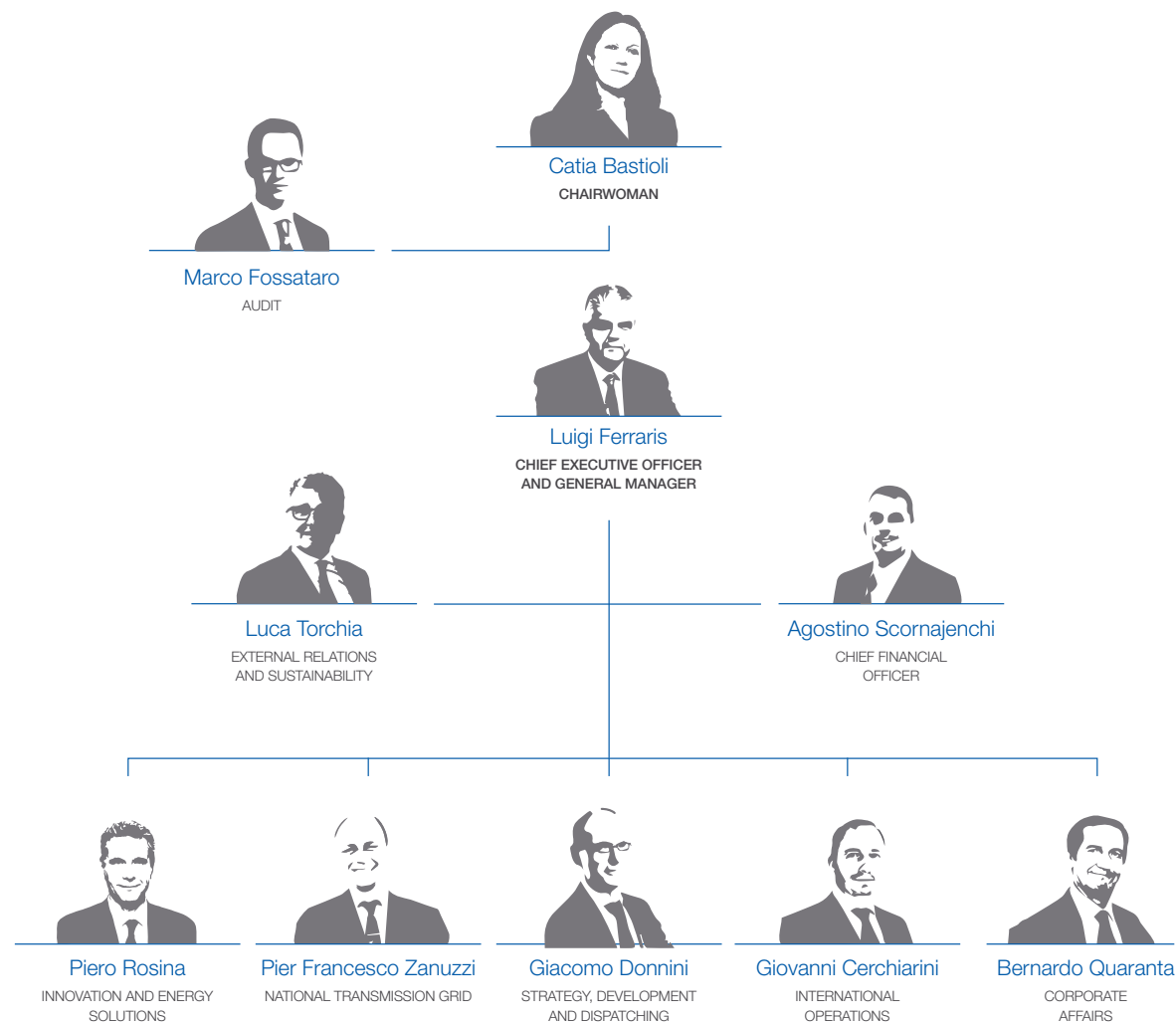


Governance

Our corporate governance system has been designed with the aim of creating value for shareholders, based on an awareness of the social significance of our activities. Promoting collaboration and listening in order to tackle future challenges and apply a culture of responsibility are the underlying principles of our approach.

Our management team



These objectives are pursued taking into account the social and environmental importance of the Group's operations and the resulting need to adequately consider all stakeholders in conducting our business.

In this regard, the ultimate guide relating to matters of sustainability is the **Code of Ethics**³, which references the ten principles regarding human rights, labour, the environment and corruption covered by the Global Compact, the multi-stakeholder network set up by the United Nations and which Terna has been a member of since 2009. The Code of Ethics also requires the Group to publish an annual Sustainability Report, which in the Group's case also includes the non-financial statement required by art. 4 of Legislative Decree 254/2016. The Sustainability Report contains disclosures on fulfilment of our environmental and social commitments and on the consistency of the results achieved with the targets set.

Chairwoman Catia Bastioli	Directors Paolo Calcagnini ⁴ Fabio Corsico Paola Giannotti Marco Giorgino ⁴	Yunpeng He Gabriella Porcelli Elena Vasco	Board of Directors
Chief Executive Officer Luigi Ferraris	Chairman Riccardo Enrico Maria Schioppo	Alternates Cesare Felice Mantegazza Renata Maria Ricotti Davide Attilio Rossetti	Board of Statutory Auditors
Standing Auditors Vincenzo Simone Maria Alessandra Zunino de Pignier	Audit, Risk, Corporate Governance and Sustainability Committee Paola Giannotti (Chairwoman, independent) Marco Giorgino (independent) Gabriella Porcelli (independent)	Nominations Committee Gabriella Porcelli (Chairwoman, independent) Fabio Corsico (independent) Yunpeng He	Board Committees ⁵
Remuneration Committee Fabio Corsico (Chairman, independent) Gabriella Porcelli (independent) Elena Vasco (independent)	Related Party Transactions Committee Elena Vasco (Chairwoman, independent) Paola Giannotti (independent) Marco Giorgino (independent)	Manager responsible for Terna S.p.A.'s financial reporting Agostino Scornajenchi	Manager responsible for Terna S.p.A.'s financial reporting
PricewaterhouseCoopers S.p.A.			Independent auditors

³ Available on Terna's website at <http://www.terna.it/it-investorrelations/corporategovernance/eticadimpresa/codiceetico.aspx>, sub: <http://download.terna.it/terna/0000/0063/62.pdf> e sub <http://download.terna.it/terna/0000/0054/05.pdf>

⁴ Following the resignations of the Directors, Stefano Saglia and Luca Dal Fabbro, the Annual General Meeting of 8 May 2019 elected Paolo Calcagnini, following his earlier co-option on 15 February of last year, and Prof. Marco Giorgino as Directors of the Company. Both the new Directors were nominated by a group of funds and institutional investors.

⁵ At a meeting on 19 June 2019, Terna S.p.A.'s Board of Directors approved the new compositions of the "Audit, Risk, Corporate Governance and Sustainability Committee" and "Related Party Transactions Committee". The changes to the two committees was made necessary following the Annual General Meeting of 8 May 2019, which elected Paolo Calcagnini and Prof. Marco Giorgino to serve as members of Terna S.p.A.'s Board of Directors, and the subsequent checks on satisfaction of the related independence requirements.