

2011



Report



**TERNA SPA**

**INDEPENDENT REPORT  
ON THE LIMITED ASSURANCE ENGAGEMENT  
OF THE SUSTAINABILITY REPORT 2011**



## INDEPENDENT REPORT ON THE LIMITED ASSURANCE ENGAGEMENT OF THE SUSTAINABILITY REPORT 2011

To the Shareholders of  
Terna S.p.A.

- 1 We have carried out the limited assurance engagement of the sustainability report as of 31 December 2011 (hereafter the "Report") of the Terna Group (hereafter the "Group") following the verification procedures summarized in paragraph 3 of the present document. The Directors of Terna S.p.A. are responsible for the preparation of the Report in accordance with "Sustainability Reporting Guidelines & Electric Utilities Sector Supplement" (EUSS), issued in 2009 by the GRI – Global Reporting Initiative, and the GRI 3.1 Guidelines updated in March 2011, that are detailed in paragraph "Methodological note" of the Report. The Directors are also responsible for the definition of the Group objectives regarding the sustainability performance and the reporting of the achieved results. We are responsible for the preparation of this report on the basis of the work performed.
- 2 Our work has been conducted in accordance with the principles and guidelines established by the "International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE3000), issued by the International Auditing and Assurance Standards Board. ISAE3000 requires the compliance with ethical principles ("Code of Ethics for Professional Accountants"), including professional independence. It also requires that our work is planned and performed with the aim of obtaining a limited assurance, rather than a reasonable assurance, that the Report is free of material errors. A limited assurance engagement of the sustainability report consists in interviews, primarily with company's personnel responsible for the preparation of the information included in the sustainability report, in the analysis of the sustainability report and in other verification procedures.
- 3 The verification procedures performed on the Report are summarized as follow:
  - a) comparison between the economic and financial information and data included in the Report with those included in the Group consolidated financial statements as of 31 December 2011;
  - b) analysis of design and implementation of governance and management system of sustainability topics related to strategy and operation of the Group;
  - c) analysis of processes underlying the generation, recording and management of quantitative data included in the Report. In particular, we have carried out the following procedures:
    - meetings and discussions with management representatives of Terna S.p.A to achieve a general understanding of the information, accounting and reporting systems in use to prepare the Report, as well as of the internal control processes and procedures

### *PricewaterhouseCoopers Advisory SpA*

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supporting the collection, aggregation, processing and transmission of data and information to the department responsible for drawing it up.;

- on-site verifications at Transmission Operational Area (AOT) - Florence.
- d) analysis, on a sample basis, of the documentation supporting the Report, in order to confirm the reliability of data and information collected through meetings, interviews and on-site verifications and to confirm they were properly managed;
- e) verification of processing of data and information generated by the audited local site and afterwards aggregated and consolidated;
- f) analysis of the completeness and internal consistency of qualitative information included in the Report in comparison with the reporting guidelines referred to in paragraph 1 of this report;
- g) obtaining a representation letter, signed by the legal representative of Terna S.p.A. relating to the completeness and reliability of the Report and of the information and data included in it, as well as to the compliance with the guidelines identified in paragraph 1 of the present document.

This is the first sustainability report of the Group subject to an assurance engagement. Prior year's data, which are presented for comparative purposes, were not subject to assurance procedures.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE3000 and, as a consequence, it provides a lower level of assurance that we became aware of all the significant events and circumstances that a reasonable assurance engagement could have identified.

- 4 Based on the procedures carried out, nothing came to our attention that causes us to believe that the Sustainability Report as of 31 December 2011 of the Terna Group is not in compliance, in all material respects, with "Sustainability Reporting Guidelines & Electric Utilities Sector Supplement" (EUSS), issued in 2009 by the GRI – Global Reporting Initiative, and the GRI 3.1 Guidelines updated in March 2011 that are detailed in paragraph "Methodological note" of the Report.

Turin, 24 May 2012

PricewaterhouseCoopers Advisory S.p.A.

*Signed by*

Paolo Bersani  
(Partner)

*This report has been translated from the original, which was issued in Italian, solely for the convenience of international readers.*