

Key Information Document

Purpose

This document contains key information about this investment product. This is not a promotional document. The information, prescribed by law, is intended to help you understand the characteristics, risks, costs, gains and potential losses of this product and to help you make a comparison with other investment products.

You are about to buy a product that is not simple and can be difficult to understand.

Product: ALERION CLEAN POWER S.p.A. EUR 3.125% SENIOR UNSECURED NOTES DUE 2025

ISIN: XS2083187059

Issuer: Alerion Clean Power S.p.A.

Website: www.alerion.it

Competent Authority: Central Bank of Ireland

Date of generation of this document: 5 December 2019

For additional information contact: +39 02 7788901

What is this product?

- **Type:** Fixed rate Euro bond with early redemption option in favor of the Issuer.
- **Targets:** the product expects to pay an amount equal to 100 per cent. of the nominal value per unit on the due date. Interest on the Notes (which shall not be less than the Minimum Interest Rate) will accrue at a minimum fixed rate of 3.125 per cent. per annum starting from the Issue Date, payable annually in arrears on 19 December of each year commencing on 19 December 2020. On the basis of the issue price of the Notes of 100 per cent. of their principal amount and a Minimum Interest Rate of 3.125 per cent. per annum, the gross real yield of the Notes is a minimum of 3.125 per cent. on an annual basis.

At any time on or after 20 December 2022, the Issuer may redeem the Notes, in whole or in part and from time to time, at the following redemption prices (expressed as the sum of the principal amount redeemed plus a portion of the yearly interest due on such an amount determined on the redemption date), plus accrued and unpaid interest and additional amounts, if any, to the relevant redemption date:

Redemption period	Price
From 20 December 2022 to 19 December 2023	100% of the principal amount redeemed + amount equal to ½ of the yearly interest due on such a principal amount
From 20 December 2023 to 19 December 2024	100% of the principal amount redeemed + amount equal to ¼ of the yearly interest due on such a principal amount
From 20 December 2024 and thereafter	100% of the principal amount redeemed

The Issuer shall inform the investor of its intention to redeem the Notes at least 30 days before the early redemption date.

- **Listing Market:** Official List - Regulated Market of Euronext Dublin and Borsa Italiana – EuroMOT segment.

When comparing the product with other similar instruments, the recommended holding period of each instrument, determined by its characteristics, should be taken into account.

- **Retail investors to whom the product is intended to be marketed:** This product is intended for a retail client who has the following characteristics:(i) basic knowledge of financial markets, related risks and the relevant market; (ii) has a risk tolerance equal to or greater than that indicated by the Risk Indicator; (iii) has a long-term investment horizon; (iv) wishes to invest in a product that pursues capital preservation objectives and a capital growth strategy.
- **Maturity Date:** 19 December 2025.


What are the risks and what is the potential return

- The synthetic risk indicator is an indication of the level of risk of this product compared to other products. It expresses the probability that the product will suffer monetary losses due to market movements or due to our inability to pay you what is due.
- We have classified this product at level 7 out of 7, which corresponds to the highest risk class.
- This means that this product does not include any protection in relation to future market performance.
- Therefore, you may lose all or part of your investment.
- If Alerion is unable to pay what is due, you may lose your entire investment.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

←-----→

Lower risk Higher risk



The Synthetic Risk Indicator assumes that the product is maintained until the expiry date. The actual risk may vary significantly if the position is closed earlier. It is possible that we may find it difficult to close the position before maturity, or that we must sell at a price that significantly reduces the investment result.

Performance scenarios

Investment € 10,000 Scenarios		1 year	4 years	6 years (Maturity Date)
Stress scenario	Possible reimbursement net of costs	9,880.88	10,395.86	11,875.00
	Average yield for each year	-1.19%	0.98%	2.91%
Unfavorable scenario	Possible reimbursement net of costs	9,972.46	10,619.82	11,875.00
	Average yield for each year	-0.28%	1.51%	2.91%
Moderate scenario	Possible reimbursement net of costs	10,252.53	11,328.13	11,875.00
	Average yield for each year	2.53%	3.17%	2.91%
Favorable scenario	Possible reimbursement net of costs	10,900.74	11,328.13	11,875.00
	Average yield for each year	9.01%	3.17%	2.91%

- This table shows the amounts of possible repayments in the next 6 years, in different scenarios, assuming an investment of 10,000 EURO.
- The presented scenarios show the possible performance of the investment. They can be compared with other product scenarios.
- The scenarios presented are an estimate of future performance and not an exact indicator. Reimbursement amounts will vary depending on market performance and the time period for which the product is maintained.
- The stress scenario indicates what the amount repaid in extreme market circumstances might be and does not take into account the situation in which we are unable to pay you.
- The figures include all costs for the product as such, but may not include all costs you have paid to the consultant or distributor. The figures do not take into account your personal tax situation, which may also affect the amount of the refund.

What happens if the issuer is unable to pay the amount due?

In the event of Alerion becoming insolvent or subject to bankruptcy or other insolvency proceedings, the investor may lose all the capital invested. The securities are not covered by any compensation or guarantee scheme of the investor.

What are the costs?

Cost trends over time

Alerion will not charge any costs to any investor. Persons acting as intermediaries and advisors to the investor may request costs related to transactions in the instrument. The costs charged by such entities are in no way under the control of Alerion. These subjects must provide the investor with information regarding the costs applied and indicate the impact that these total costs may have on the potential return on the investment over time.

Investment € 10,000 Scenarios	In case of divestment after 1 year	In case of divestment after 4 years	In case of divestment after the recommended holding period
Total costs	0.00	0.00	0.00
Impact on yield (RIY) per year	0.00%	0.00%	0.00%

Composition of costs

The following table shows:

- the impact, for each year, of the different types of costs on the possible return on investment at the end of the recommended holding period,
- the meaning of the different cost categories.

This table shows the impact on yield per year		
One-off costs	Entry costs	0.00%
	Exit costs	0.00%
Recurring costs	Portfolio transaction costs	0.00%
	Other recurring costs	0.00%

How long should the investment be held? Can I liquidate it in advance?

Recommended holding period: Maturity Date, i.e. 19 December 2025

Recommended holding period corresponds to the maturity date.

Under normal market conditions, you can sell this product on the secondary market, at a price that depends on the parameters prevailing on the markets at that time and that may be lower than the capital invested.

Alerion does not provide for the application of penalties and commissions in the event of divestment before maturity.

How to submit complaints?

Any claim relating to this product or the conduct of the product creator or a person who advises on the product or sells it, may be made via the website www.alerion.it, by registered letter with advice of receipt or by electronic means, including through certified mail, addressed to: Alerion Clean Power S.p.A., Viale Majno 17, 20122, Milano (MI), Italy, Email: info@alerion.it, certified mail address: alerioncleanpower@legalmail.it.

If the investor seeks to make a complaint regarding the conduct of the placement agent of the product or of the entity providing investment advice on the product, the investor should contact such entities for the means of making the complaint.

Other relevant information

The product regulations, the Prospectus and other information relating to the Issuer can be found on the website www.alerion.it. This document is subject to being revised, according to the reference regulations, and may also be subject to changes and/or additions by the Issuer also on the basis of the guidelines that may be made known by the competent authorities after publication of this document.