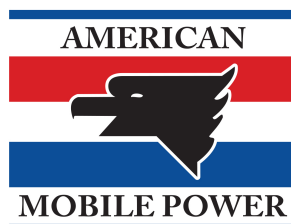


INTERPUMP GROUP ANTI-CORRUPTION GUIDELINES

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1. Introduction

1.1. Objectives

Interpump Group conducts its business with loyalty, fairness, transparency, honesty and integrity and has always been committed to full and unconditional compliance with Italian and foreign laws and regulations of relevance to the company's operations.

These guidelines provide a set of rules and measures concerning Anti-corruption in order to prevent the risk of corrupt behaviours, also beyond the Italian borders, by all employees and directors of Interpump Group companies, and by all persons who, for any reason and regardless of the type of contractual relationship in place, work in the name of or on behalf of Group's companies(Collaborators).

Interpump Group employees, directors and Collaborators are not permitted to promise, offer, pay, or accept, directly or indirectly, cash or any other benefits in order to obtain or maintain a business affair or to secure an unfair advantage connected to the business activity.

1.2. Scope of application

These **Guidelines** are approved by the Board of Directors of Interpump Group S.p.A., and their **adoption** and implementation **are mandatory for all Group companies**; the guidelines are consequently binding in relation to the conduct of all employees, directors, collaborators and, as far as applicable to consultants, vendors and any other third party, including customers, in relationship with Interpump Group companies ("Third Parties"). It is the duty of each Interpump Group company to bring these Guidelines to the attention of its Collaborators and Third Parties, including those that only have an occasional or temporary relationship with the company; require Collaborators and Third Parties to comply with the principles and obligations embodied in these Guidelines in the performance of their activities; take the necessary internal steps in the case of omitted or partial performance of the undertaking, assumed by Collaborators or Third Parties, to comply with provisions contained in these Guidelines and in respect of them or in the case of refusal, evaluate the appropriate actions, including termination of the relationship.

1.3. Method of adoption

Each Interpump Group company **adopts** these guidelines **promptly by means of a resolution of the Board of Directors or of the corresponding corporate body** if the company structure does not envisage the appointment of a Board of Directors. The resolution of the Board of Directors, or corresponding body, that approves these Guidelines, must be subsequently forwarded to the Group Compliance function in order to monitor their correct and prompt adoption.

1.4. Legislative references

Interpump Group S.p.A. is the world's primary manufacturer of professional, high-pressure plunger pumps and one of the world's leading groups operating on international markets in the hydraulic sector. The company is listed in the STAR segment of the stock market managed by Borsa Italiana. With more than two thirds of its sales made outside Italy, the Group distributes its products in more than 60 countries, on markets in western Europe and north America and in the emerging economies of Far East Asia and South America.

Since Interpump Group S.p.A. has its registered office in Italy, the company's employees, directors and Collaborators are obliged to comply with Italian law, and in particular with the provisions of Decree 231/2001, regulating the administrative responsibility of entities for offences, including bribery of representatives of the Public Administration and of private individuals.

Since Interpump Group is a multinational organisation, all the employees, directors, Collaborators and Third Parties are subject to the laws and regulations in force in the country in which they are working, including the rules contained in international conventions that prohibit acts of bribery of Public Officials or private individuals, including the following, provided by way of example, without limitation:

- OECD Convention on combating bribery of Foreign Public Officials in international business transactions;

- United Nations Convention against Corruption.

Anti-corruption laws and regulations in force in the countries in which the Group companies operate:

- prohibit making payments, directly or indirectly, including payments made to whomsoever with the awareness that the payment in question will be shared with a Public Official or with a private individual and also offers or promises of a payment or other benefit for the purpose of bribing Public Officials or private individuals. Based on the Anti-corruption Laws, employees, directors and Collaborators of the Interpump Group may be held responsible for offers or payments made by whomsoever is acting on behalf of the company in relation to the company's business activities, if the employees, directors and Collaborators are aware of or should reasonably be aware that said offer or payment is made inappropriately;
- require companies to obtain and keep accounting books and records that, with a reasonable level of detail, provide an accurate and correct reflection of the operations, expenses (even if not "significant" in accounting terms), purchases and disposals of assets.

Natural persons who violate Anti-Corruption Laws can incur in severe fines and may be given custodial sentences or be subject to other types of punitive measures. Violation of the rules by an Interpump Group company may have consequences, such as ban, confiscation of proceeds of the offence or demands for damage compensation. Even more important, the Group's reputation could be severely harmed.

2. Roles and responsibilities

2.1. Group Compliance Department

The Group Compliance Department assures updating and effectiveness of these Guidelines, i.e.:

- monitors correct adoption of the Guidelines by the Group companies;
- supports management/corporate functions of the Group companies in adopting controls and instruments to prevent the risk of commission of acts of corruption, as provided for by these Guidelines;
- based on an annual audit plan with a risk based approach or in relation to events of significant relevance, conducts audit on compliance with these Guidelines by the Group companies. Selection of Group's companies to be included in the annual audit plan is based on a periodic analysis and monitoring of risk indicators (Relevant Red Flags) originating from the accounting data provided by individual companies, by way of the HFM Group reporting system, or provided by the Group Industrial Control Department.
- supports training initiatives for corporate departments/functions of the Group companies most exposed to the risk of commission of offences connected with corruption;
- drafts a half-year report concerning the results of its monitoring and audit activities to be submitted to the Control and Risk Committee, the Supervisory Body and the Board of Statutory Auditors of Interpump Group S.p.A.

2.2. Interpump Group S.p.A. Control and Risks Committee

The Interpump Group S.p.A. Control and Risks Committee supports the Compliance Department and management of the Interpump Group companies in the analysis and decisional/evaluation process in relation to themes of relevance concerning anti-corruption or serious violations of these Guidelines.

3. Group Code of Ethics

The Code of Ethics consists of a set of principles whose compliance is of fundamental importance for the proper functioning, operational reliability, and corporate image of the Interpump Group. These principles form a benchmark for the operations, conduct, and internal and external relations of the Group companies.

The Code of Ethics is effective in Italy and in other countries, although in consideration of the cultural, social, and economic diversities existing between the various countries in which the Group conducts its business.

In paragraph 4.13 "Anti-corruption Program", the Code defines the criteria of conduct aimed at preventing the commission of corruption offences.

4. Areas at risk and principles of conduct

4.1. Hospitality, travel and entertainment expenses

In the context of individual corporate activities and normal professional relationships, it may become necessary to bear or receive hospitality, travel or entertainment expenses, on behalf of or in favour of customers, vendors, or third parties. Employees, directors and Collaborators of the Interpump Group can disburse or receive said expenses exclusively in the context of acts of commercial and professional courtesy and such as to not jeopardise the integrity or reputation of one of the parties or be interpreted by an impartial observer as being aimed at creating a debt of gratitude or securing advantages illicitly.

The hospitality, travel and entertainment treatments provided to or received from Third Parties must be reasonable and connected to the institutional and commercial aims underlying the relationship with the counterparty. The value of the expenses must comply with the internal rules and policies of each Group company concerning payment to employees and Collaborators of common travel and hospitality expenses incurred during their company activities.

Management of hospitality, travel and entertainment expenses

- It is **expressly prohibited** to:
 - **disburse** to Third Parties **or receive** from Third Parties **cash payments** to support hospitality, travel or entertainment expenses;
 - bear or accept hospitality, travel or entertainment expenses in relation to or from parties with which negotiations are in progress for the signing of contracts, which provide for the signing of specific clauses of legal and financial protection, or for participation in calls for tender.
 - sustain **hospitality**, travel or entertainment expenses **in favour of relatives or friends** of the counterparty, as it is likewise prohibited to receive such treatments in favour of one's own relatives or friends.
- The expenses incurred in favour of Third Parties or received from Third Parties must **conform to generally accepted standards of professional courtesy** and must be in compliance with **local laws**, the applicable regulations and the codes of conduct of organisations of the counterparty.
- The **expenses incurred** in favour of Third Parties **must be authorised beforehand** by personnel with adequate levels of authority and are reimbursed upon submission of adequate supporting documentation showing the characteristics and purposes of the expense in detail.
- Any **requests** for hospitality, travel or entertainment expenses to be **sustained in favour of Public Officials** or parties connected to the Public Administration must be **approved in advance** by the CEO or the General Manager.
- Invitations to **entertainment events** such as sports events, theatrical shows, or concerts, can be offered or accepted on the condition that the value for attendance at the events **does not exceed normal professional courtesy practices** and exclusively in the presence of the **host party**. The expenses incurred for such events must be documented and approved in compliance with the rules concerning hospitality, travel and entertainment expenses.
- **Advances paid in cash** to employees, directors and Collaborators to cover hospitality, travel and entertainment **cannot exceed the amount of 2,000 euro** or, if lower, the limit imposed by local laws concerning cash payments. The expenses incurred for said advances must be supported by adequate supporting documentation that provides details of the characteristics and aims of the expenses and must be approved by personnel with adequate levels of authority. Amounts disbursed to individual employees, directors or Collaborators must be entirely expensed or the surplus must be returned before any further advance may be requested.

In general, hospitality, travel and entertainment expenses incurred in favour of Third Parties must be recorded precisely on the company information system, with a sufficient level of detail. Furthermore, such records must be supported by adequate documentation to allow easy identification of the beneficiaries and aims of the expense.

4.2. Gratuities and gifts

The rules of conduct in relation to the provision of gratuities and gifts are defined in the Group's Code of Ethics, in paragraph 4.14 "Gifts and Benefits".

4.3. Facilitation payments

International rules and conventions in relation to Anti-corruption matters define "Facilitation Payments" as payments, also of small amounts, made to a Public Official in order to "facilitate" or streamline an action or deed forming part of the duties or powers of the Public Official in question. Even though they may be considered to be a form of bribery or extortion, it is a widespread and accepted practice in some countries to make such payments.

It is **expressly prohibited** for employees, directors, Collaborators and Third Parties who conduct activities on behalf of Interpump Group companies to **promise or offer cash or other benefits to Public Officials or parties connected to agencies of the Public Administration, by way of "Facilitation Payments" as described above.**

4.4. Commercial relations with private partners and parties connected with the Public Administration¹

In its commercial or promotional relations, Interpump Group, in compliance with the undertakings assumed with the adoption of the Code of Ethics, prohibits practices and conduct that are or could potentially be illegal or collusive in nature, illegal payments, inducement to corruption, bribery, favoritism, solicitation – directly or through third parties – of personal benefits and career advancement for self or for others, that are in conflict with the law, regulations and/or internal corporate rules.

In their relations and business with Third Parties, all employees, directors and Collaborators of Group companies must behave ethically and in compliance with the applicable laws, conducting themselves with the maximum honesty, transparency and integrity.

Management of commercial relations

- It is **expressly prohibited** to:
 - **offer or make**, directly or indirectly, **improper payments** or promises of personal benefits of any kind to the representatives of Commercial Partners. This prohibition includes the direct or indirect offer of free services aimed at influencing decisions or transactions.
 - **resort to forms of pressure, deception, suggestion or obtaining the benevolence** of Commercial Partners.
 - **distribute gratuities and gifts exceeding the limits specified in the Group's Code of Ethics**, in these Guidelines, or all forms of gifts that exceed normal commercial or courtesy practices, or anyway given with the intention of receiving preferential treatment in the pursuit of any company activity. In particular, it is forbidden to make gifts in any form to Italian or foreign public officials or to their relatives, such that could influence their discretionary behavior or independent judgment or lead to any advantage being secured for the company;
 - **grant consultancy appointments** to parties named by Significant Commercial Partners, with particular **reference to those indicated**, directly or indirectly, as a condition for obtaining any advantage and/or for the assignment of a service.
- **Relations** with representatives of customer companies concerning the sale of the company's products must be **handled by the Head of the Commercial function** and/or by **parties delegated by the latter** or permanently appointed (e.g. sales agents). It is expressly prohibited for any other person to entertain commercial relations on behalf of the company with exponents of customer companies.
- It is prohibited for parties, other than those expressly authorised, to maintain relations with customers, vendors, commercial partners, certification agencies and any other private or Public Entities

¹ The expression Public Administration refers to any Country, Local Government, authority, department, public service or service for public needs, such as schools, hospitals, universities, social security agencies, controlling authorities, etc. Moreover, the expression includes all companies, under public control or wherever the Public Administration exerts significant influence, as defined in law.

(Commercial Partners) with which the company has relations of significance – not necessarily in terms of economic substance – for the business.

Sales bonuses

- **Agreements** with customers for the award of **sales bonuses** must be **drafted in writing and authorised** on the basis of valid signing powers by a person having suitable proxies and/or persons delegated by these latter.
- The bonuses awarded, whether established as a fixed amount or as a percentage, must be consistent with respect to market conditions and commercial policies, taking account of the specific nature of the products and the places of sale.
- Wherever agreements with customers for the award of sales bonuses envisage direct **payment**, such payments must be made by bank transfer or non-transferable cheque **payable to bank accounts in the name of the customer company and in the respective country** of residence (derogations from residency regulations can be granted due to exceptional geopolitical causes, on receipt of authorisation from the CEO or the General Manager). No payments are permitted to bank accounts in the name of parties other than the customer company or to personal bank accounts in the name of natural persons connected to the customer company.
- **Agreements** with customers for the award of sales bonuses must **contain a contractual clause** whereby the customer declares he/she has understood, accepts and **intends to comply with the principles and rules** of conduct contained in the Code of Ethics and in Model 231, this latter exclusively for Italian companies that have adopted an Organisation and Management Model pursuant to the Italian Decree 231/2001.

Trade discounts

- **Discounts** awarded to Customers must be **granted in compliance with the maximum limits** established by the Company. Exceeding said limits must be expressly authorised beforehand by persons in charge having adequate levels of authority.

Commercial terms

- **Payments made in cash** received from customers can be accepted only if they are made in **compliance with the limits for use** of cash in accordance with the law of the countries in which the Group companies operate.
- **Contracts** with customers, involving the signing of specific clauses of legal and financial protection, for the sale of goods or services **must contain a contractual clause** whereby the customer declares he/she has understood, accepts and intends to comply with **the principles and rules** of conduct **contained in the Code of Ethics and in Model 231**, this latter exclusively for Italian companies that have adopted an Organisation and Management Model pursuant to the Italian Decree 231/2001.

Calls for tender and bids

- The participation in **calls for tender issued by public bodies** or entities connected thereto, through calls, notices for participation or participation in tenders issued by third parties, for the sale of products or services, must comply with the following rules:
 - **requests** for offers and participation in the tender must be **submitted to the CEO or General Manager** of the company, accompanied by technical-economic analyses and illustrative documentation, in order to receive prior authorisation;
 - the CEO or General Manager **identifies the parties responsible** for checking the existence of the necessary conditions and the validity of the offer; segregation of duties must be guaranteed among personnel preparing the offer proposal and the personnel responsible for checking the contents;
 - the documentation must **identify the parties responsible for preparing the offer proposal and the documentation** for participation in the tender, the third parties responsible for managing the call for tender, the associated time frames and the various authorisation stages;
 - **signing of the bid proposal** to be transmitted to the Public Administration or to the third party must be carried out in **compliance with the proxies and company authorisation powers**;
 - any **amendments to the bid proposal** further to communications or negotiations with the Public Administration or third parties must be **authorised by the CEO** or by the **General Manager** of the company;

- the functions responsible for the bid proposal must guarantee correct filing of the documentation produced and the exchange of any correspondence with representatives of the Public Administration and third parties.

4.5. Sponsorships, donations and contributions to political associations

Management of sponsorships

It is not permitted for Interpump Group companies to **sponsor** social, cultural, leisure-sporting or artistic initiatives.

Management of donations

- A **request** to make a **donation** must be **approved in advance** by the CEO of Interpump Group S.p.A.
- The donation must be **made** in favour of **entities that are not recently formed**, that are well-known, and that are **trustworthy**.
- The proposing department must demonstrate that the charitable organisation is in possession of the necessary certifications and attributes to operate in compliance with the applicable laws;
- The proposing function must **supply an adequate description of the nature and aims** of the donation.
- **Payments** to the beneficiary entity must be made exclusively to the current account registered in the **name of the beneficiary entity**; it is not permitted to make payments to numbered bank accounts or in cash, or to a party other than the beneficiary entity or in another country other than the country of the beneficiary entity.

Management of contributions to political associations

In compliance with the provisions of the Group's Code of Ethics, **"The Interpump Group does not fund Italian or foreign political parties, their representatives or candidates, and does not sponsor conventions or events intended to disseminate political propaganda**. The Group also abstains from exerting any form of direct or indirect pressure on political leaders (for example by accepting recommendations for the hiring of personnel, consultancy contracts, etc.).

The Interpump Group does not make contributions to organizations with which a conflict of interest may exist and, in particular, does not grant funding to trade unions or their representatives, in Italy and abroad, unless in compliance with the appropriate legislation and in full transparency".

4.6. Relations with Public Officials and Entities of the Public Administration

Relations with Public Officials, entities of the Public Administration or parties connected thereto must be conducted in compliance with the principles set down in the Group's Code of Ethics and in these Guidelines. In particular, irrespective of the party concerned all forms of conduct are prohibited involving direct or indirect promises or offers of cash or other benefits to Public Officials and/or Officers of Public Service, whether local or foreign, such that could result in an undue or illicit interest or advantage. The foregoing forms of conduct are not permitted, either if adopted directly by the company, by means of its employees, directors, or Collaborators, or if adopted via Third Parties acting on behalf of the companies of the Interpump Group.

In particular, it is expressly **prohibited** to:

- **make cash payments to officers** connected with the Public Administration under any whatsoever title or other parties responsible for the provision of Public Services;
- **arrange other benefits** of any type (promises of employment, goods, services, also provided on a personal basis, etc.) in favour of representatives of the Public Administration;
- in management of relations with the Public Administration, use preferential treatments or exploit personal acquaintances, even when acquired outside the professional sphere, to influence decisions;
- **bring to bear pressure, use deception**, suggestion or obtain the benevolence of a Public Official in such a way as to influence the outcomes of administrative activities;

- **submit false declarations to public bodies** in Italy, in the EU, or in other countries.

Management of inspections by officers of the Public Administration

In the context of corporate operations, the Group companies may receive inspections on their premises and at their industrial plants by officers of the competent Public Administration, whether Italian or foreign. On such occasions, the employees and Collaborators of Group companies must assist the officers in charge of the inspection, complying with the following minimum measures:

- the company representative having adequate powers delegates the Manager of the company department/function involved in the inspection activities, or, if such person is unavailable, a member of his/her hierarchical staff structure, with the task of assisting the officers in charge of the inspection activity.
- **The Manager** of the company department/function involved or, if this person is not available, a member of his/her hierarchical staff structure, must **identify a collaborator** to assist with the inspection.
- The Manager of the company department/function concerned or a person reporting directly to him/her, together with the designated collaborator, are required to accompany and assist the inspection officers throughout the inspection.
- The Manager of the company department/function concerned or a member of his/her staff structure accompanying and assisting the inspectors during the operations, also through the chosen collaborator, is responsible for drawing up a report, for internal use, detailing the activities carried out in the event that a copy of the inspection report is not issued at the time of the inspection.
- When the inspection activities are terminated, the Head of the company department/function concerned or a member of his/her hierarchical staff structure shall also submit a copy of the foregoing documents concerning the results of the inspection to the company's CEO or General Manager.

Management of authorisations, permits and licenses

In the execution of company business the application for and securing of authorisations, permits and licenses from entities connected to the local, national or foreign Public Administration is a frequent requirement.

It is thus necessary that **relations with public officials** be maintained **exclusively by corporate officers in possession of specific powers of attorney** or, alternatively, by personnel appointed by these latter by means of written mandates further to sharing of the information with the internal structure that managed the preliminary phases of the application for authorisation.

- It is **expressly prohibited** to:
 - **promise or pay sums of cash**, assets in kind or other benefits to **public officials** with the aim of promoting or favouring the interests of Group companies;
 - **adopt other forms of assistance and contributions** (sponsorships, appointments, consultancies, etc.) **having similar aims** to those prohibited by the previous point or that are (in any case) intended to gain advantages or benefits without entitlement.
- The **request for the issuance of authorisations, licenses or permits** must be **authorised by personnel in possession of adequate proxies** within the company or by a party delegated by these latter.

Management of lawsuit

If the company intends to undertake a legal action in relation to third parties or if proceedings have been initiated by third parties against the company:

- the Manager of the company department/function involved must carry out a thorough analysis of the demands to be made or claims advanced by third parties. Once the analysis is completed, the Manager of the company department/function involved informs the CEO or General Manager and together with this latter defines the method of managing the dispute.
- **Whenever necessary, the CEO or General Manager appoint an external consultant** to assist in defining the method of managing the dispute;

- The CEO or General Manager provide for the **appointment of an internal contact person**, who will normally be the Manager of the company department/function involved.
- The internal contact person assesses the possibility of undertaking negotiations aimed at achieving an amicable settlement to the dispute.
- If, because of the specific circumstances of the dispute, the internal reference person for the matters within his/her sphere of competence does not deem it appropriate to proceed with a negotiated settlement, or if such a settlement is not possible, or if an attempt in this direction has already been made with negative results, the CEO or the General Manager will appoint an external consultant to manage the litigation jointly until it is concluded.

4.7. Intermediaries and appointments of third party consultants

For relationships of intermediary and appointments of third party consultants, these Guidelines make reference to all professional services having intellectual content of any type, including the following, without limitation:

- agents for the sale of products or services;
- commercial brokerage activities;
- commercial consultancy and intermediary with customers;
- legal and tax advisory services;
- accounting, labour law, administrative and organisational advisory services;
- intermediary for compliance with customs regulations;
- insurance brokerage activities.

Interpump Group could be held responsible for corrupt behaviours carried out by any entity or third party that acts in the name of and on behalf of the Group companies. Therefore, relations with intermediaries and third party consultants must be characterised by their compliance with the principles set down in the Group's Code of Ethics and in these Guidelines.

Counterparty trustworthiness evaluation

Professional services connected with **agents** for the sale of products or services, activities of **business brokerage, commercial consultancy and intermediary** with customers, **external legal or tax representation services required by the law in certain countries**, must be supported by an evaluation, to be conducted before signing any contracts, concerning the attributes of trustworthiness, professionalism, and integrity of the counterparty. The Manager of the department/function requesting the professional service must:

- **ascertain**, by means of official documents, the **identity** of the intermediary and the name of the company for which the intermediary is conducting his/her activities;
- where possible, **find the name of the partners** and the percentage interest of said partners in the share capital of the organisation for which the intermediary works;
- **define the nature of the service** required and the countries in which said service will be provided;
- **define the duration of the required intermediary service** and the terms of payment of the fees, which must be formally defined in the contract;
- assess whether **the fees payable for the intermediary service required are significantly different from the fees for similar services requested by the company in previous periods or with respect to the standards in the country** in which the service is requested (where possible, make a cost-effective and technical/professional choice of the counterparty by means of comparison with one or more offers for the same service from other selected professionals);
- **obtain a written and countersigned declaration** by the intermediary or by a manager/director of the firm for which the intermediary works, wherein it is declared that said parties:
 - **do not currently hold a position of responsibility** (e.g. director, manager, shareholder, etc.) **within a Related Party** of an **Interpump Group** company;
 - **do not current hold** or have not held in the past two years, a **role of responsibility** within **public administrations or bodies** or on behalf of parties connected to them.

Management of commercial intermediaries or consultancy service

With reference to **all consultancy services** with intellectual contents of any type, Group companies must comply with the following measures in the management of relations with third party intermediaries and professionals in order to implement a counterparty selection and qualification process to check the reputation in terms of trustworthiness and professional integrity.

- The Manager of the department/function requiring the intermediary activity of professional service, submits the **contract, entered into in writing** with the counterparty, for signing by parties having adequate proxies or authorisation powers.
- **The terms** of invoicing and **payment conditions** must be addressed exclusively in favour of the counterparty and in **the counterparty's country of residence** (derogations from residency rule can be granted due to exceptional geopolitical causes, on receipt of authorisation from the CEO or the General Manager). **Payments in cash** or payments to **numbered bank accounts are not permitted.**
- Contracts and written agreements must contain a **contractual clause of compliance** with the **Group Code of Ethics**, in which the counterparty "declares it has received and read the Code of Ethics and understood its contents, and that it intends to comply with the principles and rules of conduct set down therein, recognising the responsibilities associated with the violation of said principles and rules."
- The counterparty must supply a **written and countersigned declaration** wherein at least the following matters are certified:
 - **possession of all the attributes of integrity and professionalism**, i.e. to not be incapacitated, disqualified, bankrupt, or convicted with a sentence that calls for disqualification, also temporary, from holding public offices or the incapacity to perform management roles in legal entities and companies;
 - **no convictions with sentence** (especially in final judgment) or with a sentence for application of the penalty at the parties' request (plea bargaining) for any of the offences in law relating to corruption;
 - **absence of criminal convictions or other penalties in foreign countries** for matters associated with corruption offences.
- On terminating the assignment, the Manager of the requesting Department/function will perform the substantive checks, i.e. ascertain that the service rendered corresponds to the matters defined in the letter of appointment.

5. Reporting and whistleblowing

Any whatsoever suspected or known violation of these Guidelines or of the anti-corruption laws in force in the Countries in which the Interpump Group operates, and any direct or indirect request by a Public Official or a private party, for payments (including Facilitation Payments), gifts, travel, meals, or entertainment expenses that violate the provisions set down in these Guidelines, must be reported immediately using the dedicated channels as defined in the Group Whistleblowing Procedure.

6. Disciplinary measures and contractual provisions

The Interpump Group is committed to prevent conducts in violation of Anti-Corruption Laws and of the provisions set down in these Guidelines. The Interpump Group will adopt adequate disciplinary measures in relation to any employees or collaborators of the Group companies, in compliance with the applicable collective bargaining contracts and national regulations, whose conduct (i) violates Anti-Corruption Laws or the provisions set down in these Guidelines, and/or (ii) who unreasonably fail to disclose or report any such violations or who threaten or adopt reprisals against whosoever reports any violations.

The Interpump Group will adopt adequate measures, including, without limitation, termination of the contract and a claim for compensation for damage made to the contractual counterparties whose conduct violates Anti-Corruption Laws or Guidelines.

7. Bookkeeping and internal controls

The Group companies must guarantee correct bookkeeping and the adoption of effective control systems in compliance with the matters regulated by section 3 of the Code of Ethics.

For the purposes of these Guidelines, the payments made and transactions performed by Interpump Group companies must be accurately recorded in the general ledger and accounting registers, in such a way that the accounts accurately reflect the transactions and uses of assets, in a proper and truthful manner. Said principle is applicable to all transactions and expenses, whether or not of significance from the accounting perspective.

8. Staff Training

The employees and collaborators of Interpump Group must be informed and trained in relation to the importance of compliance with the law concerning corruption and the rules set down in these Guidelines. Specifically, the employees and collaborators who are most exposed to risk of corruption offences will receive a copy of these Guidelines; moreover, the Group Compliance Department will set up periodic training sessions in relation to the principles and measures contained in these Guidelines.