



The **energy transition** represents a major opportunity. Nothing less than an industrial transformation requiring a collective commitment from businesses, government and other stakeholders, called on to work together to devise strategies and implement projects designed to achieve the goals of decarbonisation, energy efficiency and security, and to deliver research, innovation and competitiveness.

In this new scenario, Terna has a crucial role to play as an enabler of the current transformation, requiring us to manage **the growing complexity of the electricity system**, whilst also establishing Italy's importance as a European energy hub serving the Mediterranean area. As a key player in the "green revolution", Terna is continuing to invest in order to guarantee an increasingly modern, efficient, secure, flexible and sustainable electricity grid.

The **Strategic Plan 2020-2024** envisages accelerated investment in Italy's national grid, with the aim of supporting the energy transition and the country's decarbonisation strategy. This will have a major impact on development, partly through an increase in the induced impact. In this regard, the €7.3 billion we intend to invest in Italy's electricity infrastructure marks the biggest investment programme ever undertaken.

Innovation and digitalisation are of strategic importance in this process. In 2019, Terna opened three new Innovation Hubs in Turin, Naples and Milan to exploit synergies between the Group's own skills base and outstanding local expertise, developing ideas and innovative projects.

Terna pays great attention to the relationships between our business activities and the social and environmental context. In the last three years, we have organised over a thousand meetings with local communities, making **participatory design** our chosen approach for reaching shared, sustainable solutions for grid development.

The alignment of Terna's mission with major international sustainable development goals is strengthened by the integration of **sustainability** into everything we do and the decisions we take: in addition to **innovation**, we are committed to **people**, above all to their safety at work both within and outside the Company, to **ongoing dialogue with local communities** and to reducing our environmental footprint.

We aim to put Italy at the centre, strengthening our country's **leading role** in Europe's energy system, take advantage of new enablers and new technologies and making a major contribution to employment and generational turnover among our personnel.

The **results achieved in 2019** show how Terna has the ability to deliver on our objectives and confirm the validity of management's approach to growing the business. The Group's strong operating and financial performance will, moreover, enable Terna to continue to work towards providing a system that is increasingly secure, efficient and sustainable for the benefit of everyone. ”

Catia Bastioli
Chairwoman

Luigi Ferraris
Chief Executive Officer

Statement to stakeholders from the Chairwoman and the Chief Executive Officer

