

alperia

Code of Ethics

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Energising South
Tyrol

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Preface

Ethics in business is fundamentally important for the proper functioning and credibility of a company in its dealings with shareholders, customers, suppliers and, more generally, the entire economic environment in which it operates.

The complexity of the situations in which the ALPERIA Group operates, the challenges of sustainable development and the need to consider the interests of all stakeholders – the legitimate interest bearers in the company's business – underline the importance of clearly defining the values and responsibilities that the ALPERIA Group recognises, accepts, shares and adopts, helping to build a better future for all. The purpose of this document (hereinafter also referred to as the "Code of Ethics" or, for the sake of brevity, the "Code") is to gather together and bring to the attention of all those who work with the companies of the ALPERIA Group (both the parent company ALPERIA SPA and its subsidiaries, hereinafter referred to as the "ALPERIA Group") the values, principles and rules adopted over the years that form the basis of the Group's conduct and activities.

These values, principles and rules reflect the ALPERIA Group's nature as an energy company that is deeply rooted in the region and economy of South Tyrol, and that respects the environment in which it operates and the people who live there. The Code and its core content are also in line with the provisions of Legislative Decree 231 of 8 June 2001 (hereinafter also referred to as the 'Decree'), designed to prevent certain offences being committed within the company.

The ALPERIA Group intends to reaffirm the importance of these values, principles and rules through the Code of Ethics, formally stating them and promoting their observance by all those with whom it works, each within the scope of their functions and roles.

In the framework of the internal control system, the ALPERIA Group's Code of Ethics serves as a management tool for ensuring the ethical conduct of company business and as a practical component of the company's strategy and organisation. It is also an integral part of the Organisation, Management and Control Model, together with the system of sanctions for the violation of the rules established therein, adopted by the companies of the ALPERIA Group in accordance with the provisions of articles 6 and 7 of the Decree, and on the basis of the code of conduct drawn up by Confindustria in accordance with article 6, paragraph 3 of the aforementioned Decree.

Introduction

ALPERIA SPA is a publicly participated company.

Developing renewable energies and exploiting them in the planning of the area and in an economically, socially and environmentally sustainable project are the objectives of this company, which was created from the merger of SEL SPA and AZIENDA ENERGETICA SPA with effect from 01/01/2016, with the aim of playing a strategic role in the liberalisation of the energy sector and the implementation of energy policy in South Tyrol.

ALPERIA SPA is an industrial company distinguished by its focus on the balanced and sustainable development of the region, the use of its resources by the community, security of supply and infrastructure development.

The generation of electricity and heat, as well as the marketing, sale and distribution of electricity, gas and heat, are the main activities carried out by the companies of the ALPERIA Group.

1. Scope and addressees

The provisions of the ALPERIA Group's Code of Ethics are addressed, without exception, to the directors and employees of the Group companies as well as to all those who collaborate in various capacities with

them and are required to conduct themselves in line with the general principles of this Code of Ethics, without prejudice to respect for religious, cultural and social practices.

The provisions contained in the Code of Ethics integrate the conduct with which internal personnel are required to comply, in accordance with the rules of due diligence to which employees are required to adhere, governed by the regulations on employment relationships.

The Code of Ethics is binding for the conduct of all personnel belonging to the ALPERIA Group and for all those who, for whatever reason, and regardless the type of contractual relationship, contribute to the achievement of the company's aims and objectives.

The ALPERIA Group undertakes to require that the principles of this Code are also observed by all those with whom it comes into contact in relation to the achievement of its objectives.

Under no circumstances may pursuit of Alperia's interests justify behaviour that is contrary to the present Code of Ethics or existing laws.

By way of example:

- the members of the management and control boards draw inspiration from the principles of the Code when setting business objectives and ensure respect for and compliance with the contents of the Code in the performance of their duties;
- managers give concrete expression to the values and principles of the Code, taking responsibility internally and externally and strengthening trust, cohesion and team spirit; employees adapt their actions and conduct to the principles, objectives and commitments set out in the Code, in compliance with the law and regulations in force;
- contractors (consultants, agents, etc.) and business partners, including suppliers, align their conduct and professional practices with the principles contained in the Code.

2. General Principles

Relationships and conduct at all levels must be governed by the principles of honesty, fairness, moral integrity, equity, transparency and mutual respect, open to scrutiny and based on correct and complete information.

All company activities must also be carried out in compliance with laws, procedures and company regulations, and in accordance with this Code of Ethics.

The leadership of the ALPERIA Group and the management and heads of the units of the ALPERIA Group must set an example and serve as a role model for all employees, demonstrating impeccable conduct in the exercise of their duties, promoting at all times the spirit of collaboration, trust, mutual respect, cohesion and team spirit in order to protect and systematically improve the corporate culture, image and prestige of the ALPERIA Group.

2.1 Legality

ALPERIA conducts its business in compliance with the law, regulations, statutory provisions and applicable EU regulations, acting transparently, honestly, with ethical integrity, and rejecting all forms of corruption and illegal practices.

Actions in violation of the regulations in force, the Code of Ethics or the internal rules of conduct taken by the corporate governance bodies, the company management or, in general, by employees and collaborators within their own functions and responsibilities, cannot in any way be considered justified and will result in the adoption of sanctions by the ALPERIA Group, even if they are motivated by the pursuit of the interests of the ALPERIA Group.

2.2 Loyalty, fairness, good faith and impartial treatment

Relations between the companies of the ALPERIA Group and its employees, and between the employees themselves, must be characterised by the utmost honesty, fairness, good faith and impartiality, meaning being true to their word, promises and covenants, acting with a sense of responsibility, valuing and safeguarding the assets of the ALPERIA Group, and acting entirely in good faith in every activity or decision. As such, in the performance of their activities, employees must pursue the success and interests of the ALPERIA Group and avoid any actions that are contrary to current regulations and the interests of the company or incompatible with their official duties.

Staff must also, as part of their working activities, provide information that is accurate, correct and in accordance with the timetable requested by the ALPERIA Group from time to time.

2.3 Protection of human rights

The ALPERIA Group recognises and guarantees the protection of inviolable human rights and respect for the dignity, equality and freedom of individuals.

It sees diversity as an opportunity for innovation and development through dialogue and the exchange of opinions, ideas and experiences. The ALPERIA Group endeavours to ensure that the rights laid down in the “Universal Declaration of Human Rights” are upheld in the course of its activities.

2.4 Health and safety, respect for the environment and sustainability

The ALPERIA Group promotes the protection of health, safety, the environment, climate and biodiversity, as well as the systems of values and principles on energy efficiency and sustainable development, and undertakes to carry out research and development of more efficient innovative solutions that envisage both consumption savings and the use of alternative energy sources with lower environmental impact.

The ALPERIA Group sees environmental protection as a core collective value and is committed to the compatibility of ‘business development’ and ‘respect for the environment’.

The ALPERIA Group’s activities must be conducted in accordance with the law, regulations, and administrative practices on the protection of workers’ health and safety, the environment and public safety.

Operations must be guided by high environmental protection and energy efficiency standards, while also pursuing the continuous improvement of occupational health and safety and environmental protection conditions.

As part of their duties, the staff of the ALPERIA Group take an active role in preventing risks, protecting the environment and public safety, and safeguarding health and safety for themselves, their colleagues and third parties.

2.5 Diligence and professionalism

It is of paramount importance to the ALPERIA Group that its staff work with diligence, accuracy and professionalism, striving to continuously improve the services it offers to the public. All ALPERIA Group activities must be carried out with commitment and professional rigour, with a duty to supply professional work commensurate with the functions and responsibilities allocated, and to act in such a way as to protect the prestige and reputation of the ALPERIA Group.

Business goals, project proposals and deliveries, investments and actions must all be geared towards long-term growth in the company’s assets, operations, technology and knowledge, as well as the creation of value and wellbeing for all stakeholders.

Corrupt practices, illicit favours, collusive behaviour, and solicitation (directly and/or through third parties) of personal and career advantages for oneself or others are prohibited without exception. Under no circumstances may payments, material benefits or other advantages of any kind be paid or offered, directly or indirectly, to third parties, government representatives, public officials and public or private employees in order to influence or compensate them for an act of office. Commercial courtesies, such as gifts or forms of hospitality, are only permitted if they are of modest value and in any case not such as to compromise the integrity or reputation of one of the parties nor likely to be interpreted, by an impartial observer, as aimed at acquiring improper advantages. In any case, this type of expenditure must always be authorised by the office specified in internal procedures and appropriately documented.

2.6 Image

The image and reputation of the ALPERIA Group is a collective asset which must be protected and promoted through the dissemination, sharing and observance of the values, principles and rules of conduct contained in this Code. Information about the Group (company profiles, AV presentations, etc.) is designed to be as transparent and truthful as possible.

2.7 Confidentiality

In compliance with the relevant regulations, the ALPERIA Group maintains strict confidentiality on the strategic, confidential or intellectual property information of its suppliers and partners and third parties in general; the ALPERIA Group expects the same treatment in return. ALPERIA Group personnel must not use confidential information for purposes unrelated to the performance of their duties.

2.8 Personal data protection

'Personal data' means any information relating to a natural or legal person, organisation or association that is identified or identifiable (even indirectly) by reference to any other information, including a personal identification number. In the course of its business, the ALPERIA Group obtains this information primarily in order to:

- obtain or provide services;
- assess business risk;
- identify potential segments of the market.

To ensure the protection of personal data, the ALPERIA Group, through its employees, undertakes to process such data in accordance with the relevant regulations and in particular with the following criteria:

- transparency vis-à-vis data subjects, who have the right to know what personal information is collected, for what reasons and whether it is disclosed;
- lawful and proper processing;
- relevance of the processing to the stated and intended purposes, in that the personal data will not be used for secondary purposes without the consent of the data subject (unless required by law);
- the data may not be disclosed to third parties without the consent of the data subject (unless required by law);
- assurance of the quality and accuracy of the data;
- the data subject's right to review and require rectifications, if necessary.

2.9 Anti-Money Laundering

The ALPERIA Group is careful that its business and financial activities do not serve, even potentially, as a means to facilitate unlawful activities and criminal and terrorist organisations, and always applies anti-money laundering regulations in any jurisdiction in which it operates.

The ALPERIA Group therefore undertakes careful checks of available information on business counterparts, suppliers, partners and consultants, in order to ascertain their respectability and the legitimacy of their activities before establishing business relations with them. The ALPERIA Group also ensures that the transactions to which it is a party do not present, even potentially, a risk of aiding the receipt, substitution or use of money for goods deriving from criminal activities.

3. Rules of conduct

Without prejudice to the Ethical Principles set out in the first part of this document, a number of rules are set out below. Their purpose is to set out the practices that must be observed in the performance of the company's various activities, in order to ensure compliance with the Ethical Principles.

3.1 Relations with shareholders

Corporate disclosure

Shareholders, including potential shareholders, are not merely a source of finance, but a person with various opinions and moral preferences. In order to navigate investment decisions and corporate decisions, they therefore need all the relevant information available. The ALPERIA Group is organised in such a way as to ensure that management decisions and, in general, the most significant corporate events are made public – including through the company's website – allowing all shareholders equal access to the information that concerns them and also avoiding their undue use.

Rules of conduct in dealings with the market and shareholders

The main objective is to foster and promote proper understanding among the financial community of the Company's business and financial position, as well as an assessment of the financial instruments issued, through active, transparent, timely, continuous, fair and non-discriminatory communication.

The Group works to constantly increase the value of its shareholders' investments, managing the company's assets with professionalism, diligence and prudence as required and necessary from time to time in order to meet market conditions and legal constraints.

Public relations and relations with the media, the financial community and investors are the sole responsibilities of the organisational structures entrusted with such tasks.

The parent company is responsible for developing and maintaining (in compliance with the relevant regulations) adequate internal organisational procedures and arrangements for public disclosure. Adopting these procedures is also intended to ensure compliance with the applicable regulations by the entire Group and hence immediately renders them binding on the Group companies as well.

The ALPERIA Group is committed to ensuring that publicly disclosed information is truthful, timely, transparent and accurate.

Internal management and external communication of privileged information

ALPERIA guarantees appropriate management and protection of privileged information, ensuring its accuracy, completeness and proper storage, in compliance with the relevant regulations.

Given the way in which the Parent Company accesses financial markets, it ensures and guarantees that the Group complies with current regulations on market disclosure and reporting, such as, but not limited to, the EU Market Abuse Directives and, in particular, Articles 7 and following of Regulation No. 596/2014 of 25 November 2016 ("MAR").

Conflicts of interest and fairness in inter-company transactions

The ALPERIA Group follows rules of good corporate governance in the interest of its shareholders and, more generally, of all stakeholders, ensuring management accountability and a fair balance between the powers of management and the interests of shareholders and other stakeholders.

Intercompany transactions are generally carried out at arm's length, in compliance with the criteria of substantive and procedural propriety, allowing for transparent and objective assessment. They comply with the regulations on national and cross-border intercompany transactions and justifiable market prices are always applied for exchanges of services and/or goods between ALPERIA Group companies.

3.2 Relations with staff

Definition

All those who have a continuous working relationship with the companies of the ALPERIA Group, including those in administrative (office staff, managers, etc.) and operational (workers, technicians, etc.) roles, are considered to be personnel.

Ethics, honesty and transparency

The ALPERIA Group requires the addressees of the Code of Ethics to conduct themselves in accordance with the principles of transparency, honesty and ethical integrity, and to behave with decorum and dignity. Ethical conduct also includes compliance with all laws and regulations applicable to the performance of the task and with this Code of Ethics.

The ALPERIA Group requires the addressees of the Code of Ethics to know and observe the prescriptions of the Code to the extent of their competence and, within the limits of their individual possibilities, to raise awareness of it among newly recruited employees, as well as among other addressees with whom they come into contact for business reasons.

Each addressee of the Code must have sufficient knowledge of the legal requirements pertaining to their function to enable them to recognise possible risks and identify the most suitable conduct to be adopted in such situations. ALPERIA Group personnel must consult their supervisor, or the designated bodies, in relation to parts of the Code of Ethics where they need clarification or guidance.

Conflicts of interest

The addressees of the Code of Ethics must avoid situations in which conflicts of interest could arise between personal financial interests and their duties within the ALPERIA Group, refraining from taking advantage of their position and always acting impartially in the best interests of the ALPERIA Group.

Anyone who detects a potential conflict of interest concerning them must avoid participating in the operational or decision-making process in potential conflict; In addition, the person in potential conflict of interest must take appropriate actions to ensure that their withdrawal does not cause any damage to the ALPERIA Group, such as substituting themselves with another person of the ALPERIA Group authorised to carry out the operation or activity that gives rise to the potential conflict.

By way of non-limiting example, the following situations may give rise to conflicts of interest:

- having economic and financial interests (professional engagements, etc.) in suppliers, customers or competitors (including via family members);
- working for customers, suppliers or competitors (including via family members);
- accepting money, gifts or favours of any kind from people, companies or entities that are or intend to enter into business relations with the ALPERIA Group;
- using one's position in the company or information acquired in one's work in a way that could create a conflict between one's own interests and those of the company.

Gifts, presents and donations

It is not permitted to pay or offer, directly or indirectly, payments, material benefits or other advantages to directors, officers or employees of customers, suppliers, the public administration, public institutions or other organisations for the purpose of gaining an undue advantage.

The personnel of the ALPERIA Group must not accept money, material benefits or other advantages of any kind – other than acts of business courtesy, such as gifts or forms of hospitality, which are of modest value and, in any case would not compromise the integrity or reputation of one of the parties – from people, companies or entities that are in, or intend to enter into, business relations with the ALPERIA Group. Anyone who directly or indirectly receives gifts or favourable treatment or requests to that effect from third parties must decline them and immediately inform their superior, the administrative body and the Supervisory Board.

Utilisation of company resources

The personnel of the ALPERIA Group must act with all due diligence in order to protect the resources and assets of the company, by behaving responsibly and in accordance with the procedures set up to govern their use, avoiding any improper use that could cause damage or reduced performance, or in any case in conflict with the interests of the ALPERIA Group.

The personnel must obtain the necessary permissions if the asset is to be used outside the company.

Similarly, personnel are responsible for protecting these assets and preventing their fraudulent or improper use by third parties or employees and contractors of ALPERIA Group companies.

Personnel are only authorised to use company computer equipment and internet connections for purposes related to their work.

Increasing dependence on IT means that the availability, security, integrity and maximum efficiency of this particular asset class must be protected.

Every employee must:

- not send threatening or insulting emails, not use offensive language, not make inappropriate or unwelcome comments that may cause offence to a person or damage the company's image;
- avoid spamming, which can generate so much data/information/process traffic within the company computer network that it significantly reduces network efficiency with negative impacts on productivity;
- not browse websites with indecent and offensive content;

- scrupulously follow the company's security policies so as not to compromise the functioning and security of information systems;
- refrain from loading borrowed or unauthorised software onto company systems and never make unauthorised copies of licensed programmes for personal, company or third-party use;
- not keep programmes whose installation has not been authorised or infringes the intellectual property rights of third parties.

The use, even unintentional, of these assets for any purpose outside the company's business, may cause serious damage to the Company (economic, image, competitiveness, etc.) with the aggravating factor that improper use may entail potential criminal and administrative sanctions for the same and the need to take disciplinary measures against employees. In particular, the ALPERIA Group prohibits any use of computer systems that may constitute a violation of current laws, or in any case an offence to the freedom, integrity and dignity of people and especially children. The ALPERIA Group also prohibits any use of IT systems that may cause undue intrusion into or damage to the IT systems of others.

Mental and physical wellbeing

The ALPERIA Group is committed to ensuring a working environment that complies with current health and safety regulations, by monitoring, managing and preventing risks related to the performance of work activities. The ALPERIA Group's objective in this regard is to prevent accidents or illnesses related to workplace conditions, by taking all necessary or appropriate measures such as continuous training of company personnel on their work activities and on safety issues, constant investment in new machinery or inventions that aim to achieve the highest standards of prevention and safety, and in the constant maintenance of existing equipment, as well as the careful and diligent monitoring of employees' and contractors' compliance with legal requirements and company regulations.

Nonetheless, the measures adopted by the ALPERIA Group cannot be separated from the consistent and attentive support of each employee and contractor, who must observe and diligently enforce all instructions received in the course of their work.

The ALPERIA Group requires each employee and contractor to personally contribute to maintaining a safe and clean working environment and to promoting a climate of mutual respect, paying the utmost attention to the rights, personality and sensitivities of colleagues and third parties, regardless of their hierarchical position and without discriminating in any way or making any distinctions based on sex, race, language, religion, political opinions, personal and social conditions.

Employees and contractors are strictly forbidden to possess, consume, offer or dispose of drugs or substances of similar effect, to be under the influence of alcohol, or to smoke outside the designated areas during work and in the workplace.

Collaboration and sharing

Sharing and collaboration are seen as key to creating a positive and stimulating working environment based on mutual trust and respect, where each person contributes proactively, within their own remit, to the performance of operations, the organisation, the improvement of efficiency and the achievement of performance excellence.

Transparency and accuracy of information and accounting records

All addressees of the Code must guarantee the truthfulness, accuracy and completeness of the documentation and information provided during the performance of their activities, also in order to ensure that third parties can have a clear picture of the company's income, balance sheet and cash flow situation. Every member of the corporate bodies, management and employee must cooperate, within their remit, to ensure that business events are correctly and promptly represented in the accounting records. In addition, every person who carries out operations and/or transactions involving sums of money, goods or other financially valuable benefits belonging to the ALPERIA Group shall inform their manager in order to obtain their authorisation and keep documentary records for eventual audits.

In the accounting of management events, ALPERIA Group personnel must comply with current legislation and internal procedures to ensure that each transaction is correctly recorded, as well as being authorised, verifiable, legitimate, consistent and permitted.

Adequate supporting documentation is therefore kept on file for each transaction: easy and timely recording of accounts, the identification of different levels of responsibility and segregation of duties, and the accurate reconstruction of the transaction, also to reduce the likelihood of interpretative and/or material errors.

The ALPERIA Group condemns any action aimed at altering the correctness and truthfulness of data and information contained in financial statements, reports or other corporate communications required by law or disseminated to the public or addressed to the supervisory authorities, the Supervisory Board/Statutory Auditors or Independent Auditors.

Confidentiality and protection of privacy

The ALPERIA Group protects the confidentiality and privacy of its own information and data and those of its employees, contractors or third parties, collected by reason of or in connection with the performance of its activities. The personnel of the ALPERIA Group must comply with this obligation, avoiding any improper use of such information, in accordance with the reference regulations and internal procedures. It is forbidden to disclose the information to parties inside or outside the ALPERIA Group, except in cases where disclosure is necessary to fulfil legal obligations or regulations, including internal ones, or to comply with a legitimate request or decision of a competent authority. The improper use of confidential information obtained by reason of one's office is against company rules and may constitute a violation of the law. Confidential information is information that refers to corporate strategies and activities, projects, commercial strategies and the organisation of the ALPERIA Group and the parties with which it works.

Personnel selection, development and training

The ALPERIA Group is aware that qualified and loyal employees and contractors are a key intangible asset, necessary for the achievement of the company's goals and for maintaining the highest quality standards.

In this perspective, creating and maintaining a pleasant and positive working environment is of paramount importance, including through respect for the private lives of employees and contractors, protecting equal opportunities and offering career paths based on personal performance and expertise, developing each individual's professional skills.

Starting from the recruitment phase, the ALPERIA Group acts with absolute impartiality, autonomy and independence of judgement, making assessments based on whether profiles correspond to requirements and on transparent and verifiable assessments of ability. The ALPERIA Group also adopts appropriate measures to avoid any form of discrimination and favouritism, and does not allow distinctions based on nationality, skin colour, religious belief, political or trade union affiliation or gender.

The ALPERIA Group remunerates its employees and contractors based on their skills, role and the results achieved, with the aim of ensuring full recognition of individual employees' and contractors' merit and maintaining a highly competitive overall remuneration structure through continuous and systematic comparison against the reference markets in which it operates.

The ALPERIA Group fosters the continuous training and development of its employees by offering training courses aimed at combining the company's growth needs with the training needs articulated by its workers, and by providing tools for professional growth and development.

3.3 Customer relations

Definition

Customers are all public and private entities that use the goods and services offered by the ALPERIA Group. The ALPERIA Group does not have any partiality towards any customer or category of customers, but it will not entertain any direct or indirect relations with persons known or suspected to belong to criminal organisations or in any case operating outside the law. The ALPERIA Group shall also take all possible and necessary precautions to verify the reliability of its customers, including internationally, as well as the legitimate origin of the capital and resources used by these customers in their relations with it.

Fairness in negotiations and contracts

Contracts with customers are modelled on criteria of simplicity, clarity and comprehensibility, avoiding any deceptive practices in order to build a strong relationship founded on the overarching values of fairness, honesty and professionalism. In case of unforeseen events, the ALPERIA Group is committed to not exploiting any situations of dependence or weakness of the counterparty.

Gifts, presents and donations

It is strictly forbidden to directly or indirectly offer to customers (or receive from them) money, objects, services, favours or other benefits, other than business courtesies of modest value, such as may be interpreted by an impartial observer as aimed at obtaining an advantage (including a non-economic advantage) contrary to mandatory rules of law, regulations and the principles of this Code.

3.4 Relations with suppliers

Definition

Suppliers are all public and private entities that the ALPERIA Group uses in various ways to acquire goods, services, resources or services necessary for the performance of its activities and that contribute to the quality of the services rendered to the customer.

Suppliers play a key role in improving the overall competitiveness of the ALPERIA Group. The ALPERIA Group therefore selects suppliers with the best characteristics in terms of quality, innovation, cost, service, continuity and ethics.

Fairness, good faith and respect for the values and principles of the ALPERIA Group

The ALPERIA Group establishes long-term relationships with its suppliers, according to criteria of fairness and good faith in negotiations, in compliance with the values and principles of the Code.

The ALPERIA Group requires its suppliers to comply not only with their commitments to the business objectives of effectiveness/efficiency, but also with best practices in terms of environmental and climate protection.

The ALPERIA Group avoids situations of dependence that could be detrimental to the supplier's business and, in a spirit of trust and cooperation with its suppliers, the ALPERIA Group aims to achieve shared economic and ethical goals.

Selection and payment of suppliers

The supplier selection process is based on objective evaluations, in accordance with principles of transparency, impartiality, fairness, quality, cost effectiveness, innovation, continuity, loyalty, punctuality and ethicality and, where possible, helping to develop the local area, in strict compliance with applicable EU, national and company regulations.

Amounts to be paid to suppliers shall be commensurate exclusively with the performance specified in the contract. Payments may not be made to a party other than the contracting party, nor in a country other than that of all the contracting parties or the country of performance of the contract.

Gifts, presents and donations

Suppliers are not permitted to offer (directly or indirectly) to the personnel of the ALPERIA Group or their relatives, and the personnel of the ALPERIA Group is not permitted to receive, money, goods, services, favours or other benefits other than acts of business courtesy of modest value, such that they could be interpreted by an impartial observer as aimed at obtaining an undue advantage (even if not economic) or, in any case, to be considered inappropriate in the circumstances.

Supplier health and safety

The ALPERIA Group is committed to spreading a culture of health and safety among its suppliers and, in particular, protects the health and safety of suppliers carrying out activities at ALPERIA Group sites with appropriate organisational and technical preventive actions. The ALPERIA Group makes sure that the requirements of its contractors meet the company's procedures and qualification systems as time goes on.

Rules of conduct for participation in tenders

When participating in tender procedures, the Alperia Group undertakes: (i) to act in accordance with the principles of fairness, transparency and good faith; (ii) to adhere to specific procurement rules; (iii) to assess, at the tender examination stage, the appropriateness and deliverability of the services required; (iv) to provide all the data, information and commentary requested during the selection of participants and that is needed for the award of the tender in the case of supplies, and to maintain clear and proper relations with the public officials in charge, avoiding any behaviour liable to impinge the freedom of judgement of the competent officials.

If awarded the tender, the Company undertakes in its relations with the contracting authority: (i) to ensure open and proper negotiations and business relations; (ii) to ensure the diligent performance of contractual obligations.

3.5 Relations with finance providers

Transparent disclosure

The ALPERIA Group ensures the accuracy and timeliness of the information requested by finance providers so that their investment decision is based on a true representation of the balance sheet, income and cash flows of the ALPERIA Group.

Respect for commitments

With regard to financing received, the ALPERIA Group strictly adheres to its commitments to lenders, meeting agreed deadlines on time.

3.6 Relations with the Independent Auditors

Internal and external auditors must have free access to the data, documents and information they need to perform their work. In order to ensure the utmost respect for its independence and impartiality, the ALPERIA Group undertakes to the external auditor and other companies belonging to the same “network” that it will not assign it any services that could compromise its independence and objectivity.

3.7 Relations with the Supervisory Board/Board of Statutory Auditors

The appointment of Directors/Auditors takes place according to a transparent procedure that ensures, inter alia, prompt and appropriate information on the personal and professional characteristics of the candidates for office.

The ALPERIA Group has put in place measures to ensure the effective performance of the tasks of the Supervisory Board/Board of Statutory Auditors, in particular for the performance of periodic audits, for the provision of various documents and for ordinary and extraordinary information requests made by them, including through the involvement of internal personnel, acting with the utmost transparency and propriety.

3.8 Relations with the public administration

Definition

Public Administration means the set of public or private entities that perform a “public function” or a “public service”, with which the ALPERIA Group has dealings in carrying out its activities.

The term “public function” refers to activities governed by public law relating to legislative, administrative and judicial functions.

The term “public service” refers to activities producing goods and services in the general interest and that are subject to supervision by a public authority, as well as those activities aimed at guaranteeing an individual’s rights to life, health, and freedom of communication, including under concession and/or convention. This includes, but is not limited to, local public bodies (municipalities, provinces, regions, etc.), INPS national social security institute, ASL local health authorities, Guardia di Finanza (Finance Police), NAS public health police, fire brigade, local police, etc.

Legality, fairness and transparency in dealing with the public administration

The ALPERIA Group is inspired by and bases its actions on respect for the impartiality and good conduct of the Public Administration, understood as the group of public or private law entities that perform a “public function” or a “public service”, and with which the ALPERIA Group interacts in carrying out its activities.

The ALPERIA Group complies strictly with applicable EU, national and company regulations in its relations with the Public Administration and with entities carrying out activities of public utility or public interest (or in any case relating to relations of a public nature).

Relations with the Public Administration and with entities that perform activities of public utility or public interest (or in any case inherent to relations of a public nature) must be rooted in honesty, propriety and transparency in order to guarantee the autonomy, impartiality and transparency of the relevant decisions.

Managing negotiations, making commitments and entering into relationships of any kind with the Public Administration, with entities carrying out activities of public utility or in the public interest or in any case

relating to relationships of a public nature are reserved exclusively to the corporate functions appointed and/or authorised for this purpose.

The addressees of the Code who are responsible for any negotiations, requests or institutional relations with the Public Administration must not try to improperly influence its decisions, nor must they engage in unlawful conduct, such as the offer of money or other benefits, that may alter the impartial judgement of the representative of the Public Administration.

The following constitute unlawful conduct:

- using altered or false statements or documents, omitting information or, in general, using artifices and deception, aimed at obtaining concessions, authorisations, financing or grants from the European Union, the State or another public body;
- promising or paying sums of money or promising or granting goods in kind or other benefits to public officials in a personal capacity, with the aim of promoting or furthering the interests of the ALPERIA Group, also as a result of unlawful pressure;
- circumventing the aforementioned requirements by using different forms of aid or contributions which, in the guise of sponsorships, appointments, consultancy work, advertising, etc., serve the same purposes as those prohibited above.

Any employee who receives suggestions of acting in this way is required to immediately inform their superior and/or the Supervisory Board.

If the ALPERIA Group uses a consultant or a third party to represent it in relations with the Public Administration or public service concession holders, said consultants and third parties must comply in their actions with the principles and rules of this Code.

In dealings with the Public Administration or the concessionaire of a public service, the ALPERIA Group shall not be represented by third parties who could be in potential conflict of interest or who have not demonstrated unimpaired and exemplary conduct.

It is prohibited to alter the operation of an IT or online system of the Public Administration or to manipulate the data contained therein in order to obtain an unfair profit.

Relations with supervisory and control authorities and the judiciary

The ALPERIA Group's relations with the supervisory and control authorities are rooted in maximum cooperation, in full respect of their institutional role.

People appointed to deal with the supervisory and control authorities and with the judicial authorities shall conduct themselves with transparency, probity and rigour, avoiding actions that could be misinterpreted or, in any case, as inducements to corruption, and refraining from any direct or indirect gift or promise of benefits.

Inducing any person not to make statements or to make false statements to judicial authorities by means of violence, threats or by offering or promising money or other benefits shall be considered a breach not only of the law, but also of this Code of Ethics.

Employment relationships with former employees of the public administration

The employment or hiring in any form of former employees of the Public Administration, who in the course of their functions have had relations with the ALPERIA Group, or their relatives and/or relatives-in-law, must be done in strict compliance with the procedures set forth by the ALPERIA Group for recruitment of personnel, without the candidate's previous role influencing the final decision on entering into the new relationship.

Relations with public institutions

The ALPERIA Group maintains relations at all times with local, regional, national and international institutions in order to represent to them its mission, projects and development programmes. Contact with officials of public institutions is restricted to the functions responsible for this, or to those who have received an explicit delegation to this effect from the senior management of the ALPERIA Group.

Such contacts must take place in a spirit of loyalty, transparency and constructive cooperation with public institutions, and aim to promote and protect the interests of the ALPERIA Group. The ALPERIA Group represents and promotes its interests in a transparent, rigorous and consistent manner, avoiding any collusive behaviour.

Grants and subsidies

The ALPERIA Group ensures that documentation prepared to obtain grants, financing, authorisations and concessions from the Public Administration (European Union, national and local Authorities) is correct and complete.

The ALPERIA Group also ensures that the subsidies or financing obtained are used for the purposes for which they were requested and granted.

Sponsorship

The ALPERIA Group uses sponsorship as a marketing tool to achieve corporate objectives, financially supporting initiatives put forward by public bodies, private individuals and non-profit associations/federations properly constituted in accordance with the law and located in South Tyrol. ALPERIA aims to acquire long-term partnerships through sponsorships, focusing on sustainable projects in the field of sport (in order to promote health and social contacts especially among young people), in the field of art and culture (and specifically in the fields of music, theatre and dance), and in the field of the environment (especially energy and safety projects).

3.9 Relations with external stakeholders and the community

External parties that come into contact with the ALPERIA Group (external professionals, consultants, agents, representatives, intermediaries, etc.) are required to observe the principles of this Code. In relation to their own duties, ALPERIA Group personnel must:

- observe internal procedures for the identification and management of relations with other external parties that collaborate with the ALPERIA Group;
- carefully consider using other external parties;
- select only counterparties of appropriate professional qualification and reputation;
- obtain from other external parties cooperating with the ALPERIA Group assurance that the most appropriate balance between performance level, quality, cost and time is being provided;
- operate within the framework of applicable laws and regulations;
- apply the contractually agreed conditions.

In particular, compensation must

- be exclusively commensurate with the performance specified in the contract, and payments may not be made to a party other than the other party to the contract or in a country other than that of the parties or of performance of the contract;
- maintain a frank and open dialogue with external employees, in line with good business practice;
- require other external parties that collaborate with the ALPERIA Group to abide by the principles of this Code of Ethics and, when required by procedures, to include in contracts the express obligation to abide by said principles;
- promptly report to their supervisor and/or to the Supervisory Body any actions of the external party collaborating with the ALPERIA Group that appears contrary to the Ethical Principles of the Code.

Local community development

The ALPERIA Group is committed to enhancing the quality of life and contributing to the socio-economic development of the community in which it operates, while carrying out its business activities in accordance with sound business practices.

The ALPERIA Group is aware of its social responsibility towards its stakeholders and, in particular, the local area in which it operates; it believes in the primacy of dialogue and collaboration with local communities.

As such, the ALPERIA Group undertakes to contribute, as far as possible, to supporting social, sporting and cultural initiatives that have an impact on the local area and that promote ALPERIA's values and principles. In any donations and grants, the ALPERIA Group gives priority to initiatives that offer a guarantee of quality, stand out for the ethical message conveyed, and contribute to the social and responsible development of the local area.

Environmental and climate protection

Without prejudice to compliance with the relevant regulations, the ALPERIA Group undertakes to adopt measures aimed at preserving the environment and the climate, promoting activities in line with this objective and supporting awareness-raising and information initiatives in the local area.

The ALPERIA Group's environmental policy is embodied in the belief that the environment and the climate are a shared resource to be protected.

As a company with strong roots in the region, the ALPERIA Group particularly supports innovative and sustainable solutions in line with its ecological, social and economic responsibilities.

For this reason, the ALPERIA Group is particularly focused on the generation and utilisation of renewable and alternative energy and the development of clean energies in South Tyrol, as well as new products that are compatible with climate and environmental protection.

In addition to developing renewable energy sources, the ALPERIA Group is also committed to environmentally friendly, waste-conscious energy use.

These intentions are geared towards the long-term development of the energy sector in South Tyrol, with positive repercussions on environmental protection and the development of the region's economy.

Political parties and trade unions

The ALPERIA Group maintains relations with representatives of political forces for the sole purpose of deepening its knowledge of relevant issues and to promote its views transparently.

The ALPERIA Group does not finance political parties, their representatives or candidates, or trade union organisations in Italy or abroad, refraining from sponsoring events connected to them.

The ALPERIA Group condemns any direct or indirect pressure applied to political figures (e.g. by granting access to facilities of ALPERIA Group companies, accepting recommendations for recruitment, consultancy contracts, etc.).

The ALPERIA Group does not make contributions of any kind (directly or indirectly) to trade unions, nor to their representatives or candidates; its relations with trade unions are rooted in the principles of fairness and cooperation, in the interest of the ALPERIA Group and its employees.

Relations with interest groups

The ALPERIA Group maintains relations with interest groups in order to develop its activities, establish mutually beneficial forms of cooperation, and put forward its views on topics of common interest. The presentation of specific ALPERIA Group views to associations is subject to the consent of senior management or the relevant functions.

Media

When data or information is communicated externally, it must be truthful, transparent, fit for purpose, appropriate and consistent with the policies of the ALPERIA Group; such communications must only be made by the duly authorised functions. In this regard, all addressees of this document shall refrain from behaving or making statements that could in any way harm the image and interest of ALPERIA. The ALPERIA Group only communicates with the press and mass media through the corporate bodies and the corporate functions assigned to this task.

Institutional communication

Information about the ALPERIA Group (company profiles, AV presentations, etc.) is designed to be as transparent and truthful as possible. When participating in conferences, congresses and seminars, drafting articles, essays and publications in general, as well as participating in public events, the information provided on the activities, results, views and strategies of the ALPERIA Group may only be disclosed in accordance with regulations on the confidentiality of company information.

Competition

The ALPERIA Group recognises the fundamental importance of a competitive market. The ALPERIA Group repudiates unfair competition and avoids practices that represent a violation of competition laws (e.g. the creation of cartels, market sharing, conditional agreements, etc.).

4. Implementation and compliance with the Code

The ALPERIA Group's Code of Ethics is intended to reaffirm the Group's adherence to the highest ethical standards in which it believes and identifies.

All addressees of the Code of Ethics are required to respect and enforce the provisions of the Code of Ethics.

The body responsible for monitoring the application of the Group's Code of Ethics is the Supervisory Body of ALPERIA SPA, established in accordance with the Organisation, Management and Control Model for the prevention of crimes pursuant to Legislative Decree 231/2001 and related regulations, which coordinates the proper implementation and assessment of the principles contained in this document with the Supervisory Bodies of each ALPERIA Group company and the relevant company functions.

To this end:

- it consults with the relevant functions to instigate training courses;
- it clarifies doubts on interpretation and ethical dilemmas;

- it collects reports of alleged violations;
- it carries out the appropriate investigations, reporting their outcome to the competent functions, also in cooperation with the Supervisory Bodies of each company of the ALPERIA Group;
- it guarantees the confidentiality of the whistleblower's identity, protecting them from possible retaliation.

ALPERIA SPA's Supervisory Body may also be contacted anonymously, (e.g. for whistleblowing, requesting clarification or an opinion). Such communications must be objective and substantiated and may be sent by the addressees and all other interlocutors, through confidential internal email or through the dedicated mailbox available on the Company's website.

The ALPERIA Group undertakes to protect from any intimidation or retaliation anyone who in good faith makes reports of alleged or obvious violations of the Code, applying the disciplinary actions available from time to time.

The ALPERIA Group is also committed to enforcing compliance with this Code through the strict application of sanctions in accordance with the disciplinary system set out in the applicable national collective labour agreements or in the relevant contracts entered into with the relevant counterparts.

This Code can be consulted on the ALPERIA Group's website at www.alperia.eu and is distributed to recipients in the manner, from time to time, deemed most appropriate for effective dissemination.

5. Sanction system

The contents of this Code and of the Organisation, Management and Control Models (under Legislative Decree 231/2001) of the individual Group Companies strongly emphasise the need for the personnel of the Companies (and third parties that have relations with them) to comply strictly and in full with the provisions of law.

The individual companies have the right/duty to monitor compliance with this Code and the procedures and measures set out in the Model, implementing all prevention and control actions deemed necessary and adopting appropriate sanctioning mechanisms for non-compliance.

Violations of this Code damage the trust between the Company and its personnel and lead to disciplinary action, irrespective of possible criminal proceedings in cases where the action constitutes a criminal offence.

Violations of the Code and internal procedures are separate from violations of the law resulting from the commission of an offence. The Company is therefore not obligated to wait for the end of any pending criminal proceedings before acting. The principles of timeliness and immediacy of sanctioning mean it is inadvisable to delay the imposition of disciplinary sanctions pending the outcome of a criminal trial.

In employment relationships, any sanction must comply with the procedures laid down in Article 7 of the Italian Workers' Statute, characterised not only by the typicality of the violations but also the typicality of the sanctions.

For disciplinary proceedings, the companies of the ALPERIA Group comply with the "Company Disciplinary Code" of the parent company ALPERIA SPA.

The sanction and disciplinary system also applies to senior management who hold positions of representation, administration, management or who exercise powers of management and control of the Company.

There are specific measures in place for third parties with whom the companies have relationships (e.g. consultants), such as clauses in which they commit to reading and complying with the Code and the companies' Model 231, the application of penalties or the termination of the contract if they fail to comply.

Depending on the seriousness of the offence carried out by the person, the competent corporate body in charge of assessing and ordering disciplinary measures for violations of the Code and/or of the Model 231 shall take the appropriate measures, regardless of whether criminal proceedings are brought by the judicial authorities.

Conduct in breach of this Code may in each case constitute:

- just cause for termination with immediate effect, for directors;
- a serious breach possibly providing grounds for dismissal, for employees;
- written warnings, temporary suspensions or, for the most serious violations, disqualification from holding office, for executives;
- early termination of the relationship or the application of penalties, for consultants, external contractors and, in any case, para-subordinate workers.

In all such cases, the Company shall be entitled to claim any damages it may have suffered as a result of the unlawful conduct.