



# ASJA GROUP

## 2013 Asja Social Responsibility



### CUTTING OFF EMISSIONS IS A MUST!

Early 2014 marked the highest level of carbon dioxide ever recorded in the atmosphere: for the very first time exceeding 400 ppm (parts per million).

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## Corporate Identity

### ***Mission***

The Company's mission is sustainable development, accomplished through new projects within the clean energy framework, thus actively mitigating climate change.

Asja adopts highly-innovative solutions and supports scientific research, with due respect toward us humans and the planet in which we live. The Company's values represent the perfect mix between business development and social commitment, as a matter of fact Asja places a lot of emphasis on the optimization and safety of its human resources as well as on assisting the community.

The Company aims at incessantly improving its performances, therefore it avails itself of an integrated system of Management and Environmental Quality, certified by international standards.

### ***Values***

#### ***Environmental Commitment***

Perfectly aware of the importance and consequences of human behavior on the environment and on our society, Asja operates projects that reduce greenhouse-effect gases, transfers its know-how to under-development countries and spreads environmental culture throughout the territory.

#### ***Commitment to Its Personnel***

By means of tangible actions, Asja safeguards the safety of its resources, their career growth and involvement within the Company, without mentioning the spread of equal opportunity respect.

#### ***Legality***

Respect toward legality has always been the Company's main concern, therefore Asja has adopted an Organizational Model and a Code of Ethics, shared and accepted by the totality of its employees.

#### ***Transparency***

Transparency is ensured by means of internal communication and information outlet aimed at consolidating reliability and trust.

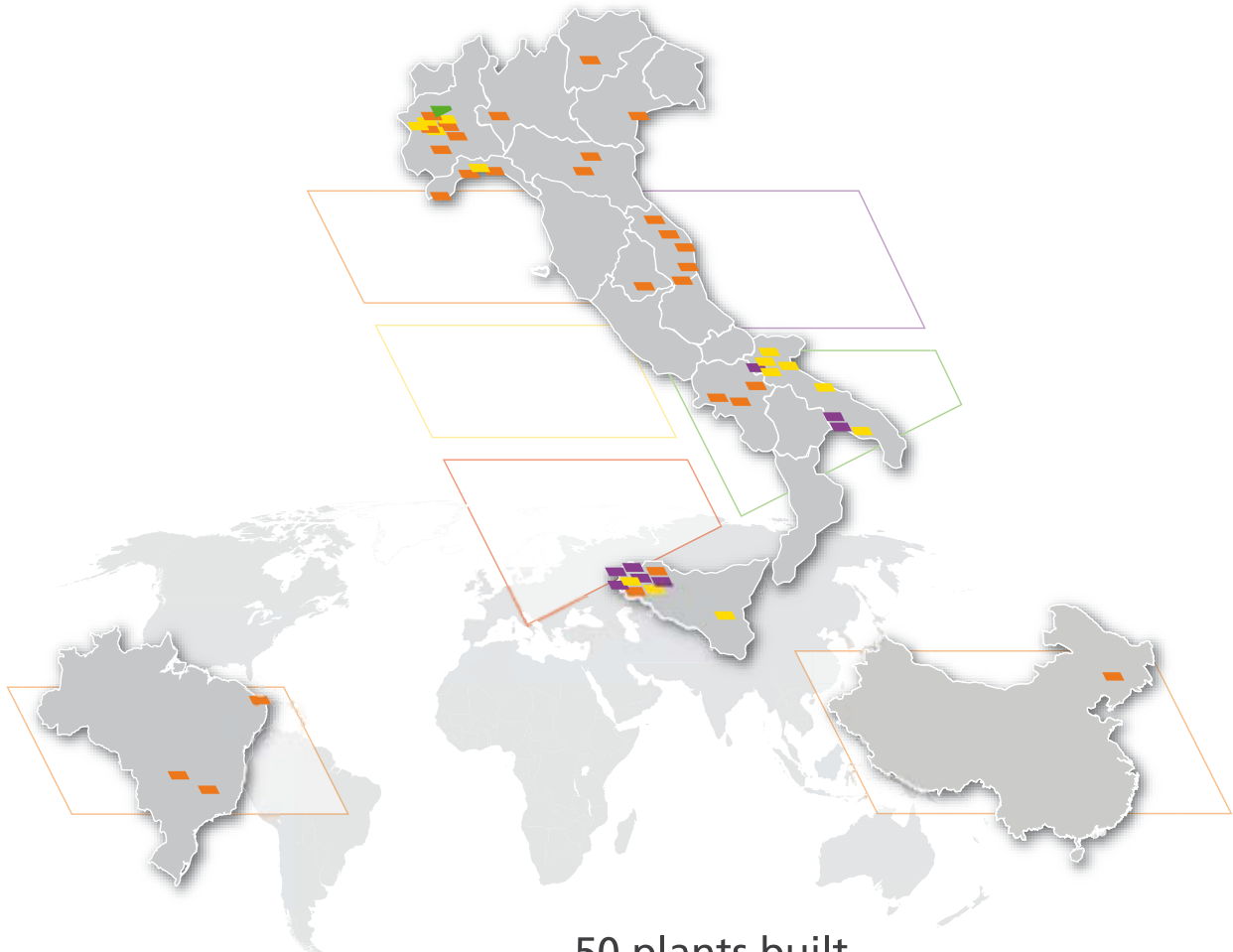
#### ***Innovation***

Asja lives for today thus it is highly oriented toward the future through continuously seeking new technological and environmentally-sustainable solutions.

#### ***Commitment to Improvement***

Asja leads its employees to incessant improvement by identifying new organizational and execution methods that can fine-tune the quality, efficiency and satisfaction of their jobs.

## The Plants



50 plants built  
163,5 MW installed power

- 27 landfill gas plants  
71.7 MW installed power
- 1 biomass power plant  
1 MW installed power
- 8 wind farms  
79.3 MW installed power
- 14 photovoltaic plants  
11.5 MW installed power

## Background: eighteen years of green energy

### 1995

Company foundation.



### 1996

start-up of the Company's first two plants of biogas recovery for power generation on the Vallescura (Sp) and Osio Sotto (Bg) landfills.

### 1999

the corporate structure becomes a Limited Company one.

### 2000

construction of a landfill biogas plant in Palermo, located on one of the largest waste dumps in Europe. The Company obtains its first certificate (Quality ISO 9001) awarded by Det Norske Veritas.

### 2005

transfer of the Company's offices to a new location in Rivoli (To) which is fueled by renewables. Start-up of the first wind plant in Baglio Nasco (9,35 MW). Construction of a biogas plant on the Monte Scarpino – Genoa landfill, to date being one of the largest to have been built in Europe (9,9 MW).

### 2003

Environmental Management System registered with EMAS applying to all operational plants.



### 2002

Environmental Management System certificate for all operational plants, compliant with regulation 14001 awarded by Det Norske Veritas.

### 2001

first steps in the wind sector development.



### 2006

first audit of the consolidated financial statements conducted by the independent auditing firm RecontaErnst&Young. The Company obtains the standard OHSAS 18001 Safety Management System certification for all its operational plants. Constitution of three new branches in Argentina, Brazil and China, aimed to develop plants that mitigate greenhouse emission gases within the framework of the Kyoto Protocol.

### 2008

beginning of a long-lasting collaboration with Turin Polytechnic at the Business Research Center (BRC).



### 2009

consolidation of structures for wind and photovoltaic development.



### 2010

start-up of the first co-generation plant fueled by vegetable oils in Rivoli (To), which will be connected to the district heating grid the following year. Opening of the biogas plant built on the largest solid waste dump in Belo Horizonte.

### 2013

start-up of wind plants in Laterza (Ta) with an overall 22 MW. Foundation of asjaGen that produces and sells micro-co-generators. Award of the auctions for the construction of two wind plants in Matera totaling 48 MW.

### 2011

construction of 8 photovoltaic plants with an overall power of 12 MW.

## Environmental Responsibility

Asja's commitment to generating renewable power contributes efficiently to the **construction of a sustainable future** for all humans and their environment. The Company's mission mirrors the awareness of the serious and growing state of environmental deterioration our planet is going through: as recently described in publications of the Intergovernmental Panel on Climate Change (IPCC\*), climate changes currently in act are without precedent and overheating of the Earth is undoubtedly a Man's creation. Due to the greenhouse effect the oceans and atmosphere have overheated, the quantity of snow and ice has diminished, the sea level has risen and extreme weather conditions have increased frequency, as witnessed by the recent tragedies that have occurred in our country as well as in the Philippines. November 2013 saw the passage of the cyclone Cleopatra over Sardinia, causing 16 dead, displacement of about 1.800 inhabitants and damage amounting to 200 million euros.

During the same month typhoon Hayan, extended over 600 km at a speed of 300 kph, struck the Philippines. Hayan is the most powerful typhoon ever recorded in the archipelago and caused more than 5,000 victims, over 20,000 injured and material damage amounting to over 270 million dollars. If this scenario was to be continued, the earth would become increasingly filled with environmental disasters and diseases; the impact of global heating could slow down economic growth and increase poverty. To this concern, the most responsible action we must take is to **fight against climate change** by means of reduction in anthropogenic greenhouse gas emissions.

In fact the atmospheric concentration of the three main greenhouse gases (carbon dioxide, methane and nitrogen oxide) has increased owing to human activity. Processes that generate most greenhouse emissions are power generation, industrial activity, agriculture and transport.

**Green energy** represents our greatest occasion to set a milestone regarding the change from an economy based on fossil hydrocarbons to a sustainable balance of our planet, a place where generating power does not involve CO<sub>2</sub> emissions.

Replacement of conventional sources with renewables allows a reduction in emissions from polluting agents such as particulates, nitrogen oxides and sulphur dioxide, the latter being responsible for acid rain. Finally renewables allow us to avoid alterations in the chemical composition of the soil as well as pollution of surface and groundwater resources.

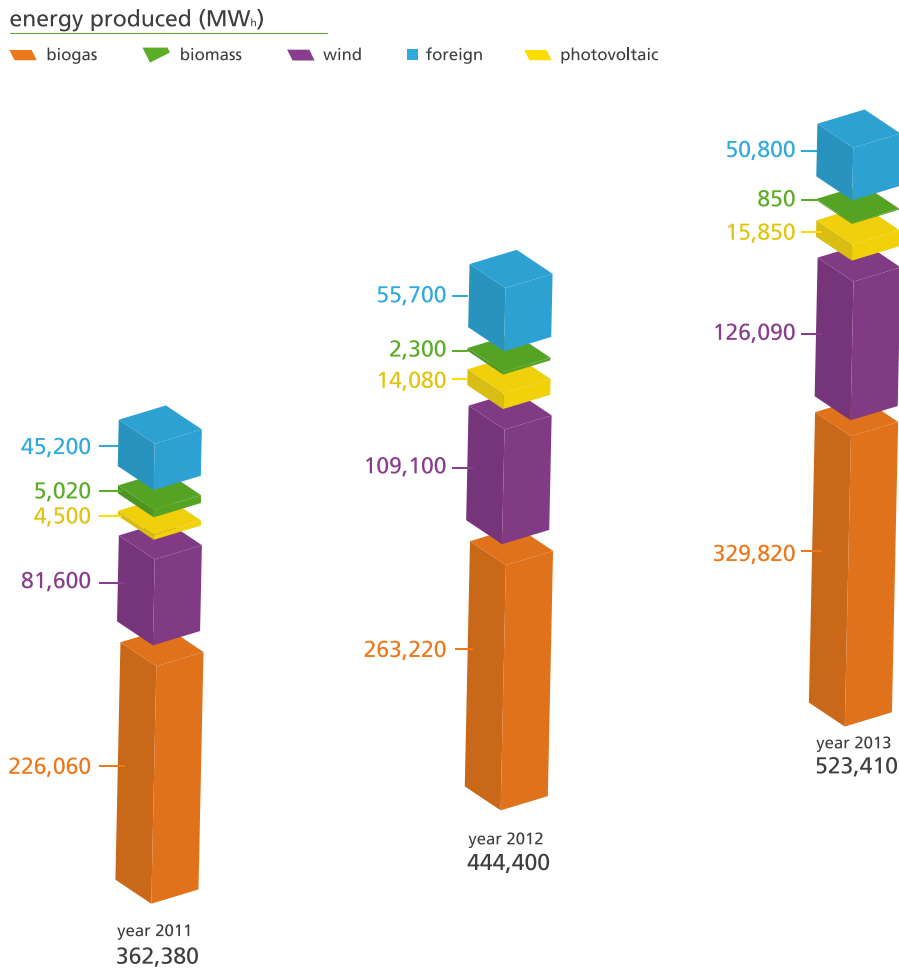
Perfectly aware that its actions truly make a difference, Asja is determined to reach its objectives, thus adopting high-performance technologies and implementing **strict environmental management systems**.

\* IPCC, *Climate Change 2014, Mitigation on Climate Change, 2014*

In 2013 Asja's plants generated **523,410 MWh** green energy, comparable to:

- the amount of power consumed by about **1,000,000 people** (the inhabitants of Turin) in a year;
- the amount of power that lights for over an entire year **100 buildings the size of the Empire State Building**.

Asja's green energy generation impeded the release in the atmosphere of **1,134,524 tons of CO<sub>2</sub>**, a quantity equal to that absorbed by **141,000-hectare** forests. Green energy and its consequent environmental benefits have increased over the last three-year period:



Ever since its foundation, Asja's core business has been landfill biogas recovery that brought further environmental benefits, apart from those deriving from the non-use of fossil resources.

Biogas produced by the deterioration of amassed waste on the landfill derives mainly from methane (CH<sub>4</sub>), one of the major and more powerful greenhouse gases: in fact 1 kg of methane (CH<sub>4</sub>) corresponds to 25 kg of CO<sub>2</sub>.

To this concern Asja's biogas plants, by means of a dense network of wells built on landfills, avoid damaging release into the atmosphere, an important environmental protection factor.

Over the three-year period 2011-2013 Asja's plants spared the release into the atmosphere of **643,000 tons of biogas**, correspondent of **16,000,000 tons of CO<sub>2</sub>**.

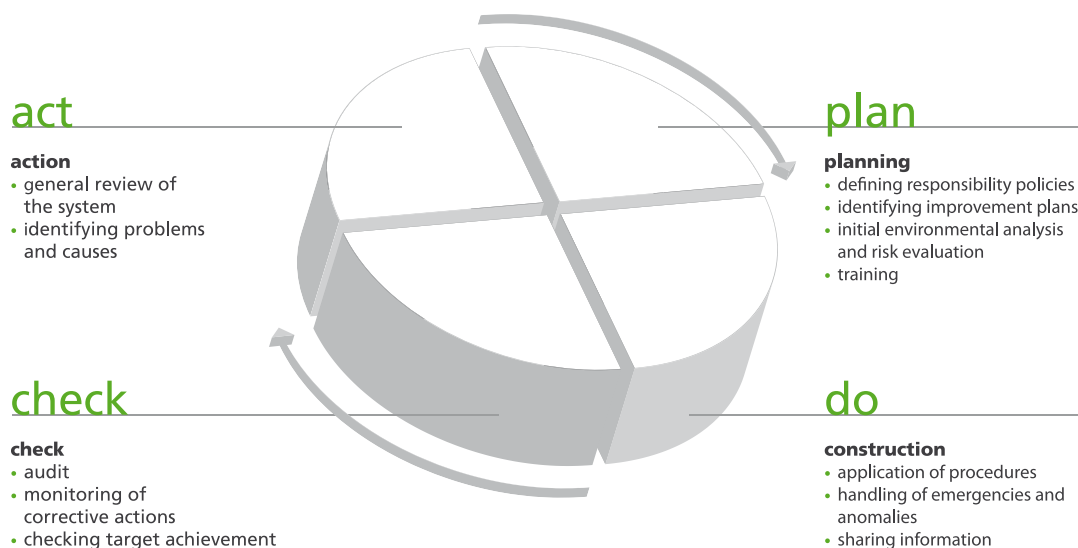
Since 2002 all plants have been certified to comply with international regulation 14001 and registered with EMAS regulation.

Application of the Management Environmental System, integrated by the Safety Management System regards all phases of the Company's activities: plant design, construction and operation.

When evaluating potential plant construction, the Company performs an initial environmental analysis of the site that enables to come up with the adequate procedures to limit the impact on the environment. Such procedures, that establish responsibility and the right operation methods to be adopted for a better environmental preservation, are applied to each operation phase.

Correct environmental management is monitored through systematic internal audits performed by a team of specialists in order to guarantee the most rigid and thorough control throughout all activity steps. Environmental performance of plants is systematically kept under control by means of data collection, analysis and measurements. Registration of environmental parameters is done both in real time with compliant instruments and through periodic tests performed by external accredited companies. In this way all significant environmental aspects are being monitored, such as the concentration of emissions in the atmosphere (for biogas and biomass plants), the noise generated by the plants, the waste produced as well as the electromagnetic pollution.

The integrated management system is based on an approach that incessantly improves the PDCA (Plan-Do-Check-Act) cycle efficiency:



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## Social Responsibility

Coherently with its mission, the Company's activities are being performed with all due respect to all the persons involved: employees, local communities, suppliers and the public.

Safety and personnel valorization are amongst the Company's central values.

### *Personnel*

To date the team that contributes to achieving the Company's objectives is made up by **145 people** ("asjaPeople"); 65% of whom are employed in Rivoli and the remaining 35% is formed by local personnel that operates on the plants located in different regions.

Asja places emphasis on **permanent labor agreements**, under whom **100%** of asjaPeople are employed. The agreements with employees are compliant with the National Collective Employment Contracts (CCNL) and average employee wages, including those of the new recruits, are highly superior to those foreseen by the CCNL. Fixed remunerations are complemented by variable ones that are connected to both company and personal target reaching.

**Equal opportunities** are also part of the Company's values: 35% of the total number of Asja's employees are women, of whom **52%** are operating in Rivoli (To).

### *Training*

Asja gives utmost importance to personnel's valorization and growth.

All personnel take part regularly in training sessions; since 2013, **2,500 hours of training** have been held both internally and by external teachers.

Yearly average has been 23 training hours per capita.

With concern to training the Company has particularly focused on safety issues, the average per capita duration has been over 13 hours.

### *Safety*

Asja's commitment to maintain health and safety at the workplace is an issue of actual concern, and performs it with determination and constancy. The Company aims not solely to rigorously submit to regulations in force, but also to an incessant improvement of work conditions for the asjaPeople.

The Safety Management System, certified by international standard OHSAS 18001, is applied to all plants and offices; its success is to be attributed to the constant involvement of all personnel, that represent the core of the entire system.

Besides the audits performed by the certifying organization on safety, internal audits are also done; in 2013, **60 meetings** were held at the plants, which featured checks, training and performance meetings. Surveillance of suppliers operating on the Company's sites has been performed through systematic checks aiming to ascertain that safety behavior is adequate. Companies operating on the

sites are provided with due information regarding risk, cooperation and coordination being promoted as well. The company division dedicated to safety guarantees constancy of methods adopted as well as risk assessment concerning all activities and locations of the Company.

Prevention is dealt with in a participative manner and the people in charge of the Company's functioning are constantly involved in the elaboration of potential improvements, new organizational, procedural or technical measures that could increase the safety level.

Besides the annual meeting, pursuant to Article 35, that involves the participation of the Employer and his Delegates, members of the Prevention and Protection Service, the Location Doctor as well as of the Workers' Safety Representative, other meetings are also held periodically in order to find potential solutions to improving safety and health issues. Each year, in collaboration with the Employers, the Prevention and Protection Service as well as with the Environmental and Safety Quality Service a program for safety improvement is defined and updated. Activities performed 2012 through 20134 regard mainly three areas: training on specific issues concerning safety of the activities performed, improvement in equipment used by the operative staff, improvement in operative instructions (particularly those linked to maintenance operations).

The injury trend is constantly being kept under control; in 2013, 3 injuries took place, of which 2 short-term on the plants and one on the journey to/from work.

Health surveillance is handled with great care and part of the personnel checks-ups is performed directly on company location.

## ***The Local Community***

Asja is strongly committed to promoting the spread of renewables amongst the community.

Being perfectly aware of its own social responsibility, Asja is involved in spreading culture through:

- sponsorship of **CinemAmbiente**, a film festival dedicated to the troublesome relationship between humans and nature;
- participating, as partner, in "**Museo A come Ambiente**" (herein translated as "Museum E as in Environment");
- supporting the **Contemporary Art Foundation "Sandretto Re Rebaudengo"** (herein referred to as FSRR). FSRR's mission (fsrr.org) is to support and promote contemporary art and appeal to a more numerous public.

By means of its own Education Department, the Foundation develops initiatives aimed at an all-age public and in collaboration with schools, organizes special projects dedicated to students, but also Family Sundays at the museums, workshops on exhibitions and special projects with the aid of the juvenile detention center Ferrante Aporti.

Asja's public community activities, that are being constantly promoted, feature, amongst others:

- initiatives of public communication by means of articles and participation in conventions and seminars linked to wide-spreading the green energy;

- initiatives of local communication, in collaboration with territorial organizations (e.g. "Open plant day", school visits).



Furthermore, Asja helps the community through contribution for local initiatives, such as:

- sponsorship of the wheelchair basketball team **HandyBasket Torino**;
- **bike sharing** systems;
- support to Fundación Poligrow for the implementation of environmental and social projects aimed at a better life quality for the people of Mapiripán, a small and disadvantaged Colombian community. Such contribution has been chosen to replace the traditional greetings and Christmas presents.

In May 2014 the founder and chairman of the Group was re-elected for the three-year period 2014-2017, President of **assoRinnovabili**, an association that gathers and represents the producers of renewable power and performs activities aimed to raise the community's attention to the importance of green energy.

## **Asja4U**

The asjaPeople are the recipients, within the framework of the Asja4U program, of activities that strengthen internal communication and contribute positively to the quality of their lives. Asja4U has activated the following: contributions for the birth of employees' sons, conventions for employees with suppliers of goods and services, flexi time during lunch breaks in Rivoli, the possibility to use company bicycles during lunch breaks. The Company's staff is actively involved in generating new improvement ideas in line with the Group's mission and values; to this concern the asjaPeople, through the initiative "asja4U-latuaidea" (herein translated as "asja4U-youridea") have organized: a fund-raising event to help the Mirandola community struck by the earthquake (it is also the location of the Company's biogas plant); the use of recycled notepads (2012 through 2013 11.000 recycled paper sheets were used, corresponding to 120kg of wood); promotion of energy-saving activities within its offices; plastic caps collection to help water projects in Tanzania (the association in charge of the project built in 2012 3 wells in disadvantaged villages and supported education activities to the locals). A company group of blood donors has also been established, adhering to the FIDAS association and volunteering to collect and raise people's awareness on the matter; in 2013 the group registered 52 donations (10% more than the previous year 2012). The Company also promotes important actions regarding its internal communication and team-building, such as the issue of the corporate magazine "asjaNews", the staff's annual Christmas meeting in which asjaPeople are involved in their own film-making, internal customer satisfaction feedback by means of specific questionnaires.

## ***The Suppliers***

Asja monitors its own supplier chain, focusing particularly on environmental and safety aspects.

Specific procedures for supplier qualification and evaluation are adopted by the Company, procedures that guarantee that the goods and services provided are able to ensure the reliability of the constructions and the safety of all persons involved in the process.

Suppliers are usually commissioned in the areas in which the plants are being built, thus contributing to local growth.

## ***International Activities***



Asja operates internationally, within the framework of the Flexible Mechanisms of the Kyoto Protocol, dealing with projects on greenhouse gas reduction. It was the first Italian company to have registered its biogas plant with CDM\*. Parallel to plant construction, Asja provides professional consultancy regarding: the implementation of smart-grids, reduction in greenhouse gas emissions and energy auditing. One of the most prominent projects is the biogas plant in Brazil on the Belo Horizonte, Minas Gerais landfill, that, owing to its activity, avoids the release into the atmosphere of almost 150.000 tons of CO<sub>2</sub> per year.

Belo Horizonte has been nominated by WWF the Brazilian capital "L'Ora della Terra 2014" (herein translated as

"Time for the Earth 2014") for its involvement in emission reduction, driven by a strong vision and implemented by concrete actions. Asja's biogas plant situated on the aforementioned territory is a proud example of such action. Moreover Asja is a supporter of the Poligrow company, to whom it is a stakeholder. Poligrow is involved in projects that mitigate climate change, social and food crisis and unemployment. In the Meta region of Colombia, a sustainable palm-oil plantation has been developed that benefits the Mapiripán community in terms of employment, reductions in the cost of primary products, training, implementation of projects to offset the negative impact on the environment as well as of protection of the local biodiversity. The plantation employs over 450 people and is extended over an area of 14.500 hectares, that hosts over 1.000.000 palms (50 times the size of Central Park, New York) able to absorb large quantities of carbon dioxide, thus contributing to decrease in global warming. Poligrow takes concrete action toward social and environmental sustainability; the 3,600 hectares dedicated entirely to biodiversity preservation as well as the numerous projects to support local communities (local economic development, training, generation of green power) are a prominent witness to this regard.

\* Clean Development Mechanism

## Economic Responsibility

Asja generates wealth thus contributing to economic growth in its operating sector.

Over fiscal year 2013, the added value, i.e. the difference between revenues and production costs of goods and service, was allocated to the stakeholders as set forth hereafter.

### *Employees*

Direct and indirect remunerations (salary and wages, social security charges, severance indemnities, bonuses, training and supplementary training).

### *Public Administration*

(Income) direct taxes.

### *Lenders*

Remunerations of holders of capital credit (financial expenses on loans and credit lines).

### *Company*

Part of the wealth maintained within the Group.

### *Community*

Donations, social-related sponsorships and other contributions endowed to local initiatives.

Allocation of added value is broken down as follows:

allocation of added value

