border transactions, Manitou Group complies with OECD rules and ensures that the transfer price policies implemented within the group respect the “arm's length” principle. Furthermore, Manitou Group does not put in place aggressive tax strategies that are out of touch with operational reality or artificial tax arrangements. The group has no establishments in countries that are considered tax havens. The risk-based tax governance framework is managed by a team of qualified and dedicated tax experts who work closely with Manitou Group's Management.

During fiscal year 2022, Manitou Group was not convicted by a court of a major violation of tax laws.

Fair competition

Manitou Group conducts its business in a manner that complies with all applicable competition laws and regulations, taking into account the competition laws of all jurisdictions in which its activities may have anti-competitive effects. With the Guideline for Fair Competition and Ethical Business Conduct, the group pursues the goal of achieving and maintaining vigorous competition in a free market environment for the entire Manitou Group by establishing a corresponding corporate culture. The group's guideline supports its employees in the prevention, detection and remedy of possible competition violations. A training module dedicated to the prevention of anti-competitive practices has been deployed since 2022.

For more information on the management of risks related to anti-competitive practices, please refer to *section 4.4 "Risk Factors."*

In fiscal year 2022, Manitou Group was not convicted by a court of any significant violation of competition laws.

3.4.3.4. GROUP KEY PERFORMANCE INDICATORS ("KPIs")

KPIs include the revenue KPI, CapEx KPI, and OpEx[11] KPI for 2022. KPIs are published in relation to economic activities that are eligible for the taxonomy and economic activities that are not eligible for the taxonomy [Art. 10(2) of Article 8 of the Delegated Act].

in millions of euros	Total	Share of activities aligned with the taxonomy (%)	Share of activities eligible but not aligned with the taxonomy (%)	Share of activities not eligible for taxonomy (%)
Net Sales	2,362	2.9%	0.4%	96.8%
CapEx	111	15.4%	10.4%	74.2%
OpEx	51	2.1%	16.8%	81.1%

The portion of aligned business activities related to the manufacture of electrical machines in Manitou Group's sales as of December 31, 2022 amounts to 2.9%. The portion of eligible and non-aligned economic activities is 0.4% of revenues. These activities represent all the warehousing machines produced by LMH. Although these machines are fully electric, the substantial reduction of their CO_2 emissions could not be demonstrated because the machines are already the most efficient on the market in terms of CO_2 emissions.

This KPI was determined based solely on the group's manufacturing activities within the Product Division. It does not include trading revenue (purchase for resale) on electrical machinery, or €24.3 million (1.03% of the group's revenue), which does not meet the criterion of "manufacturing" set out in Article 3.6 of Appendix I to the Climate Delegated Act. Taking into account only the revenue of the Product Division as the denominator, the aligned revenue would amount to 3.4%.

The share of aligned investment expenditure is 15.4%, and the share of aligned operational expenditure is 2.1%. *(see CapEx/OpEx sections of the tables below and "Contextual information of aligned KPIs" section 3.4.3.5*).

In 2021, the revenue KPI, CapEx KPI, and OpEx KPI were broken down as follows:

in millions of euros	Total	Share of activities eligible for taxonomy (%)	Share of activities not eligible for taxonomy (%)
Net Sales	1,875	3.4%	96.6%
CapEx	81	22.3%	77.7%
OpEx	27	1.5%	98.5%

The KPIs are presented below in the format required by Appendix II of the Delegated Act relating to information to be provided. The taxonomy alignment assessment is being conducted for the first time in FY 2022. As a result, no comparative alignment figures will be presented this year. Manitou Group has no activities related to natural gas and nuclear energy (activities 4.26-4.31). Thus, the dedicated models introduced by the complementary delegated act with regard to activities in certain energy sectors will not be used.

[11] See "Methodological Details – Taxonomy" in section 3.9.2

Net sales

Portion of revenue associated with taxonomy-aligned economic activities — Information for 2022

				Substantial contribution criteria						DNSH Criteria ('Does Not Significantly Harm')										
Economic activities	Code(s)	Absolute turnover (in value)	Proportion of turnover	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEM	MINIMUM SAFEGUARDS	Taxonomy-aligned proportion of turnover, year 2022	Taxonomy-aligned proportion of turnover, year 2021	Category (enabling activity)	Category (transitional activity)
	NACE	€k	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities *(Taxonomy-aligned)*																				
3.6. Manufacture of other low carbon technologies	C28	67,924	2.9%	100%	0%	NA	NA	NA	NA	NA	Y	Y	Y	Y	Y	Y	2.9%		E	
Net sales of environmentally sustainable activities *(Taxonomy-aligned)* ***(A.1)***		67,924	2.9%	100%	0%	NA	NA	NA	NA								2.9%		2.9%	
A.2 Taxonomy-eligible but environmentally sustainable activities *(not Taxonomy-aligned activities)*																				
3.6. Manufacture of other low carbon technologies	C28	8,537	0.4%																	
Net sales of taxonomy-eligible but environmentally sustainable activities *(not Taxonomy-aligned activities)* ***(A.2)***		8,537	0.4%																	
Net sales of taxonomy-eligible activities *(A.1 + A.2)* ***(A)***		76,460	3.2%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Net sales of taxonomy-non-eligible activities (B)		2,285,167	96.8%																	
Total (A + B)		2,361,627	100%																	

NA = not applicable

Capital expenditure

Portion of CapEx associated with taxonomy-aligned economic activities — Information for 2022

Economic activities	Code(s)	Absolute CapEX (in value)	Proportion of CapEX	Substantial contribution criteria: CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEMS	DNSH Criteria ('Does Not Significantly Harm'): CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEM	MINIMUM SAFEGUARDS	Taxonomy-aligned proportion of turnover, year 2022	Taxonomy-aligned proportion of turnover, year 2021	Category (enabling activity)	Category (transitional activity)
	NACE	€k	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
AI. Environmentally sustainable activities *(Taxonomy-aligned)*																				
3.6. Manufacture of other low carbon technologies	C28	6,999	6.3%	100%	0%	NA	NA	NA	NA	NA	Y	Y	Y	Y	Y	Y	6.3%		E	
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	N77	417	0.4%	100%	0%	NA	NA	NA	NA	NA	Y	NA	Y	Y	NA	Y	0.4%			T
7.3. Installation, maintenance, and repair of energy efficiency equipment	F43	570	0.5%	100%	0%	NA	NA	NA	NA	NA	Y	NA	NA	Y	NA	Y	0.5%		E	
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F43	396	0.4%	100%	0%	NA	NA	NA	NA	NA	Y	NA	NA	NA	NA	Y	0.4%		E	
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	F43	18	0.0%	100%	0%	NA	NA	NA	NA	NA	Y	NA	NA	NA	NA	Y	0.0%		E	
7.6. Installation, maintenance, and repair of renewable energy technologies	F43	179	0.2%	100%	0%	NA	NA	NA	NA	NA	Y	NA	NA	NA	NA	Y	0.2%		E	
7.7. Acquisition and ownership of buildings	L68	8,463	7.6%	100%	0%	NA	NA	NA	NA	NA	Y	NA	NA	NA	NA	Y	7.6%			
Capital expenditures for environmentally-sustainable activities *(aligned with taxonomy)* ***(A.1)***		17,043	15.4%	100%	0%	NA	NA	NA	NA								15.4%		7.4%	0.4%

NA = not applicable

				Substantial contribution criteria						DNSH Criteria ('Does Not Significantly Harm')										
Economic activities	Code(s)	Absolute CapEX (in value)	Proportion of CapEX	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEM	MINIMUM SAFEGUARDS	Taxonomy-aligned proportion of turnover, year 2022	Taxonomy-aligned proportion of turnover, year 2021	Category (enabling activity)	Category (transitional activity)
	NACE	€k	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
***A.2 Taxonomy-eligible but environmentally unsustainable activities** (not aligned with the taxonomy)*																				
3.6. Manufacture of other low carbon technologies	C28	703	0.6%																	
6.5. Transport by motorcycles, passenger cars, and light commercial vehicles	N77	2,184	2.0%																	
7.3. Installation, maintenance, and repair of energy efficiency equipment	F43	61	0.1%																	
7.7. Acquisition and ownership of buildings	L68	8,582	7.8%																	
Capital expenditures for taxonomy-eligible but environmentally unsustainable activities** (not aligned with taxonomy) **(A.2)		11,530	10.4%																	
Total capital expenditures for taxonomy eligible activities** (A.1 + A.2) **(A)		28,573	25.8%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Total capital expenditures for activities not eligible for taxonomy (B)		82,065	74.2%																	
Total (A + B)		110,638	100%																	

NA = not applicable

Operating expenses

Portion of OpEx associated with economic activities aligned with taxonomy — Information for 2022

Economic activities	Code(s)	Absolute OpEx (in value)	Proportion of OpEx	Substantial contribution criteria: CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEMS	DNSH Criteria ('Does Not Significantly Harm'): CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEM	MINIMUM SAFEGUARDS	Taxonomy-aligned proportion of turnover, year 2022	Taxonomy-aligned proportion of turnover, year 2021	Category (enabling activity)	Category (transitional activity)
	NACE	€k	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities *(Taxonomy-aligned)*																				
3.2. Manufacture of equipment for the production and use of hydrogen	C28	355	0.7%	100%	0%	NA	NA	NA	NA	NA	O	O	O	O	O	O	0.7%		E	
3.6. Manufacture of other low carbon technologies	C28	696	1.4%	100%	0%	NA	NA	NA	NA	NA	O	O	O	O	O	O	1.4%		E	
4.12. Storage of hydrogen	NA	27	0.1%	100%	0%	NA	NA	NA	NA	NA	O	NA	O	NC	O	O	0.1%		E	
Operational expenses of environmentally-sustainable activities *(aligned with taxonomy)* ***(A.1)***		1,078	2.1%	100%	0%	NA	NA	NA	NA								2.1%		2.1%	
A.2 Taxonomy-eligible but environmentally sustainable activities *(not Taxonomy-aligned activities)*																				
3.6. Manufacture of other low carbon technologies	C28	730	1.4%																	
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	N77	4,337	8.5%																	
7.7. Acquisition and ownership of buildings	L68	3,557	6.9%																	
Operational expenses for taxonomy-eligible but environmentally unsustainable activities *(not aligned with taxonomy)* ***(A.2)***		8,625	16.8%																	
Total operating expenses for taxonomy eligible activities *(A.1 + A.2)* ***(A)***		9,703	18.9%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Total operating expenses of activities not eligible for taxonomy (B)		41,550	81.1%																	
Total (A + B)		51,253	100%																	

NA = not applicable NC = not concerned

3.4.3.5. CONTEXTUAL INFORMATION OF ALIGNED KPIs

ALIGNED NET SALES

The table below provides a breakdown of aligned revenue from sales contracts with customers and other businesses, rental income and other sources of revenue. Revenues from the rental of aligned machines are not significant in 2022 and have therefore not been presented in the table below. In 2022, Manitou Group did not market any new aligned machines compared to the 2021 offers. In 2023, many new electric models will be available for sale.

in millions of euros	Total
Sales contracts with customers	67.9
Rental	-
Other contracts	-
Total	67.9

Some taxonomy-aligned activities are performed for our own consumption. For example, at Manitou Italia, the production of electricity through solar panels (activity 7.6) mainly supports our manufacturing activity (3.6).

An insignificant portion of the machines is immobilized in order to be used on the production lines.

ALIGNED CAPITAL EXPENDITURES

in thousands of euros	Tangible assets	Internally developed or purchased tangible assets	Right of use	Total	Of which from business acquisitions	Of which from a CapEx plan
MAIN ACTIVITY						
3.6. Manufacture of other low carbon technologies	3,759	3,240	-	6,999	-	-
INDIVIDUALLY-ALIGNED ACTIVITIES						
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	57	-	360	417	-	-
7.3. Installation, maintenance, and repair of energy efficiency equipment	570	-	-	570	-	-
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	396	-	-	396	-	-
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	18	-	-	18	-	-
7.6. Installation, maintenance, and repair of renewable energy technologies	179	-	-	179	-	-
7.7. Acquisition and ownership of buildings	8,085	-	378	8,463	378	-
Total	13,065	3,240	738	17,043	378	0

As part of its commitment to reach 43% low carbon products sold by 2030, Manitou Group plans to continue to expand its production capacity, notably through investments in industrial equipment dedicated to the production of these products, such as in France and India. Manitou Group has also decided to internalize part of the battery production (activity 3.4) needed for its electric machines with the acquisition in early 2023 of EasyLi, a French company.

In February 2023, Manitou BF announced an exclusive 12-month partnership with Kiloutou, a major European rental company, to offer electrification kits for used Manitou internal combustion telehandlers. This retrofit process will extend the life of the machines while reducing their environmental impact and in particular their CO_2 emissions.

Manitou Group also plans to make its vehicle rental fleet (activity 6.5) more green, which will also include increased investment in charging stations for electric vehicles (activity 7.6).

ALIGNED OPERATING EXPENSES

in thousands of euros	Total
Research and development costs	685
Building renovation expenditures	133
Short-term leases	-
Maintenance and repair expenses	260
Total	1,078

Maintenance and repair expenses represent all expenses related to the maintenance and repair of the industrial tool dedicated to the production of low carbon machines.

Part of the research and development costs are related to the development of new hydrogen-powered machines (activities 3.2 and 4.12).

3.5. STRENGTHENING HEALTH AND SAFETY CULTURE TO IMPROVE WORKING CONDITIONS

Safety during handling, earthmoving and lifting operations has always been in Manitou Group's DNA. It is furthermore the heart of its mission: improving working conditions, safety, and performance around the world, while protecting people and their environment.

More than 2,500 employees work to produce machines at the production sites, logistics centers and Manitou Centers, with major safety issues at stake. Health and safety issues are also key for people working in offices.

Every day, more than 500,000 people use Manitou Group machines on all continents, whether in a warehouse, on a farm or on a construction site, so the priority remains the safety of users. To target zero accidents, Manitou Group has therefore made "safety and improvement of working conditions" one of the four pillars of its Elevation Plan.

3.5.1. GUARANTEEING EMPLOYEE HEALTH AND SAFETY

Preserving the health and safety of employees is a major priority for the group. Due to its international presence, developing a culture of vigilance, health, and safety is fundamental for Manitou Group.

These commitments are made by the Executive Committee in the Quality, Hygiene, Safety, Environment (QHSE) policy and are shared with all Group employees. They are then broken down into strategic and operational objectives at all levels in the company.

Since 2019, in order to make safety everyone's responsibility and priority, the group added the accident frequency rate of temporary workers to the profit sharing of employees in France.

COVID-19 MANAGEMENT

The protective measures still in place have now become a general and natural best practice. They are regularly reminded in the on-boarding materials and common areas. Teleworking is governed by an agreement, and work schedules have evolved with the option to work remotely two days a week or more during peaks of the pandemic for functions that allow it.

In France, to respond to the consequences of the health crisis on the social life of employees and in addition to the regular communication distributed by the group and managers to maintain connections, the Health division contributed to the prevention of psychosocial risks with:

- the establishment of a free, anonymous telephone listening platform, available 24 hours a day, 7 days a week;
- the presence of a psychologist at Ancenis' main site to facilitate consultations.

In 2021 and 2022, Manitou Group organized several immunization campaigns during employee working hours, particularly in France, India, and the United States. In India, the program has been extended to include immediate family members so that they can get immunization on a private basis and be reimbursed by the company.

A STRONG ORGANIZATION

While the QHSE Department[12] contributes to the standardization of processes and the homogenization of practices, it also oversees the safety culture of the group's various production sites, while upgrading the skills of the local HSE[13] teams either through the coordination of corporate HSE France or reinforced monitoring by global HSE teams.

To specialize this "business line" approach, the cross-functional QHSE Department has created two new positions to split the activities of the business line HSE Manager: a Health and Safety Manager and an Energy and Environment Manager. Together with the internal QHSE Training Manager, they now form a trio that works with the operational teams.

More than 130 HSE representatives at all French sites have been trained in specific HSE field audits. These volunteer operators are responsible for carrying out one audit per month in their area and are a major factor in developing a strong group safety culture. This effective and pragmatic system will be extended to Italy in 2023 and to India and the United States in subsequent years.

The scope of the QHSE Department has been extended to the international production sites since 2020, and the monitoring of indicators related to the accident rates of employees and temporary workers currently covers the entire group.

In 2022, the French sites obtained a renewal of the ISO 45001 certification, the benchmark in this area. Prevention, training, and communication campaigns are carried out on a regular basis in order to strengthen the safety culture within all teams. Italy is preparing its certification for 2023.

HEALTH DIVISION

In France, the Health Division is made of a full-time occupational physician and four occupational nurses. It has been tracking employee health since 2017. This division makes it possible to put an occupational physician on all of the CSSCTs (Health, Safety, and Working Conditions Commissions) in order to work more intensively on the workstation studies to be conducted and be able to meet medical examination needs. Thanks to the regular presence of a social worker, a confidential support system is also available for employees who wish to make use of it.

The Health division covers all of the group's sites. Its mission is to:

- create standards for the entire group;
- promote health through prevention campaigns;
- deploy global projects on health issues;
- set up a health performance index.

12 Quality, Health, Safety, and Environment.
13 Health, Safety, and Environment.

Several health and safety awareness-raising initiatives were carried out by the Health Division throughout 2022, with:

- establishing an intranet site to strengthen the health culture;
- facilitating disability week with the DuoDay operation in partnership with Cap Emploi. This allows an employee with a disability to have a day to observe the activities of the group. Workshops on dyslexia and visual impairment, a conference with a profoundly deaf lawyer and coach to present disability as a source of creativity and performance;
- a week-long event dedicated to quality of life in the workplace with several workshops in France: yoga, sophrology, meditation, qi gong, etc.;
- the adoption of French national awareness and prevention campaigns surrounding breast cancer, tobacco, alcohol, drug use, etc.

In the United States, the group provides employees with a telephone helpline — managed by an external company — that employees can call confidentially and free of charge to seek help or advice on many life situations (alcoholism, divorce, legal advice, assistance in finding a daycare, psychological assistance, or finding a therapist).

In India, a permanent health center was opened in fall 2021 at the industrial site in order to facilitate employees' access to high-quality basic medical care. This care center consists of a full-time nurse, a part-time doctor and a 24/7 ambulance service and ensures the health and safety of employees in their workplace and improves their well-being.

EMPLOYEE HEALTH AND SAFETY, A TOP PRIORITY

With ten production sites, including six in France, eight spare parts logistics centers, whose main site is also located in France, and around thirty subsidiaries abroad, team safety remains the group's number-one priority.

Each industrial site analyzes its safety and environment risks and opportunities each year. The French sites now have a common risk assessment tool that has become the basic reference point for daily safety management. Over the next few years, this tool will be deployed at all Manitou Group sites.

The main safety risks associated with the group's business are as follows:

- falling objects, falls from height, trips;
- impact between a truck and a pedestrian or another vehicle;
- injury caused by manual or mechanical handling;
- injury caused by use of welding and grinding equipment;
- noise and vibration;
- fire and explosion;
- acute or chronic pain caused by workstation ergonomics;
- exposure to chemicals.

A decision-making body at each site manages the ten major safety actions defined for the year on a quarterly basis, based on the risks identified in the single document.

KEY FIGURES IN HEALTH & SAFETY

The means to manage operational safety risks are based, in particular, on an ergonomic workstation layout, validation processes for new workstations and equipment, and the establishment of working groups on the reduction of specific risks.

The recruitment of an ergonomist at the group level in 2022 is a strong pillar of the reinforcement of the safety culture and the integration of the global approach of work analysis on a daily basis.

Many actions are undertaken regularly to ensure management of these risks:

- working groups on the reduction of specific risks;
- regular communications on health, safety, and environmental issues (meetings, circulation of safety/environmental instructions, intranet articles, and posters).

Significant improvement actions conducted in 2022 at the production sites:

- chemical risk assessment at 80% of sites with a new tool that allows for traceability of the product inventory, analysis of work situations, and the development of action plans;
- creation of ten Manitou Group Golden Safety Rules, which will be deployed and implemented from 2023 onwards at all the group's sites;
- safety signage on site, deployment of standards, and reliability of the new Healthcare division in India.

To support the creation in 2020 of a neutral Psycho-Social Risks (PSR) Committee for the group's French sites (see 3.5.1, "Organization of Social Dialog"), a PSR survey was conducted in 2022, and nearly 70% of employees responded. The survey reveals that 75% of respondents are confident about the future of their position. In summary, the protective factors identified by the majority of respondents are quite strong. Many respondents cited relations between colleagues, proximity management, customer relations, and the meaning and interest of their job as satisfactory. Pride in belonging to the Manitou Group is also strong, and health indicators are also positive overall. At the same time, action plans targeting specific sectors have been initiated to address the areas of improvement identified. This survey also enabled us to communicate widely on this subject and to remind people of the existing mechanisms within the group for discussing psychosocial risks.

Manitou Group, which is attentive to the wellbeing and health of its teams, regularly tracks health and safety indicators. They are on the agenda of each Site Management Committee.

KEY FIGURES IN HEALTH & SAFETY

			2020	2021	2022	Scope
Rate of absenteeism due to accidents and illnesses (including occupational illnesses)	Rate of absenteeism due to illness	%	3.23	3.62	3.54	France, Italy
	Rate of absenteeism due to workplace accidents and occupational illnesses	%	0.28	0.30	0.25	
	Rate of absenteeism due to accidents and illnesses (including occupational illnesses)	%	3.51	3.92	3.79	
Accident frequency and severity rates (employees)	Frequency rate 1*	No.	8.78	8.77	8.86	Group
	Frequency rate 2*		15.62	14.86	13.55	
	Severity rate	No.	0.23	0.19	0.18	
Accident frequency and severity rates (temporary workers)	Frequency rate 1*	No.	27.83	29.83	34.86	
	Frequency rate 2*		48.71	37.46	39.69	
	Severity rate	No.	0.45	0.79	0.85	
Frequency rate 2 (temporary workers and employees)	Frequency rate 2		19.38	18.69	18.54	
Number of occupational illnesses reported during the year*		No.	4	11	11	France

*See note on methodology (3.9.1)

In 2022, the absenteeism rate for simple illnesses, work-related accidents and occupational diseases decreased (3.79% compared to 3.92% in 2021).

In order to be consistent with the recent international coverage of accident rate indicators, the group wanted to adapt the management of the accident frequency rate with a frequency rate 2 (FR2) that takes into account workplace accidents with and without time off work. To underline this desire to reduce accidents, employee profit-sharing in France will be indexed to the TF2 starting in 2022.

Thanks to training, integration and communication initiatives for temporary workers, the TF2 for workplace accidents (with and without time off work) increased from 48.71 in 2020 to 37.46 in 2021 and 39.69 in 2022 for temporary workers. The accident frequency rate for employees is regularly decreasing, with a TF2 falling from 15.62 in 2020 to 14.86 in 2021, then 13.55 in 2022.

SAFETY-RELATED TRAINING FIGURES

		2020*	2021	2022	Scope
Proportion of training hours dedicated to safety	%	25.7	25.3	26.81	France, Italy
Number of hours of safety training	No.	9,950	11,183	13,247	France, Italy, USA

** 2020 data was updated following an internal control: safety orientations and Covid return orientations have been removed because they are not considered training times.*

In addition to safety training hours, the group is strengthening its communications regarding employee health and safety risks by improving visual management through a DANTOTSU type approach (analysis of near accidents, accidents, and incidents directly in the production center workshops), while educating and training new arrivals during orientation and regularly communicating HSE (Health, Safety, Environment) information: meetings, dissemination of safety and environment guidelines, intranet articles, and posters.

Although the main health and safety risks are linked to the group's industrial activity, safety culture remains everyone's business. This is why the group has set itself the 2025 target of training all the business lines on the health and safety issues specific to them. Local managers will be at the heart of this training program, with the creation of a "Safety Culture" session for all managers starting in the first quarter of 2023.

HEALTH INSURANCE

In 2020, as a result of the global health crisis, Manitou Group wanted to reassess its health insurance practices for its employees and their families wherever they are in the world. The aim of this project is to verify that the group's existing practices are always in line with local best practices and revise them if they are not. The diagnostic will be established for 2022 for France, Italy, and the United States.

WORKING CONDITIONS

The group's goal is to improve working conditions, offer an attractive working environment, and improve employee well-being.

ORGANIZATION OF WORKING TIME

The duration and organization of working time within Manitou Group is established in close coordination with those in the field either by managerial decision or through a corporate agreement based on employees' job categories.

To contribute to a better balance and better use of employees' professional and personal time, the group supports all of its organizations to improve work methods and functions.

In France, the management population has enjoyed remote work options since 2014. In 2018, the introduction of a remote work charter has extended the scope to all employees whose positions allow them to work remotely. Roll-out of these work methods improves efficiency and performance, while contributing to the well-being of employees.

A telework agreement was signed in France on February 14, 2022 by all the representative trade unions and Management. This agreement makes it possible, in particular, to benefit from adapted equipment, such as an office chair, at home. The agreement also reminds us of the rules to be respected in order to be able to work remotely.

In 2021, a similar policy was rolled out in the United States, whereby employees can telecommute up to two days a week.

In Italy, the internal regulations plan to maintain teleworking post-Covid at one day per week.

QUALITY OF LIFE AT WORK

Numerous projects have been carried out within the group to improve recognition and safety and promote employee engagement.

In France, faced with the wave of recruitments at the head office and the alternating presence of the teams with the implementation of teleworking, Manitou Group experimented with a flex office pilot project within one of its teams. Its objective is to:

- provide more flexibility and allow employees to choose their workspace according to the day's activity;
- easily bring employees together as a function of projects;
- mix the teams as a function of topics;
- facilitate the integration of new employees;
- optimize the distribution of spaces that are left free by teleworking.

New informal meeting spaces are available to employees, such as the phone box or quiet room for people wishing to work in silence.

In India, many shared spaces have been renovated or redecorated.

VOICE OF EMPLOYEES

Well-being at work is recognized as a strong driver for engagement, creativity, and performance. In order to continuously improve the quality of life in the workplace, the entire group is invited to express themselves every two years during internal opinion surveys.

The survey conducted in December 2022, to which 89% of employees responded voluntarily, showed an engagement rate of 75%, down two points compared to 2020. However, this figure remains well above the average of other international companies in the same sector and of the same size (+ 14 points). There are still many positive messages, which reflect the proud sense of belonging and the confidence employees have in the company's future and its strengths. Expectations are also expressed, in particular relating to the effort that is needed when it comes to communication, customer focus, and cooperation between teams.

The results are presented to each employee of the group, through their management or via traditional communication channels (internal newspaper, intranet, posters). Action plans will be deployed in the group throughout 2023 to meet the expectations expressed by employees.

Some examples of actions taken following the EOS 2020 (Employee Opinion Survey) that could be renewed:

  - accelerating the deployment of collaborative tools in all group entities;
  - the deployment of new areas for catering;
  - the production of business line videos to encourage internal mobility;
  - the establishment of exchanges with other industrial companies;
  - the implementation of a teleworking policy in the United States;
  - photo shoots of operator employees;
  - the establishment of team building exercises in Italy between the various departments to promote team spirit;
  - renovating a break room.

At the same time, initiatives, whether structuring or informal, are put in place as close as possible to the field to support employees, such as access to sports equipment, creative workshops, communities (facilitators, co-development, network of professional equality), and conferences on societal issues or internal challenges. It reinforces the feeling of belonging to the group and therefore contributes to better collaboration between departments, especially because of the many exchanges and shared practices during these meetings.

In the United States, the group created the Employee Engagement Committee. In order to maintain employee engagement, this body plans events and activities such as monthly meals, monthly breakfasts with Management, team building exercises, volunteering, events for local communities, and trips.

In Italy, the group has set up its own Committee.

ORGANIZATION OF SOCIAL DIALOG

Social dialog is managed at the country level in accordance with local rules.

In Italy, in 2022, the internal contract – which governs working hours, telecommuting, the production bonus, and the percentage of temporary contracts – was renewed by the new union representatives elected in the 2022 elections.

In addition, an agreement has been signed to regulate the actions needed to combat the high summer heat.

In France, 2022 was characterized by rich social dialog, both in terms of content and the number of agreements signed by all the trade unions:

For MBF: ten negotiation themes marked by the signing of 12 agreements.

For MGS: three themes, three agreements signed.

For CFM IDF: two themes, two agreements signed.

The following were negotiated:

- a three-year profit-sharing agreement for years 2022 to 2024;
- a temporary agreement on partial activity compensation;
- an agreement relating to the maintenance employee scheme;
- a long-term partial activity agreement (APLD) for a fixed period applicable until December 31, 2023;
- an NAO 2023 agreement (mandatory annual negotiations);
- a value-sharing bonus agreement for 2023.

Within the framework of the new collective agreement of the metallurgy industry:

- a new agreement on the organization of working hours;
- bringing our agreement on on-call work into compliance;
- a new technical agreement on health/personal protection.
- in the absence of an agreement on professional equality, quality of life and working conditions, Management has created an action plan for 2023.
- 2022 was marked in particular by the start of the project to overhaul the national collective bargaining agreement for the metallurgy industry.

3.5.2. SUPPORTING CUSTOMERS AND USERS TOWARDS ZERO ACCIDENT

Improving working conditions and the safety of users operating Manitou Group machines is at the heart of the group's mission.

Every day, more than 500,000 people use these machines around the world. In a factory, farm, or construction site, the most important priority is safety conditions. While the machines and services offered by the group's various brands reinforce safety by nature, the risk of an accident is real. Risk factors include the choice of inappropriate equipment, a lack of knowledge, or misuse of the equipment.

Indeed, 90% of forklifts – all manufacturers combined – will be involved in an accident during their lifetime. Manitou Group puts great emphasis on avoiding these hazards and prioritizing the safety of its users through its Reduce program.

THE REDUCE RISKS COMPONENT

Since 2018, the Reduce Risks component has integrated the Reduce program (see 3.7.3. "The Reduce Program") and fully illustrates how the group strives to transform and secure applications for better quality of life in the workplace.

In addition to benefiting from expertise in the choice of equipment, each customer receives recommendations to make sure they have all the knowledge and know-how necessary to operate the machine safely. Thanks to its Reduce Risks program, Manitou Group provides a specific response to the safety challenges faced by its customers and the many users of its machines.

The dedicated web platform - https://www.reduce-program.com/risks - brings together multiple safety-related resources, such as online practical fact sheets and more than 300 video tutorials for safe operation.

To continuously provide users with more information and knowledge, Manitou Group is working to improve the structure of its Risks library for the Manitou & Gehl brands by implementing common processes.

CONCRETE SOLUTIONS

For more than 30 years, Manitou Group has applied the current safety standards for mobile machinery in the design of its machines, such as:

- the Falling Object Protective Structure (FOPS) standard, which verifies that the operator in the cabin is protected in the event of a falling object. This standard is applied to the group's telehandlers and loaders;
- the Rolling Over Protective Structure (ROPS) standard, which ensures that the operator is protected in the cabin in the event the machine rolls over. This standard is applied to the group's telehandlers, telescopic tractors, and loaders.

In addition, significant work has been carried out to improve the ergonomics, vibrations, and acoustic comfort of the equipment with concrete solutions concerning, for example:

- access to the driver's cab for ease of climbing and to reduce the risk of falling;
- a seat making it possible to monitor the movements of the load and reduce the vibrations experienced by the user;
- easier maintenance for technicians with an engine hood that opens wide and easy access to the various filters, engine oil dipstick, etc.;
- work on insulation and ventilation speed in order to optimize cabin soundproofing.

Beyond the standards, the teams have always been working to offer more innovative solutions to customers and users to better protect them when using the machines.

In 2022, the following actions were taken to reduce the health and safety risks of users of Manitou Group machines:

- specific QR codes assigned to each machine in order to direct users via a simple scan to the technical documents, learning videos, and maintenance records specific to the machine used. These QR codes will be deployed from the first quarter of 2023 for the Manitou brand;
- development of the Operation Safety System (OSS) across the entire platform range. This device supports and protects the operator and his or her environment. It alerts the teams on site and transmits the data to the fleet manager, thereby reducing the risks related to the health and safety of machinery operators and their colleagues on site;
- improving safety and ergonomics across the entire rotating MRT range with:
    - a new remote radio control[14] system to control the machine from the basket or when the operator is outside the machine for safe movement without having to return to the driver's cab;
    - a pack of five LED lights for total lighting around the machine;
    - a rear camera that sends images to the cab;
    - four accesses built into the chassis, on the left and right, and at the front and rear of the machine, now give the operator the ability to climb into and out of the machine regardless of which way the cab is rotated;
- improved safety related to cabin access for MT 730 and MT 930 telehanders;
- the study of three innovative sensor solutions to improve safety at work sites;
- the study of innovative active solutions for the protection of operators "DETECT, ALERT, PROTECT";
    - the study of active systems on the machines intended to avoid instability or collision situations;
    - the study of systems to help novice operators learn how to operate the machines.

AN INNOVATIVE PARTNERSHIP

Since 2020 and through a pioneering partnership in "follower robot" technology, the group is also developing a range of warehousing and autonomous equipment. This technology improves internal industrial logistics flows for safe coexistence between employees and machines. In 2021, the group launched its first autonomous robotic stacker. In 2022, Manitou Group deployed this technology at various production sites and began marketing it.

[14] *Optional*

3.6. PROMOTING ETHICS AND PUTTING PEOPLE AT THE HEART OF THE ACTIONS OF THE GROUP AND ITS ECOSYSTEM

The group operates in a constantly changing, competitive environment and in a context of sustained growth. This requires a strengthening of human resources and a diversity of skills led through strong ethical engagement. The company must make the group's key values known to all its employees, so that everyone can understand them, appropriate them and apply them in their work and their relationships at work. This pillar is put at the heart of the CSR strategy, a sign of the group's desire to closely involve everyone who, at their own level, has a role to play in creating sustainable value that benefits all.

3.6.1. STRENGTHEN ETHICS WITHIN THE GROUP

Manitou Group affirms its commitment to ethics through adherence to the major universal fundamental principles and international reference texts (see 3.2.3. "Compliance with Standards and Frameworks").

THE GROUP'S ETHICAL FOUNDATION

Convinced that ethics offers an additional opportunity to ensure the continuity and resilience of its growth, Manitou Group adopted a Code of Ethics in 2022, which replaces the 2010 Ethics Charter.

The Code of Ethics is a tool for understanding the group's ethical principles and identifying its various components published in its reference framework. In the hierarchy of internal standards, the Code of Ethics is right at the top. This code covers the entire scope of the group and applies to all its employees. The principles of this code supplement, but do not replace, the laws, regulations, and basic texts of the countries in which Manitou Group operates.

Since September 2018, a single alert system has been deployed in all of the group's entities. This system allows for the collection of reports concerning the existence of behavior or situations that are contrary to applicable laws, internal regulations, and the group's values and principles as set out in the Code of Ethics.

Since the alert system was implemented in September 2018, an average of one alert has been received per month. Some of the alerts received were not corroborated after analysis and investigation.

TYPES OF OFFENSES REPORTED IN THE ALERTS RECEIVED	% ALERTS
Discrimination or harassment	16.3%
Bank fraud	16.3%
Misconduct or inappropriate behavior	14.3%
Inappropriate activity of a supplier or provider	12.2%
Violation of internal policy	10.2%
Misappropriation of product or business opportunity	8.2%
Fraud and misuse	6.1%
Anti-competitive activity	4.1%
Conflicts of interest	4.1%
Retaliation	4.1%
Corruption	2.0%
Financial fraud	2.0%

THE FIGHT AGAINST CORRUPTION AND ANTI-COMPETITIVE PRACTICES

According to the 2020 Corruption Perceptions Index (CPI) of Transparency International, 11.95 %[15] of the workforce is operating in corruption-prone countries as of December 31, 2021.

Since 2019, several key actions have been put in place:

- an independent report collection site for whistleblowers is accessible to employees on the intranet and to stakeholders from the group's website;
- an independent Ethics Committee governed by a Code of Ethics was established to respond to this alert system;
- a regularly updated risk map for corruption and influence peddling;
- a third-party assessment process consisting in particular of a mandatory self-assessment questionnaire for any new external stakeholders, which may be supplemented, where applicable, by an outsourced assessment carried out by a leading provider. Since 2019, more than 1,000 third parties have undergone the double verification;
- a compliance training program consisting of two e-learning modules and a face-to-face training session for the most exposed functions.

As of December 31, 2022, 93.3% of employees completed the training deployed in 2019 aimed at raising awareness regarding the risks of active and passive corruption.

In 2022, the group continued to roll out its anti-corruption system:

- the launch of a second e-learning compliance training module. This module is composed of several tracks specific to the group's divisions;
- conduct of face-to-face training sessions;
- the continuation of the ISO 37001 certification program (anti-corruption management system) extended to other subsidiaries following the award of this certification to the South African subsidiary in 2021;
- the updating of several compliance procedures and policies (whistleblowing procedure; anti-corruption code of conduct; conflict of interest management policy; compliance training policy).

The group therefore is continuing its work to ensure that it respects the eight pillars of the 2016-1691 Law of December 9, 2016, called "Sapin 2," as well as the recommendations of the French Anti-corruption Agency (AFA).

Since compliance has been a strategic topic for the group since 2018 (see Chapter 4), the Audit, Risk, and Compliance Division regularly presents on the progress of its work to the Audit Committee and the Executive Committee.

[15] *The selected countries have a score of <50 (out of 100).*

PERSONAL DATA PROTECTION

The requirements of the General Data Protection Regulation (European Regulation 2016/679) reinforces the obligations of companies processing personal data.

Manitou Group is continuing its actions to ensure that it complies with this regulation and that personal data, whether it relates to its employees, suppliers, or customers, is processed and kept securely.

Specifically with regard to employee data, the applications have been mapped and processes have been recorded. The human resources teams regularly monitor the compliance plan, which was defined with help from an external service provider.

3.6.2. CHAMPIONING EQUAL OPPORTUNITY AND INCLUSION

With a presence in all four corners of the world, Manitou Group considers the diversity of its teams to be a real asset. Ensuring fair treatment and equal opportunities for all its employees in the context of their recruitment, remuneration and professional development is a priority.

The group, which strives to improve the working conditions of its teams wherever they are in the world, extends its ambitions to equal opportunities and inclusion. For its employees, it is committed to maintaining a working environment where management values and practices are based on respect for people and the integration of their differences and their diversity.

Manitou Group recognizes the need to attract and retain employees from diverse backgrounds to strengthen the talent pool that will drive the group's transformation tomorrow.

The group, which already applies equal pay for equivalent positions in France, aims to go further with an international index that measures the group's performance in the areas of equal pay, professional development, and gender diversity.

EQUAL OPPORTUNITIES

The group continues its commitment to gender equality by promoting diversity through recruitment and management of employees' careers, while fighting against any form of discrimination.

BREAKDOWN OF THE GROUP'S FEMALE WORKFORCE AS OF DECEMBER 31, 2022

		2020	2021	2022
Global Leadership Team[16]	%	16.4	17.1	18.6
Managers	%	22.7	23.8	22.9
Supervisory staff	%	5.9	5.4	6.3
Technicians (ETD)[17]	%	27.6	29.4	30.8
Manual workers	%	9.7	11.1	12.3
Total	%	17.9	19.5	20.4

In 2022, the proportion of women in the company exceeded 20%, with an increase in the blue-collar (+1.2%), technical (+1.4%) and supervisory (+0.9%) categories.

On the Global Leadership Team (GLT), there are 16 women out of a total of 86 members, representing 18.6%. This percentage is gradually increasing. It was 12.85% in 2017.

In France, the gender equality index score is 93/100 for the year 2022, up 6 points from the previous year. An action plan for gender equality in the workplace and quality of life and working conditions is drawn up for one year, including the following commitments:

- effective remuneration: the company is committed to readjusting its salary policy in order to eliminate salary inequities throughout the group;
- working conditions and health risk prevention: the aim is to make it easier for everyone, especially women, to work in these professions in order to make them more attractive. Management also undertakes to implement preventive measures relating to moral and sexual harassment as well as to sexist behavior;
- hiring: the objective is to achieve a gender balance in the company in those professions in which either gender is currently under-represented;
- the reconciliation of work and personal and family life is facilitated by providing employees with spaces in inter-company day-care centers, supporting employees who are caregivers of family members, and providing additional days of leave for employees undergoing MAR[18] or adoption procedures;
- professional advancement: this is facilitated by continuing the mentor-mentee partnership, encouraging women to pursue professional mobility, and aligning the number of managerial promotions (hierarchical changes) for women and men at all levels.

MANITOU GROUP GENDER INDEX

For 2022, the group scored 93/100 on the gender equality index established by the French government. Given the limited scope of this indicator (France), the group, which already applies equal pay for equivalent positions in France, has set itself the objective of defining its own international gender equality indicator and improving it by 2025.

The group initiated a reflection process in 2021 which led, in 2022, to the modeling of a tool to measure the group's progress in terms of professional equality each year through a parity index. The major themes in this index are compensation, gender diversity, and professional development. Each theme consists of three to four criteria.

The first index, covering data to the end of 2022, covers a broad scope including employees in France, Italy, the United States and India. Targets for progress by 2025 have been defined for each of these countries and will lead to the development of action plans.

[16] The group's main managers: Executive Committee, N-1 and subsidiary directors
[17] Employees, technicians, designers
[18] Medically Assisted Reproduction

INCLUSION

The group is convinced that the inclusion of employees with disabilities helps to improve the engagement and solidarity of the teams.

In 2021, France and Italy employed 96 disabled workers, direct and indirect jobs combined.

STAFF WITH A DISABILITY, AS OF DECEMBER 31, 2022

(Scope: France, other than LMH & CFM Île-de-France, Italy)

		2020	2021	2022
Staff recognized as having a disability	No.	93	96	93
	%	3.61	3.50	3.03

The Group is working on three areas to successfully implement its policy for persons with disabilities: raising awareness among all of the company's stakeholders, retaining employees with disabilities, and, lastly, continuing to recruit employees with disabilities.

Awareness of disability is paramount within the group. To achieve this objective, the handicap mission regularly organizes events open to employees.

During 2022, a number of workstation adjustments were made in France for employees with disabilities, including the provision of adapted office equipment so that they can benefit from the same environment when working from home or within the group.

In France, the European Week for the Employment of People with Disabilities provided an opportunity to organize several activities, such as workshops to raise awareness of sensory disorders; massage workshops organized by visually impaired or blind masseurs; and a conference attended in person and remotely by more than 100 employees, led by a well-known speaker in the field. During DuoDays, the employees also welcomed a dozen duos at the production and support function sites.

The disability mission also continues to organize visits to the company by young people with disabilities with the help of employee volunteers. These young people come from a school working for the integration of young people who have dropped out of school or from local MEIs[19] .

In 2022, in Italy, the group no longer reached the national threshold of 7% of employees with disabilities as a result of changes in the workforce and therefore called on reintegration companies to carry out certain tasks as provided for by law. An agreement with local social cooperatives has been established to cover compulsory quotas for workers with disabilities.

For their part, the French teams will continue to be proactive in the coming months and years and renew all the actions taken to achieve the objective of the disability policy: exceeding 6% employees with disabilities.

3.6.3. SUPPORTING TALENT MANAGEMENT AND JOB DEVELOPMENT

INTEGRATION OF NEW EMPLOYEES

Even before training and supporting employees in their career development, there is an essential step not to be missed when engaging and retaining employees: integration. When new employees are hired by the group (including interns and work-study students), they attend a specific training course including:

- a mandatory health, safety, and environmental training session;
- an online training course including seven modules (presentation of the group and its vision, organization, markets, sales regions, business lines, commitments, and tools).

Depending on the profiles and countries, personalized welcome courses are organized by the local human resources teams.

In Italy, for example, a tailored course is offered to newcomers: individual interviews, training and factory visits for tertiary functions, safety training, human resources and business lines for production staff.

In France, every employee with a contract of more than three months attends an orientation and the “Up Days” program, while newly hired French executives attend an immersion week in production learning about the business lines, know-how, and products and services of the group.

DEVELOPMENT OF TALENTS

The individual development of employees is an integral part of the managerial practices that are regularly encouraged to strengthen the group's leadership. Each employee is also invited to take charge of their own development with the assistance of their manager and the Human Resources Department. These initiatives are documented in an individual development plan that identifies their professional goals and determines what experience, skills, and behaviors will help employees reach their goals.

The group continued to invest in training actions that best suit training needs according to the 70-20-10 approach. This model suggests that 70% of learning takes place through activity and experience, 20% through relations and interactions with others, and 10% through traditional training.

The Skills Development Plan was focused on five pillars:

- health, safety, and environment: the number 1 priority is to ensure health, safety, and risk prevention for all employees;
- mobility and integration: integrating and supporting all new employees and, at the same time, promoting and supporting mobility within the group by proposing individual or collective action plans;
- business line expertise: developing the skills of employees in connection with industrial efficiency. In the context of the wide-ranging industrial investment plan and to maintain the group's competitiveness, the training offer is changing significantly towards new technologies, new knowledge such as electrification, or even new computer languages;
- CSR: supporting the group's transformation towards a sustainable model. By 2025, 100% of key functions will receive sustainable development training in accordance with their business line. This year, the focus was on actions related to ecodesign, the European sustainable taxonomy, and climate change;
- digital: improving the user experience while offering an increasingly expansive catalog of e-learning courses. In this digital transformation context, the group also continues to invest in its e-learning training platform, Digital Campus. The idea is to increase the digital offer and improve the user experience. In addition to broad external expertise via various e-learning partners, more and more content is being developed internally to cover the group's more specific needs, such as its CSR strategy, compliance, cybersecurity, and Manitou product techniques.

[19] *Medical and educational institutes*

The Covid-19 pandemic continues to have a significant effect on the group's training indicators. With lockdowns and travel restrictions in all countries affected most by this health crisis, many training sessions that need to be held in person could not take place. However, the group was able to rebound and propose alternatives throughout the year, incorporating both distance and/or face-to-face sessions when possible. All of these initiatives raised the training access rate for employees to 73.97% in 2021 and 77.86% in 2022, versus 70.02% in 2020.

TRAINING-RELATED INDICATORS AS OF DECEMBER 31, 2022

(Scope: France, other than LMH & CFM Île-de-France, Italy, USA, and India)

		2020	2021	2022
Training expenses	€k	1,053	1,768	2,200
Total payroll	€k	148,825	159,456	191,642
Portion of the payroll devoted to training	%	0.71	1.11	1.15
Employees that have attended at least one training course	No.	2,581	2,652	3,088
Employee training access rate	%	70.02	73.97	77.86
Total number of hours of training	No.	26,690	38,545	49,914[20]
Average number of hours of training per trained employee	No.	10.34	14.53	16
Training access rate for temporary workers**	%	49.4	60.1	47.4

**France and Italy.*

SUPPORTING THE GROUP'S TRANSFORMATION TOWARDS A SUSTAINABLE MODEL

In order to guarantee its leadership position in its sector, the 2025 CSR targets were defined by the group for their strategic, innovative, and transformative nature. In order to reach these targets and meet its strategic ambitions, as reflected in the Horizons 2025 and Elevation 25 plans, it is essential to start with the support of the group's men and women who contribute to its success every day.

- To achieve this, the group plans to train 100% of strategic functions on business line-specific sustainability issues by 2025. In 2022, several actions were launched for this purpose.
- CSR training for the Board of Directors: raising awareness among Board members about CSR, a strategic and central issue. The objective of this training program was to encourage and enable directors to assess the stakes for the sustainability of the company's activity and the cross-applicability of CSR issues, well beyond the simple question of compliance. It has also strongly encouraged the use of CSR to address any strategic issue for the company, as it provides a global vision of performance and facilitates a better understanding of the opportunities as well as the risks involved.
- "Fresque du Climat": this training initiative is an ambitious large-scale project in which all group employees will eventually be educated on climate issues. This action aims to understand climate change and its causes and consequences and to better understand its impacts for the company, as well as the levers for adaptation and mitigation. It has been offered in 2022 to the members of the Executive Committee and the top 80 managers of the group. Its deployment will continue for other employees in 2023.
- Ecodesign: Manitou Group began an eco-design process this year, taking a fresh look at its products, with the goal of optimizing them so that they have the same key functionalities while reducing their environmental impact. This first training course on eco-design sheds light on how to improve the overall performance of a product throughout its life cycle. Other actions will follow for 2025 to support all R&D experts.
- An employee completed a long cycle, "Executive Master in Plastic Products Recycling and Economy" with the aim of initiating a global R&D project in 2022 in connection with the group's ecodesign roadmap. The goal is for all of the group's R&D employees to be trained in ecodesign in the long term.
- Taxonomy: a pillar of the European Union's "Green Deal," the green taxonomy is a key measure in the pursuit of the objective of directing financing towards greener activities. A member of staff in the Finance Department has taken a training course to become an expert and is dedicated to the subject in order to support the group in the implementation of this sustainable taxonomy.

COLLABORATIVE AND AGILE MODE

Collaborative work and deployment of agility are elements that support the group's transformation on a profound level.

In this regard, the Let's Go program continued in 2022 at all of the group's subsidiaries. Its objective was to optimize the tools used within the group by shifting them to new, more collaborative tools. Ambitious support and extensive communication have been implemented for all employees: training at different levels (performed by group employees and external stakeholders), conferences and testimonials, a forum open to all on the company's social network to ask questions about these tools and obtain answers, and the creation of a community of local ambassadors.

Other initiatives are also carried out regularly to promote collaborative work, facilitate cross-functional actions, and foster team accountability.

The employees are regularly consulted on local projects that concern them through surveys (new sites, office remodeling, corporate catering, sports activities).

In each region of the world, such as in Asia or the United States, all of the teams regularly meet to share key information about the group across divisions, find common ground when it comes to priorities, and celebrate successes and events.

In India and Italy, as part of the deployment of the ERP core model, a change management project was launched with all employees. Agents of change were identified on the project team and in HR, and the project was then progressively expanded to all employees concerned.

In the United States, the implementation of “human centered design” promotes innovation: this program helps the cross-functional teams move towards a customer focus and provides an opportunity to work collaboratively in order to improve the products, processes, and services.

The progressive deployment of agility, in particular through the training of many managers or teams, progressively simplifies the processes and methodologies used in the company, as well as projects on a daily basis. In addition, a community of facilitators works regularly to conduct periodic sessions in project groups or during team seminars.

[20] 6% of training hours come from long courses started in 2022 but not yet completed

COMPENSATION AND BENEFITS POLICY

Manitou Group attracts, motivates, and retains talent by offering global compensation packages that are competitive, fair, and challenging. It encourages and recognizes the contribution of each employee to the success of the company and the satisfaction of its customers.

Beyond the skills, performance, and conduct of each employee, five key principles are taken into account when determining the level of each salary:

- internal equity;
- differentiation;
- performance;
- recognition;
- market competitiveness.

When it comes to analyzing the competitiveness of salaries, Manitou Group refers to the compensation adopted by its main competitors and players in the industrial sector in each country.

In France, the compensation policy is part of a social dialog conducted during the months of November and December of each year. The MANs (mandatory annual negotiations) are an opportunity to discuss the company's prospects and challenges for the coming year with social partners as well as to reach agreement concerning, among other things, salary increases and benefits granted to employees.

The commitment and alignment of the teams with respect to the improvement of the group's performance are implemented through collective profit sharing plans put in place in several countries in which the group is present, especially in France, with the signing of a three-year profit sharing agreement from 2022 to 2024.

3.6.4. CONSOLIDATING RESPONSIBLE BUYING AND SELLING PRACTICES

Manitou Group places particular importance on the dialog it maintains with its suppliers and dealers throughout the regions in which it operates. The CSR approach is based on the involvement of all partners in the value chain. As a result, the Elevation Plan becomes more relevant the more it is shared.

Manitou Group is committed to discussing its aims with its suppliers and dealers operating in 140 countries.

RESPONSIBLE PURCHASING: A STRUCTURED APPROACH

The sustainability of the group rests largely on the strength of its network of suppliers.

Since 2012, the group has deployed a Responsible and Sustainable Purchasing policy aimed at creating sustainable, balanced, and value-creating relationships with its suppliers for all of its stakeholders. This initiative is undertaken in conjunction with all of the staff members of the Purchasing Department and all divisions involved in collaborating with suppliers.

Through the Elevation plan, Manitou Group undertakes to apply, promote, and support the fundamental CSR principles in its activities. Its role as an international company is to share its expectations with respect to environmental, social, ethical, and economic responsibilities and to detail the commitments expected in return from suppliers and subcontractors.

Since 2022, the Purchasing Department has strengthened its expertise in CSR issues by creating a new dedicated department and recruiting a Sustainable Purchasing Project Manager to coordinate all purchasing activities within the group.

In order to secure supplies and ensure long-term relationships with suppliers, the Purchasing Department relies on three documents that form the basis of the purchasing teams' approach:

- purchasing governance;
- the Responsible Purchasing Charter;
- the Code of Ethics (supplier section).

RESPONSIBLE PURCHASING CHARTER

In order to adapt to new regulations, the many ethical, environmental, and social challenges, and the accelerated deployment of the group's low carbon strategy, the Purchasing Department has completely revised its Responsible Purchasing Charter created in 2014.

At the end of 2021, the entire Purchasing Department of the group (80 persons) was trained in this new charter by a an external partner expert in sustainable sourcing to improve the knowledge of buyers in order to deploy and support suppliers under the best possible conditions.

In addition, the signing of the Responsible Purchasing Charter by suppliers is an integral part of the supplier qualification and selection process.

CODE OF ETHICS

Updated and deployed within the group in December 2022, the Code of Ethics is the line of conduct adopted with the group's stakeholders. A particular focus is placed on supplier relations, ethical imperatives, and the commitments to be respected. Manitou Group will implement a corrective action plan within a reasonable time frame, if necessary.

OPERATIONAL TOOLS TO DEPLOY THE RESPONSIBLE PURCHASING APPROACH

The Responsible Purchasing approach must be made part of the operational side of the teams by providing them with turnkey tools and support for the management and prioritization of CSR risks.

Buyers rely on:

- CSR audits;
- CSR risk mapping;
- extra-financial evaluation of risky and/or strategic suppliers.

CSR AUDITS

Suppliers' CSR performance has been audited since 2016 based on five criteria: responsible offer, health and safety, sourcing and suppliers, environment, and HR development and socially-responsible policies. In 2018 and 2019, buyers were given training in the supplier CSR audit. In 2020, despite the difficult conditions linked to the Covid-19 pandemic, the teams certified 24 suppliers using these CSR criteria.

In 2022, the CSR qualification rate of suppliers reached 50% (153/305) compared to 41.4% in 2021.

The CSR criterion is being integrated into a "risk assessment" aspect of the supplier "status," which will ultimately dictate purchasing strategy and sourcing decisions.

SUPPLIER RISK MAPPING

In addition to the CSR audits carried out since 2016, the Purchasing Department joined forces with an external partner in July 2022 to:

- map all suppliers from the point of view of CSR risks;
- develop the extra-financial evaluation.

This two-step approach allows the group to identify its suppliers with theoretical CSR risks, which take into account industry and country-specific characteristics, and then to verify whether the supplier has adopted the necessary measures to control and reduce these risks.

The CSR analysis is based on four areas: the environment, human and labor rights, ethical risk, and purchasing and supply chain policies.

The first stage of mapping was completed in the last quarter of 2022 and covers 95% of direct and indirect purchasing expenditures.

This mapping highlighted priority suppliers to be evaluated. Manitou Group not only prioritized the most strategic suppliers but also chose to focus on the highest risk countries, regardless of the volume of business done with that supplier.

EXTRA-FINANCIAL EVALUATION OF SUPPLIERS

As announced at the supplier convention in November 2022, the Purchasing Department is launching a major evaluation campaign for priority suppliers in 2023.

Within the Purchasing Department, a cooperative effort is made with the CSR Department, on the one hand, and with purchasing managers and their buyers, on the other, to ensure that the messaging to suppliers is consistent.

Buyers are the guarantors of suppliers' social, societal, and environmental practices. This is why they are in charge of evaluations and follow-up of corrective actions, supported by the Sustainable Purchasing Project Manager.

All of these tools are the subject of training to encourage the support of purchasing teams and to increase the skills of buyers in CSR issues and their impact on the business.

These tools are also monitored in the form of reports and KPIs, subject to individual and corporate objectives.

Finally, since 2022 and the arrival of a Sustainable Purchasing Project Manager attached to the Purchasing Department, the group has been working on sharing best practices and knowledge sheets in order to make CSR an integral part of buyers' daily practices.

DEALER EVALUATION

Since 2019, the group has begun a close dialog with its dealers by sharing its Dealer Standards in order to discuss mutual expectations, including CSR.

Nearly 875 dealers were audited via a documented online questionnaire containing more than 65 questions, including some questions on CSR. Dealers around the world were asked about the implementation of the Dealers Standards via 63 criteria, of which 6 criteria relate to CSR topics.

This method offers the ability to segment the dealer network into three levels according to the maturity of their practices and their overall score:

- partner ***;
- engaged ** ;
- approved *.

At each level, there is a set of services and benefits. The objective of this segmentation is to:

- on the one hand, motivate the network to improve with higher requirements from one year to the next;
- secondly, develop the dealer network towards more responsible practices, particularly through improvement objectives and the sharing of best practices.

In 2022, Manitou Group conducted an evaluation of 100% of its Dealers Elevation Plan (DEP) eligible dealers.

In 2023, the objective is to develop the involvement of dealers on all Dealers Standards and to evaluate the action levers for each area. Based on the 2022 results, the group will be able to identify the areas and dealers that have room for improvement and define the corresponding action plans.

3.6.5. DEVELOPING SOLIDARITY PROGRAMS

The group has a presence in a wide variety of territories with the capacity to reach a great diversity of players and stakeholders. For many years, diverse actions have been undertaken at the initiative of employees, in partnership with the dealer network, in order to improve people's everyday life and have a more beneficial impact on the environment.

Manitou Group believes that it has a responsibility to share its environmental, social, and societal commitments with the surrounding communities in order to encourage other players to conduct similar initiatives. The group's actions must have a positive impact on the territories.

PATRONAGE POLICY AND REGIONAL PRESENCE

The sponsorship policy is focused on education and inclusion with partnerships linked to the markets (agriculture, construction, industry) and the group's CSR priorities. Since 2018, it has functioned as a framework for the projects that the company has been supporting.

A Steering Committee, made up of two members of the Executive Committee and the CSR and Communication departments, is in charge of reviewing the inclusive educational and environmental projects proposed by the employees. Lastly, to give all employees the opportunity to get involved in socially-minded projects, the group has set the target of volunteering 12,500 skills sponsorship hours to solidarity actions between now and 2025.

In 2022, sponsorship initiatives were carried out for this purpose, focusing on topics that are near and dear to the group.

- Inclusion

A partnership was renewed with the ATAO — a social training company in France — whose mission is the social and professional integration of vulnerable or excluded individuals.

An employee triathlete with disabilities was sponsored to participate in the world triathlon championships.

- Education

A partnership was established with the association 100,000 Entrepreneurs (France), whose mission is to pass on the culture and love of entrepreneurship to young people between the ages of 13 and 25 in France, through testimonials from volunteer entrepreneurs.

- Solidarity

A donation to the Polish Red Cross to assist with reception of Ukrainian refugees.

- Environment and biodiversity

A partnership with the association Justdiggit, whose mission is to "cool the planet" by greening up Africa (and in particular arid and infertile lands) thanks to an innovative and efficient method alongside local farmers.

Membership in the CircularIT Alliance of CentraleSupélec and IRT SystemX for three years. This program aims to pool upstream, industrial, and experimental research and places digital technology at the service of the circular economy.

In addition, the group is committed locally in the Pays de la Loire region through its interactions with local players: COMPA (Community of municipalities in the Pays d'Ancenis area), ADIRA (Association for the industrial and economic development of the Ancenis region), the DROs (Dirigeants Responsables de l'Ouest), the CSR Commission of MEDEF Pays de la Loire, or even the CSR Platform of Nantes Métropole and the Nantes Saint-Nazaire Chamber of Commerce and Industry (CCI).

The actions concern both initiatives related to the circular economy in the territory and other CSR subjects.

VOLUNTEERING AND SKILLS SPONSORSHIP

A key pillar of the group's CSR policy, the skills sponsorship and employee volunteering initiative, was launched in 2019. In 2022, more than 722 hours were volunteered with associations, schools, and social integration companies for local communities.

In 2022, Manitou Italia strengthened its partnership with the "Casa delle donne contro la Violenza ONLUS" (an association against violence) through the organization of a workshop for International Women's Day (March 8th) and a march to demonstrate against violence against women.

A collaboration was also established with the municipality of Castelfranco Emilia for the project "yarn bombing" on World Day of Peace by providing Manitou equipment.

In France, with access to the "Oui'Act" solidarity platform, employees can choose missions to get involved with through associations. The platform was launched in April 2021 and since then, 125 employees have volunteered 222 hours in missions in the areas of social action, professional integration, education, and the environment.

Thanks to this success, Manitou Group will continue its momentum with the continuation of the program in the new CSR road map.

3.6.6. ADDITIONAL SOCIAL INFORMATION

GROUP HEADCOUNT AS OF DECEMBER 31, 2022

		2020	2021	2022
Headcount	No.	4,354	4,462	5,009
Total headcount (including temps)	No.	4,929	5,282	6,093
Staff with open-ended contracts	No.	4.264	4.322	4.838
Staff with open-ended contracts	%	86.51	81.83	79.40
Staff with fixed-term contracts	No.	90	140	171
Staff with fixed-term contracts	%	1.83	2.65	2.81
Temporary workers	%	11.66	15.52	17.79
International corporate volunteer program	No.	3	0	0
Internationally mobile employees	No.	6	10	12

Manitou Group increased its workforce by 12.25% in 2022. This sharp increase is the result of the acceleration of the group's growth (projects, development, investments, etc.) and has made it possible to make up for the delay in many recruitments planned for 2021.

BREAKDOWN OF GROUP HEADCOUNT BY GEOGRAPHICAL AREA AS OF DECEMBER 31, 2022

		2020	2021	2022
France	%	54.1	56.3	56.5
Southern Europe (excluding France)	%	8.6	8.9	8.3
Northern Europe	%	4.7	4.9	5.1
Americas	%	18.9	16.1	16.1
APAM	%	13.6	13.9	14.0

Proof of its international reach, 43.5% of the group's workforce is outside France, a figure that is nearly stable compared to 2021. Diversity of nationalities within the *Global Leadership Team (GLT)* — the group's main managers: Executive Committee, N-1, and Heads of subsidiaries) — remains significant with 19 different nationalities as of December 31, 2022.

BREAKDOWN OF GROUP HEADCOUNT BY STATUS, AS OF DECEMBER 31, 2022

		2020	2021	2022
Managers	%	25.5	26.3	28.2
Supervisory staff	%	1.6	1.7	1.6
Technicians (ETD)	%	27.7	28.3	27.9
Manual workers	%	45.3	43.7	42.3

CHANGES IN THE GROUP'S PERMANENT WORKFORCE AS OF DECEMBER 31, 2022

		2020	2021	2022
Turnover rate	%	10.23	16.19	16.92
New recruits with open-ended contracts	No.	377	713	1,044
Departures with open-ended contracts	No.	511	656	528
Resignations	No.	216	321	324
Dismissals	No.	173	225	122
Departures for other reasons (mutual agreement, retirement, death, etc.)	No.	122	110	82
Voluntary departure rate	%	4.99	7.59	6.97

BREAKDOWN OF THE GROUP HEADCOUNT BY AGE, AS OF DECEMBER 31, 2022

		2020	2021	2022
Aged 24 and less	%	4.0	4.4	5.2
25-34 years	%	19.4	19.0	20.3
35-44 years	%	35.1	34.3	32.8
45-54 years	%	28.0	29.0	28.7
55-64 years	%	12.8	12.6	12.4
Over 65 years	%	0.8	0.7	0.7

3.7. COMMITTING TO A LOW CARBON TRAJECTORY TO CONTRIBUTE TO THE GLOBAL EFFORT

Today, limiting global warming is a global challenge led by public structures, economic actors, and citizens. This is a fundamental movement in which companies have a key role to play. Aware of its responsibilities, Manitou Group has been working for over a decade to reduce the environmental footprint of the products and services it designs. As of 2011, the group has, therefore, measured its CO_2 emissions on the three scopes[21] of the carbon footprint. The low carbon trajectory is now a major lever for driving the ecological transition to a sustainable business model, one of the pillars of the group's 2021-2025 roadmap.

3.7.1. STEERING THE LOW CARBON TRAJECTORY: COMMITMENT, STRATEGY, AND RESULTS

2030 COMMITMENTS

This low carbon trajectory defines CO_2 emission reduction targets that are both transformative and realistic. To do this, in 2021, the group submitted them to the Science Based Targets Initiative[22] (SBTi), the only international reference for validating "science-based" targets. These targets must therefore correspond to the level of decarbonization necessary to keep the increase in global temperature below 2°C compared to pre-industrial temperatures, as described in the sixth assessment report of the Intergovernmental Panel on Climate Change (IPCC). In July 2022, the objectives of the group's low carbon trajectory were validated by the SBTi.

Manitou Group is committed to reducing, in absolute terms, its direct and indirect greenhouse gas emissions (scopes 1 and 2) by 46.2% compared to 2019, across all of its operations around the world in line with a 1.5°C trajectory according to the Paris Agreement. Using the Greenhouse Gas Protocol[23] (GHG Protocol) methodology, Manitou Group measures emissions from the following: direct emissions from stationary combustion sources and from mobile combustion sources, direct fugitive emissions, and indirect emissions from the consumption of electricity, heat, steam, or cooling.

Concerning scope 3 emissions from goods and services purchased, upstream transportation and distribution, and the use of products sold, Manitou Group is committed to reducing its indirect emissions by 33.7% per hour of use of equipment sold over its lifetime compared to 2019. Excluded from the scope are emissions related to the immobilization of goods, waste, business travel and commuting, visitor and customer transportation, investments, product end-of-life and fuel and energy-related activities[24], which are not significant in the Manitou Group's greenhouse gas (GHG) assessment.

The scope 3 emissions reduction target is a physical intensity target expressed in $kgCO_2$ equivalent per hour of use of the equipment sold. This metric was chosen because the life of the equipment is measured in hours of use, and each machine has an hour meter. This intensity indicator takes into account the specific lifespan of each product family sold and allows the group to monitor the trajectory of scope 3 year by year.

This low carbon trajectory is a first step. This could be revised in a few years with better visibility on the acceptability of low carbon technologies (especially in markets outside Europe) and the availability of low carbon hydrogen sources.

CLIMATE STRATEGY

In early 2021, employees from the group's strategic business lines formed a project team steered by the CSR Department and supported by an expert firm with the objective of defining the group's low carbon trajectory. The project team participated in several workshops to define an ambitious and achievable low carbon trajectory based on a quantified reduction action plan for each department. The Executive Committee was involved in these efforts during several workshops to reach a validation. The trajectory and the associated project were submitted to the CSR Committee and validated by the Board of Directors.

The steering and monitoring of the group's climate strategy are now integrated into the CSR governance described in 3.2.2. The roadmap to achieve the targets is based on four important levers, and the CO_2 gains from each reduction lever have been measured (see chart below):

- the energy transition by improving the efficiency of current machines and developing new ranges. The 2030 target: 43% sales of low-emission machines;
- the circular economy by reducing the use of new raw materials and developing a range of remanufactured machines and spare parts that extend the life of equipment;
- less carbon-intensive freight by adopting new lower-emission alternatives for the transport of machinery and components and developing a shift to lower-emission transport methods;
- energy on the sites by increasing the use of renewable energy, reducing consumption, and purchasing guarantees of origin.

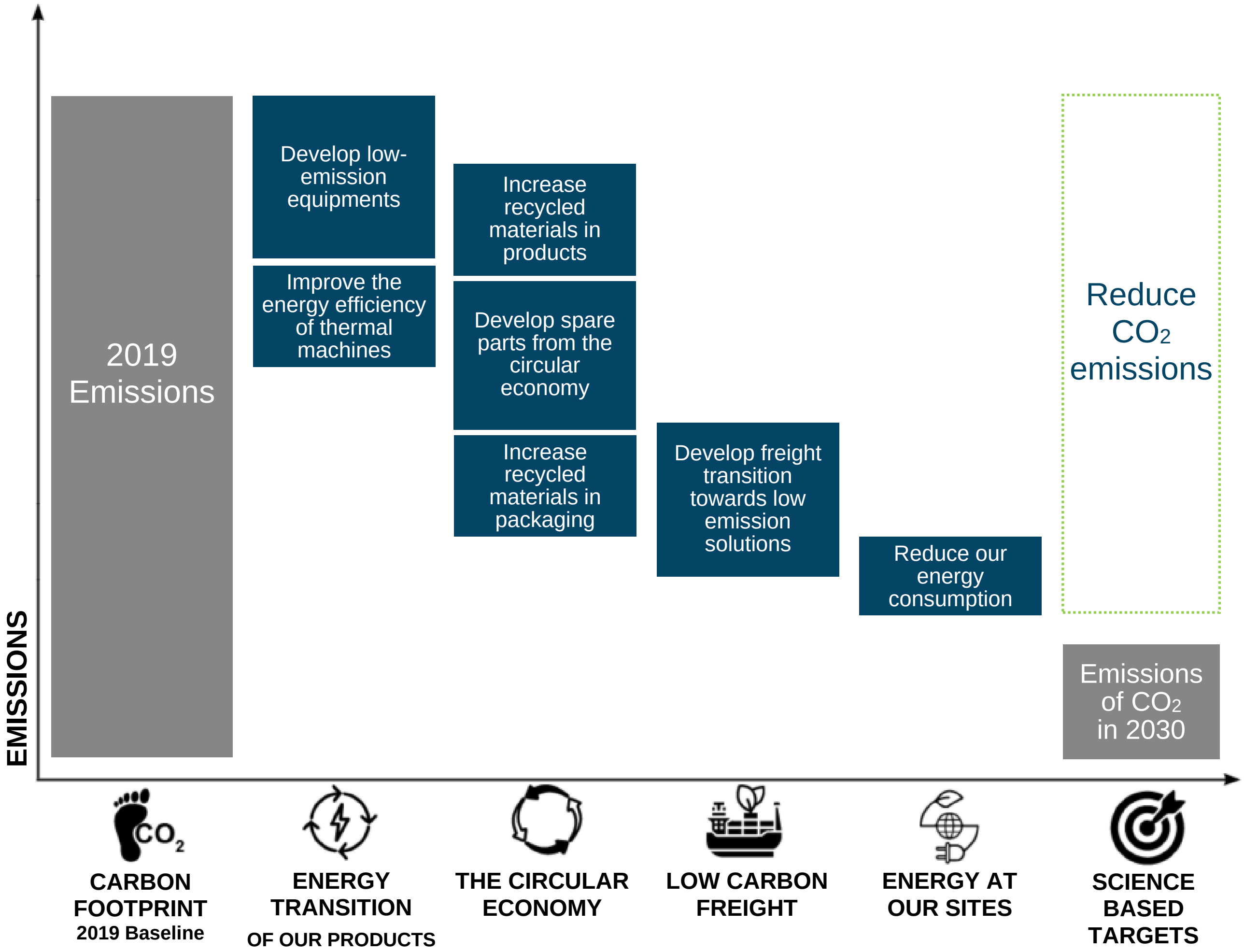
[21] Scope 1 corresponds to direct emissions from sources owned or managed by the company. Scope 2 corresponds to indirect emissions resulting from the production of electricity purchased, steam, heating, and cooling consumed. Scope 3 corresponds to all other indirect emissions produced in the company's value chain. These are goods and services purchased (raw materials for equipment and spare parts), transportation and distribution, and use of products sold (energy consumption of equipment sold during the reporting year during the total expected life)

[22] Program supported by the United Nations, the Carbon Disclosure Project (CDP), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF)

[23] Greenhouse Gas Protocol: International standard for carbon accounting for private and public sector companies

[24] Energy-related emissions not included in the categories "direct GHG emissions" (scope 1) and "indirect energy GHG emissions" (scope 2)

2030 LOW CARBON ROADMAP

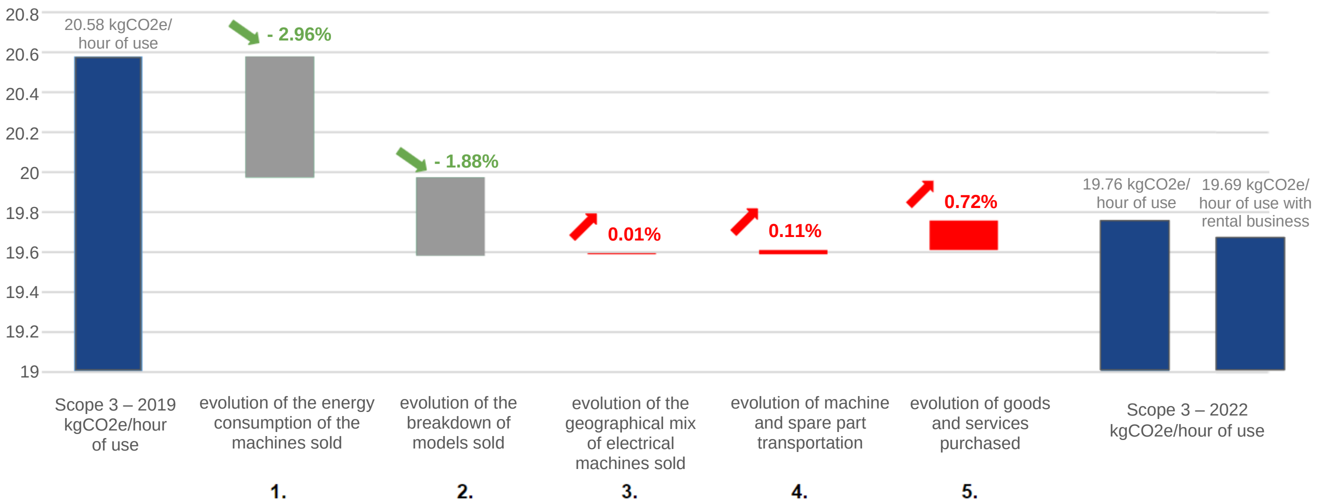


In order to achieve its goal of increasing sales of electric equipment by 2030, Manitou Group is investing heavily in R&D for new low-emission machines (see Chapter 3.4.3 "European Sustainable Taxonomy"). In 2022, the group unveiled seven new electric models to be produced in 2023 and a prototype hydrogen-powered machine (see Chapter 3.7.2).

RESULT OF THE LOW CARBON TRAJECTORY

In 2022, Manitou Group developed an internal tool to manage this trajectory and monitor the progress of the various action plans. The Carbon Calculator measures CO_2 emissions across all three scopes of the GHG assessment using the Greenhouse Gas Protocol (GHG Protocol) methodology.

2019-2022 EVOLUTION OF CO_2 EMISSIONS



To make it easier to understand the change in the indicator between the reference year and the reporting year, the variance has been broken down into five additional factors.

(1) The energy consumption of certain machines sold may have changed since the reference year. Technical improvements have been deployed to optimize the consumption of certain models. See "Fundamental work on equipment consumption" in section 3.7.2 and 3.7.3 "Developing services to reduce emissions during use."

(2) The breakdown of models sold illustrates the influence of the mix of machine models sold on the emissions assessment. The sale of more efficient machines and new models with lower emissions allows a better result of the indicator. See chapter 3.7.2 "Innovating with low emission products."

(3) The geographical sales mix influences the emissions related to the consumption of electrical machines, depending on the carbon footprint of the local electricity mix.

(4) The transport of machines and spare parts illustrates the evolution of the volume and method of transport used for the various upstream and downstream flows of the group. See chapter 3.7.4 "Reducing greenhouse gas emissions from upstream transportation and distribution."

(5) Purchases reflect the change in the volume of components associated with the production of machines. See chapter 3.8.2 "Optimizing resources and extending product life."

Manitou Group reduced its emissions per hour of use by 4.15% (excluding rental business) between 2019 and 2022. This reduction is mainly due to an optimization of the energy consumption of the machines and to the diversification of the models of machines sold, whether they are low-emission machines or internal combustion machines with lower emissions. On the other hand, the sale of electric machines in more carbon-intensive countries on average than in 2019 had a negative impact on this indicator (evolution of the geographical mix of electrical machines sold). This graph also shows a slight increase in transportation and purchasing emissions between the base year and 2022. For freight, assumptions were made in 2019 due to the unavailability of data. In 2022, improved data collection and a more accurate calculation methodology account for this increase. The increase in emissions related to purchases is explained by the growth of the group's activity.

In 2022, Manitou Group will also include the GHG emissions associated with its equipment rental business in its GHG emissions report in order to broaden and improve the scope of reporting. In 2022, 48.4% of this business consists of electrical machines, which reduces the emissions per hour of machine use by 19.69 kgCO2e/hour of use on the extended scope.

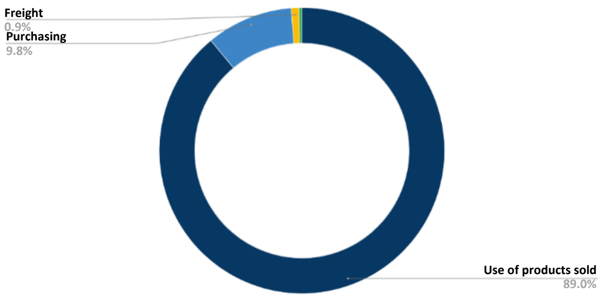
Scope 3 performance is part of Manitou Group's financing criteria for obtaining a "green loan." These green credits aim to support investments in sustainable projects. See chapter 3.4.1 "Goals and performance measurement."

To achieve these objectives and accelerate its transformation, Manitou Group has identified five areas of work, each of which is broken down into several objectives:

- Innovate with low emission products (3.7.2);
- Develop services to reduce emissions during use (3.7.3);
- Reduce greenhouse gas emissions from upstream transportation and distribution (3.7.4);
- Reduce greenhouse gas emissions at the sites (3.7.5);
- Create value through a circular economy (3.8)

3.7.2. INNOVATE WITH LOW-EMISSION PRODUCTS

Manitou Group has an important role to play as a supplier of mainly diesel-operated machines, and it is therefore committed to reducing emissions within its scope 3, in which 89% of emissions are caused by customer use, in particular by reducing its supply of thermal products in favor of less polluting alternative-energy machines.



For several decades, the group has had electric industrial forklifts and aerial work platforms for indoor applications on industrial markets. As part of the acceleration of its innovation plan, it has set targets for the development of new electric ranges as well as the study of hydrogen as a new energy source. Going forward, all new platform projects will be solely electric.

BREAKDOWN OF SCOPE 3 EMISSIONS IN THE VALUE CHAIN

The implementation of the low carbon trajectory involves:

- an acceleration of the innovation plan in order to lead the energy transition and reduce emissions related to use across all ranges;
- strengthening ecodesign with a global life-cycle approach and implementing a tool for measuring CO_2 gains by design;
- continuing the important work undertaken in the last 10 years on the energy efficiency of internal combustion equipment as described below.

IN-DEPTH WORK ON EQUIPMENT CONSUMPTION

In the absence of a standard, since 2013, the group has implemented energy consumption measures for its equipment based on an internal protocol validated by the UTAC[25]. Using strictly identical methodology, this procedure compares the consumption between two machines through the Reduce Fuel program (see 3.7.3).

The project, which was initiated by a pilot group in 2016 with the goal of defining a reference standard to measure the consumption of telehandlers, bore fruit in 2019 with the publication and taking of effect of the European standard EN 16796-4 on the energy efficiency of industrial trucks. It defines a protocol to measure the fuel consumption of rough-terrain telehandlers and calculate CO_2 emissions that has already been applied by the group.

As the current chair of the ISO committee in the rough-terrain handling trucks sector, the group is also taking this project global to make it the recognized method for measuring the consumption of telehandlers around the world.

This measurement process consists of quantifying the energy gains achieved on the various equipment thanks to the optimization and innovation work of the research and development teams.

A multi-criteria life cycle analysis conducted in 2015 on an MLT 840 revealed that 80% of a machine's environmental impact was based on the operation and maintenance phase.

Since then, the work carried out to reduce energy consumption and the cost of use (TCO – Total Cost of Ownership) at all stages of the machinery's life cycle has resulted in important steps in the life of the group, which has worked to improve the energy performance of its equipment over the past ten years.

MOVING TOWARDS THE ENERGY TRANSITION

With the reduction of machine emissions on the horizon, the group is accelerating its research and innovation to support the energy transition of its customers and is actively working on the development of new low-emission machines.

To do this, Manitou Group has a number of patents protecting the innovations implemented in its various research offices. The total number of patents published and in force at the end of 2022 was more than 140, with 28 patent applications filed during the year, including 16 in the field of energy transition.

In 2022, the following innovations were made in the machines:

- the launch of the production of 100% electric rotative heavy loaders (MRT);
- the launch of production of the MT 625 super-compact 100% electric telehandler;
- the presentation of seven new electric models at Bauma, the international construction trade show, at the end of October.

In order to support the development of "zero emission" cities and projects, in 2019, Manitou Group launched the Oxygen label for alternative energy in order to offer sustainable and effective solutions.

An Oxygen Lab project was launched in early 2021 with an in-depth study of hydrogen technologies and their ecosystem with various service providers. At the end of 2022, Manitou Group presented its dedicated research and development roadmap and the first innovative prototype of a telehandler powered by a hydrogen fuel cell. Manitou Group is taking into account supply issues surrounding hydrogen from lower-emission sources, known as "green hydrogen." Unlike gray hydrogen – produced from fossil resources and a major emitter of greenhouse gases – green hydrogen is produced from 100% renewable and low carbon energy sources. Manitou Group therefore wants the electric and hydrogen-powered ranges to coexist according to the applications of each user.

By equipping its test center with a green hydrogen station, the group is giving itself the means to test its brand new prototype telehandler. The first step is to guarantee the autonomy and reliability of its use in real conditions, while testing the durability of its components. For this first prototype, the group relied on an existing model from its range of machines dedicated to construction, capable of lifting loads up to 14 meters high. This machine will be tested and made available at the end of 2023 on construction sites in order to collect valuable feedback from users to perfect the prototype.

Across its entire range, including diesel equipment, the group has set itself the target of achieving a 7% reduction in energy consumption by 2030, with 2019 as the reference year.

[25] *Union Technique de l'Automobile, du motocycle et du Cycle (Car, motorcycle and bicycle technical union)*

3.7.3. DEVELOPING SERVICES TO REDUCE EMISSIONS DURING USE

Recognizing that CO_2 emissions are mainly linked to the use of the machines, in order to reduce its emissions, Manitou Group focuses on transforming applications.

This translates into the development and sale of machine-related services with the aim of deploying integrated solutions capable of measuring and reducing energy consumption for customers.

This is also reflected in the search for the best total cost of market ownership for users, which means moving towards an evolving and long-term contract of confidence. For the company's various departments, this paradigm shift, centered on use rather than the product itself, requires the following:

- transforming customers' practices in purchasing, driving and maintenance their machines, accelerating awareness of the cost of use, and making use of the potential now offered by connected machines;
- optimizing all items of the total cost of ownership while reducing environmental impacts;
- increasing the longevity of the machine in order to make it reusable by several successive users, through the used and rental market;
- anticipating and improving the impact of the end-of-life of products.

THE REDUCE PROGRAM, TRANSPARENT COMMUNICATION TO PROMOTE THE TRANSFORMATION OF APPLICATIONS

The Reduce program, launched in 2013, aims to transform applications for better productivity and environmental protection. Customers and end-users have access to the Reduce Fuel site to measure and compare machinery's fuel consumption and CO_2 emissions in order to make an informed choice. At the same time, Reduce TCO – "Total Cost of Ownership" – specifies the cost items of the machines in order to optimize their profitability, including maintenance.

The Reduce digital platform is available in 10 languages at www.reduce-program.com. It allows customers and end-users to:

- measure the Total Cost of Ownership (Reduce TCO) of their machine. Thanks to the different usage criteria, the customer identifies in just a few clicks the machine that is adapted to their needs and their business. The tool gives the cost per hour including fuel consumption, maintenance, insurance, and the resale value of the machine;
- compare the fuel consumption and CO_2 emissions of a Manitou machine with an equivalent competitor machine or with another Manitou machine (Reduce Fuel);
- follow simple recommendations for use in order to reduce their consumption and TCO;
- watch nearly 300 educational videos on how to use the machine safely (Reduce Risks); how to start and maintain a machine, how to secure attachments, what security precautions should be taken, or how technologies such as JSM[26] work;
- quickly identify best practices for use thanks to prevention posters (Reduce Risks);
- discover all of the equipment and innovations for reducing risks, TCO, and fuel consumption and for improving user comfort (ergonomics, vibration, and acoustics).

In 2022, the group continued publishing the white paper on TCO intended for users of telehandlers. The idea is to help customers think about the total cost of their machine and not only the purchase price, and a portion of the sales teams located in France have been trained in TCO. The goal is to train 100% of the teams concerned in TCO by 2025.

Reduce Fuel, launched in 2013, measures and compares the fuel consumption and CO_2 emissions of our machines in complete transparency. The data per range of machines is regularly updated. The goal is to support its customers in reducing their environmental footprint and reducing the impact of products on climate change.

Reduce TCO, launched in 2015, informs customers about breakdown of machines cost items and helps them improve the profitability of their production tool in complete transparency. Total Cost of Ownership (TCO) is a method used to calculate the cost of equipment, taking into account not only the direct and fixed costs (purchase, interest, residual value, etc.), but also the indirect and variable costs (maintenance, fuel, training, etc.) related to use of the machine.

[26] *Joystick Switch and Move.*

ENVIRONMENTAL VALUE-ADDED OFFERS, CREATION OF VALUE FOR CUSTOMERS AND DEALERS

In an effort to reduce the usage-related emissions of its machines and thus help its customers reduce their direct greenhouse gas emissions, Manitou Group is developing offers with added environmental value.

The features and services developed so far are the following:

- Eco-Stop: this function reduces fuel consumption, maintenance cost, and depreciation of the machine by automatically cutting the engine when it is idle and there is no driver in the cabin. Thanks to data collection, Manitou Group now knows that the estimated idling time of an engine without a driver in the cabin can range from 15% to 30%. Assuming a basis of 15% for a machine that is used for 1,000 hours/year for three years, the Eco Stop function offers potential savings of 4,500 liters.

- Stop & Go: this technology stops the engine when the machine is immobile in order to reduce consumption. It also stops the hourly counter in order to record only actual hours of operation. It is installed in series on platforms and offered as an option on the rest of the ranges.

The new features and services developed in 2022 are the following:

- Reviv'Oil: this program, which is designed to optimize fluid consumption (oils and liquids), has made it possible to launch the "Oil in 1" hydraulic oil decontamination machine in 2022. The gain is twofold: environmental with the maximization of used oil recycling and economic with the reduction of maintenance costs;

- Eco-Drive awareness: developed by the group's international training center and aimed at dealers, this awareness-raising program is an introduction to the eco-driving training module;

- Eco-Drive tutorial: a video tutorial for technician dealers and major accounts will be finalized in 2023. This shows the economic and environmental benefits of Eco-Drive based on actual consumption data and changes in user behavior. This support could eventually be used by user customers (farmers and end-users).

CONNECTED MACHINES TO SUPPORT THE OPTIMIZATION OF APPLICATIONS

The Internet of Things (IoT) has accelerated the digital transformation throughout the group's value chain by generating new value-added services.

Thanks to connected solutions, the hardware manager and user benefit from machine data accessible on a mobile app or web portal. Fleet monitoring is simplified thanks to the wealth of data collected (machine condition, fuel/battery level, activity cycle, location, maintenance alerts, etc.) and each customer interaction is more valued.

Through these connected services, Manitou Group is innovating and making every effort to share this information between users and support teams (fleet managers, technicians, site managers) in order to reduce downtime and optimize performance (machines and operators). Facilitating collaborative exchanges between teams and helping them make the right decisions on site and remotely are among the continuous improvements resulting from connectivity - now standard for 90% of the range.

The transformation of applications and services is underway with new ways of working: monitoring, anticipating, and sharing for a better customer experience, with players increasingly involved in performance (energy efficiency and performance), reducing costs, and safety of persons.

From now on, use cases and feedback made possible by machine connectivity will inspire strategy and innovations. The intelligence gained from the data, coupled with Manitou Group's expertise and that of its customers, will lead to the development of new solutions. Here are a few examples: optimization of preventive maintenance, optimization of the number of technician trips during an intervention, better knowledge of machine usage for advice purposes, identification of risky situations linked to poor operator behavior, and more accurate calculations of actual fuel consumption and its impact on the carbon footprint or TCO.

Finally, the collection and analysis of machine data will facilitate Manitou Group's initiatives in developing new low-emission machines. The monitoring of the life cycle of machines and batteries or the advice given to owners, fleet managers, and field operators are perfect illustrations.

3.7.4. REDUCING GREENHOUSE GAS EMISSIONS FROM UPSTREAM TRANSPORTATION AND DISTRIBUTION

Freight of machines and parts represents approximately 1% of Scope 3 emissions. The group has set targets for reducing these emissions through the use of less carbon-intensive solutions for both upstream and downstream freight.

To achieve this, the group is already working to limit the environmental costs and impacts generated by the underutilization of road freight capacities. The logistics departments have developed and deployed a tool for optimizing European logistics flows with carriers. The latter is based on volume parameters, size, weight of the products transported, and the grouping of loads.

Optimization of upstream road flows with suppliers has therefore been rolled out and since 2017 covers flows intended for production plants in France and Italy. The consolidation scheme now includes each new European supplier.

In 2019, Manitou Group launched a project to drastically reduce transportation of machines between the various production sites and the main site and/or external storage areas. Since then, the machines are shipped from their manufacturing site directly to customers. In addition to this project, direct delivery to Italian dealerships was launched in the second half of 2022. This contributes to reducing the number of kilometers traveled and the carbon impact of transport.

In 2016, the group deployed an internal tool, Transport Management System (TMS) for the European scope in order to optimize machine distribution flows. In 2019, the rollout continued with the implementation of the tool in North America with the aim of grouping upstream and downstream flows throughout the US. The next step, planned for 2023, will be to analyze the potential for optimizing flows in India.

In 2021, the group's spare parts logistics center launched an analysis to identify flows making it possible to use dual-floor trailers in order to increase the number of parts shipped by truck. At this stage, the wide variety of products, spare parts, and accessories does not yet allow this solution to be exploited. The analysis will be repeated in 2023 with a particular focus on certain flows (shuttles that collect parcels two or three times a day on behalf of couriers and express carriers).

Other actions aimed at optimizing the filling rate of vehicles are also planned, in particular by studying ways of packaging certain products to improve their stackability.

On the other hand, the group is working to reduce its CO_2 impacts related to transport and distribution through lower-emission solutions.

After showing its support for the Neoline project in 2019, Manitou Group formalized its partnership in October 2020 with the French shipowner that specializes in maritime transport by ro-ro ship. These ships, which are powered mainly by sails, will export more than 1,000 Manitou Group machines per year from the port of Saint-Nazaire in France to Baltimore in the United States. An innovation that will reduce CO_2 emissions from the distribution of machinery between Europe and the United States by up to 90%. The delivery of the first vessel has been confirmed for mid-2025. The group is therefore planning the first shipments in the summer of 2025.

In 2021, the group also signed a letter of intent with a major carrier in France, indicating its interest in the Vallée Hydrogène Grand Ouest (VHyGO) project aimed at using hydrogen-powered heavy goods vehicles.

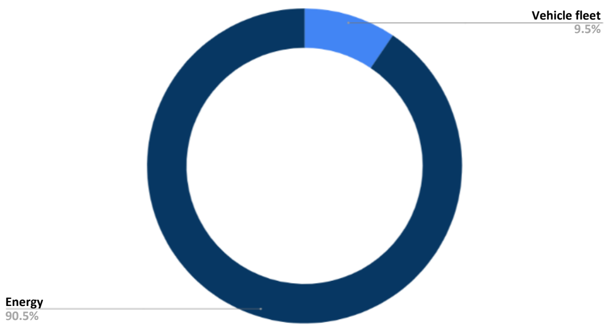
In line with its ambitions, Manitou Group continues to optimize logistics flows through its low carbon trajectory and its objectives for 2030. Michel Denis, the group's General Manager, has contacted the transport partners directly in a letter setting out these objectives. As part of the group's commitment to the Fret21 program, and in a general sense, Manitou Group involves its partners and logistics providers through active and innovative participation. The aim of this label is to support shippers and principals in structuring their actions and initiatives in line with the objectives of reducing their carbon footprint in terms of freight. Alternative transportation solutions will be a key criterion in the selection of future partnerships.

3.7.5. REDUCING GREENHOUSE GAS EMISSIONS AT THE SITES

Manitou Group is seeking to reduce the environmental impact of its machines and the emissions of its operations through its commitment to a 1.5°C trajectory in terms of reducing its direct greenhouse gas emissions between now and 2030 (vs 2019).

EMISSIONS FROM SCOPES 1 AND 2 (DIRECT AND INDIRECT) – 2022

ENVIRONMENTAL PERFORMANCE OF THE PRODUCTION SITES



While these reduction targets were set at the end of 2021, the steps taken towards certification of the environmental performance of the sites show that the group is already working in this area in concrete terms with the deployment of ISO 14001, aimed at optimizing processes in terms of environmental standards.

	2020	2021	2022
Proportion of ISO 14001-certified or eligible sites (as % of general revenue)	75.6	78.2	80.2

The certified scope has increased thanks to the new site in Candé, named "Petit Tesseau," which is in operation since January 2022 and certified in July 2022 during the renewal audit of the French sites.

In line with the objectives of its low carbon trajectory, Manitou Group launched an energy management system at the beginning of 2022. The certification project was launched in early 2022, and the certification audit is expected in October 2023. At the same time, new management indicators have been developed to monitor and control monthly data for production sites that have a significant impact on the objectives related to scopes 1 and 2.

Manitou Group is also committed to reducing energy emissions at its administrative and production sites worldwide. The reduction strategy began in 2022 with the purchase of guarantees of origin for gas and electricity, covering 10% of the total consumption of the group's entities. The project team is working on a multi-lever strategy to achieve its "green" energy consumption targets.

CO_2 EMISSIONS TABLE– 2022 GROUP CARBON FOOTPRINT BASED ON THE GHG PROTOCOL

	Unit	2019	2021	2022	Scope
Scope 1 Emissions related to energy consumption of buildings and emissions of the fleets of vehicles	t CO_2e	16,888	16,382	15,474	Group
Scope 2 Emissions from the production of electricity purchased and steam, heating, and cooling consumed	t CO_2e	10,897	9,235	9,640	
Total Scope 1 & 2	t CO_2e	27,785	25,617	25,114	

Scope 1

Decreases in gas consumption are visible in all countries except the United States. Diesel consumption is increasing but only represents about 3% of emissions.

The purchase of the equivalent of 10% of annual gas consumption as a guarantee of origin allows for a significant reduction in Scope 1 emissions.

Scope 2

Decreases in electricity consumption have been observed across most of the group, with sharp declines in France, Germany, Singapore, and South Africa of between -20% and -50%. In spite of this, countries with a high-emissions electrical grid have also increased their consumption, with the Indian site having the greatest impact on the final figure.

3.8. CREATING VALUE THROUGH A CIRCULAR ECONOMY

Faced with increasing pressure on resources and raw materials, supply difficulties, and issues related to extraction methods and product end-of-life, the group is challenging its eco-design practices to reduce its need for resources related to product manufacturing and to better reuse, recycle, and extend the lifetime of spare parts, components, and machines.

Manitou Group is turning to the circular economy and innovating towards an economic model from possession to use. The group is offering its customers machines and services that are responsible and accessible, with the option of renting, exchanging, or reselling equipment.

3.8.1. INNOVATING TOWARDS NEW ECONOMIC MODELS

With the circular economy as a strategic focus for transformation, Manitou Group is stepping up its efforts to transition its business model to new models that improve the life cycle of its equipment.

STRENGTHENING THE CIRCULAR OFFERING WITH THE SECOND-HAND MARKET

In 2022, Manitou Group sold more than 1,050 used pieces of equipment through its subsidiaries, an increase of 20% over 2021 and a 32% increase in revenue thanks to a more favorable economic environment. To this end, the group worked in 2022 to:

- improve leasing structuring with its Manitou Centers;
- facilitate the calculation of the residual value of the equipment;
- develop the sale of used parts benefiting from a Manitou Group quality check.

The group continues to promote the high-quality second-hand market and publishes dealer advertisements on the dedicated website used.manitou.com. This website allows dealerships to facilitate the resale of used handling solutions with guaranteed follow-up and maintenance for their customers. The increase in customer demand for used equipment helps to extend its lifespan and push the group towards more circularity.

The reconditioning center created in 2015 continues its development with the goal of recovering, repairing, and restoring machines, while accelerating the development of ReMAN part ranges. Thanks to these activities, the group will be able to anticipate regulations on end of life vehicles (ELV), which does not yet apply to heavy machinery.

It operates through a dedicated team that supports the deployment of long-term rental offers, including financing and services. It is also able to manage the return of these machines at the end of the contract, thanks to its infrastructure.

Lastly, in partnership with the group's dealer network, the Services & Solutions division is developing solutions that have a positive effect on the equipment lifetime:

- the 900 Manitou Group dealers spread across 140 countries and the 2,000 expert technicians are trained regularly in order to be able to offer support to users, from purchase of the equipment through to after-sales service;
- maintenance contracts keep machines in optimal working order with a better value for money;
- the use of the data collected through connectivity that now comes standard on Manitou Group machines optimizes the use and maintenance of the equipment while creating opportunities for savings in use;
- warranty extensions provide added value, protecting the equipment beyond the contractual warranty.

A SPARE PARTS CIRCULAR ECONOMY OFFER

For Manitou Group, extending the service life of its equipment is not limited to the second hand market. Since 2017, the group has been working to promote the use of reconditioned spare parts thanks to the "ReMAN by Manitou" project, the winner of the internal Elevation challenge: a range of spare parts (engine, gearbox, turbo, etc.) reconditioned with original components and benefiting from the same warranty as new parts.

In 2022, the group continued the development of the ReMAN offer by:

- reMAN range extensions and the establishment of partnerships with engine manufacturers;
- the extension of payment of the shipping costs for used parts for dealers in new European countries.

Manitou Group is also working to simplify the ReMAN ordering process on the dealer side and to better highlight the range in the spare parts documentation.

STUDYING NEW ECONOMIC MODELS

In 2022, the group worked on the following projects:

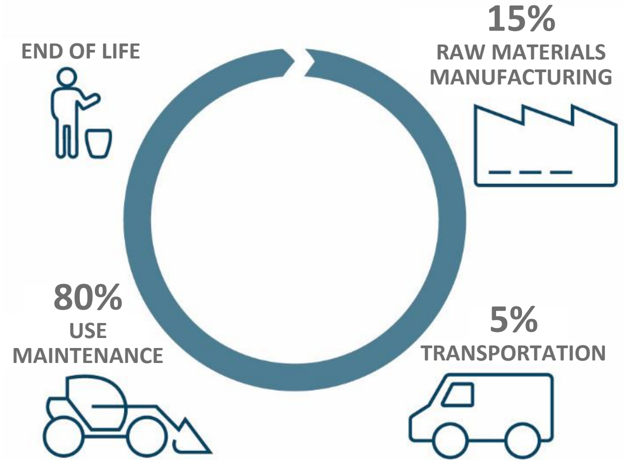
- an offer to recover company fleets;
- an in-depth study to develop the business model around a dismantling solution for Manitou Group equipment at the end of their use;
- studies aimed at promoting and extending the lifetime of equipment by using alternative energies;
- an exploration of several other innovative topics in the circular economy.

As food for thought and to encourage the study of opportunities in these topics, in 2022, Manitou Group consolidated exchanges with the CentraleSupélec CircularIT Chair for a period of three years. The Chair works closely with other companies and chairs of companies wishing to develop around the circular economy. As part of this partnership, Manitou Group and CentraleSupélec are launching a research thesis on new business models with the goal of strengthening innovation and the group’s actions on extending product lifespan, optimizing the use of resources, and managing the end of life of equipment.

3.8.2. OPTIMIZING RESOURCES AND EXTENDING PRODUCT LIFE

Following an analysis of multi-criteria impacts on a machine's life cycle carried out in 2013, Manitou Group has since been working to reduce the environmental impact of the products it designs (see 3.7.2.).

ENVIRONMENTAL IMPACT OF A MACHINE ON ITS LIFE CYCLE



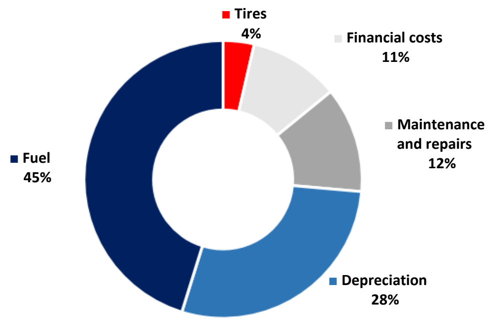
Source: Multi-criteria life cycle analysis[27] – MLT 840 (2013)

To achieve this, the group relies on new business models discussed earlier (refurbishment of second-hand equipment – parts or machines, but also on innovative eco-design practices for new machines designed by the group).

ECO-DESIGN TO REDUCE EQUIPMENT IMPACTS

The group's eco-design approach began in 2015 with the aim of improving machines' TCO. In fact, TCO optimization allows customers to reduce their costs as well as reduce their environmental footprint. This starts with the design of a product or service. A beneficial approach that has acted as a lever for the eco-design approach within the group.

TOTAL COST OF OWNERSHIP OF A MACHINE (TCO)



In 2016, an "ecodesign check-list" was adopted to encourage the integration of the environment and the life cycle of machines from the design stage.

Since 2019, the ecodesign checklist has been incorporated in the group procedure used in the development of new products and services.

In 2020, it was supplemented by thematic fact sheets to help the teams identify joint actions between TCO reduction and ecodesign and to draw inspiration from best group practices.

2021 marked the acceleration of modular design for the group. Developing modularity of machines within the same range makes it possible to standardize components and equipment.

The group is continuing its efforts to improve machine TCO and is working on several drivers: reducing energy consumption and maintenance costs (preventive and corrective maintenance) by optimizing servicing frequencies, reducing oil and filter volumes, and conducting major work on component reliability for a longer machine service life.

Among the major actions in 2022:

- the launch of new ranges (TMT/TMM and MHT) with TCO reductions compared to previous ranges. The technical evolutions that make these reductions possible concern the engines as well as the improvement of preventive maintenance;
- after the MLT ranges in 2021, the application of "Duty Cycle" intelligence on the MTs to provide information on their actual applications in the field and refine the fuel consumption databases.

At the same time, the group wants to improve the recycling of its equipment. An initial assessment is necessary to determine an improvement objective. In 2021, the teams conducted a study based on ISO 16714[28] to measure the recyclability of the platform range. The group continued to work on the other ranges in 2022.

Manitou Group is working to implement a life cycle-based eco-design tool that can measure the environmental performance of a piece of equipment, production process, or supplier location compared to other alternatives. The objective of this tool is to help the R&D teams to choose the best solution to reduce the environmental impacts[29] of the machines (impacts: Climate Change, Particulate Emissions, Photochemical Oxidation, Acidification, Aquatic Eutrophication, and Depletion of mineral, fossil and renewable resources).

The group also wishes to increase the share of recycled materials in its purchases of components and parts. With 90% steel in its machines, it worked in 2022 to improve traceability of steel components to reduce the carbon emissions generated. Objective: achieve 64% recycled or "low carbon" steel in products in 2025.

In 2023, the eco-design tool will be deployed, and the creation of a group of eco-design specialists will lead to an increase in expertise.

The teams also work with suppliers to integrate recycled plastic materials into new developments of plastic parts.

In 2023, project managers will have to follow eco-design criteria for each new machine developed. This will require a further evolution of the new product development process.

[27] *27 Climate change, particulate emissions, photochemical oxidation, acidification, aquatic eutrophication, and depletion of mineral, fossil and renewable resources.*
28 ISO 16714-2015: standard for the study and calculation of recyclability and recoverability of earth-moving machinery.

OPTIMIZING RESOURCES AT THE SITES

As resources grow more scarce, the group has a duty to seek to reduce its environmental impact by saving the natural resources needed for its business as much as possible, such as energy and water and by optimizing the recycling of its waste and reducing impacts in both the design phase of its machines and their use.

THE "MANITOU ENVIRONMENTAL FOOTPRINT"

Since 2019, the group has used a common composite indicator consolidating the performance of all of its production sites: the Manitou Environmental Footprint (MEF). It offers the possibility of monitoring the environmental impact of the group's manufacturing processes and reducing them.

During 2022, the scope of the MEF monthly monitoring has evolved. Indeed, since the end of 2022, all sites included in this annual reporting monitor MEF data monthly.

At the same time, the MEF tool was reviewed in light of adoption difficulties by the teams, with an indicator that is complex to analyze and communicate.

The data collection process remains unchanged. Only the compilation and visualization of the data are changing. The sites are now managed in terms of CO_2 at the divisional level and in terms of kWh at the site level, in line with the group's commitment to a low carbon trajectory.

RESOURCES AND ENVIRONMENTAL IMPACTS RELATED TO MANUFACTURING

	Unit	2021	2022	Change 2021-2022	Scope
Equivalent trucks produced	No. of MLT 735 equivalent trucks produced	29,002	34,657	19.5%	All of the production sites and the main logistics center around the world
Energy consumption	kWh/truck equivalent	2,887	2,507	- 13.1%	
VOC emissions	kg VOC/truck equivalent	6.6	7.1	7.9%	
Paint consumption	kg/truck equivalent	14	14.6	4.2%	
GHG emissions from production	kg CO_2 eq/truck equivalent	796	686.2	- 13.8%	
Water abstracted[30]	m^3/truck equivalent	2	2.4	22.2%	
Volume of industrial waste	kg/truck equivalent	365.5	339.6	- 7.1%	

Energy consumption

In 2022, energy consumption increased by 3.79% in absolute terms compared to 2021. This is due to the increased quantities of machines produced this year. However, the indicator per machine equivalent decreased by 13.1%. The optimization is explained both by an external context, a mild start to the winter in France, and by internal improvement plans: deployment of LEDs, optimization of site architecture through the installation of airlocks, and improved management of polluted air to avoid heat loss.

Since the beginning of 2022, Manitou Group has begun to strengthen its organization in terms of energy management. The French sites have begun the process of certification on the ISO 50001 standard for energy management, with the aim of being certified in October 2023. The project is progressing at a good pace and is entering the analysis phase of the energy consumption mapping results.

It should also be noted that, in a complex and risky energy context in 2022, the European sites have committed themselves to concrete, strong approaches to energy. In France, energy sobriety plans meeting governmental objectives have been established, compiled, and monitored at each site and centrally. The Italian site, for its part, hopes to achieve almost total energy independence by 2023 through the implementation of a solar production system coupled with an energy storage solution.

Expansion work is planned in 2022:

- at the Indian site with new equipment using more energy-efficient technology;
- at the main French site with the installation of solar panels covering at least 30% of the roof;
- construction of a mechanical/welding building at the Laillé site.

Greenhouse gas emissions

The 13.8% decrease in GHG emissions is consistent with the energy consumption indicator.

The variation of this indicator is marked by the drop in absolute gas consumption in France linked to the weather in October and November. An even sharper drop can be seen at the Italian site of Castelfranco as a result of governmental energy restriction measures.

Paint and solvent consumption

The increase in paint consumption was in line with the increase in activity (+25% in absolute terms compared with +19.5% in production).

However, some sites have made significant gains in efficiency, such as the Laillé site, which has optimized its process (electrostatic spray guns and the use of a less solvent-based paint known as HES [high dry extract]).

However, these gains are not reflected in the consolidated figures. Because of the paint purchasing cycle, the Aubinière site and the Indian site have anticipated orders for consumption in 2023, with an increase in inventory for the Indian site. The same site has increased the amount of paint used to ensure a higher level of machine quality.

[30] Water withdrawn without the India site: in 2021, 2.02m³/machine eq. and in 2022, 1.86m³/machine eq., i.e. a change of -7.66% between 2021 and 2022.

Emissions of volatile organic compounds (VOCs)

VOC emissions have risen in line with the increase in paint and solvent consumption, which remains, nevertheless, significant. Indeed, the anticipated purchases, particularly at the Aubinière site, were more for solvent-based products.

Water consumption

Water consumption increased by 22.1% per machine equivalent and by 46% in absolute terms.

This increase is explained by an incorrect historical value at the Indian site. In April, the water meter was replaced with metering that is now reliable. Excluding the Indian site, water consumption increased by 9.3% in absolute terms and decreased by 7.6% per machine equivalent.

Significant decreases were noted at the Madison and Laillé sites. In France, following the summer droughts, water savings were imposed on production sites with respect to machine washing.

Waste management

The observation of the previous year is repeated. In absolute terms, the amount of waste increased by 11%, but this was optimized, as there was a 7% reduction per machine equivalent.

The group has launched a "Plastic Free" initiative, shared with its major suppliers, which aims to reduce or substitute the packaging of parts used in the production of machines with recyclable materials. This approach aims to have a long-term impact and change practices, both among suppliers and internally, by making packaging as a criterion in its own right in the specifications and the choice of suppliers for parts.

In 2022, overall, the recovery rate decreased from 94.3% in 2021 to 93.4% as a result of an increase in non-recovered waste in Yankton and Greater Noida.

However, this data is improving in France, with 97.2% in 2022 vs. 96.3% in 2021. This is due to the regular work with the service provider, common to the French scope, who handles waste management. Manitou Group wants to recycle as much waste as possible and dispose of as little as possible. Work was conducted in 2022 on plastics, paint sludge, etc.

Packaging of spare parts

The spare parts logistics centers based in Ancenis (France) and Belvidere (United States) are working to reduce their specific environmental impact, that of the packaging of the parts and equipment that they ship.

After a global study, initiated at the end of 2019, on reducing the environmental impact of spare parts packaging and optimizing their purchase costs, Manitou Group worked to combine the packaging of the Manitou and Gehl brands under the single brand name, Manitou Group Parts, and developed 100% recyclable cardboard packaging with environmentally friendly inks and solvents, and 50% of the range is FSC-certified[31].

In 2022, Manitou Group has carried out an inventory of the use of plastic in all its spare parts logistics flows. Optimizations have enabled the group to identify actions aimed at reducing plastic use by 2% in the short term. Other actions have been identified on the main packaging families in order to meet the New Horizons 2025 group objective of reducing the quantity of plastic used for its spare parts packaging by 40% by the end of 2025.

[31] *Forest Stewardship Council.*

3.9. METHODOLOGY NOTE

3.9.1. NON-FINANCIAL REPORTING METHODOLOGY NOTE

Implementing an annual non-financial reporting system within Manitou Group is intended to meet several goals:

- manage the social, environmental, and societal performance of the group;
- communicate transparently about the group's major CSR challenges and actions;
- comply with the non-financial performance declaration (Decree of August 9, 2017).

In this regard, the group drew inspiration from the Global Reporting Initiative (GRI) guidelines and complies with the principles of the UN Global Compact. Its road map is in line with the United Nations' Sustainable Development Goals.

The CSR department may be contacted using the contact form at the website https://www.manitou-group.com/fr/contact/

SCOPE

The group has acquired reporting procedures and adopted a suitable organization for gathering the information for publishing. The scope of information in 2022 covered the following:

For indicators related to the group's 2025 strategic objectives (see 3.4.1 "Goals and performance measurement")

The scope of the indicators at the group level. Among the strategic indicators, the indicators audited in 2022 concerned scope 1 CO_2 emissions (direct emissions from stationary combustion sources and mobile sources with internal combustion engines), scope 2 (indirect emissions linked to the consumption of electricity, heat, steam, or cooling), and scope 3 (use of machines sold, purchases and upstream and downstream freight), suppliers qualified in CSR, the proportion of employees trained in the fight against corruption, and machines equipped with QR codes allowing users to access their machine's safety documents directly.

For social indicators

Since 2015, the scope for social reporting has covered all Manitou Group subsidiaries as regards social information related to headcount. Since 2020, the indicators related to the accident rates (frequency and severity rate) of employees and temporary employees also cover the entire workforce. Italy, the United States, France, and India (accounting for 83.03% of the workforce) include indicators relating to payroll, training, and safety training. Absenteeism and disability indicators only cover France and Italy (61.37% of headcount).

The France scope excludes LMH (37 employees) and CFM Île-de-France (56 employees). The internal audit department conducts audits (HR) on all of the subsidiaries.

For health and safety indicators in 2022, the following subsidiaries are excluded from the scope of reporting: São Paulo, Chile, Mexico City, Dubai, Hangzhou, and Shanghai. This represents approximately 1% of the scope.

For environmental indicators, excluding carbon

- All of the French, Italian, Indian sites and the production sites in the United States (83.03% of the workforce) are covered by all of the indicators. In 2022, this reporting scope included the largest logistics center with more than 2,000 orders per day and nine of the group's ten production sites.
- The three logistics centers of Belvidere (USA – 44 employees, 430 orders per day), Singapore, and Greater Noida in India (40 orders per day) were excluded. The warehousing site in France (37 employees) was also excluded from the environmental reporting.

The group's French sites comply with ICPE (Installations classified for the protection of the environment) regulations. The Aubinière site is subject to registration and is covered by a prefectoral decree, while the Laillé and Candé sites and the CLPR (Spare Parts Logistics Center) are subject to declaration. The other sites have activities that do not exceed ICPE thresholds. This regulation requires compliance with various regulatory texts, including requirements described in ministerial decrees such as prevention measures and emission controls.

For carbon indicators

The scope of reporting is at the group level, which includes the production sites, subsidiaries, and warehouses. Subsidiaries with fewer than 20 employees are excluded from the scope and represent less than 4% of the workforce. Subsidiaries that were acquired during the reporting year are also excluded.

The data reported concerns scope 1 (direct emissions from stationary combustion sources and mobile combustion sources), scope 2 (indirect emissions related to the consumption of electricity, heat, steam, or cooling), and scope 3 (use of machines sold, purchases and upstream and downstream freight). Welding gases are excluded due to their insignificance. Refrigerant gas leaks concerning air conditioning leaks of new machines on the assembly lines as well as leaks of the fixed air conditioning systems, representing 0.01% of the greenhouse gas assessment, were excluded from the scope because they were deemed insignificant.

PROCEDURE

Monitoring procedures are deployed using data collection tools and dashboards (environment, social, safety) incorporating the repositories (definition and scope) for each indicator.

Each of the indicators is monitored on a half-yearly or yearly basis.

Consistency (indicator scope and definition) is checked by the topic leaders, to whom the data is sent. Lastly, an internal auditor, independent of the procedure, is appointed to approve or challenge indicators, by linking them with the action plans rolled out throughout the year or comparing them with source data.

As far as carbon data is concerned, an internally designed tool (the Carbon Calculator) is used to collect information and calculate CO_2 emissions on an annual basis.

In order to meet the requirements set out by Order 2017-1180 of July 19, 2017 and Decree 2017-1265 of August 9, 2017, Manitou Group commissioned the Mazars firm to certify the presence and fairness of the social, environmental and societal information published in its management report.

The business model is presented in chapter 1 (see 1.5.2 "Business model").

CLARIFICATIONS REGARDING METHODOLOGY ON THE GROUP'S 2025 CSR OBJECTIVES

In 2021, the group implemented a new roadmap with quantitative targets for 2025 (see section 3.4.1. "Goals and performance measurement").

Based on the group's four CSR priorities, each 2025 target is broken down into annual action plans, the progress of which is monitored quarterly by the CSR Steering Committee. The action plans are drawn up with each of the departments concerned with the objective of achieving the 2025 target. Thus, the progress of 2022 targets corresponds to the progress of the action plan for the year (scale of 50% to 125%).

METHODOLOGICAL CLARIFICATIONS – MATERIALITY ANALYSIS

Based on the expertise of a project team, both internal and external and various work carried out by the group until that point (first analysis of materiality, mapping of the group's risks, ESG questionnaires of stakeholders and monitoring of emerging signals), the 2020 materiality analysis was carried out according to the following steps:

- identifying current and future environmental, social, and governance issues relevant to Manitou Group and its stakeholders;
- prioritizing, assessing, and quantifying the impacts of these issues for Manitou Group and its stakeholders based on the analysis of the results of the 2020 CSR consultation;
- representation of the materiality of each issue in a matrix by cross-checking the importance of the issue for stakeholders with its strategic importance for Manitou Group;
- the conclusions of this study, conducted from January to September 2020, were shared with the Executive Committee and the Board of Directors to validate the new 2021-2025 CSR road map.

CLARIFICATIONS REGARDING METHODOLOGY – SOCIAL INDICATORS

Non-financial reporting covers the period from January 1st to December 31st of each year.

Employee: members of staff with an employment contract with Manitou or one of its companies - excluding non-consolidated companies. This means staff with open-ended or fixed term employment contracts (including those on the international corporate volunteer program) present on December 31st, whether they are full-time or part-time. Those with vocational-training or apprenticeship contracts or on sabbatical, maternity, parental or sick leave are included in headcount. Job-placement students are not counted as employees. Expatriates and seconded employees are included in the host country figures.

Headcount

France: employees working for Manitou BF, LMH and CFM Île de France are out of scope (subsidiaries with insignificant headcount).

Italy: employees working for Manitou Italia.

USA: employees working for Manitou Americas.

India: employees working for Manitou Equipment India.

Executives: any member of staff working in a post classed as an executive position by the Global Grading System (Towers Watson methodology).

USA executives: any member of staff with an IC (Incentive Compensation).

Worker: any member of staff who supports the production processes or supports other processes, such as design or distribution.

Operator: any member of staff whose main activity is to contribute directly to the production processes.

Recruitment: any new employment contract, be it for a fixed term or open ended, concluded during the year under consideration. A recruitment is not counted when a fixed-term contract is renewed on the same basis. Two recruitments are counted when a second fixed-term contract is concluded following a break period, when the basis of the contract changes, or when an employee on a fixed-term contract is recruited on a permanent basis. Mobility as well as expatriations and secondments of staff are not considered recruitments.

Turnover rate: the staff turnover rate defines in figures the turnover of the company's workforce over one year. It compares the number of employees joining the company with the number leaving over the course of a year.

Turnover rate = (entries + departures)/2/average permanent workforce

Voluntary departure rate: voluntary departure is one of the forms of staff turnover; it corresponds to an initiative by the individual and a departure from the organization.

Voluntary departure rate = resignations/average permanent headcount

Training: the volume of training hours between January 1st and December 31st of each year is taken into account for employees (under fixed term and open ended contracts), whether the training is provided internally or externally, regardless of whether or not the participant is certified. Training entitlement under the personal training account arrangement is included in the hours of training. Only training with a sign-off or attendance sheet is included for this indicator. The actual hours of training are counted. Hours of training are counted in the year of the training plan to which they are linked. Health and safety training covers, for example, fitness-to-drive certificates (CACES), transport of hazardous materials, ATEX (explosive atmospheres), etc. It includes in-house training.

Training costs: training costs cover the salary costs of the people receiving training, teaching costs, any equipment and organization costs, transport and logistics costs, the salary costs of in-house trainers and mandatory contributions (e.g. the accredited employer/trade union-funded training contribution collection body for the metal industry, OPCAIM, and the individual training leave management fund, Fongecif) after deduction of training subsidies.

Training access: starting in 2019, the training access rates of employees and temporary workers are calculated using the average number of monthly employees and the number of temporary workers as of 12/31, not using the number of employees as of 12/31, as was the case until 2018.

Disability: a person is considered to be in a situation of disability when he or she is recognized by an accredited organization or an institution under the terms and conditions set by the legislation and regulations.

Parity Index France: calculated according to the Professional Equality Index between women and men, each year (overall score out of 100). Law of September 5, 2018.

CLARIFICATIONS REGARDING METHODOLOGY – ENVIRONMENT, HEALTH, SAFETY, AND CARBON INDICATORS

To facilitate reporting, the environmental indicators, excluding carbon, are collected for the period from December 1^{st} to November 30^{th}. Health and safety indicators are collected from January 1^{st} to December 31^{st}. Carbon indicators are collected from January 1^{st} to December 31^{st}. Where data were unavailable, they were assumed or extrapolated from actual data.

Sick leave: the sick leave considered concerns leave approved by the country's reference organization (the CPAM health insurance office in France). The theoretical number of hours worked corresponds to the theoretical number of hours, minus any holidays specified in the collective labor agreement. This indicator covers France (MBF and MGS); temporary workers and paid leave are not included. For Italy, the calculation of this indicator includes temporary workers and paid vacations.

Frequency rate 1 (TF1): the frequency rate is the number of accidents with time off x 1,000,000 / number of hours actually worked.

Frequency rate 2 (TF2): the frequency rate is (the number of accidents with time off + the number of accidents without time off) x 1,000,000 / number of hours actually worked.

Severity rate: the severity rate is the number of days of time off x 1,000 / number of hours actually worked. The group records occupational illnesses separately: when the same employee is affected by two separate occupational illnesses, the group counts both illnesses.

For the calculation of the accident frequency and severity rate including temporary workers, the Ancenis sites (L'Aubinière, headquarters, R&D test center, Hermitage, PDC France), Manitou Vostok, Mile, Candé Fosses Rouges, Candé Petit Tesseau, Greater Noida, West Bend, Madison, Yankton, Beaupréau, Manitou Italia, Laillé, Mawsley Machinery, MMH Solutions, and Manitou Lifftek all report this data.

Reported occupational diseases: the indicator was reviewed in 2020 and the history is now used to report the number of occupational diseases declared in the year instead of the number of occupational diseases recognized during the year. In order to harmonize practices and standardize the indicator, its scope covers France - excluding LMH and CFM Île-de-France.

"MLT 735 truck equivalent": because the sites produce different ranges and different sizes of machines, the group has selected a common indicator, the MLT 735 of the agricultural range, in order to facilitate understanding and harmonize the return of indicators. The group divides the production tonnage of the sites by 7.01, the weight in tons of the MLT 735. It should also be noted that the production sites have different degrees of integration as well as different types of machines produced.

Waste: the European waste classification system is used to determine the category to which waste belongs: hazardous waste, non-hazardous recyclable waste, and non-recyclable waste.

Material recycling or recovery: reprocessing of materials or substances contained in waste using a production process that leads to the creation, or incorporation into, new products, materials, or substances. This includes the reprocessing of organic materials but does not include energy recovery.

Re-use: direct use of the waste, without recourse to any process to transform it.

Energy recovery: use of an energy source produced through the processing of waste.

Disposal: treatment of waste without recovery, whether material or energy (e.g. landfill or incineration without heat recovery).

Volatile Organic Compound (VOC) emissions: emissions are assessed using mass balance calculations.

The following solvent content coefficients were applied during assessment of the paint and solvent VOC emissions:

- water-based paint: 0.09 kg CoV/kg;
- solvent-based paint (polyurethane): 0.50 kg CoV/kg;
- solvent-based paint (oil): 0.65 kg CoV/kg;
- thinner or solvent: 1 kg CoV/kg;
- HES primer PPG 0.455 kg CoV/kg;
- HES lacquer PPG 0,42 kg CoV/kg ;
- PPG hardener 0.455 kg CoV/kg.

Water abstracted: total consumption distributed by the water supply system is calculated using water bills.

Paint: if paint consumption is not monitored on the operational level, consumption is evaluated based on quantities purchased over the year, which closely approximates the quantities used, with regard to the frequency of paint purchases (quantities purchased).

Energy: the energy consumption considered is the electricity produced and consumed as well as the electricity, gas, and non-road diesel purchased.

Scopes 1 and 2: emissions from the consumption of gas, electricity, non-road diesel (for the L'Aubinière site, a non-road diesel tank has been excluded from the scope), arctic diesel, and the impact of the use of company cars at production sites, subsidiaries, and warehouses are included in this scope. The calculation of emissions from company vehicles was carried out using an internal tracking file. Where data was not available in the internal tracking table, estimates and assumptions were made.

France: 5 l/100 km for a diesel car (source Ademe); 6.8 l/100 km for a gasoline car (source Ademe); 15 kWh/100 km for an electric car (source EDF) and 5.3 l/100 km.

United States of America: 9.8 l/100 km for a diesel or gasoline car. Average calculating using EPA (United States Environmental Protection Agency) data and scientific articles.

When the information about the number of kilometers traveled was not available:

Gasoline car: 15,000 km per year; diesel car: 22,000 km per year; hybrid car: 20,000 km per year (average based on scientific articles).

Approximately 11% of fleet emissions are estimated.

Scope 3 – Machines produced and sold: machines sold during the year are subject to a calculation of greenhouse gas (GHG) emissions that takes into account their manufacture and consumption during their life cycle.

Emissions related to the production of the components of the machines sold are calculated using mass emission factors established for certain reference machines that are representative of the Manitou Group product range. The emission factors of the reference machines are calculated using the parts in their bill of materials, choosing a main material for any component in the last level, even in the presence of hybrid or multi-material parts.

If an emission factor for a component of a reference machine is not available or known, an average emission factor is applied to it. This average factor is calculated on the basis of the known components of the bill of material. These indeterminate components represent less than 3% of the machine's mass on average.

Each machine sold is associated with its catalog weight and the emission factor of its reference machine; these two parameters allow for the calculation of the emissions linked to the manufacturing of its components.

Emissions related to customer use are calculated using two parameters: the life span (hours of use) of each machine model, derived from design specifications, and its average consumption, derived from in-situ tests carried out according to a fixed internal methodology. Manitou Group was a pioneer in proposing its test methodology, which led to the EN 16796-4 standard for telehandlers.

Scope 3 – Spare Parts

GHG emissions related to parts production are calculated for the full year and cover the global scope of the eight spare parts logistics centers.

The calculation is based on an extraction of the order management system. The methodology uses the name, family, volume, and weight of each batch of identical parts ordered. For simplicity, a primary material (in some cases, a secondary material and its mass ratio) is associated with each family of parts. If the component family does not allow for a primary material to be established, the average emissions factor for the replacement parts is applied.

The extraction scope represents 80.9% of annual worldwide order lines (single parts). The emissions are then extrapolated linearly to 100%.

Some of the spare parts orders do not have a weight entered in the system (19% of orders). This portion of the emissions is considered insignificant and is not extrapolated.

Scope 3 – Upstream and downstream machine freight

The unit used to measure carbon emissions from freight is tons/km. Deployed on a worldwide basis, excluding India, an internal transport management tool is used to extract the data required for analysis: kilometers traveled and weight transported. For India, data collection is based on internal monitoring (excluding the Transport Management System [TMS]). The deployment of the group transport management tool is planned for 2023.

Scope 3 –Upstream and downstream spare parts freight

The unit used to measure carbon emissions from spare parts freight is tons/km when the information is obtained from the internal transport management tool. When the information comes directly from the carriers, the unit used is tCO_2 equivalent. The reported scope is at the group level.

The emission factors used to calculate the greenhouse gas balance (scopes 1, 2 and 3) were provided by an external firm. These factors were taken from the IEA, DEFRA, EcoInvent 3.7, Carbone Ademe, and other complementary sources. These emission factors were updated in 2019 and will be updated again in 2023. They take into account the energy mix in the countries in which the group operates.

METHODOLOGICAL DETAILS OF THE AUDITED INDICATORS OF THE CSR ROADMAP

% of suppliers assessed with regard to CSR

Conducting supplier audits whereby Manitou Group evaluates various CSR topics. Health and safety, environment, responsible supply, procurement and purchasing, human resources, and social policies are taken into account and are part of the evaluation grid. A supplier is considered "qualified" when it obtains 60 points during the audit. If the supplier's score is below 60 points, the supplier must propose an improvement plan. This indicator covers production suppliers representing a total purchase volume of more than 80% of the group's overall scope.

% of employees trained in anti-corruption

All group employees, regardless of country, must complete the "fundamentals" anti-corruption e-learning module. This module must be completed within three months of the employee's arrival. Operators (because they are not exposed to corruption risks and do not have a Manitou Group email address), temporary workers, outside contractors and interns are not affected by this requirement except where required by local legislation.

Each e-learning module is validated by an evaluation quiz. A certificate is issued to the employee who correctly answers at least 80% of the questions in this evaluation; otherwise, the training must be taken again.

Calculation methodology: [Employees who have completed the assessment quiz/(all employees - operators, temporary workers, external contractors and trainees)] x 100 = % completion.

% of machines equipped with QR code

This indicator evaluates the portion of machines equipped with a QR code providing digital access to documents and safety training. The objective for 2022 was to implement this technology on machines produced at the French and Italian sites. The first machines equipped with this system were released in December 2022. This indicator will therefore start to be reported in 2023 with a target of 70%, with 100% of machines to be equipped by 2025.

3.9.2. METHODOLOGICAL CLARIFICATION – TAXONOMY

In order to report business activity information aligned with the taxonomy in 2022, Manitou Group has:

- reviewed the group's activities and identified activities that could be eligible and aligned;
- conducted a detailed analysis of the individual economic activities eligible for the taxonomy and the applicable technical selection criteria in collaboration with key contacts in each subsidiary;
- conducted training sessions for key contacts in each subsidiary;
- set up additional queries for the subsidiaries allowing them to report financial information for each of the eligible and potentially aligned activities that may concern the group;
- set up a multidisciplinary team responsible for supporting and answering questions from local teams and examining the data reported;
- consulted external experts to ensure correct and consistent interpretation of the legal requirements.

The specification of the KPIs is determined in accordance with Appendix I of the Delegated Act concerning the content and presentation of the information to be disclosed by companies.

ELIGIBLE ACTIVITY

In particular, the group defined:

- an economic activity eligible for the taxonomy as an economic activity described in the delegated acts relating to the two climate objectives, whether or not this activity meets all the technical analytical criteria defined in those delegated acts;
- economic activity aligned to the taxonomy means an eligible activity that meets all the technical criteria:
    - the economic activity contributes substantially to one or more of the environmental objectives,
    - it does not do significant harm to any of the environmental objectives,
    - it is carried out with respect for the minimum safeguards and the environment;
- an economic activity not eligible for the taxonomy as any economic activity not described in the delegated acts.

3.9.2.1. NET SALES KPI

DEFINITION

The proportion of economic activities aligned with the taxonomy in the group's total revenue was calculated as the share of the net revenue from the products and services associated with the economic activities aligned with the taxonomy (numerator) divided by the net revenue (denominator) of 2022. The revenue KPI denominator is based on consolidated net revenue in accordance with IAS 1.82(a). For more details on the accounting methods concerning consolidated net revenue, see *Note 5.2.1 to the notes to the 2022 consolidated financial statements*.

RECONCILIATION

Consolidated net revenue may be reconciled with the financial statements (*see Note 5.2.1 to the 2022 consolidated financial statements*).

CHANGES BETWEEN 2021 AND 2022

No new activity has been aligned in the revenue between 2021 and 2022.

3.9.2.2. CapEx KPI

DEFINITION

The CapEx KPI is defined as the CapEx aligned with the taxonomy (numerator) divided by the total CapEx (denominator). Total CapEx consists of additions to property, plant and equipment, and intangible assets during the year, before depreciation, amortization, and any revaluation, including those resulting from revaluations and impairments, and excluding changes in fair value. It includes acquisitions of fixed assets (IAS 16), intangible assets (IAS 38), and right-of-use assets (IFRS 16). Acquisitions resulting from business combinations are also included. Goodwill is not included in CapEx as it is not defined as an intangible asset in accordance with IAS 38. In 2022, the numerator consists exclusively of CapEx related to assets or processes associated with the taxonomy-aligned business activities. For more details on our accounting policies for CapEx, see *Notes 7 and 8 to the 2022 consolidated financial statements*.

RECONCILIATION

Total investment expenditures may be reconciled with the financial statements, see "*Note 7.1. Statement of goodwill and intangible assets on changes in net book value*," "*7.2 Table of tangible assets on changes in net book value*," and "*8.1 Right of use of leased assets*" of the Universal Registration Document. They correspond to the total "Acquisition" and "Change of Scope" movements, excluding goodwill.

ALLOCATION KEY

For capital expenditure at sites hosting both taxonomy aligned and taxonomy non-aligned economic activities (mixed sites), the portion of taxonomy-aligned capital expenditure shall be determined based on the area dedicated to aligned machines or the number of aligned machines produced compared to the time passed in the industrial tool in order to appropriately reflect the production process. This last key has replaced the volume key used in 2021 in order to more closely approximate the time of use of the industrial tool according to the range of machines produced.

CHANGES BETWEEN 2021 AND 2022

Between 2021 and 2022, the following activities were selected as individually eligible activities:

- 7.4 Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in parking lots attached to buildings);
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings;
- 7.6 Installation, maintenance, and repair of renewable energy technology. This activity has replaced activity 4.1 Electricity generation using solar technology, declared in 2021. Activity 7.6 is closer to the reality of the activities carried out by Manitou Group.

3.9.2.3. OpEx KPIs

DEFINITION

The OpEx KPI is defined as the OpEx aligned with the taxonomy (numerator) divided by the total OpEx (denominator). Total operating expenses include direct uncapitalized costs related to research and development, building renovations, short-term leases, maintenance and repairs, as well as any other direct expenses related to the day-to-day maintenance of the tangible assets.

Research and development expenses are recognized as a development expense excluding depreciation during the period. Maintenance and repair expenses and other direct expenses related to day-to-day maintenance of tangible capital assets were determined on the basis of maintenance and repair costs allocated to internal cost centers. The corresponding cost items can be found in various items in the financial statements, including production costs (maintenance of operations), sales and distribution costs (maintenance of logistics), and administrative costs (such as maintenance of IT systems). The OpEx KPI does not include expenses related to the day-to-day operation of the property, plant and equipment such as: raw materials, cost of employees working on the production line, electricity or fluids needed to operate the property, plant and equipment.

RECONCILIATION

For the allocation keys, please refer to the CapEx allocation keys.

CHANGES BETWEEN 2021 AND 2022

In 2021, Manitou Group had retained as eligible OpEx in the denominator only research and development personnel costs and maintenance expenses relating to the buildings housing the production of eligible machines at the Candé (France) sites. In 2022, Manitou Group expanded its analysis to include all expenses defined by the EU in the OpEx denominator.

3.10. INDEPENDENT VERIFIER'S REPORT ON THE NON-FINANCIAL PERFORMANCE DECLARATION PRESENTED IN THE MANAGEMENT REPORT

Year ended December 31, 2022

To the Shareholders,

In our capacity as an independent third party and a member of the Mazars network accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available at www.cofrac.fr), we have carried out procedures to provide a reasoned opinion expressing a moderate level of assurance on the historical information (observed or extrapolated) of the non-financial performance report for the year ended December 31, 2022 (hereinafter the "Information" and the "Declaration" respectively), presented in the group's management report in accordance with the provisions of Articles L. 225-102-1, R. 225-105, and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we have carried out, as described in the section “Nature and scope of the work,” and the elements we have collected, we did not find any significant anomalies likely to call into question the fact that the non-financial performance declaration complies with the applicable regulatory provisions and that the Information, taken as a whole, is presented sincerely in accordance with the Reporting Criteria.

Comments

Without qualifying the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comments:

- The reporting scope of the "Absenteeism Rate" indicator covers Manitou BF (France), Manitou Global Services, and Manitou Italia, i.e. 61% of the workforce at December 31, 2022;
- The scope of reporting of indicators related to training: "Number of training hours per employee" and "Number of employees having received at least one training course" covers the entities Manitou BF (France), Manitou Global Services, Manitou Italia, Manitou North America, and Manitou Equipment India, i.e. 83% of the workforce as of December 31, 2022.

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Preparation of the annual extra-financial performance report

The lack of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability across entities and over time.

Accordingly, the Information should be read and understood with reference to the Reporting Criteria, the significant elements of which are presented in the Declaration.

Limitations inherent in the preparation of the Information

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Certain information is sensitive to the methodological choices, assumptions, and/or estimates made in preparing it and presented in the Declaration.

Company responsibility

It is the responsibility of the Chairman of the Board of Directors to:

- select or establish appropriate criteria for the preparation of the Information;
- draft a Declaration that complies with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied in light of these risks, and the results of these policies, including key performance indicators;
- as well as put in place internal controls as deemed necessary for the establishment of Information that does not contain significant anomalies, whether due to fraud or error.

The Declaration was prepared by applying the entity's Reporting Criteria as mentioned above.

Responsibility of the Independent Verifier

It is our responsibility, based on our work, to give a reasoned opinion expressing a moderate assurance conclusion on:

- the compliance of the Declaration with the provisions laid down in Article R.225-105 of the French Commercial Code;
- the accuracy of the historical information (observed or extrapolated) provided pursuant to paragraph 3 of sections I and II of Article R.225 105 of the French Commercial Code, namely the results of the policies, including key performance indicators, and the actions, relating to the main risks.

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As it is our responsibility to reach an independent conclusion on the Information as prepared by management. We are not permitted involve ourselves in the preparation of the Information, as this could compromise our independence.

It is not our responsibility to decide on:

- compliance by the entity with the other applicable legal and regulatory provisions (particularly with regard to the information provided for by Article 8 of the Regulation (EU) 2020/852 (green taxonomy) and the fight against corruption and tax evasion);
- the truthfulness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the conformity of the products and services to applicable regulations.

Regulatory provisions and applicable professional doctrine

We conducted our work described below in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, the professional standards of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this work in lieu of an audit program, and the ISAE 3000 international standard (revised).

Independence and quality control

Our independence is established under the provisions of Article L.822-11 of the French Commercial Code and the code of ethics of the profession of statutory auditor. In addition, we have put in place a quality control system that includes documented policies and procedures to ensure compliance with the applicable legal and regulatory texts, ethical standards, and professional rules of the Compagnie Nationale des Commissaires aux Comptes regarding this work.

Means and resources

Our work mobilized the skills of five people and took place between December 2022 and February 2023 for a total project time of six weeks.

To assist us in our work, we called upon sustainable development and social responsibility experts. We conducted eight interviews with the persons responsible for preparing the Declaration, representing risk management, QHSE, purchasing, user health and safety, anti-corruption and scope 1, 2 and 3 greenhouse gas emissions.

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Nature and scope of the work

We planned and performed our work taking into account the risks of material misstatement of the Information.

We consider that the procedures we carried out by exercising our professional judgment enables us to draw a moderate assurance conclusion:

- we familiarized ourselves with the activity of all of the entities included in the consolidation scope and the statement of the main social and environmental risks;
- we assessed the suitability of the reporting criteria based on their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, where applicable, industry best practices;
- we checked that the Declaration covers each category of information provided for in III of Article L.225 102 1 for social and environmental issues as well as respect for human rights and the fight against corruption and tax evasion;
- we verified that the Declaration presents the information provided for in part II of Article R. 225-105 when relevant with regard to the main risks and includes, where applicable, an explanation of the reasons for the absence of the information required by paragraph 2 of part III of Article L. 225-102-1;
- we checked that the Declaration presents the business model and a description of the main risks associated with the activity of all of the entities within the consolidation scope, including, where this proves relevant and proportionate, the risks created by its business relations, its products, or its services, as well as the policies, actions, and results, including key performance indicators associated with the main risks;
- we consulted the documentary sources and conducted interviews to:
  - o assess the selection and validation process for the main risks as well as the consistency of the results of the key performance indicators selected with regard to the main risks and policies presented, and
  - o corroborate the consolidated quantitative information (actions and results) that we considered to be the most important, presented in Appendix 1. For certain risks (business ethics and corruption, responsible purchasing, user health and safety, scope 3 greenhouse gas emissions), our work was carried out at the level of the consolidating entity; for other risks, work was carried out at the level of the consolidating entity and in a selection of entities;
- we checked that the Declaration covers the consolidated scope, namely all of the companies included in the consolidation scope in accordance with Article L.233-16;
- we reviewed the internal control and risk management procedures implemented by the entity and assessed the collection process with respect to the completeness and accuracy of the Information;

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- for the key performance indicators and the other quantitative results that we considered to be the most important and presented in Appendix 1, we implemented:
  - o analytical procedures involving checking the correct consolidation of the data collected and the consistency of any changes;
  - o detailed tests on the basis of surveys or other selection methods involving checking correct application of the definitions and procedures and comparing the data in the supporting documents. This work was carried out at a selection of contributing entities (Manitou BF Aubinière, Headquarters and PDC France; Manitou Equipment India – Greater Noïda; Manitou Equipment America – Yankton) and covers 36% of the workforce as of December 31, 2022 and 49% of the energy-related greenhouse gases of scopes 1, 2 and 3.
- we assessed the overall consistency of the Declaration with respect to our knowledge of all the entities included in the scope of consolidation.

The procedures carried out for the purposes of a mission of moderate assurance are less extensive than those required for a reasonable assurance mission performed in accordance with the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes.

The independent verifier,

Mazars SAS

Paris La Défense, April 21, 2023.

Edwige Rey

CSR & Sustainable Development Partner

4. RISKS AND CONTROLS

4.1. GENERAL RISK MANAGEMENT FRAMEWORK

Manitou Group's activities must adapt to an environment that is constantly changing. The group is exposed to the potential occurrence of risks that could have a negative impact on its business.

These consequences may be financial as well as non-financial in nature: harm to image and reputation may also have a negative impact on the group and its activities.

The various risks discussed in this chapter do not represent an exhaustive list. Other risks of which Manitou Group is not aware or has considered non specific or non significant are not mentioned. The elements presented correspond to the net risk, i.e. after taking into account the compensatory measures.

Risk assessment and management represent an integral part of the group's operational and strategic management. Risk management consists of identifying, assessing, and mitigating risks with the potential of interrupting the proper operation of the company. It also helps to guide the group's strategy in its development and optimize the management of its resources in order to ensure that its goals are achieved.

The group has an internal control mechanism based on the self-assessment of the consolidated subsidiaries. The responses to the self-assessment questionnaire are comparable with the conclusions of the internal audits.

For the entire scope in question, Manitou Group has examined the risks (potential adverse events) that could have a negative financial, non-financial, and/or reputational impact.

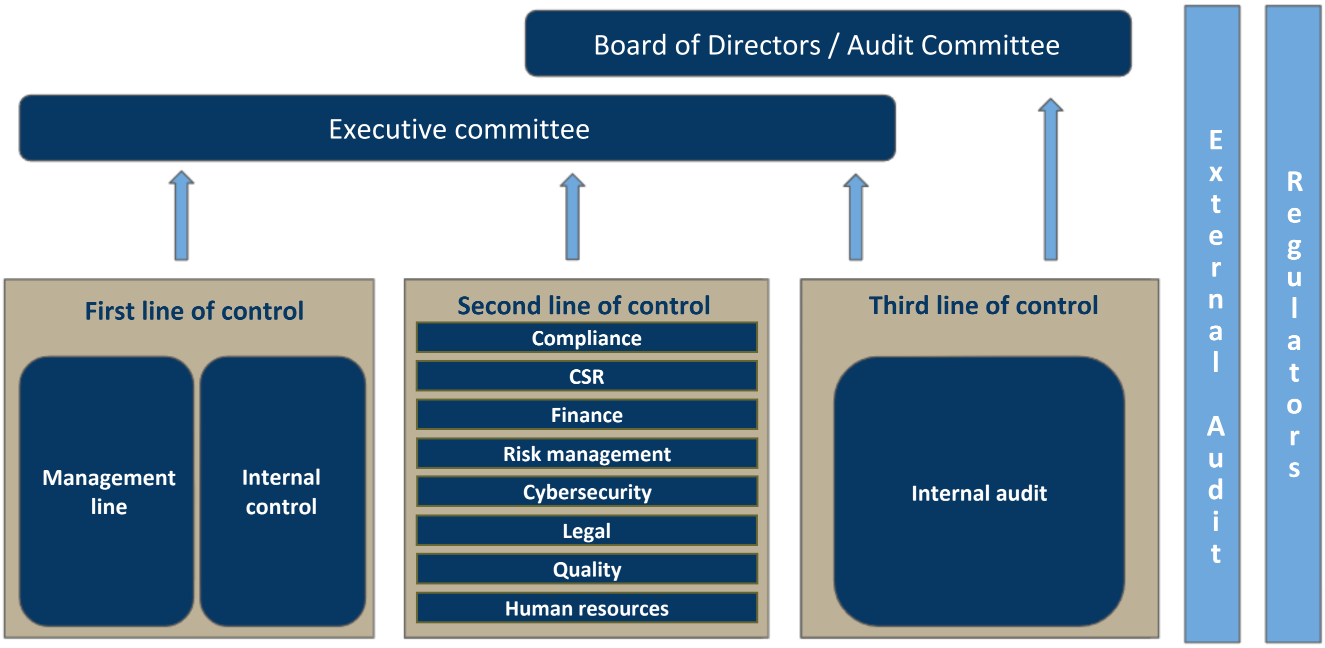
In accordance with Regulation (EU) 2017/1129 (prospectus regulation), which took effect on July 21, 2019, the presentation of risk factors consists of a small selection of specific net risks, after management and hedging. They are grouped into six categories and are presented within each in order of importance.

The document presents the 17 most significant and specific risk factors that may affect its activity. Manitou Group reiterates that it is faced with generic risks that have been clearly identified in the mapping, like all industrial groups of its size. These generic risks are managed by the Executive Committee, supervised by the Audit Committee, and shared with the Board of Directors.

4.2. RISK MANAGEMENT ORGANIZATION

Risk management is organized based on three lines of control, as presented below.

MODEL OF THE THREE LINES OF RISK MANAGEMENT OF MANITOU GROUP



Adapted from Article 41 of the ECIIA/FERMA Directive regarding the EU Company Law Directive.

4.2.1. THE FIRST RISK CONTROL LINE

A) THE MANAGEMENT LINE (OPERATIONS):

- implements the strategy, taking into account the execution risks involved, and identifies targets as a function of the risks of deviations;
- coordinates the various functions of the company and relations with stakeholders;
- is mandated to represent the company towards third parties; it forms a chain of delegations and assumes the associated civil and criminal liability;
- relies on the internal control system to self-assess its risks.

B) INTERNAL CONTROL:

- works to ensure compliance with laws and regulations;
- verifies the actual implementation of governance rules;
- evaluates how well the processes function;
- guarantees the reliability of financial and non-financial information;
- relies on a self-assessment questionnaire revised in 2021 that was deployed in all controlled entities of the group.

Like any control system, this mechanism cannot entirely guarantee the efficiency of operations. As a priority, it strives to identify strategic and operational risks and ensure deployment of the ad hoc action plan in order to guarantee that those risks are managed.

The internal control system is under the responsibility of the group's Vice President of Finance.

4.2.2. THE SECOND RISK CONTROL LINE

It provides necessary support to the first line in order to:

- define roles and responsibilities and set the relevant objectives for their implementation;
- prepare the risk management guidelines;
- identify and control risks as part of a structured and targeted approach to the challenges of Manitou Group and its activities;
- assist the management line to define and deploy the processes and controls in order to manage risks;
- observe developments and anticipate emerging risks;
- monitor the adequacy and effectiveness of the internal control system, especially with respect to reporting efficiency and compliance with laws and regulations;
- propose and support timely remediation of failures.

4.2.3. THE THIRD RISK CONTROL LINE

The internal audit function forms the third control line:

- by assessing the mastery of operational and functional rules and the execution of operations with respect to the organization's concerns;
- by verifying the relevance of internal procedures and their compliance with rules, standards, procedures, laws, and regulations;
- by assisting Manitou Group to achieve its objectives through a systematic and disciplined approach to assess and improve the effectiveness of the management, control, and governance processes of the organization.

The Internal Audit Department is one of the three components of the Audit, Risks, and Compliance Department, placed under the double authority of the Chairman of the Audit Committee and the Corporate Secretary of Manitou Group in order to guarantee its independence.

The Audit, Risks, and Compliance Department periodically reports to the Executive Committee and the Audit Committee regarding the overall control of risks and the governance of the group and its controlled subsidiaries, as well as potential improvements of its processes.

The role of the Audit Committee is described in chapter 5.

4.3. RISK MAPPING

It makes it possible to understand changes in existing risks and anticipate emerging risks across all of its activities, which must be managed by the various divisions and cross-disciplinary functions of Manitou Group. The risk mapping process was revised in 2022.

Risks are assessed based on their human, environmental, and reputational consequences, in addition to their financial impact. They are presented as net in this document.

The Executive Committee prioritizes resources for the action plans.

The Audit, Risks, and Compliance Department periodically reports on progress made on the action plans to the Audit Committee, which ensures that the necessary resources have been properly implemented. The risks to which the group believes that it is exposed can be grouped into six categories. The net risk factors are presented within each category by order of importance.

The table below includes the risks mentioned in chapter 3 on corporate social and environmental responsibility and in the notes to the consolidated financial statements.

4.4. RISK FACTORS

In a rapidly changing world, Manitou Group must be resilient and constantly adapt its model.

Manitou Group considers two types of risk when defining its strategy:

- the risks voluntarily taken by Manitou Group as a result of its strategic choices.
- the specific economic risks faced by Manitou Group;

4.4.1. Risks related to Manitou's strategic choices

4.4.1.1. The ecological transition of our products

By deciding to integrate electric and hydrogen technologies, Manitou Group is impacting its product range and taking a risk in its technological choices. These risks are linked to the control of technological know-how within the group and by third parties, as well as to the short- and medium-term availability of the relevant raw materials on the market. Manitou Group must also adapt its industrial footprint in order to be able to produce, in the right location, both its current ranges and its new ranges that incorporate more environmentally friendly engine technologies.

4.4.1.2. A business model that is evolving by integrating more data

As it accelerates its digitization, Manitou Group faces several challenges related to its ability to quickly structure, harmonize and qualify data across different products, systems and organizations. The risks identified relate mainly to its ability to manage several large and costly projects simultaneously, to ensure the overall management of data ownership and confidentiality, and to ensure the efficiency of the systems deployed to protect and secure data against leaks and cyber-attacks.

4.4.2. Specific economic risks faced by Manitou Group

4.4.2.1. Manitou Group, largely export-oriented

Manitou Group is present in more than 20 countries. As such, it is exposed to geopolitical risks. The complexity and proliferation of international relations generate risks that impact both our activities and those of our third parties. Thus, the conflict between Russia and Ukraine has disrupted some players. Deteriorating relations between China and the U.S. may jeopardize the fluidity of our supply chain and the distribution of our products.

4.4.2.2. Climate change

Climate change generates two categories of risk: the risks of transitioning to a low carbon economy, and the physical risks to our business operations. The technological risk is mainly characterized by the non-synchronization between market demand and the actual operability of electric and hydrogen technologies that are not yet mature. The regulatory risk is related to the increase in usage restrictions and their associated sanctions in conjunction with the rapid and constant evolution of regulatory requirements. Reputational risk in the face of the rise of various forms of activism can damage the group's image, which could impact our employer image and our brand image.

Certain extreme weather events may disrupt or interrupt the activities of some of the group's production and logistics operations.

The risks mentioned are presented by their category number (1 to 6) followed by their description. While the insurance policy reduces the impact of insurable risks, the other actions taken to minimize risks essentially have a reducing impact on the probability of occurrence, with little change as far as impact.

PROBABILITY OF OCCURRENCE / IMPACT	Low	Average	Significant	Major
Very high	2 Foreign-exchange risk	1 Talent management 1 Employee health and safety 5 General contractual terms	2 Inflation 4 Climate change 5 Industrial Footprint	5 Purchasing and supply
High		1 Recruitment and retention 4 Business ethics	3.2 Cyberattacks 6.6 Sales prices	5 Market adaptation
Possible			1 Employee safety 5 Insurance	4 Corruption
Rare				4 Geopolitics

CATEGORY 1: STAFF RISKS

EMPLOYEE HEALTH AND SAFETY

IDENTIFICATION OF RISK	RISK MANAGEMENT
Manitou Group is an international industrial group that boasts 10 production sites, 8 logistics centers, and 19 Manitou Centers where automated and manual processing, mechanical welding, assembly, testing, finishing, and repair operations are carried out. Personnel performing the most taxing tasks may be exposed to occupational hazards. Failure to follow workplace safety rules can also lead to accidents. The potential work accidents that result from these operations can, beyond the human impact, slow down production operations and disrupt the delivery of our machines. In addition, a high accident frequency rate would damage Manitou Group's employer brand. Probability: very high / Impact: medium	In addition to regular risk analysis of its production facilities and their continuous improvement, individual and collective protection of operators and mandatory internal safety rules, Manitou Group has embarked on a worldwide ISO 45001 certification program for its production sites and logistics platforms. All French sites have been certified since 2020, and a gradual rollout to sites worldwide is planned. A network of more than 130 EHS advisors has been deployed to continuously audit workstations. This network will progressively extend to France, Italy, the United States and India. The harmonized risk identification and assessment system as well as the consolidated monthly reporting process promote responsiveness and implementation of remediation plans, with particular attention paid to serious or frequent risks. Although the 2022 accident frequency rate target was not achieved (18.54 versus 17.80/+5%), Manitou Group has seen a continuous improvement in its results over the past three years and has set a target of a frequency rate below 15 by 2025.

STEERING INDICATORS *(see Chapter 3. Environmental Social Responsibility):*

- accident frequency and severity rates;
- rate of absenteeism due to accidents and illnesses;
- proportion of training hours dedicated to safety.

SKILLS MANAGEMENT

IDENTIFICATION OF RISK	RISK MANAGEMENT
The constant evolution of our markets and the strong growth of the group make it essential to adapt and update our skills. The lack of a global strategy in an international group, the absence of a learning policy and a low level of investment in continuous development undermine its effectiveness and lead to resignations and a deterioration of the employer brand. The energy and digital transition will increase the need to adapt and acquire new skills in our business lines. The lack of available skills slows down the progress of projects and generates additional costs through the use of subcontractors. Probability: very high / Impact: medium	The group has developed various processes for periodic reviews of the organization and individual performance and skills assessments. It also relies on an internal training school and a digital training system to ensure continuous training. An ambitious recruitment plan aimed at targeting future talent has also been put in place to facilitate the achievement of objectives and prepare for the future.

STEERING INDICATORS (see chapter 3. Societal and Environmental Responsibility):

- Average number of hours of training per employee, number of employees who received at least one training session.

RECRUITMENT AND RETENTION

IDENTIFICATION OF RISK	RISK MANAGEMENT
The group operates in a constantly changing, competitive environment and in a context of sustained growth. This requires a strengthening of human resources and a diversity of skills. This strengthening is essential for us to adapt to changes and manage the transformation of our group. The Manitou Group's current and future investments in innovation and development projects require the recruitment of an increasing number of engineers and executives. The group may face difficulties in attracting, integrating, and retaining the talent and new skills needed for the development and production of its products or services. 500 hires were not made in 2022. In addition, the labor shortage observed in some employment areas (United States, France) makes it difficult to recruit the operators needed to increase production. Probability: high / Impact: average	In order to ensure growth in production levels and to compensate for the lack of local resources, the group uses temporary staff that can come from outside the employment pool and is heavily involved in vocational training, particularly in key areas of the production process, such as welding. The group ensures that the remuneration and benefits policy is competitive compared with the market. It also facilitates internal mobility and has improved its integration policy for newcomers. 1,000 new hires, including 500 new positions, are expected in 2023. Manitou Group offers and invests significant resources in a continuing vocational training policy in order to develop its staff's skills and support the group's transformation. It is also working on its employer brand through communication initiatives, academic partnerships, and initiatives with representatives of local authorities to increase the attractiveness of the workplace.

STEERING INDICATORS *(see Chapter 3. Societal and Environmental Responsibility):*

- new recruits with open-ended contracts;
- commitment rate;
- voluntary departure rate.

CATEGORY 2: FINANCIAL RISKS

INFLATION RISKS

IDENTIFICATION OF RISK	RISK MANAGEMENT
The group faces a risk of margin shrinkage caused by the lag between the immediate increase in costs, mainly production purchasing, and the deferred upward revision of its sales prices. This risk requires special monitoring as the group's order book is particularly busy, as it represents almost a year and a half of revenue (based on 2022). Finally, the impact of the inflationary phenomenon varies depending on the regions in which Manitou Group is located. The producer price index thus ranges for the 2022 period from +12.2% in the United States to +5.9% for France (source OECD). Probability: very high / Impact: significant	In order to limit the impact of the risk on the margin, an action plan has been defined on two areas: ○ stronger control of purchase prices by negotiating three- and six-month contracts; ○ communication of the selling price 175 days before delivery. On the basis of economic projections to date, the group believes this risk is limited over time.

FOREIGN-EXCHANGE RISK

See Note 13.2.2 of the consolidated financial statements.
Probability: very high / Impact: low

CATEGORY 3: RISKS RELATED TO INFORMATION SYSTEMS

CYBERATTACKS

IDENTIFICATION OF RISK	RISK MANAGEMENT
Manitou Group's business relies on the proper operation of its IT infrastructure and the availability of its information systems. The digitalization of the group's management, production, distribution, and maintenance tools exposes it to a risk of internal and external attacks. BYOD (Bring Your Own Device) and/or telecommuting are an aggravating cause of risk exposure and also increase its frequency. The malfunction, shutdown, or paralysis of information systems and/or the theft, alteration, or distribution of data would have a significant impact on the group's activity. Systems may also be the victim of a targeted attack (such as ransomware) resulting in leaks of confidential information and compromising its ability to achieve its objectives. The loss of control over the content of the pages of our websites could facilitate the dissemination of erroneous, false, or defamatory information that would seriously harm our image and/or that of our products. Probability: high / Impact: significant	The group has taken organizational and technical measures to improve our operational responsiveness. Since 2019, the group has acquired a Chief Information Security Officer (CISO) and doubled its internal cybersecurity staff since 2021 and must double it again in 2023. An information security policy based on the work of the NIST (National Institute of Standards and Technology) was defined for the entire group. A program to raise awareness among all of the group's users is currently being rolled out. In addition to security audits, infiltration tests are regularly conducted. Periodic vulnerability detection testing complements the audit system. The group has implemented a SIEM (System Incident Event Management) and SOC (System Operational Control) strategy and deployed the necessary resources for their operation. The group has strengthened its VPNs (Virtual Privacy Networks) to secure work from home and has also strengthened access to the Manitou Group information system by implementing strong MFA (Multi-Factor Authentication). The group invested in new monitoring and remediation resources that cover the entire group scope 24/7. All of the measures taken by the group reduced the impact and the likelihood of a cyberattack.

CATEGORY 4: EXTERNAL RISKS

BUSINESS ETHICS

IDENTIFICATION OF RISK	RISK MANAGEMENT
▪ With the strengthening of regulations on environmental, social and societal responsibility, Manitou Group is facing increased demands from its stakeholders for vigilance and transparency, including in its supply chain. ▪ Because of its very international presence, the group is also subject to a set of laws and standards relating to human rights and labor standards, which it must ensure it complies with regardless of the business and geographical location of the entities concerned. ▪ Manitou Group is committed to social and environmental responsibility through its relationship with its stakeholders. ▪ Any behavior that violates these values exposes the group to the risk of ethical misconduct with legal and reputational impacts.	▪ The group pays particular attention to the risk of ethical breaches. Several years ago, it set up an independent Ethics Committee, governed by a Code of Ethics, as well as a whistleblowing system accessible to employees and stakeholders. ▪ In 2022, the group adopted a Code of Ethics that replaces the 2010 Ethics Charter. ▪ Since 2014, the group has been pursuing a proactive responsible purchasing approach with its suppliers. In view of changing standards and requirements, the Responsible Purchasing policy has been strengthened in 2021. Among the changes in the policy shared with suppliers, a chapter on responsible sourcing of minerals has been added in order to reduce the risks associated with this type of raw material from conflict zones (cobalt, tin, tantalum, tungsten). The entire Purchasing Department has been trained in this new Responsible Purchasing Charter. ▪ In addition to the CSR audits carried out since 2016, the Purchasing Department has acquired an external solution to map all suppliers from the point of view of CSR risk and to develop extra-financial evaluation.

Probability: high / Impact: average

STEERING INDICATORS *(see Chapter 3. Societal and Environmental Responsibility):*

- portion of suppliers that are CSR certified;
- portion of at-risk suppliers under monitoring (vigilance plan);
- portion of employees trained in the Code of Ethics.

CLIMATE CHANGE

IDENTIFICATION OF RISK	RISK MANAGEMENT
Climate change risks have been analyzed in two categories: transition risks related to the move towards a low carbon economy and physical risks[32]. ❶ Transition risks related to a low carbon economy: ▪ the technological risk, mainly characterized by the lack of synchronization between market demand and the actual operability of electric and hydrogen technologies that are not yet mature; ▪ political risk: the tax incentive to renew equipment fleets in an environmentally friendly manner (accelerated by bonuses or longer depreciation periods) is likely to have an impact on the development of low-emission ranges; ▪ the regulatory risk linked to the ramp up in usage restrictions accompanied by their arsenal of financial, penal, civil and commercial sanctions, but also the rapid and constant evolution of regulatory requirements, the frequency of which exposes the company to misinterpretation of the new rules; ▪ reputational risk is becoming an issue in the face of the rise in various forms of activism, whether employee, shareholder, political or militant, since actions, whether well-founded or not, can damage the group's image, which could have an impact on our employer image and ultimately our order book. ❷ Risks related to climate change: certain extreme weather events may disrupt or even, in the most severe cases, temporarily interrupt the activities of some of the group's production and logistics sites. In particular, risk coverage would increase our costs, and claims would create a local interruption in production. These events may also expose the group to fragilities in its supply chain. Probability: very high / Impact: significant	By defining a mitigation plan, the group has committed to a structuring and transforming roadmap, whose reduction targets have been validated by the international Science Based Targets initiative. This low carbon strategy is based on a 2030 product plan and is monitored at the highest level of the company. To achieve its objectives, the group is mobilizing major R&D investments to develop 100% electric and hydrogen rough-terrain ranges, with the aim of achieving 43% low-emissions machines sold by 2030. The group is continuing the in-depth work it has been doing for years to optimize the energy consumption of its thermal machines, with demanding reduction targets. The circular economy workstreams intended to innovate towards a sustainable business model allow the group to experiment with new offers and models. Finally, in addition to adapting its offer, the group is also working to reduce its impact across the entire value chain and has set quantitative targets for its purchases of parts and components, upstream transport and distribution, manufacturing, and product use. Among the areas of action to reduce this risk, the group has implemented: ▪ strengthening the protection of sites; ▪ cross-site industrial flexibility; ▪ multisourcing; ▪ purchasing risk management; ▪ crisis management governance; ▪ damage and operating loss insurance. As part of the work related to the taxonomy, the group conducted a risk and vulnerability analysis on a number of sites in 2022, enabling it to analyze in greater detail its exposure to the hazards of climate change

STEERING INDICATORS *(see Chapter 3. Societal and Environmental Responsibility):*

- portion of low-emission machines sold;
- portion of R&D investments allocated to the low carbon transition
- steering of the group's low carbon trajectory, whose emissions reduction targets for 2030 have been validated by SBTi.

[32] *According to the TCFD framework (Task Force on Climate-Related Financial Disclosures)*

CORRUPTION, ANTI-COMPETITIVE PRACTICES AND EXPORT CONTROLS

IDENTIFICATION OF RISK

Manitou Group's international footprint means that it must comply with a large number of laws and regulations, which are continuously evolving.

The group has identified its main corruption risks by introducing a mapping exercise every three years.

The group conducted an export control audit to identify risks related to non-compliance with export rules and sanctions regimes.

Some countries are the subject of specific export controls concerning our export flows or partial or total embargoes; some companies are held by individuals under sanctions.

Therefore, Manitou Group must verify the quality of the third party and the destination of the machines and spare parts under penalty of violating the rules imposed by the European Union and/or the United States and/or others.

Non-compliance with the laws and regulations regarding anti-corruption or export control could have serious legal and financial consequences for the group and seriously harm its reputation.

RISK MANAGEMENT

The group is strongly committed to preventing corruption and anti-competitive practices. It benefits from the strong commitment of its Chief Executive Officer and regular follow-up by the Audit Committee.

In 2022, the group, continuing its training efforts, published a second mandatory training module intended to prevent corruption. It has also deployed face-to-face training. In total, more than 90% of the target populations have been trained through the digital campus and/or in person.

The Compliance Department has developed a training program designed to raise awareness of export controls among the staff concerned through an e-learning module that will be put online in the first quarter of 2023.

A communication campaign dedicated to compliance was broadcast on December 9, 2022, on the occasion of International Anti-Corruption Day.

An external audit to evaluate the Sapin 2 system was launched at the end of 2022. Most of the few identified nonconformities will be resolved in the first half of 2023.

The group's South African subsidiary has passed its ISO 37001 recertification audit.

Two major subsidiaries of the group have passed an ISO 37001 assessment audit with a view to certification in 2024.

The action plans defined as part of the internal audit on export controls are managed in project mode, given their cross-functional nature.

Probability: possible / Impact: major

STEERING INDICATORS *(see Chapter 3. Societal and Environmental Responsibility):*

- portion of employees who have received anti-corruption training and education;
- number of alerts received per year;
- portion of the group that is ISO 37001 certified.

GEOPOLITICS

IDENTIFICATION OF RISK

The increasing complexity and proliferation of international relations generates risks that can impact both our activities and those of our third parties. For example, the conflict between Russia and Ukraine has disrupted certain players, and the deterioration of relations between China and the United States could compromise the fluidity of our supply chain and the distribution of our products.

The group also expects an increase in cyber attacks.

The weakening of economies could also encourage states to strengthen their protectionist policies.

Probability: unlikely / Impact: major

RISK MANAGEMENT

Manitou Group has conducted a review of the level of control over its exports (63% of the group's revenue in 2021) and is strengthening its regulatory oversight, particularly with respect to sanction regimes, embargoes, and sales of dual-use equipment.

A special effort has also been made to strengthen the system for fighting cyber attacks.

CATEGORY 5: RISKS RELATED TO BUSINESS

PURCHASING AND SUPPLY

IDENTIFICATION OF RISK

As an integrator, Manitou Group's purchasing volume represents 73% of its revenues. A breakdown in the supply of components for anywhere from a few weeks to several months would result in a strong disruption of the production chain. This situation creates machine delivery delays and could cause detrimental cancellations of orders.

A lack of agility or poor quality in certain suppliers with specific knowhow in key activities could have significant consequences on the group's performance.

The volatility of our markets is greater than the industrial system's ability to adapt, creating a risk of disruption due to capacity limits. This also concerns the availability of raw materials and transport.

Five main scenarios that could lead to a shutdown of the production chain have been identified:

- when the sourced components are not delivered in time and the stocks are too low to cover the entire period of the shortage;
- when components/commodities are not available for a long period of time;
- when the supplier encounters a capacity limit;
- when the supplier is insolvent and can no longer acquire the components necessary for its own production;
- when the supplier suddenly breaks off the relationship unilaterally.

Probability: very high / Impact: major

RISK MANAGEMENT

Manitou Group is expanding its assessment and ongoing monitoring process of its critical suppliers. It also is developing a long-term delivery planning strategy. Some components are subject to a policy of diversification of their supply sources.

The operational performance of more than 250 suppliers covering 80% of purchases is monitored through a scorecard system. Capacity reviews are regularly conducted.

These actions are reinforced with an improvement in the reliability of the panel of suppliers and contractualization of commercial relationships that cover more than 56% of our activity (as of the end of 2022).

The risk will persist for several years as the direction of the market is bullish. The group is continuing its roll out of a sales forecast reliability system that will improve the planning of the production effort and the supply of components.

As part of its low carbon trajectory, Manitou Group plans to sell 43% electric machines by 2030. It is already anticipating this transformation, which will have an impact on the sourcing of original equipment parts as well as on its spare parts sales business.

At the organizational level, the Purchasing Department has been reorganized to improve crisis resilience, and the procurement governance policy has also been improved with the aim of reducing the risk of reliance on a single supplier in critical areas.

INDUSTRIAL FOOTPRINT

IDENTIFICATION OF RISK

The risk of observing a structural gap between global demand and the group's activity is linked to changes in industrial capacities and supply chains and the anticipation of market needs.

The lack of qualified personnel during a period of strong demand is an obstacle to the ramp-up of the business.

The strong dependence on certain suppliers, and the unreliability of our sales forecasts would have an impact in the medium term on the company's performance.

Ultimately, all of the risks associated with industrial facilities result in customer dissatisfaction and damage to the group's reputation.

Probability: very high / Impact: significant

RISK MANAGEMENT

In order to adapt its capacity to meet growing global demand, the group pursues a rational policy of transforming its industrial facilities by investing in both the modernization and expansion of its historic sites but also by building new plants and relocating certain activities.

The new Candé plant has thus started its assembly activities in January 2022.

The Laillé and Ancenis sites are also benefiting from major investments in order to increase their production capacity.

A massive $80 million investment plan was announced in February 2022 to expand and modernize the Madison and Yankton sites in the United States.

In order to optimize its production capacity, in 2020 the group launched a modular product design strategy to reduce internal diversity and maximize industrial efficiency.

The Products Division has thus improved its capacity performance from an average of 115 machines per day in 2021 to 160 in 2022.

GENERAL CONTRACTUAL TERMS

IDENTIFICATION OF RISK	RISK MANAGEMENT
The general terms and conditions of sale do not allow for unilateral modification of prices and conditions of sale in case of inflation or inability to produce due to a break in the supply chain. This exposes the group to unfair practice claims by our distributors individually or to collective action by their trade association. The terms and conditions of purchase applicable to all suppliers do not authorize Manitou Group and its subsidiaries to refuse price increases or to cancel orders. Probability: very high / Impact: medium	The terms and conditions have been amended in jurisdictions where necessary, and the rollout of the new updated document is underway. The revision of our general purchasing conditions is ongoing and should be completed during 2023.

CATEGORY 6: RISKS RELATED TO MARKET CHANGES

SALES PRICES

IDENTIFICATION OF RISK	RISK MANAGEMENT
The margin level on sales of machines priced before the inflationary surge has been significantly impacted. The group therefore runs the risk of a disconnect between the price offered and the actual cost of the machine.	Since February 2022, transportation surcharges have been applied to previous orders. For new orders taken since this period, the final prices are communicated to customers 175 days before the delivery date. The monitoring of competitive prices and inventory levels has been strengthened, and trade-ins are now included in the evaluation of the overall margin of the economic operation.

Probability: high / Impact: significant

ADAPTATION TO MARKET CHANGES

IDENTIFICATION OF RISK	RISK MANAGEMENT
Manitou Group operates on competitive and cyclical markets in which the main players are combative both in terms of prices and contractual conditions. Our Chinese competitors have made enormous progress, particularly in the scissor lift and telehandler ranges. A new Chinese rotary machine (MRT) will also be introduced in 2022. Also concerned by the energy transition, China is well positioned for the production of electrical equipment thanks to its expertise and its battery production capacity. The market is stabilizing after three years of euphoria, but a lot of orders have been anticipated by certain market players who wish to protect themselves against the extension of delivery times and increases in the price of machinery. The low carbon orientation of the economy and the energy crisis could lead users of our machines to change their usage in favor of smaller machines that consume less energy and result in an increased appetite for rental or shared fleets, which would require us to adapt our offer. Probability: high / Impact: major	In order to cope with the cyclical nature of its markets, the group's commercial development strategy includes geographical diversification and sector diversification: construction, agriculture, and industry. The group's strategy is to strengthen its service activities, which by nature are more resilient than the sale of machinery, but also a weak point for Chinese competition. The sales performance of the S&S division in 2022 reinforces this strategy. Manitou Group is securing its dealer network and increasing the number of new electric machines on the market. It has also initiated an ambitious program of hydrogen-powered machines and in 2022 presented the first innovative prototype of a telehandler powered by green hydrogen. The group is constantly strengthening its tools, processes, and economic intelligence systems to improve its responsiveness to changes in the market.

4.5. INSURANCE

GROUP'S GENERAL INSURANCE POLICY

Manitou Group has group insurance programs and policies purchased locally. They allow the parent company to coordinate the management of its insurance policies in order to optimize total premiums and improve coverage. The group has put in place an international liability insurance program (operations and products) underwritten by leading insurance companies. Under this insurance program, the group's subsidiaries take out a local "integrated" policy, which is reinsured by a "master" policy.

The “master” civil liability insurance policy covers all of its subsidiaries (with some exceptions due to certain country-specific regulatory constraints, more favorable conditions offered by the local market or specific business). If there is no local policy or in case of a non-integrated local policy, the coverage is provided in DIC and/or DIL (“Difference in Conditions” / “Difference in Limit”) mode. As of the date of signing of this report, the amount of the civil liability coverage (operation and product) amounted to €50 million per claim and per insurance year.

The property damage policy is an “all risks” (with exclusions) policy for the insured amounts corresponding to the identified risks. It also covers the risk of operating losses over a contractual period.

The group has put an international program in place to cover the French entities of the group as well as the Italian and American subsidiaries. The coverage amount of the property damage and operating losses insurance policy amounts to €200 million as of the date of this report. The group ensures that all of its insurance policies cover the following risks, either purchased for its entities through its group programs or local policies.

The group’s insurance policies cover the following risks:

- civil liability;
- civil liability of the corporate officers;
- environmental impact liability;
- property damage and operating loss;
- cyber damages;
- transport;
- customer credit risk.

4.6. CONTROLS

KEY INTERNAL CONTROL PROCESSES

The Chief Executive Officer meets weekly with the Executive Committee, the composition of which is described in the management report. The members of the Executive Committee are surrounded by a Management Committee comprised of the functions within their remit. The activities and achievement of objectives by each division and each sales region are reviewed quarterly. The support functions of the Corporate Secretary and Human Resources are reviewed biannually. In addition, the group uses a decisions and responsibilities delegation manual that is aligned with the organization of the group and is applicable to all of Manitou Group's companies concerning the following areas: legal and regulatory obligations (including concerning health & safety and environmental compliance), financial operations (including off-balance sheet commitments), budget processes, commercial operations, purchasing, fixed-asset management, and human resources.

PRODUCTION OF FINANCIAL INFORMATION

The responsibility for drafting the group's corporate and consolidated financial statements lies with the Finance Department. The budget and monthly reporting procedure is an essential tool for Manitou Group in the coordination of its operations. This is a structured and structuring process designed to organize the sharing of information and strategic objectives within the group. The internal and external dissemination of relevant, reliable, and timely information makes it possible for each person to discharge their responsibilities. For the annual closure and interim financial reporting, the consolidation packages are prepared by the subsidiaries in accordance with the financial manual of the group and are submitted to the Consolidation Department of the parent company. The Finance Department is responsible for the internal control procedures related to the preparation and processing of financial information.

PRODUCTION OF FINANCIAL STATEMENTS

The group’s consolidated financial statements are drawn up on the balance-sheet date in accordance with IFRS (International Financial Reporting Standards) rules, published by the IASB (International Accounting Standards Board) and adopted by the European Union. The financial statements of Manitou BF are drafted in accordance with the French rules.

The financial statements for both the parent company and the group are prepared by the Accounts Department, with the assistance of a certified public accountant with respect to the unconsolidated financial statements. They are validated by the Vice President of Finance, the Corporate Secretary, and the Chief Executive Officer prior to approval by the Board of Directors, after review by the Audit Committee.

The consolidated financial statements for the group are drawn up by the Accounts Department. This department is responsible, inter alia, for updating the procedures for consolidation, training, and integration of the subsidiaries into the scope of consolidation, data processing, as well as the use, maintenance, and development of the consolidation tool and of the financial data system.

Each subsidiary communicates its accounts to the Accounts Department based on a timetable set by the group. The Accounts Department reviews the accounts of the group as a whole and makes the adjustments necessary to draw up consolidated accounts. These accounts are circulated every month to the executive management. A manual sets out the group standards that apply to the accounts and their presentation. This manual is added to each year and is made available to all the group entities. Closure instructions are also communicated monthly to all subsidiaries.

Manitou Group prepares its consolidated financial statements using a unique consolidation tool structured based on a unique accounting plan for all companies of the group. They are validated by the Vice President of Finance, the Corporate Secretary, and the Chief Executive Officer prior to approval by the Board of Directors, after review by the Audit Committee.

AUDITING OF THE FINANCIAL STATEMENTS

The interim and annual financial statements are audited by the college of Statutory Auditors, which applies the standards of the profession. For foreign subsidiaries, which are audited in each country, the financial statements and observations of the local auditors were provided to the group's Statutory Auditors and were reviewed with the Finance Department. The Statutory Auditors presented a summary of their work to the Audit Committee on February 24, 2022. The Board of Directors met on March 2, 2022 to close Manitou Group’s corporate and consolidated financial statements ending December 31, 2022. Working meetings and summary meetings are regularly held between the Statutory Auditors and the group's Finance Department as part of a continuous exchange process. The Audit Committee is present at all essential steps to validate the financial information.

RISKS AND COMPLIANCE DEPARTMENT

The risks and compliance functions are under the responsibility of the Vice President of Compliance, Audit, and Risk:

- the compliance function organizes and deploys the processes, awareness raising efforts, and training on compliance subjects. Its approach is based on a map (renewed in 2021) specifically prepared for corruption risks, the group's code of conduct, the United Nations pact, as well as the pillars of the Sapin II law. Manitou Group is also attentive to its compliance with anti-corruption laws and regulations wherever it operates;
- in addition to the obligations relating to the Sapin 2 law, the group initiated a multi-year ISO 37001 (Anti-bribery management systems) certification campaign for certain subsidiaries and in 2021 obtained and in 2022 renewed the certification for its South African subsidiary, Manitou South Africa (MSA); the Italian and Belgian subsidiaries were included in this certification process at the end of 2022;
- the Vice President of Audit, Risk, and Compliance is a member of the Ethics Committee;
- the Vice President of Audit, Risk, and Compliance reports to the Corporate Secretary of Manitou Group and to the Chairman of the Audit Committee.

FINANCE DEPARTMENT

The finance function controls activities, transactions, and projects in order to optimize the group's profitability and cash flow, while providing reliable information to internal and external stakeholders. The finance function defines the group's principles and financial policy regarding control, offers and projects, financing, cash flow, internal control, accounting, taxes, and management control.

LEGAL DEPARTMENT

The Legal Department is a function of the group's General Secretariat whose mission is to anticipate and manage the legal risks associated with Manitou Group's activities and projects. In this capacity, it defines the Group's legal strategy, provides strategic and operational legal advice to internal stakeholders, handles major disputes with third parties, and oversees the insurance policy.

The group’s Legal Director is a member of the Ethics Committee.

QUALITY, HEALTH & SAFETY, AND ENVIRONMENT DEPARTMENT

The mission of the Health & Safety and Environment function is to monitor and reduce:

- risks relating to the quality of the products, parts, and components both in their design or qualification phase and production phase and analysis of malfunctions once on the market. The Quality Department works closely with the after the sales services, production, and development departments. She interacts with purchasing to ensure that quality requirements are taken into account in the supplier selection process and to manage the resolution of anomalies relating to purchased parts or components;
- risks relating to the safety of employees and persons working at the group's sites. It oversees and implements risk audit programs as well as the action plans needed to eliminate or reduce these risks. Enhanced initiatives have been undertaken since 2019 to increase security at all of The group's sites: action on training and integration of temporary staff, optimization of steering and continuous improvement by ISO 45001 certification for France, digitization of the single document for greater efficiency. The security services also work to protect the group's property and equipment;
- environmental risks by defining action plans designed to ensure compliance with environmental obligations, prevent environmental risks such as the risks of pollution, manage waste, and reduce the environmental impact of the group's activities.

HUMAN RESOURCES DEPARTMENT

The Human Resources Department guides its 5,000 employees in the deployment of a sustainable and profitable business model that considers human life and the environment as precious assets to be protected and maintained.

Manitou Group is above all a human company. Human capital is the indispensable foundation of the company's project. This is why the Human Resources Department works to provide its employees with working conditions that are conducive to well-being and safety and strives to develop their employability by offering them attractive and fair prospects for the future.

5. REPORT ON CORPORATE GOVERNANCE

This chapter constitutes the main part of the report on the corporate governance of the Board of Directors referred to in Article L. 225-37 of the French Commercial Code. This chapter presents the functioning and composition of the Board of Directors, its committees and management bodies, the compensation of the administrative and management bodies as well as the special procedures for shareholders to participate in the General Meeting. Information regarding elements that are likely to be influential in case of a public offering are presented in chapter 6.3 of this universal registration document.

In accordance with the provisions of Article L. 225-37 of the French Commercial Code, the Board of Directors has drafted this report on corporate governance and attached it to the management report. The "Compensation" portion of the corporate governance report was drafted by the Compensation Committee and reviewed by the Audit Committee. The report was submitted to the Statutory Auditors and was approved by the Boards of Directors on March 2, 2023.

5.1. GOVERNANCE

5.1.1. REFERENCE TO A CORPORATE GOVERNANCE CODE

Since August 2010, the company refers to the Corporate Governance Code for midcaps, "MiddleNext." This Code can be found on the Internet at www.middlenext.com.

In addition, the Board of Directors has taken note of the items presented under the heading "Points to be watched," which are the key provisions of the Code.

5.1.2. CHOICE OF GOVERNANCE METHOD AND CHANGES IN GOVERNANCE

CHOICE OF GOVERNANCE METHOD

Since 2009, the governance method of the company has involved a disassociation of functions between a non-executive Chairman of the Board of Directors and a Chief Executive Officer, the only executive corporate officer.

The role of the Chairman of the Board consists of organizing and directing the Board's work, regarding which the Chairman reports to the General Meeting. The Chairman ensures that the corporate bodies that she chairs are functioning properly and in particular that the board members are capable of fulfilling their duties. The Chairman is kept regularly informed by the Chief Executive Officer of significant events in the life of the group and may request any document or information that may be needed by the Board and its committees. The Chairman is responsible, with the possible support of the Compensation Committee, for conducting the recruitment process for the Chief Executive Officer. The Chairman may interview the Statutory Auditors for the purpose of preparing the work of the Board of Directors and the Audit Committee.

He is responsible for the prevention and management of conflicts of interest (if such conflicts exist, the Chairman of the Board must ensure that the persons concerned have either abstained or left the room to avoid any influence on the decision-making process).

The Chief Executive Officer manages the company and represents it vis-à-vis third parties. The Chief Executive Officer is responsible for implementation of the group strategy, the medium-term objectives of which are set out in the strategic plan approved by the Board of Directors. The Chief Executive Officer proposes an annual budget, established on the basis of the strategic plan for the coming financial year.

CHANGES IN GOVERNANCE

During the past fiscal year, no changes were made in the composition of the administrative and management bodies and their committees.

The following changes were made in the composition of the administrative and management bodies and their committees after the closing of the fiscal year:

Members concerned	Type	Effects in terms of diversification of the Board
Émilie Braud (director)	End of his duties as a member of the Audit Committee, the Strategic Committee, and the Development Committee.	
Sébastien Braud (director)	Appointment as a member of the CSR Committee by decision of the Board of Directors of January 26, 2023.	
Marcel-Claude Braud (director)	Appointment as an alternate member of the CSR Committee by decision of the Board of Directors of January 26, 2023.	
Dominique Bamas (director)	Appointment as an alternate member of the CSR Committee by decision of the Board of Directors of January 26, 2023.	

In addition, the following change in the composition of the Executive Committee occurred during the year: as of July 4, 2022, Christine Prat was appointed Group Human Resources Manager, succeeding Éric Bastard as acting Human Resources Director.

5.1.3. INFORMATION ON THE COMPOSITION, OPERATIONS, AND POWERS OF THE BOARD OF DIRECTORS

OPERATION OF THE BOARD OF DIRECTORS AND ORGANIZATION OF MEETINGS OF THE BOARD AND ITS SPECIALIZED COMMITTEES

THE BOARD OF DIRECTORS

An internal regulation defines the Board of Directors' organization and operation. In particular, it specifies the role and operational procedures of the Board of Directors and its specialized committees, established in accordance with the legal and statutory provisions and the provisions of the Articles of Association. In this regard, it includes a board member's charter, which sets out the rights and obligations of the company's board members to ensure good corporate governance. These principles are based on the duties of due diligence, independence, transparency, and confidentiality.

During 2022, the members of the Board of Directors met nine times. The Board of Directors also met during a special one-day seminar about the group's strategy. During these meetings, the following topics were addressed:

- In the area of governance : draft changes to the internal regulations, review of the votes cast at the General Meeting, reminder of the rules governing voting exclusions, restitution and analysis of the collection of directors' training needs, restitution of the Board evaluation study, review of the independence of Board members annual review of conflicts of interest, diversity policy applied to members of the Board of Directors (Pacte Act), update on the succession of executives, adoption of the report on corporate governance including the Say on Pay, review of the composition of the management bodies of the Group's subsidiaries, authorization of sureties, endorsements and guarantees.
- Strategic orientations: progress report on New Horizons 2025 & BP 2023-2027, approval of the offer to acquire a stake in EasyLi, proposed acquisition of Liftek, external growth projects, validation of strategic orientations and partnerships, digital development in the broadest sense with a focus on Product Lifecycle Management (PLM), major development trends (sector mix, product ranges, geographies, business model), feedback on the opinion of the CSE-C on the strategy (Article L. 2312-24 of the French Labor Code), proposed acquisition of land for the construction of a new building for the Mawsley subsidiary, safety management (objective of the New Horizons 2025 roadmap), and the development of a new building for Mawsley. 2312-24 of the French Labor Code), the proposed acquisition of land to build a new building for the Mawsley subsidiary, safety management (objective of the New Horizons 2025 roadmap), financing of Manitou Equipment India, the project for the acquisition of a land in Italy, and industrial property management.
- In the area of control and management: matters relating to the approval of the financial statements, feedback from the Audit Committee on items other than the close of the first half of the year, presentation and approval of the 2023 budget, authorizations to be given by the Board for the implementation of the liquidity contract approved by the General Meeting, group refinancing, new group credit agreement, bank financing 2022, signature of the rider with CSR criteria, reforecast 2022, update on inter-company financing lines including the Candé mechanized welding plant, determination of the amount of the dividend to be proposed to the General Meeting of June 16, 2022.
- In the area of compensation: feedback from the Compensation Committee on the compensation of corporate officers (Chairman, Chief Executive Officer, Directors), deliberation on the policy on equal opportunity and equal pay, and implementation of the policy aimed at achieving gender balance and equity at each level of the company's hierarchy.
- In the area of CSR: return to the work of the CSR Committee concerning the highlights and progress of the roadmap, the review of solidarity programs, the review of the low carbon strategy (SBTi return and 2021 results) and circular economy, the sector benchmark of CSR commitments (carbon trajectory), the update on the scope, the CSR reporting organization and tool, CSRD and taxonomy regulatory reviews, customer and user safety review, review of CSR policies relating to relations with the various stakeholders (dealers and suppliers), review of the extra-financial performance declaration (DPEF) a review of the verification of non-financial information (OTI), a review of non-financial ratings, the renewal of the OTI, a review of investor requirements concerning non-financial commitments and the climate commitment of banks, the refinancing of the Group and CSR criteria, a review of CSR policies, guidelines and charters, an update on CSR training for the Board of Directors, recommendations on CSR criteria for executive compensation, the mapping of CSR risks and the proposal of the 2023 work plan of the CSR Committee.

Meetings of the Board are held, when convened by the Chairman, at the head office or, on an exceptional basis and for a portion of the members, over a secure telephone or videoconference link.

Each member of the Board of Directors, and all members of the convened SEC, received, in advance of the meetings, all the documents and information required by law that they need to accomplish their tasks.

Minutes of board meetings are systematically drafted and submitted to each member for approval.

The statutory auditors were convened to Board meetings concerning the closure of the interim and annual financial statements, in accordance with Article L.823-17 of the French Commercial Code.

The average attendance rate at Board of Directors' meetings was 97% for 2022.

Directors receive compensation as detailed in section 5.2.1.3. "Board member compensation policy" and 5.2.2. "Compensation and benefits awarded to corporate officers for 2022 (global ex-post vote)" in this chapter.

BOARD SECRETARY

Hervé Rochet, Corporate Secretary, acts as Secretary to the Board.

SPECIALIST COMMITTEES

The Board of Directors has set up five specialist committees responsible for investigating matters falling within their remit and for submitting advice and recommendations to the Board. The chairmanship of the CSR, Compensation, and Audit Committees was entrusted to an independent director,in accordance with recommendation 7 of the Middlenext Code (September 2021). As Manitou Group is a family group controlled by the Braud and Himsworth families, the chairmanship of the Strategic and Development Committees (the latter being composed exclusively of family members) has also been entrusted to Jacqueline Himsworth, who is the Chairman of the Board of Directors and a member of one of the two shareholder families. Her training and professional experience qualify her to perform this role.

The work of the CSR, Strategic, Audit, and Compensation Committees is systematically reported to the Board of Directors verbally and in writing.

THE CSR COMMITTEE

the main depreciation periods are as follows:

- review of the group's CSR strategy, goals, and commitments in terms of environmental and societal responsibility with regard to the issues specific to its business and its objectives;
- assessment of risks and opportunities in terms of environmental and societal performance, taking into account their impact in terms of performance and resilience.
- annual review of the mapping of the associated CSR risks and their evolution;
- review of environmental and societal issues when making strategic decisions at the Board's ad hoc request;
- review of the group's policies, standards and charters, which must guide the behavior of the group's managers and employees in terms of ethics, environmental and societal responsibility. Monitoring their implementation;
- review of CSR policies governing relations with the various stakeholders (customers, dealers, suppliers, etc.) ;
- review of the solidarity programs;
- monitoring of reporting systems and non-financial information;
- review of the annual extra-financial performance report;
- review of any extra-financial ratings carried out on the group by rating agencies and extra-financial analysts.

The Committee met five times in 2022. The average attendance rate at the meetings of the CSR Committee was 100% for 2022.

Its main work during the past financial year consisted of:

- DEVELOPING SOLIDARITY PROGRAMS
- review of the circular economy strategy;
- review of the low carbon trajectory strategy;
- carry out a sectoral benchmark of CSR commitments;
- review CSR policies, guidelines and charters;
- review commitments to social responsibility;
- define the scope, organization and tool for CSR reporting;
- ensure regulatory reviews are conducted regarding the SRHR Directive and taxonomy;
- review customer and user safety;
- review of CSR policies governing relations with the various stakeholders (customers, dealers, suppliers, etc.)
- to establish a progress report on the ISO 9001, ISO 14001, ISO 50001 and ISO 45000 standards;
- review of the annual extra-financial performance report;
- review the extra-financial ratings and the evolution of the demands;
- to report on the verification of extra-financial information (OTI);
- De-gas the system
- provide feedback on investor requirements for banks' non-financial and climate commitments;
- examine the group's refinancing terms and CSR criteria;
- provide an update on the CSR training of the Board of Directors;
- make recommendations on CSR criteria for executive compensation;
- annual review of the mapping of the associated CSR risks and their evolution;
- proposal to the Board of the CSR Committee's work plan;
- review the 2023 and five-year roadmaps.

THE STRATEGIC COMMITTEE

Its main responsibilities are to assist the Board in the development of the strategy and verify that the Chief Executive Officer's actions are consistent with this strategy: by assessing the company's environment and its positioning, analyzing medium and long-term development opportunities, and assessing the strategic plan proposals made by the Chief Executive Officer. In this respect, it prepares the Board's work on topics such as the strategic plan, any major investment (particularly for external growth) or divestment (particularly for business cessation), any diversification project or a change in the business portfolio, and any draft strategic agreement, alliance, technological cooperation, or industrial partnership.

The work of the 2022 Strategic Committee is not made public for confidentiality reasons.

The Committee met five times in 2022. The average attendance rate at the meetings of the Strategic Committee was 100% for 2022.

THE AUDIT COMMITTEE

The primary responsibilities of the Audit Committee are to verify the accuracy and sincerity of the financial statements and the financial reporting, the quality of the internal control and risk management procedures, independently of the Statutory Auditors, and the group's respect for its compliance obligations.

For this purpose, its duties include:

- monitoring the financial reporting process and, as applicable, formulating recommendations to ensure its integrity;
- reviewing the draft corporate and consolidated financial statements, both annual and intermediary, before the Board receives them as well as the annual management report;
- verifying the method and scope of consolidation, particularly in the event of changes in the consolidation method;
- ensuring the relevance and consistency of accounting principles and rules;
- familiarizing themselves with the comments of the Statutory Auditors as well as the main proposed adjustments following their work;
- examining any disagreements between the Chief Executive Officer and the Statutory Auditors and issuing arbitration proposals to the Board;
- regularly reviewing the group's financial situation, its cash position, and its significant commitments (particularly off-balance sheet commitments);
- learning about the financial strategy and the conditions of the group's main financial transactions;
- checking the efficacy of internal control and risk management systems and, where appropriate, the internal audit process in terms of the procedures for drawing up and processing accounting and financial information, without this interfering with its independence;
- review all of the Group's risk maps to ensure consistent and exhaustive consolidation and monitor regulatory aspects;
- entrusting to internal audit any task deemed necessary;
- discussing with the Chief Executive Officer and the Head of Internal Audit the methods and operating procedures of the group's internal audit. The Audit Committee ensures that there is no restriction in the scope of the internal audit. It is also informed of decisions to appoint or replace the Head of Internal Audit. It ensures the qualitative and quantitative adequacy of the resources allocated for its operation and the independence of the internal audit;
- review the group's policies, guidelines and charters in terms of ethics. monitoring their implementation;
- having regular contact with the group’s Head of Internal Audit;
- reviewing the chapters of the management report on the group's exposure to risks and the associated control methods (procedures,

hedging tools in the case of financial risks, etc.) and, more generally, the fair presentation of the URD;

- being informed by the Chief Executive Officer of any complaint or information revealing criticism of accounting documents or internal control procedures and of the actions taken to remedy them;
- being notified by the Chairman of the Board or the Statutory Auditors of any event exposing the group to a significant risk;
- reviewing with the internal audit manager the identification of risks, their analysis, and their evolution over time as well as actions taken. It approves the annual audit plan. It takes note of the main conclusions and recommendations of each audit mission and the implementation of the action plans;
- organize the selection procedure for any renewal or appointment of the Statutory Auditors;
- monitoring the Statutory Auditors' performance of their mandate and taking into account the statements and conclusions of the French supervisory body for the auditing profession, the Haut Conseil du Commissariat aux Comptes, in the wake of any audits conducted pursuant to legislative and regulatory provisions;
- ensuring compliance by the Statutory Auditors with the criteria for independence in accordance with the terms and conditions imposed by the regulations;
- approving the provision of services other than certification of the accounts in accordance with the applicable regulations;
- review with the Statutory Auditors their work plans, their conclusions and the recommendations resulting from this work;
- review annually the fees paid to the company's Statutory Auditors and those of its subsidiaries, and ensure that these amounts are not such as to interfere with their duty of independence;
- regularly reporting to the Board on the performance of its tasks. It also reports on the findings of the certification of accounts process, on the way in which this process contributes to the integrity of the financial information, and on the role that it plays in this process. It informs the Board immediately of any difficulty encountered.

The Audit Committee met nine times in 2022. The average attendance rate at the meetings of the Audit Committee was 97.2% for 2022.

In 2022, the Audit Committee met in the presence of the Statutory Auditors before the closing of the annual and interim financial statements as well as for the internal control review.

It verified that the Statutory Auditors had indeed submitted their report to the Audit Committee before issuing their final report.

The Audit Committee received due confirmation that the Statutory Auditors, as well as their partners, senior managers, and managers taking part in the audit, respected the rules of independence.

It also obtained confirmation from the Finance Department that it has submitted to it all requests for SACCs.

The Audit Committee questioned the Statutory Auditors regarding a potential inspection of the H3C and took note of the conclusions issued by the regulator following the control.

Regarding internal control and risk management, the Audit Committee reviewed the key points of the audit with the Statutory Auditors, in particular areas for improvement of the internal control system. It also took note of all of summary internal audit reports and the internal control tools and procedures put in place and presented by the Vice President of Audit, Risks & Compliance. It validated the internal audit plan for the following year.

During its meetings, the Audit Committee regularly met with the Corporate Secretary - CFO, the Finance Director, the Legal Director, the VP of Audit, Risks & Compliance, the Director of Finance, Treasury, and Credit Management, the Chief Information Security Officer (CISO), as well as the Vice President of Corporate Development Strategy - Mergers & Acquisitions, primarily regarding finance, risks, or compliance and cybersecurity topics.

In 2022, in addition to its statutory duties and more specifically, the Committee dealt with the following subjects in particular: presentation of accounting changes for the 2022 closing, regulatory changes and applications, accounting options for the 2022 closing, changes to the financial manual, review of Manitou Centers profitability, M&S margin, analysis of order book, deconsolidation of fleets, risk and inflation management plan, energy management plan, group refinancing update, new group credit agreement, annual assessment of current agreements, 2022 landing and 2023 budget, cyber progress update, ISO 37001 roadmap, Code of Ethics, RGPD, Cube update (ERP implementation), summary of the last H3C audit, review of the universal registration document, CSR chapters, review and roadmap of taxonomy, definition of the scope of risks monitored by the various maps and committees, review of the composition of the boards of the subsidiaries, review of compliance issues as well as of acquisition issues

THE COMPENSATION COMMITTEE

The main responsibilities of the Compensation Committee are to submit proposals or recommendations to the Board relating to the appointment of members of the Executive Committee and, at the request of the Chair, assist her in the process of recruiting a Chief Executive Officer.

It also prepares the work of the Board relating to the compensation of:

- the directors, by making proposals on the distribution of the total amount allocated to Board members in remuneration for their terms of office in accordance with the criteria of the internal regulations, in respect of participation in governance bodies (Board meetings, committees and seminars), special work, and participation in company events. It issues recommendations on any compensation allocated to directors who have received certain *ad hoc* assignments (in accordance with Article L. 225-46 of the French Commercial Code). The award of such exceptional compensation constitutes an agreement between the company and one of the directors; it must therefore be subject to the procedure applicable to regulated agreements;
- the Chief Executive Officer, by submitting proposals or recommendations to the Board so that the Board can determine the components of his compensation and in particular the allocation of any free shares, stock options, or other financial instruments giving access to the company's capital, based on quantitative and qualitative criteria presented to the shareholders in the Corporate Governance Report.

More broadly, the Committee is informed on an annual basis and deliberates on the company's policies relating to employment and working conditions in the following areas: employee health and safety, compensation in effect within the group for the various employee populations, professional equality and non-discrimination, equal opportunities and inclusion, talent management and job development, continuous training, and the staff review procedure. It is informed of and gives an opinion on the succession plan relating to the executive officers and the group's key positions.

During the year 2022, the Compensation Committee dealt in particular with items relating to:

- compensation: remuneration of corporate officers, company policy on equal opportunity and equal pay, inflation (initial impact on the wage bill);
- the operation of the Compensation Committee: scope of the Compensation Committee (Comex appointments, appointment of directors, internal rules of the Board of Directors), reporting by the Compensation Committee to the Board (obligations and confidentiality), the Compensation Committee and CSR (medium-term outlook, working methodology);
- human resources issues: implementation of a policy aimed at gender balance and equity at every level of the company's hierarchy, safety and quality of life in the workplace, training, diversity policy within the Board, Christine Prat's (Group Human Resources Director) astonishment report, management succession plan.

The Compensation Committee met six times during the course of 2022. The average attendance rate of the meetings of the Compensation Committee was 100% for 2022.

THE DEVELOPMENT COMMITTEE

The primary mission of the Development Committee is to discuss and analyze projects that may have a significant impact on the group's shareholding.

The Development Committee is made up of the board members who are members of the shareholder families. It meets once or twice a year and can, if it wishes, invite the Chief Executive Officer and members internal or external to the company.

The Development Committee met three times during 2022. The average attendance rate at the meetings of the Development Committee was 100% for 2022. It should be noted that attendance at the meetings of this Committee does not entitle members to compensation.

PARTICIPATION IN WORK AND MEETINGS OF THE BOARD OF DIRECTORS AND SPECIALIST COMMITTEES

The Board met without the Chief Executive Officer's presence as part of the deliberations and votes relating to his remuneration. Development Committee meetings are held without the presence of the Chief Executive Officer. Audit Committee meetings are usually held without the presence of the Chief Executive Officer. Strategic Committee meetings are held in the presence of the Chief Executive Officer. Meetings of the CSR and Compensation Committees are generally held in the presence of the Chief Executive Officer.

The directors' actual participation in the work and meetings of the Board of Directors and Specialist Committees during the past fiscal year is as follows:

Directors	Effective participation in the work and meetings of the Board	Effective participation in the work and meetings of specialist committees
Jacqueline Himsworth	100%	100%
Dominique Bamas	100%	100%
Émilie Braud	90.9%	92.9%
Marcel-Claude Braud	100%	100%
Sébastien Braud	90.9%	100%
Cécile Helme-Guizon	100%	100%
Christopher Himsworth	90.9%	100%
Dominique Himsworth	100%	100%
Alexandra Matzneff	100%	100%
Pierre-Henri Ricaud	100%	100%
Michel Trotter	100%	N/A
Pascal Raoult	90.9%	N/A

COMPOSITION OF THE BOARD OF DIRECTORS AND SPECIALIST COMMITTEES

COMPOSITION OF THE BOARD

The company is managed by a Board of Directors made up of 12 members (including two directors representing employees).

The Board of Directors appoints a Chairman of the Board of Directors from amongst its members, who must be an individual. Jacqueline Himsworth was elected Chairman of the Board of Directors following the General Meeting of June 17, 2021 for the duration of her term of office as director.

INDEPENDENCE OF BOARD MEMBERS

The independence of the board members is assessed in accordance with the criteria of the MiddleNext Governance Code. The directors' independence was evaluated based on recommendation R3 of this code and is primarily characterized by an absence of any significant financial, contractual, or familial relationship likely to affect the independence of their judgment.

The criteria used to assume the independence of the members of the Board are as follows:

- not have been, over the last five years, and not be an employee or an officer of the company or of a company in the group (criterion no. 1 in the table below);
- not have been, over the last two years, and not be in a significant business relationship with the company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.) (criterion no. 2 in the table below);
- not be a leading shareholder of the company or hold a significant percentage of the voting rights (criterion no. 3 in the table below);
- not have a close relationship or close family ties with a corporate officer or a leading shareholder (criterion no. 4 in the table below);
- not have been, over the last six years, the Statutory Auditor of the company (criterion no. 5 in the table below).

As of the date of drafting of this document, four members of the Board of Directors are independent in accordance with the evaluation performed by the Board on January 26, 2023:

Members/criteria	1	2	3	4	5	Conclusions
Dominique Bamas	X*	X	X	X	X	Independent
Cécile Helme-Guizon	X	X	X	X	X	Independent
Alexandra Matzneff	X	X	X	X	X	Independent
Pierre-Henri Ricaud	X	X	X	X	X	Independent

**Dominique Bamas, a member of the board since 2009, exercised, as part of a managerial transition, the duties of Chief Executive Officer of the company from March to December 2013, i.e. for more than five years.*

The other members of the Board of Directors are not independent.

COMPOSITION OF THE BOARD OF DIRECTORS

SUMMARY TABLE

On the date of drafting of this document, the composition of the Board of Directors is as follows:

Directors	Year of 1st appointment	Date of last renewal	Term of office	Expiration of term	Age (1)	Independence according to the MiddleNext Code	Gender	Committee membership
Jacqueline Himsworth Chairman since 6/8/2017	1970	06/17/2021	4 years	AG 2025	79	No	W	▪ Chairman of the Strategic Committee ▪ Chairman of the Development Committee
Dominique Bamas	2009	06/13/2019	4 years	AG 2023	63	Yes	M	▪ Chairman of the Compensation Committee ▪ Member of the Strategic Committee ▪ *Alternate Member of the CSR Committee(2)*
Émilie Braud	2017	06/17/2021	4 years	AG 2025	42	No	W	▪ Member of the Development Committee ▪ Member of the CSR Committee ▪ *Alternate member of the Strategic Committee(2)*
Marcel-Claude Braud	2013	06/17/2021	4 years	AG 2025	70	No	M	▪ Member of the Strategic Committee ▪ Member of the Development Committee ▪ Member of the CSR Committee ▪ Alternate Member of the Compensation Committee(2) ▪ *Alternate Member of the Audit Committee (2)*
Sébastien Braud	2009	06/17/2021	4 years	AG 2025	54	No	M	▪ Member of the Compensation Committee ▪ Member of the Strategic Committee ▪ Member of the Development Committee ▪ Member of the Audit Committee ▪ *Alternate Member of the CSR Committee(2)*
Cécile Helme-Guizon	2017	06/17/2021	4 years	AG 2025	57	Yes	W	▪ Chairman of the CSR Committee ▪ Member of the Audit Committee
Christopher Himsworth	2009	06/17/2021	4 years	AG 2025	51	No	M	▪ Member of the Compensation Committee ▪ Member of the Strategic Committee ▪ Member of the Development Committee ▪ Member of the Audit Committee

Directors	Year of 1st appointment	Date of last renewal	Term of office	Expiration of term	Age (1)	Independence according to the MiddleNext Code	Gender	Committee membership
Dominique Himsworth	2021		4 years	AG 2025	56	No	M	▪ Member of the Strategic Committee ▪ Member of the Development Committee ▪ Member of the CSR Committee ▪ *Alternate Member of the Audit Committee (2)*
Alexandra Matzneff	2020 (co-opted)	06/17/2021	4 years	AG 2025	40	Yes	W	▪ Member of the Compensation Committee ▪ Alternate Member of the Audit Committee (2)
Pascal Raoult director representing employees	2021		2 years(3)	09/10/2023	53	No	M	
Pierre-Henri Ricaud	2009	06/13/2019	4 years	AG 2023	67	Yes	M	▪ Chairman of the Audit Committee ▪ Alternate Member of the Compensation Committee(2) ▪ *Alternate member of the Strategic Committee (2)*
Michel Trotter director representing employees	2020		3 years	09/10/2023	51	No	M	

(1) The date of drafting of this corporate governance report is used when determining age.
(2) The alternate member appointed for the committees replaces, in the meetings of said committees, the member that is unable to attend.
(3) Terminating on the normal end date of Michel Trotter's term of office.

COMPOSITION OF THE BOARD OF DIRECTORS' COMMITTEES

On the date of drafting of this document, the composition of the Board of Directors is as follows:

	COMPENSATION COMMITTEE
MEMBERS	DOMINIQUE BAMAS, Chairman[1]
	SÉBASTIEN BRAUD
	CHRISTOPHER HIMSWORTH
	ALEXANDRA MATZNEFF
ALTERNATES	MARCEL-CLAUDE BRAUD
	PIERRE-HENRI RICAUD

	DEVELOPMENT COMMITTEE
MEMBERS	JACQUELINE HIMSWORTH, Chair
	ÉMILIE BRAUD
	MARCEL-CLAUDE BRAUD
	SÉBASTIEN BRAUD
	CHRISTOPHER HIMSWORTH
	DOMINIQUE HIMSWORTH

	CSR COMMITTEE
MEMBERS	CÉCILE HELME-GUIZON, Chairman1
	ÉMILIE BRAUD
	MARCEL-CLAUDE BRAUD
	DOMINIQUE HIMSWORTH
ALTERNATES	DOMINIQUE BAMAS
	SÉBASTIEN BRAUD

	STRATEGIC COMMITTEE
MEMBERS	JACQUELINE HIMSWORTH, Chair
	SÉBASTIEN BRAUD
	MARCEL-CLAUDE BRAUD
	CHRISTOPHER HIMSWORTH
	DOMINIQUE HIMSWORTH
	DOMINIQUE BAMAS
ALTERNATES	ÉMILIE BRAUD
	PIERRE-HENRI RICAUD

	AUDIT COMMITTEE
MEMBERS	PIERRE-HENRI RICAUD, Chairman[1,2]
	SÉBASTIEN BRAUD
	CÉCILE HELME-GUIZON
	CHRISTOPHER HIMSWORTH
ALTERNATES	MARCEL-CLAUDE BRAUD
	ALEXANDRA MATZNEFF
	DOMINIQUE HIMSWORTH

1 In accordance with recommendation R7 of the Middlenext Code (version 2021), the Chairman of this Committee is an independent member
2 In accordance with the regulations (Article L. 823-19 of the French Commercial Code), this member: (i) has special expertise in finance, accounting, or statutory audits. This expertise is assessed in light of their training and professional experience. For each of the members of the Audit Committee, this expertise is reported in the individual fact sheets presented following this table; (ii) they also meet the independence criteria set out in section "Independence of Directors" of this section 5.3.1

PRESENTATION OF THE DIRECTORS (WHOSE TERM OF OFFICE IS IN PROGRESS AS OF THE DATE OF ESTABLISHMENT OF THIS DOCUMENT)

To the best of the company's knowledge, the information relating to the members of the Board of Directors whose term of office is in progress at the date of preparation of this Universal Registration Document is as follows:

JACQUELINE HIMSWORTH
CHAIRMAN OF THE BOARD OF DIRECTORS SINCE JUNE 8, 2017, TERM RENEWED ON JUNE 17, 2021 FOR FOUR YEARS
MEMBER OF THE BOARD OF DIRECTORS SINCE 1970, TERM RENEWED ON JUNE 17, 2021 FOR FOUR YEARS

Nationality: French

Born: 27 May 1943

Business address: Manitou BF - 430 Rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex

Professional experience and expertise:

A graduate of the ESSCA of Angers in 1964, Jacqueline Himsworth worked in Great Britain for one year as a Sales Assistant. She subsequently held various positions at Ets. Marcel Braud, Alimentation Animale, before being named Board Member and then Chairman of the Board of Directors from 1986 to 2000. Jacqueline Himsworth served as Chief Executive Officer and then as Chairman of the Board of Directors of S.A. SFERT Société Holding from 1984 to 2011. She also simultaneously acted as Chairman of the Board for several years of the companies SODEM, SOME and LUCAS, as well as manager of the partnership ANCEMAT and TAMECNA Sprl, a Belgian company. Jacqueline Himsworth received training as a Director from the Institut Français des Administrateurs.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Chairman of the Strategic Committee and Development Committee of Manitou BF
- Manager of the civil-law partnership Ancemat since 2008 (unlisted company)
- Manager of Tamecna since 2011 (unlisted company)

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

DOMINIQUE BAMAS
MEMBER OF THE BOARD OF DIRECTORS AS AN INDEPENDENT DIRECTOR since December 2009. Re-elected in June 2017 for a term of two years

Nationality: French

Born on: 15 September 1959

Business address: Manitou BF - 430 Rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex

Professional experience and expertise:

Experience and expertise in finance, accounting, management, and governance: Dominique Bamas is a graduate of Audencia (GE 1982) and was recognized by the Prix du Meilleur mémoire d'expertise Comptable (1991) published in Editions Comptables Malesherbes. After starting his career with the PriceWaterhouse representative in France, he became a partner in the certified accounting and auditing firm Secovec Blin et Associés. He then worked for the Roullier group for 16 years, where he served successively as CFO, Executive Committee member, Chief Executive Officer of a subsidiary in Spain, President of the agrochemicals division. He then served as Chief Executive Officer of Axereal Group for three years until 2011. Since then, he has managed a firm specializing in accounting, auditing, consulting, and corporate mediation. As a governance specialist, he worked with Bpifrance (public investment bank) and is a member of the IFA (Institut Français des Administrateurs) and ADAE (Association des dirigeants et Administrateurs d'Entreprise).

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Chairman of the Compensation Committee, member of the Strategic Committee, and alternate member of the CSR Committee of Manitou BF
- Chairman of Upsides Dirigeant Conseil SAS (non-listed accounting and statutory auditing company) since December 2011
- Member of the Governance Board of Gentem SAS France (unlisted company) since June 18, 2020

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- Member of the Board of Directors of the Avril Pôle Végétal group from May 28, 2014 to December 20, 2019 (unlisted company)

ÉMILIE BRAUD
MEMBER OF THE BOARD OF DIRECTORS SINCE JUNE 8, 2017.
RENEWED ON JUNE 17, 2021 FOR A TERM OF 4 YEARS

Nationality: French

Born: 02/20/1981

Business address: Manitou BF - 430, rue de l'Aubinière - BP 10249 - 44158 Ancenis

Professional experience and expertise:

A graduate of the ESSEC business school, with a specialization in Audit and Management Control, holder of a DECF (accounting and financial studies diploma) as well as a "Target: Board member" certificate from the EM LYON business school, Emilie Braud began her career in 2006 as financial controller for Cartier in Paris, a subsidiary of the Swiss group Richemont, specializing in luxury jewelery and clock making. At the end of 2007, Emilie Braud joined HRA Pharma, a pharmaceutical company specializing in the development and marketing of treatments in the fields of women's health and endocrinology, where she held the position of Senior Financial Controller.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Member of the Audit Committee, Development Committee, and CSR Committee, alternate member of the Strategic Committee of Manitou BF

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

MARCEL-CLAUDE BRAUD
MEMBER OF THE BOARD OF DIRECTORS SINCE JUNE 2013.
RENEWED ON June 17, 2021 FOR A TERM OF 4 YEARS

Nationality: French

Born on: 04/06/1952

Business address: Manitou BF - 430, rue de l'Aubinière - BP 10249 - 44158 Ancenis

Professional experience and expertise:

A graduate of ESLSCA Paris Business School (1975), he undertook management training in Atlanta and Chicago (International Harvester), USA, from 1977 to 1978. Administrative and Financial Director for SM Termit France, a subsidiary of Manitou BF, from 1979 to 1981, CFO of KD Manitou (a subsidiary of Manitou BF, Texas, USA) from 1981 to 1985, Product Marketing Director (Manitou Group) from 1986 to 1997 and Deputy Chief Executive Officer of Manitou BF from 1986 to 1998, Chairman of the Supervisory Board of Manitou BF from 1998 to June 2009 (offices held in subsidiaries and companies associated with the group), Director of Ligerien Yachting from 2009 to 2015, then Director of Manitou BF since 2013.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Member of the Strategic Committee, the Compensation Committee, and the Development Committee, alternate member of the Audit Committee and alternate member of the CSR Committee of Manitou BF
- Co-Manager of HB-Holding Braud (France) since 2017 (unlisted company)

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

SÉBASTIEN BRAUD
MEMBER OF THE BOARD OF DIRECTORS SINCE JUNE 2009.
RENEWED ON June 17, 2021 FOR A TERM OF 4 YEARS

Nationality: French

Born on: 01/16/1969

Business address: Actiman – 34, avenue de Larrieu – Centre de Gros 2 – 31094 Toulouse Cedex

Professional experience and expertise:

President of Actiman Equipements et Services SASU (Manitou dealership), President of Actiman Location SAS since 2005 (now a leasing company specializing in handling materials and aerial work platforms), Product Manager at Manitou for 10 years.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Member of the Strategic Committee, the Compensation Committee, and the Development Committee, alternate member of the Audit Committee and alternate member of the CSR Committee of Manitou BF
- President of Actiman Equipements et Services SASU since December 2015 (unlisted company)
- President of Actiman Location SASU since 2005 (unlisted company)
- President of Actiman Location SAS since 2022 (unlisted company)

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

CÉCILE HELME-GUIZON

MEMBER OF THE BOARD OF DIRECTORS AS INDEPENDENT DIRECTOR SINCE JUNE 8, 2017.
RENEWED ON JUNE 17, 2021 FOR A TERM OF 4 YEARS

Nationality: French

Born: 06/12/1965

Business address: Manitou BF - 430,
rue de l'Aubinière - BP 10249 - 44158 Ancenis

Professional experience and expertise:

Cécile Helme-Guizon worked for 11 years at the PwC firm in Paris and New York. In 1998, she joined Kingfisher Plc in London as Head of M&A and then Head of International Development. In 2003, she joined Darty, where until 2017 she consecutively held the positions of General Director of Services, Deputy Chief Executive Officer, Chief Executive Officer of Mistergooddeal, and Strategy Director. She was the General Delegate of the Institut Français des Administrateurs from 2018 to 2019. Cécile Helme-Guizon has also been a member of the Audit and Risk Committee of Glen Dimplex since October 2020.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Chairman of the CSR Committee and member of the Audit Committee of Manitou BF
- Manager of CHG Consulting since October 11, 2019 (unlisted company)
- Director and member of the Audit and Risk Committee of Glen Dimplex since 1 October 2020

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- Strategy Director for the Fnac Darty Group from January 1, 2011 to May 22, 2017
- Board member of Kesa France from October 22, 2014 to July 25, 2017
- Chief Executive Officer of Ménafinance SA from January 10, 2015 to July 25, 2017
- Board Member of Menafinance SA from November 27, 2013 to July 25, 2017
- General Delegate of the Institut Français des Administrateurs from January 2, 2018 to September 30, 2019 (unlisted company)
- Director, Audit Committee member, Appointments & Compensation Committee member, and Ad Hoc Committee member of Antalis (listed company) from June 6, 2017 to July 21, 2020.
- Sequana board of directors member, strategic committee member, and accounts committee member from May 12, 2016 to January 31, 2020 (listed company)

CHRISTOPHER HIMSWORTH

MEMBER OF THE BOARD OF DIRECTORS SINCE DECEMBER 2009.
RENEWED ON June 17, 2021 FOR A TERM OF 4 YEARS

Nationality: French

Born on: 06/07/1971

Business address: Avenue de Floréal 156, 1180 Uccle - Belgium

Professional experience and expertise:

Christopher Himsworth has a Marketing Degree from Newcastle Polytechnic (Newcastle upon Tyne, UK - 1990), a European Management Teaching Certificate - ECE - from the European Business School in Bordeaux (1993), and a Degree in Advanced Studies in International Business from Salford University (UK - 1994).

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Member of the Compensation Committee, Strategic Committee, and Development Committee, and the Audit Committee of Manitou BF
- Manager of Trinity Group Sprl since October 13, 2011 (unlisted company)
- Managing Director of Choose and Work since 2016 (unlisted company)

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

DOMINIQUE HIMSWORTH
MEMBER OF THE BOARD OF DIRECTORS SINCE JUNE 17, 2021 FOR A TERM OF 4 YEARS

Nationality: French

Born on: 10/11/1966

Business address: Manitou BF – 430, rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex

Professional experience and expertise:

Dominique Himsworth holds a BTS in International Business and is a graduate of ESSECA in Angers. He obtained an International MBA from Audencia in 2006. After starting a career in the nautical industry as a Sales Manager, he became Product Manager at Manitou from 1996 to 2005, then Vice President of Sales, Marketing, and After Sales of Manitou North America from 2006 to 2009. Since 2011, Dominique Himsworth has been manager of Srl Wecanrent, a Belgian company specializing in the promotion and rental of handling and access equipment. In particular, he promoted the Magni brand and equipment until July 2020. He provides the Board with expertise in the distribution of handling equipment as well as extensive expertise in products and markets.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Member of the Compensation Committee, Strategic Committee, and Development Committee, and the Audit Committee of Manitou BF
- Manager of the Belgian company Srl Wecanrent since December 2011

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

ALEXANDRA MATZNEFF
MEMBER OF THE BOARD OF DIRECTORS AS AN INDEPENDENT BOARD MEMBER. Appointed on June 17, 2021 for a term of four years

Nationality: French

Born: 06/04/1982

Business address: Leuwen SAS - 14, rue Charles V - 75004 Paris

Professional experience and expertise:

With a Master's degree in Finance and Insurance from Université Paris Dauphine and a Master's degree in Quantitative Finance & Risk Management from Bocconi University (Milan), Alexandra Matzneff, 40, began her career in 2006 in M&A at Crédit Agricole Corporate & Investment Bank, the corporate and investment banking arm of the Crédit Agricole Group. In 2011, Alexandra Matzneff joined the Rothschild & Co Group at Global Financial Advisory, where she served as Director. In 2018, she founded Leuwen with three former colleagues from Rothschild & Co, a company specializing in strategic and financial advice for digital companies.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- President and Chief Executive Officer of Leuwen SAS (unlisted company) since November 2019
- Manager of Overthink SARL (unlisted company) since July 2019
- Chairman of the Compensation Committee and member of the Strategic Committee of Manitou BF

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

PASCAL RAOULT
MEMBER OF THE BOARD OF DIRECTORS AS AN EMPLOYEE DIRECTOR SINCE SEPTEMBER 23, 2021 UNTIL SEPTEMBER 10, 2023

Nationality: French

Born on: 05/08/1969

Business address: Manitou BF – 430, rue de l'Aubinière - BP 10249 - 44150 Ancenis Cedex

Professional experience and expertise:

Pascal Raoult is the holder of a DUT in mechanical engineering and a BTS in industrial design, with a specialization in mechanics. After a career at ARCELOR, Les CHANTIERS de l'ATLANTIQUE, and VALDUNES, he joined Manitou Group in 2011 as a boom assembly and welding supervisor, then as a designer in the research office.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Designer at Manitou BF since 2014

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

PIERRE-HENRI RICAUD
MEMBER OF THE BOARD OF DIRECTORS AS INDEPENDENT DIRECTOR SINCE DECEMBER 2009.
RENEWED ON June 13, 2019 FOR A TERM OF 4 YEARS

Nationality: French

Born on: 03/25/1955

Business address: 5, place des Ternes - 75017 Paris

Professional experience and expertise:

Graduate of the Paris Ecole Polytechnique (1974), Corps des Mines Engineer (1980), Director of the Matra Space Programme (1984-1988), Director of the Matra Defence Programme (1988-1992), Strategy Director for Lagardère group (1992-1996), Strategy Director for MBDA (1996-1999), Corporate Secretary for EADS (2000-2003), Mergers and Acquisitions Director for EADS (2003-2006), Founder, Manager then President of the consultancy firm Pragma (since 2007).

In this context, the following skills have been developed and implemented: financial, legal (contracts and governance), technical, and industrial.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Chairman of the Audit committee and alternate member of the Compensation Committee and Strategic Committee of Manitou BF
- President of the financial and strategic consulting firm Pragma (EURL, became an SAS in 2013, unlisted company) since December 2006

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- Member of the Supervisory Board of Recaero SA from June 29, 2015 to December 15, 2017

MICHEL TROTTER
MEMBER OF THE BOARD OF DIRECTORS AS AN EMPLOYEE DIRECTOR SINCE September 10, 2020 FOR A TERM OF THREE YEARS

Nationality: French

Born on: 08/02/1971

Business address: Manitou BF – 430, rue de l'Aubinière - BP 10249 - 44150 Ancenis Cedex

Professional experience and expertise:

Michel Trotter, who holds a certificate of vocational proficiency in metal works and a certificate of professional competence in metals with additional "*mention*" in aluminum, joined the group in 1997 as a Production Technician and then Team Leader since 2000.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Final control team leader at Manitou BF since 2018 (listed company)

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- None

PROCEDURE FOR EVALUATING THE WORK OF THE BOARD AND COMMITTEES

For the year 2022, a self-assessment of the Board was conducted and the points relating to governance were reviewed and shared. This assessment confirms the good governance of the company, just as it was noted in 2021 by the study entrusted to an independent third-party service provider.

DIVERSITY POLICY APPLIED TO THE MEMBERS OF THE BOARD OF DIRECTORS

In accordance with the internal regulations, the board members appointed by General Meeting are selected for their expertise, diverse backgrounds, willingness to be associated with the company's strategy, and the contribution that they can make to the Board's work. Therefore, the Board endeavors to define and apply a diversity policy with respect to the expertise and experience provided by each board member to ensure that their backgrounds are complementary in terms of gender and experience.

The diversity policy applied to members of the Board of Directors was reviewed on January 26, 2023 by the Board of Directors. Pursuant to Article L. 22-10-10 of the French Commercial Code, the criteria of this policy, the targets set by the Board of Directors, the implementing procedures, and the results achieved during fiscal year 2022 are presented below.

Criteria	Objectives	Conditions	Result
Balanced representation of men and women on the Board	At least equal to 40% of each gender pursuant to the provisions of Article L. 225-18-1 of the French Commercial Code	Proposal at the General Meeting of board members to appoint or re-elect	Objective achieved: The Board appointed by the General Meeting consists of 40% women and 60% men (excluding employee representatives)
Professional qualifications and experience	Complementary backgrounds both in terms of experience	Proposal at the General Meeting of board members to appoint or re-elect	Objective achieved: Several members of the Board have international experience as well as diverse professional training or experience especially in the industrial, finance, economics, and corporate management fields.
Diversity of ages	The objective is to combine members with experience and very strong knowledge about the company with younger members who can bring a fresh eye and more modern practices	Proposal at the General Meeting of board members to appoint or re-elect	Objective achieved: As of the date of closing of the 2022 financial statements by the Board, 40% of the board members were less than 55 years of age, 30% were between 55 and 65, and 30% were over 65
Independence of board members	The Board has at least two independent board members. The independence criteria used are those of the MiddleNext governance code	Proposal to the General Meeting to renew the corporate mandates of the independent members in office, provided that the Board proposes their renewal, as long as they meet the criteria of independence or appoint new independent members to replace non-independent members	Objective achieved: The Board includes four independent board members (two men and two women), each appointed for a term of four years

TRAINING PLAN OF THE MEMBERS OF THE BOARD OF DIRECTORS

The three-year training plan for Board members was put in place by the Board on January 27, 2022. This training plan takes into account the equivalence acquired by experience. The Board of Directors provided an update on the progress of the three-year training plan on January 26, 2023. The CSR training provided for in this plan was given in November 2022 by an external provider to all members of the Board of Directors.

TABLE OF VALID DELEGATIONS AND AUTHORIZATIONS GRANTED BY GENERAL MEETING IN THE AREA OF CAPITAL INCREASES

Nature of delegation or authorization	Date of delegation or authorization	Expiration date	Amount authorized	Use	Amount remaining as of December 31, 2022
Delegation of powers to be granted to the Board of Directors to issue common shares and/or securities giving access to the capital (of the Company or a group company) and/or debt instruments, maintaining preferential subscription rights	06/16/2022 (resolution 13)	08/15/2024	€8 million[1]	None	€8 million
Delegation of powers to be granted to the Board of Directors to issue common shares and/or securities giving access to the capital (of the Company or a group company) and/or debt instruments, with cancellation of preferential subscription rights, via public offering (excluding offers referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code) and/or in consideration for shares as part of a public exchange offer	06/16/2022 (resolution 14)	08/15/2024	€8 million[1]	None	€8 million
Delegation of powers to be granted to the Board of Directors to issue common shares and/or securities conferring entitlement to the capital (of the Company or a group company), and/or debt instruments, with cancellation of preferential subscription rights via an offer as referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (15th resolution)	06/16/2022 (resolution 15)	08/15/2024	€8 million[1], limited to 20% of the capital per year	None	€8 million And 20% of capital per year

Nature of delegation or authorization	Date of delegation or authorization	Expiration date	Amount authorized	Use	Amount remaining as of December 31, 2022
Authorization to set the issue price in the event of an issue without pre-emptive rights	06/16/2022 (resolution 16)		And 10% of capital per year	None	And 10% of capital per year
Delegation of powers to be granted to the Board of Directors to issue common shares and/or securities giving access to the capital (of the Company or a group company) and/or debt instruments, with cancellation of the preferential subscription right in favor of categories of persons meeting specified characteristics	06/16/2022 (resolution 17)	12/15/2023	€8 million[1]	None	€8 million
Authorization to increase the amount of issues	06/16/2022 (resolution 18)		Up to the delegation limit used and 15% of the amount of the initial issue		Up to the delegation limit used and 15% of the amount of the initial issue
Delegation with a view to increasing share capital by incorporating reserves, profits and/or premiums	06/16/2022 (resolution 19)	08/15/2024	€8 million	None	€8 million
Delegation by issue of ordinary shares and/or securities giving access to the capital for the purpose of remunerating contributions in kind	06/16/2022 (resolution 20)	08/15/2024	10 % of the capital[1]	None	10% of the capital
Authorization to allocate existing free shares or free shares to be issued for the benefit of the members of the salaried staff and/or certain corporate officers	06/16/2022 (resolution 21)	08/15/2025	2% of the capital on the date of the Board of Directors' meeting	None	2% of the capital on the date of the Board of Directors' meeting

[1] *Common ceiling.*

DECLARATION REGARDING THE SITUATION OF THE MEMBERS OF THE BOARD

To the company's knowledge, on the date of drafting of this document, no member of an administrative*(*)*, management, or supervisory body has, within the last five years:

- been convicted of fraud,
- been affected by a bankruptcy, sequestration, liquidation, or forced administration of a company in which they have served as a member of an administrative, management, or supervisory body,
- been disqualified by a court of law from acting as a member of an administrative, management, or supervisory body or from participating in the management or business conduct of an issuer,
- been the subject of proceedings and/or official public sanction pronounced by a statutory or regulatory authority (including designated professional bodies).

(*) With the exception of Ms. Cécile Helme Guizon, board member (between May 12, 2016 and January 31, 2020) of Sequana, in court-ordered liquidation since May 15, 2019.

SERVICE CONTRACTS AND GRANT OF SPECIAL ADVANTAGES

On the date on which this document is drawn up and to the knowledge of the company, there are no service agreement linking members of the administrative or management bodies to the issuer or to any of its subsidiaries and granting any special advantages of such a contract.

It should be noted that Sébastien Braud is the President of Actiman Equipements et Services, which has a dealer agreement with the company. He has also been President of Socoma Service SASU since October 2022 following the company's acquisition by Actiman Location.

CONFLICTS OF INTEREST

ANNUAL CONFLICT OF INTEREST REPORTING AND MONITORING PROCEDURE

In accordance with the Internal Regulation of the Board, the board members must notify the Board of any conflicts of interest concerning them with the company or one of its subsidiaries and then refrain from the associated deliberations.

In the event a situation suggests or could suggest that there is a conflict between the company's interest and the board member's direct or indirect personal interest or the interest of the shareholder or the group of shareholders that he or she represents, the board member in question must:

- notify the Board as soon as he or she becomes aware of it;
- and draw any conclusions from it as regards exercise of the term of office. Thus, as appropriate, the board member should:
  - either abstain from participating in the deliberations voting on the corresponding decision,
  - or not attend the meetings of the Board of Directors during the period in which the conflict of interests exists,
  - or resign from his or her position as a board member.

Corporate officers are asked to update the declarations annually.

During the Board of Directors' meeting of January 26, 2023, the Board reviewed the various known conflicts of interest after asking each director to disclose and update any conflicts of interest they can identify.

To the company's knowledge, on the date of drafting of this document, and with the exception of the information below, no potential conflict of interest has been identified between the duties of any of the persons who are members of an administrative, management, or supervisory body with regard to the issuer and their private interests and/or other duties.

There is no:

- other arrangement or agreement entered into with the primary shareholders or with customers, suppliers, or other parties pursuant to which one of the persons who is a member of an administrative, management, or supervisory body was selected in the capacity of member of an administrative, management, or supervisory body or as a member of the general management,
- other restriction accepted by the persons who are members of an administrative, management, or supervisory body concerning the transfer of the securities of the issuer that they hold within a certain period of time, without prejudice to the collective commitments mentioned in section 6.2 of Chapter 6 of this document concerning the Braud family branch.

Certain non-independent members of the Board of Directors have exercised functions as a company director or senior executive within the company as well as other structures.

FAMILY LINKS

It is specified that:

- Marcel-Claude Braud, Sébastien Braud, and Émilie Braud are siblings and the niece and nephews of Jacqueline Himsworth, Marcel-Claude Braud, Sébastien Braud, and Émilie Braud are siblings and the niece and nephews of Jacqueline Himsworth,
- Christopher Himsworth and Dominique Himsworth are brothers and the sons of Jacqueline Himsworth. Christopher Himsworth and Dominique Himsworth are brothers and the sons of Jacqueline Himsworth.

On the date on which this document is drawn up and to the knowledge of the company, there are no other relationships between the members of the administrative or management bodies of the company.

SACC

In accordance with recommendation R2 of the MiddleNext Code and since its publication, no service other than the certification of the financial statements (SACC) has been entrusted to a firm other than those of the company's Statutory Auditors.

REGULATED AGREEMENTS

All of the regulated agreements are the subject of a special Statutory Auditors' report, which can be found in section 7.4.2 of this universal registration document.

EVALUATION PROCEDURE FOR ONGOING AGREEMENTS AS WELL AS ITS IMPLEMENTATION

In accordance with the provisions of Article L. 22-10-12 of the French Commercial Code, the Board of Directors, at its meeting of March 3, 2020, adopted a procedure making it possible to regularly assess whether agreements involving day-to-day operations entered into under normal conditions indeed meet these conditions.

It is intended, on the one hand, to clarify the criteria selected by the company to identify and characterize ongoing agreements entered into under normal conditions and, on the other hand, to formalize a procedure to be used to regularly assess whether these agreements continue to meet these conditions.

The identification criteria for ongoing agreements entered into under normal conditions are as follows:

"Day-to-day operations" means those that the company usually carries out and that are executed as part of its ordinary business, in particular in light of its business purpose. To assess whether an operation is a day-to-day operation, the following elements are taken into consideration, among others: routineness and repetition, nature of the operation and its duration, the circumstances surrounding the conclusion of the agreement, the legal importance of economic consequences of the operation, and the customary practices of companies in a similar situation.

Operations concluded under "normal conditions" are those that are performed by the company under the same conditions as those that it customarily practices in its relations with third parties, with the result that they do not allow the contracting party to gain an advantage that would not have been available to a third party. To determine whether these conditions are "normal," the conditions under which the agreements in question are customarily entered into by other companies in the same business sector are also taken into consideration.

This procedure requires that the Finance Department and Legal Department be informed in advance of any agreement likely to be considered regulated under the provisions of Article L. 225-38 of the French Commercial Code for the purposes of assessment, after hearing the opinion of the Statutory Auditors, as applicable, of the identification criteria of ongoing agreements entered into under normal conditions set forth above. The conclusions of the evaluation are documented in a written report. The assessment of the criteria is reviewed whenever a previously entered into agreement is modified, renewed, extended, or terminated.

Every year, before the financial statements for the previous year are closed, the Legal Department informs the Audit Committee of the list of ongoing agreements entered into under normal conditions between the company and less than wholly owned subsidiaries, accompanied by the basis for the judgment characterizing them as such.

If, during the annual review, the Audit Committee believes that an agreement previously considered an ongoing agreement entered into under normal conditions no longer meets the aforesaid criteria, it will inform the Board of Directors. The Board of Directors will classify the agreement as a regulated agreement, if necessary, and will approve it and submit for approval at the next General Meeting, with a special report from the Statutory Auditors in accordance with the provisions of Article L. 225-42 of the French Commercial Code.

The annual review was carried out by the Audit Committee on February 24, 2023. At the date this document is drawn up, the implementation of this evaluation procedure shows that, with the exception of the regulated agreements described in the section "Regulated agreements," all agreements likely to be regulated in accordance with the provisions of Article L. 225-38 of the French Commercial Code are free agreements, that is, agreements entered into with wholly-owned subsidiaries or agreements that meet the criteria of standard agreements entered into under normal conditions.

5.1.4. INFORMATION REGARDING THE EXECUTIVE MANAGEMENT AND ITS EXECUTIVE COMMITTEE

EXECUTIVE MANAGEMENT

The company's executive management is undertaken by the Chief Executive Officer (CEO), a position established under the company's articles of association and the powers of which are set out in the internal regulation of the Board of Directors.

The internal regulation of the Board of Directors states that the Chief Executive Officer is responsible for implementation of the group strategy, the medium-term objectives of which are set out in the strategic plan approved by the Board of Directors. The Chief Executive Officer proposes an annual budget, established on the basis of the strategic plan for the coming financial year.

Furthermore, the internal regulation lists a certain number of transactions for which the Chief Executive Officer must obtain prior authorization from the Board, particularly for the following transactions, which are likely to significantly affect the financial and/or legal and/or social structure, the scope of activity, the strategy, and more generally the future: the creation, acquisition, merger, transfer, and sale of subsidiaries, the purchase and sale of equity interests or shares of other companies and transactions involving the company's shares in the absence of a liquidity agreements, the signing or termination by the company or its subsidiaries of licensing and know-how agreements, as well as cooperation agreements, the creation of new activities, the introduction or elimination of existing product lines or activity sectors, extraordinary transactions or negotiations that have or will have a significant impact on the profitability and liquidity of the company or group, granting of endorsements or guarantees beyond the annual ceiling approved by the Board, creation of securities to guarantee the company's commitments beyond the annual ceiling approved by the Board, waivers of debts that may be granted to subsidiaries and equity interests, acquisitions and disposals of real estate, all investments and disposals of assets not anticipated in the budget above a certain threshold, investments or divestments anticipated in the budget that are above a certain threshold, taking out of loans or finance leases by the company or the subsidiaries above a certain threshold, and the appointment and dismissal of corporate officers and directors of the subsidiaries of the company.

The Chief Executive Officer may not combine an employment contract with a corporate office, and all the components forming part of the Chief Executive Officer's fixed and variable compensation, including severance payments, pension scheme, and allocation of stock options, are set out in section 5.2 of this chapter. All these components are in line with good governance principles in accordance with Recommendations R16 to R21 of the MiddleNext Code.

MICHEL DENIS
CHIEF EXECUTIVE OFFICER SINCE JANUARY 13, 2014

Nationality: French

Born on: 05/17/1965

Business address: 430 rue de l'Aubinière - BP 10249 - 44158 Ancenis Cedex

Experience and management expertise:

A graduate from the ESSEC business school and the Ecole Centrale research university in Lyons, he began his career in strategic consulting. He joined Dalkia in 1994 to develop cogeneration. He subsequently managed the French business activities of MC International, which later became Johnson Controls, a specialist in industrial and commercial refrigeration. In 2003, he joined the Fraikin group, the European leader in truck rentals, serving as Chief Executive Officer until August 2013. In those 10 years, he supported the strong international development of the Fraikin group, which established its approach to industrial vehicle design, associated services, and the European financing of its fleet of 60,000 vehicles as a model. He joined Manitou Group in 2014.

Other corporate mandates or offices still being exercised in any other company during the past fiscal year:

- Chairman of the Board of Directors of Manitou Italia Srl (Italy)
- President of Cobra MS (France)
- Board member of Manitou Brasil Importaçao e Comercio de Maquines de Elevaçao (Brazil)
- Board Member of Manitou Equipment India Private Ltd. (India)
- Board Member of MEDEF 44 since April 28, 2016
- Member of the Board of Directors of Evolis (formerly Cisma) since June 27, 2019
- Manager of GLGM Conseil EURL since 2013 (unlisted company)
- Manager of Gamagule SARL since 2016 (unlisted company)
- Adviser of Banque de France since March 9, 2016
- Board Member of Audencia since December 29, 2017

Other corporate mandates exercised outside of Manitou Group during the last five years but that have come to an end:

- Member of the Board of Directors of Cisma (now Evolis) until June 27, 2019
- Member of the Board of Directors of GICAT since June 2015

EXECUTIVE COMMITTEE(AT THE DATE OF DRAFTING OF THISDOCUMENT)

The Chief Executive Officer shall be assisted by an Executive Committee, whose composition is defined by the Chief Executive Officer. The Executive Committee is comprised of six members and is chaired by Michel Denis.

ÉLISABETH AUSIMOUR
PRESIDENT OF THE PRODUCTS DIVISION

Professional experience and expertise:

A graduate of the EPF Ecole d'ingénieurs de Sceaux, Elisabeth Ausimour began her career in purchasing at Chantiers de l'Atlantique. In 2005, she joined the Purchasing Department of Manitou Group, then moved to Customer Quality.

In 2011, she took over management of the Candé factory until 2016, when she became director of the ERP and process redesign project. She held the position of President of the MHA division starting in October 2019, until she became President of the Products Division in July 2020.

LAURENT BONNAURE
GROUP SALES AND MARKETING MANAGER

Professional experience and expertise:

A dual French and Canadian citizen, Laurent Bonnaure is a graduate of the Ecole Centrale de Paris and holds a Master's of Science from MIT (USA). He has held various management positions in the United States and in France, in particular at VidaMed as co-founder and Director of Engineering and Manufacturing, before joining Elis as International Director in 1996.

He was then the Deputy General Director and member of the management board of Fraikin from 2008 to 2016, before joining Manitou Group as Executive Vice President, Global Sales and Marketing, on September 1, 2016.

MAXIME DEROCH
PRESIDENT OF THE SERVICES & SOLUTIONS DIVISION (S&S)

Professional experience and expertise:

A graduate of the Ecole Centrale Lyon in 1994, Maxime Deroch joined the chemical branch of the Elf group (now TotalEnergies), holding various positions in Research and Development, Marketing, then Internal Auditing in France and the US.

In 2004, he joined Manitou Group as Internal Audit and Control Manager and then moved towards the positions of ERP project manager and VP Marketing. He has held the position of President of the Services & Solutions division since July 2014.

CHRISTINE PRAT
GROUP HUMAN RESOURCES MANAGER

Professional experience and expertise:

A graduate of EISTI, Christine Prat held supply chain and customer service management positions before taking on human resources management responsibilities in the food industry at Danone and in high tech at Diebold Nixdorf and Salesforce.

Christine Prat joined the group in July 2022 as Executive Vice President of Human Resources.

HERVÉ ROCHET
GENERAL SECRETARY

Professional experience and expertise:

A graduate of the IEP of Lyon and holder of a DECF, Hervé Rochet began his career in auditing before joining the financial teams of the Huntsman Chemical group, then the Trelleborg AB group.

In 2005, he joined Manitou Group as the group's Chief Financial Officer. He has held the position of Corporate Secretary - CFO since April 2014.

The Executive Committee typically meets weekly as well as several times per year in the context of seminars.

INFORMATION REGARDING THE BALANCED REPRESENTATION OF MEN AND WOMEN ON THE EXECUTIVE COMMITTEE AND IN THE TOP 10% OF POSITIONS WITH THE MOST RESPONSIBILITY

In accordance with the provisions of Article L. 22-10-10 of the French Commercial Code, the company is looking to achieve balanced representation of men and women on the Executive Committee. The Executive Committee is made up of 30.3% women and 69.7% men.

In addition, of the top 10 % of positions with the most responsibility (top management), 18.6 % are held by women.

DIVERSITY AND EQUITY POLICY WITHIN THE COMPANY

Each year, the Board discusses the company’s professional equality and fair pay policy.

The company's diversity and equity policy and the results obtained are set out in sections 3.6.2 and 3.6.3 of Chapter 3 of this document.

5.2. COMPENSATION-RELATED INFORMATION

5.2.1. CORPORATE OFFICERS' COMPENSATION POLICY (EX-ANTE VOTE)

At the recommendation of the Compensation Committee and taking into account the recommendations of the MiddleNext Code, the Board of Directors has established a compensation policy for each of the company's corporate officers in accordance with its corporate interests, contributing to its continuity, and as part of its commercial strategy, as described in chapter 1.5 of this document. For this purpose, the Board establishes the compensation policy of the Chief Executive Officer in light of these elements, specifically by establishing the criteria of his variable compensation related to the implementation of this commercial strategy, with respect for the interests of the company.

No compensation element of any nature whatsoever may be determined, awarded, or paid by the company and no commitment can be made by the company, unless it is compliant with the approved compensation policy or, in the absence of such policy, with the compensation or practices existing within the company. However, in case of exceptional circumstances, the Board of Directors may deviate from the application of the compensation policy if that deviation is temporary, consistent with the company's interests, and necessary to guarantee the continuity or viability of the company.

The Board of Directors determines, revises, and implements the compensation policy of each corporate officer at the recommendation of the Compensation Committee. It is noted that the Chairman of the Board of Directors and the Chief Executive Officer cannot take part in the Board's deliberations or associated voting on issues relating to their compensation in accordance with that policy.

As part of the decision-making process followed to determine and revise the compensation policy for corporate officers, the compensation and employment conditions of the company's employees were taken into account by the Board as follows: discussions took place beforehand between the Compensation Committee and the group's Human Resources Director in order to ensure that the elements of the compensation policy of the Chief Executive Officer are consistent with the human resources policy regarding the compensation of the company's senior executives.

The present remuneration policy has been modified in relation to that approved by the Ordinary General Meeting of June 16, 2022 in its 9th resolution as follows: clarification of the methods of calculation and determination of the Complementary Remuneration of the variable remuneration of the Chief Executive Officer, and clarification of the methods of determination of the fixed remuneration of the Chairman of the Board of Directors. To develop this modified policy, the Compensation Committee and the Board reviewed the voting results of the last General Meeting on said compensation policy.

In case of change in governance, the compensation policy will be applied to the company's new corporate officers, with the necessary adaptations, as applicable.

The compensation policy of the corporate officers will be consistent with the current policy until a new policy is voted upon, as applicable.

Provided that the conditions defined above are met, the Board may temporarily depart from the application of the President and Chief Executive Officer's compensation policy in accordance with the second paragraph of part III of Article L. 22-10-8 of the French Commercial Code concerning all of the elements of variable compensation (including those of the Phantom Shares long-term incentive program). The Board will decide on the recommendations of the Compensation Committee and will determine whether this deviation is in line with the company's interests and necessary to guarantee the continuity or viability of the company. These justifications will be brought to the attention of the shareholders in the next corporate governance report. It is noted that the Chairman of the Board of Directors and the Chief Executive Officer do not participate in the Board's deliberations or voting on these matters.

5.2.1.1. CHIEF EXECUTIVE OFFICER'S COMPENSATION POLICY

The compensation policy established by the Board at the recommendation of the Compensation Committee is as follows:

The fixed, variable, and extraordinary elements comprising the total compensation and benefits of all kinds that may be granted to the Chief Executive Officer in connection with that office, well as their respective importance, are as follows:

FIXED COMPENSATION

The Chief Executive Officer receives fixed compensation for his duties determined at the recommendation of the Compensation Committee, taking into account, among other factors, market practices observed in a panel of comparable companies. It was set at 800,000 euros. The Board reserves the right to review the amount, subject to the opinion of the Compensation Committee.

VARIABLE ANNUAL COMPENSATION

In remuneration of his duties, the Chief Executive Officer may collect the following:

- basic annual variable compensation, the criteria of which are based on elements relating to the group's financial, commercial, environmental, and societal performance ("**Variable Compensation**"), as described below;
- additional annual variable compensation ("**Complementary Variable Compensation**") equal to 30% of the Variable Compensation due for the previous fiscal year, granted subject to the achievement of the "earnings per share" ("EPS") criterion, corresponding to the earnings per share determined by dividing the Group's share of net income for the fiscal year by the number of shares issued by the Company as of December 31 of each year, which is set by the Board of Directors on the recommendation of the Compensation Committee, in light of the budget.

VARIABLE COMPENSATION

The maximum overall amount of the Variable Compensation that may be paid to the Chief Executive Officer("Target Variable Compensation") is determined on the recommendation of the Compensation Committee taking into account, in particular, market practices observed by a panel of comparable companies. It was set at 425,000 euros.

The Variable Compensation criteria are based on: (i) market share, (ii) recurring operating income (ROC) as a percentage, and (iii) the company's Corporate Social Responsibility (CSR) policy.

The table below summarizes the identified criteria, their nature and their correlation with the commercial strategy, the percentage of the Variable Compensation to which each of the criterion taken individually entitles payment (based on achievement of 100% of the criterion target):

Criteria	% of Target Variable Compensation	Nature of criterion				Sales strategy
		Financial	Non-financial	Quantitative	Qualitative	
No. 1 market share	25%		X	X		Strengthen or defend the group's market share
No. 2 ROI in % of net sales	40%	X		X		Establishing profitable business development
No. 3 CSR	35%		X	X	X	Managing the ecological transition to a sustainable business model

To determine to what extent the performance criteria established for the variable compensation have been met, the Board has put the following evaluation methods in place:

- market share: this criterion is assessed on the basis of statistics provided by international professional associations. This criterion is broken down into a maximum of five sub-criteria. Market share targets are defined by type of machine/product range, market segment, and geographic area;
- The consolidated Recurring Operating Income (ROI) in percentage: the ROI is comprised of the revenue, cost of sales, research and development costs, sales and marketing costs, administrative costs, other operating income and expenses, and the income and expenses on current items. The ROI as a percentage refers to the recurring operating income as a percentage of the revenue by dividing the ROI for the fiscal year by the revenue for the fiscal year;
- Corporate Social Responsibility (CSR) is broken down into a maximum of six sub-criteria aligned with the company's main CSR objectives.

The objectives of the criteria (or sub-criteria) mentioned above for the fiscal year in question and the expected levels of achievement were pre-established and defined at the Board of Directors' meeting on the proposal of the Compensation Committee but are not made public for reasons of confidentiality.

The annual variable compensation contributes to the objectives of the compensation policy as follows: it allows the group to be consistent and align itself with market practices, establish under-performance and over-performance mechanisms, and establish target objectives that are achievable.

LONG-TERM VARIABLE COMPENSATION - "PHANTOM SHARES" LONG-TERM INCENTIVE PROGRAM

At the proposal of the Compensation Committee, the Board of Directors implements a Phantom Shares plan for the benefit of the Chief Executive Officer, thereby indexed his long-term variable compensation to the value of the Manitou share. This mechanism allows the Chief Executive Officer, subject to the achievement of the conditions, to acquire a certain number of phantom shares at the end of the fiscal years concerned and to receive a cash sum corresponding to the value of the phantom shares acquired. The conditions for the vesting of phantom shares are defined by the Board of Directors (financial and attendance criteria), it being specified that the number of phantom shares definitively acquired by the Chief Executive Officer will be determined according to a criterion relating to earnings per share ("EPS") and according to the performance thresholds set by the Board of Directors. The number of phantom shares that can be acquired by the Chief Executive Officer varies from 0 to 17,500, with 17,500 being the maximum number and 14,500 being the target number.

The cash amount received by the Chief Executive Officer will correspond to the number of phantom shares acquired during the fiscal year in question multiplied by the value of the phantom share acquired.

The value of one phantom share acquired by the Chief Executive Officer for a fiscal year will correspond to the simple average of the stock market prices of the Manitou share determined at closing on the 20 days preceding the date of the Board of Directors' meeting closing the financial statements for the fiscal year in question and the 20 days following that date.

The performance targets of this criterion for the fiscal year in question were pre-established and defined by the Board of Directors on the proposal of the Compensation Committee for each fiscal year of the New Horizons 2025 Business Plan but are not made public for reasons of confidentiality.

EXTRAORDINARY COMPENSATION

The Board may decide, by proposal of the Compensation Committee, to grant extraordinary compensation to the Chief Executive Officer in light of very special circumstances, such as the completion of a major transaction for the company or the group.

COMMITMENTS

The Chief Executive Officer benefits from the following commitments:

Commitments made by the company or by a subsidiary or parent company	Main characteristics	Criteria for award	Conditions for termination
Severance package in case of departure	The Chief Executive Officer is eligible for a severance package if his term of office is revoked or is not renewed. The amount of the severance pay would correspond to 200% of the Fixed Compensation and annual Variable Compensation (excluding the Phantom Shares plan) owed for the fiscal year preceding the year in which the dismissal or non-renewal has taken place, provided that the criteria triggering payment of this benefit have been met. However, if the severance pay is owed, it will be adjusted as a function of the Board of Director's implementation of the non-compete commitment and, in particular, if this non-compete payment is implemented, the amount of the severance pay will be decreased by the amount actually paid to the Chief Executive Officer by way of a non-compete payment. Date of submission to the General Meeting: 06/15/2023	The criteria triggering payment of the Severance Pay ("SP Criteria") will be assessed in light of the performance of the Chief Executive Officer, which is measured using the same quantitative and qualitative criteria as those used to calculate his Annual Variable Compensation. The SP Criteria and therefore the condition for payment of the Severance Payment will be considered met if the Chief Executive Officer has received at least 35% of the arithmetic average of the potential maximum amounts of his Annual Variable Compensation (excluding the Phantom Shares plan) for the four fiscal years prior to the fiscal year during which his term of office comes to an end.	The payment will not be owed in case of: ▪ serious breach by the Chief Executive Officer; ▪ resignation of the Chief Executive Officer during his term of office; ▪ non-renewal of the corporate office if the Board of Directors has formulated a written offer for a new corporate mandate under terms and conditions equivalent to all the conditions of this corporate mandate but the Chief Executive Officer refuses it.
Non-compete payment	In return for this, the Chief Executive Officer will receive a monthly payment for a period of one year from the actual date of termination of his office. This payment will be equal to half of the fixed monthly compensation paid in the last month preceding the termination of his office. Date of submission to the General Meeting: 06/15/2023		This payment will not apply when his beneficiary claims his pension rights.
Defined benefit retirement commitments	None	None	None
Defined contribution retirement commitments	None	N/A	None
Other commitments corresponding to elements of compensation, allowances, or advantages owed or that could be owed in connection with the termination or change of functions, or subsequent thereto	None	None	None

BENEFITS OF ALL KINDS

The Chief Executive Officer enjoys the following benefits of all kinds:

- coverage of transportation and parking costs between Angers/ Nantes and his residence;
- the company purchased an unemployment policy for the benefit of the Chief Executive Officer from the Association pour la Garantie Sociale des Chefs et Dirigeants d'entreprise (GSC);
- retirement: the CEO is covered by the same pension and healthcare schemes as the company's executives;
- car: the company covers the costs of a vehicle for the Chief Executive Officer;
- civil liability insurance for Corporate Officers, which is enjoyed by all relevant persons of the group.

ANY OTHER ELEMENT OF COMPENSATION THAT MAY BE RECEIVED IN CONNECTION WITH THE CORPORATE MANDATE:

None.

It is noted that the payment of variable compensation elements and, as applicable, extraordinary elements awarded for the past fiscal year, are subject to approval by the Ordinary General Meeting of the elements comprising the compensation and benefits of all kinds of the Chief Executive Officer paid during the previous fiscal year or awarded in connection with that fiscal year (individual ex post vote).

5.2.1.2. CHAIRMAN OF THE BOARD'S COMPENSATION POLICY

The compensation policy established by the Board at the recommendation of the Compensation Committee is as follows:

The elements comprising the total compensation and benefits of all kinds that may be granted to the Chairman of the Board in connection with that office are as follows:

- annual fixed compensation: the Chairman receives in connection with that office an annual fixed compensation determined by the Board at the recommendation of the Compensation Committee, taking into account market practices, among other factors;
- compensation allocated for the office of member of the Board,
- benefits of all kinds: a company vehicle.

5.2.1.3. BOARD MEMBER COMPENSATION POLICY

The General Meeting of June 17, 2021 established the compensation of the members of the Board in its 19th ordinary resolution at an annual fixed overall sum of €700,000, which will be valid until a new General Meeting decision.

The allocation rules for the annual fixed sum set aside by the General Meeting for the members of the Board were set by the Board at the proposal of the Compensation Committee, taking into account the rules imposed by the internal regulations of the Board. These rules are as follows:

- the board members appointed by General Meeting do not receive fixed compensation. They collect only variable compensation awarded as a function of their attendance and work performed,
- for board members appointed by General Meeting, this variable portion takes into account their actual participation in the work and meetings (i) of the Board of Directors, (ii) of the specialist committees (excluding the Development Committee), as well as (iii) in the context of their special assignments determined in advance by the Board of Directors,
- board members representing the employees may be allocated an annual fixed amount.

The Board may also determine the compensation of directors to whom specific duties are entrusted by the Board under the conditions set out in the regulations (Article L. 225-46 of the French Commercial Code).

The members of the Board may benefit from civil liability insurance for corporate officers.

5.2.1.4. INFORMATION ON CORPORATE MANDATES AND EMPLOYMENT CONTRACTS AND/OR SERVICE AGREEMENTS BETWEEN CORPORATE OFFICERS AND THE COMPANY

The table below shows the duration of the term(s) of the company's corporate officers and, as applicable, employment contracts or service agreements entered into with the company, the prior notice periods, and the applicable conditions for dismissal or termination.

Officers in the company	Mandate(s) performed	Term of mandate(s)	Employment contracts entered into with the company (indicate the duration)	Service agreements entered into with the company (indicate the duration)	Prior notice periods	Conditions for dismissal or termination
Michel Denis	Chief Executive Officer	At the end of the General Meeting held in 2026 to approve the financial statements ended December 31, 2025	No	No	N/A	Revocation of mandate in accordance with the law and case law Departure conditions (see section 5.2.1.1)
Jacqueline Himsworth	Chairman Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law
Dominique Bamas	Member of the Board	At the end of the General Meeting held in 2023 to approve the financial statements ended December 31, 2022	No	No	N/A	Revocation of mandate in accordance with the law and case law
Émilie Braud	Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law
Marcel-Claude Braud	Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law
Sébastien Braud	Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law

Officers in the company	Mandate(s) performed	Term of mandate(s)	Employment contracts entered into with the company (indicate the duration)	Service agreements entered into with the company (indicate the duration)	Prior notice periods	Conditions for dismissal or termination
Cécile Helme-Guizon	Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law
Christopher Himsworth	Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law
Dominique Himsworth	Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law
Alexandra Matzneff	Member of the Board	At the end of the General Meeting held in 2025 to approve the financial statements ended December 31, 2024	No	No	N/A	Revocation of mandate in accordance with the law and case law
Pascal Raoult	Member of the Board (employee board member)	Two years after his election on September 23, 2021, ending on the normal expiry date of Michel Trotter's term of office, i.e. September 10, 2023	Yes	No	Prior notice of 2 months for salaried positions	Revocation of mandate in accordance with the law and case law
Pierre-Henri Ricaud	Member of the Board	At the end of the General Meeting held in 2023 to approve the financial statements ended December 31, 2022	No	No	N/A	Revocation of mandate in accordance with the law and case law
Michel Trotter	Member of the Board (employee board member)	3 years after his election on September 10, 2020 until September 10, 2023	Yes	No	Prior notice of 2 months for salaried positions	Revocation of mandate in accordance with the law and case law

5.2.2. COMPENSATION AND BENEFITS AWARDED TO CORPORATE OFFICERS FOR 2022 (GLOBAL EX-POST VOTE)

Pursuant to the provisions of Article L. 22-10-9 of the French Commercial Code, the total amount of the compensation and benefits paid to each corporate officer for the fiscal year is presented in detail below.

In accordance with the MiddleNext Code, the level of the board members' compensation is based on the following seven principles: exhaustive, balanced, benchmarked, consistent, clear, measured, and transparent.

It is clarified that the total compensation of each corporate officer respects the compensation policy approved by the General Meeting of June 16, 2022 in its 8th (Chairman of the Board of Directors) and 9th (Chief Executive Officer) resolutions.

COMPENSATION OF JACQUELINE HIMSWORTH, CHAIRMAN OF THE BOARD OF DIRECTORS

SUMMARY OF COMPENSATION AND OPTIONS AND SHARES AWARDED TO JACQUELINE HIMSWORTH (TABLE 1 OF THE AMF NOMENCLATURE)

In euros	2021	2022
Compensation awarded for the period (see details in table 2)	197,352	208,360
Value of options granted during the period (see details in table 4)		
Value of performance shares granted during the period (see details in table 6)		
Valuation of other long-term compensation plans		
TOTAL	197,352	208,360

SUMMARY OF COMPENSATION AWARDED TO JACQUELINE HIMSWORTH (TABLE 2 OF THE AMF NOMENCLATURE)

	2021		2022	
In euros	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed compensation	155,004	155,004	160,000	160,000
Variable annual compensation				
Multi-year variable compensation				
Exceptional remuneration				
Compensation allocated for the office of member of the Board	39,000	45,000	45,000	39,000
Benefits in kind	3,348	3,348	3,360	3,360
TOTAL	197,352	203,352	208,360	202,360

SHARE SUBSCRIPTION OR PURCHASE OPTIONS AWARDED DURING THE FISCAL YEAR TO JACQUELINE HIMSWORTH (TABLE 4 OF THE AMF NOMENCLATURE)

There was no stock option/free share plan awarded during the fiscal year.

SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FISCAL YEAR BY JACQUELINE HIMSWORTH (TABLE 5 OF THE AMF NOMENCLATURE)

There is no stock option/free share plan in place currently.

PERFORMANCE SHARES AWARDED TO JACQUELINE HIMSWORTH (TABLE 5 OF THE AMF NOMENCLATURE)

No performance share plan was awarded during the fiscal year.

PERFORMANCE SHARES AWARDED TO JACQUELINE HIMSWORTH (TABLE 7 OF THE AMF NOMENCLATURE)

There is no performance share plan in place currently.

EMPLOYMENT CONTRACT / CORPORATE MANDATE (TABLE 11 OF THE AMF NOMENCLATURE)

	Employment contract		Supplementary pension plan		Indemnities or benefits due, or potentially due, as a result of termination or change of functions		Indemnities related to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Jacqueline Himsworth Chairman of the Board of Directors Start date of term of office: June 08, 2017, renewed on June 17, 2021 End date of term of office: 2025 General Meeting approving the results as of December 31, 2024		X		X		X		X

- Michel Denis, Chief Executive Officer

SUMMARY OF THE COMPENSATION AND OPTIONS AND SHARES AWARDED TO MICHEL DENIS (TABLE 1 OF THE AMF NOMENCLATURE)

In euros	2021	2022
Compensation awarded for the period (see details in table 2)	1,520 596	1,210 465
Value of options granted during the period (see details in table 4)		
Value of performance shares granted during the period (see details in table 6)		
Valuation of other long-term compensation plans		
TOTAL	1,520 596	1,210 465

SUMMARY OF COMPENSATION AWARDED TO MICHEL DENIS (TABLE 2 OF THE AMF NOMENCLATURE)

	2021		2022	
In euros	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed compensation	627,407	627,407	800,000	800,000
Annual variable compensation(1)(2)	860,415	318,340	377,688	860,415
Multi-year variable compensation				
Exceptional remuneration		260,839		
Compensation allocated for the office of member of the Board				
Benefits in kind(3)	32,774	32,774	32,777	32,777
TOTAL	1,520,596	1,239,360	1,210 465	1,693 192

(1) For fiscal year 2022, the variable compensation awarded represented 47% of the fixed compensation (137% in 2021).
(2) For the variable compensation awarded for fiscal year 2022, the award criteria are based, for the basic annual variable compensation: on market share, current operating income as a percentage, and the company's social and environmental responsibility, and for the additional annual variable compensation, on the condition that the criterion relating to earnings per share is met. As of December 31, 2022, the variable compensation awarded included a provision of €452,000 paid in the form of Phantom Shares (€0 in 2021). This annual bonus is determined according to an earnings per share criterion. See section 5.2.1.1 of this chapter and note 6.4 of the appendix to the consolidated financial statements (section 7.1).
(3) The Chief Executive Officer enjoys unemployment insurance and supplemental health insurance coverage.

SHARE SUBSCRIPTION OR PURCHASE OPTIONS AWARDED DURING THE FISCAL YEAR TO MICHEL DENIS (TABLE 4 OF THE AMF NOMENCLATURE)

There was no stock option/free share plan awarded during the fiscal year.

SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FISCAL YEAR BY MICHEL DENIS (TABLE 5 OF THE AMF NOMENCLATURE)

There is no stock option/free share plan in place currently.

PERFORMANCE SHARES AWARDED TO MICHEL DENIS (TABLE 5 OF THE AMF NOMENCLATURE)

No performance share plan was awarded during the fiscal year.

PERFORMANCE SHARES THAT BECAME AVAILABLE FOR MICHEL DENIS

There is no performance share plan in place currently.

EMPLOYMENT CONTRACT/CORPORATE MANDATE (TABLE 11 OF THE AMF NOMENCLATURE)

	Employment contract		Supplementary pension plan		Indemnities or benefits due, or potentially due, as a result of termination or change of functions		Indemnities related to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Michel Denis Managing Director Start date of term of office: January 13, 2014, renewed on December 21, 2021 End date of term of office: 2026 General Meeting approving the results as of December 31, 2025		X		X	X(1)		X(2)	

(1) A severance payment may be paid to the Chief Executive Officer if his office is terminated before its due term or if it is not renewed, except where this termination or non-renewal are a result of serious misconduct or in the event of resignation during the term of office or in the event of non-renewal after the Board has made a written offer for a new term of office under terms and conditions equivalent to all the conditions of the current term of office and the Chief Executive Officer has refused it. For the amount of the severance payment, see note 5.2.1.1 of this chapter. For the amount of the severance payment, see note 5.2.1.1 of this chapter.
(2) The Chief Executive Officer will be required to abide by a non-compete obligation for a period of 12 months after leaving office. See section 5.2.1.1 of this chapter.

COMPENSATION OF BOARD MEMBERS

TABLE OF COMPENSATION RECEIVED BY CORPORATE OFFICERS (TABLE 3 OF THE AMF NOMENCLATURE)

		2021		2022	
	In euros	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Jacqueline Himsworth	Compensation allocated for the office of Chairman of the Board of Directors of Manitou BF	158,352	158,352	163,360	163,360
	Compensation allocated for the office of member of the Board of Directors of Manitou BF	39,000	45,000	45,000	39,000
	Other compensation				
Dominique Bamas	Compensation allocated for the office of member of the Board of Directors of Manitou BF	72,000	63,000	60,000	72,000
	Other compensation				
Émilie Braud	Compensation allocated for the office of member of the Board of Directors of Manitou BF	51,000	60,000	60,000	51,000
	Other compensation				
Marcel-Claude Braud	Compensation allocated for the office of member of the Board of Directors of Manitou BF	42,000	42,000	54,000	42,000
	Other compensation				
Sébastien Braud	Compensation allocated for the office of member of the Board of Directors of Manitou BF	60,000	57,000	57,000	60,000
	Other compensation				
Cécile Helme-Guizon	Compensation allocated for the office of member of the Board of Directors of Manitou BF	54,000	60,000	66,000	54,000
	Other compensation				
Christopher Himsworth	Compensation allocated for the office of member of the Board of Directors of Manitou BF	69,000	57,000	84,000	69,000
	Other compensation				
Dominique Himsworth (board member since June 17, 2021)	Compensation allocated for the office of member of the Board of Directors of Manitou BF	27,000	15,000	54,000	36,000
	Other compensation				
Gordon Himsworth (board member until June 17, 2021)	Compensation allocated for the office of member of the Board of Directors of Manitou BF	27,000	66,000		
	Other compensation				
Carole Lajous (board member until December 13, 2020)	Compensation allocated for the office of member of the Board of Directors of Manitou BF	0	9,000		
	Other compensation				
Alexandra Matzneff (board member since November 9, 2020)	Compensation allocated for the office of member of the Board of Directors of Manitou BF	42,000	27,000	48,000	42,000
	Other compensation				
Pascal Raoult (board member representing employees since September 23, 2021)	Compensation allocated for the office of member of the Board of Directors of Manitou BF	0	0	0	0
	Other compensation*	N/C	N/C	N/C	N/C
Stéphane Renaud Stéphane Renaud (director representing employees) from September 10, 2018 to September 10, 2021	Compensation allocated for the office of member of the Board of Directors of Manitou BF	0	0	0	0
	Other compensation*	N/C	N/C	N/C	N/C
Pierre-Henri Ricaud	Compensation allocated for the office of member of the Board of Directors of Manitou BF	60,000	72,000	57,000	60,000
	Other compensation				
Michel Trotter (board member representing employees since September 10, 2020)	Compensation allocated for the office of member of the Board of Directors of Manitou BF	0	0	0	0
	Other compensation*	N/C	N/C	N/C	N/C
	TOTAL	701,352	731,352	**748,360**	**688,360**
	Including Compensation allocated for the office of Chairman of the Board of Directors of Manitou BF	158,352	158,352	163,360	163,360
	Including Compensation allocated for the office of members of the Board of Directors of Manitou BF	543,000	573,000	585,000	525,000

** The salary paid to board members representing employees is not communicated.*

EQUITY RATIOS

In euros	Jacqueline Himsworth Chairman of the Board of Directors	Michel Denis Managing Director
2022		
Average compensation of employees excluding corporate officers	49,961	49,961
Median compensation of employees excluding corporate officers	43,882	43,882
Value of annual SMIC	21,719	21,719
Compensation of the Chief Executive Officer	208,360	1,210 465
Ratio with average employee compensation	4.17	24.23
Ratio with median employee compensation	4.75	27.58
Ratio with annual SMIC value	9.59	55.73
2021		
Average compensation of employees excluding corporate officers	46,765	46,765
Median compensation of employees excluding corporate officers	41,177	41,177
Value of annual SMIC	20,521	20,521
Compensation of the Chief Executive Officer	197,352	1,520 596
Ratio with average employee compensation	4.22	32.52
Ratio with median employee compensation	4.79	36.93
Ratio with annual SMIC value	9.62	74.10
2020		
Average compensation of employees excluding corporate officers	44,997	44,997
Median compensation of employees excluding corporate officers	39,014	39,014
Value of annual SMIC	20,321	20,321
Compensation of the Chief Executive Officer	206,352	1,230 078
Ratio with average employee compensation	4.59	27.34
Ratio with median employee compensation	5.29	31.53
Ratio with annual SMIC value	10.15	60.53
2019		
Average compensation of employees excluding corporate officers	46,893	46,893
Median compensation of employees excluding corporate officers	41,567	41,567
Value of annual SMIC	20,081	20,081
Compensation of the Chief Executive Officer	185,848	1,083 805
Ratio with average employee compensation	3.96	23.11
Ratio with median employee compensation	4.47	26.07
Ratio with annual SMIC value	9.26	53.97
2018		
Average compensation of employees excluding corporate officers	46,974	46,974
Median compensation of employees excluding corporate officers	41,344	41,344
Value of annual SMIC	19,780	19,780
Compensation of the Chief Executive Officer	203,790	1,393 647
Ratio with average employee compensation	4.34	29.67
Ratio with median employee compensation	4.93	33.71
Ratio with annual SMIC value	10.30	70.46

5.2.3. FIXED, VARIABLE, AND EXTRAORDINARY ELEMENTS COMPRISING THE TOTAL COMPENSATION AND BENEFITS OF ALL KINDS PAID DURING THE PAST FISCAL YEAR OR AWARDED IN CONNECTION WITH THE PAST FISCAL YEAR TO THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER (INDIVIDUAL EX-POST VOTE)

ELEMENTS OF COMPENSATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN CONNECTION WITH FISCAL YEAR 2022 TO THE CHIEF EXECUTIVE OFFICER

The fixed, variable, or extraordinary elements comprising the total compensation and the benefits of all kinds paid during or awarded in connection with fiscal year 2022 to Michel Denis, Chief Executive Officer, will be submitted for approval by the General Meeting called to approve the financial statements for the fiscal year ended December 31, 2022. The 2021 compensation policy was approved by the General Meeting of Thursday, June 16, 2022.

Elements of compensation submitted for approval	Amounts paid during past fiscal year	Amounts awarded in connection with past fiscal year or accounting valuation	Presentation
Fixed compensation	€800,000	€800,000	See note 5.2.1.1 on the compensation policy
Variable annual compensation	€407,815**	€236,895**	See below (1)
"Phantom Shares" variable annual compensation	€452,600**	€140,793**	Bonus based on the result per share of the group greater than €1.4 in 2022
Multi-year variable compensation	None	None	None
Exceptional remuneration	None	None	
Stock options, performance shares, or any other long-term benefit (stock warrants, etc.)	None	None	
Board member compensation	None	None	None
Benefits of all kinds	€32,777***	€32,777***	Unemployment insurance, supplemental health insurance, and company car
Severance package	None	None	No amount is submitted for approval
Additional retirement benefits	None	None	None

** Amount awarded for fiscal year 2021 and paid in 2022. The payment was already approved at the General Meeting of June 16, 2022.*
*** Amount awarded for fiscal year 2022 and payable in 2023, subject to approval of the General Meeting.*
**** Accounting value*

Annual variable compensation(1)(2))

- *(1) Annual variable compensation: the remuneration was awarded according to the following assessment:*

Criteria	*Weighting*	*Achievement level*	*Valuation given the allocation and valuation grid*
No. 1 market share	*25%*	*95%*	*100,938*
No. 2 ROI in % of net sales	*40%*	*0%*	*0*
No. 3 CSR	*35%*	*91.4%*	*135,958*

The Variable Compensation Target has been set at 425,000 euros for the year 2022.

- *No additional variable compensation has been granted.*

ELEMENTS OF COMPENSATION AND BENEFITS OF ALL KINDS PAID DURING OR AWARDED IN CONNECTION WITH FISCAL YEAR 2022 TO THE CHAIRMAN

The fixed, variable, or exceptional elements comprising the total compensation and the benefits of all kinds paid during or awarded in connection with fiscal year 2022 to Jacqueline Himsworth, Chairman of the Board of Directors, will be submitted for approval by the General Meeting called to approve the financial statements for the fiscal year ended December 31, 2022.

Elements of compensation submitted for approval	Amounts paid during past fiscal year	Amounts awarded in connection with past fiscal year or accounting valuation	Presentation
Fixed compensation	€160,000	€160,000	See note 5.2.1.2 on the compensation policy
Variable annual compensation	None	None	None
Multi-year variable compensation	None	None	None
Exceptional remuneration	None	None	None
Stock options, performance shares, or any other long-term benefit (stock warrants, etc.)	None	None	None
Board member compensation	€39,000	€45,000	See note 5.2.1.2 on the compensation policy
Benefits of all kinds	€3,360**	€3,360**	Car
Severance package	None	None	None
Additional retirement benefits	None	None	None

** Accounting value.*

5.3. SPECIFIC SHAREHOLDER PROCEDURES FOR TAKING PART IN ANNUAL GENERAL MEETINGS

These elements are defined in Article 19 of the company's Articles of Association. Under the terms of the Articles of Association, any shareholder is entitled to attend the Annual General Meetings under the conditions laid down by law.

A shareholder may be represented by any natural person or legal entity of their choosing. Designation and revocation may notified electronically.

The shareholders can, under the conditions laid down by the law and regulations, send their proxy and voting by correspondence forms concerning any Annual General Meeting, either as a hard copy or by electronic mail.

Two members of the Social and Economic Committee appointed by this committee, one belonging to the category of technical executives and supervisors, and the other to the category of employees and workers, or, where appropriate, the persons referred to in Articles L. 2312-74 and L. 2312-75 of the French Labor Code, can attend the Annual General Meetings.

The shareholders are informed of the procedures for holding the General Meeting as well as the voting procedures in the meeting notice, which will be published within the regulatory timeframe.

6. SHARE OWNERSHIP AND SHARE CAPITAL

6.1. INFORMATION ABOUT SHARE CAPITAL

SHARE CAPITAL AND VOTING RIGHTS

As of December 31, 2022, the share capital of Manitou BF amounts to €39,668,399, divided into 39,668,399 shares of a nominal value of €1, fully paid, and all of the same category. The shares are registered shares or bearer shares, as decided by the shareholder.

In the absence of double voting rights, this number of shares corresponds to the theoretical voting rights. The difference between the number of theoretical and real voting rights corresponds to the number of treasury shares.

In accordance with Article 223-11 of the AMF's General Regulation, the voting rights are presented according to their "theoretical" calculation based on all of the shares to which a voting right is attached, including shares without voting rights (treasury shares). These theoretical voting rights are used to calculate participation thresholds.

SHARE CAPITAL HISTORY

in euros	2022	2021	2020
Capital at start of fiscal year	39,668,399	39,668,399	39,668,399
Exercise of stock options reserved for employees	None	None	None
CAPITAL AT END OF FISCAL YEAR	39,668,399	39,668,399	39,668,399

SECURITIES NOT REPRESENTING SHARE CAPITAL

There are no securities that do not represent share capital.

MODIFICATION OF SHARE CAPITAL

The articles of association do not provide for any specific statutory conditions concerning modifications of the share capital and voting rights.

STOCK OPTIONS AND FREE SHARES

There is no stock option/free share plan currently.

6.2. SHAREHOLDING STRUCTURE

MAIN SHAREHOLDERS

The table below presents the changes in the allocation of the capital and voting rights of the company at closing of the past three fiscal years, to the company's knowledge.

	Theoretical % of share capital and voting rights			Actual % of voting rights		
	2020	2021	2022	2020	2021	2022
Braud and Himsworth families	64.5%	64.3%	64.5%	66.9%	66.7%	66.9%
Braud family branch(1)	32.1%	32.1%	32.1%	33.2%	33.2%	33.2%
HB Holding Braud	22.0%	22.0%	22.0%	22.8%	22.8%	22.8%
Other	10.0%	10.0%	10.0%	10.4%	10.4%	10.4%
Himsworth family branch(2)	32.5%	32.3%	32.4%	33.7%	33.4%	33.6%
Ancemat (3)	6.5%	6.5%	6.5%	6.8%	6.8%	6.8%
Wecanrent (3)	5.2%	5.2%	5.2%	5.4%	5.4%	5.4%
Coliphin Invest (3)	5.4%	5.4%	5.4%	5.6%	5.6%	5.6%
Trinity Group (3)	5.2%	5.2%	5.2%	5.4%	5.4%	5.4%
Sonafina (3)	5.3%	5.2%	5.3%	5.5%	5.4%	5.5%
Other	4.8%	4.9%	4.8%	5.1%	5.0%	5.0%
Yanmar	6.2%	6.2%	6.2%	6.5%	6.5%	6.5%
Treasury shares	3.5%	3.5%	3.5%			
Employee share ownership	0.6%	0.5%	0.7%	0.6%	0.6%	0.7%
Floating	25.1%	25.4%	25.1%	26.1%	26.3%	26.0%
TOTAL	100%	100%	100.0%	100%	100%	100.0%

(1) The Braud family branch consists of: Marcel Braud, Lilianne Braud-Orhon, Marcel-Claude Braud, Sébastien Braud, Émilie Braud, Valérie Braud-Walsh, and the company HB Holding Braud.
(2) The Himsworth family branch consists of: Jacqueline Himsworth, Gordon Himsworth, Dominique Himsworth, Virginie Himsworth, Christopher Himsworth, David Himsworth, and the company Ancemat.
(3) Companies owned by Himsworth family members.

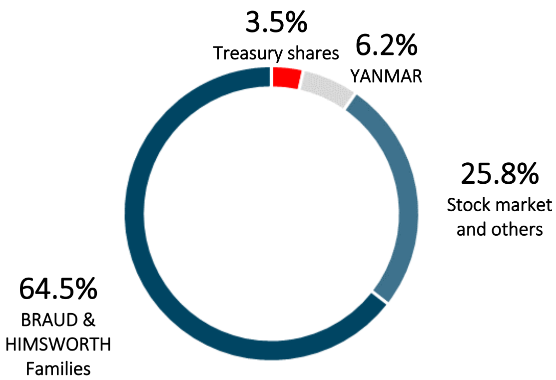
To the company's knowledge, no shareholder other than those mentioned in the table above directly or indirectly holds more than 5% of the capital or voting rights of Manitou BF.

CONTROL OF THE COMPANY

Manitou Group is controlled by the Braud and Himsworth families, who together hold 64.5% of the share capital, 59.3% of which is jointly held. On the date of drafting of this document, Manitou's Board of Directors included four independent Board members, as defined by the Middlenext Corporate Governance Code, to which the Company refers, out of a total of twelve Board members (including the two members representing the employees). The position of Chief Executive Officer is separate from the office of Chairman of the Board of Directors and has been held by Michel Denis, who is independent of the Braud and Himsworth families, since January 13, 2014 (whose office as Chief Executive Officer was renewed on December 21, 2021).

The graph below shows the shareholding structure of Manitou BF as of December 31, 2022 by major shareholder category.

The measures taken to ensure that the Braud and Himsworth Families' control over the Company is not exercised in an abusive manner are described in the "Conflicts of Interest" paragraph of the Corporate Governance Report included in chapter 5.1 ("Governance") of this Universal Registration Document. In addition, the presence of independent directors on the Board of Directors and specialized committees is noted, as well as the separation of the duties of Chairman and Chief Executive Officer.



THRESHOLD CROSSINGS

During fiscal year 2022, the following capital or voting rights thresholds were exceeded, pursuant to Article L233-7 of the French Commercial Code:

- on December 15, 2022, the portfolio management company Mirova crossed the threshold of 1% of shares and voting rights, reaching 1.002% on December 15, 2022 (i.e. 397,631 shares held) via the following funds:
  - FCP Insertion Emplois Dynamique managed by Mirova under delegation from Natixis Investment Managers International;
  - FCP Abeille La Fabrique Impact SRI managed by Mirova.

VARIOUS VOTING RIGHTS

The company's shares do not benefit from any double voting rights.

CORPORATE ACTIONS

During fiscal year 2022, only one corporate action was reported by persons exercising managerial responsibilities or persons closely linked to them, namely the acquisition by Mr. Michel Denis, Chief Executive Officer, of 10,000 shares at a unit price of €21.3709 on May 3, 2022 (AMF declaration DD151737).

COLLECTIVE COMMITMENTS

Legal regime	Signature date	Duration of the Retention Agreement (RA)	Names of signatories who are corporate officers and/or directors and/or partners	Total number of shares submitted to EC	% financial rights	% of voting rights
Art. 787 B of the General Tax Code	03/23/2023	2 years from the signature date	Jacqueline Himsworth	1,699 096	4.28	4.44
			Gordon Himsworth	17,440	0.04	0.05
			ANCEMAT	2,590 000	6.53	6.77
			WECANRENT	923,365	2.33	2.41
			COLIPHIN INVEST	923,365	2.33	2.41
			TRINITY GROUP	923,365	2.33	2.41
			SONAFINA	923,365	2.33	2.41
			Michel Paul Denis	1	0.00	0.00
				7,999 997	**20.17**	**20.90**

Legal regime	Signature date	Duration of the Retention Agreement (RA)	Names of signatories who are corporate officers and/or directors and/or partners	Number of shares held in full ownership	Number of shares held in usufruct	Number of shares held in bare ownership	% financial rights	% of voting rights	Total number of shares submitted to EC
Art. 787 B of the General Tax Code	12/16/2022	2 years and one day tacitly renewable for successive periods of 3 months	Marcel Braud	3,773,464*	5,670 103		23.806	9.513	9,443 567
			HB Holding Braud	473,531		5,670 103	1.194	15.487	473,531
			Michel Paul Denis	1			0.000	0.000	1
				4,246 996	**5,670 103**	**5,670 103**	**25.00**	**25.00**	**9,917 099**
Art. 787 B of the General Tax Code	12/16/2022	2 years and one day tacitly renewable for successive periods of 3 months	Marcel Braud	3,773 464	5,608 263		23.650	9.513	9,381 727
			HB Holding Braud	473,531		5,608 263	1.194	15.332	473,531
			Marcel Claude Braud	61,840			0.156	0.156	61,840
			Michel Paul Denis	1			0.000	0.000	1
				4,308,836	**5,608 263**	**5,608 263**	**25.00**	**25.00**	**9,917 099**
Art. 787 B of the General Tax Code	12/16/2022	2 years and one day tacitly renewable for successive periods of 3 months	Marcel Braud	3,773,464*	5,369 503		23.730	9.510	9,412 967
			HB Holding Braud	473,531		5,639 503	1.190	15.410	473,531
			Valérie Braud	30,600			0.077	0.080	30,600
			Michel Paul Denis	1			0.000	0.000	1
				4,277 569	**5,639 503**	**5,639 503**	**25.00**	**25.00**	**9,917 099**
Art. 787 B of the General Tax Code	12/16/2022	2 years and one day tacitly renewable for successive periods of 3 months	Marcel Braud	3,773,464*	5,585 103		23.730	9.510	9,414 967
			HB Holding Braud	473,531		5,585 103	1.190	15.270	473,531
			Sébastien Braud	28,600			0.072	0.210	28,600
			Michel Paul Denis	1			0.000	0.000	1
				4,275 596	**5,641 503**	**5,641 503**	**25.00**	**25.00**	**9,917 099**
Art. 787 B of the General Tax Code	12/16/2022	2 years and one day tacitly renewable for successive periods of 3 months	Marcel Braud	3,773,464*	5,585,103		23.590	9.510	9,358 567
			HB Holding Braud	473,531		5,585 103	1.190	15.410	473,531
			Émilie Braud	85,000			0.210	0.070	85,000
			Michel Paul Denis	1			0.000	0.000	1
				4,331 996	**5,585 103**	**5,585 103**	**25.00**	**25.001**	**9,917,099**

* *Including 15,000 shares held jointly by Mr. Marcel Braud and Mrs. Liliane Braud-Orhon*

6.3. OTHER INFORMATION ON THE CAPITAL

THE EXISTENCE OF AGREEMENTS WHOSE IMPLEMENTATION COULD RESULT IN A CHANGE OF CONTROL

As of the date of this document, and to the company's knowledge, there is no shareholder agreement or any agreement whose implementation could subsequently result in a change in its control.

ELEMENTS LIKELY TO HAVE AN IMPACT IN CASE OF PUBLIC OFFERING

The structure of the company's share capital is indicated in this chapter 6.

There is no statutory restriction on the exercise of voting rights and transfer of shares with the exception of provisions of the articles of association regarding reporting crossings of thresholds. As of the date of preparation of this document, the company has not been informed of any agreement pursuant to Article L. 233-11.

Direct or indirect participations in the company's share capital of which it has knowledge by virtue of Articles L.233-7 and L. 233-12 are indicated in this chapter 6 (crossing of thresholds).

As of the date of drafting of this document, and to the company's knowledge, there is no holder of the company's securities entailing special control rights.

As of the date of drafting of this document, and to the company's knowledge, there is no employee shareholding system whose control rights have not been exercised.

As of the date of drafting of this document, and to the company's knowledge, there is no employee shareholding agreement likely to entail restrictions on the transfer of shares or the exercise of rights.

The rules applicable to the appointment and replacement of members of the Board of Directors and to amendment of the company's articles of association (which can be found on the company's website) are primarily laid down in the the articles of association as well as the internal regulations of the Board of Directors.

The powers of the Board of Directors with regard to the issue of shares are specified in chapter 5.1.3 ("Table of current delegations and authorities granted by the General Shareholders' Meeting relating to capital increases"). Furthermore, the Board was authorized by the General Shareholders' Meeting of June 16, 2022 (11th resolution) to purchase the company's shares at any time or have them purchased, up to a limit of 10% of the shares comprising the company's capital. The maximum share purchase price in this context is €60 per share, and the overall amount allocated to the share buyback program may not exceed €100 million.

Agreements entered into by the company that would be amended or terminated in the event of a change in control of the company mainly correspond to financing agreements. These financing agreements are described in chapter 7.1 (Note 13 to the consolidated financial statements) of this document and consist of a credit agreement (for a maximum amount of €375 million until July 26, 2027) and three bond issues (one concluded in 2019, respectively for a period of 6 years and an amount of €10 million; a period of 7 years and an amount of €25 million; and a period of 8 years and an amount of €70 million) as well as four bank loans (granted between 2014 and 2022 for €38 million, for which the remaining principal at the end of 2022 was €33.42 million).

The agreements providing for compensation of members of the Board of Directors or employees, if they resign or are dismissed without fair cause or if their job comes to an end as a result of a public takeover bid or exchange offer, are, primarily, those adopted with regard to the Executive and provided for in Chapter 5.2.1.1 (severance payments).

OWNERSHIP THRESHOLDS

Article 9 of the company's articles of association provides that any physical person or legal entity who comes to hold, directly or indirectly, alone or with others, a number of shares representing more than 1% of the company's capital or voting rights, is obliged to inform the company, within fifteen days of the date when the 1% threshold was exceeded, by registered mail with return receipt requested, stating their identity and that of the persons acting in concert with them. This disclosure obligation also applies to each additional fraction of 1% of the capital or voting rights held. This same obligation to disclose applies if the fraction drops below 1% or a multiple thereof. This obligation also applies to the holder of shares in accordance with Article L. 228-1, paragraph eight, of the French Commercial Code for all shares registered to that shareholder.

Any failure to make such declarations where the regulatory thresholds are crossed shall result in the application of the penalties laid down in Article L. 233-14 of the French Commercial Code, provided that a request to that effect is made by one or more shareholders who own at least 3% of the share capital or voting rights and is recorded in the minutes of the Annual General Meeting.

6.4. STOCK MARKET INFORMATION – THE MANITOU BF SHARE

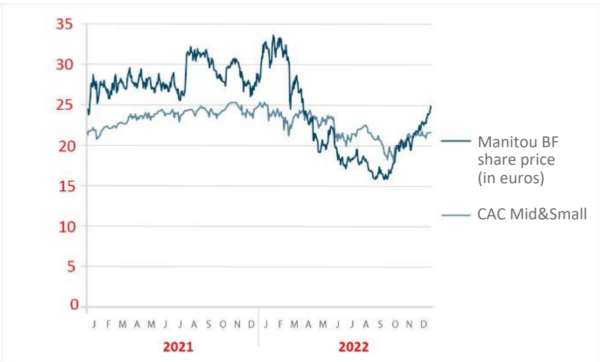
The Manitou BF share is listed in compartment A of the Euronext Paris market and is eligible for the “Long Only” Deferred Settlement System (DSS).

DATA SHEET OF THE MANITOU BF SHARE

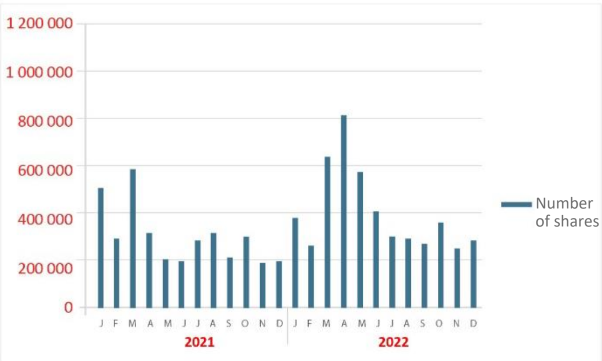
ISIN code	Compartment B of the Euronext
MN0	MTU
Reuters code	MANP PA
Bloomberg code	MTU FP
Presence on the main indexes	CAC ALL SHARES, CAC ALL-TRADABLE, CAC INDUSTRIALS, CAC MID&SMALL, CAC PME, CAC SMALL, EN FAMILY B, ENT PEA-PME 150
Nominal value	€1
Number of shares outstanding as of December 31, 2022	39,668,399
Price as of December 31, 2022	€24.80
Market capitalization as of December 31, 2022	€984 m

PRICE OF THE MANITOU BF SHARE AND NUMBER OF SHARES TRADED

CHANGES IN THE MANITOU BF SHARE PRICE (IN EUROS)



NUMBER OF SHARES TRADED (IN NUMBER OF STOCKS) AT END OF 2022



DETAILED STOCK MARKET INFORMATION

	Share price (in €)			Number of shares traded per month	Market capitalization in €m at the end of the month
	Highest	Lowest	Month end		
2021					
January	29.45	23.60	27.40	502,479	1,087
February	28.50	25.50	26.65	290,691	1,057
March	29.20	26.00	28.60	585,766	1,135
April	29.70	26.65	27.90	312,325	1,107
May	28.30	26.10	27.25	201,458	1,081
June	28.60	26.20	27.00	199,512	1,071
July	29.30	24.75	27.70	279,428	1,099
August	31.85	28.60	30.50	314,058	1,212
September	31.80	28.75	28.95	208,367	1,148
October	29.50	26.10	29.45	302,262	1,168
November	30.50	26.50	26.50	188,205	1,051
December	28.75	25.00	27.55	193,454	1,093
Total				3,578,005	
2022					
January	33.50	27.55	33.10	379,649	1,313
February	33.65	29.80	30.95	261,877	1,228
March	31.55	24.40	25.20	639,908	1,000
April	26.15	20.05	21.55	816,877	855
May	21.90	19.02	21.40	578,577	849
June	22.65	17.22	17.76	410,426	705
July	19.96	17.20	18.60	297,048	738
August	19.40	16.40	16.40	291,893	651
September	17.68	15.80	16.40	273,022	651
October	21.50	16.30	20.65	357,363	819
November	22.30	19.22	21.85	248,971	867
December	24.85	21.40	24.80	283,479	984
Total				4,839 090	

DIVIDEND POLICY

As of the date of drafting of this document, the Board of Directors has not defined a dividend policy. The Board of Directors determines the amount of dividends as a function of the company's performance and outlook.

Amount of dividends distributed over the past three fiscal years:

Period	Number of shares	Dividend per share
2019	39,668 399	€0.50
2020	39,668 399	€0.60
2021	39,668 399	€0.80

The Board of Directors will propose a dividend payment of €0.80 per share to the General Shareholders’ Meeting convened to approve the 2022 financial statements.

7. FINANCIAL AND ACCOUNTING INFORMATION

7.1. CONSOLIDATED FINANCIAL STATEMENTS

7.1.1. STATEMENTS OF COMPREHENSIVE INCOME

CONSOLIDATED INCOME STATEMENT

In thousands of euros	2021	2022
Net sales	1 874 583	2 361 627
Cost of goods & services sold	-1 558 238	-2 049 278
Research & development costs	-27 356	-34 924
Selling, marketing and services expenses	-108 200	-127 376
Administrative expenses	-59 585	-66 659
Other operating income and expenses	2 543	1 247
Recurring operating income	**123 747**	**84 638**
Non-recurring operating income and expenses	-4 560	-2 357
Operating income	**119 188**	**82 281**
Share of profits of associates	2 875	1 986
Operating income including Net income from associates	**122 063**	**84 267**
Financial income	23 773	38 007
Financial expenses	-29 648	-42 270
Financial result	**-5 875**	**-4 263**
Income before tax	**116 188**	**80 004**
Income taxes	-29 178	-24 950
Net income	**87 009**	**55 054**
Attributable to equity holders of the parent	86 757	54 725
Attributable to non-controlling equity interests	252	329

EARNINGS PER SHARE (IN EUROS)

	2021	2022
Net income attributable to the equity holders of the parent	2,27	1,43
Diluted earnings per share	2,27	1,43

OTHER COMPONENTS OF COMPREHENSIVE INCOME AND EXPENSES & COMPREHENSIVE INCOME

In thousands of euros	2021	2022
Income (loss) of the year	**87 009**	**55 054**
Items that will be reclassified to profit of loss in subsequent periods		
Adjustments to fair value of the financial assets	-439	-71
Translation differences arising on foreign activities	19 362	9 422
Interest rate hedging and exchange instruments	-1 993	4 069
Tax impacts	582	-1 034
Items that will not be reclassified to profit or loss in subsequent periods		
Actuarial gains (losses) on defined benefits plans	3 605	5 943
Tax impacts	-1 228	-1 507
Total gains and losses recognized directly in other components of comprehensive income	**19 890**	**16 822**
Comprehensive income of the year	**106 899**	**71 877**
Attributable to equity holders of the parent	106 246	71 609
Attributable to non-controlling interests	654	268

7.1.2. CONSOLIDATED STATEMENT OF FINANCIAL SITUATION

ASSETS

In thousands of euros	December 31, 2021	Net amount as of December 31, 2022
Goodwill	566	3 221
Intangible assets	62 112	69 665
Tangible assets	219 614	256 436
Right-of-use of leased assets	20 064	19 228
Investments in associates	18 818	19 160
Sales financing receivables	4 469	2 343
Other non-current assets	17 806	12 654
Deferred tax assets	17 261	13 062
Non-current assets	360 712	395 770
Inventories & work in progress	532 285	717 978
Net trade receivables	326 312	488 635
Current income tax	13 468	10 084
Other current assets	78 465	89 978
Cash and cash equivalents	194 305	60 704
Assets held for sale	0	0
Current assets	1 144 836	1 367 379
Total assets	1 505 547	1 763 148

EQUITY & LIABILITIES

In thousands of euros	December 31, 2021	Net amount as of December 31, 2022
Share capital	39 668	39 668
Share premiums	46 098	46 098
Treasury shares	-23 998	-23 820
Reserves and profit for the year – equity holder of the parent	688 476	728 874
Equity attributable to owners of parent	750 244	790 821
Non-controlling interests	1 019	759
Total Equity	751 263	791 579
Non-current provisions	43 344	34 833
Non-current financial liabilities	126 638	138 759
Non-current lease debts	16 433	14 973
Other non-current liabilities	5 307	6 654
Deferred tax liabilities	7 605	4 086
Non-current liabilities	199 327	199 304
Current provisions	26 222	26 727
Current financial liabilities	51 686	142 622
Current lease debts	5 091	6 006
Trade payables	312 589	420 341
Current income tax	2 003	4 437
Other current liabilities	157 367	172 132
Current liabilities	554 957	772 265
Total equity & liabilities	1 505 547	1 763 148

7.1.3. CONSOLIDATED SHAREHOLDERS' EQUITY

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

In thousands of euros	Share capital	Share premium	Cumulative translation adjustment	Treasury shares	Consolidated reserves	Attribuable to equity holders of the parent company	Non-controlling interest	Total equity
As of december 31, 2020	39 668	46 098	-12 665	-23 799	613 866	663 167	6 780	669 947
Impact of new standards								
As of january 1, 2021	39 668	46 098	-12 665	-23 799	613 866	663 167	6 780	669 947
Gains and losses recognized in equity			19 152		336	19,488	401	19,890
Net income					86,757	86,757	252	87,009
Comprehensive income	0	0	19 152	0	87 093	106 246	654	106 899
Stock option plan-related expenses								
Dividends paid					-22 966	-22 966	-9	-22 975
Treasury shares				-199	58	-141		-141
Capital increase								
Changes in control of consolidated entities								
Acquisition and disposal of minority interests' shares			-2 120		5 612	3 492	-6 485	-2 993
Purchase commitments for minority interests' shares								
Other					447	447	80	526
As of December 31, 2021	39 668	46 098	4 367	-23 998	684 109	750 244	1 019	751 263
Impact of new standards								
As of January 1, 2022	39 668	46 098	4 367	-23 998	684 109	750 244	1 019	751 263
Gains and losses recognized in equity			9 461		7 423	16 884	-61	16 822
Net income					54 725	54 725	329	55 054
Comprehensive income	0	0	9 461	0	62 148	71 609	268	71 877
Stock option plan-related expenses						0		0
Dividends paid					-30 614	-30 614	-53	-30 667
Treasury shares				178	-89	90		90
Capital increase								0
Changes in control of consolidated entities						0		0
Acquisition and disposal of minority interests' shares			-7		64	57	-268	-212
Purchase commitments for minority interests' shares						0		0
Other					-565	-565	-206	-771
As of december 31, 2022	39 668	46 098	13 821	-23 820	715 054	790 820	759	791 579

7.1.4. CASH FLOW STATEMENT

In thousands of euros	December 31, 2021	December 31, 2022
Net income	87 009	55 054
Income from equity affiliates net of dividends	-25	-1 503
Amortizations and depreciations	53 791	54 911
Provisions and impairments	8 637	3 673
Income tax expense (current and deferred)	29 178	24 950
Other non-cash income and expenses	-448	-87
Cash flow operations	178 142	136 998
Tax paid	-27 706	-20 842
Change in working capital requirement	-1 036	-209 501
Change in capitalized lease machines	-19 413	-11 122
Net cash flow from operating activities	129 986	-104 466
Acquision of intangible assets	-20 325	-20 839
Acquision of tangible assets	-31 530	-72 693
Change in fixed assets payables	503	1 076
Disposals of tangible and intangible assets	10 447	598
Acquisitions of investments in obtaining control, net of cash acquired	0	-3 274
Disposals of investments with loss of control, net of cash transferred	0	0
Others	-717	-862
Net cash flow from investing activities	-41 621	-95 994
Capital increase	0	0
Dividends paid	-22 976	-30 667
Purchase of treasury shares	-199	178
Repurchase of non-controlling interests	-2 993	-212
Change in others financials liabilities and assets	13 967	64 634
Payment of finance lease liabilities	-5 940	-6 405
Others	-1 630	-4 567
Net cash flow from financing activities	-19 771	22 961
Net increase (decrease) in cash, cash equivalents, and bank overdrafts	68 594	-177 499
Cash, cash equivalents and bank overdrafts at beginning of the year	119 818	192 712
Exchange gains (losses) on cash and bank overdrafts	4 300	783
Cash, cash equivalents and bank overdrafts at end of year	192 712	15 996

7.1.5. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements reflect the accounting situation of Manitou BF SA and its subsidiaries (jointly, "Manitou Group") as well as the group's interests in related companies and joint ventures. They are expressed in euros.

The consolidated financial statements of Manitou Group were approved by the Board of Directors on March 2, 2023.

The accounting rules and principles are identified by a box of a specific color.

NOTE 1 ACCOUNTING PRINCIPLES

NOTE 1.1 ACCOUNTING STANDARDS USED BY THE GROUP

The financial statements of Manitou Group as of December 31, 2022 were drawn up, on the balance sheet date, in accordance with the IFRS standards, as adopted by the European Union. These international standards include the IAS (International Accounting Standards), IFRS (International Financial Reporting Standards), and the interpretations (SIC and IFRIC).

NOTE 1.1.1 STANDARDS, INTERPRETATIONS, AND AMENDMENTS TO EXISTING STANDARDS THAT MUST BE APPLIED TO FISCAL YEARS STARTING ON OR AFTER JANUARY 1, 2022

The accounting and valuation rules applied by the group in the consolidated financial statements ending December 31, 2022 are identical to those used in the financial statements ending December 31, 2021.

The other standards, interpretations, and amendments of existing and applicable standards that must be applied from the beginning of fiscal year 2022 have no significant impact on the group's financial statements, to include:

- amendments to IAS 37: loss-making contracts – costs to be taken into account to recognize a loss allowance;
- amendments to IFRS 3: update of references to the conceptual framework;
- amendments to IAS 16: recognition of income generated prior to the start-up of an asset;
- annual improvements 2018-2020 cycle: amendments to IFRS 1, IFRS 9, IAS 41, and IFRS 16.

NOTE 1.1.2 STANDARDS, INTERPRETATIONS, AND AMENDMENTS TO EXISTING STANDARDS APPLICABLE IN ADVANCE TO FISCAL YEARS STARTING ON OR AFTER JANUARY 1, 2022

The new standards, interpretations and amendments of existing and applicable standards, applicable by anticipation to accounting periods starting from January 1, 2022 onwards, have not been adopted by the group:

- amendment to IAS 1 – disclosure of material accounting policies ("material" as defined in IAS 1);
- amendment to IAS 8 – definition of an accounting estimate;
- amendment to IAS 12 – deferred taxes on assets and liabilities arising from the same transaction;
- amendment to IFRS 16– lease liability in a sale and leaseback transaction.

NOTE 1.2 ESTIMATES AND ASSUMPTIONS

The consolidated financial statements were prepared according to the historical cost principle, with the exception of certain categories of assets and liabilities which were valued at fair value in accordance with the rules laid down by IFRS. The asset and liability categories concerned are specified in the notes below.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the accounting value of certain assets and liabilities and income and expense items, and certain information given in the notes to the financial statements. The group regularly reviews the estimates and assumptions used, to reflect past experience and other factors that may influence the amounts reported in the financial statements. The Audit Committee was also required to provide its opinion in the application of the group's accounting methods.

The main financial statement items that rely on estimates and judgments are as follows:

- the recoverable value of intangible and tangible assets, as well as their expected useful life (see note 7);
- provisions, especially for warranties and litigation (see note 11);
- employee benefits (see note 6);
- valuation of the financial instruments (see note 13.2.2);
- deferred tax assets (see note 12);
- valuation of rights-of-use of leased assets and lease liabilities (see note 8).

The income and expenses related to the Covid-19 pandemic are recognized as ordinary operating income and expenses, with the exception of income and expenses typically recognized as non-operating income/expenses in accordance with previously applied accounting principles.

NOTE 2 SIGNIFICANT EVENTS

	Note
War in Ukraine	Note 4
Lifttek Acquisition	Note 3.2
Takeover of the assets of ATN	Notes 7.1 and 9.1
Signature of a new 375 million euro credit agreement	Note 13
Developments in the JCB dispute	Note 11.2

NOTE 3 CONSOLIDATION SCOPE

ACCOUNTING PRINCIPLES

CONSOLIDATION METHODS

Manitou BF and the companies over which it exercises full direct or indirect control (subsidiaries) are fully consolidated. Control exists when the group:

- has power over the company;
- is exposed or entitled to variable returns due to its links with the company;
- has the ability to exercise its power over the activities of the company that it deems relevant so as to influence the amount of returns it obtains.

The companies over which Manitou BF directly or indirectly exercises significant influence (associates) are accounted for using the equity method. The group exercises significant influence when it holds more than 20% of the voting rights in the company.

Manitou Group also consolidates companies under its joint control (joint ventures) using the equity method. Joint control is a partnership that entails common control over the company by the group and at least one other partner.

Apart from Manitou Group Finance and Manitou Finance Ltd., which were accounted for using the equity method, all companies were fully consolidated.

Consolidation using the equity method involves recognizing its stake in the companies in the group's consolidated statement of financial situation.

All the companies were consolidated on the basis of the financial statements ended December 31, 2022.

Manitou Group has no special purpose entities. Furthermore, there was no deconsolidation in the fiscal year or in the prior periods.

All transactions between consolidated subsidiaries and the group’s internal results are eliminated (capital gains, profits or losses on inventories, dividends).

The results of acquired subsidiaries are consolidated at the time that control is exercised.

CHANGE IN SCOPE

The business combinations that took place after January 1, 2010 are accounted for using the purchase method, in accordance with IFRS 3 “Business Combinations.”

Identifiable assets and any assets and liabilities from the acquisition are accounted for at their fair value on the date of acquisition provided they fulfill the accounting criteria of IFRS 3 (revised). Residual goodwill represents the expected cash flow from post-acquisition synergies in addition to the assets and liabilities recognized during the first consolidation. The transaction costs are recognized immediately in expenses when they are incurred. In the event of a price adjustment in the 12 months following the date of acquisition, the initial provisional valuation is adjusted in exchange for goodwill. Any subsequent adjustment is recognized as a liability or a receivable through the group’s income.

In the event of acquisition of an additional interest in a consolidated subsidiary, the difference between the acquisition price and the accounting value of the non-controlling interests is recognized as a change in shareholders' equity.

Any negative difference between the acquisition cost and the fair value of the identifiable net assets is recognized as income during the acquisition period.

In accordance with the provisions of IAS 36 “Impairment of assets,” goodwill is not amortized, but is subject to an annual impairment test.

NON-CURRENT ASSETS HELD FOR SALE

The non-current assets, or group of assets and liabilities directly linked, are considered as held for sale if it is highly likely that their accounting value will be covered primarily by a sale rather than by continued use. Pursuant to IFRS 5, these assets are then measured and recognized at their net book value or their fair value less the selling costs, whichever is the lowest. They cease to be depreciated as soon as they are qualified as assets held for sale. In the case of securities consolidated using the equity method, this consolidation stops as soon as the asset meets the IFRS 5 application conditions.

According to IFRS 5, a discontinued activity is a component of an entity that has been disposed of or is classified as held for sale, and:

- represents a primary and separate business line or geographic region;
- is part of a unique and coordinated plan for disposal of a primary and separate business line or geographical region, or
- is a subsidiary acquired exclusively for resale and the disposal entails loss of control.

The non-current assets held for sale are presented on a separate line of the group’s balance sheet, without the previous periods being restated.

TRANSLATION METHOD FOR FOREIGN CURRENCY OPERATIONS AND TRANSACTIONS

TRANSLATION OF FINANCIAL STATEMENTS IN FOREIGN CURRENCIES

The consolidated financial statements of the group are presented in euros.

The financial statements of group companies whose operating currency (currency of the primary economic environment, which is typically the local currency) is different from the reporting currency of the consolidated financial statements (the euro) are translated as follows:

- assets and liabilities: at the closing exchange rate in effect on each balance sheet date (also called the closing rate);
- income and expenses on the income statement: at the average exchange rate for the period. All resulting currency translation differences are recognized as a separate line item under shareholders’ equity.

Upon consolidation, exchange differences arising from net investments in foreign operations are allocated to shareholders’ equity. When a foreign entity is disposed of, any such currency translation differences are recognized in the income statement as a profit or loss on disposal.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing exchange rate.

No Manitou Group company operates in a hyperinflationary economy.

TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in a currency other than the operating currency are initially translated using the exchange rate prevailing on the transaction date.

The amounts recognized in the income statement are reported:

- as financial income for currency translation differences relating to financial transactions;
- as costs of goods and services sold in operating income for other currency translation differences.

EXCHANGE GAINS AND LOSSES

Exchange gains and losses recognized on foreign currency operating transactions resulting from the difference between the valuation at the exchange rate on the day of the transaction and the rate on the day of settlement are allocated to “Cost of goods and services sold,” after hedging derivatives are factored in.

NOTE 3.1 CHANGES IN SCOPE

FISCAL YEAR 2022

Company	Country	Transaction date	% interest As of December 31, 2021	% interest As of December 31, 2022
ACQUISITION				
MN-Lifttek Oy	Finland	May 2022	-	100.0%
ADDITIONAL INVESTMENT				
LiftRite Hire & Sales Pty Ltd	Australia	Dec. 2022	95.5%	100.0%

In May 2022, Manitou Group acquired a stake of 86% in its Finnish dealer Lifttek, based near Helsinki.

Lifttek is a company specialised in the import, the sale and after-sale service of lifting equipement, with a strong focus on Manitou products. Its customers are mainly machine rental companies, construction and agriculture companies.

With a turnover of 7.4 million of euros in 2022, the company has 30 employees and 3 sites in the Vantaa (Helsinki area) and Tampere cities.

Lifttek is fully consolidated since May 2, 2022.

Call and put options have been entered into with minority shareholders on 14% of the capital. The Group takes these options in the percentage interest's calculation, which is 100% at December 31, 2022. A discounted liabilities of 0.9 million of euros has been recognised.

No disposals occurred during the period.

In December 2022, Manitou Group completed its investment in LiftRite Hire and Sales Pty Ltd (Australia) and now owns 100% of the company's share capital. The impact of this transaction is not significant for the group's financial statements.

A new company, Manitou Center Singapore, was created in Singapore to operate the Manitou Center activities previously owned by Manitou Asia.

FISCAL YEAR 2021

The group did not acquire or sell any new entity in 2021.

It acquired additional investments in companies that are already fully consolidated:

Company	Country	Transaction date	% interest As of December 31, 2020	% interest As of December 31, 2021
Manitou Southern Africa Pty Ltd	South Africa	May 2021	74.0%	100.0%
LiftRite Hire & Sales Pty Ltd	Australia	March 2021	50.5%	95.5%

The impact of these transactions is not significant for the group's financial statements.

A new company, Manitou Centre SA, was created in South Africa to operate the Manitou Center activities previously owned by Manitou South Africa.

GROUP COMPOSITION AND DEVELOPMENT

	December 31, 2021	December 31, 2022
FULL CONSOLIDATION		
Production companies	5	5
Distribution companies	26	28
SUBTOTAL	31	33
Other companies	5	6
TOTAL	36	39
CONSOLIDATED USING THE EQUITY METHOD		
Financing companies	2	2
TOTAL	38	41

NOTE 3.2 IMPACT OF ACQUISITIONS

The accounting recognition of the grouping of the MN-Lifttek Oy company was performed on a provisional basis.

in thousands of euros	MN-Lifttek Oy
Cost of acquisitions	-4,333
Cash and cash equivalents of subsidiaries acquired	1,059
Change in debt on acquisition of shares	-934
Acquisition of subsidiaries net of cash flow acquired	-4,208
Disposal of subsidiaries net of cash flow transferred	0
Impact of acquisitions and disposals on group cash flow	-4,208

in thousands of euros	MN-Lifttek Oy
Net cash flow of companies acquired	1,059
Intangible and tangible assets	428
Right-of-use of leased assets	546
WCR	1,109
Current and non-current provisions	0
Current financial assets	16
Rental liabilities	-546
Fair value of assets net of additional shareholdings	2,612

Preliminary allocation of the acquisition price as of June 31, 2022 is presented in the table below:

in thousands of euros	MN-Lifttek Oy
Cost of acquisitions (in cash)	5,267
Fair value of assets net of shareholdings acquired	2,612
Goodwill	2,655

The determination of goodwill is preliminary as of December 31, 2022; the estimate of the fair value of the consideration transferred and its allocation was being analyzed at the closing date.

The contribution to the main aggregates of the consolidated income statement of the acquisition is as follows:

in thousands of euros	2022	2022 Constant scope*	Difference
Net sales	2,361,627	2,358,729	2,899
Recurring operating income	84,638	84,296	342
% net sales	3.6%	3.6%	11.8%

The entry of MN-Lifttek Oy into the 2022 financial year had an impact of €2.9 million on consolidated revenue.

** Constant scope is characterized by the following:*

- *for companies acquired in N-1: deduction of their contribution from January 1st of the current fiscal year to the anniversary month of their acquisition;*
- *for companies acquired in N: deduction of their contribution from the anniversary month of their acquisition to December 31st of the current fiscal year.*

NOTE 4 WAR IN UKRAINE

The Russian-Ukrainian war has limited repercussions on the Group's activity, which suspended its shipments of machines to Russia and Belarus from the first days of the conflict.

In 2021, the group's revenue in Russia, Ukraine and Belarus was around 4% of its consolidated revenue. The order book in this same zone was around 6% of the order book at December 31, 2021.

The group doesn't provide directly from Ukraine, Belarus or Russia. To date, despite increasing pressure on the provision of raw materials and components, the group hasn't had any difficulties in obtaining components specifically from its suppliers that could be impacted by the war in Ukraine.

The emergence of the conflict is contributing to the acceleration of inflation in energy and raw materials that has been observed for several months. These increases have impacts on the Group's profitability.

The group has a subsidiary in Russia. Since March 2022, the sales of this subsidiary have been limited to the distribution of spare parts. At the date of publication of this report, the group has no customer risks to its activities in these countries and the financial situation of the subsidiary should satisfy its liquidity needs for the whole of 2023.

NOTE 5 OPERATIONAL DATA

NOTE 5.1 SECTOR INFORMATION

NOTE 5.1.1 RESULT BY DIVISION

ACCOUNTING PRINCIPLES

In accordance with IFRS 8, the information by operating segment is prepared on the basis of operating reports submitted to group management.

This information is prepared in accordance with the IFRS applicable to consolidated financial statements.

It includes the following items:

- net sales;
- operating income;
- operating income including net income from equity associates, which are the performance indicators of the divisions.

The information on operating segments is communicated on the basis of the group operational organization, with two divisions:

- the Product division includes all French, Italian, American, and Indian production sites dedicated in particular to telehandlers, industrial masted forklift trucks and all-terrain trucks, truck-mounted forklifts, aerial work platforms, compact wheel loaders, compact track loaders, and articulated compact loaders, backhoe loaders and telescopic loaders. Its mission is to optimize the development and production of Manitou, Gehl, and Mustang by Manitou brand name products;
- the S&S (Services & Solutions) division includes service activities to support sales (financing approaches, warranty contracts, maintenance and full service contracts, fleet management, etc.), after-sales services (spare parts, technical training, warranty contract management, used equipment management, etc.) and services to end users (geolocation, user training, advice, etc.). The aim of this division is to create service offers to meet the expectations of each of our customers in our value chain and increase the resilience of group sales.

These two divisions design and assemble the products and services that are distributed by the sales and marketing organization to dealers and the group's major accounts in 140 countries.

In thousands of euros	Product division		S&S division		TOTAL	
	2021	2022	2021	2022	2021	2022
Net Sales	1 534 832	1 971 774	339 751	389 854	1 874 583	2 361 627
Cost of goods & services sold	-1 310 977	-1 767 637	-247 261	-281 641	-1 558 238	-2 049 278
Gross margin	**223 855**	**204 137**	**92 490**	**108 213**	**316 345**	**312 349**
As a %	**14,6%**	**10,4%**	**27,2%**	**27,8%**	**16,9%**	**13,2%**
Research & development costs	-27 356	-34 924	0	0	-27 356	-34 924
Selling, marketing & service expenses	-59 214	-71 779	-48 986	-55 597	-108 200	-127 376
Administrative expenses	-48 181	-55 287	-11 403	-11 371	-59 585	-66 659
Other operating income and expenses	2 185	1 525	359	-278	2 543	1 247
Recurring operating profit	**91 289**	**43 671**	**32 459**	**40 967**	**123 747**	**84 638**
As a %	**5,9%**	**2,2%**	**9,6%**	**10,5%**	**6,6%**	**3,6%**
Non-recurring operating income and expenses	-4 083	-2 188	-476	-168	-4 560	-2 357
Operating income	**87 205**	**41 483**	**31 982**	**40 798**	**119 188**	**82 281**
As a %	**5,7%**	**2,1%**	**9,4%**	**10,5%**	**6,4%**	**3,5%**
Share of profits of associates	0	0	2 875	1 986	2 875	1 986
Operating Income including Net Income from associates	**87 206**	**41 483**	**34 857**	**42 785**	**122 063**	**84 267**

The spare parts and accessories distribution business, which is integrated within the Services & Solutions division, benefits from services provided by the Product division (R&D, qualification of parts, qualification of suppliers), the already existing basis of sold units, as well as the brand name recognition built by those divisions.

In order to compensate for all of these benefits, the group's divisional reporting includes fees from the Services & Solutions division to the Product division. This fee is calculated based on comparable indicators of external independent spare parts distributors for which the median operating income over a five year period amounted to 3.90% in Europe and the US, the main regions in which the S&S division operates. That fee is included in the line item «Cost of goods and services sold» of each division, which therefore includes the charges related to goods and services sold plus or minus the interdivision fees.

Assets, cash flows or even liabilities are not allocated to the individual divisions, as the operating segment information used by the group's management does not incorporate those various item.

NOTE 5.1.2 NET SALES BY DIVISION AND GEOGRAPHICAL REGION

Net sales 2021					in millions of euros and % of total	Net sales 2022				
SOUTHERN EUROPE	NORTHERN EUROPE	AMERICAS	APAM*	TOTAL		SOUTHERN EUROPE	NORTHERN EUROPE	AMERICAS	APAM*	TOTAL
485	628	276	146	1 535	Product division	690	733	364	185	1 972
26%	*33%*	*15%*	*8%*	*82%*		*29%*	*31%*	*15%*	*8%*	*83%*
117	122	58	42	340	S&S division	140	130	72	48	390
6%	*7%*	*3%*	*2%*	*18%*		*6%*	*5%*	*3%*	*2%*	*17%*
602	750	335	188	1 875	TOTAL	830	862	436	233	2 362
32%	*40%*	*18%*	*10%*	*100%*		*35%*	*37%*	*18%*	*10%*	*100%*

** Asia, Pacific, Africa, Middle East*

THE MAIN COUNTRIES AS A % OF NET SALES

as a %	2021	2022
France	18%	20%
United States of America	13%	13%
United Kingdom	10%	10%
Italy	7%	8%
Germany	5%	6%
Spain	4%	4%
Belgium	4%	4%
Australia	4%	4%
Poland	3%	3%
Canada	3%	3%

NOTE 5.2 OPERATING INCOME

ACCOUNTING PRINCIPLES

The operating income includes all recurring and non-recurring items described below, before taking into account the financial result, income tax, and the group's share of the net income from equity associates. It includes:

- net sales (note 5.2.1);
- the cost of goods and services sold (note 5.2.2);
- research and development costs (note 5.2.3);
- sales, marketing, and services costs and administrative expenses (note 5.2.4);
- other operating income and expenses (note 5.2.5);
- non-recurring operating income and expenses (note 5.2.6).

The group uses operating income as a primary performance indicator.

NOTE 5.2.1 NET SALES

ACCOUNTING PRINCIPLES

Revenues amount to all proceeds from the sales of the group's products, from trading activities, and the provision of services associated with sales. They are primarily comprised of:

- sales of new handing equipment assembled within the group or acquired from third parties;
- spare parts and attachments;
- equipment rentals;
- equipment fleet management services;
- miscellaneous services (extended warranties).

They are net of:

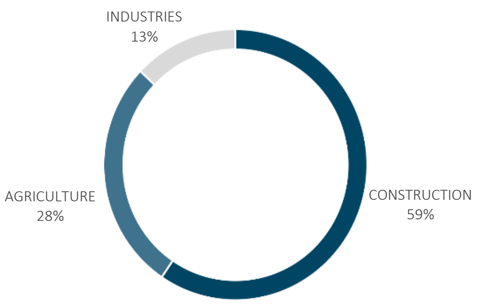
- value-added tax;
- returns of goods;
- discounts and allowances;
- intra-group sales.

In accordance with IFRS 15, product sales are recognized when the group has honored its service commitment to the purchaser and when control over the products has been transferred. In general, this corresponds to when the products are made available to the distribution network (in the case of independent dealers) or upon delivery to the end customer (for direct sales). In the case of provision of services, the product is recognized when the service has been performed. Thus, for warranty extensions, the revenue is recognized as the service is provided.

NET SALES BY TYPE AND GEOGRAPHICAL REGION

	Sales of goods				Sales of services				TOTAL			
in millions of euros	2021	as a %	2022	as a %	2021	as a %	2022	as a %	2021	as a %	2022	as a %
Southern Europe	584	32%	812	35%	18	40%	18	36%	602	32%	830	35%
Northern Europe	738	40%	850	37%	12	25%	13	26%	750	40%	862	37%
Americas	333	18%	434	19%	2	4%	2	4%	335	18%	436	18%
APAM	174	10%	216	9%	14	31%	17	34%	188	10%	233	10%
TOTAL	1,829	100%	2,312	100%	46	100%	49	100%	1,875	100%	2,362	100%

NET SALES BY MARKET



Services are sold exclusively by the S&S (Services & Solutions) division. The amount of revenue from sales of services is therefore attributable to this division alone.

The group's customer base is very diverse, with the largest customer representing no more than 2% of total revenue.

NOTE 5.2.2 COST OF GOODS AND SERVICES SOLD

ACCOUNTING PRINCIPLES

COST OF GOODS AND SERVICES SOLD

The cost of sales is made up of the cost of goods and services sold, which comprises the cost of raw materials and components, labor directly attributable to the goods or services, and all related production and logistics operating costs. It also includes the amortization of intangible assets, equipment and materials allocated to production, contractual warranty costs, provisions for inventory impairment, and exchange gains and losses on operating income in foreign currency resulting from the difference between the valuation at the exchange rate on the day of the transaction and the rate on the day of settlement.

MARGIN ON COST OF SALES

The margin on the cost of sales is the difference between sales and the cost of sales.

in thousands of euros	2021	2022
Material purchases	-1,206,725	-1,623,777
Direct and indirect labor	-191,203	-224,550
Depreciation, amortization and impairment*	-41,447	-42,217
Other	-118,862	-158,734
Cost of goods and services sold	-1,558,238	-2,049,278

** Of which €3.9 million in IFRS 16 impacts in 2022 (€3.4 million in 2021).*

NOTE 5.2.3 RESEARCH AND DEVELOPMENT COSTS

ACCOUNTING PRINCIPLES

RESEARCH AND DEVELOPMENT COSTS

Research and development costs consist of personnel costs for staff assigned to innovation, development, design, prototyping, and product improvements. The businesses frequently use external services as well as dedicated equipment and materials for which depreciation is charged to the function.

Development activities meeting the criteria of IAS 38 may be recognized in intangible assets and subsequently amortized in cost of sales (note 7.1).

The expenses of the fiscal year include research costs, study and development costs uncapitalized pursuant to the criteria noted in 7.1, as well as the depreciation expense of capitalized development costs.

The Research Tax Credit in France, which is calculated on the basis of certain research expenses associated with “eligible” projects, is paid by the State. If the beneficiary of the Research Tax Credit owes corporate tax, this credit will be deducted against taxes to be paid; otherwise, it will be repaid by the State within three years. Therefore, the Research Tax Credit does not fall within the scope of IAS 12 “Income taxes” and is recognized as a decrease in the Research and Development costs in the group's operating margin at the rate at which the financed costs are recognized in the income statement.

in millions of euros	2021	2022
Total expenses incurred	41,753	48,865
Capitalized development costs	-14,397	-13,941
Total research and development costs	27,356	34,924

NOTE 5.2.4 SALES, MARKETING, AND SERVICE COSTS AND ADMINISTRATIVE EXPENSES

ACCOUNTING PRINCIPLES

SALES AND MARKETING COSTS

Sales costs consist primarily of personnel and associated costs allocated to business development assignments, coordination of dealer networks, and marketing and technical expenses. This line item also includes sales commissions, advertising costs, trade shows, credit insurance expenses, the cost of sales warranties, travel expenses, and the depreciation of associated infrastructure.

ADMINISTRATIVE EXPENSES

Administrative expenses consist primarily of personnel expenses and costs associated with the support functions (human resources, finance, general secretariat, etc.). They also include depreciation of the infrastructure associated with these functions.

in thousands of euros	2021	2022
External expenses	-49,770	-61,352
Personnel expenses	-97,025	-109,486
Net depreciation/amortization expenses (non-production)*	-9,849	-9,320
Other**	-11,140	-13,877
Sales, marketing, and service costs and administrative expenses	-167,785	-194,034

** Of which €2.7 million in IFRS 16 impacts in 2022 (€2.9 million in 2021).*
*** Primarily concerns commissions.*

NOTE 5.2.5 OTHER OPERATING INCOME AND EXPENSES

in thousands of euros	2021	2022
Disposal of assets	-76	-112
Other income	3,044	2,150
Other expenses	-1,470	-2,494
Net increase in provisions	1,045	1,703
Total other operating income and expenses	2,543	1,247

NOTE 5.2.6 NON-RECURRING OPERATING INCOME AND EXPENSES

ACCOUNTING PRINCIPLES

NON-RECURRING INCOME AND EXPENSES

The other non-recurring operating income and expenses, excluded from the recurring operating income, include:

- impairment;
- income from significant or unusual disposals of tangible and intangible assets;
- acquisition and consolidation expenses;
- income relating to "Badwill";
- income from disposals of consolidated securities;
- restructuring costs;
- unusual items corresponding to other income and expenses that are not usual in terms of their frequency, nature, and amount.

in thousands of euros	2021	2022
Staff costs associated with restructuring	33	-38
Impairment of financial assets		0
Net provisions for risks and contingencies	-1,501	298
Other non-recurring income and expenses	-3,091	-2,617
Total other operating income and expenses	-4,560	-2,357

In 2022, this result included net operating expenses of 2.4 million euros, including 0.8 million euros due to storm damage at the Madison site in the United States, as well as expenses of 0.6 million euros in connection with acquisition projects and legal fees of 0.6 million in connection with an ongoing dispute.

In 2021, other non-recurring income and expenses included net operating income in the amount of -€4.6 million, of which €3.3 million was proceeds from the sale of land and buildings, an expense of €3.2 million related to the launch of an outsourcing process for the pension plan, and attorney fees in the amount of €3.8 million as part of ongoing litigation.

NOTE 5.2.7 EBITDA

in thousands of euros	2021	2022
Operating income	119,187	82,281
Amortization and depreciation	54,857	54,908
EBITDA with lease commitments	174,044	137,189
Cancellation of the lease payment charge on contracts previously classified as operating leases	-7,008	-7,538
EBITDA without lease commitment	167,036	129,651

NOTE 6 EMPLOYEE BENEFITS

NOTE 6.1 HEADCOUNT

	December 31, 2021	December 31, 2022
Managers	1,175	1,413
Supervisory staff	74	80
Technicians (ETD)	1,261	1,398
Manual workers	1,952	2,118
Total	4,462	5,009

NOTE 6.2 BREAKDOWN OF PERSONNEL EXPENSES BY TYPE

in thousands of euros	2021	2022
Salaries, bonuses, and indemnities*	-195,740	-226,404
Profit-sharing	-14,556	-13,217
Employee benefits	-6,450	-8,188
Social charges and payroll taxes	-63,331	-72,588
Personnel expenses excluding temporary employees and rebilling	-280,076	-320,397
Temporary employees and other	-34,376	-42,454
Total personnel expenses	-314,452	-362,850

* *Before capitalization of R&D costs.*

NOTE 6.3 EMPLOYEE BENEFITS

ACCOUNTING PRINCIPLES

The group has put in place a number of employee benefit plans with defined contributions or defined benefits.

- The defined contribution plans are post-employment benefit plans under which Manitou Group pays contributions to an independent entity. In this case, the group is not bound by any legal or implicit requirement that compels it to make additional contributions in the event that the assets are not sufficient to pay the benefits due for services rendered. The contributions are accounted for as an expense when they fall due.
- The liabilities resulting from defined benefit schemes, and their costs, are calculated according to IAS 19 (revised), using the projected unit credit method. Liabilities for benefits granted are assessed taking into account the demographic and economic assumptions for each entity concerned. They are discounted to their present value using a discount rate based on the interest rates for the highest-quality bonds. The various categories of defined benefit plans in place within Manitou Group and the main assumptions used are presented in detail below.

Actuarial gains and losses generated by changes in assumptions are recorded in reserves.

The net expense for the period is the sum of the cost of services rendered, the cost related to unwinding the discount, the expected return on plan assets, and, if applicable, the cost of managing the assets.

NOTE 6.3.1 DEFINITION

The defined benefit plans that result in the recognition of a provision relate to:

- employee indemnities related to retirement or contract completion;
- other long-term benefits such as long service awards;
- pension schemes and other retirement benefits for certain employees;
- a supplementary pension scheme for certain management employees in the USA;
- medical insurance and post-employment life insurance.

These defined benefit schemes are usually covered by funds paid to insurance companies, which are valued at their fair value at year end. The value of these funds is deducted from the commitment valued in accordance with the provisions of IAS 19 (revised). The characteristics of the primary schemes are as follows:

	United States of America	United States of America	United Kingdom	France	Italy
	Pension plan b	SERP	Pension	Retirement indemnity	Severance pay
Description	A "qualified" post-employment benefits plan that was closed to new members as of May 1, 2005 and frozen in terms of the acquisition of rights for all participants as of October 3, 2009. The benefits attributed are the greater of 1% of final salary multiplied by the number of years of service (capped at 35 years) or $22 per year of service.	A "non-qualified" post-employment benefits plan including a limited number of designated beneficiaries on the basis of individual agreements. One active employee is currently in the plan; all the other beneficiaries are former employees. The benefits granted under this plan are calculated based on a percentage of final average earnings.	Final salary-based scheme, frozen to new entrants and to the acquisition of new rights.	Amount paid at the time of retirement calculated based on years of service and final salary. This plan corresponds to the legal obligations (national collective agreement of engineers and metallurgy supervisors).	Amount paid at the time of retirement calculated based on years of service and final salary. This plan complies with legal requirements and has been frozen since 2007.
Plan risks	Investment risk, life expectancy risk, and interest rate risk.	Interest rate risk and life expectancy risk.	See below	Volatility of the benefit disbursement amounts depending on the effective retirement date.	Volatility of the benefit disbursement amounts depending on the effective departure date of employees hired before 2007.
Investment strategy	A combination of 60% in equities and the remainder in fixed-income instruments. The aim of this strategy is to grow the plan assets faster than its liabilities and to fund the minimum contribution in accordance with US law (ERISA and the Internal Revenue Code).	Although not considered as plan assets, the plan is financed via a Rabbi trust.	See below	Insurance contract making the funds invested immediately available. Assets characterized by the low volatility of their yield.	Lack of asset.

Pension UK: in 2022, the group transferred the management of the assets to an insurance company (buy-in). Because of this buy-in, the risks of the plan are very limited since the previous risks (investment and life expectancy) are no longer relevant. The investment strategy is also placed on this buy-in contract. This transaction generated an estimated loss of 5 million euros recorded as an actuarial loss.

NOTE 6.3.2 EVOLUTION

KEY ACTUARIAL ASSUMPTIONS USED

	France		United Kingdom		Italy		United States of America		India	
	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022
Salary trends	4.00%	4.30%	n/a	n/a	n/a	n/a	n/a	n/a	10.00%	10.00%
Pension increases	n/a	n/a	5.00%	5.00%	n/a	n/a	n/a	n/a	n/a	n/a
Financial discount rate	1.10%	3.70%	1.85%	4.80%	1.10%	3.70%	2.70%	5.35%	6.70%	7.50%

A change of -0.5% in the discount rate would have the following impact on the actuarial debt (DBO) and the cost of an additional year (SC):

in thousands of euros	Europe (inc. France)	United Kingdom	United States of America	India	TOTAL
Impact on the actuarial liability (DBO)	1,641	692	1,606	75	4,014
Impact on the cost of an additional year (SC)	163	0	7	13	183

Salary increases are assumed for each country as the sum of inflation assumptions and forecasts of individual increases.

The turnover and mortality rates reflect the specific characteristics of each country and each company. The turnover rate used varies according to the age and status of the individuals concerned. As of December 31, 2022, the use of the RPEC MP-2021 mortality table published by the SOA (Society of Actuaries) in October 2021 to calculate commitments in the United States did not have an impact on the discounted debt.

The rate used to discount liabilities is determined with reference to a market rate on the reporting date based on top-quality corporate bonds.

The healthcare inflation rate used was 6,50% as of December 31, 2022. A change of 1% in healthcare inflation would have an impact on the actuarial liability (DBO) of +€0.1 million and would have no impact on the cost of an additional year (SC).

The calculation of retirement benefits in France is based on voluntary departure by the employee, which implies that the commitment includes social security charges. The rates used for social security charges in assessing the commitment for 2022 are between 37% and 55%, depending on the entities and the occupational categories concerned.

The retirement age used to calculate retirement benefits and supplementary pension was determined in compliance with the applicable legislation in the countries concerned.

BREAKDOWN OF PLAN ASSETS (AS A %)

The breakdown of plan assets as of December 31, 2022 was as follows:

	31.12.2021			31.12.2022		
	France	United Kingdom	United States	France	United Kingdom	United States
Shares	13.40%		0.13%	13.90%		0.13%
Bonds	77.60%	94.08%	97.20%	73.70%		77.20%
Other plan assets	9.00%	5.92%	2.68%	12.40%	100.00%	22.66%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

RECONCILIATION OF BALANCE SHEET LINE ITEMS

The provision is broken down by country as follows:

						31.12.2022
in thousands of euros	France Retirement Indemnities	France Other	United Kingdom	United States of America	Other	Total
Current value of the obligation	20,572	1,301	9,676	40,500	3,378	75,427
Fair value of the financial assets	3,119		10,194	37,109	1,372	51,794
(Provisions) net assets recognized in the balance sheet	-17,453	-1,301	518	-3,391	-2,006	-23,633
				Of which:	Provision	-25,409
					Assets	1,775

						31.12.2021
in thousands of euros	France Retirement Indemnities	France Other	United Kingdom	United States of America	Other	Total
Current value of the obligation	28,130	1,540	15,830	50,036	3,689	99,225
Fair value of the financial assets	3,069		21,826	46,306	1,464	72,664
(Provisions) net assets recognized in the balance sheet	-25,061	-1,540	5,995	-3,730	-2,225	-26,561
				Of which:	Provision	-34,430
					Assets	7,869

CHANGE IN COMMITMENTS AND PLAN ASSETS DURING THE YEAR

	France		United Kingdom		United States of America		Other		Total	
in thousands of euros	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022
Commitment										
Beginning of published period	**34,068**	**29,670**	**16,344**	**15,830**	**51,556**	**50,053**	**3,225**	**3,689**	**105,192**	**99,242**
Effect of applications of new standards	-5,606								-5,606	0
Beginning of restated period	**28,462**	**29,670**	**16,344**	**15,830**	**51,556**	**50,053**	**3,225**	**3,689**	**99,586**	**99,242**
Service costs	2,784	2,616			139	136	235	295	3,158	3,047
Discounting	256	351	228	285	1,137	761	57	131	1,678	1,528
Benefits paid	-594	-670	-596	-527	-4,526	-4,651	-153	-211	-5,869	-6,058
Liquidation/reduction and other									0	0
Past service costs									0	0
Additions to the scope of consolidation									0	0
Actuarial losses (gains) – experience and demographic assumptions	-258	-484		833	-139	667	279	153	-117	1,168
Actuarial losses (gains) – financial assumptions	-980	-9,610	-1,466	-6,298	-2,373	-10,207	-14	-643	-4,832	-26,758
Other costs			215	172	205	499	-13	25	407	696
Exchange rate adjustment			1,105	-619	4,054	3,259	73	-62	5,232	2,578
End of period	**29,670**	**21,873**	**15,830**	**9,677**	**50,053**	**40,517**	**3,689**	**3,378**	**99,242**	**75,444**
Plan assets										
Beginning of period	**3,175**	**3,069**	**21,511**	**21,826**	**43,910**	**46,324**	**1,188**	**1,464**	**69,783**	**72,683**
Employer contributions			582	0	2,367		105	153	3,054	153
Benefits paid	-471	-599	-596	-527	-4,120	-3,998	-21	-23	-5,208	-5,147
Expected return on assets	22	33	304	393	1,007	670	8	16	1,341	1,112
Difference - Expected return/actual return on assets	343	616	-1,451	-10,770	-451	-8,910	165	-258	-1,393	-19,322
Additions to the scope of consolidation									0	0
Liquidations									0	0
Other							19	20	19	20
Exchange rate adjustment			1,476	-728	3,611	3,022			5,087	2,295
End of period	**3,069**	**3,119**	**21,826**	**10,194**	**46,324**	**37,109**	**1,464**	**1,372**	**72,683**	**51,794**
Reconciliation of the provision										
Beginning of published period	**-30,893**	**-26,601**	**5,167**	**5,996**	**-7,646**	**-3,729**	**-2,037**	**-2,225**	**-35,408**	**-26,560**
Effect of applications of new standards	5,606								5,606	0
Beginning of restated period	**-25,287**	**-26,601**	**5,167**	**5,996**	**-7,646**	**-3,729**	**-2,037**	**-2,225**	**-29,802**	**-26,560**
Expense for the year	-3,018	-2,600	-140	-64	-473	-705	-271	-435	-3,902	-3,805
Employer contributions	0	0	582	0	2,367	0	105	153	3,054	153
Benefits paid	123	71	0	0	406	653	132	188	661	911
SORIE	1,581	10,376	15	-5,305	2,061	631	-100	232	3,556	5,932
Additions to the scope of consolidation									0	0
Other							19	20	19	20
Exchange rate adjustment			371	-109	-444	-237	-73	62	-146	-284
End of period	**-26,601**	**-18,754**	**5,996**	**518**	**-3,729**	**-3,388**	**-2,225**	**-2,006**	**-26,560**	**-23,633**
							Of which:	Provisions	-34,430	-25,409
								Assets	7,869	1,775

BREAKDOWN OF EXPENSE FOR THE PERIOD

IAS 19 (Revised) in thousands of euros	France		United Kingdom		United States of America		Other		Total	
	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022
Adjustments to methodology										0
Service costs	2,784	2,616	0	0	139	136	235	295	3,158	3,047
Discounting costs	256	351	228	285	1,137	761	57	131	1,678	1,528
Expected return on assets	-22	-33	-304	-393	-1,007	-670	-8	-16	-1,341	-1,112
Losses/gains recognized		-334							0	-334
Administrative expenses	0		215	172	205	499	-13	25	407	696
Net expense	3,018	2,600	140	64	473	705	271	435	3,902	3,804

NOTE 6.4 SHARE-BASED COMPENSATION

In return for services rendered, the group is likely to grant certain members of personnel equity-settled or cash-settled share-based plans. The group then records its commitment as services are rendered by the beneficiaries, from the grant date to the date the rights are acquired.

NOTE 6.4.1 SUBSCRIPTION OPTIONS PLAN

There is no stock option plan.

NOTE 6.4.2 ALLOCATION OF PHANTOM SHARES

Since January 1, 2018, the President and Chief Executive Officer has benefited from a Phantom Shares plan whereby an annual bonus may be paid, the amount of which will be based on the share value. This bonus is subject to performance and attendance conditions. A similar plan has been put in place for Excom members beginning in FY 2022.

For FY 2022, 8,910 Phantom Shares have been allocated, valued at €228K (15,500 Phantom Shares allocated in 2021, valued at €453K).

NOTE 6.4.3 CHARGE RELATING TO SHARE-BASED COMPENSATION

In the consolidated financial statements, the benefit given to the beneficiaries under the plans explained above is recorded as an operating expense.

The amounts are presented below:

Plan *(in thousands of euros)*	2021 expenses	2022 expenses
Subscription options plan		
Phantom Shares	453	228
Other		
Total	453	228

NOTE 6.5 EXECUTIVE COMPENSATION AND OTHER BENEFITS

The total amounts of compensation and benefits in kind paid to executives are as follows:

	Non-executive corporate officers		Executive corporate officers		Executive Committee members who are not corporate officers	
in thousands of euros	2021	2022	2021	2022	2021	2022
Salaries	158	160			1,944	2,611
Mandates	573	525	1 239	1,693		
Additional benefits						
Options granted						
Value of options granted						
Options exercised						
Balance sheet provisions and commitments (provision for premiums or indemnities)	285	345	860	378	1,505	879

Information on the compensation policy can be found in chapter 5 of the 2022 URD.

NOTE 7 INTANGIBLE AND TANGIBLE FIXED ASSETS

NOTE 7.1 GOODWILL AND INTANGIBLE ASSETS

NOTE 7.1.1 CHANGE IN NET BOOK VALUE

ACCOUNTING PRINCIPLES

In accordance with IAS 38, an intangible asset is recognized in the assets side of the balance sheet if it is identifiable (separately, meaning that it can be separated from the entity and be sold, transferred, granted under license, leased, or exchanged, either individually or in the context of a contract with a related asset or liability; or it results from contractual rights or other legal rights, whether or not these rights are transferable or separable from the entity, or other rights and obligations):

- it is probable that the future economic benefits attributable to the asset will go to the entity;
- the cost of this asset may be reliably valued.

GOODWILL

The accounting principles regarding goodwill are described in Note 3 "Scope of consolidation."

INTANGIBLE ASSETS

Development costs are capitalized as an asset when they meet all the following criteria:

- the product or process is clearly determined and the costs attributable to the product or process can be identified separately and reliably assessed;
- the product or process is new or represents a substantial improvement to an existing product or process;
- the technical feasibility of producing the product or process can be demonstrated;
- the company intends to produce and market or use the product or process;
- there is a market for the product or process or, in case of internal use, its usefulness to the company can be demonstrated;
- there are sufficient available resources to complete the development and then use or sell the intangible asset.

These costs primarily include the costs of the personnel assigned to the projects, the portion of overhead costs dedicated to the development activity, the costs of external studies and the costs of prototype creation.

Development costs incurred between the decision to start development, the manufacture of new equipment and the testing, and pre-series production phase for that equipment are recognized as intangible assets. Depreciation of the asset begins when development is complete and the asset is ready to be put into operation.

Costs related to preliminary study, the functional analysis phase, and user training are recognized as expenses for the period.

Software

Costs incurred in connection with the implementation of an integrated information system (ERP) are recognized as assets for the portion relating to the detailed design of the project and to programming, testing and documentation, if it is likely that the future economic benefits attributable to the asset will flow to the entity and if the cost of that asset can be reliably assessed and monitored.

Because software acquired as an operating asset is intended to be retained by the group for the long term, it is capitalized.

Configuration and customization costs related to the implementation of software in SAAS (Software As A Service) are capitalized when they meet the definition of an intangible asset (creation of interfaces, adaptation of the existing information system). Otherwise, they are accounted for as:

- operating expenses, when carried out internally;
- operating expenses or deferred expenses, when carried out by an external service provider, depending on the nature of the services rendered.

Brand names, customer relationships acquired, and other intangible assets are recognized in assets if they meet the criteria of IAS 38.

Subsequent revaluation: IAS 38 provides the option of revaluing all or a portion of the assets after the transition date. The group has decided not to make use of this option.

Depreciation is calculated according to the estimated useful lives of the different categories of assets, using the straight-line method. The amortizable amount is the difference between the cost of the asset and the residual value, which is considered to be zero for all amortizable assets.

The main depreciation periods are as follows:

Nature of fixed assets	Term
Patents	5 years
Software	3 years
Complex information systems – ERP	7 years
Development costs	5 years

in thousands of euros	Goodwill	Development costs	Software	Trademarks	Customer relationships and other intangible fixed assets	Total intangible fixed assets
Gross amount as of December 31, 2021	72,459	114,300	70,579	28,406	37,648	250,933
Purchases	0	14,632	2,522	0	3,685	20,839
Disposals	0	-25	-200	0	-8	-233
Change in scope	2,656	0	0	0	0	0
Other	0	-691	5,464	0	4,769	4
Currency translation differences	4,706	2,100	245	1,740	1,664	5,749
Gross amount as of December 31, 2022	79,821	130,315	78,610	30,146	38,220	277,291
Depreciation and impairment as of December 31, 2021	-71,894	-73,354	-55,675	-28,286	-31,506	-188,821
Increases	0	-6,919	-6,044	-15	-708	13,686
Reversals	0	0	1	0	8	9
Change in scope	0	0	0	0	0	0
Other	0	-2	0	0	0	-2
Currency translation differences	-4,706	-1,399	-322	-1,746	-1,659	-5,126
Depreciation and impairment as of December 31, 2022	-76,600	-81,674	-62,039	-30,047	-33,865	-207,626
Net amount as of December 31, 2021	566	40,946	14,904	120	6,142	62,112
Net amount as of December 31, 2022	3,221	48,641	16,570	99	4,355	69,665

The main intangible investments in 2022 concerned development costs, for €14.6 million, information systems for €5.7 million, and other intangible fixed assets for €0.5 million.

They include in particular the purchase of the intellectual property (plans, parts lists, etc.) of ATN Platforms, a company specializing in the design of aerial work platforms, particularly vertical ones, for 1.0 million euros.

NOTE 7.1.2 BREAKDOWN OF NET GOODWILL AT THE END OF THE YEAR

in thousands of euros	December 31, 2021	December 31, 2022
Manitou Portugal SA	71	71
Manitou Italia (formerly OMCI)	174	174
MN Lifttek Oy		2,656
Other	321	321
Total	566	3,221

NOTE 7.2 TANGIBLE ASSETS

ACCOUNTING PRINCIPLES

Tangible assets correspond to physical assets that the company will continue to use after the current fiscal year.

They concern several types of assets: land, buildings, general facilities, tools, equipment, vehicles, IT equipment, etc. The group groups its tangible assets into five items:

- land;
- buildings;
- plant, machinery, and equipment;
- other tangible assets;
- tangible fixed assets under production.

A tangible fixed asset under production must be recognized in assets when:

- it is probable that the future economic benefits attributable to the asset will go to the entity;
- the cost of this asset may be reliably valued.

INITIAL RECOGNITION

The gross value of tangible assets is the historical cost of acquisition or production.

In regard to the item-based approach, the principles currently applied are as follows:

- with respect to buildings, the "construction" portion (structural work) and the "installations" portion (walls, electricity, compressed air systems, etc.) are depreciated over different periods (20 to 30 years for buildings and 10 years for installations);
- with respect to industrial equipment and other fixed assets with a high unit value (more than €50,000), depending on the nature of the constituent components and their rate of wear and tear, components for which the unit value exceeds 15% of the total value of the asset are also separated out, so that different depreciation periods can be applied.

DEPRECIATION is calculated according to the estimated useful lives of the different categories of assets, using the straight-line method.

The amortizable amount is the difference between the cost of the asset and the residual value, which is considered to be zero for all amortizable assets.

The principal estimated useful lives are as follows:

Nature of fixed assets	Term
Construction	20 to 30 years[(1)]
Improvements to land and buildings	10 years[(2)]
Industrial market	3 to 7 years[(3)]
Industrial tooling and molds	3 years
Transport equipment	
Passenger cars	4 years
Large commercial vehicles	5 years
Office and IT equipment	3 to 5 years[(4)]
Office furniture	10 years

(1) Depending on the construction quality
(2) Except for improvements to leased properties, which are amortized over the rental period of the property
(3) Depending on the type of material
(4) Depending on the type of equipment

EQUIPMENT RENTED OR PROVIDED FOR RENTAL

Equipment covered by financing leases for the benefit of customers is not capitalized, whether related to previously capitalized equipment, financing leases (back-to-back leasing), or rental (back-to-back rental). These assets are reported as receivables, at an amount equal to the net investment in the leasing contract.

Equipment covered by simple rental contracts to the benefit of customers are capitalized in the appropriate asset categories. It is depreciated over a period of eight years.

ACCOUNTING TREATMENT FOR GRANTS

Public authority grants are recognized when there is reasonable assurance that they will be received and that the group will be able to comply with the conditions of the grant.

Grants related to depreciable assets are initially recognized as balance sheet liabilities and reported in the income statement at the rate of depreciation of the relevant assets. The research tax credit was recognized as grant income for the period.

in thousands of euros	Land	Buildings	Plant, machinery and equipment	Other tangible assets	Tangible fixed assets under production	Total tangible fixed assets
Gross amount as of December 31, 2021	47,935	199,846	213,715	124,384	12,054	597,935
Purchases	12,189	3,250	10,541	16,262	41,530	83,771
Disposals	-4	-48	-2,218	-1,278	0	-3,548
Change in scope	5	0	135	0	0	140
Other	1,269	3,941	14,574	-23,339	-21,101	-24,655
Currency translation differences	68	2,124	2,489	628	-291	5,017
Gross amount as of December 31, 2022	**61,463**	**209,113**	**239,238**	**116,656**	**32,193**	**658,664**
Depreciation and impairment as of December 31, 2021	-12,231	-117,044	-181,028	-68,018	0	-378,321
Increases	-1,264	-8,336	-13,304	-11,686	0	-34,589
Reversals	3	41	2,040	1,115	0	3,200
Change in scope	0	0	0	0	0	0
Other	0	0	49	11,282	0	11,331
Currency translation differences	-102	-1,067	-2,277	-403	0	-3,849
Depreciation and impairment as of December 31, 2022	**-13,594**	**-126,406**	**-194,519**	**-67,709**	**0**	**-402,228**
Net amount as of December 31, 2021	35,704	82,802	32,688	56,366	12,054	219,614
Net amount as of December 31, 2022	**47,869**	**82,708**	**44,720**	**48,947**	**32,193**	**256,436**

Investments made in 2022 amount to €83.8 million, versus €50.9 million in 2021. They include €30.0 million in land and buildings, €11.1 million in rental fleet equipment, and €42.7 million in industrial equipment and other equipment.

NOTE 7.3 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

ACCOUNTING PRINCIPLES

Assets for which the expected useful life is not defined, for example, goodwill, are not amortized and are subject to an annual test for impairment. R&D assets are reviewed on each reporting date to identify any indication of impairment.

The indicators of impairment taken into account by the group include:

- investments significantly above the initial budget;
- a market downturn and weaker economic performance;
- changes in laws or standards;
- major technological developments;
- decisions to stop production.

Whenever there is an internal or external indication of impairment, the recoverable value of the asset concerned is appraised with reference to the asset group to which it belongs (cash-generating unit). Cash-generating units (CGUs) are coherent subsets that produce independent cash flows.

At the Manitou Group level, the main cash-generating units (CGUs) identified correspond to the manufacturing and marketing of handling equipment, the manufacturing of masts, the marketing of spare parts and attachments, and the sales financing of handling equipment to end users. The CGUs are part of the operating sectors defined by the group.

The recoverable value of an asset or an asset group is its fair value less disposal costs or its expected useful value, whichever is greater. The expected useful value is the expected discounted cash flow from the use of the cash-generating unit under consideration.

The estimated cash flows are derived from five-year plans approved by group management. The assumptions underlying the preparation of these plans include developments in the markets in which these cash-generating units operate and the trends in the selling prices of the products and the purchase prices of materials and components. The discount rate is the weighted average cost of capital established by the group.

When the recoverable value is less than the net carrying amount of the CGU under consideration, an impairment loss is recorded against non-recurring operating income to reduce the asset or the asset group concerned.

GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

As of December 31, 2022, the group does not have significant goodwill or other assets with a significant indeterminate useful life requiring annual impairment tests.

R&D INTANGIBLE ASSETS

Given the existence of indicators of impairment, specific tests relating to R&D assets were carried out on the basis of sales forecasts and profitability. The discount rate applied is 10.1%. These tests did not result in the recognition of any impairment. An additional decrease of 10% of revenue would not result in recognition of impairment.

OTHER ASSETS

The group has not conducted any tests on its tangible assets, which are primarily made up of land, buildings, and industrial equipment.

NOTE 8 RIGHT-OF-USE OF LEASED ASSETS AND RENTAL LIABILITIES

ACCOUNTING PRINCIPLES

The group assesses if a contract is or contains a lease, based on the definition of a lease agreement. According to IFRS 16, a contract or part of a contract is or contains a lease if it grants the right to control the use of an identified asset for a certain period in exchange for a consideration. When concluding or reassessing a contract with a lease component, the group allocates the remuneration provided in the contract to each lease and non-lease component, on the basis of their different relative price.

The Group recognizes a "right-of-use" asset and a lease liability at the start date of the lease. The "right-of-use" asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment. The amount may be adjusted according to certain reassessments of the lease liability.

The leased assets are:

- primarily real estate assets operated by the group;
- vehicle lease agreements;
- and finally industrial equipment lease agreements.

Lease debt is initially measured at the present value of lease payments due but not yet paid at the start date of the contract. The discount rate used corresponds to the rate of interest implicit in the contract or, if this cannot be easily determined, the incremental borrowing rate of each subsidiary. The group generally uses the incremental borrowing rate as the discount rate.

The lease debt is subsequently increased by the interest cost and reduced by the lease payments made. It is re-evaluated in the event of a change in future lease payments following a change in index or rate, a new estimate of the amount due under a residual value guarantee or, where applicable, a reassessment of the exercise of a purchase or extension option, or the non-exercise of a termination option (which then become reasonably certain).

The income statement is also impacted. Lessees recognize a depreciation charge for the right-of-use and an interest expense, instead of operating expenses.

The group has reviewed its leases in order to analyses them in the light of the criteria for operating leases under IFRS 16. In accordance with the exemptions provided by the standard, the group has excluded short-term leases (less than 12 months) and leases with a low asset value (less than €5,000).

The duration of the lease corresponds to the non-cancellable contractual period of use of the asset, taking into account, as applicable, any renewal options that can be reasonably expected to be exercised.

The option to apply IFRS 16 to leases of intangible assets has not been adopted by the group.

NOTE 8.1 RIGHT-OF-USE OF LEASED ASSETS

in thousands of euros	Land and buildings - right-of-use	Vehicles - right-of-use	Industrial equipment - right-of-use	Other tangible fixed assets - right-of-use	Total rights of leased assets
Gross amount as of December 31, 2021	32,026	5,156	1,102	1,889	40,174
Purchases	3,066	2,216	0	59	5,341
Disposals	-3,584	-1,463	-101	-804	-5,952
Change in scope	434	112			546
Other					0
Currency translation differences	257	-27	13	110	353
Gross amount as of December 31, 2022	32,199	5,994	1,014	1,255	40,462
Depreciation and impairment as of December 31, 2021	-16,042	-2,469	-379	-1,220	-20,109
Increases	-4,351	-1,757	-214	-314	-6,636
Reversals	3,461	1,448	101	804	5,814
Change in scope					0
Other					0
Currency translation differences	-236	38	-29	-75	-303
Depreciation and impairment as of December 31, 2022	-17,168	-2,740	-521	-805	-21,234
Net amount as of December 31, 2021	15,985	2,687	723	670	20,064
Net amount as of December 31, 2022	15,031	3,254	493	449	19,228

NOTE 8.2 RENTAL LIABILITIES

in thousands of euros	2022
Less than 1 year	6,006
1 to 5 years	12,470
Over 5 years	2,503
Total	20,979

NOTE 9 WORKING CAPITAL REQUIREMENT

NOTE 9.1 STOCKS

ACCOUNTING PRINCIPLES

VALUATION AND IMPAIRMENT OF INVENTORIES

The inventories are valued on the following basis:

- merchandise: valued at the weighted average purchase price;
- raw materials: valued at the weighted average purchase price;
- semi-finished products, work in process and finished products: valued at the cost of production (raw materials, equipment and labor at actual cost).

Semi-finished and finished products are valued on the basis of a standard level of activity.

Furthermore, provisions for impairment of inventories are recognized when the net realizable value of goods and merchandise is less than their cost price.

in thousands of euros	Raw materials	Work in progress	Finished products	Merchandise	Total inventories
Gross amount as of December 31, 2021	211,695	88,609	146,560	106,923	553,786
Change in scope			1,703	334	2,037
Reclassification	255		12,017	470	12,742
Changes	75,205	7,388	73,343	10,484	166,420
Currency translation differences	2,551	39	710	1,744	5,045
Gross amount as of December 31, 2022	289,706	96,035	234,333	119,955	740,029
Provision as of December 31, 2021	-5,223		-4,937	-11,340	-21,501
Change in scope				-138	-138
Reclassification			68	95	163
Changes	14		-744	582	-147
Currency translation differences	-50		-63	-315	-428
Provision as of December 31, 2022	-5,259		-5,675	-11,117	-22,051
Net amount as of December 31, 2021	206,471	88,609	141,622	95,583	532,285
Net amount as of December 31, 2022	284,447	96,035	228,657	108,838	717,978

The reclassifications mainly concern leased-out and capitalized equipment, which is transferred to the inventory at the end of the lease to be sold as used equipment.

In 2022, inventory movements also included the purchase of ATN Platforms' inventory of components and spare parts for an amount of 0.6 million euros.

NOTE 9.2 TRADE RECEIVABLES

ACCOUNTING PRINCIPLES

Trade receivables are current financial assets that are initially recognized in accordance with the provisions of IFRS 15 and subsequently at amortized cost, less any impairment. The fair value of trade receivables is assimilated into their nominal value, given that the payment terms are generally less than three months.

Trade receivables are subject to write-downs for impairment based on expected credit losses (note 13.1.2).

CURRENT RECEIVABLES

in thousands of euros	Gross amount	Impairment	Net amount
December 31, 2021	330,185	-3,875	326,310
Change in scope	468	0	468
Reclassification	0	0	0
Changes	156,792	611	157,403
Currency translation differences	4,500	-46	4,454
TOTAL as of December 31, 2022	491,945	-3,310	488,635

NON-CURRENT RECEIVABLES

There are no non-current receivables for the period.

The group generally uses credit insurance to protect its trade receivables. In certain cases, based on the group's knowledge of the customer, the amount due from a given customer may be higher than the amount covered.

WHOLESALE PROGRAM

The group has a financing program for its distributors' receivables. This program is implemented within a strict framework between several Group companies, their distributors, and a financing body. It is based on the assignment of undiscounted receivables and allows the group to be paid on the due date of the invoice by the bank and the distributor to negotiate financing with the bank. Thus, receivables are retained as operating receivables under "Customers" until payment by the financial institution. The risk is transferred to the financing body without possible recourse, unless the assigned receivables exceed the negotiated lines of credit. This program also includes credit insurance.

Receivables sold that were not deconsolidated and therefore recorded as trade receivables as of December 31, 2022 amounted to €67.5 million versus €24.9 million at December 31, 2021.

The total outstanding amount with the financial institution was €107.3 million compared with €48.9 million as of December 31, 2021.

There is no risk of recourse on receivables due as of December 31, 2022.

The financial cost for 2022 was almost zero.

FLOOR PLANS PROGRAM

On the American market and in accordance with sector practices, Manitou North America has stock financing agreements, known as floor plans, with its distributors for periods of up to 24 months. Under these floor plans, the distributors must make payment for the machines as soon as they are sold to the end-customer and no later than on conclusion of the inventory financing agreement. Due receivables are monitored individually. The impairment criteria are essentially assessed on a customer-by-customer basis according to the age of the receivables. Each entity performs this analysis according to the specific characteristics of its markets.

Amounts recorded in respect of the raising and reversal of impairment provisions on trade receivables are recorded in "Selling, marketing, and service expenses."

Losses on trade receivables amounted to €0.8 million for the 2022 fiscal year and were also recorded in the "Selling, marketing, and service expenses" line item of the income statement.

NOTE 9.3 OTHER RECEIVABLES

in thousands of euros	December 31, 2021	Change in scope	Changes	Currency translation differences	December 31, 2022
Tax and social security receivables	37,319	0	6,591	-276	43,634
Other receivables	14,331	0	-6,362	406	8,376
Advances and payments on account in respect of orders	5,679	0	2,041	-12	7,708
Prepaid expenses	15,183	38	4,858	-12	20,066
Total other current receivables	**72,513**	**38**	**7,128**	**106**	**79,785**
Other non-current receivables	3,156	0	785	-161	3,781
Total other non-current receivables	**3,156**	**0**	**785**	**-161**	**3,781**
Total other receivables	**75,669**	**38**	**7,913**	**-55**	**83,565**

NOTE 9.4 DEBT RELATED TO OPERATING ACTIVITIES

in thousands of euros	December 31, 2021	Change in scope	Changes	Currency translation differences	December 31, 2022
Trade payables	**312,589**	**551**	**106,230**	**972**	**420,341**
Tax and social security liabilities	*94,302*	*233*	*8,736*	*179*	*103,450*
Other operating liabilities	*48,118*	*488*	*2,205*	*1,379*	*52,189*
Deferred revenues	*12,374*		*382*	*97*	*12,852*
Other operating liabilities	154,793	721	11,322	1,655	168,491
Fixed asset accounts payable	2,574		1,076	-9	3,641
Other liabilities	**157,367**	**721**	**12,398**	**1,645**	**172,132**
Other non-current liabilities	**5,307**		**1,429**	**-83**	**6,654**
Total operating liabilities	**475,263**	**1,272**	**120,057**	**2,534**	**599,127**

NOTE 9.5 CHANGE IN WORKING CAPITAL REQUIREMENT

in thousands of euros	December 31, 2021	December 31, 2022
+ Change in inventories	**65,371**	**166,273**
+ Change in receivables	**51,334**	**161,286**
of which Trade receivables	22,455	157,403
of which Sales financing receivables	-2,000	-2,730
of which Other receivables	30,879	6,613
- Change in other current liabilities	**115,669**	**118,058**
of which Supplier accounts payable and related	94,975	106,230
of which Other current operating liabilities	20,732	10,398
of which Other non-current liabilities	-38	1,429
Total change in working capital requirement*	**1,036**	**209,501**

**WCR defined in section 8.5 of 2022 URD.*

NOTE 10 SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

NOTE 10.1 SHAREHOLDERS' EQUITY

NOTE 10.1.1 SHARE CAPITAL

The share capital consists of 39,668,399 shares as of December 31, 2022.

NOTE 10.1.2 TREASURY SHARES

ACCOUNTING PRINCIPLES

Treasury shares held by the group are recognized at their purchase price against shareholders' equity, regardless of their future use (IAS 32).

When securities are sold, the sale price is recognized directly in group shareholders' equity and the related cash receipt is recognized in cash and cash equivalents. No gain or loss is therefore recorded in the income statement for the period.

Number of shares	Realization as of December 31, 2021	% of capital	Realization as of December 31, 2022	% of capital
HELD AT OPENING (SHARE PLAN)	1,381,461		1,381,461	
Shares purchased				
Shares sold				
Stock options exercised				
HELD AT CLOSING (SHARE REPURCHASE PROGRAM)	1,381,461	3.48%	1,381,461	3.48%
Stock option coverage				
Liquidity contract	19,733		17,758	
TOTAL TREASURY SHARES HELD	1,401,194	3.53%	1,399,219	3.53%

The acquisition cost of shares purchased, in addition to the proceeds from shares sold, were recorded respectively as a reduction or increase in net position. Treasury shares do not confer dividend rights.

NOTE 10.1.3 DISTRIBUTION OF DIVIDENDS

The General Meeting of Shareholders held on June 16, 2022 approved the amount of dividends to be distributed in respect of fiscal year 2021. €0.80 euros, representing an amount of €31,734,719.

The Board of Directors will propose a dividend payment of €0.63 per share, for a total amount of €24,991,091, to the General Shareholders' Meeting convened to approve the 2022 financial statements.

NOTE 10.2 EARNINGS PER SHARE

ACCOUNTING PRINCIPLES

CALCULATION OF EARNINGS PER SHARE

Earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, after deducting the average number of treasury shares. To calculate the diluted earnings per share, the profit attributable to ordinary shareholders of Manitou BF and the weighted average number of shares outstanding are adjusted for the effects of all potentially diluting ordinary shares.

	December 31, 2021	December 31, 2022
Net income for the period attributable to ordinary shareholders (in thousands of euros)	86,757	54,725
Average number of total shares (in thousands of shares)	39,668	39,668
Average number of treasury shares (in thousands of shares)	1,399	1,400
Weighted average number of ordinary shares outstanding during the period (in thousands of shares)	38,269	38,268
GROUP PORTION OF NET INCOME PER SHARE (IN EUROS)	2.27	1.43
Net income for the period attributable to ordinary shareholders (in thousands of euros)	86,757	54,725
Weighted average number of ordinary shares outstanding during the period (in thousands of shares)	38,269	38,268
Average number of dilutive shares (in thousands of shares)	0	0
Weighted average number of ordinary shares adjusted for dilutive shares (in thousands of euros)	38,269	38,268
DILUTED EARNINGS PER SHARE (in euros)	2.27	1.43

NOTE 11 PROVISIONS

NOTE 11.1 PROVISIONS

ACCOUNTING PRINCIPLES

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognized when the group has a current liability to a third party and it is probable or certain that it will require an outflow of resources to said third party.

WARRANTIES

A provision is created to cover the estimated cost of warranties on machinery and spare parts at the time they are sold to the sales networks or to end customers. It covers the contractual warranty, as well as any potential extension on a case-by-case basis. The provision is based on projections from historical statistical data.

A provision may also be recognized in connection with a recall campaign for specific equipment to resolve a major or hazardous malfunction. In this instance, the provision is assessed by applying the unit cost of remedial action to the fleet of machines concerned.

RESTRUCTURING MEASURES/SEVERANCE INDEMNITIES

The estimated cost of restructuring measures and severance indemnities is recognized and recorded as a provision when they have been documented in a detailed plan and have been announced or begun to be implemented.

in thousands of euros	Warranty provisions	Provisions for other risks	Provisions for employee benefits	Total provisions
December 31, 2021	**25,320**	**9,816**	**34,430**	**69,566**
Of which, less than one year	20,069	5,684	469	26,222
Of which, more than one year	5,251	4,133	33,961	43,344
Increases	12,035	599		12,634
Provision reversed (used)	-8,106	-1,105		-9,211
Provision reversed (unused)	-1,291	-1,528		-2,819
Change			2,655	2,655
Recycling			-11,223	-11,223
Change in scope				0
Reclassification			-751	-751
Currency translation differences	7	404	298	709
As of December 31, 2022	**27,965**	**8,186**	**25,409**	**61,560**
Of which, less than one year	21,843	4,365	519	26,727
Of which, more than one year	6,122	3,821	24,890	34,833

WARRANTIES

Amounts recorded when creating or reversing provisions for warranties are included in "Cost of goods and services sold" within the income statement, as are the actual warranty expenses. This line also includes provisions established to cover equipment recall campaigns following supplier quality incidents.

OTHER RISKS

Other risks mainly concern commercial, employee, or tax litigation. Provisions recorded correspond to the group's and its advisers' best estimates at the closing date of the risks incurred with respect to the litigation in process.

As of December 31, 2022, provisions for risks included a provision of €1.9 million for legal fees in connection with an infringement dispute.

They also include a provision for risk of €3.5 million following the launch of an outsourcing procedure for a pension plan.

NOTE 11.2 MONITORING OF LITIGATION FOR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

In May 2017, Manitou Group was sued by JC Bamford Excavators Limited (JCB) in France, the United Kingdom and then Italy for alleged infringement of two European patents and one UK patent (respectively European patent EP 1 532 065 B2(EP 065) its equivalent UK Patent GB 2 390 595 B (GB565) and European patent EP 2 263 965 B9) relating to certain features concerning the overload cut-off control system of certain telescopic forklift trucks manufactured and/or marketed in these three countries.

In May 2017, the plaintiff filed a claim in the French court for a provision of 20 million euros, to be increased to 50 million euros in June 2018. The financial claims before the English court were not quantified and are still not quantified at the date of publication of this report, but the summons indicates that for procedural purposes the commercial value of the claim is estimated to be in excess off 10 million. For Italy, the summons does not specify any quantified claim.

In December 2018, JCB served Manitou Group with a new patent infringement suit in France and the United Kingdom relating to a third European patent (EP 2 616 382 B3 (EP 382), also relating to certain features concerning the overload cut-off control system of certain telescopic forklift trucks. This summons in France takes up the request for a provision in the amount of 50 million euros, subsequently increased to 100 million euros in its last conclusions communicated in May 2020. To date it is not yet quantified in the UK The summons for this third patent has been the subject of joint proceedings in the United Kingdom but remains separate in France.

In 2018,in the French proceeding, JCB had produced an expert opinion estimating its damages of 160 million euros for the first two patents. At the end of 2019, in the first main proceedings, JCB increased its damage assessment to 190 million euros in its final conclusions. This increase is due to an update of the injury in its duration, which according to JCB is until March 2019. This assessment also includes the estimated injury under the third patent.

In France, in the context of a procedural incident in 2018, JCB applied for preliminary injunctions against Manitou BF. A decision was issued by the Pre-Trial Judge on 31 January 2019, which dismissed the applicant's request for preliminary injunction on the first patent on which JCB based its allegations and, regarding the second patent, prohibited Manitou BF from manufacturing, offering for sale, renting and owning an old configuration of certain telescopic forklift trucks. This decision has no impact on Manitou BF's business as it relates to the ordering system for certain models produced and sold before August 2017 which are therefore no longer manufactured by Manitou BF, as underlined in the order. Manitou BF immediately appealed this decision in order to challenge the prohibition order in so far as it related only to a configuration that Manitou had ceased to produce for 18 months. This immediate appeal on the grounds of abuse of authority was held to be inadmissible, reserving the possibility of appeal with judgment on the merits

In 2020, the legal proceedings on the merits of the dispute relating to the first two patents continued. On February 26, 2021, the Paris Court of Justice (“Tribunal Judiciaire”) ruled, in first instance, on the French part relating to these first two patents.

Under the terms of this decision, the Tribunal invalidated the French part of the second patent in its entirety rendering ineffective the January 31, 2019 preliminary injunction order against Manitou BF. Then, JCB tried unsuccessfully to limit its 2nd patent to the EPO (European Patent Office), which rejected its limitation claim on October 4th, 2021. JCB didn’t appeal against this decision.

The Court also invalidated most of the claims of the French part of the first patent (EP 065). The Court found that only two claims of the French part of the first patent were infringed by three models of equipment from an old configuration which is no longer marketed by Manitou BF since May 2017. Manitou challenges this decision while noting that it has no impact on its business as this old configuration is no longer marketed.

Given the very residual character of the infringement upheld, the Court ordered Manitou BF to pay the plaintiff the total sum of 150,000 euros for the loss suffered, rejecting the claim of JCB, which was claiming a loss of 190 million euros. The Court's decision reinforces the position of Manitou, which has always contested the merits of the plaintiff's action and the disproportionate nature of its claims. JCB and Manitou BF appealed against this decision.

JCB and Manitou BF have appealed this decision and the appeal process is ongoing. The procedural schedule has been postponed to 2023. To date the procedural schedule does not allow a decision by the Court of Appeal to be considered before 2024. It should also be noted that Manitou had initiated an action for annulment of the seizure-infringement carried out by JCB within the framework of this procedure. The judge responded favorably to MANITOU's request on June 29, 2022; the June 2017 JCB infringement seizure was invalidated. Following the decision of the Paris Court of Appeal of June 29, 2022 confirming the nullity of the seizure-infringement, JCB decided to appeal to the Court of Cassation on November 29, 2022.

The parallel proceeding relating to the third patent is still ongoing, and the court hearing will take place in October 2023.

Following the decision of the Paris Court of Justice of February 26, 2012, which confirms the group's positions, an expense of 0.2 million euros had been recorded for the first patent in 2020 and no provision was recognized in title of the second patent.

For the third patent, in the state of progress of the procedures in France, the financial risk likely to be incurred is still difficult to estimate reliably. In addition, a significant outflow of resources under this request seems unlikely given the elements put forward by the Manitou group to defend itself. Consequently, no provision for this request has been recorded in the group's accounts.

In the United-Kingdom, a case management conference was held in January 2019 after JCB finally performed its due diligence. The litigation schedule has been established and the hearing originally scheduled for October 2020 has been postponed due to the increased length of the trial resulting from the addition of the third patent in the proceeding. According to this new schedule, the case has been pleaded before the High Court of Justice in November 2021. On July 5, 2022, the High Court of London delivered its first instance decision in the infringement dispute between J. C. Bamford Excavators Ltd (JCB) and Manitou BF and Manitou UK Ltd. Three JCB patents examined in the trial have been fully disabled:

- the European patent EP 1 532 065 B2 (EP 065) and its British equivalent GB 2 390 595B (GB 595);
- and the European patent EP 2 263 965 B9 (EP 965).

As a result, all infringement actions brought by JCB against Manitou based on these three patents have been dismissed.

Furthermore, the Court considered that the European patent EP 2 616 382 B3 (EP 382) was valid and that consequently certain configurations of certain telehandlers which were sold in Great Britain were infringing.

Manitou appealed this judgment in January 2023.

The financial consequences of this decision will only be known in 2023 following compensation proceedings to be held during the year. To date Manitou Group is not able to make a reliable estimate of indemnification. Consequently, no provision has been recorded in the group's accounts for this risk.

In Italy, the proceedings on the merits relating to these first two patents remain in a preliminary phase, the appointment of a court expert was pronounced at the end of 2019 and the court expert measures are still in progress at the closing date. The expert report was sent to the judge on October 27, 2022, on which the judge should rule by the end of 2023.

In Italy, JCB had also requested interim injunctions against Manitou's Italian subsidiary on the second and third patents. This request was rejected by the Italian courts by decision of January 30, 2020. JCB has not appealed this decision.

Given the progress of the proceedings, a significant outflow of resources in respect of this claim seems unlikely in respect of the matters put forward by Manitou Group to defend itself. Consequently, no provision for this claim has been recognized in the group's financial statements.

The group will continue to firmly defend itself against infringement allegations of three patents claimed by JCB.

NOTE 12 TAXES

ACCOUNTING PRINCIPLES

The tax expense recognized in the income statement comprises:

INCOME TAXES

The income tax expense corresponds to the amounts of taxes on profits owed to the various tax administrations for the fiscal year, determined using the tax rates and tax rules applicable in the country in question on the closing date, and any adjustment to the tax amount payable for previous periods.

DEFERRED TAXES

In accordance with IAS 12, "Income Taxes," deferred taxes are recognized on all temporary differences between the book value of assets and liabilities and their fiscal value, using the liability method. Deferred tax assets and liabilities are systematically recorded. They are valued at the tax rates to be applied over the period during which the asset will be realized and the liability will be paid, based on the tax regulations enacted or substantively enacted on the closing date.

For investments in the subsidiaries, a deferred tax is recognized on the difference between the consolidated value of the securities and their tax value, when the temporary difference is likely to reverse itself in the foreseeable future.

Deferred taxes are recognized in expenses or profits in the income statement when they are incurred by elements allocated directly to shareholders' equity or other elements of the comprehensive income. In this case, deferred taxes are charged against equity or other comprehensive income. During a change in tax rate, the resulting tax is recognized in profit or loss, unless it relates to elements that are originally recognized in shareholders' equity or other elements of the comprehensive income.

Deferred tax assets are only recognized if it is probable that the group will record future taxable profits to which the corresponding temporary difference can be allocated. Deferred tax assets are examined at each closing date and are written down if there is a risk that they will not be used.

Within the same tax entity, deferred tax assets and liabilities are offset, since it has the right to offset its tax assets and its tax liabilities payable.

In addition, the group considered that the French CVAE (Business Contribution on Value Added) had characteristics similar to certain other foreign taxes such as the Italian IRAP, already assessed by the issuers concerned as falling within the scope of IAS 12. In accordance with IAS 12, the total amount of current and deferred expense related to the CVAE is reported in the "Income taxes" line item of the income statement.

NOTE 12.1 CHANGES IN BALANCE SHEET POSITION

in thousands of euros	December 31, 2021	Scope	Result	Payment	Translation	Other*	December 31, 2022
Current taxes							
Assets	13,468						10,084
Liabilities	2,003						4,437
TOTAL	11,465	-24	-26,788	20,842	153		5,647
Deferred taxes							
Assets	17,261						13,062
Liabilities	7,605						4,086
TOTAL	9,657	0	1,838	0	-5	-2,514	8,976

** Other changes in current and deferred taxes can be broken down as follows:*

in thousands of euros	2021	2022
Deferred taxes recorded as reserves – OCI	-1,226	-1,515
Deferred taxes recorded as consolidated reserves – Interest rate hedging instruments	479	-1,051
Other	9	51
TOTAL	-738	-2,514

NOTE 12.2 INCOME TAXES RECORDED IN THE INCOME STATEMENT

in thousands of euros	2021	2022
Current taxes	-28,640	-26,788
Deferred taxes for the period	-235	2,061
Change in deferred tax rate	-332	-543
Impairment losses (-) and capitalization of unrecognized losses (+)	30	320
Total deferred taxes	-537	1,838
TOTAL	-29,177	-24,950

NOTE 12.3 RECONCILIATION OF THE FRENCH STATUTORY TAX RATE AND THE EFFECTIVE TAX RATE APPLIED TO CONSOLIDATED INCOME

in thousands of euros	2021	2022
Income before taxes on fully consolidated companies	113,471	77,955
Statutory tax rate in France	28.41%	25.83%
Theoretical tax expense for the fiscal year	-32,237	-20,136
Other taxes	-2,462	-1,932
Impairment of assets	0	0
Permanent differences	318	-658
Increase/decrease in tax rates (current and deferred)	-332	-543
Utilization of previously unactivated losses and unactivated losses carried forward	-1,083	-1,339
Differences in (local/group) tax rates and others	6,618	-342
Total - Income taxes	-29,178	-24,950
Effective tax rate	25.7%	32.0%

The rate used to calculate the theoretical tax rate is the rate applicable to Manitou BF, i.e. the statutory tax rate in France of 25.83%. This rate includes the standard income tax rate of 25% and the social contribution rate of 3.3%.

For fully consolidated companies, the main rate differences (local/group) concern the following countries:

in thousands of euros	2022
South Africa	-155
Germany	-154
Australia	-159
United States of America	-565
United Kingdom	811
Other countries	124
TOTAL	-98

Over the period, the tax rate comes to 32.0% versus 25.7% as of June 31, 2021. This variation is explained by:

- the recognition in 2022 of an expense of €0.4 million following the change in the tax rate in the United Kingdom future tax, which will increase from 19% to 25% (applicable from April 1, 2023);
- the recognition of deferred tax income of €2.6 million in 2021 following a tax revaluation of a real estate complex in Italy, not renewed in 2022;
- an increase in non-activated losses in 2022 compared to fiscal year 2021. As of December 31, 2022, only tax loss carry forwards in India were not recognized for an estimated tax of €1.7 million compared to €1.1 million as of December 31, 2021. These loss carry-forwards were not activated in light of uncertainties regarding their recoverability in the near term.

As of December 31, 2022, the group has capitalized €4.3 million and €1.0 million in losses for its American subsidiaries and its Italian subsidiary. Recovery of these deficits is highly likely based on a budget, with clearance within two years.

NOTE 12.4 DEFERRED TAXES

Recognized deferred taxes arise from the following temporary differences:

in thousands of euros – assets/(liabilities)	Temporary differences as of December 31, 2021	Deferred tax assets as of December 31, 2021	Temporary differences as of December 31, 2022	Deferred tax assets as of December 31, 2022
Intangible assets	-1,136	-217	-862	-164
Tangible assets	-14,820	-3,833	-16,852	-4,379
Finance leases	1,803	482	1,746	502
Employee benefits	32,211	7,303	26,028	6,686
Provisions	30,425	7,316	30,328	7,524
Inventories & receivables	-12,435	-2,685	-27,957	-6,389
Miscellaneous	-1,887	-1,590	-8,815	-2,348
Subtotal	34,162	6,776	3,615	1,432
Tax credits		1,913		2,219
Tax loss carry forwards		968		5,325*
Total		9,657		8,976

** o/w €4,284K Manitou Americas and €1,042K Manitou Italia*

NOTE 13 FINANCING AND FINANCIAL INSTRUMENTS

NOTE 13.1 RECONCILIATION OF BALANCE SHEET LINE ITEMS

NOTE 13.1.1 BALANCE SHEET

ACCOUNTING PRINCIPLES

PRINCIPLES OF VALUATION AT FAIR VALUE

The fair value of all financial assets and liabilities is determined on the reporting date, either for accounting purposes or for disclosure in the Notes to the financial statements. Fair value is determined:

- either based on market prices on an active market (level 1);
- or based on internal valuation methods using standard mathematical calculations which include observable market data (forward rates, yield curves, etc.), with the resulting valuations being adjusted to take account of reasonable change in the group or counterparty risks (level 2);
- or based on internal valuation methods which, in the absence of available data, incorporate parameters estimated by the group (level 3).

ASSETS

	Financial assets at fair value through other elements of the income statement		Financial assets at amortized cost		Financial assets at fair value through income		Balance sheet total	
in thousands of euros	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022
Non-current financial assets	4,199	4,120	0	0	10,452	4,754	14,650	8,874
Current financial assets			10	15	2,510	7,230	2,520	7,245
Cash and cash equivalents					194,305	60,704	194,305	60,704
Sales financing receivables - non-current portion			4,469	2,343			4,469	2,343
Other non-current assets			3,156	3,781			3,156	3,781
Accounts receivable			326,312	488,635			326,312	488,635
Sales financing receivables - current portion			3,435	2,949			3,435	2,949
Other current receivables			72,511	79,785			72,511	79,785
Total	4,199	4,120	409,893	577,507	207,267	72,688	621,358	654,315

The financial assets are valued using internal valuation techniques (level 2) with the exception of certain cash equivalents (Note 13.1.2) valued according to quoted market prices in an active market (level 1).

LIABILITIES

The various categories of financial liabilities on the reporting date are as follows. They are set out in Note 13.1.3 below.

in thousands of euros	December 31, 2021	December 31, 2022
Non-current financial liabilities	126,638	138,759
Non-current rental liabilities	16,433	14,973
Other non-current liabilities	5,307	6,654
Current financial liabilities	51,686	142,622
Current rental liabilities	5,091	6,006
Suppliers	312,589	420,341
Other current liabilities	157,367	172,132
Total	675,111	901,486

The financial liabilities are valued using internal valuation techniques (level 2).

NOTE 13.1.2 ASSETS IN DETAIL

ACCOUNTING PRINCIPLES

VALUATION AND RECOGNITION OF FINANCIAL ASSETS

Pursuant to IFRS 9, the financial assets are classified in one of the following categories:

- financial assets valued at fair value through the income statement;
- financial assets valued at amortized cost;
- financial assets valued at fair value by the other elements of the comprehensive income.

SALES FINANCING RECEIVABLES

Receivables on finance contracts are valued at their discounted value using the effective interest rate method. The amount of any loss recognized is recorded in the income statement.

FINANCIAL ASSETS VALUED AT FAIR VALUE THROUGH THE OTHER ELEMENTS OF THE INCOME STATEMENT

The financial assets are valued at their fair value and changes in this fair value are recorded in the other components of comprehensive income. They include, in particular, the assets associated with the American subsidiary's SERP (Supplemental Employment Retirement Plan).

CASH AND CASH EQUIVALENTS

The availabilities and cash equivalents are mainly made up of bank accounts and marketable securities that can be disposed of quickly, are very liquid, can be easily converted into a known cash amount and of which the underlying assets do not present significant fluctuation risks. The marketable securities are revalued at fair value by the income statement.

SHORT-TERM FINANCIAL ASSETS

This item mainly includes derivative financial instruments whose recognition is explained in note 13.2.2.

SALES FINANCING RECEIVABLES

in thousands of euros	Receivables on financing leases	Receivables on financing granted to end customers	Total
Gross amount as of December 31, 2021	7,904	498	8,402
Change in scope			
Other	0	0	0
Changes	-2,730	-42	-2,772
Currency translation differences	118	31	150
Gross amount as of December 31, 2022	5,292	488	5,780
Impairments as of December 31, 2021		-498	-498
Change in scope			
Other	0	0	0
Changes		42	42
Currency translation differences		-31	-31
Impairments as of December 31, 2022		-488	-488
Net amount as of December 31, 2021	7,904	0	7,904
Net amount as of December 31, 2022	5,292	0	5,292
	Of which:	non-current portion	2,343
		current portion	2,949

Impairment is calculated based on historical statistical data for trade receivables not analyzed in unitary terms.

The schedule of non-current sales financing receivables is as follows:

in thousands of euros	December 31, 2022	1 to 3 years	3 to 5 years	Over 5 years
Receivables on financing leases – Net	2,343	2,174	169	
Receivables on financing granted to end customers – Net				
Sales financing receivables - non-current portion	2,343	2,174	169	0

CREDIT RISK

Credit risk is the risk that a counterparty may default on its contractual commitments or the risk inherent in the collection of receivables.

The group is exposed to a credit risk in its operational and financing activities. The maximum credit-risk exposure is represented by the asset totals set out in the balance sheet, details of which are set out below.

in millions of euros	December 31, 2021	December 31, 2022
Sales financing receivables	8	5
Trade accounts and other receivables	326	489
Other receivables	76	84
Cash and cash equivalents	194	61
Total	604	638

CREDIT RISK MANAGEMENT

Client risks are managed by the financial divisions of the various entities. The largest of them have credit-management teams. Each entity establishes management procedures, measuring instruments, and rules on writedowns of its outstanding client amounts. The most sensitive cases are monitored and handled in conjunction with the Credit Management Department of the parent company.

In most organizations, credit risk is partly or fully covered by credit insurance. Credit risks may also be offset or limited by collateral or specific guarantees.

In addition, the group's client base is highly fragmented. Consequently, in 2022, no individual client accounted for more than 2% of the consolidated revenue.

The finance department also takes care to spread the bank counterparty risk across leading institutions.

ANALYSIS OF OVERDUE RECEIVABLES AND ASSOCIATED IMPAIRMENT

						December 31, 2022
in thousands of euros	Not due	Due <30 days	Due 31 - 90 days	Due 91 - 120 days	Due +120 days	Total
Trade receivables	451,114	19,089	14,758	2,168	4,815	491,945
Trade receivables impairment	-667	-197	-31	-2	-2,413	-3,310
Trade receivables – Net	**450,447**	**18,892**	**14,727**	**2,166**	**2,403**	**488,635**
Receivables on financing granted to end customers	488					488
Impairment of receivables on financing granted to end customers	-488					-488
Receivables on financing granted to end customers – Net	**0**	**0**	**0**	**0**	**0**	**0**
Receivables on financing leases						0
Impairment on receivables on financing leases						0
Receivables on financing leases – Net	**0**	**0**	**0**	**0**	**0**	**0**
Total	**450,447**	**18,892**	**14,727**	**2,166**	**2,403**	**488,635**

CHANGES IN IMPAIRMENTS ON RECEIVABLES

in thousands of euros	December 31, 2021	Increases	Reversal used	Reversal unused	Reclassifications & others	Currency translation difference	December 31, 2022
Trade receivables impairment	-3,875	-411	852	171		-46	-3,310
Impairment of receivables on financing granted to end customers	-498			42		-31	-488
Of which							0
Current	-498			42		-31	-488
Non-current							0
Impairment on receivables on financing leases							0

NON-CURRENT FINANCIAL ASSETS

in thousands of euros	December 31, 2021	Change	Fair value	Recycling	Currency translation differences	Changes in scope	December 31, 2022
Financial assets at fair value through other elements of comprehensive income*	4,199	-338			259		4,120
Derivatives	301	-35					267
Other non-current financial assets	10,150	-868		-5,280	1,131	-646	4,487
Total	**14,650**	-1,240		-5,280	1,390	-646	**8,874**

** Of which €4,042 thousand relating to the SERP of the American subsidiary (Note 6.3.1).*

CURRENT FINANCIAL ASSETS

Marketable securities and derivatives were valued at their fair value on the reporting date.

in thousands of euros	December 31, 2021	Net amount as of December 31, 2022
Financial assets at fair value through other elements of the income statement	2	2
Derivatives	837	4,768
Financial assets valued at amortized cost	10	15
Other current financial assets	1,670	2,459
Total	2,520	7,245

CASH AND CASH EQUIVALENTS

in thousands of euros	December 31, 2021	Net amount as of December 31, 2022
Cash and cash equivalents	184,224	55,863
Term deposits and others	10,081	4,841
Money-market funds (SICAV) & others		
Total	194,305	60,704

NET CASH

in thousands of euros	December 31, 2021	Net amount as of December 31, 2022
Cash and cash equivalents - Assets	194,305	60,704
Cash and cash equivalents - Liabilities	1,593	44,708
Cash, cash equivalents, and bank overdrafts at closing	192,712	15,996

NOTE 13.1.3 LIABILITIES IN DETAIL

ACCOUNTING PRINCIPLES

VALUATION AND RECOGNITION OF FINANCIAL LIABILITIES

BORROWINGS AND OTHER FINANCIAL LIABILITIES

Borrowings are initially recognized at their fair value, net of directly attributable transaction costs. These borrowings are valued at their amortized cost on each reporting date, using the effective interest rate method. Financial expenses therefore include interest and other costs incurred which are spread over the life of the loan.

VALUATION OF SHAREHOLDER AGREEMENTS (MINORITY PUT OPTIONS)

Manitou BF SA has signed shareholder agreements specifying the terms for repurchasing shares held by the minority shareholders of consolidated subsidiaries. In the absence of a specific standard or interpretation, the fair value of the commitment to minority shareholders is recognized as a financial liability by deduction from minority interests and, for the portion exceeding the value of the minority interests, by deduction from the group portion of shareholders' equity. The change in the financial liability related to the change in the fair value of the commitment to minority shareholders from one period to the next is also recognized as a financial liability by deduction from minority interests and, for the portion exceeding the value of the minority interests, by deduction from the group portion of shareholders' equity.

NET DEBT

The group's net debt is as follows:

in thousands of euros	December 31, 2021	December 31, 2022
Total current financial liabilities*	51,686	142,622
Total non-current financial liabilities*	126,638	138,759
TOTAL GROSS DEBT	178,324	281,380
Cash and cash equivalents	-194,305	-60,704
Current financial assets	-2,520	-7,245
TOTAL NET DEBT	-18,501	213,432

**Excluding IFRS 16.*

in thousands of euros	December 31, 2021 Current	December 31, 2022 Current
Short-term financing and bank overdrafts	1,478	44,587
Bank loans	1,952	81,068
Financing lease liabilities	7,417	5,432
Liabilities related to receivables securitized with recourse	0	0
Derivative liabilities - currency and interest rates	5,474	3,356
Financial liabilities at fair value through income	368	54
Bond issues	25,579	145
Other borrowings	9,419	7,980
Commitments to buy back minority interests	0	0
CURRENT FINANCIAL LIABILITIES	51,686	142,622
Current rental liabilities	5,091	6,006
TOTAL CURRENT FINANCIAL LIABILITIES	56,776	148,628

in thousands of euros	December 31, 2021 Non-current	December 31, 2022 Non-current	1 to 5 years	over 5 years
Bank loans	18,243	31,061	19,065	11,996
Financing lease liabilities	142	101	93	8
Liabilities related to receivables securitized with recourse	0	0	0	0
Derivative liabilities - currency and interest rates	638	214	214	0
Financial liabilities at fair value through income	227	0	0	0
Bond issues	104,170	104,326	104,326	0
Other borrowings	3,218	2,107	2,104	3
Commitment to buy back minority interests	0	950	950	0
NON-CURRENT FINANCIAL LIABILITIES	126,638	138,759	126,751	12,007
Non-current rental liabilities	16,433	14,973	12,470	2,503
TOTAL NON-CURRENT FINANCIAL LIABILITIES	143,071	153,732	139,221	14,510

The group funds most of its needs through bank financing (medium-term loans or bank overdrafts) and bond issues (of the Euro PP type). The parent company's bank financing agreement was put in place in July 2022 for a period of five years, plus two possible one-year extensions, potentially taking the expiry date of the financing to December 2029.

CHARACTERISTICS OF THE MAIN BANK LOANS

in thousands of euros	December 31, 2021		December 31, 2022				
	Current	Non-current	Current	Non-current	Currency	Due date	Effective rate
Revolving			78,539		EUR	Variable	
BPI 2	390	856	439	535	EUR	Q4/2024	4.41%
BPI 3	960	3,449	1,006	2,495	EUR	Q2/2026	2.01%
BPI 4	585	4,010	632	3,429	EUR	Q2/2029	2.26%
BPI 5		4,930	169	4,828	EUR	Q3/2031	1.66%
BPI 6		4,930	176	4,828	EUR	Q3/2031	1.05%
BPI 7			33	4,981	EUR	Q3/2032	2.71%
BPI 8			30	4,981	EUR	Q3/2029	2.54%
BPI 9			30	4,981	EUR	Q3/2029	2.54%
Other	18	69	14	4			
Total	1,952	18,243	81,068	31,061			

In July 2022, Manitou Group has put in place a new financing agreement consisting of a €375 million RCF (Revolving Credit Facility) with a five-year maturity and a possible two-year extension that would bring the maturity of the financing to July 2029.

This contract includes ratio clauses (covenants) and "material adverse change*" and "cross default*" clauses that could restrict the possibilities for use or affect the term of the credit facilities. It includes negative pledge* clauses to which thresholds and exemptions are attached.

Line	Signatory	Main contractual clauses 2nd half of 2022 to first half of 2027
Revolving Facility	Manitou BF	Leverage < 3.25 except in certain cases Cap on acquisitions and disposals of assets Limits on additional debt Clause on changes in control Dividends are limited to 100% of net income

**Definition in paragraph 8.5 of the 2022 URD.*

CHARACTERISTICS OF BOND ISSUES

in thousands of euros	December 31, 2021		December 31, 2022				
	Current	Non-current	Current	Non-current	Currency	Due date	Effective rate
Bond issue 2015-2022	25,579				EUR	Q3/2022	4.24%
Bond issue 2019-2025		9,943	12	9,950	EUR	Q2/2025	2.58%
Bond issue 2019-2026		24,842	32	24,848	EUR	Q2/2026	2.79%
Bond issue 2019-2027		69,385	101	69,528	EUR	Q2/2027	3.12%
Total	25,579	104,170	145	104,326			

OUTSTANDING LIABILITY TO FINANCIAL INSTITUTIONS

The portion of outstanding liability to financial institutions is broken down as follows:

in thousands of euros	December 31, 2021		December 31, 2022	
	Outstandings authorized	Outstandings used	Outstandings authorized	Outstandings used
Short-term financing and bank overdrafts	80,500	1,473	81,800	44,587
Financing lease liabilities	7,559	7,559	5,533	5,533
Other bank loans				
- Amortizable term loans	20,470	20,470	33,572	33,572
- Revolving loan facilities	180,000		375,000	80,000

CASH/NON-CASH CHANGES IN FINANCIAL ITEMS

				"Non-cash" flow				
in thousands of euros		December 31, 2021	Cash flow	Changes in scope	Currency translation difference	Fair value	Others & reclass.	December 31, 2022
Bank loans - current	A	1,952	78,796	0	0	0	320	81,068
Bank loans - non-current	B	18,243	13,137	0	0	0	-320	31,061
Financing lease liabilities - current	A	7,417	1,985	0	0	0	0	5,432
Financing lease liabilities - non-current	B	142	-37	0	-4	0	0	101
Bond issues - current	A	25,579	-25,434	0	0	0	0	145
Bond issues - non-current	B	104,170	156	0	0	0	0	104,326
Change in financial liabilities		157,503	64,634	0	-5	0	0	222,132
Other loans - current	A	9,419	-1,511	0	-706	0	759	7,962
Other loans - non-current	B	3,216	-145	0	-936	0	-14	2,122
Derivative liabilities - currency and interest rates - current	A	5,474	-2,910	0	0	-4,069	4,861	3,356
Derivative liabilities - currency and interest rates - non-current	B	638	0	0	0	0	-424	214
Financial liabilities at fair value through income - current	A	368	0	0	0	0	-313	54
Financial liabilities at fair value through income - non-current	B	227	0	0	0	0	-227	0
Derivative assets - currency and interest rates - current		-837	0	0	0	0	-3,931	-4,768
Financial liabilities related to receivables securitized with recourse		0	0	0	0	0	0	0
Buyback commitments for minority interests - current	A	0	0	0	0	0	0	0
Buyback commitments for minority interests - non current	B	0	0	950	0	0	0	950
Change in other items		18,504	-4,566	950	-1,642	-4,069	710	9,889
Reconciliation with current and non-current financial liabilities (note 13.1.1)								
Short-term financing and bank overdrafts	A	1,478	43,573	0	-463	0	0	44,587
Total current financial liabilities	A	51,686	90,530	0	-1,169	-4,069	5,626	142,604
Total non-current financial liabilities	B	126,637	13,111	950	-940	0	-985	138,773

FINANCING AND LIQUIDITY RISKS

The group's financing and liquidity risks correspond to the risks of not being able to:

- fully or partially renew existing financing or put new financing in place;
- meet a payment obligation on its maturity date.

Financing risks could affect the ability of the group to meet its payment commitments, its financing costs, or the restrictive constraints associated with its financing.

The Finance division is responsible for managing these risks.

MANAGING FINANCING AND LIQUIDITY RISKS

The Finance division has the task of ensuring that the group has financing and liquidity at the most advantageous cost and under the best terms and conditions.

Management of the group's cash is centralized with the parent company insofar as permitted by local legislation and operational constraints. Cash surpluses are therefore placed by the subsidiaries with the parent company, from where the group's financing needs are funded. The group's financing needs are met, firstly, through bank financing arrangements (bank credit or overdraft agreements) and, secondly, through bond issues, with the aim of diversification. Long-term financial resources are mainly concentrated with the parent company.

As of December 31, 2022, the authorized bank credit lines amount to €375 million, plus ordinary authorized overdrafts for €82 million.

Net debt* amounted to €213 million as of December 31, 2022.

CREDIT AGREEMENT OF JULY 2022

In 2022, Manitou BF signed a new financing agreement for a period of five years, with two options for one-year extensions. This contract includes ratio clauses (covenants) and "material adverse change*" and "cross default*" clauses that could restrict the possibilities for drawdown or affect the term of the credit facilities. It includes negative pledge* clauses to which thresholds and exemptions are attached.

As of December 31, 2022, the covenants applying to all the financing facilities had been complied with and the existing facilities will cover all the financing requirements for the next 12 months.

An amendment was signed in December 2022 to qualify this financing as a Sustainability Linked Loan (SLL).

Three CSR criteria have been added to the RCF (Revolving Credit Facility) line relating to the low carbon scope 3 trajectory, employee safety and sustainable purchasing. Annual achievement targets in line with the Group's CSR policy have been set and will give rise to a positive or negative adjustment mechanism on the margin applied to the RCF.

ORDINARY BANK OVERDRAFTS

The group has bank overdraft facilities that ensure liquidity in line with its needs.

The company has specifically reviewed its liquidity risk and, on the date of on which this document is filed, believes that it will be able to meet its future payment deadlines.

CORPORATE BOND ISSUES

The group has also set up bond issues. In June 2019, Manitou BF completed a new €105 million corporate bond issue. The bonds are divided into three tranches with 6, 7, and mainly 8 year maturities. This private placement, concluded on favorable terms for Manitou Group, allows it to extend the maturity of its debt and pursue its strategy of diversifying its financing sources.

* *Terms defined in paragraph 8.5 of the 2022 URD.*

NOTE 13.2 FINANCIAL MANAGEMENT

NOTE 13.2.1 FINANCIAL RESULT

ACCOUNTING PRINCIPLES

The financial result corresponds to the difference between the financial income and the financial expenses. Interest accrued and bank account income constitute financial income. As for financial expenses, they may include interest on loans, discounts granted to customers, or even exchange losses.

in thousands of euros	December 31, 2021	December 31, 2022
Income from investments	1,549	1,304
Interest rate swaps	0	0
Fair value adjustment		
Exchange gains	21,063	36,070
Other financial income	1,161	633
Total financial income	**23,773**	**38,007**
Interest expenses on bank loans and lines of credit	-5,904	-7,157
Interest rate swaps		
Exchange losses	-21,055	-32,335
Financial expenses IFRS 16	-1,084	-1,251
Other financial expenses	-1,605	-1,527
Total financial expenses	**-29,648**	**-42,270**
Financial result	**-5,875**	**-4,263**

The financial result for the period is improving mainly due to changes in exchange gains and losses.

NOTE 13.2.2 DERIVATIVES AND HEDGING TRANSACTIONS

ACCOUNTING PRINCIPLES

The group uses various derivative financial instruments in order to reduce its exposure to interest rate and exchange rate risks.

These derivative instruments are recognized on the balance sheet and valued at their fair value on the date the contract is signed. Changes to the fair value of these derivative instruments are recorded on the income statement, except in the case of cash flow hedging.

The derivative instruments designated as hedging instruments are classified by hedging category depending on the nature of the risks covered. Hedge accounting applies if, and only if, the following conditions are met: the hedged item and the hedging instrument are eligible, a hedging relationship is clearly identified, formalized, and documented from the date it is established and there is an economic relationship between the hedged item and the hedging instrument.

The accounting treatment of financial instruments qualified as hedging instruments, and their impact on the income statement and the balance sheet, depends on the type of hedging relationship:

- cash flow hedges: the effective portion of the change in fair value of the hedging instrument is directly recognized in the other components of the comprehensive income. For foreign exchange derivatives, the variation in the time value of options and the variation in the swap points are also recorded in the other components of the comprehensive income. These amounts are reclassified in the income statement symmetrically to the method of recognition of the hedged items, that is to say mainly as gross margin for the effective portion of the commercial transaction hedges, and as financial profit (loss) for financial transaction hedges as well as the time value of the commercial transaction hedges;
- fair value hedges: the hedged component of these elements is valued on the balance sheet at its fair value for the risk covered. The change in this fair value is recorded on the income statement and is compensated, to the extent effective, by recognition in the result of the symmetrical variations in fair value of the financial instruments used in hedging.

INTEREST RATE RISK

Gross debt mainly corresponds to long-term funding, initially agreed partly at a fixed rate and partly at a variable rate. The risk arises from the impact interest-rate changes would have on the group's financial expenditure.

The group has financial liabilities incurred for the general financing of its operations. These commitments are partially based on a variable interest rate. The change in interest rates could have a negative effect on the group's net income and financial position.

INTEREST-RATE RISK MANAGEMENT

The interest-rate management policy is coordinated and supervised by the Finance Division of the parent company with the aim of protecting future cash flows and optimizing and reducing volatility and finance costs. The group uses the various instruments available on the market to hedge the risk of interest rate fluctuations, including interest rate swaps (variable interest rate swaps at a fixed rate, exchange of variable interest rates for variable rates, etc.).

In order to secure a maximum level of financial costs, the group has set up interest rate caps and floors in line with the new financing agreement.

These derivatives are described as future cash flow hedging instruments. At December 31, 2022, they are effective for hedge accounting purposes in view of the draw downs on the revolving credit facility.

The characteristics of the caps and floors as of December 31, 2022 are as follows:

CAPS

in millions of euros	Average rate of caps	Notional	Fair value as of December 31, 2022
Less than one year			
1 to 2 years			
2 to 5 years			

COLLARS

	in millions of euros	Average rate of collars	Notional	Fair value as of December 31, 2022
Less than one year	Q4/2023	1.00%	25	0.5
1 to 2 years				
2 to 5 years				

INTEREST-RATE HEDGING AND DEBT SENSITIVITY

Sensitivity to rates and the hedge rate are shown in the following table. The sensitivity tests show the impact before tax on the income statement. No impact has been identified in terms of shareholder's equity.

Hedging of the confirmed bank debt at a variable interest rate	Hedge rate				Impact of a +0.5% interest-rate change**
	Fixed-rate hedge	Tunnel	Cap	Total*	
December 31, 2023	0.00%	31.00%	0.00%	31.00%	- 301
December 31, 2024	0.00%	0.00%	0.00%	0.00%	- 408
December 31, 2025	0.00%	0.00%	0.00%	0.00%	- 405
December 31, 2026	0.00%	0.00%	0.00%	0.00%	- 405

* *On the basis of the variable-rate bank debt as of December 31, 2022.*
** *On the basis of the 3-month Euribor rate of 2.1320% applied on December 31, 2022: pre-tax profit impact, taking into account the impact of hedging.*

EXCHANGE RATE RISK

Foreign exchange risk: corresponds to the impact of fluctuations in foreign exchange rates on the income statement, balance sheet, and/or cash generation. Exchange rate risk arises either when executing transactions or through conversion exposure. All major contractors, as defined by the OECD guideline, bear the exchange-rate risk arising from the sale of their products. In view of the respective size of the organizations and the geographical spread of product distribution, Manitou BF is the most sensitive company in the group and was most impacted by foreign exchange losses in 2022.

Foreign exchange risk on transactions: arises when purchases or sales take place in a currency other than the operating currency of the entity in which the transaction takes place. The group strives to minimize the exchange-rate risk of each entity in relation to its operating currency. The Finance division of the parent company or, more rarely, of the subsidiaries, hedges the most significant flows against exchange-rate risks for the net amount of their currency exposure after allowing for purchases made in foreign currency.

In 2022, the group billed about 36% of its sales in foreign currencies, mainly in US dollars (16%), pounds sterling (10%), and Australian dollars (4%), the other currencies being the South African rand, the Singapore dollar, the Indian rupee, the Brazilian real, and the Russian ruble. In 2022, exchange-rate hedges mainly consisted of forward sales of pounds sterling, Australian dollars, and South African rands, or forward put options on these currencies.

A significant exchange-rate change could affect Manitou Group's profits due to the impact on currency conversion that it would generate and the pressure it might exert on sales prices in certain geographical regions.

The sensitivity analysis was performed based on receivables, liabilities, net cash position, and financial assets available for sale as of December 31, 2022 for the main currencies used by the group as part of its operating activities. Sensitivity corresponds to a change of more than 5% of the currencies concerned compared to their closing rate.

The table below shows the impact by operating currency of a change of more than 5% of the exchange rate of the currencies compared to the closing rate on the receivables and liabilities denominated in foreign currencies.

December 31, 2022 *Receivables and liabilities denominated in foreign currency* *Breakdown by operational currency*	AUD/EUR +5%	GBP/EUR +5%	USD/EUR +5%	ZAR/EUR +5%	SGD/EUR +5%	RUB/EUR +5%	BRL/EUR +5%	INR/EUR +5%
EUR								
Receivables (AUD, GBP, USD, ZAR, RUB, BRL)	1,225	3,033	3,232	84	0	0	13	6
Debts (AUD, GBP, USD)	-1	-392	-207	-1	0	0	-1	0
Net cash and cash equivalents (AUD, GBP, USD, SGD, RUB)	304	-1,908	-8	1	156	0	-306	0
Sub-total	1,527	733	3,017	85	156	0	-294	6
AUD								
Receivables (EUR)	-103							
Debts (EUR)	82							
Cash and cash equivalents (EUR)	-5							
Sub-total	-26							
GBP								
Receivables (EUR)		-142						
Debts (EUR)		0						
Cash and cash equivalents (EUR)		-22						
Sub-total		-164						
USD								
Receivables (EUR)			-606					
Debts (EUR)			97					
Cash and cash equivalents (EUR)			0					
Sub-total			-509					
ZAR								
Receivables (EUR)				0				
Debts (EUR)				94				
Cash and cash equivalents (EUR)				0				
Sub-total				94				
SGD								
Receivables (EUR)					-432			
Debts (EUR)					452			
Cash and cash equivalents (EUR)					-8			
Sub-total					12			
RUB								
Receivables (EUR)						-9		
Debts (EUR)						6		
Cash and cash equivalents (EUR)						0		
Sub-total						-3		
BRL								
Receivables (EUR)							0	
Debts (EUR)							269	
Cash and cash equivalents (EUR)							487	
Sub-total							756	
INR								
Receivables (EUR)								-376
Debts (EUR)								181
Cash and cash equivalents (EUR)								0
Sub-total								-194
TOTAL	1,502	569	2,508	179	168	-3	462	-188

HEDGING OF FOREIGN-EXCHANGE RISK

As of December 31, 2022, the group also holds forward sale contracts for currencies designed to cover future GBP, BRL, AUD, INR, USD and ZAR cash flows in euro for an amount of €210.9 million. The group also holds forward purchase contracts for currencies designed to cover future CNY and PLN cash flows into euros for an amount of €44.3 million.

These hedges are considered effective under the IFRS. The change in fair value of these instruments is recorded accordingly on the balance sheet for -€0.6 million for cash-flow hedges and on the operating income statement for -€0.3 million for fair value hedges.

THE NET POSITION OF OPERATIONAL ACTIVITIES IN THE MAIN FOREIGN CURRENCIES IN RELATION TO THE EURO IS AS FOLLOWS:

Vs EUR

in thousands of euros	Assets	Liabilities	Net currency position before hedging	Financial hedging instruments*	Net currency position after hedging
AUD	32,106	-31	32,076	-47,854	-15,778
GBP	68,323	-52,928	15,395	-112,464	-97,069
USD	84,304	-20,945	63,359	-41,892	21,467
ZAR	1,800	-13	1,786	-8,053	-6,267
CNY	4	-10,570	-10,566	42,900	32,334
Other currencies	3,785	-6,449	-2,664	772	-1,892
Total	190,322	-90,936	99,386	-166,591	-67,205

Vs USD

in thousands of euros	Assets	Liabilities	Net currency position before hedging	Financial hedging instruments*	Net currency position after hedging
EUR	11,511	-1,838	9,673		9,673
Other currencies	0	0	0		0
Total	11,511	-1,838	9,673	0	9,673

Vs GBP

in thousands of euros	Assets	Liabilities	Net currency position before hedging	Financial hedging instruments*	Net currency position after hedging
EUR	3,120	0	3,120		3,120
Other currencies	0	0			
Total	3,120	0	3,120	0	3,120

Vs SGD

in thousands of euros	Assets	Liabilities	Net currency position before hedging	Financial hedging instruments*	Net currency position after hedging
EUR	8,371	-8,590	-220		-220
Other currencies	1,410	-533	877		877
Total	9,780	-9,123	657	0	657

Vs INR

in thousands of euros	Assets	Liabilities	Net currency position before hedging	Financial hedging instruments*	Net currency position after hedging
EUR	7,137	-13,745	-6,609		-6,609
Other currencies	244	-973	-729		-729
Total	7,381	-14,719	-7,338	0	-7,338

* *In addition to the positions open as of December 31, 2022, the group hedges a portion of its future operational transactions in foreign currencies. These hedges are considered effective under the IFRS 9.*

CONVERSION RISKS FOR THE PROFIT AND LOSS ACCOUNT

Exchange-rate fluctuations have an impact on the consolidated results as a result of conversion into euro of the foreign currency profit and loss accounts of subsidiaries.

The group does not hedge this type of risk. The table below sets out the breakdown of net sales, operating income and net income by operating currency.

Currency exposure	December 31, 2022		
Currencies (in millions of euros)	Net sales	Operating income	Net income
USD	388	-5	-4
GBP	249	11	10
AUD	92	5	4
ZAR	33	6	5
SGD	24	1	0
BRL	23	3	3
INR	22	-6	-7
RUB	15	1	1
OTHER	7	2	1
Total	853	19	12

CONVERSION RISKS FOR THE BALANCE SHEET

Sensitivity corresponds to a change of more than 5% of the currencies concerned compared to their closing rate.

Sensitivity analysis		December 31, 2022	
Currency (in millions of euros)	Net investment	Hedge as %	Impact on equity capital of a 5% euro fluctuation
USD	452	0%	-22
GBP	28	0%	-1
ZAR	23	0%	-1
AUD	16	0%	-1
INR	15	0%	-1
SGD	13	0%	-1
RUB	5	0%	0
Other	11	0%	-1
Total	563	0%	-27

NOTE 14 IMPACT OF CLIMATE CHANGE ON THE FINANCIAL STATEMENTS

The group integrates climate change and sustainable development issues with the implementation of its low carbon strategy and trajectory*. They are also taken into account in the communication of information on the EU taxonomy for sustainable activities**.

The effects of climate change do not have a significant impact on judgments and estimates in terms of financial information, particularly in the valuation of the group's long-term assets through impairment tests.

Investments and expenses are specifically committed to meet environmental challenges and achieve the group's objectives.

*** See Chapter 3, section 2, of the 2022 URD.*
*** See Chapter 3, section 3.3, of the 2022 URD.*

In 2022, 22% of capitalized research and development costs were allocated for the development of electrical or hydrogen machines eligible for the EU taxonomy for sustainable activities**.

7% of equipment investments were also made for the production of electric machines, notably at the Candé (France), Laillé (France), Greater Nodia (India) and Castelfranco (Italy) sites.

NOTE 15 OFF-BALANCE SHEET COMMITMENTS

NOTE 15.1 COMMITMENTS GIVEN

in thousands of euros	December 31, 2021	December 31, 2022
Sureties, deposits, and collateral	3,514	1,197
Financial commitments (including currency and interest rate hedges)	327,533	235,895
Equipment repurchase commitments*	574	384
Other commitments given	812	2,572
	332,434	240,048

**Equipment repurchase commitments valued at contractually defined repurchase amounts. It should be noted that the market value of this equipment generally exceeds the repurchase value.*

NOTE 15.2 COMMITMENTS RECEIVED

in thousands of euros	December 31, 2021	December 31, 2022
Financial commitments (including forward purchases)	877	44,302
	877	44,302

NOTE 16 RELATED COMPANIES AND RELATIONS WITH RELATED PARTIES

ACCOUNTING PRINCIPLES

OPERATING INCOME INCLUDING NET INCOME FROM EQUITY ASSOCIATES

The “Operating income including net income from equity associates” aggregate line item includes the proportionate share of income from associate companies in operating income.

NOTE 16.1 CHANGE IN INVESTMENTS IN ASSOCIATES

in thousands of euros	Manitou Group Finance	Manitou Finance Ltd	Total
December 31, 2021	11,955	6,863	18,818
Share of net income	612	1,374	1,986
Dividends		-546	-546
Change			
Change of method			
Reclassification	-705		-705
Currency translation differences		-392	-392
December 31, 2022	11,861	7,299	19,160

The Manitou Group holds interests in two financing subsidiaries of the BNP Paribas Group. Through a cooperation agreement, these subsidiaries offer financing solutions for end customers, as well as the group's dealerships in order to maximize sales of machinery, attachments, and associated services.

The group has representatives on the management bodies of these two companies under a shareholder agreement. Given the specific characteristics of financing activities and the percentage of ownership, this agreement confers control over these entities.

NOTE 16.2 SHARE OF EARNINGS AND EQUITY OF ASSOCIATES

	Manitou Group Finance		Manitou Finance Ltd		Total	
in thousands of euros	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022
Share of net income	1,586	612	1,288	1,374	2,874	1,986
Share of shareholders’ equity*	-616	-710	1,990	2,426	1,374	1,716

** Contribution of associates in the shareholders' equity of the group (share of shareholders' equity of the company accounted for using the equity method, net of the value of securities).*

NOTE 16.3 BREAKDOWN BY COMPANY OF THE SIGNIFICANT ITEMS

	Manitou Group Finance		Manitou Finance Ltd	
in thousands of euros	31.12.2021	31.12.2022	31.12.2021	31.12.2022
Activity	Financing	Financing	Financing	Financing
Net sales	5,501	8,022	6,667	6,720
Net income	1,671	1,249	2,629	2,804
Balance sheet total	256,933	410,698	158,766	167,596
Net assets	22,830	24,207	14,007	14,896
Share held	49%	49%	49%	49%

NOTE 16.4 TRANSACTIONS WITH GROUP COMPANIES CONSOLIDATED USING THE EQUITY METHOD

	Manitou Group Finance		Manitou Finance Ltd	
in thousands of euros	31.12.2021	31.12.2022	31.12.2021	31.12.2022
Expenses	2,145	2,752	1,105	1,364
Products	1,674	1,569	109,065	150,169

Machines that are the subject of a financing program with Manitou Group Finance are generally sold directly to dealerships by the group.

In the UK, on the other hand, the products correspond to the sale of machinery to the financing body, which then sets up a financing program with the dealerships.

NOTE 16.5 TRANSACTIONS WITH INDIVIDUALS

in thousands of euros	2021			2022		
	Interest for 2021	Balance as of December 31, 2021	Purchase price 2021	Interest for 2022	Balance as of December 31, 2022	Purchase price 2022
Current accounts with shareholders:						
Mr. Marcel Braud	70	6,049		133	6,093	
Ms Jacqueline Himsworth	3	282		6	287	
Purchases of equity interests						
Not applicable						

NOTE 17 STATUTORY AUDITORS' FEES

in thousands of euros	KPMG				RSM Ouest & members of the RSM International network				Other				TOTAL			
	Amount		%		Amount		%		Amount		%		Amount		%	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Statutory audits, certification of individual and consolidated financial statements																
Issuer	170	185	32%	30%	170	179	45%	44%					340	363	37%	33%
Fully consolidated subsidiaries	352	416	67%	68%	204	236	55%	55%	28	46	100%	84%	585	697	63%	64%
Services other than certification of financial statements																
Issuer						7		2%						7		1%
Fully consolidated subsidiaries	3	9	1%	1%	1		0%			4		8%	4	13	0%	1%
SUBTOTAL	525	609	100%	100%	375	421	100%	100%	28	50	100%	92%	929	1,081	100%	100%
Other services rendered by the networks for fully consolidated subsidiaries										4		8%		4		0%
TOTAL	525	609	100%	100%	375	421	100%	100%	28	54	100%	100%	929	1,085	100%	100%

NOTE 18 POST-CLOSING EVENTS

ACQUISITION OF MAJORITY STAKE IN EASYLI

On January 23, 2023, the group acquired a stake of 82% in EasyLi, a specialised company in the design and production of lithium-ion batteries. For the group, this transaction enables to acquire specific skills as part of its energy transition. Based in Poitiers (France), EasyLi has 25 employees and recorded a revenue of 1 million of euros in 2022.

ACQUISITION OF THE ITALIAN COMPANY GI.ERRE SRL

On March 1, 2023, the group acquired all the shares of the Italian company GI.ERRE SRL, based in Castelfranco in Italy and specialised in service activities for Manitou products.

GI.ERRE had a revenue of 4 million of euros in 2022 and has 14 employees.

SIGNING OF AN EXCLUSIVE PARTNERSHIP WITH KILOUTOU FOR THE FIRST RETROFIT PROJECT

In February 2023, the group annouced the signing of an exclusive 12-months partnership with Kiloutou, a major player in the European rental market, to offer electrification kits for used Manitou thermic telescopic forklifts. The retrofit will extend the life of the equipments while reducing its environmental impacts, in particular, its carbone emissions, in line with the commitments of the two groups in their respective CSR roadmaps.

NOTE 19 LIST OF SUBSIDIARIES AND AFFILIATES

	Parent company		
Manitou BF	Ancenis, France		
	Consolidated companies	**Consolidation method**	**% interest**
Production companies			
LMH Solutions	Beaupréau-en-Mauges, France	FC	100%
Manitou Equipment America LLC	West Bend, Wisconsin, United-States	FC	100%
Manitou Equipment India	Greater Noïda, India	FC	100%
Manitou Italia S.R.L	Castelfranco Emilia, Italy	FC	100%
Distribution companies			
Compagnie Française de Manutention Île-de-France	Jouy-le-Moutier, France	FC	100%
Manitou Asia Pte Ltd	Singapore	FC	100%
Manitou Australia Pty Ltd	Lidcombe, Australia	FC	100%
Manitou Brasil Ltda	São Paulo, Brazil	FC	100%
Manitou Benelux SA	Perwez, Belgium	FC	100%
Manitou Center Singapore	Singapore	FC	100%
Manitou Centres SA Pty Ltd	Johannesbourg, South Africa	FC	100%
Manitou Chile	Las Condes, Chile	FC	100%
Manitou China Co Ltd	Shanghai, China	FC	100%
Manitou Deutschland GmbH	Friedrichsdorf, Germany	FC	100%
Manitou Global Services	Ancenis, France	FC	100%
Manitou Interface and Logistics Europe	Perwez, Belgium	FC	100%
Manitou Japan Co Ltd	Tokyo, Japan	FC	100%
Manitou Malaysia MH	Kuala Lumpur, Malaisia	FC	100%
Manitou Manutencion Espana SL	Madrid, Spain	FC	100%
Manitou Mexico	Mexico DF, Mexico	FC	100%
Manitou Middle East Fze	Jebel Ali, United Arab Emirates	FC	100%
Manitou Nordics Sia	Riga, Latvia	FC	100%
Manitou North America LLC	West Bend, Wisconsin, United-States	FC	100%
Manitou Polska Sp Z.o.o.	Raszyn, Poland	FC	100%
Manitou Portugal SA	Villa Franca, Portugal	FC	100%
Manitou South Asia Pte Ltd	Gurgaon, India	FC	100%
Manitou Southern Africa Pty Ltd	Johannesbourg, South Africa	FC	100%
Manitou UK Ltd	Verwood, United-Kingdom	FC	99,4%
Manitou Vostok Llc	Moscou, Russia Federation	FC	100%
LiftRite Hire & Sales Pty Ltd (ex. Marpoll Pty Ltd)	Perth, Australia	FC	100%
Mawsley Machinery Ltd	Northampton, United-Kingdom	FC	85%
MN-Lifttek Oy	Vantaa, Finland	FC	100%
Associates companies			
Manitou Group Finance	Nanterre, France	EM	49%
Manitou Finance Ltd	Basingstoke, United-Kingdom	EM	49%
Other companies*			
Cobra MS*	Ancenis, France	FC	100%
Manitou America Holding Inc.	West Bend, Wisconsin, United-States	FC	100%
Manitou Asia Pacific Holding	Singapore	FC	100%
Manitou Développement	Ancenis, France	FC	100%
Manitou Holding Southern Africa Pty Ltd	Johannesbourg, South Africa	FC	100%
Manitou PS	Verwood, United-Kingdom	FC	85%

FC: Full Consolidation
EM: Equity MEthod
** Holdings and companies without activity*

The adress of Manitou BF's headquarters is 430, rue de l'Aubinière, 44158 Ancenis, France.

7.2. STATUTORY AUDITORS' REPORT ON THE 2022 CONSOLIDATED FINANCIAL STATEMENTS

To the annual general meeting of Manitou BF S.A.

OPINION

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Manitou BF S.A. for the year ended 31 December, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2022 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit engagement in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from 1st January 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

PROVISIONS FOR WARRANTIES

KEY AUDIT MATTER

As specified in the note 11.1 to the consolidated financial statements, the Group records provisions for warranties and equipment recall campaigns to cover the estimated warranty costs of machines and spare parts, and the costs of overhauling sold equipment and the stock of machines in the event of major or dangerous malfunctions. These provisions, totalling €28 million as at 31 December 2022, are recorded for warranties when machines are sold to networks or end customers, and for recall campaigns when a malfunction is detected. The warranty provision amount covers the contractual warranty and its potential extension and is determined using historical statistical data projections. The campaign provision amount is determined using the unit cost of repair applied to the fleet of machines concerned.

We considered the valuation of these provisions to be a key audit matter in the consolidated financial statements due to their importance in understanding the financial statements, the complexity of their calculation components (average on warranty costs over the last five years, machine commissioning dates, outsourcing rate to suppliers, margin rate on spare parts) and their sensitivity to the assumptions adopted by management.

RESPONSE AS PART OF OUR AUDIT

Our work consisted in:

- familiarizing ourselves with the identification process of the population with warranty or which should be subject to recall campaigns and with provision valuation,
- testing the key controls set up by management that we consider as most relevant to determine the costs underlying this valuation, and particularly those relating to the various rates used in the estimates,
- assessing the relevance of the Group's methodology,
- assessing the validity of the assumptions used to determine the warranty provisions, checking all of the data and calculations underlying these assumptions,
- reviewing the calculations on a test basis,
- comparing the accounting estimates of prior periods with the corresponding actual figures,
- assessing the appropriateness of the disclosures in Note 11.1 to the consolidated financial statements.

VALUATION OF LITIGATION PROVISIONS – INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

KEY AUDIT MATTER

In May 2017, action was taken against the Manitou group by J.C. Bamford Excavators Limited (JCB), in France, the United Kingdom and later Italy, for allegedly infringing two European patents, as mentioned in Note 11.2 to the consolidated financial statements. The claims before the French court amounted initially to €20 million (subject to further evaluation) and before the UK court to an amount in excess of £10 million. The financial claims for Italy were not specified. In December 2018, JCB served a new summon on the Manitou group for infringement of intellectual property rights relating to a third patent in France and the United Kingdom, and then in Italy in 2019.

The legal proceedings for this dispute continued throughout 2020 to 2022 and JCB valued its prejudice to €190 million in 2019. The judicial court of Paris, dated February 26th, 2021, ordered to Manitou to pay the amount of € 150.000 regarding the assignment of the first two patents. This amount has been booked as at 31 December 2020 in addition to the litigation costs already accounted for.

Regarding the assignment for the third patent and the assignment relating to other proceedings still in progress in other countries, the Manitou Group considers, on the one hand, that a financial estimate of the risk actually incurred cannot be determined given the evidence at its disposal and the progress of the proceedings, and, on the other hand, that a significant outflow of resources in respect of these claims seems unlikely given the arguments put forward by Manitou group in its defence.

The main developments in 2022 relate to the court ruling on 5 July 2022 in the UK proceedings against Manitou on one of the four patents in issue. Manitou appealed this judgment in January 2023. In any event, the terms of compensation for the loss are not known at 31 December 2022.

In light of this, no provision was set aside in the consolidated financial statements for these claims. The Group only recorded the estimated future legal costs relating to this litigation in its 2022 financial statements, as indicated in Note 11.2 to the consolidated financial statements.

We considered this issue to be a key audit matter given its potential importance on the Group's consolidated financial statements and insofar as significant judgment is required at the year-end regarding the uncertain outcome of this litigation in order to estimate the actual risk incurred.

RESPONSE AS PART OF OUR AUDIT

As part of our audit of the consolidated financial statements, our work primarily consisted in:

- examining the procedures implemented by the Group to estimate the risk relating to this litigation,
- familiarising ourselves with the Group's risk analysis,
- assessing the validity of the absence of provisions (excluding the legal costs) in light of the documentation provided by the company, the documents filed and the written consultations of external advisors;
- assessing the reasonableness of the assumptions used by management to estimate the provision for legal costs;
- analysing the documentation elements of opposing party request and of the Company defence elements;
- analysing, if necessary, Courts judgments;
- verifying the appropriateness of the disclosures relating to this litigation in Note 11.2 to the consolidated financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce), is included in the Group's management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and this information must be reported by an independent third party.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

FORMAT OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Manitou BF S.A. by the annual general meeting held on 13 June, 2019 for KPMG and on 28 June, 1989 for RSM.

As at 31 December, 2022, KPMG was in the 4th year of total uninterrupted engagement and RSM was in the 33rd year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Nantes, on the 21 April 2023	Saint-Herblain, on the 21 April 2023
The statutory auditors	
French original signed by	
Gwenaël Chedaleux	Céline Braud
Partner	Partner

7.3. CORPORATE FINANCIAL STATEMENTS

7.3.1. INCOME STATEMENT

in thousands of euros	Notes	2021	2022
Operating income (1):			
Sales of merchandise		316,263	437,291
Production sold (goods)		915,234	1,161,227
Production sold (services)		21,159	26,116
Net sales	Note 18	1,252,656	1,624,634
Inventoried and capitalized production		26,955	16,559
Reversals of provisions and amortization, expense transfers	Note 19	21,377	29,186
Other income (1)		12,454	13,502
TOTAL OPERATING INCOME		1,313,442	1,683,881
Operating expenses (2):			
Purchases and changes in inventories		890,744	1,213,192
Other purchases and external expenses		145,499	180,360
Taxes and related		10,167	11,271
Salaries and social security charges		164,876	178,448
Amortization and impairment		28,014	27,125
Net increase in provisions		11,868	9,025
Other expenses (2)		10,901	11,883
TOTAL OPERATING EXPENSES		1,262,069	1,631,304
OPERATING PROFIT		51,373	52,577
Financial income (3)		41,537	69,846
Financial expenses (4)		34,195	47,908
Financial result	Note 20	7,342	21,938
RECURRING INCOME BEFORE TAXES		58,715	74,515
Non-recurring income		972	727
Non-recurring expenses		1,785	730
Non-recurring income/expenses	Note 21	-813	-3
Employee profit-sharing		176	225
Income taxes	Note 22	12,073	10,017
NET INCOME		45,653	64,270
(1) Of which income related to exchange gains on commercial operations		10,865	12,183
(2) Of which expenses related to exchange losses on commercial operations		9,655	10,213
(3) Of which income related to associates		19,672	31,039
(4) Of which expenses related to associates		2,279	4,915

7.3.2. CASH FLOW STATEMENT

in thousands of euros	2021	2022
NET INCOME	45,653	64,270
Elimination of income and expenses with no effect on operating cash flow and not linked to operating activities		
+ Amortization, depreciation, and provisions*	23,919	23,780
- Reversals of amortization and provisions*	-278	-287
- Proceeds from disposals of assets	-58	-110
+ Net book value of asset disposals	1,411	361
- Investment subsidies included in income	-22	-77
+/- Other income and expenses with no effect on operating cash flow		
EARNINGS BEFORE DEPRECIATION AND AMORTIZATION	70,625	87,937
Change in working capital requirement		
+/- Change in inventories	-37,855	-53,048
+/- Change in trade receivables	-12,510	-153,468
+/- Change in other operating receivables	-16,326	-65,297
+/- Change in trade accounts payable	46,131	84,844
+/- Change in other operating liabilities	76,722	-30,041
CASH FLOW FROM OPERATING ACTIVITIES	126,787	-129,073
Changes in cash flows from investing activities		
+ Disposals of intangible and tangible assets	58	110
+ Disposals of financial assets	0	0
- Acquisitions of intangible and tangible assets	-25,887	-38,757
- Purchases of financial assets	-11,655	-39,515
- Equipment subsidies	595	42
+/- Changes in supplier payables on assets	620	1,147
+/- Cash flow related to mergers		
CASH FLOW FROM INVESTING ACTIVITIES	-36,269	-76,973
Changes in cash flow from financing activities		
+ Capital increase		
- Capital reduction		
+ Carryback receivable transferred		
- Dividends paid	-22,962	-30,614
+ Increases in borrowings	10,621	95,641
- Repayments of borrowings	-2,463	-27,567
+/- Changes in subscribed capital called but not paid		
CASH FLOW FROM FINANCING ACTIVITIES	-14,804	37,460
Cash and cash equivalents – opening balance	120,698	196,412
Cash and cash equivalents – closing balance	196,412	27,826
CHANGE IN CASH AND CASH EQUIVALENTS	75,714	-168,586

** Excluding current assets.*

7.3.3. BALANCE SHEET

ASSETS

in thousands of euros	Notes	December 31, 2021	December 31, 2022		
		Net amount	Gross amount	Depreciation and impairment	Net amount
Fixed assets					
Intangible assets (1)	Note 2	32,688	130,875	94,431	36,444
Tangible assets	Note 3	86,961	342,250	244,343	97,907
Financial assets (2)	Note 4	497,279	541,567	0	541,567
		616,928	1,014,692	338,774	675,918
Current assets					
Inventories & work in progress	Note 6	234,347	297,033	9,638	287,395
Prepayments and advances to suppliers		158	225		225
Receivables from operations (3)	Note 7	389,951	603,871	224	603,647
Cash and marketable securities	Note 9	198,150	65,013	0	65,013
Accruals	Note 15	7,566	10,410		10,410
		830,172	976,552	9,862	966,690
Currency translation differences on assets	Note 16	16,567	20,852		20,852
TOTAL PROVISIONS		1,463,667	2,012,096	348,636	1,663,460
(1) Of which leasehold rights					
(2) Of which less than one year		2,729			4,623
(3) Of which more than one year					

LIABILITIES

in thousands of euros	Notes	December 31, 2021	December 31, 2022
		Net amount	Net amount
Shareholders' equity	Note 10		
Share capital	Note 10	39,668	39,668
Issue, merger, and acquisition premiums, etc.		45,119	45,119
Revaluation differences (4)	Note 17	74,330	79,094
Retained earnings and reserves		553,346	568,384
Income for the period		45,653	64,270
Investment subsidies	Note 6	621	586
Regulated provisions		7,127	6,935
		765,864	804,056
Provisions for risks and contingencies	Note 11	57,151	52,305
Liabilities (1)			
Financial liabilities (2) (3)	Note 12	318,678	392,719
Operating liabilities	Note 12		
Supplier accounts payable and related		211,201	296,045
Tax and social security liabilities		62,114	62,248
Other operating liabilities		21,148	18,285
Other liabilities	Note 12	3,247	4,554
Accruals	Note 15	17,012	23,573
		633,400	797,424
Currency translation differences on liabilities	Note 16	7,252	9,675
TOTAL PROVISIONS		1,463,667	1,663,460
(1) Of which more than one year		132,625	150,224
Of which less than one year		500,775	647,200
(2) Of which outstanding bank overdrafts and credit balances		1,738	37,187
(3) Of which equity loans			
(4) Of which equity method valuation difference		73,422	78,186

7.3.4. NOTES TO MANITOU BF'S FINANCIAL STATEMENTS

GENERAL INFORMATION

COMPANY IDENTITY

Manitou BF is a French Public Limited Company (société anonyme) with a Board of Directors with capital of €39,668,399 consisting of 39 668 399 shares with a par value of €1 per share.

The company's head office, which is also the main production site, is:

430, rue de l'Aubinière - BP 10 249 - 44158 Ancenis Cedex France

The company is registered in the Nantes Trade and Companies Register under number: 857 802 508 RCS Nantes - SIRET (business registration) No.: 857 802 508 00047 - APE (principal activity code): 292 D - NAF (business sub-sector ID) No.: 2822Z.

FINANCIAL INFORMATION RELATED TO THE APPROVAL OF THE FINANCIAL STATEMENTS

Manitou BF's corporate financial statements were approved by the Board of Directors on March 2, 2023.

COMMENTS ON THE NOTES TO THE BALANCE SHEET

The Notes to the balance sheet before distribution of dividends show the following.

The balance sheet for the period shows a total of €1,663,460 thousand.

The income statement reports:

- total income of €1,754,456 thousand;
- total expenses of €1,690,186 thousand;
- net income of +€64,270 thousand.

The period began on January 1, 2022 and ended on December 31, 2022, spanning 12 months.

The Notes (or tables) below are an integral part of the annual financial statements.

HIGHLIGHTS OF THE PERIOD

INFLATION

In an environment of accelerating inflation, Manitou BF is affected by increases in its energy and raw material costs. These increases have reduced the company's profitability in 2022.

In order to compensate for this inflation, a policy has been put in place to increase its sale prices.

It also integrated sales price adjustment mechanisms at delivery.

Given the size of the order book, these increases will gradually offset inflation in raw materials, particularly steel and energy.

SUPPLY CHAIN

The Covid-19 crisis, with a sharp slowdown in production in 2020, and the recovery in global business are causing significant supply and transport difficulties.

This situation is causing supply disruptions for some of the company's suppliers.

These disruptions limited growth and reduced Manitou BF's profitability over the year.

WAR IN UKRAINE

The war in Ukraine had limited repercussions on the company's business which had suspended its machinery shipments to Russia and Belarus at the start of the conflict.

In 2021, Manitou BF's revenue in Russia, Ukraine, and Belarus was around 4% of its consolidated revenue. The order book in this same area was around 7% of the order book at December 31, 2021.

Manitou BF does not supply directly to Ukraine, Belarus, or Russia. To date, despite increasing pressure on the availability of raw materials and components, the group has not had any difficulties in sourcing components specifically related to suppliers that could be affected by the war in Ukraine.

The breaking out of the conflict has been contributing to the acceleration of rising energy and raw material prices seen over the past several months. These increases have an impact on the company's profitability.

Manitou BF has a subsidiary in Russia. Since March 2022, the sales of this subsidiary are limited to the distribution of spare parts. At the date of publication of this report, the company has no client risks to its activities in these countries, and the financial situation of the subsidiary is expected to meet its liquidity requirements for the whole of 2023.

SIGNING OF A NEW 375 MILLION EURO CREDIT AGREEMENT

In July 2022, Manitou BF signed a new credit agreement for the amount of €375 million with a maturity of 5 years and the possibility of a 2-year extension. This financing replaces the €180 million credit agreement put in place in 2016, which expired in December 2023.

Consisting solely of an RCF (revolving credit facility), this financing complements the various bond and long-term lines of 105 million euros put in place in 2019.

This new agreement also comprises the possibility of including additional facilities in the agreement for a maximum total amount of €200 million, making it possible to accelerate the process of financing growth operations.

An amendment was signed in December 2022 to qualify this financing as a Sustainability Linked Loan (SLL).

Three CSR criteria have been added to the RCF (Revolving Credit Facility) line, relating to the low carbon scope 3 trajectory, employee safety and sustainable purchasing. Annual achievement targets in line with the Group's CSR policy have been set and will give rise to a positive or negative adjustment mechanism on the margin applied to the RCF.

This new financing enables Manitou BF to pursue the development of its businesses in accordance with the ambitions of the "New Horizons 2025" roadmap, in particular to carry out the major capacity investments that the group has announced in France (€80 million).

It also reinforces the company's ambitions in terms of energy transition and commits the company financially to achieving its CSR objectives.

LIFTTEK ACQUISITION

In May 2022, Manitou Group acquired a majority stake in the capital of its Finnish distributor Lifttek, based near Helsinki.

Lifttek is a company specializing in the import, sale and after-sales service of lifting equipment, with a strong focus on Manitou group products. Its customers are mainly machine rental companies, construction companies and agricultural contractors.

With a turnover of 7.4 million euros in 2022, the company has 30 people and 3 sites located in the cities of Vantaa (Helsinki region) and Tampere.

ACQUISITION OF THE INTELLECTUAL PROPERTY AND TAKEOVER OF PART OF THE EMPLOYEES OF ATN PLATFORMS

In August 2022, Manitou BF completed the purchase of the intellectual property of ATN Platforms, a company specializing in the design and assembly of aerial work platforms, as part of a receivership procedure before the Agen Commercial Court. With this acquisition, the company is benefiting from the expertise of some dozen ATN Platforms employees, who will continue to be based in Tonneins (Lot-et-Garonne), the historic site of ATN Platforms

As a result of this purchase, Manitou BF is extending its existing product range in order to accelerate its development in a particularly fast-moving market. The two aerial work platform production sites located in Candé (Maine-et-Loire) will assemble the vertical aerial work platform models resulting from ATN Platforms' know-how.

MONITORING OF LITIGATION FOR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

In May 2017, Manitou BF was summoned by J.C. Bamford Excavators Limited (JCB) for allegedly infringing two European patents regarding certain features related to the control system of the overload cut-off of certain telehandlers manufactured and/or marketed.

Financially, in May 2017, the claimant was seeking preliminary damages (subject to further evaluation) of €20 million before the French court, which was increased in June 2018 to €50 million.

In December 2018, JCB served a new summons on Manitou BF for infringement of intellectual property rights relating to a third European patent, also relating to certain features concerning the overload cut-off control system for certain telehandlers. This summons repeats the application for a provision of €50 million submitted in the first proceedings brought in France.

In 2018, JCB produced an appraisal valuing its loss at €160 million for the first two patents. At the end of 2019, in the context of the first proceedings on the merits, JCB increased its valuation of the loss in its last submission to €190 million. This increase is the result of an update to the loss in terms of duration, or according to JCB, until March 2019. This valuation also includes the estimated loss arising from the third patent.

In the context of a procedural issue in 2018, JCB applied for interim injunctive relief against Manitou BF. The pretrial judge decided on January 31, 2019 to dismiss the plaintiff's application for the first patent on which JCB was basing its allegations and, with regard to the second patent, temporarily prohibited Manitou BF from manufacturing, offering for sale, leasing, and holding a former configuration of certain telehandlers. This decision has no impact on Manitou BF's business insofar as it relates to the control system incorporated in certain models produced and sold before August 2017 that were therefore no longer manufactured by Manitou BF on the date of that decision, a fact that was acknowledged by the decision. Manitou BF immediately appealed this decision in order to contest the prohibition measure ordered since it only concerned a configuration that Manitou had stopped producing 18 months prior. This immediate appeal for abuse of power was found inadmissible, reserving the possibility of appeal with the judgment on the merits.

For this same incident, Manitou BF had alternatively proposed, if the judge considered the interim injunctive relief well founded, the establishment of a bank guarantee of €470,000 for the two patents as a replacement for the bans. This proposal became irrelevant for the first patent, for which the judge did not declare a preliminary injunction. As for JCB, it requested that this guarantee, if it should be ordered, be equal to €30 million (also for the two patents) based on an appraisal that it had produced, which valued its loss at €160 million (for the two patents). This proposal was not accepted by the judge, nor was JCB's application for penalties of €100,000 per day of delay, with the penalties declared by the judge at €1,000 per offense, the decision emphasizing that the loss alleged by the plaintiff concerns only the overload cut-off control system and not the machine as a whole.

The legal proceedings for the dispute regarding the first two patents continued in 2020. On February 26, 2021, the Court of Justice of Paris ruled, at first instance, on the French part relating to these first two patents.

According to this decision, the court completely annulled the French part of the second patent, depriving the provisional prohibition order of January 31, 2019 that had been imposed against Manitou BF of any effect.

Then, JCB tried without success to limit its second patent with the EPO, which rejected its limitation request on October 4, 2021. JCB did not appeal this decision.

The court also annulled the French part of the first patent in most of its claims. The court found infringement of only two claims of the French part of this first patent by three models of equipment of an old configuration that has not been marketed by Manitou BF since May 2017. Manitou contests this decision, while noting that it has no impact on its activity due to the fact that this old configuration is no longer marketed. JCB and Manitou BF appealed this decision. An interim pleading is set for May 11, 2022 but only on the issue of the nullity of the infringement seizure (saisie-contrefaçon). The parallel proceedings relating to the third patent are still pending, and no date of pleading has been set to date.

In view of the very residual nature of the infringement, the court ordered Manitou BF to pay to the applicant the total amount of €150,000 for the loss suffered, dismissing JCB's claims, which claimed a loss of €190 million. The court's decision reinforces Manitou BF's position, which has always challenged the merits of the plaintiff's action and the disproportionate nature of its claims.

JCB and Manitou BF have appealed this decision and the appeal process is ongoing. The timetable for the procedure has been postponed to 2023. As of the date hereof, the procedural schedule does not allow for a decision by the Court of Appeal before 2024. It should also be noted that Manitou had initiated an action to have the infringement seizure carried out by JCB in the context of this procedure annulled. The judge responded favorably to Manitou's petition on June 29, 2022, and the June 2017 JCB infringement seizure has been invalidated. Despite the decision of the Paris Court of Appeal of June 29, 2022 confirming the nullity of the seizure for infringement, JCB decided to appeal to the Supreme Court on November 29, 2022.

Following the decision of the Paris Court of February 26, 2021, which reinforces the group's positions, an expense of €0.2 million was recorded in respect of the first patent in 2020 and no provision was recorded in respect of the second patent.

For the third patent, in terms of the progress of the proceedings, the financial risk liable to be incurred is difficult to reliably estimate. Moreover, significant payouts in respect of these claims seem to be unlikely in view of the evidence put forward by Manitou BF to defend itself. As a result, no provision in respect of these claims has been recognized in the company's financial statements.

Manitou BF will continue to vigorously defend itself in the infringement disputes over these three patents.

NOTE 1 ACCOUNTING PRINCIPLES

NOTE 1.1 GENERAL PRINCIPLES

The balance sheet and the income statement are prepared in accordance with French legislation and generally accepted accounting methods in France.

The base method used for financial statement items is the historical cost method.

A number of points that could have a material impact are described in detail below.

NOTE 1.2 CHANGES IN ACCOUNTING METHODS AND RULES

There were no changes in accounting methods in the financial year.

NOTE 1.3 FIXED ASSETS

NOTE 1.3.1 DEVELOPMENT COSTS

In compliance with Article 212-3-2 of ANC Regulation No. 2014-03, the development costs incurred by the company relating to clearly defined projects likely to be completed and marketed profitably were capitalized, as the capitalization requirements specified by the French accounting regulations had been fulfilled. As it is a recommended method, the company made the decision in 2005 to apply this accounting treatment.

All research expenses and the costs of studies and development other than those described above are expensed in the period in which they are incurred.

NOTE 1.3.2 SOFTWARE

These mainly include the costs incurred in the implementation of various projects, for the portion related to the detailed design of these projects, and to programming, testing, and documentation.

Costs recorded during the preliminary study phase, the functional analysis phase and for user training are recognized as expenses.

When software configuration and SAAS mode customization costs do not meet the definition of an intangible asset, they are accounted for as:

- expenses, when carried out internally;
- expenses or deferred expenses to (over the term of the contract), when carried out by an external service provider, depending on the nature of the services rendered.

NOTE 1.3.3 DEPRECIATION OF FIXED ASSETS

In accordance with ANC Regulation No. 2014-03, the accounting methods relating to tangible and intangible assets (excluding development costs) are as follows:

- the depreciable amount is the difference between the cost of the asset and its residual value, considered to be zero for all depreciable assets;
- the depreciation periods have been adjusted to the estimated useful lives of the various asset categories and calculated using the straight-line method;
- the main depreciation periods are as follows:
  - goodwill: 5 years,
  - patents: 5 years,
  - software: 3 years and 7 years for the integrated information system (ERP),
  - development costs: 5 years,
  - buildings: between 20 and 30 years depending on the construction quality,
  - improvements to land and buildings: 10 years,
  - technical facilities: 10 years,
  - industrial equipment: between 3 years and 7 years depending on the type of equipment,
  - industrial tooling and molds: 3 years,
  - transport equipment: 4 years for passenger cars, 5 years for large commercial vehicles,
  - office and IT equipment: between 3 years and 5 years depending on the type of equipment,
  - office furniture: 10 years.

The difference between tax depreciation calculated using the declining balance method and straight-line depreciation based on the estimated useful life is recorded in regulated provisions (special depreciation allowances). For development costs, special amortization allowances are recognized as of the date the asset is capitalized, as provided by law.

NOTE 1.3.4 IMPAIRMENT OF ASSETS

Tangible and intangible assets must be tested for impairment whenever there is an indication of impairment.

When an indication of impairment exists, an impairment test is conducted. The net book value is assessed as a function of the market and the useful life of the asset for the company. It is the result of the comparison between the market value and the value in use.

NOTE 1.4 SHARE INVESTMENTS

In order to report its shareholders' equity on a comparable basis for both the corporate and the consolidated financial statements, the company chose, as of year-end 1990, to value shares in wholly controlled companies using the portion of shareholders' equity owned, as determined using the rules of consolidation, in accordance with Article 3 of the French Law of January 3, 1985 and Article 11 of the Decree of February 17, 1986.

In accordance with Article 221-4 of ANC regulation No. 2014-03, if, at year-end, the aggregate value of securities valued using the equity method is less than their purchase price, the aggregate value of the portfolio is reduced accordingly. A provision for overall portfolio risk is also created if the aggregate value using the equity value is negative.

Acquisition costs are capitalized. In accordance with the applicable tax laws, such acquisition costs are amortized over 5 years on a straight-line basis.

NOTE 1.5 TREASURY SHARES

Treasury shares are recorded in "Marketable securities" when such securities are intended to cover stock option plans and share awards and in "Other financial assets" in other cases.

For plans deemed to be exercisable (where the market value of the share is greater than the exercise price of the option) for which an outflow of resources is probable, the corresponding shares are classified in a specific "Marketable securities" account.

When the market value of Manitou shares falls below their purchase price, an impairment loss is recorded for the difference. No impairment loss is recorded for shares classified as marketable securities to be canceled, nor for shares classified in the specific marketable securities sub-account (plans deemed to be exercisable). Such shares are relevant to the calculation of liabilities, determined as described below.

In accordance with Articles 624-2 to 624-18 of ANC Regulation No. 2014-03, expenses relating to option plans and performance share awards pertaining to Manitou BF shares are spread over the employees' vesting period, on a straight-line basis. They are recognized in the income statement under "Salaries and social security charges" against a balance sheet expense provision.

For purchase option plans, these expenses correspond to the difference between the portfolio value, net of impairment, of the shares allocated to such plans, and the corresponding exercise price, if lower. For performance share plans, they amount to the portfolio value of the shares granted.

NOTE 1.6 STOCKS

NOTE 1.6.1 VALUATION

- Merchandise: valued at the weighted average purchase price.
- Raw materials: valued at the weighted average purchase price.
- Semi-finished products, work in process and finished products: valued at the cost of production (raw materials, equipment and labor at actual cost).

NOTE 1.6.2 DEPRECIATION

- Merchandise: as in previous years, merchandise was subject to write-downs for impairment calculated statistically based on inventory turnover and probable losses from impairment.
- Raw materials: the same method as for merchandise is used, i.e. low-turnover items are subject to a write-down for impairment.
- Finished products: equipment is subject to a component-by-component analysis, the equipment in question being used or demonstration equipment in storage or with a low turnover. The rate of write-downs for impairment is determined by product group.

NOTE 1.7 RECEIVABLES AND PAYABLES

Receivables and payables are recorded at their nominal value. An impairment loss is recognized when their recoverable value, appraised on a case-by-case basis, is estimated to be less than their accounting value.

NOTE 1.8 PROVISIONS FOR RISKS AND CONTINGENCIES

Provisions are created for risks and contingencies when the company has a liability to a third party and it is probable or certain that it will face an outflow of resources to the said third party, without consideration.

Such provisions are estimated taking into account the best-estimate assumptions as of the reporting date.

NOTE 1.9 RETIREMENT BENEFIT COMMITMENTS

The liability is calculated in accordance with IAS 19 (Revised) as authorized by ANC Recommendation 2013-02 of November 7, 2013. This calculation also takes into account the new ANC recommendation published in 2021. The method used is the projected unit credit method, sometimes known as the "project benefits method prorated on years of service."

Retirement benefit commitments are assessed taking demographic and economic assumptions into account. They are discounted to their present value using a discount rate based on the interest rates for the highest-quality bonds. The various categories of defined benefit plans in place within Manitou BF and the main assumptions used are set out in Note 11 to the financial statements.

NOTE 1.10 LONG-SERVICE AWARDS

The liability was calculated in the same way as for the previous period, in accordance with CNC (French accounting authority) Recommendation 2003-R-01 of April 1, 2003, which reproduces the terms of IAS 19.

NOTE 1.11 FOREIGN CURRENCY TRANSLATIONS

Foreign currency transactions are valued at the exchange rate on the date of the transaction. Receivables and payables are translated at the exchange rate on the reporting date. The difference resulting from the translation of foreign currency payables and receivables at the rate on the reporting date is recorded in the balance sheet as currency translation differences. Unrealized exchange losses that are not hedged are subject to a provision for risk.

NOTE 1.12 FORWARD FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

In accordance with ANC Regulation No. 2015-05 on financial instruments, the exchange losses and gains related to commercial operations were recognized in operating income and the hedging instruments at year-end were revalued.

The effects of hedging instruments are recognized in the income statement symmetrically with those of the hedged item. The impairment or provision for contingencies relating to a hedged item takes the effect of the hedge into account. Changes in the fair value of the instruments are not recognized on the balance sheet, unless this would make the accounting treatment symmetrical with the hedged risk and for the non-currency derivatives (receivables, liabilities, etc.) converted at closing.

The company documents the relationship between the hedging instrument and the hedged instrument, in addition to is hedging policy.

The company endeavors to minimize the exchange risk by performing exchange hedges on the largest cash flows for the net amount of their exposure to currencies, after recognition of purchases in foreign currency.

NOTE 2 INTANGIBLE ASSETS

in thousands of euros	31.12.2021	Purchases	Transfers between line items	Outflows	Net amounts as of 12/31/2022
Research and development costs	51,944		1,586	0	53,530
Concessions, patents and licenses	54,539	2,274	2,442		59,255
Goodwill	1,708				1,708
Other intangible fixed assets	0				0
Intangible assets in process	10,953	9,681	-4,028	224	16,382
Prepayments and advances					0
TOTAL	119,144	11,955	0	224	130,875

in thousands of euros	31.12.2021	Increases	Other decreases	Amortization and depreciation as of 12/31/2022
Research and development costs	39,366	3,894		43,260
Concessions, patents and licenses	45,526	4,081		49,607
Goodwill	1,564			1,564
Other intangible fixed assets	0			0
Intangible assets in process	0			0
Prepayments and advances	0			0
TOTAL	86,456	7,975	0	94,431

in thousands of euros	31.12.2021	Net amounts 12/31/2022
Research and development costs	12,578	10,270
Concessions, patents and licenses	9,013	9,648
Goodwill	144	144
Other intangible fixed assets	0	0
Intangible assets in process	10,953	16,382
Prepayments and advances	0	0
TOTAL	32,688	36,444

NOTE 2.1 RESEARCH AND DEVELOPMENT COSTS

Development costs, incurred directly by the company and activated in 2022, amounted to €7,465 thousand. Development projects were also abandoned for €25 thousand.

As such, the total amount of fees activated as of December 31, 2022 amounted to €68,428 thousand (versus €60,988 thousand in 2021). This amount was split between projects in process for €14,898 thousand (€9,044 thousand in 2021) and completed projects for €53,530 thousand (€51,944 thousand in 2021). All research costs and the costs of studies and development other than those described above were expensed in 2022 for an amount of €14,655 thousand, as compared to €11,781 thousand in 2021.

NOTE 3 TANGIBLE ASSETS

in thousands of euros	31.12.2021	Purchases	Transfers between line items	Disposals	Net amounts as of 12/31/2022
Land	22,114	623	301	0	23,038
Buildings	65,350	0	355	0	65,705
Installations, improvements and fixtures	54,417	903	1,006	38	56,288
Technical installations and industrial equipment	146,312	6,547	8,354	1,121	160,092
Other tangible assets	22,337	2,927	-14	168	25,082
Tangible fixed assets under production	6,278	15,802	-10,002	33	12,045
TOTAL	316,808	26,802	0	1,360	342,250

in thousands of euros	31.12.2021	Increases	Outflows	Amortization and depreciation as of 12/31/2022
Land	9,739	1,040		10,779
Buildings	37,826	2,315		40,141
Installations, improvements and fixtures	38,034	2,913	33	40,914
Technical installations and industrial equipment	125,229	7,935	1,026	132,138
Other tangible assets	19,019	1,515	163	20,371
Tangible fixed assets under production				
TOTAL	229,847	15,718	1,222	244,343

in thousands of euros	31.12.2021	Net amounts 12/31/2022
Land	12,375	12,259
Buildings	27,524	25,564
Installations, improvements and fixtures	16,383	15,374
Technical installations and industrial equipment	21,083	27,954
Other tangible assets	3,318	4,711
Tangible fixed assets under production	6,278	12,045
TOTAL	86,961	97,907

Capital expenditure in 2022 includes new industrial buildings currently being completed for €6,318 thousand, as well as various building improvements at the various production sites for €4,484 thousand. They also include production equipment for €12,986 thousand, of which €2,292 thousand for the new aerial work platform production unit in Candé, €1,264 thousand for the spare parts logistics center and €5,460 thousand for the Ancenis production site, as well as computer and office equipment for €2,957 thousand.

NOTE 4 FINANCIAL ASSETS

in thousands of euros	31.12.2021	Revaluation	Purchases	Transfers between line items	Decreases	Net amounts as of 12/31/2022
Share investments	17,513		0		0	17,513
Receivables from holdings*	11,618		29,039		3,724	36,933
Investments valued using the equity method**	466,074	4,764	13,706		0	484,544
Loans	0				0	0
Other financial assets	2,083		494		0	2,577
TOTAL	497,288	4,764	43,239	0	3,724	541,567

** In fiscal year 2022, the company granted loans to its subsidiaries Manitou Italia, Manitou Equipment India and Manitou South Asia for amounts of 12,000, 7,000 and 3,500 thousand euros respectively, and to its Australian subsidiary Marpoll for 9,000 thousand Australian dollars.*

*** This item includes equity interests held at proportions of above 50% and valued using the equity method in accordance with the accounting principles defined in paragraph 1.4. The recognition of securities using the equity method during fiscal year 2022 resulted in an increase of €4,764 in the equity valuation difference, which went from €73,422 to €78,186. See note 5 for more details.*

Details and change in share investments at their purchase price:

in thousands of euros Companies	31.12.2021	Acquisitions in 2022	Transfers between line items	Disposals	31.12.2022
Manitou Global Services	1,716				1,716
Manitou UK	598				598
Manitou Italia	34,460				34,460
Manitou Benelux	712				712
Manitou Asia	1,309		-1,309		0
Manitou Portugal	2,963				2,963
Manitou Deutschland	8,712				8,712
Manitou Australia	1,326				1,326
Manitou China	5,705				5,705
Manitou Manutencion España	200				200
Manitou Vostok	5,010				5,010
Manitou Polska	53				53
Manitou America Inc.	278,973				278,973
Manitou Interface and Logistics Europe	1,995				1,995
Manitou South Asia	636				636
Manitou Brazil	6,570	6,000			12,570
Manitou Nordics	244				244
Manitou Middle East	212				212
Manitou Malaysia	1,364				1,364
Manitou Chile	20				20
LMH Solutions	3,000				3,000
Manitou Développement	25				25
Manitou Equipment India	28,560	3,000			31,560
Manitou Pty Ltd (LiftRite Hire & Sales)	5,365	212			5,577
Manitou Mexico	221				221
Manitou Japan	103				103
Manitou PS UK	958				958
Manitou Holding Southern Africa	1,642		0		1,642
MN Lifttek Oy	0	4,494			4,494
Manitou Asia-Pacific Holding Pte Ltd	0		1,309		1,309
TOTAL	392,652	13,706	0	0	406,358

Manitou BF subscribed to the capital increases of its subsidiaries Manitou Equipment India and Manitou Brasil, for €3,000k and €6,000k respectively.

Manitou BF acquired all of the minority shares of its Australian subsidiary Marpoll, bringing its stake from 95.50% to 100%.

In addition, in order to consolidate all of its operations in Singapore into one entity, on January 28, 2022 Manitou BF established a wholly-owned holding company, Manitou Asia-Pacific Holding Pte Ltd.

On June 28, 2022, Manitou BF transferred all the shares it held in its subsidiary Manitou Asia to Manitou Asia-Pacific Holding Pte Ltd for 1,309 thousand euros.

Finally, in order to develop its commercial activity in Finland, Manitou BF has acquired an 86% stake in MN Lifttek Oy.

NOTE 5 INVESTMENTS VALUED USING THE EQUITY METHOD (IN THOUSANDS OF EUROS)

				31.12.2021				31.12.2022
Companies	% held	Accounting value (acq. cost or restated 1976)	Equity method value (IFRS)	Valuation difference (IFRS)	% held	Accounting value (acq. cost or restated 1976)	Equity method value (IFRS)	Valuation difference (IFRS)
Manitou Global Services	100.00%	1,716	20,897	19,181	100.00%	1,716	21,294	19,578
Manitou UK	99.42%	598	16,479	15,881	99.42%	598	14,199	13,601
Manitou Italia	100.00%	34,460	115,745	81,285	100.00%	34,460	113,239	78,779
Manitou Benelux	99.99%	713	7,026	6,313	99.99%	713	6,486	5,773
Manitou Asia	100.00%	1,310	9,423	8,113	100.00%	0	0	0
Manitou Asia-Pacific Holding Pte Ltd					100.00%	1,310	10,433	9,123
Manitou Portugal	100.00%	2,963	6,535	3,572	100.00%	2,963	7,102	4,139
Manitou Deutschland	100.00%	8,712	5,601	-3,111	100.00%	8,712	5,548	-3,164
Manitou Holding Southern Africa	100.00%	1,642	16,887	15,245	100.00%	1,642	21,478	19,836
Manitou Australia	100.00%	1,325	9,115	7,790	100.00%	1,325	8,624	7,299
Manitou China	100.00%	5,705	3,328	-2,377	100.00%	5,705	4,078	-1,627
Manitou Manutencion España	100.00%	200	3,792	3,592	100.00%	200	4,477	4,277
Manitou Vostok	100.00%	5,010	9,798	4,788	100.00%	5,010	5,479	469
Manitou Polska	100.00%	53	436	383	100.00%	53	800	747
Manitou America Inc.	100.00%	278,973	207,961	-71,012	100.00%	278,973	216,932	-62,041
Manitou Interface and Logistics Europe	99.00%	1,995	4,142	2,147	99.00%	1,995	4,444	2,449
Manitou South Asia	100.00%	637	1,995	1,358	100.00%	637	1,925	1,288
Manitou Brazil	99.83%	6,570	-4,122	-10,692	99.83%	12,570	3,403	-9,167
Manitou Nordics	100.00%	244	288	44	100.00%	244	355	111
Manitou Middle East	100.00%	211	462	251	100.00%	211	547	336
Manitou Malaysia	100.00%	1,364	1,242	-122	100.00%	1,364	1,267	-97
Manitou Chile	100.00%	20	32	12	100.00%	20	2	-18
LMH Solutions	100.00%	3,000	1,947	-1,053	100.00%	3,000	2,028	-972
Manitou Développement	100.00%	25	25		100.00%	25	25	
Manitou Equipment India	100.00%	28,560	18,288	-10,272	100.00%	31,560	14,282	-17,278
Manitou Pty Ltd (LiftRite Hire & Sales)	95.50%	5,365	6,369	1,004	100.00%	5,577	7,361	1,784
Manitou Mexico	100.00%	221	256	35	100.00%	221	310	89
Manitou Japan	100.00%	103	106	3	100.00%	103	116	13
Manitou PS UK	85.00%	958	2,021	1,063	85.00%	958	3,523	2,565
MN Lifttek Oy					86.00%	4,494	4,787	293
TOTAL		392,652	466,074	73,422		406,358	484,544	78,186

NOTE 6 STOCKS

			31.12.2021			31.12.2022
in thousands of euros	Gross value	Impairment	Net	Gross value	Impairment	Net
Raw materials	89,058	2,438	86,620	124,274	2,184	122,090
Work in process	41,425		41,425	34,201		34,201
Finished products	61,635	1,656	59,979	76,740	1,467	75,273
Merchandise	52,559	6,236	46,323	61,818	5,987	55,831
TOTAL	244,677	10,330	234,347	297,033	9,638	287,395

NOTE 7 RECEIVABLES FROM OPERATIONS

	Gross amounts			Provisions		
in thousands of euros	31.12.2021	Changes in 2022	31.12.2022	31.12.2021	Changes in 2022	31.12.2022
Trade accounts and other receivables	254,032	153,422	407,454	270	-46	224
Other receivables	15,042	1,671	16,713	0		0
Misc. receivables	121,147	58,557	179,704	0		0
Subscribed capital called but not paid	0	0	0	0		0
TOTAL	390,221	213,650	603,871	270	-46	224

		Net amounts
in thousands of euros	31.12.2021	31.12.2022
Trade accounts and other receivables*	253,762	407,230
Other receivables	15,042	16,713
Misc. receivables	121,147	179,704
Subscribed capital called but not paid	0	0
TOTAL	389,951	603,647
*Including bills of exchange	9	8

NOTE 8 BREAKDOWN OF RECEIVABLES

in thousands of euros	Gross value	Less than 1 year	1 to 5 years	Over 5 years
On fixed assets				
Receivables from holdings*	36,933	4,622	29,277	3,034
Loans	0	0		
Other financial assets	2,577	827	250	1,500
On current assets				
Doubtful or disputed accounts receivable	191	191		
Other accounts receivable	407,263	407,263		
Employee and related accounts	24	24		
Social Security and other social organizations	137	137		
Income tax	3,526	3,526		
Value-added tax	12,718	12,718		
Miscellaneous	20	20		
Group and associates	159,031	159,031		
Misc. debtors	20,961	20,961		
Prepaid expenses	10,409	10,409		
TOTAL	653,790	619,729	29,527	4,534
*Loans granted to subsidiaries during the period	28,645			
*Loans repaid by subsidiaries during the period	3,656			

NOTE 9 CASH AND MARKETABLE SECURITIES

Marketable securities were valued at their market price on December 31, 2022.

Money market funds (SICAV) were subject to a "bought-sold" on that date, and the interest accrued on other investments was recorded at the end of the financial year.

in thousands of euros	2021	2022
Money-market funds (SICAV)		
Shares of listed company		
Provision for impairment of shares		
Treasury shares	23,445	23,445
Provision for impairment of treasury shares	0	0
TOTAL MARKETABLE SECURITIES	23,445	23,445
Cash and cash equivalents	174,705	41,567
TOTAL MARKETABLE SECURITIES & CASH AT BANK	198,150	65,012

As of December 31, 2022, the treasury shares held by the company to cover stock options (1,381,461 shares) were reported as marketable securities at the purchase price value of €23,445 thousand, i.e. an average price per share of €16.97.

NOTE 10 SHAREHOLDERS' EQUITY

NOTE 10.1 CHANGES IN SHAREHOLDERS' EQUITY

in thousands of euros	Share Capital	Share premiums	Valuation differences	Statutory reserve	Other reserves	Retained earnings	Income for the period	Grants and regulated provisions	Total equity
31.12.2021	39,668	45,119	74,330	3,967	295,504	253,875	45,653	7,748	765,864
Capital increase									0
2021 income						45,653	-45,653		0
Dividends						-30,615			-30,615
2022 income							64,270		64,270
Impact of changes in the value of associates (equity method)			4,764						4,764
Change in investment subsidies								-35	-35
Change in special depreciation allowances for the year								-192	-192
31.12.2022	39,668	45,119	79,094	3,967	295,504	268,913	64,270	7,521	804,056

NOTE 10.2 BREAKDOWN OF SHARE CAPITAL

	Nominal value	Number	Amount
Composition of capital at the start of the year	€1.00	39,668,399	€39,668,399
Capital increase	€1.00		
Share subscription options	€1.00		
CAPITAL AS OF 12/31/2022	€1.00	39,668,399	€39,668,399

NOTE 11 PROVISIONS

in thousands of euros	31.12.2021	Increases	Reversals		Change of method	31.12.2022
			Used	Unused		
REGULATED PROVISIONS						
Provision for price increases	0		0			0
Special depreciation allowances	7,128	86	278			6,936
Other regulated provisions	0		0			0
TOTAL	**7,128**	**86**	**278**	**0**		**6,936**
PROVISIONS FOR RISKS AND CONTINGENCIES						
Litigation (1)	3,426	616	798	175		3,069
Customer warranties (2)	12,137	7,946	6,599	327		13,157
Exchange losses	15,821	17,948	15,821			17,948
Pensions and related liabilities (3)	1,482	0	62	167		1,253
Other provisions for risks & contingencies						
Provisions for retirement benefit plan commitments (5)	24,285	0	489	6,917	0	16,879
TOTAL	**57,151**	**26,510**	**23,769**	**7,586**	**0**	**52,306**
PROVISIONS FOR IMPAIRMENT						
Intangible assets	0		0			0
Tangible assets	1	0				1
Share investments	0	0	9			0
Inventories & work in progress	10,330	3,423	4,115	0		9,638
Accounts receivable	270	9	55	0		224
Other (4)	0	0	0	0		0
TOTAL	**10,601**	**3,432**	**4,179**	**0**		**9,863**
TOTAL PROVISIONS	**74,880**	**30,028**	**28,226**	**7,586**		**69,105**
Of which increases and reversals:		Increases		Reversals		
- operating		12,458		20,308		
- financial		17,484		15,217		
- extraordinary		86		287		

(1) DISPUTES: the allocation for the fiscal year includes a provision to cover procedural costs in the context of patent disputes.

(2) WARRANTIES: a provision is created to cover the estimated cost of warranties on machinery and spare parts when they are put into use by the sales networks or end customers. It covers the contractual warranty, as well as any potential extension on a case-by-case basis or in relation to campaigns. The provision is calculated on a statistical basis.

(3) PENSIONS AND RELATED LIABILITIES: this line item corresponds to the amount of the provision for long-service awards.

(4) OTHER: impairment of treasury shares (see Note 9).

(5) PROVISIONS FOR RETIREMENT BENEFIT PLAN COMMITMENTS: provisions for retirement benefits were valued according to the principles described in Note 1.9.

		31.12.2021	31.12.2022
Retirement age	managers	62/67 years	62/67 years
	non-managers	62/67 years	62/67 years
		Progressive increase in the number of contribution years to 43 years	Progressive increase in the number of contribution years to 43 years
Annual employee growth rate		4.00%	4.30%
Discount rate		1.10%	3.70%
Rate of return on plan assets		1.10%	3.70%
Mortality rate		TGH05/TGF05	TGH05/TGF05
Staff turnover rate	managers	2.50%	2.50%
	non-managers	1.00%	1.00%

Actuarial gains and losses are recognized in full in income.

Provisions for retirement indemnities changed as follows:

in thousands of euros	31.12.2021	31.12.2022
Commitment at end of period	-27,176	-19,819
Plan assets at end of period	2,891	2,940
Financial situation	-24,285	-16,879
Past service costs	0	0
(Provision)/amount prepaid	-24,285	-16,879

The impact on income recorded in the financial statements in 2021 and 2022 can be broken down as follows:

in thousands of euros	31.12.2021	31.12.2022
Past service costs	2,533	2,385
Cost of discounting	238	324
Expected return on plan assets	-21	-31
Reduction		
Past service costs	0	0
SUBTOTAL	2,750	2,678
Acquisition transfer	0	0
Actuarial gain/loss calculated	-1,559	-10,084
TOTAL	1,191	-7,406

NOTE 12 BREAKDOWN OF DEBT

in thousands of euros	Gross amount at 12/31/2022	Less than 1 year	1 to 5 years	Over 5 years
Bank loans and debt*	256,354	120,193	126,036	10,125
Loans and other financial liabilities	6,380	6,380		
Trade payables	296,045	296,045		
Employee and related accounts	35,027	35,027		
Social Security and other social organizations	23,405	23,405		
Income tax	0	0		
Value-added tax	369	369		
Other taxes	4,035	4,035		
Debts on fixed assets and related accounts	3,479	3,479		
Group and associates	129,985	129,985		
Other liabilities	18,772	18,772		
Deferred revenues	23,573	9,510	13,539	524
TOTAL	797,424	647,200	139,575	10,649
*Loans taken out during the period	95,641			
*Loans repaid during the period	27,567			

NOTE 13 ITEMS RELATED TO AFFILIATES

in thousands of euros	31.12.2021	31.12.2022
Investments valued using the equity method*	466,074	484,544
Receivables from affiliates	11,618	36,933
Other investments	17,513	17,513
Accounts receivable and related	149,344	232,416
Other receivables	110,112	159,355
Supplier accounts payable and related	23,730	44,148
Debt on fixed assets	0	0
Other liabilities	168,883	137,984
Financial expenses	2,279	4,915
Income from equity investments	16,541	22,837
Other financial income	3,131	8,202
*Of which change in equity method valuation	73,422	78,186

No transactions were made outside of normal market conditions.

NOTE 14 ACCRUED INCOME AND EXPENSES

NOTE 14.1 ACCRUED INCOME

in thousands of euros	31.12.2021	31.12.2022
Receivables from affiliates	68	395
Other financial assets	0	0
Accounts receivable and related	59,073	93,121
Other receivables	3,387	5,092
Cash and cash equivalents	0	79

NOTE 14.2 ACCRUED EXPENSES

in thousands of euros	31.12.2021	31.12.2022
Bank loans and debt	621	641
Other loans and financial liabilities		
Supplier accounts payable and related	46,884	64,678
Tax and social security liabilities	53,510	52,043
Debts on fixed assets and related accounts	2,294	3,429
Other liabilities	18,064	17,938

NOTE 15 PREPAID INCOME AND EXPENSES

		31.12.2022
in thousands of euros	Expenses	Products
Operating expenses/income	10,410	23,573
Financial expenses/income		
Non-recurring expenses/income		
TOTAL	10,410	23,573

NOTE 16 TRANSLATION DIFFERENCES ON FOREIGN CURRENCY PAYABLES AND RECEIVABLES

		31.12.2022
in thousands of euros	Asset differences*	Liability differences
Loans and financial liabilities	17,484	6,455
Financial Instruments	0	2,904
Accounts receivable	3,357	28
Suppliers	11	288
TOTAL	20,852	9,675

**Offset by a risk provision of €17,948 thousand.*

NOTE 17 REVALUATION DIFFERENCES

in thousands of euros	31.12.2021	31.12.2022
ASSETS		
Land	354	354
Share investments	554	554
TOTAL	908	908
LIABILITIES		
Revaluation reserve (1976)	908	908
Other differences (equity method, see note 5)	73,422	78,186
TOTAL	74,330	79,094

NOTE 18 BREAKDOWN OF SALES

in thousands of euros	2021	2022
A - BREAKDOWN BY BUSINESS ACTIVITY		
Production (Manitou BF)	932,636	1,181,832
Spare parts trading	179,089	199,286
Equipment trading	140,931	243,516
TOTAL	1,252,656	1,624,634
B - BREAKDOWN BY MARKET REGION		
France	342,463	455,970
Export	910,193	1,168,664
TOTAL	1,252,656	1,624,634

NOTE 19 REVERSALS OF PROVISIONS AND TRANSFERS OF EXPENSES

	2021	2022
in thousands of euros	Products	Products
Reversal of provision for risks	7,715	16,139
Reversal of impairment on tangible assets	0	0
Reversal of provision for impairment of current assets	4,022	4,169
Transfer of operating expenses*	9,640	8,878
TOTAL	21,377	29,186

**The expense transfer item mainly includes reinvoicing of central services to the subsidiaries Manitou Italia and Manitou Americas for €2,308k and €1,037k respectively, reinvoicing of the group's ERP roll-out costs in certain European subsidiaries for €2,394k, as well as the reinvoicing of various fees.*

NOTE 20 FINANCIAL RESULT

NOTE 20.1 FINANCIAL INCOME

	2021	2022
in thousands of euros	Products	Products
Income from securities	16,541	22,837
Exchange gains	21,428	38,249
Reversal of impairment provision on securities		
Other income	3,569	8,760
TOTAL	41,538	69,846

NOTE 20.2 FINANCIAL EXPENSES

	2021	2022
in thousands of euros	Expenses	Expenses
Loan interest	4,253	4,408
Exchange losses	26,762	37,439
Increases in impairment on securities	0	0
Other expenses	3,180	6,061
TOTAL	34,195	47,908

NOTE 21 NON-RECURRING INCOME/EXPENSES

NOTE 21.1 NON-RECURRING INCOME

in thousands of euros	2021 Products	2022 Products
Income from the disposal of tangible assets	58	110
Income from the disposal of financial assets	0	0
Reversals of special depreciation allowances	278	278
Reversal of provision for risks	0	9
Miscellaneous	636	330
TOTAL	972	727

NOTE 21.2 NON-RECURRING EXPENSES

in thousands of euros	2021 Expenses	2022 Expenses
Net expenses on disposals of intangible assets*	1,313	224
Net expenses on disposals of tangible assets	98	138
Net expenses on disposals of financial assets	0	0
Special depreciation allowances and extraordinary depreciation	174	86
Miscellaneous	200	282
TOTAL	1,785	730

** This item includes outflows of assets in 2021 relating to the abandonment of a development project (New Lift) for €609k and the restatement of software costs in SAAS mode for €544k.*

NOTE 22 TAX

NOTE 22.1 BREAKDOWN OF INCOME TAX

in thousands of euros	Income before tax	Taxes	Income after tax
Recurring income	74,514	12,861	61,653
Non-recurring income/expenses	-2	-1	-1
Share investment	-225		-225
Tax credits*		-2,135	2,135
Income from taxes from tax consolidation**		-882	882
Overseas tax expenses***		174	-174
Net income	74,287	10,017	64,270

**Tax credits for research, sponsorships, and family.*
*** Tax income from the Manitou Global Services subsidiary.*
**** This is the withholding tax on dividends paid by the Russian subsidiary to Manitou.*

NOTE 22.2 RESEARCH TAX CREDIT

The research tax credit amount recognized for 2022 was €2,044 thousand.

NOTE 22.3 INCREASES AND REDUCTIONS IN FUTURE TAX LIABILITIES

	2022	
in thousands of euros	Basis	Amount
NATURE OF TEMPORARY DIFFERENCES		
INCREASES		
Regulated provisions at 12/31/2022	6,935	
Other tax differences		
TOTAL	6,935	
INCREASES IN FUTURE TAX LIABILITIES		1,791
REDUCTIONS		
Provisions non-deductible in the year of recognition	11,722	
TOTAL	11,722	
REDUCTIONS IN FUTURE TAX LIABILITIES		3,028

NOTE 22.4 IMPACT OF TAX DIFFERENCES

in thousands of euros	31.12.2022
Income for the period	64,270
Share investment	225
Income tax	10,017
Income before tax	74,512
Change in regulated provisions	-192
Other tax differences	
Income before tax excluding the impact of tax differences	74,320

NOTE 23 LEASES

There were no real estate leases outstanding as of December 31, 2022.

NOTE 24 OFF-BALANCE SHEET COMMITMENTS

NOTE 24.1 COMMITMENTS GIVEN

in thousands of euros	31.12.2022
Discounted notes outstanding	
Sureties, deposits, and collateral	203
Mortgages	
Shareholder agreements	
Forward sales of foreign currency and currency options	210,895
Rate cap	0
Rate tunnel	25,000
Equipment repurchase commitments	

It should be noted that the market value of this equipment generally exceeds the repurchase value.

NOTE 24.2 COMMITMENTS RECEIVED

in thousands of euros	31.12.2022
Forward purchases of foreign currency	44,302

NOTE 25 AVERAGE HEADCOUNT

Salaried staff	2021	2022
Managers	557	664
Supervisors and technicians	62	68
Employees	551	602
Manual workers	1,130	1,240
TOTAL	2,300	2,574

NOTE 26 INFORMATION ON EXECUTIVE COMPENSATION

Total amount of compensation and benefits in kind paid to corporate officers during 2022:

In thousands of euros or number of shares	Salaries	Other compensation	Stock options granted	Stock options granted	Stock options exercised	Other provisions and commitments
Non-executive corporate officers	163	525				345
Executive corporate officers		1,693				378

NOTE 27 INFORMATION ON STATUTORY AUDITORS' FEES

The company believes that the nature of the information required under Article 222-8 of the General Regulations and Instruction No. 2006-10 of the AMF (Autorité des marchés financiers, the French financial markets authority) and given in the Notes to the consolidated financial statements, complies with the provisions introduced by Decree No. 2008-1487 of December 30, 2008.

NOTE 28 LIST OF SUBSIDIARIES AND AFFILIATES AS OF DECEMBER 31, 2022

As for the valuation of investments in associates, the consolidated financial statements for 2022 were prepared in accordance with IFRS. The values shown in this table were calculated on the basis of those standards.

COMPANIES	Share Capital	Reserves and retained earnings before appropriation of income	% of share capital held	Book value of shares held			Loans and advances granted and outstanding	Amounts of guarantees provided by the company	Sales excluding taxes	Profit or Loss (-)	Dividends received
in thousands of euros or foreign currency				Gross	Net	Consolidated using the equity method					
I - Detailed information											
A - SUBSIDIARIES (at least 50% of the capital held by the company)											
	In local currency	In local currency		EUR	EUR	EUR	EUR	EUR	In local currency	In local currency	EUR
Manitou Global Services	1 320	18,255	100.00%	1 716	1 716	21,294	3,440		17,525	2 339	1 500
LMH Solutions	3 000	-973	100.00%	3 000	3 000	2,028	1,890		10,739	-3	
Manitou Italia	5 000	113 147	100.00%	34 460	34 460	113 239	129,687		445,919	-2,608	
Manitou Benelux SA	500	5,991	100.00%	713	713	6,486			122 117	3,382	3,911
Manitou Portugal	600	6,431	100.00%	2 963	2 963	7,102			30,600	1 517	950
Manitou Deutschland GmbH	800	4,748	100.00%	8 712	8 712	5,548			131,820	3,447	3 500
Manitou Manutencion Espana SLU	200	4,277	100.00%	200	200	4,477	3,671		14,677	685	
Manitou Interface & Logistics Europe	2 000	2,448	99.75%	1 995	1 995	4,444	618		32,343	294	
Manitou Nordics	242	113	100.00%	244	244	355			1 172	66	
MN Lifttek Oy	8	2,903	86.00%	4,494	4,494	4,787			5,495	301	
Manitou UK	GBP 230	GBP 13,313	99.42%	598	598	14,199			GBP 203 190	GBP 5,612	4 104
Manitou Americas Inc.	USD 361 165	USD -97,720	100.00%	278 973	278 973	216 932			USD 0	USD 14,994	
Manitou Asia-Pacific Holding Pte Ltd	SGD 1,928	SGD 2,975	100.00%	1 310	1 310	10,433	298		SGD 0	SGD 2,975	
Manitou Holding Southern Africa	ZAR 27,769	ZAR -59	100.00%	1 642	1 642	21,478			ZAR 0	ZAR -58	
Manitou Middle East	AED 1 000	AED 1,149	100.00%	212	212	547			AED 3,184	AED 227	
Manitou Australia	AUD 400	AUD 13,133	100.00%	1,325	1,325	8,624			AUD 110,018	AUD 3,801	2,985
Marpoll Pty Ltd (LifteRite Hire & Sales)	AUD 100	AUD 11 452	100.00%	5,577	5,577	7,361	8,955		AUD 43,835	AUD 2,117	634
Manitou China	CNY 59 938	CNY 29,928	100.00%	5 705	5 705	4,078			CNY 35,788	CNY 6,063	
Manitou Vostok	RUB 338	RUB 429,923	100.00%	5 010	5 010	5,479			RUB 1,129,794	RUB 44,474	4,701
Manitou Polska	PLN 200	PLN 3,545	100.00%	53	53	800			PLN 9,353	PLN 1,741	
Manitou South Asia	INR 45 000	INR 124,715	100.00%	637	637	1 925	3,515		INR 1,234,635	INR 649	
Manitou Equiment India	INR 3,640,429	INR -2,346,798	100.00%	31,560	31,560	14,282	10 475		INR 3,670,307	INR -524,247	
Manitou Brasil Importação E Comércio De Máquinas De Elevação Ltda	BRL 53,633	BRL -34,445	99.96%	12,570	12,570	3 403	9,257		BRL 127,673	BRL 14,691	
Manitou Malaysia	MYR 6 465	MYR -511	100.00%	1 364	1 364	1,267	320		MYR 12,399	MYR 92	
Manitou Chile	CLP 15 000	CLP -13,153	100.00%	20	20	2	116		CLP 330 059	CLP -29,136	
Manitou Mexico	MXN 5 150	MXN 1,319	99.00%	221	221	310			MXN 6,527	MXN 549	
Manitou Japan CO LTD	JPY 12 000	JPY 4,339	100.00%	103	103	116			JPY 40,235	JPY 2,527	
Manitou PS UK	GBP 1 000	GBP 1,492	85.00%	958	958	3,523			GBP 0	GBP 688	

COMPANIES		Reserves and retained earnings	% of	Book values of shares held			Loans and	Amounts of			
in thousands of euros or foreign currency	Share Capital	before appropriation of income	share capital held	Gross	Net	Consolidated using the equity method	advances granted and outstanding	guarantees provided by the company	Sales excluding taxes	Profit or Loss (-)	Dividends received
B - INVESTMENTS IN AFFILIATES (10% to 50%)											
MGF	4 682	16,525	49.00%	12 571	12 571				8,022	1,249	
Manitou Finance Ltd	7 270	5,941	49.00%	4 875	4 875				5,731	2,391	552
C - INVESTMENTS IN AFFILIATES (non-trading companies)											
Cobra MS	40	-21	100.00%	40	40	0			0	-2	
Manitou Developpement	25	-13	100.00%	25	25	25			0	-2	
II - General information											
A - SUBSIDIARIES not included in paragraph I	None										
B - SUBSIDIARIES not included in paragraph I	None										
C - INVESTMENTS IN AFFILIATES not included in paragraph I	None										

NOTE 29 INVENTORY OF SECURITIES HELD

COMPANIES *in number of units or shares or thousands of euros*	Type and par value	Currency	Number of units or shares	Original book value	Equity consolidation method value
MANITOU GLOBAL SERVICES	Shares at 20	EUR	66,000	1,716	21,294
MANITOU FINANCE FRANCE SAS	Shares at 1000	EUR	12,571	12,571	12,571
MANITOU UK Ltd.	Shares at 1	GBP	228,670	598	14,199
MANITOU ITALIA	Shares at 1	EUR	5,000,000	34,460	113,239
MANITOU BENELUX SA	Units at 500	EUR	999	713	6,486
MANITOU ASIA -PACIFIC HOLDING Pte Ltd	Shares at 1	SGD	1,927,764	1,310	10,433
MANITOU Portugal	Shares at 5	EUR	120,000	2,963	7,102
MANITOU DEUTSCHLAND GmbH	Shares at 800,000	EUR	1	8,712	5,548
MANITOU HOLDING SOUTHERN AFRICA PTY Ltd.	Units at 1	ZAR	27,769	1,642	21,478
MANITOU FINANCE Ltd.	Units at 1	GBP	3,562,000	4,875	4,875
MANITOU AMERICAS	Shares at 361,101	USD	1	278,973	216,932
MANITOU AUSTRALIA PTY Ltd.	Shares at 1	AUD	400,000	1,325	8,624
MANITOU CHINA				5,705	4,078
MANITOU MANUTENCION ESPAÑA S.L.	Shares at 1	EUR	200,000	200	4,477
MANITOU VOSTOK	Shares at 1	RUB		5,010	5,479
MANITOU POLSKA	Units at 1	PLN	400	53	800
MANITOU INTERFACE & LOGISTICS EUROPE	Shares at 500	EUR	3,990	1,995	4,444
MANITOU SOUTH ASIA PRIVATE LTD	Shares at 10	INR	4,499,999	637	1,925
MANITOU BRASIL MANIPULACAO DE CARGAS	Shares at 1	BRL	53,628,770	12,570	3,403
MANITOU NORDICS SIA	Shares at 1	EUR	170,000	244	355
MANITOU MIDDLE EAST	Shares at 1	AED	1,000,000	212	547
MANITOU MALAYSIA	Shares at 1	MYR	6,465,100	1,364	1,267
MANITOU CHILE	Shares at 1	CLP	15,000,000	20	2
LMH SOLUTIONS	Shares at 10	EUR	300,000	3,000	2,028
MANITOU EQUIPMENT INDIA	Shares at 10	INR	364,042,875	31,560	14,282
MARPOL LIFTRITE	Shares at 1	AUD	100,000	5,577	7,361
MANITOU MEXICO	Shares at 200	MXN	25,493	221	310
MANITOU JAPAN CO LTD	Shares at 100	JPY	120,000	103	116
MANITOU UK PS	Shares at 1	GBP	850,000	958	3,523
MN-LIFTTEK OY	Shares at 1	EUR	43	4,494	4,787
COBRA MS	Shares at 400	EUR	100	40	40
MANITOU DEVELOPPEMENT	Shares at 1	EUR	10,000	25	25
TOTAL				423,846	502,030

NOTE 30 POST-CLOSING EVENTS

MAJORITY STAKE ACQUIRED IN EASYLI

On January 23, 2023, Manitou BF acquired an 82% stake in easyLi, a company specializing in the design and production of lithium-ion batteries. Based in Poitiers (France), the company easyLi has 25 employees and recorded revenue of 1 million euros.

ACQUISITION OF THE ITALIAN COMPANY GI.ERRE SRL

On March 1, 2023, Manitou BF acquired all the shares of the Italian company GI.ERRE SRL, based in Castelfranco, Italy, and specialized in service activities for Manitou products.

In 2022, GI.ERRE had revenue of 4 million euros for a staff of 14 people.

SIGNING OF AN EXCLUSIVE PARTNERSHIP WITH KILOUTOU FOR THE FIRST RETROFIT PROJECT

In February 2023, Manitou BF announced an exclusive 12-month partnership with Kiloutou, a major European rental company, to offer electrification kits for used Manitou internal combustion telehandlers. Retrofitting will make it possible to extend the life of the equipment while reducing its environmental impact and in particular its carbon emissions, in line with the commitments made in the CSR roadmap.

7.4. 2022 STATUTORY AUDITORS' REPORTS

7.4.1. Statutory Auditors' Report on the Annual Financial Statements

To the annual general meeting of Manitou BF S.A.

OPINION

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Manitou BF S.A. for the year ended 31 December, 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December, 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January, 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, approved in the context described above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

PROVISIONS FOR WARRANTIES

KEY AUDIT MATTER

The Company records provisions for warranties and equipment recall campaigns to cover the estimated warranty costs of machines and spare parts, and the costs of overhauling sold equipment and the stock of machines in the event of major or dangerous malfunctions. These provisions, totalling €13,2 million as at 31 December 2022 (Note 11), are recorded for warranties when machines are sold to networks or end customers, and for recall campaigns when a malfunction is detected. The warranty provision amount covers the contractual warranty and its potential extension and is determined using historical statistical data projections. The campaign provision amount is determined using the unit cost of repair applied to the fleet of machines concerned.

We considered the valuation of these provisions to be a key audit matter in the financial statements due to their importance in understanding the financial statements, the complexity of their calculation components (average on warranty costs over the last five years, machine commissioning dates, outsourcing rate to suppliers, margin rate on spare parts) and their sensitivity to the assumptions adopted by management.

RESPONSE AS PART OF OUR AUDIT

Our work consisted in:

- familiarizing ourselves with the provision valuation process,
- testing the key controls set up by management that we consider as most relevant to determine the costs underlying this valuation, and particularly those relating to the various rates used in the estimates,
- assessing the relevance of the Group's methodology,
- assessing the validity of the assumptions used to determine the warranty provisions, checking all of the data and calculations underlying these assumptions,
- reviewing the calculations on a test basis,
- assessing the judgements made by management and the appropriateness of the disclosures in Note 11 to the financial statements,
- comparing the accounting estimates of prior periods with the corresponding actual figures.

JCB LITIGATION

KEY AUDIT MATTER

In May 2017, Manitou BF was sued by J.C. Bamford Excavators Limited for infringing two patents, as mentioned in Note 7.3.4 to the financial statements. The claim before the French court amounted initially to €20 million (subject to further evaluation).

In December 2018, JCB served Manitou BF with a writ of summons for infringement of a third patent.

The legal proceedings for this dispute continued throughout 2020 to 2022 and JCB valued its prejudice to €190 million in 2019. The judicial court of Paris, dated February 26th, 2021, ordered to Manitou to pay the amount of € 150.000 regarding the assignment of the first two patents. This amount has been booked as at 31 December 2020 in addition to the litigation costs already accounted for.

Regarding the assignment for the third patent, Manitou BF considers, on the one hand, that a financial estimate of the risk actually incurred cannot be determined given the evidence at its disposal and the progress of the proceedings, and, on the other hand, that a significant outflow of resources in respect of these claims seems unlikely given the arguments put forward by Manitou BF in its defence. In light of this, no provision was set aside in the financial statements for these claims. The Company only recorded the estimated future legal costs relating to this litigation in its 2022 financial statements, as indicated in Note 7.3.4 to the financial statements.

We considered this issue to be a key audit matter given its potential importance on the Company's financial statements and insofar as significant judgment is required at the year-end regarding the uncertain outcome of this litigation in order to estimate the actual risk incurred.

RESPONSE AS PART OF OUR AUDIT

Our work primarily consisted in:

- examining the procedures implemented by the Company to estimate the risk relating to this litigation,
- familiarising ourselves with the Company's risk analysis,
- assessing the validity of the absence of provisions (excluding the legal costs) in light of the documentation provided by the Company, the documents filed and the written consultations of external advisors;
- assessing the reasonableness of the assumptions used by management to estimate the provision for legal costs;
- analysing the documentation elements of opposing party request and of the Company defence elements;
- analysing, if necessary, Courts' judgments;
- verifying the appropriateness of the disclosures relating to this litigation in the notes to the financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS WITH RESPECT TO THE FINANCIAL POSITION AND THE FINANCIAL STATEMENTS PROVIDED TO THE SHAREHOLDERS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (*Code de commerce*).

INFORMATION RELATING TO CORPORATE GOVERNANCE

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the members of the Executive Board and of the Supervisory Board and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

FORMAT OF PRESENTATION OF THE FINANCIAL STATEMENTS INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditors relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the CEO, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Manitou BF S.A. by the annual general meeting held on 13 June, 2019 for KPMG and on 28 June, 1989 for RSM.

As at 31 December, 2022, KPMG was in the 4th year of total uninterrupted engagement and RSM was in the 33rd year of total uninterrupted engagement

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Nantes, on the 21 April 2023	Saint-Herblain, on the 21 April 2023
The statutory auditors	
French original signed by	
Gwenaël Chedaleux	Céline Braud
Partner	Partner

7.4.2. STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS

To the annual general meeting of Manitou BF S.A.

In our capacity as Statutory Auditors of your Company, we hereby report to you on the regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, and the reasons justifying that these agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*Code de Commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements already authorised by the Shareholders' Meeting and having continuing effect during the year, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been notified of any following agreements authorised and signed during the year to be submitted to the approval of the Shareholders' meeting pursuant to Article L. 225-38 of the French Commercial Code.

AGREEMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

Pursuant to Article R. 225-30 of the French Commercial Code, we have been advised that the following agreements authorised in previous years have had continuing effect during the year.

AGREEMENTS WITH MR MARCEL BRAUD, FOUNDING HONORARY PRESIDENT OF THE MANITOU

As a reminder, Mr. Marcel BRAUD began his career at BRAUD & FAUCHEUX in 1952. Today, he and his family group own approximately 30% of MANITOU BF.

Since the General Meeting called to approve the financial statements for the 2016 financial year, Mr. Marcel BRAUD is no longer a director or Chairman of MANITOU BF, and therefore no longer attends the Board of Directors and committees. His title is founding honorary President of the Manitou. As a result, Marcel BRAUD has access to the preparatory documents of the boards and committees as well as to the minutes. He has occasional meetings with the Executive Committee and the General Management and remains in contact with the General Management, Sales & Marketing, customers and the network. He travels without restriction to the Group's factories and to trade fairs and exhibitions where MANITOU is present or represented.

The duration of Marcel BRAUD's status is unlimited. Marcel BRAUD may interrupt it due to his state of health.

Marcel BRAUD does not request any remuneration in this respect.

Payment of travel and entertainment expenses

On 26 April 2017, your Board of Directors authorised an agreement covering the travel and entertainment expenses and resources needed for the performance of Mr Marcel Braud's duties, as Honorary Chairman and Founder of the Manitou (mainly a company car with chauffeur, broadband, mobile phone and travel expenses), the latter assuming the role of Group representative and remaining in contact with Executive Management and the various boards and committees.

As at 31 December 2022, your Company paid corresponding expenses of €53,017.

Current account

Mr. and Mrs. Braud's current account totalled €6,092 828 as of 31 December 2022 (including interest, net of deductions). This account bore interest at 2,21%. The amount of interest assumed by your Company in this respect totalled €132,612 in 2022.

AGREEMENT UNDERTAKEN FOR MR. MICHEL DENIS, CHIEF EXECUTIVE OFFICER (CEO) SINCE 13 JANUARY 2014, RENEWED IN ADVANCE ON 5 DECEMBER 2017

Authorisation to extend the contract for the supply of two vehicles

On 5 December 2017, your Board of Directors authorised the signing of an amendment to the contract for the supply by GLGM Conseil, of which Mr. Michel Denis is manager, to Manitou BF, of which Mr. Michel Denis is CEO, of two vehicles, one for strictly professional use and one for professional and private use by Mr. Michel Denis, stipulating that the lease amount will be revised annually according to the SYNTEC index prevailing on 1 January of each year.

This agreement was signed on 10 March 2015 for a period of one year and is renewable by tacit agreement, subject to its termination by either of the parties or the termination of Mr. Michel Denis' duties as manager of GLGM Conseil and/or Chief Executive Officer of Manitou BF.

The total monthly budget allocated to the management of the two vehicles is €2,150, including VAT. This price may be revised annually.

As at 31 December 2022, your Company paid corresponding expenses of €22,893.

AGREEMENT WITH MRS. JACQUELINE HIMSWORTH, CHAIRMAN OF THE BOARD OF DIRECTORS

Current account

Mrs. Jacqueline Himsworth's current account totalled €286,643 (including interest, net of deductions) as of 31 December 2022. This account bore interest at 2.21%. The amount of interest assumed by your Company in this respect totalled €6,238 in 2022.

Nantes, on the 21 April 2023	Saint-Herblain, on the 21 April 2023
The statutory auditors	
French original signed by	
Gwenaël Chedaleux	Céline Braud
Partner	Partner

7.5. MANAGEMENT REPORT WITH THE ANNUAL FINANCIAL STATEMENTS OF THE MBF COMPANY

HIGHLIGHTS OF THE PERIOD

INFLATION

In an environment of accelerating inflation, the group is affected by increases in its energy and raw material costs. These increases thus reduced the group's profitability in H1 2022.

In order to compensate for this inflation, the group has implemented a policy of increasing its selling prices country by country.

In H1, it also integrated sales price adjustment mechanisms at delivery.

Given the size of the order book, these increases will gradually offset inflation in raw materials, particularly steel and energy.

SUPPLY CHAIN

The Covid-19 crisis, with a sharp slowdown in production in 2020, and the strong recovery in global business are causing significant supply and transport difficulties.

This situation is causing supply disruptions for some of the group's suppliers.

These disruptions reduced the group's growth and profitability over the period.

WAR IN UKRAINE

The war in Ukraine had limited repercussions on the group's business which had suspended its machinery shipments to Russia and Belarus at the start of the conflict.

In 2021, the group's revenue in Russia, Ukraine, and Belarus was around 4% of its consolidated revenue. The order book in this same area was around 6% of the order book at December 31, 2021.

The group does not supply directly to Ukraine, Belarus, or Russia. To date, despite increasing pressure on the availability of raw materials and components, the group has not had any difficulties in sourcing components specifically related to suppliers which could be affected by the war in Ukraine.

The breaking out of the conflict has been contributing to the acceleration of rising energy and raw material prices seen over the past several months. These increases have an impact on the group's profitability.

The group has a distribution subsidiary in Russia. Since March 2022, the sales of this subsidiary are limited to the distribution of spare parts. At the date of publication of this report, the group had no client risks to its activities in these countries, and the financial situation of the subsidiary is expected to meet its liquidity requirements for the whole of 2023.

SIGNING OF A NEW 375 MILLION EURO CREDIT AGREEMENT

In July 2022, the group signed a new credit agreement for the amount of 375 million euros with a maturity of 5 years and the possibility of a 2-year extension. This financing is going to replace the current credit agreement of 180 million euros put in place in 2016 and maturing in December 2023.

Consisting solely of an RCF (revolving credit facility), this financing complements the various bond and long-term lines of 105 million euros put in place in 2019.

The new credit documentation also comprises the possibility of including additional facilities in the agreement for a maximum total amount of €200 million, making it possible to accelerate the process of financing growth operations.

An amendment was signed in December 2022 to qualify this financing as a Sustainability Linked Loan (SLL).

Three CSR criteria have been added to the RCF (Revolving Credit Facility) line, relating to the scope 3 low carbon trajectory, employee safety and its sustainable purchases. Annual achievement targets in line with the group's CSR policy have been set and will give rise to a positive or negative adjustment mechanism on the margin applied to the RCF.

This new financing enables the Manitou group to pursue the development of its businesses in accordance with the ambitions of the “New Horizons 2025” roadmap, in particular to carry out the major capacity investments that the group has announced in France (€80 million) and in the United States (€70 million), to accelerate the energy transition, digitalization and service businesses.

It also reinforces the company's ambitions in terms of energy transition and commits the company financially to achieving its CSR objectives.

LIFTTEK ACQUISITION

In May 2022, the Manitou group acquired a majority stake in the capital of its Finnish distributor Lifttek, based near Helsinki.

Lifttek is a company specializing in the import, sale and after-sales service of lifting equipment, with a strong focus on Manitou group products. Its customers are mainly machine rental companies, construction companies and agricultural contractors.

With a turnover of 7.4 million euros in 2022, the company has 30 people and 3 sites located in the cities of Vantaa (Helsinki region) and Tampere.

ACQUISITION OF THE INTELLECTUAL PROPERTY AND SOME OF THE EMPLOYEES OF ATN PLATFORMS

In August 2022, Manitou BF completed the purchase of the intellectual property of ATN Platforms, a company specializing in the design and assembly of aerial work platforms, in the context of receivership proceedings before the Agen Commercial Court. To accompany this acquisition, the company is benefiting from the expertise of some dozen ATN Platforms employees, who will continue to be based in Tonneins (Lot-et-Garonne), the historic site of ATN Platforms.

As a result of this purchase, the Group is extending its existing product range in order to accelerate its development in a particularly fast-moving market. The two aerial work platform production sites located in Candé (Maine-et-Loire) will assemble the vertical aerial work platform models resulting from ATN Platforms' know-how.

MANITOU BF REVENUE

Manitou BF's revenue rebounded 29.7% to €1,624 million compared to €1,253 million in 2021.

This performance in a context of heightened supply chain tensions can be explained by high demand and an increase in production rates.

Sales price increases had only a partial effect in 2022.

The company saw its revenue increase across all markets (construction, agriculture, and industry) and geographical regions.

MANITOU BF RESULTS

In 2022, the operating profit was €52.6 million, an increase of €1.2 million (+2.3%) as compared with the previous year. It comes to 3.2%, of revenue, versus 4.1% in 2021.

Despite the fact that business was up nearly 30%, the decline in profitability is primarily due to deterioration in the margin rate, impacted over the period by the inflation of raw materials, energy and fixed production costs. Announced sales price increases had only a limited effect in 2022.

Financial income was up €14.6 million to +€21.9 million, with an increase in dividends received of €6.3 million (€22.8 million in 2022 vs. €16.5 million in 2021) and a change in positive exchange rate effects of €6.1 million.

The tax expense is stable at €10 million.

The net profit was €64.3 million, as compared with €45.7 million in 2021.

POST-CLOSING EVENTS

MAJORITY STAKE ACQUIRED IN EASYLI

On January 23, 2023, Manitou BF acquired an 82% stake in easyLi, a company specializing in the design and production of lithium-ion batteries. Based in Poitiers (France), easyLi has 25 employees and recorded a turnover of €1 million.

ACQUISITION OF THE ITALIAN COMPANY GI.ERRE SRL

On March 1, 2023, Manitou BF acquired all the shares of the Italian company GI.ERRE SRL, based in Castelfranco, Italy, and specialized in service activities for Manitou products.

The company earned revenue of 4 million pounds in 2022 and employs 14 staff members.

SIGNING OF AN EXCLUSIVE PARTNERSHIP WITH KILOUTOU FOR THE FIRST RETROFIT PROJECT

In February 2023, Manitou BF announced an exclusive 12-month partnership with Kiloutou, a major European rental company, to offer electrification kits for used Manitou internal combustion telehandlers. Retrofitting will make it possible to extend the life of the equipment while reducing its environmental impact and in particular its carbon emissions, in line with the commitments made in the CSR roadmap.

RENEWAL OF CURRENT GOVERNANCE

The Board proposes, in the interest of stability in Manitou Group’s governance, to renew all the directors' terms of office for a period of four years. This proposal is intended to advance a long-term policy and to support Manitou Group with the expertise acquired by the members of the Board of Directors.

OTHER INFORMATION

NON-DEDUCTIBLE ITEMS PROVIDED FOR UNDER ARTICLES 39-4 AND 39-5 OF THE FRENCH GENERAL TAX CODE

In accordance with the provisions of Article 223 *quater* of the French General Tax Code, the accounts for the financial year just ended included a sum of €669,191, corresponding to rental charges and the non-tax-deductible portion of the directors’ remuneration.

INFORMATION ON PAYMENT PERIODS FOR SUPPLIERS OF MANITOU BF

In accordance with Articles L.441-6-1 and D.441-4 of the French Commercial Code, we hereby indicate that at the end of the financial year, the balance of debts to suppliers, broken down by payment due date, is as follows:

Payment period	0 days	1-30 days	31-60 days	61-90 days	91 days or more	TOTAL 1 day or more
Number of bills concerned						2,188
Total amount of the bills concerned before tax (EUR mln)		3.0	0.9	2.3	1.0	7.2
Percentage of total purchases before tax for the fiscal year		0.2%	0.1%	0.2%	0.1%	0.5%
BILLS EXCLUDED FROM (A) RELATING TO DISPUTED DEBT AND CLAIMS NOT RECOGNIZED						
Number of bills excluded						317
Total amount of bills excluded (EUR mln)						0.6

It is based on the statutory periods, although they may be shorter for certain suppliers (45 days from the end of the month for goods not imported, 30 days for carriers and certain service providers, and less than 30 days for certain other service providers).

INFORMATION ON PAYMENT PERIODS FOR CLIENTS OF MANITOU BF

In accordance with Articles L.441-6-1 and D.441-6 of the French Commercial Code, we hereby indicate that at the end of the financial year, the balance of bills issued but not settled by our clients, broken down by payment due date, is as follows:

Payment period (a)	0 days	1-30 days	31-60 days	61-90 days	91 days or more	TOTAL 1 day or more
Number of bills concerned						3,288
Total amount of the bills concerned before tax (EUR mln)		6.4	2.3	1.7	1.7	12.0
Percentage of total revenue before tax for the fiscal year		0.4%	0.1%	0.1%	0.1%	0.8%
BILLS EXCLUDED FROM (A) RELATING TO DISPUTED DEBT AND CLAIMS NOT RECOGNIZED						
Number of bills excluded						0
Total amount of bills excluded						0

For France, the payment periods used for these calculations are the minimum statutory periods, if not shorter for certain clients (45 days from the end of the month). For exports, the periods vary depending on the geographical region concerned.

COMPANY FINANCIAL RESULTS FOR THE LAST FIVE FISCAL YEARS

in euros	2018	2019	2020	2021	2022
I - FINANCIAL POSITION AT YEAR END					
a) Share capital	39,668,399	39,668,399	39,668,399	39,668,399	39,668,399
b) Number of shares issued	39,668,399	39,668,399	39,668,399	39,668,399	39,668,399
c) Number of convertible bonds					
II - COMPREHENSIVE INCOME FROM ACTUAL OPERATIONS					
a) Sales excluding taxes	1,371,296,011	1,526,988,385	1,098,335,824	1,252,655,759	1,624,634,087
b) Income before taxes, depreciation, amortization, provisions and employee profit-sharing	99,752,816	122,741,938	81,003,965	91,794,206	92,420,800
c) Income tax	15,808,625	20,944,489	10,011,969	12,073,238	10,016,821
d) Income after taxes, depreciation, amortization, provisions and employee profit-sharing	69,359,358	70,700,087	44,720,818	45,652,522	64,269,773
e) Total dividends paid	24,563,144	30,941,351	19,834,200	23,801,039	31,734,719
III - INCOME PER SHARE FROM OPERATIONS					
a) Income after taxes but before depreciation, amortization, provisions, and employee profit-sharing	2.12	2.57	1.79	2.01	2.08
b) Income after taxes, depreciation, amortization, provisions, and employee profit-sharing	1.75	1.78	1.13	1.15	1.62
c) Dividend paid per share	0.78	0.50	0.60	0.80	0.63
IV - PERSONNEL					
a) Number of employees	2,085	2,286	2,289	2,300	2,464
b) Total payroll expense	91,504,420	101,509,115	94,100,173	107,323,946	118,758,512
c) Amounts paid for employee benefits	46,745,235	51,578,464	46,254,584	57,552,047	59,689,466

8. ADDITIONAL INFORMATION

8.1. MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION AND INTERNAL REGULATION OF THE BOARD OF DIRECTORS

NAME

Manitou BF

REGISTERED OFFICE

430, rue de l'Aubinière BP 10249

44 158 Ancenis Cedex – France

Telephone +33 (0)2 40 09 10 11

LEGAL FORM - LEGAL IDENTIFIER

A French public limited liability company (*société anonyme*) with a Board of Directors, governed by the provisions of the French Commercial Code.

The legal entity identifier (LEI) of the issuer is FR0000038606.

LAWS GOVERNING ITS ACTIVITIES

The group designs, assembles, and distributes high technology products that meet the standards set by the administrative authorities as well as national and supranational organizations.

DURATION OF THE COMPANY

The company's incorporation was published on February 5, 1954, and the company was registered in the Nantes Trade Register on September 23, 1957. The company's duration was set at ninety-nine years (99) as of June 3, 1980.

BUSINESS PURPOSE

(ART. 3 OF THE COMPANY'S ARTICLES OF ASSOCIATION)

The company's purpose in France and in all countries consists of all industrial and commercial operations relating to:

- the operation of all industrial and commercial establishments aimed at the representation, concession, manufacture, purchase, sale, rental, import, and export of all construction and lifting equipment, and all agricultural and industrial equipment and the directly or indirectly associated spare parts;
- the creation, acquisition, rental, leasing, installation, and operation of any establishments or factories;
- the purchase, acquisition, operation, or disposal of any processes and patents related to these activities;
- the direct or indirect participation of the company in any commercial, industrial, or financing transactions that may be related to the company purpose, including the creation of new companies, investments in partnerships, mergers, alliances, joint ventures, or other transactions;
- and generally, all financial, commercial, industrial, civil, movable, or real property transactions, including insurance intermediation and bank transaction and services intermediation activities that are directly or indirectly related to any of the specified purposes or any other similar or related purpose.

COMPANY REGISTRATION DETAILS

Trade and Companies Register number and APE (principal activity code):

857 802 508 RCS Nantes – APE (principal activity code) 292 D – NAF (business sub-sector ID) number 2822Z

ORIAS number (single register of insurance, banking and finance intermediaries):

20006652 [as non-exclusive agent for banking transactions and payment services (MOBSP)]

FINANCIAL PERIOD

The financial period covers twelve months starting on 1 January and ending on 31 December of each year.

STATUTORY DISTRIBUTION OF EARNINGS

Net earnings are composed of the net gains for the financial period recognized in the annual financial statements, after deduction of general expenses and other personnel expenses, any asset amortization or depreciation charges and any provisions for commercial or industrial risks.

Distributable earnings are composed of the net profit for the year less prior year losses and the amounts retained in reserves in accordance with the law or the articles of association, plus retained earnings.

The Shareholders' Meeting may decide to distribute amounts deducted from the reserves at its disposal, in which case the decision will expressly indicate the reserve items from which the payments are to be deducted.

Except in the case of a capital reduction, no distribution can be made to shareholders if the net assets are, or would become as a result of such a distribution, less than the amount of the paid-in-capital plus reserves whose distribution is prohibited by the law or the articles of association.

VOTING RIGHTS

Excerpt from Article 9 of the Articles of Association, "Rights and obligations associated with shares":

"Each share grants the right to one vote at Shareholders' Meetings. In accordance with the option provided by subparagraph 3 of Article L.225-123 of the French Commercial Code, fully paid-up shares that have been registered in a shareholder's name for at least two years shall not benefit from double voting rights."

8.2. PERSON RESPONSIBLE FOR INFORMATION

PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Michel Denis, President and Chief Executive Officer of Manitou BF.

STATEMENT OF THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and omits no information likely to affect the scope.

I certify, to my knowledge, that the financial statements have been prepared in accordance with the accounting standards applicable and give a true and fair view of the assets, liabilities, financial situation, and income of the company and all the companies included in the consolidation and that the management report contained in this document, as specified in the correspondence table in section 8.6, presents an accurate picture of the development of the business, income, and financial situation of the company and all the companies included in the consolidation and that it describes the main risks and uncertainties that they face.

Ancenis, April 21, 2023

Michel Denis, President and Chief Executive Officer

PERSONS RESPONSIBLE FOR FINANCIAL INFORMATION

Michel Denis, President and Chief Executive Officer

Hervé Rochet, Corporate Secretary

MANITOU BF

430, rue de l'Aubinière - BP 10 249

44158 Ancenis Cedex France

Telephone: +33 (0)2 40 09 10 11

8.3. DOCUMENTS ACCESSIBLE TO THE PUBLIC

The Registration Document is available at the company's head office, 430, rue de l'Aubinière - BP 10 249 - 44 158 Ancenis Cedex – France

Telephone +33 (0)2 40 09 10 11

For the validity period of the universal registration document, the following documents can be consulted at Manitou's head office and at the website (www.manitou-group.com/investisseurs):

- the company's memorandum and the latest version of the articles of association;
- all reports, letters, and other documents.

Pursuant to Article 19 of Regulation (EU) 2017/1129, the following information is included by reference in this universal registration document:

- the 2019 Registration Document filed with the AMF on Tuesday, April 21, 2020, under reference number D.20-0329, (https://www.manitou-group.com/fr/investisseurs/informations-reglementees/);
- the 2020 Registration Document filed with the AMF on Friday, April 16, 2021, under reference number D.21-0318, (https://www.manitou-group.com/fr/investisseurs/informations-reglementees/);
- the 2021 Registration Document registered with the AMF on April 14, 2022, under reference number D. 22-0297 (https://www.manitou-group.com/fr/investisseurs/informations-reglementees/);
- the parts of this document that are not included are either not applicable to the investor or are covered in said document.

The information found at the website links www.reduce-program.com, www.manitou-group.com, www.cofrac.fr, and www.middlenext.com in this universal registration document, with the exception of the information included as a reference, is not a part of this universal registration document. As a result, this information was not reviewed or approved by the AMF.

8.4. PERSONS RESPONSIBLE FOR THE CONTROL OF THE FINANCIAL STATEMENTS

STATUTORY AUDITORS

KPMG Audit, registered member of the Regional Association of Statutory Auditors of Ouest-Atlantique, represented by Gwenaël Chedaleux, partner, 7, boulevard Albert Einstein BP 41125 - 44311 Nantes Cedex 3 appointed on June 13, 2019 (replacing Deloitte et Associés).

Mandate expires: Shareholders' Meeting called to approve the financial statements for the period ended December 31, 2024.

RSM OUEST, registered member of the Regional Association of Statutory Auditors of Ouest-Atlantique, represented by Céline Braud, partner, 18, avenue Jacques Cartier – BP 30266 – 44818 Saint-Herblain Cedex appointed June 13, 2019 (renewal).

Mandate expires: Shareholders' Meeting called to approve the financial statements for the period ended December 31, 2024.

STATUTORY AUDITORS' FEES

The fees recorded in 2022 by Manitou BF and its fully consolidated subsidiaries for the assignments entrusted to the college of Statutory Auditors, their respective network, and their colleagues are detailed in Note 17 of the annex.

8.5. GLOSSARY

EXPLANATION OF THE REPORTING LINES

REVENUE

Revenue mainly consists of the sales of new handling equipment assembled within the group or acquired from third parties, spare parts and attachments, equipment rentals, equipment fleet management services and other miscellaneous services.

COST OF SALES

The cost of sales is made up of the cost of goods and services sold, which comprises the cost of raw materials and components, labor directly attributable to the goods or services, and all related production and logistics operating costs. It also includes the amortization of intangible assets, equipment, and materials allocated to production, contractual warranty costs, provisions for inventory impairment, and exchange gains and losses on operating income in foreign currency resulting from the difference between the valuation at the exchange rate on the day of the transaction and the rate on the day of settlement.

GROSS MARGIN

The gross margin on the cost of sales is the difference between revenue and the cost of sales.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs consist of personnel costs for staff assigned to innovation, development, design, prototyping, and product improvements. The businesses frequently use external services as well as dedicated equipment and materials for which depreciation is charged to the function. Research and development expenses that meet the criteria of feasibility and innovation may be capitalized as intangible assets and subsequently amortized in cost of sales. Expenses that do not meet the capitalization criteria are recognized directly as expenses.

SALES AND MARKETING COSTS

Sales costs consist primarily of personnel and associated costs allocated to business development assignments, coordination of dealer networks, and marketing and technical expenses. This line item also includes sales commissions, advertising costs, trade shows, credit insurance expenses, the cost of sales warranties, travel expenses, and the depreciation of associated infrastructure.

ADMINISTRATIVE EXPENSES

Administrative expenses consist primarily of personnel expenses and costs associated with the support functions (human resources, finance, general secretariat, etc.). They also include depreciation of the infrastructure associated with these functions.

CURRENT (OR RECURRING) OPERATING INCOME

The recurring operating income (ROI) includes all of the recurring items described below, before taking into account the non-recurring elements of the financial result, income tax, and the group's share of the net income from equity associates. It includes:

- revenue;
- cost of goods and services sold;
- research and development costs;
- sales, marketing, and services costs and administrative expenses;
- other operating income and expenses.

NON-CURRENT (OR NON-RECURRING) INCOME AND EXPENSES

Non-current expenses and income include the following items:

- the recognition of impairment;
- income from significant or unusual disposals of tangible and intangible assets;
- acquisition and consolidation expenses;
- income relating to “Badwill”;
- income from disposals of consolidated securities;
- restructuring costs;
- unusual items corresponding to other income and expenses that are not usual in terms of their frequency, nature, and amount.

OPERATING INCOME OR OPERATING MARGIN

Operating income, also referred to as operating margin in this document, includes all the recurring and non-recurring items described above.

OPERATING INCOME INCLUDING NET INCOME FROM EQUITY ASSOCIATES

The “Operating income including net income from equity associates” aggregate line item includes the proportionate share of income from associate companies in the operating income.

FINANCIAL INDICATORS AND OTHER DEFINITIONS

AT CONSTANT EXCHANGE RATE

The foreign exchange effect is calculated by applying the exchange rate for the previous period to the revenue for the current period, or for 2021, the 2020 exchange rate.

AT CONSTANT SCOPE

The scope effect is calculated by:

- excluding the revenue, for the current period, of the companies acquired during the period;
- excluding the revenue, from January 1st of the current period to the anniversary month of their acquisition, of the companies acquired during the previous period;
- excluding the revenue, for the current period and the comparable period, of the companies sold during the current period or the comparable period.

For 2021:

- acquisitions and exits in 2020 and 2021: none.

NET DEBT

Net debt corresponds to the difference between current and non-current financial liabilities on the one hand and, on the other hand, current financial assets and cash and cash equivalents.

EBITDA

Operating income +/- provisions - reversals of amortization and impairment losses.

RECURRING EBITDA

Operating income - income and expenditure on non-recurring items +/- provisions - reversals of amortization and impairment losses.

GEARING

Ratio of net debt divided by the amount of shareholders' equity.

LEVERAGE

Ratio determined by dividing the amount of net debt at the end of the period by rolling 12-month EBITDA. This measures the amount of the debt in number of years of EBITDA.

OPERATING WORKING CAPITAL REQUIREMENT

Inventory and work in progress + trade receivables + other debtors - trade accounts payable - other current liabilities.

Operating working capital requirement excludes sales financing receivables, which do not change in proportion to the operating activity.

RETURN ON CAPITAL EMPLOYED (ROCE OR ROACE)

Indicator calculated from the ratio between the recurring operating income and the capital employed.

ORDER BOOK

The order book corresponds to machine orders received and not yet delivered, for which the group:

- has not yet provided the promised machines to the customer;
- has not yet received consideration and is not yet been entitled to consideration.

These orders are delivered within less than one year and may be canceled. The order book represents the revenue not yet recognized on orders already received.

The order book at the end of a fiscal year is calculated as follows:

- order book at the start of the fiscal year;
- plus new orders received during the fiscal year;
- less cancellations of orders recorded during the year;
- less recognized revenue over the fiscal year.

The order book may vary due to changes in consolidation scope, adjustments, and foreign currency translation effects.

In order to limit the effects of inflation, since the first half of 2022, the group has incorporated mechanisms for adjusting its sales prices at delivery. These mechanisms are likely to influence the valuation of the machinery order book carried forward and valued at the price on the day of the order.

In addition, the group has introduced a new policy of gradually opening up the order-taking horizons of the second half of 2024 for dealers in order to limit the effects of anticipation without an end market.

EVENT OF DEFAULT

Actual occurrence of credit risk such as, for example, the bankruptcy of the reference entity, payment default, or restructuring.

MATERIAL ADVERSE EFFECT

Any action, omission, or event that, taken in isolation or with others, has a significantly unfavorable effect on the assets, liabilities, financial situation or operating result of the borrowing company and its subsidiaries taken as a whole or the borrower taken individually.

NEGATIVE PLEDGE

Provision that forbids a party to a contract from creating sureties on certain specific goods.

CROSS DEFAULT

Safeguard clause, which provides that if the company defaults on a loan, all the facilities included in the cross default clause are considered as being in default. A trip threshold is generally established.

8.6. CORRESPONDENCE TABLES

CORRESPONDENCE TABLE WITH THE INFORMATION REQUIRED IN THE UNIVERSAL REGISTRATION DOCUMENT (URD)

In order to facilitate reading of this universal registration document, the correspondence table presented below makes it possible to identify the main information required by appendixes 1 and 2 of Regulation (EU) 2019/980 of March 14, 2019.

01	PERSONS RESPONSIBLE, INFORMATION FROM THIRD PARTIES, EXPERT REPORTS, AND APPROVAL OF THE COMPETENT AUTHORITY	
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02	OFFICIAL AUDITORS	
	2.1 Contact details	235
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03	RISK FACTORS	
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04	INFORMATION CONCERNING THE ISSUER	
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	8.2 Cash flow and financial structure	32, 157, 203
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	8.4 Restriction on the use of capital	N/A
	8.5 Expected financing sources	N/A

CORRESPONDENCE TABLE WITH THE INFORMATION REQUIRED IN THE MANAGEMENT REPORT

Headings	Information for	Paragraphs	Pages
Branches L.232-1 II + V French Commercial Code	AFR	N/A	
LEGAL, FINANCIAL, AND TAX INFORMATION OF THE COMPANY			
Breakdown and changes in share ownership structure L.233-13 French Commercial Code		6.2	146
Name of controlled companies and portion of the company's share capital they hold L.233-13 French Commercial Code		7.1 Note 19	198
Significant stakes acquired during the period in companies having their head office in French territory L.233-6 French Commercial Code		N/A	
Cross-shareholdings R.233-19 French Commercial Code		N/A	
Employee share ownership situation L.225-102 French Commercial Code		6.2	146
Acquisition and disposal by the company of its own shares (share buyback) L.225-211 French Commercial Code	AFR	6.2 7.1 Note 10.1.2 7.3 Note 9	146 179 214
Adjustments to shares giving access to capital in the event of financial operations R.228-91 French Commercial Code		N/A	
Adjustments to shares giving access to capital and stock options in the event of share buybacks R.228-90 and R. 225-138 French Commercial Code		N/A	
Dividend distributions over the last three years 243 bis CGI (French General Tax Code)		6.4	150
Expenses and costs that are not tax deductible 223 quater CGI (French General Tax Code)		7.5	230
Injunctions or financial penalties for anti-competitive practices L.464-2 I, paragraph 5, French Commercial Code		N/A	
Payment deadlines and breakdown of the balance of trade payables L.441-14 II; D.441-6 French Commercial Code		7.5	230 to 231
Amount of inter-company loans L.511-6; R.511-2-1-3 French Monetary and Financial Code		7.3 Note 4	210
INFORMATION ON CORPORATE OFFICERS			
Summary of securities transactions of persons discharging managerial responsibilities and closely associated persons L.621-18-2 French Monetary and Financial Code; 223-26 AMF General Regulations		5.2	147
CSR INFORMATION			
Non-financial performance declaration L.225-102-1; L.22-10-36; R.225-104; R.22-10-29 French Commercial Code		3	36 to 92
DOCUMENTS ATTACHED TO THE MANAGEMENT REPORT			
Table of the company's results for each of the last five years R. 225-102 French Commercial Code		7.5	230
Report on corporate governance L. 225-37 to L.225-37-4; L22-10-8; L22-10-11 French Commercial Code		5 6	114 to 143 149

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TCFD (TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES) CORRESPONDENCE TABLE

This voluntary reporting framework, which is structured around 4 pillars and 11 recommendations, aims to integrate the effects of climate change into companies' strategic decisions.

PILLARS	RECOMMENDATIONS	In this document, refer to...
GOVERNANCE	a. Description of the Board of Directors' control over climate-related risks and opportunities	3.2.2 Organization and governance
	b. Description of the Management's role in assessing and managing climate-related risks and opportunities	3.2.2 Organization and governance
STRATEGY	a. Description of climate-related risks and opportunities in the short, medium, and long term	4.4.2.2 Risk factors
	b. Description of the impact of climate-related risks and opportunities on the investment strategy	3.4.3 EU taxonomy for sustainable activities
	c. Description of the resilience of the investment strategy, considering different climate scenarios, including a 2°C or lower scenario	3.4.3 EU taxonomy for sustainable activities
RISK MANAGEMENT	a. Description of management processes to identify and assess climate-related risks	4.4.2.2 Risk factors
	b. Description of climate risk management processes	4.4.2.2 Risk factors
	c. Description of how climate-related risks are integrated into risk management processes	4.4.2.2 Risk factors
INDICATORS AND TARGETS	a. Presentation of information on the metrics used to assess climate-related risks and opportunities in the context of the investment strategy and the risk management process	3.4.3 EU taxonomy for sustainable activities
	b. Presentation of information on greenhouse gas (GHG) emissions and related risks within scopes 1 and 2, and, where applicable, scope 3	3.7 Committing to a low carbon trajectory to contribute to the global effort 4.4.2.2 Risk factors
	c. Presentation of information on targets set to manage climate-related risks and opportunities, as well as the results achieved in the pursuit of the targets	3.7 Committing to a low carbon trajectory to contribute to the global effort

CORRESPONDENCE TABLE WITH THE INFORMATION REQUIRED IN THE NON-FINANCIAL PERFORMANCE DECLARATION (DPEF)

NON-FINANCIAL PERFORMANCE DECLARATION (DPEF) CORRESPONDENCE TABLE	IN THIS DOCUMENT, REFER TO...
Business model	1.5.3 The business model
Mapping of non-financial risks	4.1.4 Risk factors
Policies and procedures	4 Risks and controls
Management indicators	4.1.4 Risk factors

Societal commitments in favor of combating food waste, combating food insecurity, respect for animal well-being, and a responsible, fair, and sustainable diet do not concern Manitou Group in relation to its business.

Manitou Group operates in compliance with the tax laws of the countries in which it is present and fulfills its tax reporting and payment obligations within the deadlines.

Manitou Group has not put structures in place for the purpose of tax evasion and applies the tax laws and regulations with honesty and integrity.

CORRESPONDENCE TABLE	GRENELLE 2 Article 225 and the Decree of 08/19/2016	GRI version 4	ISO 26000 standard	Global Compact	In this document, refer to...
SOCIAL INFORMATION					
EMPLOYMENT					
Total headcount and distribution of employees (by gender, age and geographical area)	I.a) 1.1 to 1.4	G4-9 G4-10 LA 1 LA 12			p.74
Changes in headcount (recruitments and departures)	I.a) 2.1 and 2.2	EC6 LA1	6.4.4	-	p.74
Compensation	I.a) 3.1	G4-51* G452* G4-53* G4-54* EC1 EC5			p.71
Change in compensation	I.a) 3.2	G4-55*			
WORK ORGANIZATION					
Organization of working time	I.b) 1	-	6.4.4	-	p.64
Absenteeism	I.b) 2				p.64
SOCIAL RELATIONS					
Organization of social dialog	I.c) 1	LA4	6.4.3 & 6.4.5	# 3 - 8	p.65
Outcome of collective agreements reached within the company	I.c) 2				
HEALTH AND SAFETY					
Health and safety in the workplace	I.d) 1	LA5	6.4.6	# 4 - 5	p.62 - 66
Agreements signed with trade unions or employee representative bodies as regards health and safety at work	I.d) 2	LA8			p.65
Frequency and severity of workplace accidents	I.d) 3	LA6 LA7			p.64
Occupational illnesses	I.d) 4	LA6			
Practice of physical activities and sports	III	-	-	-	p.65,70
TRAINING					
Training policies implemented	I.e) 1	LA10 LA11	6.4±7	# 4	p.69, 70
Number of hours of training	I.e) 2	LA9 HR2			
EQUAL TREATMENT					
Measures taken to promote gender equality	I.f) 1	LA3 LA12 LA13		# 5 - 10	p.68 - 69
Measures taken to promote the employment and integration of people with disabilities	I.d) 2	LA12	6.3 & 6.3.7		
Anti-discrimination policy	I.f) 3	LA12 HR3			
PROMOTION AND COMPLIANCE WITH THE FUNDAMENTAL CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION (ILO)					
Respect for freedom of association and the right to collective bargaining	I.g) 1	HR4	6.3.3-6.3.5 6.3.8-6.3.10 6.4.5-6.6.6	# 3	p.65
Elimination of discrimination in employment and working life	I.g) 2	HR3	6.3.6-6.3.7 6.3.10 6.4.3	# 6	p.68-69

CORRESPONDENCE TABLE	GRENELLE 2 Article 225 and the Decree of 08/19/2016	GRI version 4	ISO 26000 standard	Global Compact	In this document, refer to...
Elimination of forced labor	I.g) 3	HR6	6.3.3-6.3.5 6.3.10 6.6.6	# 4	Group standards, commitment, and partnerships p.43-44
Effective abolition of child labor	I.g) 4	HR5	6.3.3-6.3.5 6.3.7-6.3.10 6.4.5-6.6.6 6.8.4	# 5	
ENVIRONMENTAL INFORMATION					
GENERAL ENVIRONMENTAL POLICY					
Company organization in place to deal with environmental issues	II.a) 1.1	G4-1	6.5.1 & 6.5.2	# 7 - 8 - 9	p.43-45
Environmental assessment or certification procedures	II.a) 1.2	-			p.43, 70
Training and information provided to employees on environmental protection issues	II.a) 2	G4-43*			
Resources devoted to the prevention of environmental risks and pollution	II.a) 3	EN30 EN31			
Amount of provisions and guarantees allocated to environmental risks	II.a) 4	EC2			-
POLLUTION					
Prevention, reduction and repair measures: air	II.b) 1.1	EN20 EN21 EN24	6.5.3	# 7 - 8 - 9	p.84 – 86
Prevention, reduction, and repair measures: water	II.b) 1.2	EN10 EN22 EN24 EN26			
Prevention, reduction, and repair measures: soil	II.b) 1.3	EN24			
Integration of noise pollution and any other form of pollution specific to an activity	II.b) 2	EN24	-	-	p.85, 66
THE CIRCULAR ECONOMY					
Waste prevention and management	II.c).i)	-	-	-	p.84, p.86
Prevention measures, recycling, re-use, and other forms of waste recovery and elimination	II.c).i) 1	EN23 EN24 EN25 EN28	6.5.3	# 7 - 8 - 9	
Sustainable use of resources	II.c).ii)	-	-	-	p.83 – 86
Water consumption	II.c).ii) 1.1	EN8	6.5.4	# 7 - 8 - 9	p.86
Water supply as per local constraints	II.c).ii) 1.2	EN8 EN9			-
Consumption of raw materials	II.c).ii) 2.1	EN1 EN2			p.82 , 85
Measures taken to improve efficiency in the use of raw materials	II.c).ii) 2.2	-			
Energy consumption	II.c).ii) 3.1	EN3 EN4			
Measures taken to improve energy efficiency	II.c).ii) 3.2	EN6 EN7			
Measures taken to improve the use of renewable energies	II.c).ii) 3.3	-			p.86
Use of land	II.c).ii) 4	EN11			-
CLIMATE CHANGE					
The significant items of greenhouse gas emissions generated by the company's activity, especially due to the use	III.d) 1	EN15 EN16 EN17 EN18 EN19	6.5.5	# 7 - 8 - 9	p.76-78

CORRESPONDENCE TABLE	GRENELLE 2 Article 225 and the Decree of 08/19/2016	GRI version 4	ISO 26000 standard	Global Compact	In this document, refer to…
of the goods and services that it produces					
Adaptation to the consequences of climate change	III.d) 2	-		# 12 - 13	p.75-84
Reduction targets set voluntarily in the medium and long-term to reduce greenhouse gas emissions and the resources implemented for this purpose	III.d) 3				p.75
PROTECTION OF BIODIVERSITY					
Measures taken to preserve or develop biodiversity	II.e) 1	EN11 EN12 EN13 EN14 EN26	6.5.6	# 7 - 8 - 9	p.84
INFORMATION RELATING TO SOCIETAL COMMITMENTS TO PROMOTE SUSTAINABLE DEVELOPMENT AND REGARDING THE TERRITORIAL, ECONOMIC, AND SOCIAL IMPACT OF THE COMPANY'S BUSINESS					
RELATIONSHIPS MAINTAINED WITH PERSONS OR ORGANIZATIONS INTERESTED IN THE COMPANY'S ACTIVITIES					
The impact of the company's business in terms of employment and local development	III.a) 1				p.73
The impact of the company's business on local or neighboring populations	III.a) 2				
Relations and dialog with stakeholders in the company and the procedures thereof	III.a) 3	G4 26 G4-37	5.3.3	# 3 - 8	p.40
Partnership and corporate sponsorship actions	III.a) 4	EC 7	6.8.9	# 4 - 5 - 10 - 17	p.73
SUBCONTRACTING AND SUPPLIERS					
Integration of the social and environmental challenges in the purchasing policy	III.b) 1	LA14 LA15 EN33 HR5 HR9 HR11	6.6.6	# 1 - 2	p.71 - 72
Importance of sub-contracting and the integration of social and environmental responsibility into relationships with suppliers and sub-contractors	III.b) 2	LA14 LA15 G4-12 EN32 EN33 HR5 HR9 HR11 S09 S010	6.6	# 1 - 2	
ETHICAL PRACTICES					
Actions undertaken to prevent fraud and corruption	III.d) 1	G4-56 - G458 SO3 SO4 SO5	6.6.3	# 8 - 10	p.67
Measures taken to promote the health and safety of consumers	III.c) 2	EN27 PR1 PR2 PR3 PR4 PR6 PR7 PR8 PR9	6.7.4	# 10 - 12	p.64
Other actions undertaken to protect human rights	III.e)	HR1 HR2 HR7 HR8 HR9 HR10 HR11 HR12	6.3-6.8 6.6.6 & 6.6.7 6.8.3	# 1 - 2	Group standards, commitment, and partnerships p.43-44

Source: Adapted from [Utopies, 2017][1], [Institut RSE, 2011][2] [GRI-ISO, 2014][3]

[1] Correspondence table for the non-financial reporting criteria for Grenelle II (Article 225 and Decree of 08/19/2016) - GRI G4. Utopies. 4p. February 2017.

[2] Correspondence table for Grenelle II, Art. 225 – GRI 3.1 – ISO 26000 – Global Compact, Institut RSE. 2p. August 2011.

[3] GRI G4 Guidelines and ISO 26000:2010 How to use the GRI G4 Guidelines and ISO 26000 in conjunction. GRI & ISO. 42p. January 2014.

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