



PROCEDURE governing
TRANSACTIONS with RELATED PARTIES

CONTENTS

1. Purpose
2. Scope
3. Definitions
 - 3.1 *Related parties*
 - 3.2 *Transactions with Related Parties*
4. Responsibilities
 - 4.1 *Board of Directors*
 - 4.2 *Executive Directors*
 - 4.3 *Secretary of the Board of Directors*
5. Working Methods
 - 5.1 *General rules and principles of conduct*
 - 5.2 *Disclosure obligations*
6. Registration

1. Purpose

This procedure sets out to allow Alerion Clean Power S.p.A. (hereinafter also known as “Alerion” or the “Company”) to implement the provisions of arts. 4.2 (e)¹, 9² and 13³ of the Self-Regulatory Code adopted by the Board of Directors.

In particular, by adopting this procedure, the following points are defined:

- the criteria used to identify the transactions performed with related parties,
- the general rules and the principles of conduct concerning such transactions,
- the approval system concerning such transactions,
- any disclosure obligations towards the Board of Directors of Alerion concerning transactions with related parties.

2. Scope

This procedure applies to Alerion Clean Power S.p.A. and all its subsidiaries.

3. Definitions

3.1 Related Parties

For the purpose of this procedure, the Related Parties of Alerion are:

- a) parties that control, are controlled by, or are under common control with Alerion Clean Power S.p.A.;
- b) parties associated with Alerion Clean Power S.p.A and those exercising significant influence on it pursuant to para 3, Art. 2359 of the Italian Civil Code;

¹ Art. 4.2, letter (e) of the Self-Regulatory Code of Alerion: “*The Board of Directors ... 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*”.

² Art. 9 of the Code of Self-Regulation of Alerion: “*The Executive Committee, through its Chairman and/or Directors with proxies, informs the Board of Directors, at least once a quarter, 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 conflicts of interest, atypical and unusual transactions, and transactions with related parties, as defined in the company procedures*”.

³ Art. 13 of the Code of Self-Regulation of Alerion: “*The activities performed by the Company and the Group are based on principles of fairness and transparency. For said purpose, transactions with related parties, infra-group transactions included, respect criteria of substantial and procedural fairness and are performed in observance of principles and behaviour and the operative modalities defined in the codified internal procedures*”.

- c) parties associated with Alerion Clean Power S.p.A and those exercising significant influence on it pursuant to paragraph 3, art. 2359 of the Italian Civil Code;
- d) individuals with management, administration and control powers and responsibilities within the issuer (members of the Corporate Bodies and any managers with powers conferred by the Board of Directors);
- e) close family members of the individuals listed in letters a), b), c) and d), namely, those potentially capable of influencing or of being influenced in their relations with Alerion Clean power S.p.A., including those living with the individual; in any case, non-legally separated spouses, relatives and relatives by marriage to the second degree are considered close family members;
- f) parties controlled by the natural persons listed in letters b), c), d) and e) or parties on which the natural persons listed in letters a), b), c), d), and e) exercise considerable influence;
- g) parties having the majority of their Directors in common with Alerion Clean Power S.p.A..

3.2 Operations with related parties

For the purpose of this procedure, Transactions between Alerion Clean power S.p.A., also through its subsidiaries, and one or more of the parties listed in paragraph 3.1 above are deemed Transactions with Related Parties.

Transactions with Related Parties are divided in “Non-Relevant Transactions” and “Relevant Transactions”, as described below:

- a) for the purpose of this procedure, typical and usual transactions which are carried out at standard conditions are deemed Non-Relevant Transactions. In particular:
 - Transactions that, due to their object, nature, characteristics or conditions are connected with normal Company business and are not particularly critical due to their characteristics or risks concerning the nature of the counter-party or the timing of their execution are deemed typical or usual;
 - Transactions performed at market conditions or similar conditions to those that would have been applied in relations with Non-related Parties, are deemed standard conditions.
- b) for the purpose of this procedure the following are deemed Relevant Transactions:

- transactions other than those listed in point a);
- transactions that, due to their purpose, amount or execution times or methods may affect company assets or the correctness and completeness of information, including accounting information (art. 71-bis of the Consob Issuers Regulations);
- all transactions amounting to or exceeding 25 million euros. This limit is increased to 50 million euros for infra-group transactions with fully-controlled subsidiaries. This category also includes transactions that are connected with the same strategic or executive structure and cumulatively exceed the above limit, even though they are individually lower.

4. Responsibilities

4.1 Board of Directors

- approves Relevant Transactions with Related Parties in advance.

4.2 Executive Directors

With the support of the Chairman and the Secretary of the Board of Directors:

- inform the Board of Directors in advance of their intention to perform Relevant Transactions with Related parties;
- periodically inform the Board of Directors concerning Non-Relevant Transactions with Related Parties entering the scope of their powers.

4.3 Secretary of the Board of Directors

- co-ordinates information concerning Transactions with Related parties;
- updates the list of Related parties;
- checks with the Management, Finance and Control Director that the Relevant Transactions with Related Parties performed by the Company have been approved in advance by the Board of Directors;
- checks if the Transactions with Related Parties are included in those indicated in Art. 71 bis of the Consob Issuers Regulation and instructs the competent company functions to disclose the relative information to the public.

5. Working Methods

5.1 General rules and principles of conduct

All Transactions with Related Parties, even if performed through subsidiaries, must observe criteria of substantial and procedural fairness. Substantial fairness means that the transaction is fair in economic terms (when, for example, the transfer price of an asset is in line with market prices). Procedural fairness means following the procedures established to ensure the substantial fairness of the transaction.

Each Director with a interest, even if only potential or indirect, in the transaction must promptly and fully inform the Board of Directors concerning said interest and the relative circumstances.

Indirect interest is an interest concerning direct family members or people living with the Director who are potentially capable of influencing the latter or of being influenced in their relations with the Group.

In case of a potential or indirect interest, the following conduct must be observed:

- when the transaction is subject to the prior approval of the Board of Directors, the Director must leave the Board Meeting during the discussion and relative deliberation;
- when the transaction is not subject to the prior approval of the Board of Directors but is within the scope of the Director's powers, the latter must abstain from performing the transaction and subject it to the prior approval of the Board. In this case, the Board deliberation must adequately justify the reasons for the Transaction and its advantages for the company.

5.2 Disclosure obligations

In order to allow the Secretary of the Board of Directors of Alerion to update the list of Related Parties (with particular reference to letters f) and g) of paragraph 1.2.1 above) and to ensure this procedure is correctly applied, the parties listed below must send the Secretary a list of (i) close family members; (ii) subsidiaries or those companies which are considerably influenced, also indirectly (e.g. by close family members); (iii) companies in which they act as Directors.

The interested party must promptly inform the Secretary about any changes to the above list. The Secretary must only use the information in order to correctly apply this procedure and without disclosing it outside the Company or Group.

Consistently with the definition of Related Parties, the parties to whom the above disclosure obligations refer, are indicated in letters b), c) and d) of paragraph 1.2.1 and, in any case⁴

- a) natural persons who directly or indirectly hold (also via trustees or third parties) a shareholding amounting to or exceeding 5% of the ordinary shares of Alerion;
- b) natural persons who can appoint, individually or together with other subjects concerned in the agreements, the majority of the members of the Board of Directors of Alerion, even though they directly or indirectly hold (also via trustees or third parties) a shareholding of less than 5% of the ordinary shares of Alerion;
- c) natural persons who hold the majority of exercisable votes in the ordinary shareholders' meeting of Alerion, individually or together with other subjects concerned in the agreements, under shareholders' agreements, even though they directly or indirectly hold (also via trustees or third parties) a shareholding of less than 5% of the ordinary shares of Alerion;
- d) the Directors and Statutory Auditors of Alerion or of its subsidiaries;
- e) the Secretary of the Board of Directors and the Function Managers of Alerion and of its subsidiaries.

Besides the disclosure obligations indicated above, and in order to ensure transactions are correctly classified, if Alerion (or its subsidiaries) is unable to understand the identity of the final economic beneficiary of a transaction, whether relevant or non-relevant, through knowing who the beneficiary is, it does not have sufficient information to understand the existence of mutual relationships, the counter-party is required to declare that there is no relationship that classifies the transaction as a transaction with "Related parties" (in accordance with the definition indicated in this procedure).

5.3 Relevant Transactions with Related Parties

Even if they are performed by subsidiaries, Relevant Transactions with Related Parties must be subject to the prior approval of the Board of Directors.

For this purpose, the Board of Directors receives from the Executive Committee and/or Directors with proxies, also via the Chairman and with the support of the General Affairs Manager of Alerion Clean Power, suitable information concerning the transaction to be approved, especially as concerns the nature of the correlation, the methods of performing the Transaction, the economic and other conditions to which the Transaction is subject, the relative control procedure, underlying interests and purposes, and any risks for the Group.

⁴ The parties listed in this procedure are the same as those to whom the disclosure obligations concerning transactions with conflicts of interest are applied, as per "Obligations pursuant to art. 150 of Legislative Decree 58/1998"

As described in paragraph 1.4, each Director with an interest, even potential or indirect, in the transaction must promptly and fully inform the Board of Directors about said interest and leave the Board Meeting during the discussion and relative deliberation.

If the nature, value or other features of the Transaction so require, the Board of Directors, in order to prevent the Transaction from being performed according to conditions other than those would have most likely obtained if negotiated with Non-Related Parties, must make sure that it is performed with the assistance of one or more experts expressing an opinion on the economic conditions and/or performance methods and/or its legitimacy.

The Relevant Transactions that, due to their purpose, value, timing or performance method can affect the Company's assets or the completeness and fairness of the information, including accounting information, must be disclosed to the public according to the methods indicated in art. 71 bis of the Consob Issuers' Regulations and the "Procedure for managing and processing confidential information and the external disclosure of documents and information".

5.4 Non-relevant Transactions with Related Parties

Non-Relevant Transactions within the powers of the Executive Committee or the Directors with proxies do not normally require the prior approval of the Board of Directors.

Prior approval is only required if the Director has an interest, even just potential or indirect, in the transaction (according to paragraph 5.1 above).

The Executive Committee or Directors with proxies must periodically provide the Board of Directors with information concerning the transactions performed within their powers, in the limits and according to the criteria defined in the procedure pursuant to art. 150, para 1 of Legislative Decree 58/1998.

6. Registration

This procedure comes into force on the date it is approved by the Managing Director and will be made public via the corporate website and can be consulted internally through a shared network disk. These rules shall be amended and integrated according to applicative experience and market practices.