



# Interpump Group

# Report on Remuneration Policy and Compensation Paid

18 March 2022





The first section of this Report was approved by the Shareholders' Meeting on 30 April 2020 and, following legislative amendments and with the adaptation once again approved by the Shareholders' Meeting on 30 April 2021, and refers to financial year 2020 and the planning guidelines on remuneration for financial years 2021, 2022 and 2023. The second section of this Report refers to financial year 2021 and will be submitted to the Shareholders for a consultative vote on 29 April 2022

The complete document is available on the Company's website [www.interpumpgroup.it](http://www.interpumpgroup.it)

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# Introduction

This Report on Remuneration Policy and Compensation Paid (the “**Report**”), prepared by Interpump Group S.p.A. (“**Interpump**” or the “**Company**”), is organized as follows:

- **Section I:** contains (i) a description of the Policy (the “**Remuneration Policy**”) adopted by the Company for remunerating the members of the Board of Directors (the “**Directors**”), the executive directors, the non-executive directors, the general managers and the other executives with strategic responsibilities (“**Key Management Personnel**”), as well as, without prejudice to the provisions of art. 2402 of the Italian Civil Code, the members of the control body (the “**serving Statutory Auditors**”) of Interpump Group S.p.A. in 2020, (ii) the planning guidelines for Remuneration Policy in 2021, 2022 and 2023, (iii) the procedures followed for the adoption and implementation of that policy, and (iv) the special cases in which temporary exceptions may be made to the “**Remuneration Policy**” and the related procedures to be followed. The first Section of the Report was submitted to the Shareholders for a binding vote on 30 April 2020. Following the amendments to the Issuers’ Regulation concerning the transparency of remuneration, following adaptations, it was once again submitted for the vote and approved by the Shareholders’ Meeting of 30 April 2021, confirming the duration for financial years 2021 -2023;
- **Section II:** contains a review of the captions comprising the remuneration recognized to the above persons in 2021. The second Section of the Report will be submitted to the Shareholders for a consultative vote on 29 April 2022.

This Report - prepared in compliance with the provisions of art. 123-(3) of Decree 58 dated 24 February 1998, (the “**Consolidated Finance Act**” or “**TUF**”), as well as art. 84-(4) and Forms 7-(2) and 7-(3) of Annex 3A to Consob Regulation 11971/1999 (the “**Issuers’ Regulation**”) - provides the Shareholders of Interpump Group S.p.A. and the market with detailed information about the remuneration and incentivization policy for:

- Executive and non-executive directors;
- Key Management Personnel, construed as persons having the power and responsibility, either directly or indirectly, for planning, supervision and control of the business of the Company in compliance with the definition supplied in this regard in Annex 1 to the CONSOB Related-Party Transactions Regulation, no. 17221 dated 12 March 2010 and amendments;
- serving members of the control body.

The Remuneration Policy contributes to the business strategy, being designed to attract and motivate qualified professional personnel for the pursuit of the objectives of the Company and the Group, and incentivize such persons to remain within the organization. Moreover, with a view

to increasing the value of the Company in a sustainable manner over the long term, the Remuneration Policy is designed to align the interests of management with the medium/long-term interests of the shareholders. This is determined having regard for the compensation and working conditions of the employees of the Company.

The Second Part of the Report also details the compensation paid for 2021 to the Directors, including those assigned special duties and the executive and non-executive directors, as well as to the serving Statutory Auditors.

The Remuneration Policy was prepared in compliance with the principles and recommendations contained in article 6 of the Code of Corporate Governance of listed companies issued by Borsa Italiana S.p.A. (the “**Code of Corporate Governance**”) and, in view of their application in the three-year period 2021-2023, the principles and recommendations contained in art. 5 of the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana S.p.A. in January 2020 (the “**Corporate Governance Code**”), which the Company has adopted, as well as for the purposes of art. 3.2, letter (b), of the Related-Party Transactions Procedure approved by Interpump on 10 November 2010 and subsequent amendments (the “**Procedure**”).

This Report on Remuneration Policy and Compensation Paid, approved by the Company’s Board of Directors on a proposal from the Remuneration Committee on 18 March 2022, may be revised and updated by the Board of Directors on a proposal from the Remuneration Committee, which periodically assesses its adequacy, overall consistency and effective application, **without prejudice to the binding vote cast by the shareholders on 30 April 2021 in relation to the First Section of the Report.**

The Shareholders’ Meeting held on 30 April 2020 in fact approved the Remuneration Policy and its validity for a three-year period; despite this, in view of the recent regulatory changes to remuneration matters made to the Issuers’ Regulation and Annex 3A to that Regulation, the Company has considered it appropriate - consistent with the instructions received from CONSOB - to submit this Remuneration Policy for financial years 2021 – 2022 – 2023 during the Shareholders’ Meeting of 30 April 2021.



# 1 Remuneration Policy

The first section of this Report was approved by the Shareholders' Meeting on 30 April 2020 and, following legislative amendments and with the adaptation once again approved by the Shareholders' Meeting on 30 April 2021, and refers to financial year 2020 and the planning guidelines on remuneration for financial years 2021, 2022 and 2023. The second section of this Report refers to financial year 2021 and will be submitted to the Shareholders for a consultative vote on 29 April 2022

# 1. Company Information

Interpump Group S.p.A. was formed on 1 December 1995. The Company was admitted to the STAR segment of Borsa Italiana from 1 April 2001, since *inter alia* it met the related transparency and corporate governance requirements.

Furthermore, the Company, since 22 June 2020, has been included in the FTSE-MIB panel. The issued and fully-paid share capital amounts to 56,617,232.88 euro and is represented by 108,879,294 ordinary shares having a nominal value of 0.52 euro each.

The Company is managed by a Board of Directors comprising 10 members, as shown below:

NAME	OFFICE	DATE OF APPOINTMENT OF THE BOD	MANDATE END DATE
Fulvio Montipò	Chairman and Chief Executive Officer	30 April 2020	Approval of financial statements at 31 December 2022
Giovanni Tamburi	Deputy Chairman	30 April 2020	Approval of financial statements at 31 December 2022
Angelo Busani	Director	30 April 2020	Approval of financial statements at 31 December 2022
Antonia Di Bella	Director	30 April 2020	Approval of financial statements at 31 December 2022
Victor Gottardi <sup>1</sup>	Director	30 April 2020	Approval of financial statements at 31 December 2022
Fabio Marasi	Director	30 April 2020	Approval of financial statements at 31 December 2022
Marcello Margotto	Director	30 April 2020	Approval of financial statements at 31 December 2022
Federica Menichetti	Director	30 April 2020	Approval of financial statements at 31 December 2022
Stefania Petruccioli	Director	30 April 2020	Approval of financial statements at 31 December 2022
Paola Annunziata Tagliavini	Director	30 April 2020	Approval of financial statements at 31 December 2022

1 On 4 August 2021, the Board of Directors appointed by co-optation the non-executive Director Claudio Berretti to replace the executive Director Victor Gottardi, who resigned on 26 July 2021.

At the date of this Report, the Executive Director is the Chairman and Chief Executive Officer, Fulvio Montipò. The Board of Directors has not identified any Key Management Personnel outside of the Board of Directors, since analysis determined that, partly due to the way the Group is structured, no executives have the specific characteristics attributable to key management personnel.

The Remuneration Committee, appointed on 30 April 2020, comprises 3 non-executive members, the majority of whom are independent:

**Marcello Margotto**, Chairman (Non-executive and independent Director - Lead Independent Director)

**Federica Menichetti**, (Non-executive and independent Director)

**Giovanni Tamburi** (Non-executive Director)

The Remuneration Policy presented below and submitted to the Shareholders of Interpump Group S.p.A. for approval has a duration of three years. That said, if necessary, the Company reserves the right to submit this Remuneration Policy to the Shareholders' Meeting for another binding vote even before the end of the three-year period.

## 2. Procedures utilized for the adoption, revision and implementation of the Remuneration Policy

### 2.1 Corporate bodies or parties involved in the preparation and approval of the Remuneration Policy, and bodies or parties responsible for its proper implementation and revision

Interpump has adopted a governance model designed to guarantee transparency, consistency at group level among the member companies (the “**Group**”), and adequate control in relation to the Remuneration Policy and its implementation and revision.

The Remuneration Policy contained in this first section of the Report is approved by the Company's Board of Directors, which is responsible for its implementation and revision, based on a proposal from the Remuneration Committee, and is consistent with the corporate governance model adopted by the Company, with the recommendations contained in the Code of Self-Regulation and, in view of its application for the three-year period 2021-2023, with the Corporate Governance Code. The Policy is submitted to the Shareholders for a binding vote pursuant to art. 123-(3), subsection 3-(3), TUF.

In addition to initial approval of the Remuneration Policy and its presentation to the Shareholders' Meeting for approval by the Shareholders, the Board of Directors is also responsible for:

- allocating the overall compensation established for the Directors at the Shareholders' Meeting, pursuant to the provisions of art. 2389, subsection 1, of the Italian Civil Code, if not already decided at the Shareholders' Meeting;
- determining the remuneration of the Directors assigned special duties pursuant to art. 2389, subsection 3, of the Italian Civil code, further to a proposal from the Remuneration Committee;
- analyzing the incentive plans to be submitted for shareholder approval;
- establishing a Remuneration Committee from among its members, determining the related duties and approving the regulation that governs its functioning;
- evaluating the consistency of the criteria adopted for the remuneration of Key Management Personnel, if identified, with the Remuneration Policy, having heard the recommendations of the Remuneration Committee.

In expressing its opinion on the remuneration of Directors

assigned special duties, in compliance with article 2389, subsection 3, of the Italian Civil Code, the Board of Statutory Auditors assesses the consistency of the proposals with this Remuneration Policy. Pursuant to art. 149, subsection 1, letter c-(2) TUF, the control bodies are responsible for monitoring the practical implementation of the corporate governance rules envisaged in the codes of conduct adopted by the Company and, therefore, those governing the decisions made about remuneration and other benefits.

In establishing the remuneration due to their Directors, group companies follow the indications provided by Interpump and apply the guidelines set down in this Remuneration Policy.

### 2.2 Role, composition and operation of the Remuneration Committee

The Remuneration Committee - formed by and within the Board of Directors - is vested with the following functions:

- making proposals to the Board of Directors about the general Policy for the remuneration of the Executive Directors and monitoring the application of the decisions taken by the Board in this regard;
- periodically assessing the criteria adopted for the remuneration of Executives with Strategic Responsibilities, if identified, supervising their application on the basis of information provided by the Chairman and making general recommendations in this regard to the Board;
- examining and, in response to recommendations from the Chairman, formulating proposals to the Board of Directors for the approval of annual and long-term incentives for the executive Directors and Executives with Strategic Responsibilities, if identified;
- formulating general recommendations to the Board of Directors in relation to the remuneration of other Directors;
- formulating recommendations to the Board of Directors in relation to: (a) the use of incentive plans based on treasury shares and on the annual incentive plans; and (b) all the relevant technical aspects associated with the formulation and application of incentive plans, specifically, submitting proposals to the Board in relation to the incentive system deemed to be most appropriate;
- supervising the use, evolution and application of incentive systems, including, notably, the incentive plans based on treasury shares adopted time by time, the methods for identifying beneficiaries, the identification of goals and the determination of bonuses, as more fully described in the respective plans;

- monitoring the effective attainment of the performance objectives set down in the incentive plans for the executive Directors and Executives with Strategic Responsibilities;
- assessing, at least once each year, its own activities and the adequacy, overall consistency and effective application of the Remuneration Policy, proposing any appropriate amendments to the Board of Directors, which will be submitted to the Shareholders for approval at the first Shareholders' Meeting called pursuant to art. 2364, subsection 2, of the Italian Civil Code;
- assisting the Board of Directors with special topics or matters assigned or delegated to the committee from time to time by the Board.
- In formulating its proposals and making its assessments, the Remuneration Committee takes account of the provisions of the Code of Self-Regulation and, in view of its application for the three-year period 2021-2023, the Corporate Governance Code, and the best practices followed by listed companies.

In the execution of its functions, the Remuneration Committee can access the necessary information and company functions required for its duties and can also make use of external consultants with expertise in remuneration policies, within the terms established by the Board of Directors and on the condition that such consultants do not simultaneously provide the human resources department, the Directors or Key Management Personnel with services of such significance that the independence of judgment of the consultants is jeopardized.

Directors do not attend meetings of the Remuneration Committee at which proposals are made to the Board of Directors concerning their personal remuneration; the only exception concerns proposals about the remuneration of Directors without mandates and members of Committees.

## 2.3 Activities of the Remuneration Committee during 2020

The Committee met 3 times during 2020 and the meetings were attended by all members. Members of the Board of Statutory Auditors also attended all Committee meetings. The Chairman of the Board of Statutory Auditors was present at every meeting. The meetings were duly minuted and lasted on average about one hour. The Chairman, Marcello Margotto, presented information to the Board of Directors about the resolutions adopted by the Committee at the first available Board meeting, held respectively on 16 March 2020, 13 May 2020, and 4 November 2020.

With specific reference to remuneration matters, at the first meeting held on 12 March 2020 the Committee:

- discussed the general policy for the remuneration of executive Directors, the Directors assigned special duties and the executives with strategic responsibilities, and approved the document entitled "Interpump Group S.p.A. Remuneration Policy" for presentation to the Board of Directors for examination;

- discussed the recommendations made to the Board of Directors concerning compensation for the office of Director and the total maximum remuneration of Directors assigned special duties in relation to 2020 and to the period from 1 January 2021 until the date of approval of the 2020 financial statements;
- approved the draft Board report to the Shareholders' Meeting for submission to the Board; determined the 2019 bonuses to be assigned to the Chairman and Chief Executive Officer of the Group, based on accomplishment of the objectives established by the Board of Directors;

During the second meeting held on 12 April 2020, the Remuneration Committee resolved to propose the following to the Board of Directors:

- the remuneration to attribute to the individual directors assigned special duties in relation to 2020 and the period from 1 January 2021 until the date of approval of the 2020 financial statements;
- the amount of the 2020 bonuses to be assigned to the Group's Executive Directors, based on accomplishment of the objectives established by the Board of Directors, and deferral of the determination of criteria linked to the 2020 bonus objectives;
- in relation to the "2019/2021 Interpump Incentive Plan", calculation of the Options vested for 2019 on accomplishment of the related objectives established in the 2019-2021 Plan and possible changes to the performance objectives for 2020 and 2021;

During the third meeting held on 3 November 2020, the Remuneration Committee considered:

- the proposal to be submitted to the Board of Directors regarding changes to the criteria for determining the 2020 bonus objectives to be assigned to the Executive Directors of the Group;
- the effect of implementing the Shareholder Rights Directive II and related disclosures on the contents of the Remuneration Policy.

## 2.4 Compensation and working conditions of employees when determining the Remuneration Policy

The Remuneration Policy for employees is based on the fundamental principles of meritocracy, fairness, equal opportunity and market competitiveness. It is designed to attract, motivate and build the loyalty of personnel, combining the growth strategy of the Company and achievement of the long-term sustainable objectives of Interpump with a stimulating work environment ready



to tackle constant challenges, encourage employees to use their initiative and provide opportunities for personal growth. The remuneration of personnel takes account of the characteristics, role, skills and responsibilities that define each employee. The Company provides a safe and functional working environment, compliant with the fundamental health and safety criteria, applying methodologies and smart technologies that facilitate effective collaboration and efficient communications in the global context of the Group.

## **2.5 Names of any independent experts who assisted in preparing the Remuneration Policy**

The Company did not use the services of external advisors when preparing the Remuneration Policy.

## **2.6 Exceptions to the Remuneration Policy**

Temporary exceptions to the Remuneration Policy are permitted in special cases, in order to allow the pursuit of a long-term interest, ensure the sustainability of the Company, taken as whole, or assure its ability to remain competitive in the marketplace. These special cases include, without limitation, the need to attract external strategic resources to the Company, or retain internal resources or recognize individual or group results of particular importance to the Company.

Any exceptions will be disclosed and explained in the subsequent Remuneration Policy. If the conditions apply, each temporary exception to the Remuneration Policy must be approved by the Board of Directors, acting on a proposal from the Remuneration Committee and having heard the opinion of the Board of Statutory Auditors, with assistance if necessary from the HR Department and in compliance with the relevant current legislation and regulations. If exceptions are made to the Remuneration Policy, the Company will apply the approved “Related-Party Transactions Procedure” in force at the time, even if exemptions are applicable.

# 3. Aims, Principles and Duration of the Remuneration Policy

## 3.1

The Remuneration Policy is designed to attract and motivate qualified professional personnel for the pursuit of the objectives of the Company and the Group, and incentivize such persons to remain within the organization. Moreover, with a view to increasing the value of the Company in a sustainable manner, the Remuneration Policy is designed to align the interests of management with the medium/long-term interests of the shareholders, having regard for the interests of other stakeholders that are important for the Company and the Group.

## 3.2

With the aim of attaining the foregoing goals, the Remuneration Policy is defined on the basis of the following principles:

- **sustainability:** in defining the remuneration, specifically by means of incentive plans, the Company contributes to the sustainable success of the Group, aligning the individual goals of the persons involved with the goals of Interpump and ensuring that remuneration is based on the results actually achieved. Remuneration is therefore directly associated with both individual performance and with the medium/long-term creation of value for the Company and hence for its shareholders;
- **proper integration of different remuneration components:** the Company seeks an optimal balance between different forms of remuneration, primarily the fixed and variable components, checking that these are appropriately balanced having regard for the strategic objectives and the risk management policy, while also taking account of fringe benefits and non-monetary components. In this manner, the remuneration acquires a degree of flexibility that makes it possible to more effectively align compensation levels with performance over time;
- **respect for and appreciation of the individual:** Interpump recognizes that professional commitment and potential are decisive criteria for the development of earnings and career. The variable component is established in such a way as to reward commitment and appreciate individual contributions to the results achieved by the Group, without thereby becoming the predominant portion of remuneration, and is determined having regard for the compensation and working conditions of employees;
- **social and environmental impact assessment:** remuneration helps to guide activities in the direction of sustainable development, ensuring that decisions take the principles of social responsibility into account and evaluate the environmental impact of operations;
- **absence of discrimination:** remuneration is not influenced by gender, age, ethnic origin, religion or race. It seeks to include beneficiaries and avoid all forms of

discrimination;

- **continuous monitoring of market practices and trends:** the analysis of market practices and trends allows the Company to attract and retain qualified and adequately motivated professional personnel by defining competitive remuneration levels and guaranteeing internal fairness and transparency;
- **compliance:** the Company draws inspiration from best practices in the area of remuneration, starting from the recommendations of the Code of Self-Governance and the new Corporate Governance Code, and complies with the Stock Exchange Regulation and Instructions for retaining "STAR" status. In addition, Interpump and Group companies comply with the laws governing the remuneration of those members of its administrative bodies who are also administrators of local authorities that, directly or indirectly, are shareholders of Interpump and, if applicable, with the rules that limit the compensation payable by companies in which public bodies hold an interest.

## 3.3

This Remuneration Policy prepared by the Remuneration Committee and approved by the Board of Directors has a duration of three years.

## 3.4

The Board of Directors, appointed on 30 April 2020 and in office until approval of the financial statements at 31 December 2022, has prepared a Remuneration Policy for the years 2021-2022-2023 in line with that adopted in the prior year, which is considered suitable for the needs of the business. The Policy incentivizes the recipients of the remuneration approved by the competent corporate bodies and is consistent with the steady, planned and sustainable growth of the Company and the Group. However, if necessary, the Board of Directors reserves the right to submit this Remuneration Policy to the Shareholders' Meeting for another binding vote even before the end of the three-year period.

## 3.5

As specified in the Introduction, compared with the previous edition approved at the Shareholders' Meeting that adopted the requirements of the Shareholder Rights Directive II and the regulatory changes made by Decree 49 dated 10 May 2019, the Remuneration Policy has been revised further to take account of Consob Decision 21623 dated 10 December 2020, which amended the Issuers' Regulation (adopted by Consob Decision 11971 dated 14 May 1999) on the transparency of remuneration detailed in art. 84-(4) and Annex 3A, Form 7-(2). The revision of the Remuneration Policy has taken account of the shareholders' vote and the opinions expressed by them, even after the

Shareholders' Meeting held on 30 April 2020, describing in detail and with transparency the short-term variable remuneration parameters (MBO), the stock option plan and the criteria used to evaluate accomplishment of the related performance objectives. Section 4 below defines in detail all the components of the Remuneration Policy adopted for 2020, which will be submitted to the Shareholders' Meeting of Interpump Group S.p.A. for renewed approval in relation

to the 2021, 2022 and 2023 financial years as well.

## 4. Components of the remuneration of the Directors, Key Management Personnel and the serving Statutory Auditors

The Remuneration Policy defines separately the components of the remuneration of the:

→ Executive Directors, including Directors assigned special duties under operational mandates, comprising the current Chief Executive Officer of the Company, and Directors with executive duties in the Company or other companies within the Group, and/or holding

directorships with operational mandates in Group companies, and Key Management Personnel, if identified;

→ non-executive Directors, including the independent Directors;

→ serving Statutory Auditors.

## 5. Remuneration of Executive Directors and Key Management Personnel

The remuneration of the Executive Directors and Key Management Personnel, if identified, includes a fixed component, a variable short-term component and long-term incentives in order to promote the achievement of specific objectives in the interest of all shareholders. The long-term incentives component is especially geared towards promoting the achievement of long-range objectives with the aim of aligning the interest of managers with those of the Shareholders.

With particular reference to the proportion of total remuneration contributed by its individual components, a maximum limit linked to the fixed component has been established for the short-term variable component (MBO), however it is difficult to make reliable ex ante assessments regarding the relative incidence of the long-term variable component, currently represented by stock options, since - by their nature - they only acquire value if the Company's share price increases due to the creation of value for the

shareholders.

### 5.1 Fixed component

The level of fixed remuneration is mainly correlated:

- professional specialization;
- the organizational role covered;
- the responsibilities assigned.

**5.1.1** The fixed remuneration component is anyway sufficient to remunerate the Director or Executive concerned even if the variable component is withheld due to failure to accomplish the associated performance objectives. Given the aim of attracting and motivating qualified and competent professionals, the Company constantly monitors market practices in relation to the fixed remuneration components in order to ensure alignment with the relevant best practices.

## 5.2 Short-term variable component - Management by Objectives

**5.2.1** Part of the variable remuneration is correlated with performance in the short term, construed as both individual performance and the results of the Company and the Group. This variable remuneration component is never higher than 75% of the fixed component.

**5.2.2** In particular, the Company adopts a variable remuneration system called Management by Objectives (MBO), designed to incentivize the accomplishment of specific performance objectives by the Directors. The MBO plan, which is adopted each year by the Board of Directors after consulting the Remuneration Committee, envisages specific objectives for each recipient (or category of recipients) identified with the assistance of the persons in charge of the Company's different business areas, employing specific parameters used by management to monitor the trend of the line of business of each recipient of the plan, or such economic indicators as net sales and EBITDA, either consolidated or relating to those lines of business. The performance objectives may be financial or non-financial in nature, having regard for the corporate social responsibility criteria adopted. At this time, the Company applies financial performance objectives and has already considered actively the application of non-financial performance objectives linked to certain aspects of business, compliance, client satisfaction, HR management and corporate social responsibility. These objectives will be adopted having assessed their materiality in the light of the analysis of their materiality in the context of the Group. When identifying the specific performance objectives and the related parameters, the competent functions take account of the need to guarantee: (i) precise, clear and objectively measurable targets, indicated and determined in advance; (ii) coordination with the objectives of the Company and the Group; (iii) adequate progression through time of the performance objectives, with regard also to the sustainability of remuneration.

**5.2.3** Assessment of the accomplishment of individual performance objectives may consider parameters linked to distinct ranges of values, used to establish 100% allocation of the target incentive and identify smaller percentages, or "key" performance indicators may be adopted to identify thresholds for access to the target objective, such as by exceeding an EBITDA percentage of consolidated Net Sales. If one or more reference parameters has exceeded the maximum objective, on the proposal of the Remuneration Committee, the Board of Directors can reserve the faculty to compensate the excess via other parameters, if in relation to the target objectives correlated with the reference parameters, remuneration for overperformance and/or application of interpolation formulas in the precise determination of the achievement of the objectives is not envisaged.

**5.2.4** The MBO plan specifies maximum limits on the bonuses payable to ensure that they cannot exceed

the threshold proposed annually by the Remuneration Committee and approved by the Board of Directors (currently equivalent to 75% of fixed remuneration) and may envisage the right to establish specific terms for the vesting of rights, deferred payment mechanisms for all or part of the bonus amounts, and ex-post correction mechanisms (i.e. clawback and/or malus clauses). For the time being, the Board of Directors has decided not to exercise this right after considering the specific risks involved.

## 5.3 Long-term incentives

The variable remuneration component is also oriented towards a medium/long-term horizon, thereby: (i) focusing the attention of beneficiaries on factors of strategic interest; (ii) building loyalty; (iii) aligning remuneration with the creation of value for shareholders in the medium/long-term; (iv) guaranteeing a level of remuneration that is globally competitive; and (v) developing the strategy of the Company and the Group with a view to sustainability.

**5.3.1** On 28 April 2016 the Interpump Shareholders' Meeting approved, pursuant to article 114-(2) of the Consolidated Finance Act, an incentive plan denominated "Interpump 2016/-2018 Incentive Plan", to benefit employees, Directors and/or collaborators of the Interpump Group, identified - at the final and sole discretion of the Board of Directors - from among persons who occupy or perform significant roles or functions in, or for, the Company and/or its subsidiaries pursuant to art. 93 of the Consolidated Finance Act and for whom action to strengthen their loyalty is justified with a view to the creation of value, based on the assignment of a maximum number of 2,500,000 options, each of which granting the right for the beneficiaries - on the achievement of the objectives identified by the Board of Directors in compliance with specific parameters - to, at the discretion of the Company, (i) purchase no. 1 (one) ordinary Interpump treasury share (already in the Company's portfolio or purchased at a later date); or (ii) to subscribe for 1 (one) newly issued share at an exercise price of 12.8845 euro per option. The Board of Directors is entitled to satisfy the requests for exercise submitted by individual beneficiaries by paying an amount equal to the capital gain, if any, calculated by multiplying the number of options exercised by the difference between: (i) the market value of a share at the time of exercise, and (ii) the strike price. Assignment depends on:

- (i) continuation, (a) for Directors, in the office of Director, (b) for employees, of the employment contract, with the exception of cases of retirement, and (c) for collaborators, of the independent collaboration agreement;
- (ii) achievement of the performance objectives to be established by the Board of Directors, further to the non-binding opinion of the Remuneration Committee, for each of the single reference years of the Plan (and, hence, for 2016, 2017 and 2018), - and represented (a) in the amount of 70% of the options offered to each beneficiary, by the achievement of specific results in terms of the balance sheet or income statement,

accomplished at the consolidated level by the group in each of the reference years; and (b) for the remaining 30% of the options offered to each beneficiary, by the increase in value returned to Interpump shareholders (total return) in the reference period.

**5.3.2** On 30 April 2019 the Interpump Shareholders' Meeting also approved, pursuant to article 114-(2) of the Consolidated Finance Act, a new incentive plan known as the "2019-2021 Interpump Incentive Plan", to benefit employees, Directors and/or collaborators of the Interpump Group, identified - at the sole discretion of the Board of Directors - from among persons who occupy or perform significant roles or functions in, or for, the Company and/or its subsidiaries pursuant to art. 93 of the Consolidated Finance Act and for whom action to strengthen their loyalty is justified with a view to the creation of value, based on the assignment of a maximum number of 2,500,000 options, each of which granting the right for the beneficiaries - on the achievement of the objectives identified by the Board of Directors in compliance with specific parameters - to, at the discretion of the Company, (i) purchase no. 1 (one) ordinary Interpump treasury share (already in the Company's portfolio or purchased at a later date); or (ii) to subscribe for 1 (one) newly-issued share at an exercise price of 28.4952 euro per option. The Board of Directors is entitled to satisfy the requests for exercise submitted by individual beneficiaries by paying an amount equal to the capital gain, if any, calculated by multiplying the number of options exercised by the difference between: (i) the market value of a share at the time of exercise, and (ii) the strike price. Assignment depends on:

- continuation, (a) for Directors, in the office of Director, (b) for employees, of the employment contract, with the exception of cases of retirement, and (c) for collaborators, of the independent collaboration agreement;
- achievement of performance objectives - to be established by the Board of Directors, further to the non-binding opinion of the Remuneration Committee, for each reference year of the Plan (and, hence, for 2019, 2020 and 2021) - and represented (a) for 80% of the options offered to each beneficiary, by achievement by the Group of specified consolidated balance sheet and income statement results in each of the reference years. More specifically, within the above 80% of the total options allocated to each beneficiary, achievement of the net sales target assigns the right to exercise 40% of that portion of the options, achievement of the EBITDA target assigns the right to exercise 40% of that portion of the options, and achievement of the target percentage of working capital to net sales assigns the right to exercise the remaining 20%. These indicators, comprising specified access thresholds (amount of net sales, amount of EBITDA, ratio of working capital to net sales), relate to the consolidated financial statements. The new companies acquired are included in the determination of net sales and EBITDA. In the case of acquisitions during the year, the net sales and

EBITDA must be extrapolated pro rata for the entire 12 months; and (b) for the remaining 20% of the options offered to each beneficiary, by the qualitative nature of the performance of each beneficiary, as measured against such parameters as collaboration, commitment and value added to the Group, which will be assessed by the Board of Directors acting on a proposal from the Remuneration Committee or, if the beneficiary does not collaborate directly with the Board, by the direct superior of that person who will inform the Remuneration Committee. The Plan envisages that failure to achieve - in whole or in part - the performance targets established in relation to the 2019 financial year and/or the 2020 financial year will not result in definitive loss of the right to exercise options that vest with reference to them. In fact, achievement of the performance targets established for the following financial year will result in the vesting of the options assigned with reference to the previous financial year(s), which will therefore become exercisable in full. Likewise, it is envisaged that achievement of the performance targets established for the 2021 financial year in a prior year (2019 or 2020) will result in immediate vesting of all the options assigned to the beneficiary, which will therefore become exercisable in full. Such early vesting will not however change the exercise period.

- The "2016/2018 Interpump Incentive Plan" and the "2019/2021 Interpump Incentive Plan" are described respectively in the documents prepared pursuant to art. 114-(2) TUF and art. 84-(2), subsection 1, of Consob Regulation 11971/1999 published on the Company website at [www.interpumpgroup.it/governance/politicadiremunerazione](http://www.interpumpgroup.it/governance/politicadiremunerazione).

**5.3.3** Finally, the Board of Directors reserves the right, after consulting with the Remuneration Committee and hearing the opinion of the Board of Statutory Auditors, to propose additional incentive plans, which can be based on:

- option grant plans that envisage the granting of option rights for the future purchase of Interpump shares with settlement by physical delivery (stock options) or by cash on the basis of a differential (stock appreciation right);
- compensation plans that do not involve the delivery of financial instruments but that are settled by the payment of a differential based on the change in the prices of Interpump shares (phantom stock).

Beneficiaries of the plans can be employees or Directors of Interpump and group companies, on the condition that they are involved in the management of Interpump or the Group. With regard to the option grant and phantom stock plans, the exercise of the options assigned (or the payment of the relative differentials) will be conditional on the expiry of an adequate average vesting period (not less than three years) that takes account, for example, of the goals of the individual plan and the duration in the office of the Directors and of the achievement of specific preset performance goals in strict correlation with the Company's medium/long-term

targets.

The granting of option rights, like the recognition of differentials in cash, will be correlated with: (i) the ability of the individual to contribute to the development of the Company; (ii) the professional competence and role occupied in the organization chart; (iii) the level of compensation received overall; and (iv) staff retention requirements.

Executive directors who are beneficiaries of financial instruments under each share-based long-term incentive plan will be required to hold continuously, directly or via companies under their control, at least 20% of the shares purchased by or assigned to them until the date on which they cease to be a director. Any Key Management Personnel identified who are beneficiaries of financial instruments under each share-based long-term incentive plan will be required to hold continuously, directly or via companies under their control, the financial instruments purchased by or assigned to them for the period determined by the Board of Directors, acting on a proposal from the Remuneration Committee.

**5.3.4** No deferred payment systems or ex-post correction mechanisms (*clawback* and/or *malus* clauses) are envisaged at this time.

## 5.4 Contribution of the Remuneration Policy for the variable components of remuneration to the business strategy and sustainability of the Group

As described in the introduction, the long-term and short-term variable components of remuneration for Executive Directors and Key Management Personnel contribute to the business strategy and long-term sustainability objectives of the Group via:

- the adequacy of the variable component, as balanced with the fixed component;
- coordination of the variable component with the achievement of operational, financial, non-financial and sustainability objectives aligned with the creation of long-term value and the results actually achieved.

In order to identify the non-financial and sustainability objectives, the Company, with contributions from the Chief Executive Officer, the managers of lines of business and the Audit, Risks and Sustainability Committee, is defining a business strategy that (i) recognizes the work of the Company on environmental topics, occupational health and safety topics, corporate governance and anti-corruption topics, etc. and (ii) identifies specific targets for further improvements to which the above objectives can be linked.

## 5.5 Non-mandatory benefits and

## insurance, such as supplementary pensions and health cover, and other fringe benefits

With the aim of ensuring an overall remuneration package that is as competitive as possible and aligned with best market practices, the remuneration of Executive Directors and Key Management Personnel may include fringe benefits such as a company car, supplementary pensions and health insurance, other monetary benefits and forms of welfare.

## 5.6 Indemnities on termination of the appointment or employment relationship

**5.6.1** The Company may agree special indemnities on termination of appointment or employment with its Directors and Key Management Personnel, if this is considered appropriate in order to attract adequate professional resources or in the framework of the investment agreements signed in the ordinary course of business. The amount of such indemnities is determined with reference to the overall duration of the appointment or employment relationship or collaboration, and the notice period, considering any link with the performance of the Company. The above amount, including any indemnities for no-competition agreements, cannot exceed the maximum limit of three times the average gross annual remuneration paid in the two years prior to termination of the appointment, inclusive of “Fixed remuneration”, “Fringe benefits”, “Variable non-equity remuneration” and any “Other compensation”, as defined in the first part of the Second Section. In addition to termination of appointment or employment, the right to benefit from such indemnities may be recognized in the following cases:

- reduction and/or limitation of the areas of responsibility and/or mandates;
- demotion.

**5.6.2** The financial instruments allocated to the Executive Directors and Key Management Personnel are subject to maintenance of the directorship or, for employees, to maintenance of the employment relationship. In the event of: (a) retirement or dismissal without just cause of the employee, (b) revocation or non-renewal without just cause of the director, (c) the company that appointed the director-beneficiary or employed the employee-beneficiary no longer being a subsidiary of the company, any vested options to acquire financial instruments not yet exercised may be exercised by their beneficiaries in compliance with the obligations, procedures and timing established in the relevant regulation. Conversely, any rights to receive financial instruments, or allocations of such rights, that - at the date of events indicated in letters (a), (b) or (c) above - have not yet vested will expire definitively. In all cases, the Board of Directors is entitled, after obtaining the non-binding opinion of the Compensation Committee, to decide

on special cases.

Subsequent to termination of the appointment as director or the employment relationship, the right to the assignment or maintenance of monetary benefits in favor of the Executive Directors and/or Key Management Personnel will expire. The Board of Directors is entitled, after obtaining the non-binding opinion of the Compensation Committee, to sign consultancy contracts for a period subsequent to termination of the mandate or the employment relationship, but solely if the operation is in the interests of the Company.

**5.6.3** If an executive Director ceases to serve and/or is terminated, detailed information will be provided to the market about the internal processes that result in the allocation or recognition of indemnities and/or other benefits. This information must include:

- adequate information about the indemnity and/or other benefits, including the amount, the timing of payment and any repayment clauses, with particular reference to:
  - ↪ expiry of appointment or employment termination indemnity, specifying the circumstances that justify recognition;
  - ↪ retention of rights associated with any incentive plans involving cash payments or based on financial instruments;
  - ↪ post termination benefits;
  - ↪ no competition agreements, describing their principal characteristics;
  - ↪ all other compensation recognized for whatever reason and in whatever form;
- information about the compliance, or otherwise, of the indemnity and/or other benefits with the provisions of the Remuneration Policy;
- information about mechanisms that impose corrections to indemnity payments if termination of the relationship is due to the achievement of objectively inadequate results, as well as about any requests made for the repayment of remuneration already paid;
- information about the procedures followed or to be followed in order to replace the terminated director. The above information will be made known to the market, even though contained in the Remuneration Policy, since such indemnities and other benefits were allocated prior to the termination date of the appointment or employment relationship.

Currently, the Company has not adopted any form of special indemnities that exceed the limit established in point 5.6.1 above.

Lastly, the Board of Directors is entitled to determine the total amount of the above indemnities having regard for the professional person “terminated”, length of service with the Company and the Group and the professional contribution made during the mandate.

## 5.7 Discretionary bonuses for specific operations

After consulting the Remuneration Committee, the Board of Directors may also allocate discretionary bonuses to individual executive Directors or Key Management Personnel in relation to specific operations and/or projects, up to a maximum of three times the fixed component of the gross annual remuneration. Currently, the Company has not allocated any special indemnities of this type.

## 6. Remuneration of non-executive Directors

**6.1.1** The remuneration of non-executive Directors is normally determined by the Board of Directors on allocation of the remuneration defined at the Shareholders' Meeting ex art. 2389, subsection 1, of the Italian Civil Code, based on a proposal of the Remuneration Committee, including additional compensation that takes account of the commitment required of each non-executive Director,

in particular in relation to participation in one or more committees.

**6.1.2** The remuneration of non-executive Directors is not linked to the economic results of Interpump; indeed, such Directors are not beneficiaries of the incentive plans approved by the Company.

## 7. Remuneration of serving Statutory Auditors

**7.1** The remuneration of the serving members of the control body is determined, pursuant to art. 2402 of the Italian Civil Code, when they are appointed at the Shareholders' Meeting. The remuneration paid to the serving Statutory Auditors comprises solely a fixed component, without the payment of attendance fees, expense reimbursements or any other components.

**7.2** The remuneration of the Board of Statutory Auditors is considered adequate with reference to the work performed during the year, having regard for the time dedicated to the role by each serving auditor, including their participation at meetings of the Board of Directors and Board Committees.





# Second Section of the Report - Compensation Paid

# 1. First Part

## 1.1 Description of items comprising remuneration

**“Fixed compensation”**: this is construed separately as (i) the emoluments authorized at the Shareholders' Meeting, even if not paid; (ii) attendance fees; (iii) fixed refunds of expenses; (iv) compensation received for the performance of special duties, ex Article 2389, subsection 3 of the Italian civil code; (v) fixed employment salary including social security and tax to be paid by the employee and excluding compulsory collective social security expenses to be paid by the Company and the allocation to the severance indemnity provision.

**“Compensation for sitting on committees”**: the compensation due to Directors for sitting on Board committees.

**“Non-equity variable compensation”**: this refers to “Bonuses and Other Incentives” and “Profit Sharing”.

**“Bonuses and other incentives”**: this is the variable part of compensation, including the portions of remuneration, even if not yet paid, vested during the year for objectives that have been achieved in the year, in relation to cash type incentive plans. These amounts do not include the values of stock options assigned or exercised or other compensation in the form of financial instruments.

**“Profit sharing”**: this is the amount of profit due on an accruals basis, even if approval of the financial statements and distribution of profits are still pending.

**“Non-cash benefits”**: these are fringe benefits (defined in accordance with a criterion of taxability), any insurance policies in existence and supplementary pension funds.

**“End of office or employment termination indemnity”**: these are the indemnities matured, even if not yet paid, in respect of directors for cessation of their functions during the financial period under consideration, with reference to the year during which the office effectively lapsed. Also considered are the estimated value of any disbursement of fringe benefits, the amount of any consultancy contracts and of indemnities related to non-competition undertakings entered into. In the case of indemnities for non-competition undertakings, the amount is indicated just once at the time of termination of the office, with a specification of the duration of the non-competition undertaking and the effective date of payment.

**“Other compensation”**: meaning, separately and on an accruals basis, all and any additional remuneration deriving from other services rendered.

**“Stock Options”**: these are (i) options held at the start of the year, with an indication of the exercise price and the period

in which exercise is permitted; (ii) the options assigned during the year; (iii) the options exercised during the year, with an indication of the exercise price and the market price of the underlying shares at the time of exercise; (iv) the options expired in the year; (v) the options held at year end.

**“Incentive plans based on financial instruments other than stock options”**: these are all medium/long-term incentive plans based on financial instruments other than options.

In relation to 2021, the economic treatment of directors assigned special duties comprises the following elements:

### A. Chairman and Chief Executive Officer – Fulvio Montipò

→ Fixed remuneration component: the fixed compensation awarded to the Chairman and Chief Executive Officer includes:

↪ 1,731 thousand euro, of which 45 thousand euro as emoluments for the office of director, as authorized at the Shareholders' Meeting, and 1,500 thousand euro for the performance of special duties ex art. 2389, subsection 3, Civil Code and 186 thousand euro as payment to cover the costs incurred on personal security;

→ Short-term variable remuneration component: non-equity variable compensation in the form of MBO plans. Interpump awards a maximum bonus of 1,000 thousand euro on the achievement of specific qualitative and quantitative objectives.

→ Medium/long-term variable remuneration component: Stock Options - The following have been allotted to but not exercised by the Chairman and Chief Executive Officer at 31 December 2021:

↪ 620,000 options in the context of the Interpump 2016/2018 incentive plan, now fully vested;  
↪ 1,800,000 options under the 2019/2021 Interpump Incentive Plan.

See Table 2 for more details.

### B. Executive Director - Fabio Marasi

→ Fixed remuneration component: the fixed remuneration awarded to Executive Director Fabio Marasi comprises:

↪ 160 thousand, of which 130 thousand Euro as remuneration for his functions as an executive of Interpump Group S.p.A., 11 thousand Euro as emoluments for the proxy assigned to him by the company in October 2021, 15 thousand Euro for the office of director in subsidiaries and non-monetary benefits worth 4 thousand euro.



- Short-term variable remuneration component for the function of executive of Interpump Group S.p.A: non-equity variable compensation in the form of MBO plans. Interpump awards a maximum bonus of 50 thousand euro to the director on the achievement of specific qualitative and quantitative objectives.
- Medium/long-term variable remuneration component: Stock Options - assigned to Fabio Marasi but not exercised at 31 December 2021:
  - ↪ 30,000 options under the 2019/2021 Interpump Incentive Plan.

See Table 2 for more details.

The compensation due to non-executive directors is indicated by name in the Tables in the Second Part of Section II of this report.

The performance objectives for the variable components of the remuneration recognized to the Executive Directors were approved by the Board of Directors, acting on a proposal from the Remuneration Committee and after receiving a favorable opinion from the Board of Statutory Auditors, in conformity with the criteria described in the First Part of the Remuneration Report.

The Company has elected not to specify in this section the detailed correlation between the performance objectives envisaged and those achieved in relation to the variable remuneration of the Executive Directors, since the information mainly comprises unpublished, forecast data and details whose dissemination would not be commercially appropriate, considering the competitive background and market conditions in which the business operates, as well as the overriding interests of the Company.

The proportions of fixed remuneration<sup>1</sup>, short-term variable remuneration (MBO)<sup>2</sup>, and share-based, long-term incentives<sup>3</sup> earned by each Executive Director benefiting from variable components of remuneration are indicated below for 2021.

### Chairman and Chief Executive Officer - Fulvio Montipò

(all amounts expressed in thousands of euro)

Remuneration	%
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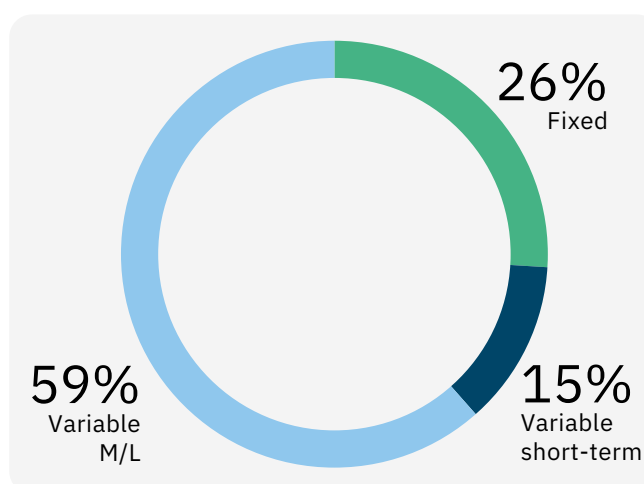
1 Second Section Table 1 columns (1), (4) and (5);  
 2 Second Section Table 1 column (3);  
 3 Second Section Table 1 column (7);

Fixed	26.0%
S-t Variable	15.0%
L-t Variable	59.0%
Consolidated	100.0%

### Executive Director - Fabio Marasi

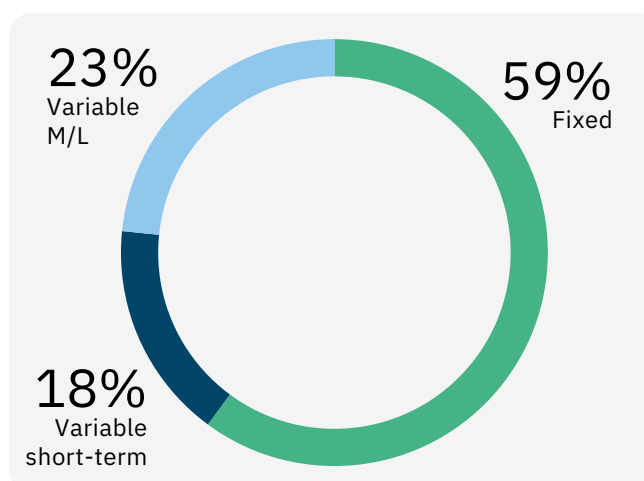
(all amounts expressed in thousands of euro)

Remuneration	%
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Fixed	59.0%
S-t Variable	18.0%
L-t Variable	23.0%
Consolidated	100.0%

### 1.2 Indemnities and/or other benefits for termination of the appointment or employment relationship during the year



On 16 March 2020, the Board of Directors of the Company, acting on a proposal from the Remuneration Committee and after receiving a favorable opinion from the Board of Statutory Auditors, resolved to allocate to the Chairman and Chief Executive Officer, Fulvio Montipò, an indemnity for the termination of his appointment that would only become payable on termination of his relationship with the Company. This indemnity for termination of appointment is consistent with the indications and limits envisaged in the Remuneration Policy. It has the following characteristics:

- **reasons for allocation:** the above indemnity for termination of appointment has been allocated to recognize his long and successful tenure as an Executive Director of the Company, and is justified by the extraordinary creation of value achieved over that period of many years for the benefit of the Company and the shareholders. Accordingly, allocation of the indemnity is not linked to the satisfaction of particular performance criteria and is not subject to deferral or ex post correction mechanisms;
- **determination of the termination indemnity:** three times the average gross annual remuneration earned in the two years prior to termination of the appointment, inclusive of “Fixed remuneration”, “Fringe benefits”, “Variable non-equity remuneration” and the “Other compensation” paid in relation to the duties and specific mandates granted as a Director of the Company. The indemnity for termination of appointment determined above will also include the no-competition agreement component determined in accordance with market practice at the time;
- **circumstances that justify recognition:** termination of the appointment for any reason or cause, including those that result in early termination of the mandate, such as without limitation voluntary resignation, non-renewal at the end of a three-year mandate, events that make execution of the mandate impossible due to inability, unavailability or death, or revocation of the mandate;
- **payment deadline:** the indemnity will be paid on natural termination of the mandate or within 30 days of its early termination. In the event of repeated renewals of appointment at the end of each mandate, the indemnity will be paid on actual termination of appointment without renewal;
- **retention of rights associated with incentive plans:** termination of the appointment of Fulvio Montipò and allocation of the related termination indemnity will involve, in all cases, retention of the rights associated with any monetary incentive plans or plans based on financial instruments, unless specified otherwise in the monetary incentive plans concerned, or in any different specific agreement reached subsequently between the Company and Fulvio Montipò;
- **retention of non-monetary benefits or signature of consultancy contracts:** this proposal does not envisage additional benefits subsequent to termination of the appointment, or other types of compensation for whatever reason and in whatever form, without prejudice to any different specific agreement reached

subsequently between the Company and Fulvio Montipò.

### 1.3 Information about any exceptions to the Remuneration Policy applied in special circumstances

There have not been any special circumstances in which the Company has made temporary exceptions to the Remuneration Policy.

### 1.4 Information about the application of ex post correction mechanisms to the variable components of remuneration (*malus* or clawback return of variable components)

No circumstances have arisen that would have justified recourse to clawback mechanisms in relation to the variable components of remuneration allocated to beneficiaries.

### 1.5 Comparison between the annual change in remuneration, the results of the Company and the average gross annual remuneration of the full-time employees of the Company

As required by the amendments made by CONSOB (section 1.5) to the Issuers’ Regulation regarding the transparency of remuneration, the following annual change information is provided over a five-year period:

- total remuneration of each of the persons indicated in Table 1 (except for those appointed in 2021, for whom no change can be calculated);
- results of the Company;
- average gross annual remuneration of employees other than the persons whose specific remuneration is stated in this report, expressed as full-time equivalents.

In particular, for the sake of reporting clarity, it is confirmed that the remuneration of certain directors (Giovanni Tamburi, Angelo Busani, Antonia Di Bella, Marcello Margotto, Stefania Petruccioli, Federica Menichetti and Paola Annunziata Tagliavini) and members of the Board of Statutory Auditors (Anna Maria Allievi, Roberta De Simone, Mario Tagliaferri) has not changed over the past 5 years, except at the time of appointment due to the pro rata allocation of their compensation. Accordingly, the above directors and statutory auditors are not included in the following schedules. The member of the Board of Directors (Claudio Berretti) appointed in 2021 is not included since, by definition, no annual change can be calculated.

For ease of reference, the annual changes in the components indicated above are summarized in the following table.

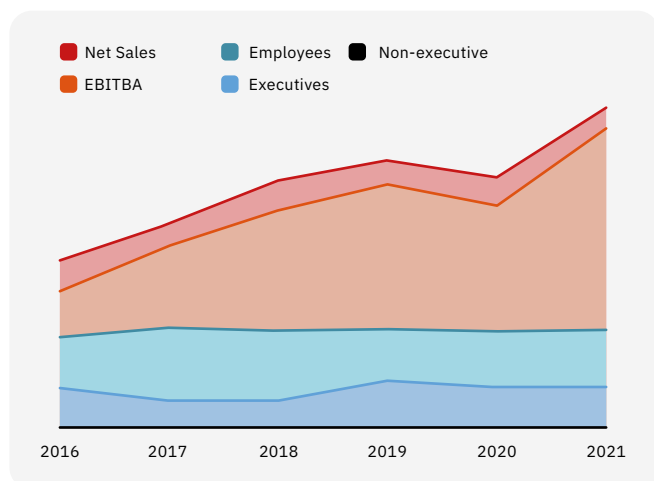
## Information on how the Company has taken into consideration the Shareholders' vote on the second section of the 2021 Report

The Second Section of this document reflects the substance of the changes made to the Remuneration Policy with regard to the information provided about the components of the short-term variable remuneration (MBO) and stock option plan of the Executive Directors and the criteria used to assess achievement of the related performance objectives, in order to take account of the consultative vote cast at the Shareholders' Meeting in line with that expressed in relation to the First Section.

Name	2017/2016 change	2018/2017 change	2019/2018 change	2020/2019 change	2021/2020 change
Fulvio Montipò	+7.0%	+0.7%	+33.5%	0.0%	0.0%
Fabio Marasi	-	-	-	-	+10.2%
Weighted average Executives	-15.1%	+0.1%	+29.0%	-7.1%	-4.2%

Consolidated results (principal indicators: Net Sales and EBITDA)					
	2017/2016 change	2018/2017 change	2019/2018 change	2020/2019 change	2021/2020 change
Net sales	+17.7%	+17.7%	+7.0%	-5.4%	+23.9%
EBITDA	+25.3%	+16.0%	+10.2%	-7.5%	+29.1%

Average gross annual remuneration of the employees of the Parent Company other than the persons listed above, expressed as full-time equivalents					
	2017/2016 change	2018/2017 change	2019/2018 change	2020/2019 change	2021/2020 change
Employees	+7.7%	-2.5%	+1.4%	-1.8%	+1.5%



## 2. Second Part

**Table (1): Compensation disbursed to members of administrative and controlling bodies, to general managers and to other executives with strategic responsibilities.**

(1) Compensation by the company preparing the financial statements

(A) Name and surname	(B) Office	(C) Period in office	(D) Term of office	(1) Fixed compensation	(2) Compensation for sitting on committees	(3) Variable non-equity compensation	(4) Fringe benefits	(5) Other compensation	(6) Consolidated	(7) Fair value of equity compensation	(8) End of office or employment termination indemnity
						Bonuses and other incentives		Profit sharing			

### Board of Directors

Fulvio Montipò	Chairman and Chief Executive Officer	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	1.545(a)		1.000				186(b)	2.731	3.851	7500(i)
Giovanni Tamburi	Deputy Chairman	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45	10 (f) (g)						55		
Claudio Beretti	Executive Director	03/08/2021 - 31/12/2021	Approval of 2021 financial statements	18							18		
Victor Gotardi	Executive Director	01/01/2021-31/08/2021	Approval of 2022 financial statements	-			2			134 (h)	136		
Fabio Marasi	Executive Director	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	11		35	4			130 (h)	180	64	
Angelo Busani	Independent Director	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45	18 (e)						63		
Antonia di Bella	Independent Director	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45							45		
Marcello Margotto	Independent Director	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45	10 (f) (g)						55		
Federica Menichetti	Independent Director	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45	28 (e) (f) (g)						73		
Stefania Perruccio	Independent Director	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45							45		
Paola Annunziata Tagliavini	Independent Director	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45	24 (e)						69		

### Board of Statutory Auditors

Anna Maria Allevi	Chairman of the Board of Statutory Auditors	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	45							45		
Roberta De Simone	Serving Statutory Auditor	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	30							30		
Mario Tagliavini	Statutory Auditor	01/01/2021 - 31/12/2021	Approval of 2022 financial statements	30							30		

<b>(II) Compensation from subsidiaries and associates</b>				15							15		
<b>(III) Total</b>				2,009	90	1,035	6		450	3,590	3,915	750	

(1) Compensation by the company preparing the financial statements for the previous year

**Board of Directors**

(A) Name and surname	(B) Office	(C) Period in office	(D) Term of office	(1) Fixed compensation	(2) Compensation for sitting on committees	(3) Variable non-equity compensation	(4) Fringe benefits	(5) Other compensation	(6) Consolidated	(7) Fair value of equity compensation	(8) End of office or employment termination indemnity
Fulvio Montipò	Chairman and Chief Executive Officer	01/01/2020 – 31/12/2020	Approval of 2022 financial statements	1.545(a)	7 (f) (g)	1,000		186(b)	2,731	1,611	7,443 (i)
Giovanni Tamburi	Deputy Chairman	30/04/2020 – 31/12/2020	Approval of 2022 financial statements	30	3 (f) (g)				37		
Giovanni Tamburi	Non-executive Director	01/01/2020 – 30/04/2020	Approval of 2019 financial statements	15					18		
Paolo Marinsek	Deputy Chairman	01/01/2020 – 30/04/2020	Approval of 2019 financial statements	75 (c)			1		76	6	
Victor Gottardi	Executive Director	30/04/2020 – 31/12/2020	Approval of 2022 financial statements	-		38	3	170 (h)	211	27	
Fabio Marasi	Executive Director	30/04/2020 – 31/12/2020	Approval of 2022 financial statements	-		40	4	133	177	27	
Angelo Busani	Independent Director	01/01/2020 – 31/12/2020	Approval of 2022 financial statements	45	19 (e)				64		
Antonia di Bella	Independent Director	01/01/2020 – 31/12/2020	Approval of 2022 financial statements	45					45		
Franco Garilli	Independent Director	01/01/2020 – 30/04/2020	Approval of 2019 financial statements	15	10 (e) (f) (g)				25		
Marcello Margotto	Independent Director	01/01/2020 – 31/12/2020	Approval of 2022 financial statements	45	10 (f) (g)				55		
Federica Menichetti	Independent Director	30/04/2020 – 31/12/2020	Approval of 2022 financial statements	30	19 (e) (f) (g)				49		
Stefania Petruccioli	Independent Director	01/01/2020 – 31/12/2020	Approval of 2022 financial statements	45	7 (e)				52		
Paola Annunziata Tagliavini	Independent Director	01/01/2020 – 31/12/2020	Approval of 2022 financial statements	45	23 (e)				68		

**Board of Statutory Auditors**

Anna Maria Allievi	Chairman of the Board of Statutory Auditors	30/04/2020 – 31/12/2020	Approval of 2022 financial statements	30					30		
Roberta De Simone	Serving Statutory Auditor	30/04/2020 – 31/12/2020	Approval of 2022 financial statements	20					20		
Mario Tagliaterri	Statutory Auditor	30/04/2020 – 31/12/2020	Approval of 2022 financial statements	20					20		
Fabrizio Fagnola	Chairman Board of Statutory Auditors	01/01/2020 – 30/04/2020	Approval of 2019 financial statements	15					15		
Federica Menichetti	Serving Statutory Auditor	01/01/2020 – 31/12/2020	Approval of 2019 financial statements	10					10		
Alessandra Torroni	Serving Statutory Auditor	01/01/2020 – 30/04/2020	Approval of 2019 financial statements	10					10		
<b>(II) Compensation from subsidiaries and associates</b>				15					15		

Alessandra Torroni	Serving Statutory Auditor	01/01/2020 – 31/12/2020	Approval of 2019 financial statements	76 (d)	98	1,078	8	489	76	3,789	1,671	7,443
(III) Total				2,116								

## NOTE

### (1) Fixed compensation

- ↪ (a) The fixed compensation of the Chairman and Chief Executive Officer of 1,545 thousand euro includes: emoluments for the office of director authorized at the Shareholders' Meeting of 45 thousand euro, plus 1,500 thousand euro for the performance of special duties pursuant to art. 2389, subsection 3, of the Italian Civil Code.
- ↪ (b) Compensation to cover the expenses incurred on personal security.
- ↪ (c) The compensation paid to the ex-Deputy Chairman Paolo Marinsek, of 76 thousand euro, includes emoluments for the office of director.
- ↪ (d) These are emoluments recognized for the office of statutory auditor held in subsidiaries.

(h) Compensation for the position of executive at a subsidiary.

The fixed compensation of non-executive directors refers to emoluments for the office of director resolved by the Shareholders' Meeting of 45 thousand euro and the fixed compensation of the members of the board of statutory auditors is that established at the Shareholders' Meeting.

### (2) Compensation for participation in Committees

Compensation paid as a member of the Audit, Risks and Sustainability Committee (24 thousand euro to the Committee Chairman, Paola Annunziata Tagliavini, and 18 thousand euro to the other members) adjusted pro rata for the duration of the appointment: the related compensation for the first four months was 20 thousand euro for each member. (e), 10 thousand euro paid as a member of the Remuneration Committee (f). The compensation paid to the members of the Appointments Committee is not included in the compensation envisaged for membership of the Remuneration Committee (g).

### (3) Variable non-equity compensation

This is a bonus that can be disbursed on the achievement of the preset qualitative and quantitative objectives.

### (4) Non-monetary benefits

Relates to the company car.

### (7) Fair Value of equity compensation

The amounts represent the fair value of stock options at the grant date for the portion booked to the 2019 income statement and hence they have not been paid.

### (8) Indemnity for termination of appointment or employment relationship

Indemnity for termination of appointment to recognize the long and successful tenure as an Executive Director of the Company, which justifies its allocation. This allocation presumes the termination of all appointments, including the directorship of Fulvio Montipò, i.e. Termination as Chairman

and/or Chief Executive Officer and Director, excluding any honorary and non-operating positions, and is intended to recognize and remunerate his major contribution and does not imply in any way his imminent or expected future departure.



## Table (3B): Cash incentive plans for members of the Board of Directors, general managers and other executives with strategic responsibilities

Amounts shown in thousands of euro

A Name and surname	B Office	(1) Plan	(2) Bonus for the year		(C) Period of deferral	(3) Bonus for prior years		(C) Deferred again	(4) Other Bonuses
			(A) Payable/Paid	(B) Deferred		(A) No longer payable	(B) Payable/Paid again		
Fulvio Montipò	Chairman and Chief Executive Officer	Resolved by the Board of Directors on 30/04/2021		1,000 - payable			1,000 - paid		
Fabio Marasi	Director			50 - payable					
(II) Compensation from subsidiaries and associates	N/A								
(III) Total				1,050			1,000		

(1) Compensation by the company preparing the financial statements

**Table (2): Stock options assigned to members of the administrative body, general managers and other executives with strategic responsibilities**  
*Amounts shown in thousands of euro*

A Name and surname	B Office	(1) Plan	Options held at year start			Options granted in the year					Options exercised in the year			(14) Number of options expired during the year	(15) = (2)+(5)- (11)-(14) Number of options held at year end	(16) Options pertaining to the year		
			(2) Number of options	(3) Exercise price	(4) Possible exercise period (from - to)	(5) Number of options	(6) Exercise price	(7) Possible exercise period (from - to)	(8) Fair value at the grant date	(9) Grant date	(10) Market price of underlying shares at the options grant date	(11) Number of options	(12) Exercise price				(13) Market price of underlying shares at the exercise date	
Fulvio Montipò	Chairman and Chief Executive Officer	2019/2021 plan approved at the Shareholders' Meeting of 30/04/2019	1,800,000	28.4952	01/07/2022- 31/12/2025												1,800,000	3,851
Fulvio Montipò	Chairman and Chief Executive Officer	2016/2018 plan approved at the Shareholders' Meeting of 28/04/2016	620,000	12.8845	01/07/2019- 31/12/2022												620,000	-
Victor Gottardi	Director	2019/2021 plan approved at the Shareholders' Meeting of 30/04/2019	30,000	28.4952	01/07/2022- 31/12/2025											30,000		
Fabio Marasi	Director	2019/2021 plan approved at the Shareholders' Meeting of 30/04/2019	30,000	28.4952	01/07/2022- 31/12/2025												30,000	64
(II) Compensation from subsidiaries and associates	N/A																	
(III) Total			2,480,000															

Compensation by the company preparing the financial statements

A Name and surname	B Office	(1) Plan	Options held at year start				Options granted in the year				Options exercised in the year				(14) Number of options expiring during the year	(15) = (2)+(5)- (11)-(14) Number of options at year end	(16) Options pertaining to the year
			(2) Number of options	(3) Exercise price	(4) Possible exercise period (from - to)	(5) Number of options	(6) Exercise price	(7) Possible exercise period (from - to)	(8) Fair value at the grant date	(9) Grant date	(10) Market price of underlying shares at the grant date	(11) Number of options	(12) Exercise price	(13) Market price of underlying shares at the exercise date			

Compensation by the company preparing the financial statements

Fulvio Montipò	Chairman and Chief Executive Officer	2019/2021 plan approved at the Shareholders' Meeting of 30/04/2019	1,800,000	28.4952	01/07/2022- 31/12/2025											1,800,000	1,611
Fulvio Montipò	Chairman and Chief Executive Officer	2016/2018 plan approved at the Shareholders' Meeting of 28/04/2016	1,620,000	12.8845	01/07/2019- 31/12/2022						1,000,000	12.8845	24,5188	-	620,000	-	
Paolo Marinsek	Deputy Chairman	2019/2021 plan approved at the Shareholders' Meeting of 30/04/2019	65,000	28.4952	01/07/2022- 31/12/2025									52,520	12,480	6	
Paolo Marinsek	Deputy Chairman	2016/2018 plan approved at the Shareholders' Meeting of 28/04/2016	65,000	12.8845	01/07/2019 - 31/12/2022						65,000	12.8845	27,94374	-	-	-	
Victor Gottardi	Director	2019/2021 plan approved at the Shareholders' Meeting of 30/04/2019	30,000	28.4952	01/07/2022- 31/12/2025										30,000	27	
Fabio Marasi	Director	2019/2021 plan approved at the Shareholders' Meeting of 30/04/2019	30,000	28.4952	01/07/2022- 31/12/2025										30,000	27	
(11) Compensation from subsidiaries and associates	N/A																
(11) Total																	1,671

### Table 7-(3): Equity interests of members of the administrative and controlling bodies and general managers

Name and surname	Office	Shareholding	Number of shares held at end of previous year	Number of shares purchased	Number of shares sold	Number of shares held at end of current year
Fulvio Montipò (held directly)	Chairman and Chief Executive Officer	Interpump Group S.p.A.	635,233			635,233
Fulvio Montipò (held via personal subsidiaries – Gruppo IPG Holding S.p.A.)	Deputy Chairman and Chief Executive Officer	Interpump Group S.p.A.	26,406,799		26,406,799*	

\* On 1 April 2021, Fulvio Montipò, Chairman and Chief Executive Officer of Interpump Group S.p.A., transferred to his daughters Montipò Leila, Montipò Laura, Montipò Lucilla Giulia (minor) and Montipò Isabella (minor), jointly and pro indiviso, the full ownership of 462,708 shares representing 75.443% of the share capital of “Leila Montipò & Sorelle S.A.p.A.”. The company “Leila Montipò & Sorelle S.A.p.A.” holds 67.825% of the share capital of the IPG Holding S.p.A. Group, which in turn holds 26,406,799 shares in Interpump Group S.p.A. equal to 24.253% of the share capital. The remainder of the IPG Holding S.p.A. Group, 32.175%, was held by Tamburi Investment Partners S.p.A., in which Giovanni Tamburi (Deputy Chairman of the Board of Directors of Interpump Group S.p.A.) is the Chairman of the Board of Directors and Chief Executive Officer.



# Interpump Group

**Headquarters** Via E. Fermi, 25 - Sant'Ilario d'Enza - RE

**Share capital** 56,617,232.88 fully paid up

Reggio Emilia Companies Register

**VAT No.** IT01682900350

