



RELATED PARTY TRANSACTIONS PROCEDURE

Procedure approved by the Board of Directors on 28 June 2021

Contents

1. INTRODUCTION	1
2. DEFINITIONS	1
3. Rules Governing Related Party Transactions	7
3.1 General Provisions	7
3.2 Transactions of Greater Importance	8
3.3 Transactions of Lesser Importance	9
4. TRANSACTIONS EXCLUDED FROM APPLICATION OF THE PROCEDURE	11
5. TRANSACTIONS FOR WHICH THE SHAREHOLDERS' MEETING IS COMPETENT	13
6. TRANSACTIONS CONDUCTED THROUGH SUBSIDIARIES	13
7. FRAMEWORK RESOLUTIONS	14
8. FINAL PROVISIONS	14

1. INTRODUCTION

This procedure (hereinafter also “**Procedure**”) governs related party transactions carried out by Interpump Group S.p.A. (“**Interpump**” or the “**Company**”) and by its subsidiaries, in compliance with the contents of art. 2391-(2) of the Italian civil code and the Regulation adopted by CONSOB with resolution no. 17221 of 12 March 2010, as amended (the “**CONSOB Regulation**”) and by CONSOB Resolution no. 21624 of 10 December 2020, in implementation of the mandate given in legislative decree 10 June 2019, no. 49, which transposed EU Directive 828/2017, the Shareholder Rights Directive II (“**SRD II**”).

2. DEFINITIONS

In addition to the definitions given in other articles, the capitalised terms and expressions utilised in the Procedure shall have the assigned meaning hereunder, said meaning having validity both in the singular and plural forms:

Executive Director: the director to whom the powers of the Board of Directors are ascribed or, in the presence of more than one executive director, the director appointed as Executive Director by the Board of Directors for the purposes of the Procedure.

Independent Directors: directors in possession of the legal requirements of independence established by art. 148, subsection 3 of the consolidated finance act (“**TUF**”) and recognised as independent by the Company pursuant to the Corporate Governance Code enacted by the Borsa Italiana S.p.A. Corporate Governance Committee (“**Corporate Governance Code**”).

Unrelated Directors: directors other than the Counterparty of a given transaction and other than the counterparty's related parties.

Chief Financial Officer (CFO): the person appointed by the Company as the Company's CFO.

Corporate Governance Code: the Corporate Governance Code enacted in January 2020 by the Corporate Governance Committee of Borsa Italiana S.p.A.

Related Party Transactions Committee (RPTC): the board committee, made up exclusively of Independent Directors, set up by the Board of Directors and responsible for evaluating related party transactions (RPTs) and expressing opinions regarding them.

Control: the power to establish the financial and management policies of an entity in order to obtain benefits from its activities. The existence of control is presumed when a party holds, directly or indirectly through subsidiaries, more than half the voting rights of an entity unless, in exceptional cases, it can be demonstrated that the holding of said voting rights does not constitute control (*de jure* control). Control also exists when a

party holds half, or a lesser proportion, of the voting rights exercisable at the shareholders meeting (*de facto* control) if it has:

- (a) control of more than half the voting rights by virtue of an agreement with other investors;
- (b) the power to decide the financial and management policies of an entity by virtue of a clause in the articles of association or an agreement;
- (c) the power to appoint or dismiss the majority of the members of the board of directors or the equivalent company administrative body when control of the entity is held by said board or body;
- (d) the power to exercise the majority of the voting rights in the meetings of the board of directors or the equivalent company administrative body when control of the entity is held by said board or body.

Joint Control: the contractually established sharing of Control over an economic activity.

Counterparty: the party (natural person or legal entity), different from the Company, with which an RPT is being set up.

Managers with strategic responsibilities: parties having the power and responsibility, either directly or indirectly, for planning, management, and control of the activities of the company, including the company directors (executive or otherwise). In the CONSOB Regulation Definitions, CONSOB does not explicitly include the members of the boards of statutory auditors among managers with strategic responsibilities, but it provides an indication in the Communication wherein it stated that “serving” auditors of the boards of statutory auditors are to be included in that category, in line with statement it had already made at the time of publication of the consultation document concerning the adoption of SRD II.

Informative Document: the Informative document provided by the Company if its Board of Directors approves an RPT of Greater Importance (Annex 2).

Related Parties List: the list created by the Company, drafted and updated by the IA Function, containing a record of the Company’s related parties. The list is divided into the following sections:

- (a) Natural Person Section;
- (b) Close Relatives Section;
- (c) Legal Entities Section – (a) and (b).

Preparation and updating of the Related Parties List are carried out by the Interpump Group S.p.A. Internal
2

Audit Function. The IA Function informs each of the Company's Directors, Serving Auditors, and Managers with strategic responsibilities of their inclusion in the List, simultaneously requesting each interested party for an initial transmission of information concerning their offices in Subsidiaries, their close relatives, the extent to which they, or their close relatives, exert control, also jointly, or Significant Influence or hold a significant interest, anyway no less than 20% of voting rights. The Directors, Serving auditors, and Managers with strategic responsibilities must inform the IA Function promptly of any significant change concerning the parties connected to them.

Internal Audit Function (IA Function): the Company's internal function responsible for evaluating the adequacy of the Company's internal controls designed to assure correct management of corporate risks; for the purposes of this Procedure, the IA Function occupies the role of a party involved in the operational management of the RPT in support of the Executive Director, the CFO, and the Board of Directors.

Significant Influence: the power to participate in determining the financial and management policies of an entity without having Control of the entity. A Significant Influence can be obtained through possession of shares, through clauses in the articles of association, or through agreements. If a party holds, directly or indirectly (e.g. by way of Subsidiaries), 20% or more of the voting rights in the shareholders' meeting of the holding, it is presumed that said party exercises Significant Influence, unless it can be clearly shown that this is not the case. On the contrary, if the party holds, directly or indirectly (for example by way of Subsidiaries), less than 20% of the votes exercisable in the shareholders' meeting of the holding, it is assumed that the holding company does not exert Significant Influence unless such influence can be clearly proven. The presence of a party in possession of the absolute or relative majority of the voting rights does not necessarily preclude another party from exerting Significant Influence. Significant Influence is usually implied by the occurrence of one or more of the following circumstances:

- (a) representation on the board of directors or other equivalent administrative body of the holding;
- (b) participation in the decisional process, including participation in decisions concerning dividends or other types of distribution of profits;
- (c) the presence of significant transactions between the holding company and the holding;
- (d) interchange of managerial personnel;
- (e) making available key technical information.

RPT Disclosure: the disclosure to be transmitted in compliance with art. 3.1 of this Procedure.

Significant Interests: the criteria whereby the Company evaluates the significance of interests are outlined below:

- (a) any relations of a financial nature, if deemed to be significant by the Company's Board of Directors, existing between the Subsidiaries or Associated Companies, on the one hand, and the Directors, Statutory Auditors, or Managers with strategic responsibilities of the Company involved in the RPT, on the other;
- (b) the existence of a particular interest of Directors, or Strategic managers, beneficiaries of incentive plans that depend on the results achieved by the Subsidiaries or Associated Companies with which the RPT is carried out;
- (c) the event wherein the Subsidiary or Associated Company is a holding (also indirectly, by way of entities other than the Company) of the Company's parent company, when the effective weight of the interest held by the parent company in the company with which the RPT is conducted exceeds the effective weight of the interest held by the parent company in the Company.

In the above cases, the significance of the interests is submitted to the appraisal of the Board of Directors, without prejudice to the requirement that if the RPT involves Subsidiaries, the administrative body of each Subsidiary must guarantee the necessary level of collaboration in order to carry out the foregoing appraisal.

Significant interests do not include those originating from the mere sharing of one or more directors or other managers with strategic responsibilities between the Company and the subsidiaries or associated companies.

Interpump Group S.p.A. (Interpump or Company): Interpump Group S.p.A., with registered offices at Via E. Fermi 25, Sant'Ilario d'Enza (RE), enrolled in the Reggio Emilia Companies Register no. 11666900151.

Investor Relator: in charge of relations with institutional investors and the other shareholders, appointed by the Company.

Joint Venture: a contractual agreement whereby one or more parties undertakes an economic activity subject to Joint Control.

Related Party Transaction (RPT): a transfer of resources, services or obligations between a company and a related party, irrespective of whether or not a consideration has been agreed. Such transactions include: i) mergers, demergers by incorporation or non-proportional demergers in the literal sense, conducted with related parties; ii) decisions concerning the allocation of remuneration and economic benefits, in any form, to the members of the administrative bodies, control bodies, and managers with strategic responsibilities.

Smaller Transactions: RPTs for an amount or anyway an aggregated total annual value no higher than EUR 1,000,000 in cases wherein the Related Party is a legal entity, and EUR 200,000 if the Related Party is a natural person or a party other than a legal entity;

Transactions of Greater Importance: related party transactions identified as such pursuant to CONSOB

Regulation art. 4 subsection 1 letter a), meaning those in which at least one of the following importance indicators (referred to the most recent consolidated financial statements, even if the RPTs are conducted between Subsidiaries or Associated Companies), applicable in accordance with the specific case, is higher than the threshold of 5% (the “**Threshold**”):

- (a) price significance index: the ratio between the price of the RPT and shareholders' equity taken from the most recent balance sheet (consolidated) published by the Company or, if higher, the stock market capitalisation of the Company measured at the end of the last trading day included in the reference period of the most recent interim accounts published (annual or half-year financial statements or interim board of directors' report). The price of the RPT is:
 - (i) for cash components, the amount paid by/to the contractual counterparty;
 - (ii) for components comprising financial instruments, the fair value measured, at the date of the RPT, in compliance with the IAS/IFRS international accounting standards adopted with Regulation (EC) no. 1606/2002;
 - (iii) for loan transactions or granting of guarantees, the maximum disburseable amount.

If the economic conditions of the transactions depend entirely or partly on values that are not yet known, the equivalent value of the transaction is considered to be the maximum value receivable or payable in accordance with the terms of the agreement;

- (b) assets significance index: the ratio between the total assets of the entity that is the subject of the transaction and the total assets taken from the Company's most recent consolidated financial statements. The data to use must be obtained from the most recent balance sheet (consolidated) published by the Company; similar data should be used whenever possible to determine the total assets of the entity involved in the transaction. For transactions involving the acquisition and sale of shares in companies that have an impact on the consolidation perimeter, the value of the numerator is the total assets of the investee, regardless of the percentage of capital subject to the transaction. For transactions of acquisition and divestment of holdings in companies that have no effect on the consolidation perimeter, the value of the numerator is:
 - (i) in the case of acquisitions, the price of the transaction increased by any financial liabilities of the acquired company that are potentially assumed by the acquiree;
 - (ii) in the case of disposals, the consideration paid for the divested asset.

For transactions of acquisition and disposal of other assets (other than the acquisition of an equity

investment), the value of the numerator is:

- (i) in the case of acquisitions, the higher of the consideration and the carrying value that will be ascribed to the asset;
- (ii) in the case of disposals, the carrying value of the asset;
- (c) liabilities significance index: the ratio between total liabilities of the acquired entity and total assets resulting from the Company's most recent consolidated financial statements. The data to be used must be taken from the most recent balance sheet (consolidated) published by the company; whenever possible, analogous data should be used to determine the total liabilities of the acquired company or line of business.

Transactions of Greater importance are considered to be also similar transactions or transactions conducted in execution of a single plan, carried out, during the period, with the same related party, or with parties related to this latter and to the Company itself that, even though not individually classifiable as Transactions of Greater Importance, when considered cumulatively, exceed the importance thresholds.

This provision is applied also to RPTs carried out by Subsidiaries but not to RPTs falling into the cases of exclusion pursuant to article 6 of this Procedure.

Transactions of Lesser Importance: Related Party Transactions other than Transactions of Greater Importance and Transactions for Smaller Amounts.

Ordinary Transactions: Related Party Transactions that:

- (a) are within the ordinary exercise of the operations or the associated financial activity of the Company;
- (b) are conducted at similar conditions to those normally extended to unrelated parties for transactions of a corresponding type, magnitude and risk, or based on regulated rates or on imposed prices, or transactions conducted with parties to which the Company is legally bound to pay or charge a specifically defined consideration.

Related Parties: parties identified as such by the international accounting standards (IAS 24) to which reference is made.

Issuers' Code: the regulatory code adopted with CONSOB resolution no. 11971 of 14 May 1999, as amended.

Unrelated Shareholders: the parties with voting rights other than the Counterparty of a given transaction and the parties related to the counterparty of a given transaction and to the Company.

Associated Company: any entity, also lacking legal status, as in the case of a partnership, in which a shareholder exerts Significant Influence but does not hold Control or Joint Control.

Subsidiary: any entity incorporated under Italian or foreign law, also without legal status, as in the case of a partnership, subject to the Control of another entity.

Close Relative: close relatives of an individual are those family members who may be expected to influence or be influenced by that individual in their dealings with the company, including: (a) the person's offspring and spouse or civil partner; (b) the offspring of the person's spouse or civil partner; (c) the dependents of the party concerned, of the spouse or of the civil partner.

Financial Services Act: legislative decree 24 February 1998, no. 58.

Considering each relationship with related parties, attention must be focused on the substance of the relationship and not merely on its legal form. Interpretation of the definitions shown above is performed with reference to the international accounting standards adopted in accordance with the procedure as at article 6 of Regulation (EC) no. 1606/2002. Pursuant to CONSOB Regulation article 4, subsection 2, this Procedure is not applied to parties other than the Related Parties identified pursuant to this article 2.

3. RULES GOVERNING RELATED PARTY TRANSACTIONS

3.1 General Provisions

Before starting negotiations, the Executive Director of the Company and/or of the Subsidiaries to whom suitable powers have been granted and who intends to conduct a potential related party transaction, informs the CFO and the IA Function Manager, communicating the particulars of the Counterparty and the information required by the RPT Disclosure (Annex 1).

On receipt of the foregoing communication, the CFO, supported by the IA Function, carries out the necessary checks and decides whether:

(a) the proposed transaction constitutes an RPT pursuant to the CONSOB Regulation and this Procedure, checking also whether it falls within the definition of RPTs of Greater Importance or RPTs of Lesser Importance;

(b) the proposed transaction falls within the cases of exemption allowed by this Procedure.

In any case, the CFO informs the Executive Director of the result of the checks. If classified as an RPT and if the transaction is not within any of the cases for exemption, the Company's Executive Director promptly involves the Related Parties Transactions Committee and implements the measures required by this Procedure and by statutory legislation.

3.2 Transactions of Greater Importance

The Company's Board of Directors approves RPTs of Greater Importance **further to a motivated favourable opinion** issued by the RPTC concerning the Company's interest in performing the RPT and the convenience and substantive correctness of the related terms.

3.2.1 Decisional phase

On receiving the result of the analysis carried out by the CFO supported by the IA Function, in the case of an RPT of Greater Importance, the Executive Director, supported by the CFO and the IA Function, prepares a complete and adequate disclosure and promptly involves the RPTC with regard to the characteristic elements of the RPT, with special indication of the nature of the relationship, the main terms and conditions of the RPT, the time line for its execution, the evaluation procedure followed to identify the transaction as an RPT of Greater Importance, the motivations underlying the RPT, and any risks for the Company and its subsidiaries.

The RPTC is involved in the negotiations phase and the inquiry phase through the reception of a complete and timely information flow and it can request information and make observations to the delegated bodies and to the parties appointed to conduct the negotiations and/or inquiries.

The aforementioned disclosure is sent by the Executive Director or the CFO to the RPTC Chairman in a timely manner and anyway within 10 working days prior to the meeting of the Board of Directors convened to discuss the RPT. In cases of necessity and urgency, the disclosure must be supplied to the RPTC Chairman within 5 days preceding the date of the Board of Directors meeting convened to discuss the RPT.

The RPTC Chairman calls a meeting of the Committee - in good time before the meeting of the Board of Directors convened to discuss the RPT - to express its **binding opinion** on the Company's interest in conducting the transaction and on the convenience and substantial correctness of the associated conditions.

The RPTC, or one or more of its delegated members, can request information and make observations and request all other information deemed to be useful for the purposes of assessment of the RPT.

In the exercise of its duties, the RPTC can use, at the Company's expense, the consultancy of one or more experts of its choosing, identified among persons of recognised professionalism and competence on the matters that are the subject of the RPT, whose independence and absence of conflicts of interest it ascertains.

Following its appraisals, the RPTC issues its opinion in good time to be transmitted to all Directors before the meeting of the Company's Board of Directors convened to approve the RPT and transmits it also to the CFO and the IA Function Manager. The opinion is attached to the minutes of the committee meeting.

Once the opinion of the RPTC has been expressed, the RPT is subjected to approval of the Company's Board of Directors; any directors involved in the transaction abstain from voting on it.

If the RPTC issues a favourable opinion and the Board of Directors approves the transaction, a disclosure is made to the market and to CONSOB in the terms and using the methods required by CONSOB Regulation art. 6.

3.2.2 Information phase

Disclosure to CONSOB and to the market

With the assistance of the IA Function and the Investor Relator, the CFO prepares the Informative Document drafted in compliance with Annex 4 to the CONSOB Regulation (Annex 2 hereto). The aforementioned document, approved by the Company's Board of Directors, is made available to the public at the company headquarters and with the methods set down in statutory legislation, within 7 days from the date of approval of the RPT by the Company's Board of Directors or, if the Board of Directors resolves to submit a contractual proposal, from the time of completion of the contract.

If the RPT of Greater Importance concerns a Subsidiary, the foregoing term will run from the time when the Company is informed of the approval of the RPT by the competent decisional body in accordance with the corporate governance and mandates assigned to the Subsidiary in question. In the same terms, any opinions of the RPTC or of the independent experts that the RPTC has used are made available to the public. With reference to independent experts, the Company can limit its action to publishing only an excerpt, on the condition that it contains at least the elements indicated in Annex 2 of this Procedure, motivating such a decision adequately.

Periodic disclosure to the Board of Directors and the Board of Statutory Auditors

The Executive Director supplies complete quarterly disclosures concerning the execution of RPTs of Greater Importance to the Board of Directors and the Board of Statutory Auditors. The same disclosure must be included in the annual and half-year Report on Operations and in the periodic accounting disclosure required by CONSOB Regulation article 5, subsection 8. The IA Function is also responsible for keeping accurate records of the RPTs of Greater Importance carried out during the reference period.

3.3 Transactions of Lesser Importance

The Company's Board of Directors approves RPTs of Lesser Importance **further to a motivated non-binding opinion** of the RPTC concerning the Company's interest in conducting the RPT and on the convenience and substantial correctness of the related conditions.

3.3.1 Decisional phase

On receiving the result of the analysis carried out by the CFO supported by the IA Function, in the case of an RPT of Lesser Importance, the Executive Director, supported by the CFO and the IA Function, prepares a

complete and adequate disclosure and promptly involves the RPTC with regard to the characteristic elements of the RPT with a particular indication of the nature of the relationship, the main terms and conditions of the RPT, the time line for its execution, the evaluation procedure followed to identify the transaction as an RPT of Lesser Importance, of the motivations underlying the RPT, and any risks for the Company and its subsidiaries.

The RPTC is involved in the negotiations phase and in the inquiry phase through reception of a complete and timely information flow and it can request information and make observations to the delegated bodies and the parties responsible for conducting negotiations and/or the inquiry.

The aforementioned disclosure is sent by the Executive Director or the CFO to the RPTC Chairman in a timely manner and anyway within 10 working days prior to the meeting of the Board of Directors convened to discuss the RPT. In cases of necessity and urgency the disclosure must be supplied to the Chairman of the RPTC within 5 days prior to the Board of Directors meeting called to discuss the RPT.

The RPTC Chairman calls a meeting of the Committee – in good time before the meeting of the Board of Directors called to discuss the RPT – to express its **non-binding opinion** concerning the Company's interest in conducting the transaction and concerning the convenience and substantial correctness of the associated conditions.

The RPTC, or one or more of its delegated members, can request information and make observations and request all other information deemed to be useful for the purposes of assessment of the RPT.

In the exercise of its duties, the RPTC can use, at the Company's expense, the consultancy of one or more experts of its choosing, identified among persons of recognised professionalism and competence on the matters that are the subject of the RPT, whose independence and absence of conflicts of interest it ascertains.

Following its appraisals, the RPTC issues its opinion in good time to be transmitted to all Directors before the meeting of the Company's Board of Directors convened to approve the RPT and transmits it also to the CFO and the IA Function Manager. The opinion is attached to the minutes of the committee meeting.

Once the opinion of the RPTC has been expressed, the RPT is subjected to approval of the Company's Board of Directors; any directors involved in the transaction abstain from voting on it.

3.3.2 Informative phase

Market disclosure

Without prejudice to the obligations set down in art. 114, subsection 1 of the consolidated finance act, in the presence a negative non-binding opinion of the RPTC, in the person of the Executive Director with the support of the CFO, the IA Function and the Investor Relator and following approval of the Board of Directors, the Company places at the disposal of the public, within 15 days from the end of each quarter, at the company

headquarters and with the methods indicated by statutory legislation, a document containing details of the Counterparty, the subject, and the consideration of the RPTs approved in the reference quarter and of the reasons for which it was decided to reject said negative opinion expressed by the RPTC.

Periodic disclosure to the Board of Directors and the Board of Statutory Auditors

Each quarter, the Executive Director supplies a complete disclosure concerning the execution of RPTs of Lesser Importance to the Board of Directors and the Board of Statutory Auditors. Also the IA Function will be responsible for keeping accurate records of the RPTs of Lesser Importance that occur during the reference period.

4. TRANSACTIONS EXCLUDED FROM APPLICATION OF THE PROCEDURE

Definition of "Excluded transactions"

The provisions as at this Procedure are not applicable to resolutions of the shareholders' meeting pursuant to article 2389, first subsection, of the Italian civil code concerning the compensation due to members of the Company's Board of Directors, or to resolutions concerning the remuneration of directors vested with special offices falling within the total amount established by the shareholders' meeting, pursuant to article 2389, third subsection, of the civil code and of the articles of association, or to resolutions of the shareholders' meeting as per article 2402 of the civil code concerning the compensation due to members of the Company's board of statutory auditors.

The provisions of this Procedure are not applicable to transactions resolved by the Company and addressed to all shareholders on the basis of equal conditions, including:

- (a) share capital increases by option, also to serve convertible debenture loans, and share capital increases through a scrip issue as provided for by article 2442 of the civil code;
- (b) total or partial demergers in the strictest sense, with proportional share assignment criterion;
- (c) share capital reductions via refund to shareholders as per article 2445 of the civil code and purchases of treasury shares pursuant to article 132 of the financial services act.

The provisions as at this Procedure are not applicable to RPTs for Smaller Amounts, these being intended, as already described in art. 2, to be transactions for an amount or anyway equivalent total aggregated annual value no higher than EUR 1,000,000 in cases wherein the Related Party is a legal entity, and EUR 200,000 if the Related Party is a natural person or a party other than a legal entity. For the purposes of correct identification of an RPT of Smaller Amount, note that it is not permitted to divide an RPT into several separate transactions in order to benefit from the exemption applicable to the minimal amounts threshold, despite the actual total value of the RPT.

Also the following transactions are excluded from application of this Procedure:

- (a) **Intercompany transactions** meaning RPTs performed with or between subsidiaries and with associated companies, provided there are no interests of other related parties of the Company identified as significant in the subsidiaries or associated companies.

Significant interests do not include those originating from the mere sharing of one or more directors or other managers with strategic responsibilities between the Company and the subsidiaries or associated companies.

- (b) **Board resolutions** concerning remuneration of directors vested with special duties, other than those prescribed in precedence, and of managers with strategic responsibilities, on the condition that:

- i) the Company has adopted a remuneration policy;

- ii) the remuneration policy was defined with the aid of a committee composed exclusively of non-executive directors, the majority of whom independent (the Remuneration Committee);

- iii) a report illustrating the remuneration policy has been submitted to the shareholders' meeting for approval;

- iv) the remuneration assigned is in compliance with said policy.

- (c) **Compensation plans** based on financial instruments approved by the shareholders' meeting ex art. 114-(2) of the consolidated finance act and the associated executive operations.

- (d) **Ordinary transactions, meaning transactions conducted in the ordinary exercise of operating activities and the associated financial activity, completed at conditions equivalent to market conditions or standard conditions**, namely at conditions identical to those normally extended to unrelated parties for RPTs of a corresponding type, magnitude and risk, or based on regulated rates or on imposed prices, or prices applied to parties to which the Company is legally bound to pay or charge a specifically defined consideration. If this case is applicable, the Company must comply with the matters set down in article 4.1 hereunder.

The cases of exclusion provided for by this article are applicable also to transactions conducted through subsidiaries as at the following article 5.

4.1 Decisional phase

In case of Transactions excluded because they are Ordinary, although of Greater Importance, the Executive

Director, supported by the CFO and the IA Function, promptly communicates all the available information concerning the transaction to the RPTC so that the Committee can check correct application of the exemption conditions of RPTs of Greater Importance defined as ordinary and conducted at market or standard conditions. The RPTC expresses its opinion in good time to allow communication to CONSOB within 7 days as required by the preceding paragraph 3.3.2.

The Executive Director informs the Board of Directors on an annual basis with regard to application of the exemption criteria at least in relation to transactions of greater importance.

4.2 Informative phase

Notwithstanding the disclosure obligations required by art. 114, subsection 1 of the consolidated finance act, in case of applicability of the cases of exclusion as at the previous article 4, letter d):

the Executive Director, with the aid of the CFO and the IA Function, informs CONSOB and the Directors sitting on the RPTC, within 7 days from the time of approval of the transaction by the competent body (or, if the competent body resolves to submit a contractual proposal, within 7 days from the time in which the contract, also preliminary, is completed based on the applicable regulations), the Counterparty, the subject, and the consideration of the transactions that benefited from exclusion from the obligations to publish the Informative Document, and the reasons for which it is deemed that the transaction is ordinary and carried out at market or standard conditions, supplying objective elements of proof.

The Company specifies, in the half-year and annual Report on operations, in the context of the information as at article 5, subsection 8 of the CONSOB Regulation, which of the transactions subject to the indicated disclosure obligations has been conducted making use of the exclusion allowed in this paragraph.

5. TRANSACTIONS FOR WHICH THE SHAREHOLDERS' MEETING IS COMPETENT

If the RPT to be conducted falls within the matters of the competence of or to be authorised by the shareholders' meeting, the same procedures must be complied with as those indicated in the above articles 3 and 4, making a distinction depending on whether the case concerns an RPT of Greater Importance or an RPT of Lesser Importance. In this case, the RPTC must give its opinion at the time of approval, by the Company's Board of Directors, of the resolution proposal to be submitted before the shareholders' meeting.

The resolution proposal approved by the Company's Board of Directors is supplied together with the opinions of the RPTC and any independent experts appointed.

6. TRANSACTIONS CONDUCTED THROUGH SUBSIDIARIES

The procedures described in the previous articles 3 and 4 are applicable also when an RPT is conducted by a subsidiary and the Interpump Group S.p.A. Board of Directors examines the transaction to be conducted or

approves it in advance, on its own initiative or in application of a legal or regulatory prescription.

For this purpose, the Executive Director of each Subsidiary, supported by the Administrative Manager and/or the Financial Manager, informs the CFO and the Company's IA Function Manager of the potential RPT, whether of Greater or Lesser Importance, Ordinary, or of Smaller Amount.

The Executive Director of each subsidiary, supported by the Administrative Manager and/or the Financial Manager, is responsible for collecting and filing information concerning the RPTs completed in the reference period.

7. FRAMEWORK RESOLUTIONS

For the purposes of this Procedure, the adoption of framework resolutions is permitted in relation to series of similar RPTs to be conducted by the Company, or through directly and/or indirectly held subsidiaries, with specific categories of Related Parties, which will be identified by the Company's board of directors. In this case, the framework resolutions:

- (a) must have a period of validity no greater than 1 year; and
- (b) must refer to sufficiently identified RPTs, indicating at least the foreseeable maximum amount of the transactions to be conducted in the reference period and the motivation of the specified conditions.

The framework resolutions must be adopted in compliance with the above provisions, in accordance with the foreseeable maximum amount of the transactions that are the subject of the framework resolution, considered cumulatively.

In the context of the periodic report on operations required by law and the articles of association, the Executive Director submits a complete disclosure on the state of implementation of framework resolutions to the Board of Directors and the Board of Statutory Auditors at least on a quarterly basis.

At the time of approval of a framework resolution by the Board of Directors, the Company will publish the associated Informative Document pursuant to CONSOB Regulation art. 5 if the foreseeable maximum amount of the Transaction to be conducted in the reference period identified in the framework resolution exceeds any of the importance indicators set down for Transactions of Greater Importance.

Single Related Party Transactions completed in implementation of a framework resolution are not subject to the provisions as at the previous articles 3, 4 and 5.

8. FINAL PROVISIONS

The Board of Directors assesses, at least on a three-yearly basis, whether to revise the current procedure,

taking account, among other aspects, of any changes that have occurred in the ownership structures and the effectiveness shown by the procedure in application practices. Any amendments to this Procedure are approved by the Board of Directors after receiving the opinion of the RPTC.

This procedure is also transmitted, by the IA Function, to the Directors and the main corporate functions of the subsidiaries for their information and so they can act in compliance with it insofar as within their competence or under their responsibility.

The Board of Statutory Auditors monitors conformity of this Procedure with the general principles set down in the CONSOB Regulation and compliance with its contents and also reports to the Company's Shareholders' Meeting pursuant to art. 153 of the consolidated finance act.

The Procedures and the amendments thereto are published promptly on the company's Internet site, without affecting the obligation to publish the annual Report on operations, also on said Internet site, pursuant to article 2391-(2) of the Italian civil code.

Any matter not expressly regulated by the terms of this Procedure shall be subject to the provisions of statutory legislation and the regulations in force.

APPENDIX

Responsibilities chart

Function	Responsibility
Board of Directors	<p>Adopts procedures designed to ensure transparency and substantive and procedural correctness of RPTs.</p> <p>Deliberates in relation to RPTs for which a vote of the administrative body is required.</p> <p>Supervises the correct application of this Procedure.</p>
Executive Director	<p>With the support of the CFO and the IA Function, prepares a complete and adequate disclosure concerning the RPTs in which the Company is involved.</p> <p>Provides timely information, with the support of the CFO, the IA Function, the RPTC and the Board of Directors, concerning the RPTs in which the Company is involved.</p> <p>Prepares periodic disclosures to the Board of Directors, the Board of Statutory Auditors and, further to approval of the entire Board of Directors, to CONSOB and the market.</p>
Related Party Transactions Committee	<p>Issues a non-binding opinion on RPTs of Lesser Importance.</p> <p>Issues a binding opinion on RPTs of Greater Importance.</p>
Board of Statutory Auditors	<p>Supervises over conformity of this Procedure with the principles set down in the CONSOB Regulation.</p>
CFO	<p>Conducts analysis of RPTs, with the support of the IA Function, in order to identify Greater/Lesser Importance/Ordinary/Smaller Amount RPTs.</p> <p>Supports the Executive Director in managing disclosures to the RPTC, to the Board of Directors and, if required, to CONSOB and to the market.</p>
IA Function Manager	<p>Coordinates the IA Function in regard to the support that it supplies to</p>

	<p>the Executive Director and the CFO.</p> <p>The IA Function Manager is responsible for updating and implementing the Related Parties List.</p>
IA Function	<p>Supports the Executive Director and CFO in assessing RPTs and in managing information flows inside and outside the Company.</p>

ANNEX 1

RPT Disclosure

1) <i>Companies involved in the transaction</i>	
2) <i>Nature of the transaction</i>	
3) <i>Agreed economic conditions</i>	
4) <i>Transaction enforcement date</i>	
5) <i>Transaction motivation</i>	
6) <i>Possible presence of interests of managers involved</i>	

NOTES:

- 1) Identification of RPT counterparty companies;
- 2) For example, purchase/sale of property and/or equity investments, underwriting of loans, leasing of property, supplies of goods and services, etc.;
- 3) For example, consideration, terms and method of payment, interest, any guarantees, etc. If the economic conditions of the transaction have been defined as equivalent to market or standard conditions, said equivalence must be adequately motivated;
- 4) State the times of execution of the transaction and whether it is subordinate to any conditions precedent;
- 5) State the underlying motivations that led to the decision to complete the transaction with a related party rather than with a third party;
- 6) If the amount of compensation of the administrative body of the company involved in the RPT is destined to change as a consequence of the transaction, detailed description of such changes.

ANNEX 2

Informative document concerning RPTs of Greater Importance

If the Company conducts RPTs of Greater Importance as identified in article 2, the Informative Document described in article 3.2 of this Procedure must contain at least the following information:

Contents

1. Important notices

Outline risks connected to potential conflicts of interest deriving from the related party transaction described in the informative document.

2. Information concerning the transaction

2.1. Description of the characteristics, methods, terms, and conditions of the transaction.

2.2. Indication of the related parties with which the transaction has been conducted, the nature of the relationship and, where this has been notified to the administrative body, the nature and extent of the interests of said parties in the transaction.

2.3. Indication of the economic motivations and the convenience of the transaction for the company. If the transaction has been approved in the presence of an opposing view of the independent directors, an analytical and detailed motivation must be given of the reasons for rejection of said opposing view.

2.4. Method of determination of the transaction consideration and appraisals concerning its reasonableness with respect to the market values of similar transactions. If the economic conditions of the transaction have been defined as equivalent to market or standard conditions, adequate motivation of said definition must be given, complete with objective elements to support it. Indicate any existence of opinions of independent experts supporting the reasonableness of said consideration and the conclusions reached by said experts, specifying:

- the bodies or parties which ordered the opinions and appointed the experts in question;
- the assessments made in order to select the independent experts and the checks carried out to ascertain their independence. In particular, disclose any economic, equity, and financial relationships between the independent experts and: (i) the related party, the companies controlled by the latter and the entities that control it, the companies subject to joint control and the directors of said companies; (ii) the company, the companies it controls, the parties exerting control over it, the companies subject to joint control and the directors of said companies taken into consideration for the purposes of qualification of the expert as independent and the motivations for which said relationships have been deemed to be irrelevant for the

purposes of the appraisal of independence. Information concerning any existing relationships can be supplied by attaching a declaration by the independent experts in question;

- the terms and subject of the brief awarded to the experts;
- the names of the experts appointed to assess the reasonableness of the consideration.

Indicate that the opinions of the independent experts or their essential aspects, pursuant to CONSOB Regulation article 5, are annexed to the informative document published on the company's Internet site. The essential elements of the opinions that must be published in all cases are as follows:

- evidence, if relevant, of the specific limits encountered in conducting the assignment (e.g. with regard to access to significant information), the assumptions employed, and the conditions to which the opinion is subject;
- evidence of any criticalities identified by the experts in relation to the specific transaction;
- indication of the methods of assessment employed by the experts to express their opinion on the reasonableness of the consideration;
- indication of the relative importance ascribed to each method of assessment employed for the aforementioned aims;
- indication of the values emerging from each method of assessment adopted;
- where, on the basis of the evaluation methods employed, an interval of values has been identified, an indication of the criteria used to establish the final value of the consideration;
- indication of the sources used for determination of significant data subject to processing;
- indication of the main parameters (or variables) used as a reference for application of each method.

In relation to the elements of the published expert opinions, confirm that said information has been reproduced in line with the contents of the opinions to which it refers and that, to the issuer's best knowledge, there are no omissions that could make the information provided inaccurate or misleading.

2.5. An illustration of the economic and financial effects of the transaction, supplying at least the applicable importance indicators. If the transaction exceeds the significance parameters established by CONSOB pursuant to articles 70 and 71 of the Issuers' Regulation, specify that proforma financial information will be published in the document required, depending on the case, by subsection 4 of the mentioned art. 70 or by art. 71 and in the terms required by said provisions.

2.6. If the amount of compensation of the members of administrative body of the company and/or its subsidiaries will change as a consequence of the transaction, detailed indications of such changes. If no changes are envisaged, insertion of a declaration to this effect.

2.7. In the case of transactions in which the related parties are members of the issuer's administrative and control bodies, general directors and managers, information concerning the issuer's financial instruments held by the parties identified above and concerning the interest of these latter in extraordinary transactions, as provided for by paragraphs 14.2 and 17.2 of annex I to Regulation (EC) 809/2004.

2.8. Indication of the bodies or directors who have conducted or participated in the negotiations and/or instructed and/or approved the transaction, specifying the respective roles, with special attention to Independent Directors, if present. With reference to the transaction approval resolutions, specify the names of those who voted for or against the transaction, and those who abstained, specifying in detail the reasons for any dissensions or abstentions. Indicate that, pursuant to CONSOB Regulation article 5, any Independent Directors' opinions given are annexed to the informative document or published on the company's Internet site.

2.9. If the importance of the transaction derives from the accumulation of several transactions conducted during the year with the same related party, or with parties related to the latter and to the company, the information specified in the previous points must be supplied with reference to all the aforementioned transactions.