



CORPORATE GOVERNANCE

MANUAL

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1. Foreword

The term *Corporate Governance* means the set of rules and procedures concerning the organisation, management and control of a company. In recent years, the relevance and importance of these systems has increased due to:

- the development of stock markets and connected regulations, these being the Self-disciplinary Code of Borsa Italiana and Consob regulations and communications, which protect the interests of all corporate stakeholders, minority shareholders in particular;
- the introduction, under Legislative Decree n. 231/2001, of *organisations and management models capable of preventing offences of that kind* (article 6 of the above Decree).

Within the sphere of the initiatives taken to create maximum value for its shareholders, Alerion Clean Power S.p.A. (hereinafter known as

For this reason and according to its corporate policies, the Board of Directors of Alerion has adopted a **Corporate governance and control model** – though voluntary and not mandatory – based on principles and rules allowing the company to:

- adopt the recommendations contained in the Self-Disciplinary Code of the Italian Stock Exchange and the principles of international governance and best practice in order to assure management reliability and a fair balance between its powers and the interests of the Shareholders and other stakeholders;
- reasonably prevent potential offences as per Legislative Decree no. 231/2001 and thus enjoy exemption from the company's administrative responsibility as per article 6 of the above Decree

To this end, in its deliberation of 13th September 2004, as amended on 31st March 2006, the Board of Directors of Alerion adopted this document comprising: (i) the working guidelines of the Company's Model of Governance, indicated in **Section I (Self-Disciplinary Code)**; (ii) the reference rules and principles specifically established to satisfy the requirements of the Decree, indicated in **Section II (Organisational Model as per Legislative Decree n.**

After adoption of this document, the Board of Directors of Alerion is responsible for updating its contents and making all and any major amendments and additions.

Section 1: Self-Disciplinary Code of Alerion Clean Power S.p.A.

2.1 Purpose and scope of Code

Alerion is fully aware of the need to organise its internal structure and relationships with parties directly and indirectly involved in corporate activities, according to rules that can ensure management reliability and a fair balance between its power and the shareholders' interests in particular, and the stakeholders' interests in general.

To this end, Alerion has adopted, through its Board of Directors, this Self-disciplinary Code which sets out to univocally define the roles of management and execution of corporate strategies, identify the relative powers and responsibilities, as well as the methods of controlling and communicating the performance of its activities. In particular, this Code subordinately integrates the Company's Articles of Association and the set of applicable rules with reference to the duties and functions of Alerion's corporate bodies.

All Alerion's corporate bodies, employees and consultants must observe this Code, where applicable, it being understood that it is adopted as a self-disciplinary code of Alerion's Board of Directors and may therefore be modified at any time by means of a board deliberation.

2.2 General principles

Alerion and its Bodies perform their activities, also with respect to the Group's companies, according to the principles of fair corporate and entrepreneurial management, as well as the principles of self-discipline of Borsa Italiana and those included in the Alerion Group Code of Conduct.

2.3 Company organization

In compliance with Italian legislation governing listed companies, Alerion's organisation features:

- a Board of Directors responsible for corporate management;
- A Board of Auditors, required to: (i) supervise observance of the law and the articles of association, as well as the principles of fair management in performing corporate activities; (ii) control the adequacy of the organising structure, internal control and the administrative-accounting system of the Company;
- The Shareholders' meeting, which may deliberate (both in ordinary and extraordinary sessions) upon the appointment and revocation of the members of the Board of Directors and of the Board of Auditors, and their relative remuneration and responsibilities, approval of the financial

statements and the distribution of profits and modifications to the Corporate Articles of Association.

A specialist company, expressly appointed by the Shareholders' meeting, is responsible for external auditing.

2.4 Board of Directors

2.4.1 Role of the Board of Directors

Alerion's Board of Directors is the main body of Alerion's Corporate Governance system. It has the power and duty to manage the company, pursuing the objective of value creation for shareholders. To this end, it takes all the decisions necessary or useful to achieve the corporate purpose

The Board of Directors is organised and operates in order to assure effective and efficient performance of its functions.

2.4.2 Powers of the Board of Directors

The Board of Directors of Alerion has the general power of guidance and control with respect to the Company's activities and the running of the business. In particular:

- a) it analyses and approves the strategic, industrial and financial plans of the Company and the Group, bearing in mind the expertise and information received from the Executive Committee and Directors delegated for this purpose;
- b) it assigns and revokes the delegated powers of Directors and the Executive Committee, specifying the limits thereto, the manner of exercising them and the frequency with which the delegated bodies must report to the Board on the activity performed in the exercise of the powers delegated to them;
- c) it appoints the Chairmen and Managing Directors of strategic important subsidiaries;
- d) after examining the special Committee's proposals and consulting the Board of Auditors, it determines the remuneration of the Directors with particular offices, as well as, if the Meeting has not deliberated, the division of the global compensation due to the members of the Board and the Executive Committee;
- e) it examines and approves important ordinary and extraordinary business, investment and financial transactions, especially if they are performed with related parties or feature a potential conflict of interest. In particular, each ordinary and extraordinary transaction amounting to 10 million euros or less is approved if it pertains to the Company, or it is assessed in advance by the Board of Directors if it concerns the Group's subsidiaries;

- f) it supervises the general management trend, especially as concerns conflicts of interest, bearing in mind the information received from the Directors with proxies, the Executive Committee, the Internal Control Committee and the Supervisory Body pursuant to Legislative Decree 231/2001, as well as periodically comparing results against budget;
- g) it verifies the adequacy of the organising and corporate structure approved by the Executive Committee, as well as the adequacy of the general administrative structure of the Company and the Group;
- h) it adopts the Code of Conduct, the Code of Self-discipline and the Organisation, Management and Control Model of the Company pursuant to Legislative Decree 231/2001, and makes the main modifications and addition and their extension to the Group's subsidiaries, if deemed appropriate;
- i) it appoints the supervision Body pursuant to Legislative Decree 231/2001;
- j) it examines and approves (also by means of subsequent ratifications) the sponsorships, donations, contributions and gifts made by the Company, also via its subsidiaries;
- k) it assesses and approves the documentation of periodic statement as per current rules;
- l) it exercises the other powers allocated to it by the law and the articles of association;
- m) it reports to the Shareholders' Meeting, through its Chairman

2.4.3 Composition of the Board of Directors

The Board of Directors comprises executive directors (meaning the directors enjoying permanent delegated powers, including the Chairman, and any Directors performing executive functions within the Company) and non-executive directors.

Non-executive directors bring their specific expertise to board discussions, contributing to the taking of decisions that are in the interests of the company. The number and standing of the non-executive directors ensure that their opinions carry significant weight in the taking of board decisions.

Within its sphere of competence, the Board of Directors ensures that an adequate number of non-executive directors are independent Directors, by this meaning that they:

- a) do not entertain, whether directly, indirectly or on behalf of third parties, nor have they recently had any relationship with the Company, its subsidiaries, its executive directors, or the stockholder or group of stockholders that control the Company, of such significance that their independence of judgement might be impaired;

- b) do not hold a quantity of shares, whether directly or indirectly or on behalf of third parties, that enables them to control the Company or participate in stockholders' agreements regarding the control of the Company;
- c) are not close relatives of executive directors of the company, or of subjects experiencing the situations indicated in the previous letters a) and b), above.

Close relatives are deemed to be spouses who are not legally separated, relatives and persons related by affinity to the second degree.

In order to assess a director's independence, therefore, the following relationships are considered: on the one hand, the Director, his/her close family, associated professional studios of which the Director is a partner, the companies controlled, either directly or indirectly, by the Director or his/her family, the companies of which these persons are managers or directors; on the other hand, Alerion Clean Power S.p.A., the shareholders who either, directly or indirectly, control it, its executive directors or the companies controlled, either directly or indirectly, by these persons.

Relationships are not deemed relevant if closed pursuant to market conditions and if not able to influence the autonomous judgement of the Directors involved. In all cases, however, relevant business relationships are:

- a) trade relationships entertained in the last two financial years which cumulatively exceed 5% of the consolidated turnover of the supplier or beneficiary;
- b) professional services rendered in the last two financial years which cumulatively exceed 10% of the Director's income or 200.000 euros;
- c) any employment relationship or executive director positions held in the previous two years, regardless of the remuneration received.

When filing the proposal of appointment as Director, the personal and professional curriculum vitae of each candidate is accompanied by information concerning their suitability to be qualified as independent. Once a year, when the draft financial statements are approved, each Director qualified as independent declares to the Board of Directors as to whether his/her independence requirements persist or not. Each Director promptly communicates to the Board of Directors the commencement or termination of one of the above situations that could affect his/her independence.

Considering the information provided by the interested parties, the Board of Directors collectively evaluates the independence of each Director, takes note of any changes and promptly informs the market.

2.4.4 Appointment of Directors

When appointing Directors, the proposing shareholders file the curriculum vitae of each candidate at the company's registered office at least five days prior to the Meeting.

2.4.5 Meetings of the Board of Directors

Save statutory provisions, the Board of Directors meets on a regular basis, at least once every quarter, and in any case whenever the Chairman deems it necessary or appropriate. It also meets on the initiative of Directors and Auditors, according to law and the articles of association.

Board meetings are chaired by the Chairman who is assisted by the Secretary of the Board of Directors.

Each Director may propose agenda items for subsequent Board meetings. During meetings, each Director may also propose items that are not on the agenda, the majority of the Board assessing the possibility of deliberating in the absence of preliminary examination.

With the agreement of the participants, the Board can invite non-members to attend the meetings in order to provide supporting functions

2.5 Chairman of the Board of Directors

Save statutory provisions, the Chairman of the Board of Directors, also through the Secretary of the Board, calls Board meetings, draws up the agenda and chairs the relative meetings.

The Chairman is responsible for assuring adequate information flows between the management and the Board of Directors, in order to guarantee the completeness of the information according to which the Board deliberates exercises its powers of management, guidance and control of the activities of Company and of the Group.

For this purpose, when preparing for the meetings, the Chairman communicates the agenda to the Directors and Auditors in advance, together with the documentation, also in more than one despatch, required to allow them to effectively and knowledgeably participate in the work of the Board, unless unforeseen needs or urgency require the preventive information to be limited.

In particular, in order to assure the necessary balance between confidentiality requirements and informed participation on the work of the Board, the Chairman classifies the documentation as follows:

- a) documents that can be copied to individual Directors and Auditors prior to the Board Meeting, generally at the same time as it is called and, in any case, at least three days in advance;

- b) documents that are made available to the Directors and Auditors for consultation at company headquarters, without the possibility of making copies, between the date the meeting is called and the date on which it is held;
- c) documents that are delivered or illustrated to the Directors and Auditors during the meeting.

For the purposes of the above classification, the Chairman co-ordinates with the ACP Corporate Secretarial Manager and considers: (i) the possible risk of prejudice for the company if the information is disclosed, (ii) the contents of arts. 114 and 180 of Legislative Decree 58/1998 and relative implementation regulations, (iii) any indications received from the public control bodies on issuing companies and regulatory markets (Consob and Borsa Italiana).

2.6 Executive Committee

In conformity with statutory provisions, the Board of Directors can appoint an Executive Committee of three to seven members from among its members. At least one member of the Executive Committee must be chosen from among the independent directors.

The Board of Directors delegates ordinary and extraordinary decision-making powers to the Executive Committee and defines their limits of use. The Executive Committee refers to the Board of Directors concerning the activities performed under these powers, as indicated in paragraph 9 below.

In any case, the appointment of an Executive Committee does not reduce the tasks of the Board of Directors pursuant to paragraphs 4.1.

The Executive Committee meets whenever the Chairman, or who for him/her, deems it suitable. It also meets on the initiative of Directors and Auditors, according to law.

2.7 Remuneration Committee

Consistently with the recommendations of the Code of Self-regulation of Borsa Italiana S.p.A., the Board of Directors of Alerion Clean Power S.p.A. has established an internal Remuneration and Stock Option or Share Allocation Plans Committee, comprising the three members, including at least two non-executive directors (see the appointment made under board decision of 27th July 2004).

The Remuneration and Stock Option Plans Committee:

- elects its Chairman from among its members;
- draws up its own internal operating regulations;
- meets when called by the Chairman or his/her substitute;
- deliberates unanimously.

Any Committee members with a personal interest in any issue under deliberation must inform the Committee and abstain from the deliberation.

The Committee has the following tasks:

- to make proposals to the Board, in the absence of the interested parties, for the remuneration of Directors holding particular offices, normally envisaging that part of the overall remuneration be linked to the business results achieved by the Company and by the Group and, possibly, to the reaching of specific objectives that must be indicated in advance;
- when requested by the Chairman, to formulate proposals for determining the criteria for remunerating the Senior Management of the Company and for adopting any stock option or share allocation plans.

2.8 Duties of Directors

Directors:

- bring their specific expertise to the Company;
- know the duties and responsibilities of their office;
- dedicate sufficient time to their office;
- act and deliberate with adequate professional diligence in relation to the Company's activity, with cognition of facts, independently and knowledgeably, pursuing the objective of value creation for the Shareholders;
- treat the information acquired as a result of their duties as confidential.

Pursuant to the above duties, the directors shall accept the directorship when they deem that they can devote the necessary time to the diligent performance of their duties, also taking into account the number of offices held as director or auditor in other companies listed on regulated markets, including foreign markets, in financial companies, banks, insurance companies or companies of a considerably large size.

Every year, the Board of Directors surveys and indicates the offices of director and auditor covered by the Directors in the above companies in its management report.

2.9 Reporting to the Board of Directors

The Executive Committee, through its Chairman and/or Directors with proxies, informs the Board of Directors, during its next meeting, of the activities performed while exercising their proxies and the most important economic, financial and asset transactions carried out. In particular, they report on transactions with possible conflict of interest, atypical and unusual transactions, and transactions with related parties, as defined in the company procedures.

In particular, as regards the most important transactions (including transactions with possible conflict of interest, atypical and unusual transactions, and transactions with related parties, the approval of which is not reserved to the Board of Directors), the Executive Committee and the Directors with proxies report to the Board concerning: (i) the characteristics of the transaction; (ii) the subjects involved and any relations they may have with Group Companies; (iii) the methods used to determine the relative prices; (iv) the relative economic and asset effects.

As established in paragraph 5 above, the Chairman is responsible for assuring adequate information disclosures between the Executive Committee and the Board of Directors. The Chairman also ensures that the Executive Committee and the Board of Directors receive sufficient information to allow them to formally deliberate and, in general, manage, guide and control the activities of the Company and the Group.

The Board of Directors can ask the Chairman or Directors with proxies of subsidiaries to report on the activities of their companies in order to improve awareness when making strategic decisions concerning the Group.

Lastly, the Chairman and Directors with proxies inform the Board about the main legislative and regulatory development concerning the Company and the Corporate Bodies.

2.10 Management of confidential information and Insider Dealing

Confidential information is managed by a specifically appointed Director according to the procedure for the internal handling and disclosure to third parties of documents and information concerning the Company, especially as concerns inside information (as defined in art. 181, para 1 of the Consolidated Financial Act).

This procedure defines the operative methods for managing and handling all confidential information, especially as concerns the methods of disclosing inside documents and information concerning the Group to third parties, with a view to preventing selective, untimely, incomplete and unsuitable external disclosures (such as those made in advance to shareholders, journalists and analysts).

The Company has also adopted a Code of Conduct governing Insider Dealing in order to assure it correctly fulfils the obligations of notification required by art. 114 para 7 of Legislative Decree 58/9811 and arts. 152-sexies to 152-octies of the In particular, this legally-binding Code governs the obligations of disclosure and any limitations concerning operations performed on the financial instruments of Alerion Clean Power S.p.A. by subjects known as

The Members of the Corporate Bodies are required to treat the information and documents acquired whilst performing their duties as confidential, and to observe the procedures indicated in this paragraph.

2.11 Internal Control

2.11.1 Purpose of the internal control system

The internal control system of the company and its subsidiaries is the set of rules, procedures, and organisational structures that assure, with reasonable certainty, achievement of the following objectives:

- efficiency of corporate and entrepreneurial management;
- completeness, reliability and timeliness of accounting and management information;
- observance of laws and mandatory regulations
- safeguard of corporate integrity, including the prevention of fraud against the Company and the financial markets.

For this reason, internal control is an essential element of the *Corporate Governance* of a listed issuer. It sets out to suitably protect the market and all subjects coming into contact for any reason with the company.

Internal control neither overlaps nor interacts with the decision-making processes of the company as it exclusively concerns their

2.11.2 Responsibilities of the internal control system

Within Clean Power S.p.A., responsibilities are defined as follows.

1. The Board of Directors is ultimately responsible for the internal control system. In particular, the Board defines the internal control guidelines, as indicated in this paragraph (and relative subparagraphs) and ensures it performed correctly with reference to corporate risk management, making use of the Internal Control function and its relative manager.

2. According to the guidelines defined by the Board, senior management defines the tools and methods of implementing the internal control system and assure its overall adequacy, its true functionality, and its adjustment to changes in operating conditions and legislative and regulatory modifications. Senior management appoints an Internal Control function with relative manager to carry out these responsibilities.

3. The Board of Directors appoints the Company's Internal Control Manager, who is responsible to assisting the Board and senior management to plan and manage the internal control system of the Company and the Group. In particular, the Internal Control Manager must:
 - ensure internal and external rules are observed;

 - carry out monitoring activities (as more clearly defined below) by obtaining from the operating managers all the information required to assess the adequacy of the corporate organisational structures, procedures and methods, and identify any opportunities for improvement;

 - ensure the penalties provided for by the internal rules are applied if they are breached.

The supervisory activities of the Internal Control Manager involve assessing the capacity of the internal control system, that is, its reference terms (see para 11.3), to reasonably ensure that the organisation can achieve its established objectives. The adequacy of the internal control system is assessed by both gathering information from operative management and considering the results of the sample searches performed by the Manager within the sphere of his/her activities.

The Internal Control Manager is self-organised and can make use of the Company and Group's standard structures or external consultants to perform his/her tasks.

The Internal Control Manager reports directly to the Board of Directors and – whenever he/she deems fit and at least once a quarter – illustrates his/her work to the Internal Control Committee and the Board of Auditors.

Depending on the development of the Group structure, the Board of Directors will decide whether to appoint the Internal Control Managers in individual companies of the Group, and define the rules for reporting to the Manager of the Parent Company.

4. The Internal Control Committee, constituted within the Board of Directors and acting as a knowledge, information and guidance link between the members of the Board, and the Board of Auditors examine and assess, together with senior management, the reports and

communications from the Manager to the Internal Control department, and reports to the Board accordingly.

5. Lastly, the correct working of the control system is guaranteed by:

- All the Company and Group employees and collaborators, according to their duties in the company, as self-regulating subjects who are encouraged and supported by the organisation and its rules;
- The Company and Group managers, since they are responsible for the objectives to achieve and for performing their management, guidance and supervising duties.

2.11.3 Control system and terms of reference

The internal control system is based on a control environment whose terms of reference are the documents that are continuously produced and updated by the company to define rules of conduct and work, the allocation of tasks and responsibilities, objectives and performance evaluation methods.

Therefore, the terms of reference for the internal control system of the Company and Group are:

- The Code of Ethics and Conduct;
- the principles of *Corporate Governance* and the Organisational Model as per Legislative Decree 231/2001 adopted by the Board of Directors;
- the system of proxies and powers to sign company acts;
- the organisational provisions and coded corporate procedures;
- the administrative, accounting, financing and reporting system of the Company and the Group.

2.11.4 Control and monitoring activities

Control activities are performed to ensure that the rules and procedures governing the internal control system are effectively applied and that people work to achieve the established objectives. These are:

- line (or preventive) activities, i.e.: entrusted to individual employees, collaborators or company managers in the sphere of their activities and responsibilities
- inspection (or subsequent) activities, i.e.: performed by the Internal Control Manager by means of random controls aiming to ensure the internal and external rules are correctly applied.

Monitoring activities are performed to assess the capacity of the internal control system, i.e.: its reference terms, and offer reasonable assurances that the organisation can achieve its established objectives. These are performed by the Internal Control Manager. The adequacy of the internal control system is assessed, apart from collecting information from operating managers, by considering the results of the random controls performed by the Internal Control Manager in the sphere of his/her inspection activities.

2.11.5 Information and communication

Every person in the organisation involved in the correct operation of the internal control system is put in a position to receive the information required to allow him/her to carry out his/her tasks and responsibilities.

Communication within the organisation is guaranteed by the following information flows:

- information from management to Employees concerning corporate objectives, the roles of the business units they belong to, their tasks and responsibilities, and the identification, assessment and classification of risks;
- information from Employees to management – or directly to the Internal Control Manager/Committee in case of breach of the Code of Ethics and Conduct – concerning any anomalies found, the action taken to eliminate them and the suitability of the processes used to achieve objectives;
- periodic reports from the Internal Control Manager to the Internal Control Committee and to the Board of Auditors concerning any shortcomings or improvement needs found in the processes, the action taken to assess the adequacy of the internal control system, and that taken to constantly update and improve it.

2.12 Internal Control Committee

The Board of Auditors establishes an Internal Control Committee with advisory and indicative tasks, comprising three non-executive directors, the majority of which are independent.

The Chairman of the Board of Statutory Auditors, or another Statutory Auditor who may be appointed from time to time, participates in the work of the Committee. The Chairman of the Board of Directors or another Executive Director may also participate whenever deemed necessary or appropriate in relation to the issues being considered and to the identification of adequate solutions to critical or potentially critical situations.

The Internal Control Committee

- elects its Chairman from among its members;
- draws up its own internal operating regulations;
- meets when called by the Chairman or his/her substitute;
- deliberates by majority voting.

Any Committee members with a personal interest in any issue under deliberation must inform the Committee and abstain from the deliberation.

Information concerning the deliberations must be made available to the Board of Directors during the first useful meeting. Said deliberations are of a merely advisory and indicative nature and are in no way binding on the Board of Directors.

The Committee, partly on the basis of the information received from the Internal Control Manager as per paragraph 11.2:

- a) assists the Board of Directors to perform its tasks as per the previous paragraph 11.2;
- b) assesses the work plan and activities performed by the Internal Control Manager and the Internal Control Department;
- c) together with the Company and Group administrative director and the independent firm of auditors, assesses the suitability and homogeneity of the accounting standards used to draw up the consolidated financial statements
- d) assesses the proposals formulated for appointing the independent auditor, as well as the reports and letter of suggestions issued by the independent firm of auditors appointed to perform this activity;
- e) sends a brief written report to the Board of Directors, at least upon approval of the annual and interim financial statements, concerning the activities performed and the adequacy of the internal control system;
- f) performs any additional tasks attributed by the Board of Directors, particularly as regards relations with the independent firm of auditors.

The Committee also supervises the observance and periodical updating of the Code of Ethics and Conduct, and the rules of *Corporate Governance* and the Organisational Model pursuant to Legislative Decree 231/2001 (for the purposes of the latter, acting as Supervisory Body, as more fully defined in Session 2 of this Manual of Governance).

Section 2: Principles of the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001

INTRODUCTION

Legislative Decree 231/2001 introduced corporate administrative responsibility concerning some types of crime¹ committed for the interest or profit of a company by its staff. This responsibility does not substitute the penal responsibility of the natural person who committed the offence but adds to it.

This new system of responsibility sets out to involve the assets of the bodies that were advantaged by certain criminal offences in the punishment of said offences. A monetary penalty is always applied for these offences and, in the most serious cases, further major interdiction measures, such as the interruption or suspension of licenses and concessions, the ban on contracting with the Public Administration, the exclusion or revocation of loans and contents, the ban on advertising goods and services, as well as the external administration of the body.

Pursuant to Art. 5 of the Decree, It is not liable if the perpetrators of the Crime acted exclusively in their own interest or in that of third parties. Moreover, again pursuant to Art. 5 of the Decree, these acts must be performed:

- by individuals who are representatives, directors or managers of the company or of one of its organisational units enjoying financial and functional independence, or by individuals who are responsible for managing or controlling the company (Senior Management);
- by individuals who are managed or supervised by one of the individuals described in letter a) above.

The specific guilt of the company occurs when the crime committed by one of its subjects or by one of its employees is part of an entrepreneurial decision, that is, when it is a consequence of the fact that the company does not have a Model of Organisation, Management and Control suitable for preventing such crimes, or if supervision by the bodies with supervisory powers was omitted or insufficient.

¹ the current scope of Legislative Decree 231/2001 comprises:

- a) crimes against the Public Administration and the public trust
- b) corporate crimes
- c) crimes connected with the subversion of the democratic order and terrorist financing
- d) crimes against personality
- e) market abuse (
- f) crimes against the person as per Law 7/2006
- g) international crime
- h) involuntary manslaughter and serious or very serious accidental injuries in breach of laws and regulations on prevention of occupational injuries and health and safety in workplaces
- i) acquiring, receiving, laundering and using money, goods or assets of unlawful origin
- l) crimes against trade and industry
- m) computer crime and unlawful data handling
- n) copyright crime

Art. 6 of the Decree establishes that the Company is not held liable if it can demonstrate that prior to the commission of the crime, it adopted and effectively implemented a Model of organisation management and control suitable for preventing such crimes.

The same law also envisages the establishment of an internal control body within the company with the task of monitoring the functioning, effectiveness and observance of the above Model, as well as of updating it?.

As mentioned above, an indispensable requirement before the company can claim exemption of liability due to the adoption of the Model is that it be effectively implemented.

If the crime is committed by persons subject to the management or supervision of senior management, the company will only be liable for the crime if there is a shortcoming in the obligations of management and supervision. This shortcoming will be excluded if the company adopts the Model.

Structure of Model

Model 231 of Alerion incorporates the following structure:

- Chapter 1: Legislative Decree and Confindustria Guidelines
- Chapter 2: Responsibilities for the approval, introduction, integration and implementation of the Model
- Chapter 3: Model 231
 - aims and purposes
 - features
 - assessment of Model
 - updating and construction
 - amendments and additions
 - application in Group companies
- Chapter 4: Map of crime-risk activities
- Chapter 5: Code of Ethics and Conduct
- Chapter 6: Survey of sensitive processes
- Chapter 7: Employee training and information
- Chapter 8: Information to third parties
- Chapter 9: Disciplinary system guidelines
 - sanctions for employees
 - sanctions for directors
 - sanctions for directors, auditors and the external auditor
 - sanctions for members of the Supervisory Body
 - measures towards suppliers and third parties
- Chapter 10: Supervisory Body
 - identification and placement
 - term, expiry, replacement
 - meetings and calling rules

- functions and powers
- reports and notifications
- collecting and filing information
- registers of the Supervisory Body

- Chapter 11: Crime-risk analysis

With the following annexes:

- Annex 1
- Annex 2
- Annex 3
- Annex 4

Organisational models must satisfy the need to:

- identify those Activities incorporating a crime risk;
- implement specific crime-prevention controls;
- identify the methods for managing the financial resources allocated to crime prevention;
- define obligations concerning reporting to the body appointed to supervise the functioning of and compliance with the models;
- introduce an internal system of rules and regulations to punish failure to comply with the measures indicated in the Model.

In short, for crimes committed by Senior Management, the company is not responsible if it can prove that:

- the managing body has effectively adopted an Organisation, Management and Control Model in order to prevent offences;
- the task of supervising the functioning and observance of the Model and its amendment has been assigned to a company body with its own powers of initiative and control;
- the supervisory body was not negligent or ineffective in the performance of its duties;
- the persons committed the offence by fraudulently eluding the Model

Adoption of the Model

Though the adoption of the Model is optional and not mandatory, Alerion has decided to adopt it as it is aware that this system is an opportunity for strengthening its Corporate Governance and for Improving the conditions of correctness and transparency in the performance of its business and corporate activities. By doing so, Alerion intends to safeguard its position and image and that of its Subsidiaries, consistently with the principles declared in the Code of Ethics and Conduct and in the conduct of corporate governance. This version strengthens these convictions and is deemed consistent with its corporate policies and in line with the contents of Decree 231/2001 and Confindustria Guidelines.

The adoption and effective implementation of the Model are the responsibility and emanation of Senior Management. The Board of Directors has the responsibility and power to approve, integrate and modify, by means of a special deliberation, the principles set forth and the Model itself, also following a direct request of the Supervisory Body. The Board of Directors is responsible for taking action to implement the Model, assessing and approving the actions required to implement the fundamental elements of the same. To identify such actions, it may also make use of the support and reports of the Supervisory Body.

The Board of Directors must also guarantee the implementation and effective respect of the Protocols in the To do so it uses:

- the managers of the various organisational structures of the Company in relation to the activities at risk of crime they perform;
- the Supervisory Body which has independent powers of initiative and control concerning activities at risk of crime.

3. CODE OF ETHICS and CONDUCT

3.1 INTRODUCTION

ALERION CLEANPOWER S.p.A. (hereinafter referred to as

ALERION's role on the national and international market and the nature and importance of its activities imply that all ALERION's employees and people operating on its behalf, work loyally, seriously, honestly, competently and clearly, observe the laws, market rules, and the inspiring principles of fair competition, and are respectful of the legitimate interests and expectations of customers, suppliers, shareholders and all who come into contact with the company.

In order to correctly develop the relationships inside and outside the Company and the Group, ALERION's managers, employees and collaborators must share its cultural, technical, operative and ethical values in order to achieve the indicated aims, each within the sphere of their own functions and responsibilities, and respect the functions and responsibilities of other people.

Due to these reasons, ALERION has deemed it suitable to clearly define the values that the Company recognises, accepts and shares, as well the set of rules and principles of conduct that, ever since the company was established, it has used towards its employees and third parties who, more generally, characterize company activities.

These principles are contained in this Code of Ethics and Conduct (hereinafter known as the All ALERION employees must apply its principles and rules when performing their tasks and professional responsibilities.

ALERION supervises the observance of the Code using adequate procedures, communication tools, preventive controls and, if required, corrective action.

3.2 GENERAL PRINCIPLES, SCOPE AND RECIPIENTS OF THE CODE

Alerion draws its inspiration and derives its own models of conduct from values such as compliance with the law, transparency, fairness, professional commitment and moral uprightness, in order to increase value for its shareholders and develop the know-how and professionalism of its human resources. In particular, the conviction of somehow acting to the company's advantage does not justify conduct in contrast with the above principles.

Therefore, ALERION's directors, employees and all its collaborators in general, without distinction or exceptions (hereinafter known as the

Said commitment justifies and requires that all entities working with the company must observe the same rules and values when working with the company. In no case can an action taken to the advantage of or in the interest of ALERION be justified if it conflicts with the principles and conduct illustrated in the Code.

ALERION undertakes to adopt a system of governance that is consistent with international directives and standards, that allows it to manage and govern the complexities of the situations in which it operates that constantly allows it to guarantee an active and proactive role in the challenges of sustainable development.

In the sphere of its activities, ALERION is inspired by principles such as the safeguard of human, civil, social, cultural and economic rights, a rejects any sort of discrimination and corruption. All the actions, operations and transactions referable to ALERION must be performed and pursued in full observance of the law, fairness and the principles of fair competition; they must be honestly managed, aspire towards complete and transparent information, and be supported by documentation, verified and controlled.

Any relationship with the Authorities must be based on full transparency and co-operation, in full observance of their institutional functions.

To promote the respect of its values, the Code is brought to the knowledge of all the Recipients and to all Alerion's regular business partners.

The Code of Ethics applies to the parent company, ALERION CLEAN POWER, and is adopted by all the subsidiaries and associated companies as a full and effective part of corporate governance.

ALERION requests and expects all its subsidiaries and associated companies to behave consistently with the principles of this Code.

3.3 RELATIONS with STAKEHOLDERS

3.3.1 Ethics and Transparency

All the activities, projects and business transactions performed by ALERION are based on the principles of transparency, fairness and loyalty regardless of their importance and significance.

Each action is performed with commitment and professionalism in order to safeguard the reputation and image of ALERION. The investment projects and corporate objectives set out to increase the asset, economic, management, technological and cognitive value of the company in order to grow in value and well-being for all stakeholders.

It is never acceptable to give or receive, directly or indirectly, any kind of payment or tangible or intangible benefit to third parties, government representatives, public officials, public or private employees, for the purpose of obtaining or simply influencing or remunerating an official act. Acts of commercial courtesy (gifts or forms of hospitality) are allowed provided they are of modest value and do not to compromise the integrity or reputation of the persons involved.

3.3.2 Relations with Shareholders and the Market

Consistently with the principles of transparency and fairness, ALERION has implemented a uniform system of rules and organisational structures that allow it to adapt to evolved international standards of corporate governance in order to assure maximum transparency in relations between Shareholders and Third parties in general; ALERION is aware that the capacity of drawing up in-house operating rules and implementing efficient and effective rules of behaviour is a fundamental and indispensable requirement for enhancing the reputation, reliability, trust and transparency of stakeholders.

3.3.2.1 Self-disciplinary code

The importance of Corporate Governance systems has increased in recent years as a result of the evolution of the stock market and the reference regulations, namely the Self-Disciplinary Code of Borsa Italiana and Consob rules, setting out to safeguard the interests of all company stakeholders. ALERION has decided to conform its corporate policies with a model of governance implementing and adopting the Self-disciplinary Code of Borsa Italiana.

3.3.2.2 Transparency of information, confidential information and insider dealing

ALERION assures full transparency to investors and the financial community according to criteria of true, precise and prompt disclosure of the necessary information and of all other social notifications. External communication activities are reserved to the Managing Director who makes use of the figure of the *Investor Relator* for this purpose. *Price-sensitive* information is handled and disclosed according to an internal procedure approved by the Board of Directors, in observance of the duty of confidentiality to which they are bound, in the interest of the company, employees, directors and auditors.

According to the above procedure, confidential information is all the information learned while performing working activities, the disclosure and utilisation of which can cause danger or damage to the Company and/or undue earning for the employee or collaborator.

At all times and, in particular, when stipulating and executing contracts, the duty of confidentiality must be strictly observed in relations with third parties, with the press and with subjects that are unqualified for communication.

The employees and collaborators of the Company undertake to safeguard privacy, both as regards information about other employees of the same company, and as concerns data relative to customers, suppliers, consultants, other contractors and all subjects enjoying corporate relations with them, in observance of current legislation.

All kind of exploitation, utilisation for monetary gain, or direct or indirect investment deriving from confidential company information, both of ALERION and of its subsidiaries, is against the law and, therefore, strictly forbidden.

The Company requires its directors and persons occupying executive roles or functions to abstain from operating on the financial instruments quoted by the company or by subsidiaries of ALERION for amount in excess of 5% of the company capital without giving prior notice to the Board of Directors.

ALERION has adopted, through a deliberation of its Board of Directors, a code of behaviour for the disclosure of operations performed by Relevant Persons, that is, by persons with powers of control or management of the Company or in any way having access to information concerning facts that can significantly change the economic, financial and asset prospects of the company and that, if made public, could also noticeably affect the price of the relative financial instruments.

3.3.2.3 Directors and Auditors of Subsidiaries

ALERION pursues the objective of maximising profitability, maintaining and increasing corporate value also by optimising synergies, cost-savings and activities developed between the Parent Company and the Subsidiaries, and between the Subsidiaries, in the sphere of the responsibilities and specificity of each company, consistently with current regulations and the values of this Code.

In this context, and to guarantee these synergies, ALERION submits its Code of Ethics to its Subsidiaries in order to allow them, after eventually adjusting to particular needs or situations, to formally adopt it as a management tool and an effective element of corporate governance.

As well as observing the principles of conduct incorporated in this Code when carrying out their responsibilities and functions, people holding office within the Company or subsidiaries of ALERION must assiduously participate in the meetings they are invited to attend, perform their duties with loyalty and fairness in observance of current regulations, and promote communication within the Company.

3.3.2.4 Relations with the press

External communication must follow the guiding principles of truth, fairness and transparency and must set out to promote knowledge and sharing of corporate policies, programmes and projects.

Particular attention must be paid to the external communication of documents, news and information concerning events occurring in the sphere of direct activity of ALERION that are not in the public domain. Relations with the press and the other means of communication and information must only be held by expressly appointed subjects, according the procedures adopted by the Company.

Any request for information by the press or other means of information must be communicated to the functions especially appointed for that purpose before making any commitment to respond to the request.

Relations with the mass media must be based on the respect for the above rules governing relations with public institutions. In any case, relations with the press and with the other means of mass communication must always strive to safeguard the image of ALERION.

3.4 RELATIONS with INSTITUTIONS, ASSOCIATIONS AND LOCAL COMMUNITIES

3.4.1 Relations with the Authorities, Public institutions and other collective subjects

ALERION actively co-operates with the Authorities and promotes dialogue with the Institutions and Local Communities it comes into contact with while performing its activities.

In this context, all those who, for any reason, maintain relations on behalf of ALERION with national and government authorities, with Italian and foreign public institutions, with Community or supranational institutions, as well as with other subjects representing collective interests, and with the natural persons who represent them, must operate in constant and strict observance of current law in Italy and in the country in which the relationship is held and must base their activities on maximum fairness and transparency.

In particular, consistently with the principles incorporated in this Code, in relations with representatives of the Italian or foreign Public Administrations, it is forbidden, both directly and indirectly, to:

- promise or make cash payments other than for institutional and service reasons or for different purposes;
- promise or grant gifts or gratuities, directly or indirectly, not of a modest value or exceeding normal commercial or courtesy practices or in any case aimed at obtaining favourable treatment in conducting any company activity;
- promise or grant advantages of any nature for the purpose of affecting independent judgement or obtaining any kind of advantage for the company;
- act in a misleading way that could induce the Public Administration to make errors in the technical-economic assessment of the products and services offered/supplied;
- allocate contributions, subsidies and public funding for purposes other than those for which they were obtained;
- present false and/or incomplete declarations to national or international public bodies for the purpose of obtaining public payments, contributions or subsidised funds.

ALERION has adopted a system of in-house rules and procedures in order to check the activities performed in advance and, if necessary, take corrective action to safeguard the image and reputation of ALERION.

The relations with the above subjects are exclusively reserved to the delegated functions, in respect of the hierarchic and organisational structure of the Company.

3.4.2 Trade unions and political organizations

All direct or indirect contributions made in any form to political and workers' parties, movements, committees and organisations, or to their representatives and candidates, are forbidden, except those due to specific provisions of law and in observance of the forms, methods and contents indicated therein.

3.4.3 Local Communities and No-profit activities

ALERION promotes improvements in the quality of life and in the socio-economic development of the Local Communities in which it carries out its business activities. Capacity of collaboration and dialogue are hallmarks and fundamental values for promoting profitable interaction between stakeholders.

Through its subsidiaries, ALERION also supports and promotes activities of information towards the local communities concerning the main issues of interest to them in the sphere of corporate activities and operations.

The company's support of philanthropic and no-profit operations is consistent with its inspiring values and principles. All the activities performed are suitable assessed and approved by the competent administrative body.

3.5 RELATIONS with SUPPLIERS and CUSTOMERS

ALERION searches and selects suppliers, collaborators and external consultants with the professional skills and qualifications required for the type of service involved, and is able to assure commitment and promote sharing of the principles and contents of this Code.

ALERION aims to build relationships in which quality is progressively improved in observance of the principles expressed herein and of the internal procedures of the company.

In relations concerning tenders, procurement of goods and/or services and collaboration, the staff of Alerion must:

- observe the internal procedures, using the written form, consistently with the organisational structure and exclusively basing their selection on criteria and parameters of effective assessment of quality, suitability, capacity and efficiency;
- obtain the collaboration of suppliers, collaborators and consultants in order to fully satisfy requirements concerning quality, costs and delivery times;
- observe and insist on observance of contractual conditions;
- include a clause in the contracts confirming that the Code of Ethics has been read and undertaking to observe the principles contained therein;
- report possible breaches of the Code to one's superior or to the Competent Body.

In relations with Customers, the staff of Alerion must:

- observe the internal procedures for the management of relations with Customers;
- provide the service correctly and efficiently, giving full and accurate information and communications of all kinds.

In business relations with suppliers and customers, payments, benefits and services in excess of those indicated in the contract are forbidden, both directly and indirectly, as are gifts, acts of courtesy or hospitality, unless they are of a modest nature and value or, in any case, such as not to compromise the image of the Company and not to be interpreted as attempting to obtain favourable treatment that is not determined by market rules.

3.6 HUMAN RESOURCES and EMPLOYMENT POLICY

3.6.1 Development and Safeguard of Human Resources

ALERION recognises that people are an indispensable and priority element for the Company and its development; loyalty, capacity, professionalism and dedication of management and employees are determining values and conditions for achieving corporate objectives.

For this reason ALERION is committed to the development and growth of its employees, to the achievement and expression of their potential, to the safeguard of working conditions, to the protection of their physical integrity and to the respect of their dignity.

ALERION undertakes to offer all employees the same work opportunities, in full observance of the relative legal and contractual provisions; in this context:

- the selection is performed in respect of the principles indicated in the Code, guaranteeing equal opportunities and the absence of discrimination. the acquired resources correspond to the profiles effectively required by the company, with no favouritisms or facilitations;
- human resources are developed by creating the conditions required to extend their capacities, knowledge and skills in order to assure corporate objectives are effectively achieved.

Employees are required to cultivate and solicit new skills and competences, to perform their activities in full respect of the organisational structures, maintaining an atmosphere of serenity, reciprocal respect and collaboration among colleagues, allowing the correct and ordered implementation of the internal control chain and the formation of a precise and articulated framework of responsibilities.

3.6.2 Harassment and Mobbing

ALERION aims to assure that the atmosphere in the company is constantly serene and strives to achieve general well-being; for this reason, no forms of harassment or behaviour ascribable to practices of mobbing are tolerated. The following are considered as such:

- creating an intimidating, hostile or discriminatory situation for an individual or a group of workers;
- unjustifiably interfering with and obstructing the work of other people.

Harassment and violence of a sexual nature or deriving from cultural or personal differences is forbidden. The following are considered as such:

- persuading collaborators to grant sexual or other favours due to one's position and the influence of one's role;
- subordinating important decisions for the working life of an employee to the acceptance of favours of a sexual or deriving from cultural or personal differences;
- proposing and insisting on private interpersonal relationships, despite an express and evident refusal or dislike;
- alluding to disabilities, physical or psychological impairments, and cultural, religious and sexual differences.

3.6.3 Abuse of alcohol, narcotic drugs and smoking

Concerning the need to maintain working conditions of reciprocal respect, attention is also paid to the abuse of alcoholic substances, narcotic drugs and similar substances during working hours. The

assumption of these substances is deemed detrimental to the maintenance of a serene atmosphere and respect for the feelings of other people.

It is forbidden to keep, consume, offer or transfer, for any reason, narcotic drugs or similar substances during working hours and in the workplace.

It is forbidden to smoke inside the company apart from the areas reserved and equipped for smokers.

3.7 TOOLS of APPLICATION

3.7.1 Internal Control System

ALERION promotes and maintains an adequate and effective internal control system, that is, the set of tools necessary and useful for addressing, managing and checking company activities in order to assure the observance of laws and procedures, the protection of company property, efficient and effective management and the processing and provision of accurate and complete accounting and financial data.

All members of staff are involved, within the sphere of their functions and responsibilities, in achieving and implementing the correct operation of the Internal Control System.

ALERION promotes a corporate culture based on awareness of the controls and the desire to apply them. Staff are responsible for the corporate assets (tangible and intangible) assigned to them, and no-one may allow or permit others to use these assets improperly. Actions or behaviour connected with the execution or participation in fraud and the elusion of the control and verification systems are forbidden.

The Control Bodies, the Internal Audit function and the Auditing Firm have free access to data and all the information required to perform their activities.

3.7.1.1 Conflict of Interests

There exists a relationship of total trust between ALERION and its employees in the sphere of which members of staff are required to carry out their working activities and express their professionalism in order to achieve the corporate interest, in observance of the principles of this Code.

In this context, the employees and collaborators of ALERION are required to avoid all situations and abstain from activities that can generate and appose a personal interest with a corporate one, or that can hamper and interfere with their capacity of taking decisions in the interest of the company in an impartial and objective way. Employees must eliminate all situations that can generate overlaps or contrasts, by exploiting their functional position, between business activities based on personal and/or family interest and the tasks performed in the company.

Employees must promptly report to the Supervisory Body (or to an suitable body/person) all indirect or potential situations or activities in which they or, as far as they know, relatives and relatives by affinity to the second degree, hold of economic or financial interests (owner or partner) in the sphere of suppliers, customers, subsidiaries or controlling companies, corporate administrative or control roles, in order to allow they subsistence and gravity to be assessed and the consequent effects eliminated or attenuated.

3.7.1.2 Transparency of accounting data

The completeness and clarity of accounting data, reports and financial statements are a fundamental value in relations with shareholders, with third parties coming into contact with the Company and with the Supervisory Bodies.

Each member of the corporate bodies, management and all employees must collaborate to ensure data is correctly and promptly represented in the accounting entries. It is forbidden to have behaviour and attitudes that may prejudice the transparency and traceability of the information contained in the financial statements.

The following must be assured:

- truthful, accurate, prompt and verifiable accounting records;
- identification of tasks and responsibilities throughout the process of data collection, registration and control;
- accurate reconstruction and traceability of operations.

All employees are required to observe these principles and collaborate to ensure they are observed.

3.7.1.3 Health and safety

ALERION carries out its activities in full observance of and conformity with international agreements and standards and with the laws, regulations, administrative provisions and national policies of the countries in which it operates concerning the safeguard of occupational and environmental health and safety.

Operative management pursues the continuous improvement of occupational health and safety and environmental protection, and all employees, in the sphere of their duties, participate in the risk prevention process in order to safeguard themselves, their colleagues and third parties.

The inspiring principles are implemented through the

Prevention, control and reduction of undesired effects

- identify and analyse the risks connected with the activities performed to deliver services;
- identify and preventively assess the risks connected with the modification of activities and plants or the introduction of new technologies;
- assure the correct application of technologies and, where possible, pursue their improvement or the adoption of more advanced technologies from the point of view of occupational health and safety, providing adequate financial and human resources.

Sharing of the organisation's responsibilities

- supporting improvements in the dependability and involvement of staff at all levels, also through suitable information and training programmes;
- involve the Prevention and Protection Service in all safety-related issues in order to identify adequate prevention and protection measures in observance of current regulations;
- promote the creation of a virtuous information flow between the various figures operating in the company (Directors, Department Managers, Prevention and Protection Managers and Staff, Competent Doctors, employees and their Safety Representatives);
- promote the adoption by suppliers of correct behaviour concerning safety issues.

Management of external relations

- pursue open dialogue towards stakeholders: publish and distribute, where necessary, informative material concerning safety issues;
- adopt emergency prevention and control techniques and procedures, also with the collaboration of the Local authorities concerning safety issues.

Implementation of effective controls

- implement appropriate and strict methods for controlling and monitoring safety performance.

This policy is periodically reviewed to assure it remains pertinent and adequate in the light of corporate, regulatory and legislative developments, and of stakeholders' expectations, in a context of continuous improvement. It is divulged to all the Stakeholders in the suitable forms in order to sensitise everyone in pursuing the indicated objectives.

3.7.1.4 Confidentiality

Protection of company secrets

In the sphere of his/her duties, each employee can acquire communications, news, documents or other data concerning negotiations, financial transactions, procedures, projects, know-how, etc. which cannot be disclosed for contractual reasons or the unsuitable or untimely disclosure of which could damage the company.

The information, knowledge, data or drawings which come to one's knowledge while performing one's job are the property of Alerion and cannot be used without specific authorisation of the appointed person in observance of internal procedures, save transparency and the obligations established by current laws and regulations.

Privacy

ALERION protects the personal and sensitive information and data of all employees and third parties with which it comes into contact, generated or acquired in-house or in business relations, so as not to abuse or make improper use of this information, in observance of fundamental rights and freedom, and as indicated in current provisions.

Personal data is used and stored legally and correctly, it is only registered for specific, determined and legitimate purposes.

ALERION undertakes to avoid risks of destruction and loss, unauthorised access or unauthorised processing of the data.

3.8. IMPLEMENTATION RULES

In ALERION, the task of supervising the operation and observance of the Code of Ethics is entrusted to the Supervisory Body, pursuant to Legislative Decree 231/2001, which enjoys anonymous powers of initiative and control. The Code of Ethics, in fact, is an integral part of the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001.

The Supervisory Body has the task of supervising the effectiveness and adequacy of the Model, the observance of the provisions contained therein and the advisability of an update. In this regard, the Supervisory Body verifies, consistently with the principles contained in this Code, that all cases of crime deemed relevant in the sphere of Legislative Decree 231/2001 are adequately checked and safeguarded in the context of the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001.

Each member of staff of ALERION must be aware of the principles and contents of the Code, of the corporate procedures and of the reference structures.

Each employee and collaborator of ALERION must promptly report all cases of behaviour by any of the Recipients that is inconsistent with the principles of the Code. The following can be presented to the Supervisory Body:

- Reports of breaches of the Code, whether obtained directly or indirectly, to the following addresses

Supervisory Body

Mail: **organismodivigilanza@alerion.it**

- The Company establishes information channels through which anyone who learns of illicit conduct inside the Company can report it freely, directly and confidentially to the Supervisory Body.
- Requests for clarifications or interpretations of the Code.
- The Company will assure the confidentiality of the identity of the reporter, apart from requirements connected with the duties of the Supervisory Body, and will protect the reporter from reprisals, illegal conditioning, inconvenience and discrimination of any type in the workplace for having reported the breach of the Code of Ethics.

3.8.1 Training and Information Flows

- As the Supervisory Body is appointed to control and verify the effectiveness of the Code and the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, it promotes specific communication and training programmes, continuous and differentiated in their form and content, for employees. It also promotes useful initiatives for guaranteeing its obligatoriness and for its wider distribution and knowledge. It examines evidence of possible breaches and carries out verification and monitoring activities.
- When performing its working activities, the Supervisory Body makes use of the Internal Audit Function of the Company.

3.8.2 Review of the Code

- The supervisory Body presents a six-monthly report on the implementation and possible need to amend the Code to the Internal Control Committee, to the Board of Statutory Auditors and to the Chairman and Managing Director, who refer to the Board of Directors.
- The review and amendment of the Code of Ethics is approved by the Board of Directors on proposal of the Managing Director / Chairman.

3.9 BREACH of the CODE and PENALTY SYSTEM

The Code is a contractual obligation of all ALERION staff pursuant to applicable law.

Penalties will be applied according to the importance and gravity of the individual cases and the role covered by the persons who breached the Code.

3.9.1 Against employees

Failure to observe and/or breaching the rules of behaviour indicated in the Code by company employees is non-fulfilment of the obligations deriving from the working relationship and leads to the application of disciplinary penalties.

The penalties will be applied according to the Law and the National Collective Labour Contract for the tertiary, distribution and service sector (hereinafter known as CCNL).

The specially appointed company functions are responsible for verifying the above breaches, managing disciplinary proceedings and applying sanctions.

3.9.2 Against directors and managers

In case of breach by directors of the rules of behaviour contained in the Code of Ethics, the Company will assess the facts and conduct and take suitable initiatives against those responsible pursuant to law and the applicable National Collective Agreement, bearing in mind that these breaches constitute non-fulfilment of the obligations deriving from the working relationship.

In case managers of ALERION breach the Code, the Supervisory Body will inform the entire Board of Directors which will take the suitable initiatives pursuant to law.

3.9.3 Against collaborators, consultants and other third parties

A breach of the Code of Ethics by a collaborator, consultant or other third party connected with ALERION by a non-subordinate contractual relationship can, in worst case, lead to the termination of the contract and requests for compensation if said breach causes damage to the Company, irrespectively of whether the contract is terminated.

RISK ANALYSIS METHODS

3.10 Foreword

Legislative Decree 231/2001 introduces

- a) persons who represent, administer or manage the body or one of its units with financial and operating independence, and persons who, de facto, manage and control the body (Senior Management);
- b) persons managed and supervised by one of the above.

This responsibility is added to that of the natural person who materially committed the offence.

The body may be exempted from liability if it can prove it has adopted and effectively implemented, prior to the offence, an organisation, management and control model capable of preventing that kind of offence.

These models incorporate operative measures or regulations (Protocols) that must be respected by staff as they set out to prevent offences, as well as a control system used to check the effectiveness of the model, its suitability for the company and its effective observance by staff performing activities at risk of offence.

The organisation, management and control model must therefore be specifically calibrated to the body's

- identify the activities within which offences may be committed;
- implement specific controls to prevent offences from being committed;
- identify how to manage the body's financial resources used to prevent offences;
- establish a control function on the operation and observance of the Models;
- establish information requirements for the supervisory body;
- introduce a disciplinary system incorporating penalties for non-compliance with the measures and regulations contained in the model.

3.11 Method of analysis

The risk of committing offences is first analysed by identifying and contextualising this risk as regards the governance and the organisational structure of the body. Secondly, this activity also obtains information that can be used to supporting top management decisions concerning the modification and improvement of the body's Organisation, Management and Control model with respect to the objectives indicated in Legislative Decree 231/2001 (such as levels of exposure to individual risks of committing offences).

More specifically, the analysis of the offence involves the systematic assessment of the following phenomena:

- Probability of the threat

- Ethical relevance – impact

The risk assessment can be expressed in the following formula:

Risk of crime = f (Probability of threat, Ethical relevance)

Terminology is defined as follows:

- Threat: an action, activity, process or potentially harmful event
- Probability of threat: probability that a determined offence is committed
- Ethical relevance: relevance recognised by the legislator identified according to the penalty applied if the offence is committed

To analyse the risk of offence, the following operative phases are performed:

- 1) Identification of the offence and consequent identification of the threats that allow the offence to be committed (in terms of conduct or operative activities)²;
- 2) Contextualisation of the threats allowing offences to be committed with respect to the body through self-assessment techniques;
- 3) Allocation of a probabilistic value concerning the occurrence of each threat, also bearing in mind the company history or statistics or context, the economic and/or geographical context, the ethical and organisational atmosphere.

From the practical point of view, the analysis was performed using self-assessment documental and technical analysis so as to identify and highlight threats (activities at risk of offences) that cannot be detected through merely documental investigations.

Self-assessment investigations make it possible to verify and highlight the existence of risks of offence in individual company areas or functions. The investigation involved the managers and some employees of the various company areas and functions, who were asked to give a

² This phase set out to predefine the so-called The identification of the structural components was based on a preliminary activity of interpretation of said legislation (that is, of the text of the regulations establishing criminal sanctions and previous jurisprudence that may be useful or necessary for its correct interpretation). Interpreting activities were performed with the consultation of primary legal studios that provided key elements of the so-called objective case of crime (that is, the conduct, both action or omission, of the body established as punishable). These key elements are used to define a set of questions aiming at identifying the areas and activities at risk of crime within the company (using self-assessment techniques). This identification is made possible by correlating the key elements with company data (organisation, processes, systems and powers)

In the event of a positive reply (YES), the subject was required to answer a second set of questions in order to identify the process or activity at risk and the frequency at which this activity is performed, its importance for the area or the body, and whether any charges have been made concerning offences deriving from the activity in question.

The results of the above analysis are indicated in the following documents:

- Map of the activities at risk of crime (Annex 3)
- Map of the areas at risk of crime (Annex 4)

3.12 Aims of the document

This section shows the results of the crime risk analysis performed by Alerion Clean Power S.p.A.. The analysis was performed on the basis of the organisational chart and the organisational and functional structure of the Company.

3.12.1 Map of the Areas at Risk of Crime

The map of the areas at risk of crime is shown in Annex 4 of the Organisation, Management and Control model pursuant to Legislative Decree 231/2001.

The Map shows the functional areas that are potentially exposed to the risk of the crimes referred to in the above Legislative Decree. It is shown in the form of an Excel table, with the company functions subject to investigation indicated in the columns and the crimes referred to in the Decree and included in the analysis indicated in the rows.

The first rows / columns of the Table are shown below in order to clarify the structure and logic described above. The complete Map of the areas at risk is shown in Annex 4 of the Model.

REATI RA	CdA	AD	Direttore Generale	Segreteria Societaria	Relazioni esterne
Art. 316 bis CP - malversazione a danno dello Stato	SI	SI	SI	SI	NO
Art. 316 ter CP - indebita percezione erogazioni a danno dello Stato	SI	SI	NO	NO	NO
Art. 640 bis CP - truffa aggravata per il conseguimento di erogazioni pubbliche	SI	SI	SI	SI	NO
Art. 640 comma 2, n.1 CP - truffa	SI	SI	SI	SI	NO
Art. 640 ter CP - frode informatica	NO	SI	SI	SI	NO
Artt. 317 e 322 CP - reati corruttivi e concussione	SI	SI	NO	SI	NO
Art. 319 ter CP - corruzione in atti giudiziari	NO	SI	NO	NO	NO
Artt. 317 e 322 bis CP - tutti i reati corruttivi e concussione, utilità di scambio	SI	SI	SI	SI	NO
Art. 453 CP - falsificazione di monete, spendita e introduzione nello stato, previo concerto, di monete falsificate	NO	NO	NO	NO	NO
Art. 454 CP - alterazione di monete	NO	NO	NO	NO	NO
Art. 455 CP - spendita e introduzione nello stato, senza concerto, di monete falsificate	NO	NO	NO	NO	NO
Art. 459 CP - falsificazione di valori di bollo, introduzione nello stato, acquisto, detenzione o messa in circolazione di valori di bollo falsificati	NO	NO	NO	NO	NO
Art. 460 - contraffazione di carta filigrana in uso per la fabbricazione di carte di pubblico credito o di valori di bollo	NO	NO	NO	NO	NO

The cells containing the word

3.12.2 Map of Activities at Risk of Crime

The Map of the activities at risk of crime indicates sensitive processes and/or activities, that is, the activities or processes performed by corporate bodies, areas or functions that are related to or in contact with the indices of risk of crime.

The following sections are dedicated to individual company areas or functions. Each section contains a table divided into three columns: the first indicates the crime to which the function is potentially exposed (as emerging from company documentation and the self-assessment interviews); the second indicates the activity that exposes the function in question to the risk of crime; the third contains a qualitative judgement concerning the existence of the crime in question.

The level of risk was assessed according to the following three levels:

- Area of risk where the crime in question could occur in a totally residual way
- Area of risk where it would be difficult for the crime in question to be committed
- Area of risk where the crime in question could potentially be committed

3.13 SUPERVISORY BODY

3.13.1 Identification

Legislative Decree 231/2001 (Art. 6, para 1, lett. b) requires the Supervisory Body to be established as a different corporate body from the Board of Directors. Given its tasks, the requirements of the Decree and the contents of the Guidelines issued by Confindustria, the members of the Body must assure the requirements of autonomy, independence, professionalism and continuity of action required by the Decree.

The above requirements are qualified:

Autonomy and Independence

They ensure that the Supervisory Body is not directly involved in the management activities which it supervises and allow it to perform its duties without direct or indirect conditioning by the subjects it supervises. From the organisational point of view, therefore, the Supervisory Body is collegial and is hierarchically dependent on and reports directly to Senior Management, namely, the Board of Directors.

Professionalism

The Supervisory Body must possess the technical and professional skills required to effectively carry out its duties. These characteristics, together with independence, guarantee objectivity of judgement.

Continuity of action

To ensure effective and constant implementation of the Model, it must be supervised and this supervision must be adequate in terms of structure and dedicated resources, have no operative duties and perform its actions with continuity.

The Model and, subsequently, special in-house organisational documents issued by the Supervisory Body, are used to delineate the information flows to and from the Supervisory Body in order to allow it to collect information and act effectively within the company organisation.

3.13.2 Term, termination and replacement of members

The Board of Directors deliberates the appointment of the members of the Supervisory Body. The Board of Directors periodically assesses the suitability of the Supervisory Body in terms of organisational structure and powers and deliberates any suitable amendments and/or additions. The Supervisory Body remains in office for three years, unless otherwise decided and deliberated by the Board of Directors.

The Supervisory body comprises at least three members, who appoint a Chairman, unless the latter appointment is deliberated by the Board of Directors.

Natural persons possessing the requirements indicated in this document and guaranteeing the characteristics of the law (autonomy, independence, professionalism and continuity of action) can be appointed.

In order to satisfy the requirements of autonomy and independence, the members of the Supervisory Body, from the moment they are appointed and throughout their term of office:

- must not cover executive functions on behalf of the company;
- must not hold executive or delegated appointments on the Board of Directors of the Company;
- must not enjoy significant business relations with the Company, with parent companies or with subsidiaries, associates or companies subject to joint control, apart from pre-existing employee relationships, nor enjoy significant business relations with directors executive directors;
- must not be a family member of one of the executive directors or shareholder or one of the shareholders of the controlling group, family meaning that constituted by spouses, unless legally separated, relatives and persons related by affinity up to the 4th degree;
- must possess, directly or indirectly, shareholdings greater than 5% of the company capital with voting rights, nor enter into intercompany agreements with the objective or effect of exercising control of the company;
- must not have been sentenced or investigated for the crimes which the Model sets out to prevent.

When they are appointed, the members of the Supervisory Body sign a declaration certifying they fulfil the requirements of autonomy and independence, and immediately inform the Board of Directors and the Supervisory Body in case any impediments arise.

Members can no longer belong to the Supervisory Board if they:

- are incompatible pursuant to the previous points;
- are legally declared incapable, interdicted, disqualified or insolvent;

- are sentenced to a punishment involving permanent or temporary interdiction from public office or incapacity to exercise managerial duties;
- no longer fulfil the requirements of eligibility, honourableness and professionalism.

Save cases of automatic termination, members of the Supervisory Body cannot be dismissed by the Board of Directors except for a just cause. Just causes of dismissal are:

- absence from two consecutive meetings without a justified reason;
- interruption of the work relationship, if the member is also an employee of the Company or of a subsidiary or associated company;
- interdiction, disqualification or insolvency procedures;
- accusation in criminal proceedings for crimes that can be punished with permanent or temporary interdiction from public office or the incapacity to exercise managerial duties.

Following the termination, dismissal or resignation of a member of the Supervisory Body, the Board of Directors appoints a new member.

The Supervisory Body is completely terminated if all its members resign or lose their office for other reasons. The Board of Directors appoints all the members again.

For at least two years from the termination of their appointment, the members of the Supervisory Body may not enjoy significant relations with the Company or with subsidiaries or associated companies, except for any employee relationships existing prior to their appointment as a member of the Supervisory Body.

3.13.3 Tasks of the Supervisory Body

The Supervisory Body monitors:

- the effectiveness and suitability of the Model in relation to the corporate structure and its effective capacity of preventing the commission of offences;
- the observance of the Model by the Corporate Bodies, Managers and other Recipients, in the latter case also through the competent corporate functions;
- the suitability of amending the Model following changes in corporate and/or regulatory conditions.

The Supervisory Body enjoys far-reaching powers of inspection and access to all company documents; during its activity, the Supervisory Body must maintain maximum discretion and confidentiality and exclusively refer to the Corporate Bodies.

The activities performed by the Body cannot be checked by any other corporate body or structure, though the Board of Directors, being ultimately responsible for the efficiency of the Organisational Model, may in any case monitor the adequacy of the actions taken by the Body.

The Supervisory Body is provided with an adequate annual budget to allow it to perform its tasks correctly, thus guaranteeing effective continuity of action. The Supervisory Body may also use, under its direct supervision and responsibility, of the Internal Control Manager as well as other company functions which, from time to time, may be useful for performing the indicated activities.

3.13.4 Reporting

The Supervisory Body reports directly to the Board of Directors and refers directly to the Board of Statutory Auditors concerning the implementation of the Model and the creation of any critical states. This system allows it to be totally autonomous and independent in performing its tasks.

Every six months, the Supervisory Body presents the Board of Directors and the Board of Statutory Auditors a report on the activities performed during the previous six months, justifying any deviations from the Activity Plan.

Every year, the Supervisory Body presents the Board of Directors and the Board of Statutory Auditors with the Activity Plan for the following year which may be subject to a special deliberation.

The report concerns the activities performed, any critical states and any corrective action proposals that may improve the effectiveness of the Model.

Minutes must be made of the meetings with the Company Bodies and a copy kept by the Supervisory Body or by the other bodies involved from time to time.

The Board of Auditors, the Board of Directors, its Chairman, and the Managing Director may call a meeting of the Supervisory Body at any time which, in turn, may request, through the competent functions or subjects, meetings of the above bodies to be called for urgent reasons.

3.13.5 Reports

The Supervisory Body must be informed, through reports by Directors, Statutory Auditors, Senior Management, other employees and third-party recipients of events that could make Alerion liable pursuant to Legislative Decree 231/2001.

Within the company, the following must be communicated to the Supervisory Body:

- Periodically, the information/data/news required by the Supervisory Body from individual company structures; times and methods will be defined by the Supervisory Body (
- Occasionally, all other information of any type, also from third parties, relating to the implementation of the Model and/or observance of the provisions of the Decree, that may help the Supervisory Body to perform its tasks (

Information concerning the following must be reported in writing to the Supervisory Body:

- provisions and/or notifications by the investigative police, or any other authority, indicating that investigations are being carried out, also concerning unknown people, into any of the offences relative to the Model;

- reports sent to the Company by employees in case of court proceedings against them concerning one of the offences;
- reports prepared by the corporate structures in the sphere of their control activities, from which critical facts, acts, events or omissions can emerge with respect to the contents of the Decree or Model;
- periodically, information relative to the effective implementation of the Model at all company levels, also through reports suitably prepared by the Supervisory Body;
- notification relative to the start of investigations verifying and possible punishing non-observance of the principles of conduct and the protocols established in the Model, as well as notification of any penalties inflicted.

All Recipients must inform the Supervisory Body if they find out or have reason to believe that offences have been committed or people have behaved inconsistently with the Protocols contained in the Model.

These reports are made directly to the Supervisory Body, without any intermediation.

The Supervisory Body assesses the reports received. Any relative measures are applied according to the contents of the Model concerning disciplinary measures. The Supervisory Body establishes and manages a reporting system which guarantees the anonymity of the reporter.

People making the above reports in good faith must be protected against all forms of reprisal, discrimination or penalisation and, in all cases, the identity of the reporter will remain confidential, unless otherwise required by law or the need to safeguard the rights of the Company or those of people accused incorrectly and/or in bad faith.

The Supervisory Body assesses the reports received and the advisability of taking action, and, if necessary, interviews the author of the reports (if known) and/or the person responsible for the presumed report. The Supervisory Body shall only consider anonymous reports if they contain precise and concordant elements; if not, these anonymous reports will be filed without being followed up.

Concerning the methods of transmitting information/data/news, the following requirements apply:

- The company structure involved must send the information flows to the Supervisory Body using the methods defined by the Supervisory Body, including electronic mail;
- Reports concerning evidence or suspicion of breaches of Model 231, the Code of Ethics and Conduct or other Protocols must be directly addressed to the Supervisory Body at the relative electronic mail address: organismodivigilanza@alerion.it

In case of non-anonymous reports or those containing serious, precise and concordant elements, the Supervisory Body will perform suitable controls, also using company functions, the outcome of which (also depending on the seriousness of any facts that may emerge) will either be filing or the start of a punishment or disciplinary process and/or reports to the company bodies.

3.14 RECIPIENTS and SCOPE of the MODEL

The Board of Directors of Alerion adopted an Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 in order to improve its Corporate Governance structure, establishing an organic system for the purpose of preventing and controlling activities in order to reduce the risk of committing offences, particularly as concerns the reduction of any illegal conduct.

Alerion wishes to make all those working on behalf of or in the interest of the Company or the Group aware that they may be performing activities at risk which, if they breach the provisions, constitute illegal acts that can be punished with criminal sanctions towards them and administrative sanctions towards the Company. Alerion strongly condemns these forms of illegal conduct as they (even if the Company were apparently in a condition to take advantage of them) are contrary both to the provisions of law and to the ethical principles which Alerion abides by when performing its activities.

All the Directors of Alerion, all its employees, collaborators, consultants and, more in general, all those working for or in the interest of Alerion are required to observe the rules defined in the Model.

The Model involves every aspect of company activities, making a net distinction between operative and control tasks for the purpose of correctly managing all possible situations of risk and/or conflict of interest. In particular, the controls involve, with different roles and levels, the Board of Directors, the Board of Statutory Auditors, Senior Management, the Supervisory Body and all staff.

Companies controlled directly or indirectly by Alerion Clean Power S.p.A. must choose whether to adopt the same Model as that of Parent Company or apply their own Organisation, Management and Control Model provided it is consistent with the provisions of the Decree and Confindustria guidelines. In doing so, Companies must refer to the Alerion Clean Power Model which must, in any case, be harmonised to individual companies with specific adaptations that make it effective in the various areas of activity at risk of each company. Each controlled Company must establish a Supervisory Body in conformity with Art. 6 of the Decree.

The Supervisory Body of each Group company:

- shall co-ordinate with the Supervisory Body of Alerion Clean Power S.p.A. in order to ensure an Organisation, Management and Control Model consistent with the requirements of the Decree and the Principles of the Model is adopted;
- must send the adopted Organisation, Management and Control Model and any subsequent amendments to the Supervisory Body of the Parent Company.

3.15 STRUCTURE of the DISCIPLINARY SYSTEM

The definition of a system of sanctions proportioned to the breaches of the Protocols and/or the other rules of the Model or the Code of Ethics and Conduct and to the other company operating procedures governing the operation of the

The Model and the relative penalty system applies to all Senior Management, all employees, collaborators and third parties working on behalf of the company and includes adequate disciplinary sanctions in some cases and contractual sanctions in others. The disciplinary system includes sanctions for each Recipient in consideration of the various types of relationships.

In order to establish in advance the criteria of correlation between shortcomings of workers and the disciplinary measures adopted, the Board of Directors has classified the actions of Directors, Employees and third parties into the following categories:

- 1) Conduct involving a failure to carry out the written and verbal instructions given by the Company (e.g.: breach of procedures, regulations, internal institutions, breach of the Code of Ethics and Conduct, breach or negligent ignoring of one or more Protocols);
- 2) Conduct involving a serious breach of discipline and/or diligence such as to radically interrupt the Company's trust in the Director and/or employee (e.g.: the conduct indicated in point 1 for the unequivocal purpose of committing an offence or representing its appearance to the damage of the Company, as well as repeated breaches of company operative procedures);
- 3) Breaches causing serious moral or material damage to the Companies such as not to allow the relationship to continue, not even temporarily (conduct incorporating one or more offences or concerning supposed offences, or conduct as indicated in points 1 and 2 committed with malice).

3.15.1 Sanctions against employees

The Company observes the limits to the power of punishment, as established in Art. 7 of Law 300/197 (

Applicable sanctions will be adopted and applied in full observance of the procedures established in the national collective and corporate regulations applicable to the working relationship. The sanctions as per Art. 217 of the CCNL will be applied to non-managerial staff. Save the principle of connection between applicable disciplinary measures and the cases in which such measures can be applied, the principle of proportionality between offence, role and sanction must be respected when applying disciplinary measures. The adequacy of the disciplinary system to the Decree must be constantly monitored by the Supervisory Body.

3.15.2 Sanctions against directors

In case of breaches of the Model, the Code of Ethics and Conduct, and other Protocols, the Company will apply the measures it deems appropriate considering the importance and seriousness of such breaches, also considering the level of trust underlying the working relationship between the Company and the director.

If the breach involves gross neglect, where the Protocols preventing offences are ignored or where the person's conduct involves a serious breach of discipline and/or diligence such as to radically interrupt the Company's trust in the director, the Company may terminate the work contract in advance or apply other suitable sanctions in relation to the seriousness of the breach. The Company will terminate the work contract in advance without notice (Art. 2119 of the Italian Civil Code and CCNL) in case of continued breaches with malice.

3.15.3 Sanctions against Directors, Statutory Auditors and External Auditors

In case of breaches by Directors, Statutory Auditors or External Auditors, the Supervisory Body will inform the entire Board of Directors and the Board of Statutory Auditors which will take all relative action.

In case of serious breaches that are not justified and/or ratified by the Board of Directors, they may be used as a just cause for dismissing the Director, Statutory Auditor, External Auditor (committing offences, meaning conduct as per the offences, is considered a serious unjustified breach). If necessary, the Company will take action to recover all and any damages it may have suffered.

3.15.4 Sanctions against members of the Supervisory Body

In case of breaches by members of the Supervisory Body, the Board of Directors, after consulting the Board of Auditors, will take the suitable measures depending on the seriousness of the breaches.

In case of serious breaches that are not justified and/or ratified by the Board of Directors, they may be used as a just cause for dismissal save the application of the disciplinary sanctions indicated in the contracts (work, supply, etc.). Committing offences, meaning conduct as per the offences, is considered a serious unjustified breach.

3.15.5 Sanctions against suppliers and third parties

Freelance workers and collaborators who breach or fraudulently avoid the Model, the Code of Ethics and Conduct and the Procedures/Protocols commit a major contractual non-fulfilment. Reference is made to the provisions of Art. 1453 et seq. of the Italian Civil Code governing the termination of contracts for non-fulfilment.

Third parties undertakes to observe the Model, the Code of Ethics and Conduct and the applicable Procedures/Protocols when they sign contracts with the Company. The contracts contain termination clauses or rights in favour of the Company without any penalty for the latter in case offences are committed or the Model, the Code of Ethics and Conduct and the relative Protocols are breached.

The Company reserves the right to claim compensation such conduct causes damage to the company, such as application of the measures indicated in the Decree by a judge.

3.16 CONTROLS

Alerion Clean Power has amended its Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 bearing in mind its new corporate structure and the real situations of its subsidiaries and following the introduction of new offences referred to in the Decree.

The Company's strategic and operative activities focus on the sector of renewable power sources. Save its special objectives and conformity with legal requirements, the Model must be introduced into the company, adapting its internal control system, with specific aim of assuring conformity of company practices and the correct and legal performance of its activities.

With the adoption of the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, the Board of Directors of Alerion proposes to improve its Corporate Governance structure, to draw up an organic prevention and control system in order to reduce the risk of committing offences connected with corporate activities, particularly as regards the reduction of any illegal behaviour.

The Model involves all aspects of company activities, making a net distinction between operative and control tasks in order to correctly manage all possible situations of risk and/or conflict of interest.

The controls, with different roles and at different levels, involve the Board of Directors, the Board of Statutory Auditors, Senior Management, the Supervisory Body, all staff and, where considered possible and effective, the systems, thus acting as an indispensable attribute of routine corporate activities. In this sense, as regards the organisational aspects, the Company has formalised and implemented its organisation and functional charts, including some Internal Committees, and completed them with the

Organisational Model. This documentation clearly defines and attributes roles, functions, responsibilities and hierarchies within the company structure. Knowledge and distribution of the organisational chart, the functional chart and the other organisational documents are assured by special systems used to distribute the organisational material (including the Internet).

The Model is therefore a structured and organic system of processes, procedures and control activities (preventive and ex-post) which sets out to allow the risk of committing offences to be managed by identifying the activities at risk of offence and consequently governing them by means of procedures. The Model formalises and clarifies the attribution of responsibilities, hierarchies and the description of tasks, and specifically includes control principles, such as the contraposition of functions. In process engineering, where possible, the separation of duties between people performing crucial phases of a process at risk was introduced and the principles of transparency and verifiability were considered.

The manual and electronic procedures govern the activity, envisaging suitable control points and adequate levels of safety.

Authorisation and signing powers are allocated consistently with the defined organisational and management responsibilities, envisaging, when required, a precise indication of spending approval thresholds.

The model also features a Planning and Control Structure, which, in observance of the guidelines provided:

- governs the economic-financial planning and control process of the Company;
- prepares the management reporting directed to senior management;
- supports the assessment and monitoring of individual investments/shareholdings and the development of Corporate Transactions;
- supports the preparation of external communication presentations (such as the presentation of analysts);
- provides assistance to market/sectorial analysis and research activities or to the structuring of investment/divestment operations.

Concerning the The Model does not modify the existing functions, tasks and objectives of the control system, but aims to enhance the guarantees concerning the conformity of company practices and activities with the Code of Ethics and Conduct, the above-mentioned Confindustria Guidelines and the company regulations that govern the activities at risk of crime.

The communication and training actions envisaged by the Model allow:

- staff, as potential authors of the offences, to be fully aware both of cases at risk of crime and of the total and absolute disapproval of the Company towards such conduct, deemed contrary to corporate interests even when the Company could apparently gain an advantage;
- the Company to promptly react to prevent the offence thanks to constant monitoring of its activities.

Concerning the Recipients of the Model identified as third parties – outsourcers:

- they must observe all applicable principles, especially as regards the Code of Ethics and Conduct, using suitable contractual tools²;
- the company, through the Areas responsible for managing relations with these interlocutors, must perform communication and awareness actions concerning the essential contents of the Model;
- the Company must draw up specific contractual conditions governing the relationships, also as regards conduct pursuant to Legislative Decree 231/2001 and, if necessary, in case of breaches, apply effective penalties.

3.16.1 Code of Ethics and Conduct

One of the main and more general preventive protocols is the Code of Ethics and Conduct adopted by the Company, the principles of which have been implemented through the adoption of the Organisation, Management and Control Model, integrated with Legislative Decree 231/2001.

This Code is a general document as it contains a series of principles of

The Company is committed to the effective distribution, both internally and to the parties with which it collaborates, of information relative to legislation and the behavioural and procedural rules to observe in order to assure that company activities are performed in observance of the ethical principles adopted by the Code.

The Code will be periodically amended and extended as regards both new legislation and modifications to Company operations and/or its internal organisation.

Being a preventive protocol, the Code of Ethics and Conduct is an integral part of the Organisation, Management and Control Model and Legislative Decree 231/2001.

3.16.2 Sensitive processes

In performing company processes considered as sensitive with respect to the Decree, measures of contrast and suitable company procedures for preventing crime must be observed by:

- separating tasks through the correct distribution of responsibilities and suitable levels of authorisation in order to avoid functional overlapping or operative allocations concentrating critical activities on a single subject;
- clearly and formally allocating powers and responsibilities and expressly indicating the operative limits, consistently with the allocated tasks and the positions covered within the organisational structure;
- implementing suitable rules of conduct for guaranteeing the performance of company activities in observance of legislation, regulations and the integrity of company assets;

² For these Recipients, the relative preventive Protocols must be, wherever possible, specific contractual clauses of commitment to observance of the rules of conduct (Code of Ethics and Conduct, Operative and Electronic Procedures), as well as termination of contracts and damage compensation in case the Rules of Conduct are breached.

- define and govern the times and methods of performing the activities;
 - assure traceability of the activities, operations and transactions through adequate documental supports certifying the characteristics of and the reasons for the operation and identify the various subjects involved in the operation (authorisation, performance, registration and control);
 - guarantee, where necessary,
- establishing, performing and documenting control and supervisory actions concerning Activities at risk of crime;
 - setting up safety mechanisms providing adequate protection of information and physical or logical access to the data and assets of the company information system, particularly as concerns the management and accounting systems.

3.16.3 Training and Information for Employees

Training and information are a fundamental preventive implementation protocol of the Principles of the Model. Being aware of the importance of this aspect, the Company will work to ensure Staff become aware both of the contents of the Decree and of the obligations deriving from the Model.

Training, awareness and information activities will involve all Staff, including Top Management. Training and information activities are performed both when hiring or commencing work and if modifications are made to the Model or additional legal or if factual circumstances arise that determine the need to guarantee the correct application of the provisions of the Decree.

Moreover, a specific area of the corporate IT network has been dedicated to the issue and is constantly updated (containing the electronic documents, forms and tools required to become familiar with the Model and to send reports to the Supervisory Body).

The other Recipients – suppliers and consultants in particular – are given, by the functions enjoying institutional contacts with them, special disclosures concerning the policies and procedures adopted by the Company on the basis of the Model, the Code of Ethics and Conduct, and on the consequences that behaviour contrary to the provisions of the Model or the Code of Ethics and Conduct or current legislation can have on their contractual relations.

3.17 RULES for UPDATING the MODEL

Alerion Clean Power has updated its Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 bearing in mind the new corporate structure and the effectiveness of the underlying subsidiaries and following the introduction of new cases of offence referred to in the Decree itself.

The current Organisation, Management and Control Model replaces the previous version approved by the Board of Directors, together with the Corporate Governance Manual, with deliberation of 13th September 2004 and its subsequent update of 31/03/2006.

Right from its first edition, the Model has been drawn up according to the

The Model is drawn up in respect of the principles and essential rules contained in the Code of Ethics and Conduct adopted by the Board of Directors of Alerion Clean Power; the Model is constructed so that it can be easily introduced into the corporate system, adapting its internal control systems and containing specific methods for guaranteeing the compliance of company practices with the ethical rules and the correct performance of activities.

This update of the Model was preceded by a number of preparatory activities divided into different phases, all aiming to construct a risk management and prevention system that is compliant with the provisions of Legislative Decree 231/2001.

The purpose of the update is to construct an organic and structured system of preventive procedures and control activities in order to identify the activities exposed to the risk of crime.

As the current Model was

The Chairman of the Company has the right to make any formal modifications or amendments to the text. The Board of Directors of Alerion ratifies all the modifications made by the Chairman every six months.

Modification and amendment proposals can also be made to the Board of Directors by the Supervisory Body of Alerion Clean Power.

All the above modifications and amendments, where considered suitable by the Chairman of the Company, after consulting the Supervisory Body of the Parent Company, will be promptly communicated to the various subsidiaries in order to allow them to be introduced into their respective organisation, management and control models.