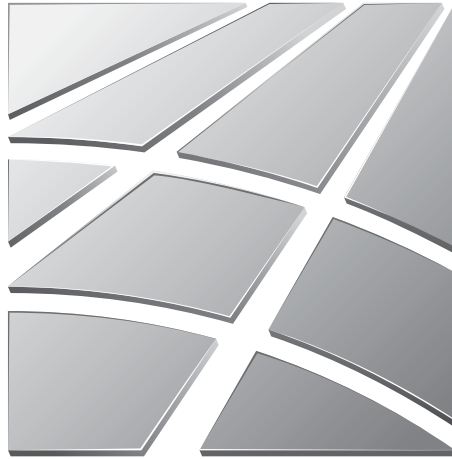


2011



Indicator tables

The following tables include indicators that are additional to those provided for by the G3.1 “Sustainability Reporting Guidelines”, which Terna believes it is important to publish in order to describe its performance in the field of Corporate Social Responsibility. In several cases, data already presented in the body of the Report are also shown for completeness.

The indicators are organized in five areas corresponding to the structure of the Report, divided in thematic sections according to the following scheme:

Area	Section
<b>1. Terna’s profile</b>	Corporate Governance Ethical Auditing
<b>2. Responsibility for the electricity service</b>	The grid
<b>3. Economic responsibility</b>	Shareholders Providers of capital Suppliers Customers – Regulated market
<b>4. Environmental responsibility</b>	Environmental performance
<b>5. Social responsibility</b>	Number and composition of employees Employee satisfaction and development Safety Relations with labor unions

With respect to the tables published in the 2010 Sustainability Report, the following changes should be noted:

- in the indicator tables regarding responsibility for the electricity service, the 2010 figures for power supplied and technical quality indicators have been recalculated;
- in the indicator tables regarding economic responsibility, the 2010 figure for “Net Income” has been recalculated.

For each indicator the tables show:

- the unit of measurement;
- the figures for 2011, 2010 and 2009;
- if it is significant, the absolute change between 2010 and 2011;
- if it is significant, the percentage change between 2010 and 2011.

Data is usually calculated as of December 31 and flow indicators regard the entire year.

To facilitate reading the indicators, the following table shows the units of measurement in which they are expressed. See also the table of acronyms and the glossary after the indicators.

#### Units of measurement legend

	Category
#	Category
%	Percentage
€	Euro
€/000	Thousand euros
€/Mln	Million euros
GWh/year	Gigawatt hours per year
H	Hours
Kg	Kilograms
Km	Kilometers
Min	Minutes
MW	Megawatt
MWh	Megawatt hours
no.	Number
Ton	Tons
Y	Years

# Terna's Profile

## Corporate Governance

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Board of Directors</b>						
Total members BoD	no.	9	9	9	0	-
Independent Directors on BoD	no.	6	4	4	2	50.0%
Directors designated by minority shareholders	no.	3	3	3	0	-
Women on BoD	no.	0	0	0	0	-
Meetings of BoD	no.	10	9	9	1	11.1%
Meetings of Remuneration Committee	no.	5	4	3	1	25.0%
Meetings of Internal Control Committee	no.	4	4	7	0	-
Meetings of Committee for Transactions with Related Parties <sup>(1)</sup>	no.	4	1	-	3	300.0%

(1) The Committee for Transactions with Related Parties was established as part of the approval of the Transactions with Related Parties Procedure provided for by CONSOB with its Resolution dated March 12, 2010.

## Ethical Auditing

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Implementation of the Code of Ethics</b>						
Total reports received <sup>(1)</sup>	no.	3	4	1	-	-
Areas of reports received <sup>(2)</sup>						
- Employee management		1	1		-	-
- Supplier management		1	1		-	-
- Environment and Safety		1	2		-	-
- Corruption/Corporate loyalty		1	1		-	-
- Other		1	2		-	-
Outcome of reports <sup>(3)</sup>	no.					
- Unfounded		3	3	1	-	-
- Provisions <sup>(4)</sup>		0	1	0	-	-
- Under assessment		0	0	0	-	-

(1) Of the 3 reports received in 2011, 2 were submitted to the audit department and 1 to the ethical committee; in 2010, 3 were submitted to the ethical committee and 1 both to the ethical committee and to the audit department; in 2009, only 1 report was submitted to the audit department.

(2) Each report or violation may regard more than one management area.

(3) The 2010 data differs from previously published data since for one report the assessment process was completed in 2011 and resulted in the violation being confirmed.

(4) The provision may consist in applying a sanction and/or in other action – such as reviewing procedures, internal controls, etc. – aimed at avoiding that the event that caused the report reoccurs.

## Responsibility for the electricity service

### The grid

Indicator	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Power station</b>						
<b>380 kV</b>						
stations	no.	147	141	136	6	4.3%
power transformed	MVA	93,448	92,498	88,284	950	1.0%
<b>220 kV</b>						
stations	no.	153	150	147	3	2.0%
power transformed	MVA	30,084	30,114	30,265	-30	-0.1%
<b>Lower voltages (&lt;150 kV)</b>						
stations	no.	154	140	100	14	10.0%
power transformed	MVA	3,234	2,960	2,953	274	9.3%
<b>Total</b>						
stations	no.	454	431	383	23	5.3%
power transformed	MVA	126,765	125,571	121,501	1,194	1.0%
<b>Power lines</b>						
	Unit					
<b>380 kV</b>						
length of 3-conductor circuits	km	11,808	11,759	11,212	49	0.4%
length of lines	km	10,893	10,860	10,313	33	0.3%
<b>220 kV</b>						
length of 3-wire circuits	km	12,058	12,089	12,083	-31	-0.3%
length of lines	km	9,710	9,737	9,725	-27	-0.3%
<b>Lower voltages (&lt;150 kV)</b>						
length of 3-conductor circuits	km	39,760	39,730	39,208	30	0.1%
length of lines	km	37,047	37,040	36,653	7	0.0%
<b>Total</b>						
length of 3-conductor circuits	km	63,626	63,578	62,503	48	0.1%
in underground cable	km	1,328	1,249	1,043	79	6.3%
in submarine cable	km	1,348	1,348	914	0	-
in 200, 400 and 500 kV direct current	km	2,066	2,066	1,560	0	-
length of lines	km	57,651	57,638	56,691	13	0.0%
in underground cable	km	1,328	1,249	1,043	79	6.3%
in underwater cable	km	1,348	1,348	914	0	-
in 200, 400 and 500 kV direct current	km	1,746	1,746	1,240	0	-
<b>Incidence DC connections</b>						
- 3-conductor circuits	%	3.3	3.2	2.5	0	0.0%
- lines	%	3.0	3.0	2.2	0	0.0%
<b>Grid efficiency</b>						
Power supplied	GWh/year	332,274	330,455 <sup>(1)</sup>	317,602	1,819	0.6%
<b>Technical quality</b>						
<b>Service continuity indexes</b>						
ASA (Average System Availability) <sup>(2)</sup>	%	99.32	99.23	99.03	0.09	0.10%
SAIFI + MAIFI (System Average Interruption Frequency Index)	no.	0.14	0.14	0.19	0	0.00%
AIT (Average Interruption Time) <sup>(3)</sup>	min	0.49	0.89	0.55	-0.4	-44.90%
ENSR (Regulated Energy Not Supplied) <sup>(4)</sup>	MWh	1,210.00	1,238.00	800.00	-28	-2.30%

(1) The 2010 figure was recalculated using the final data of the same year, and thus is different from the one reported in the previous edition of the Sustainability Report, amounting to 326,165, which was calculated according to the provisional data for 2010.

(2) The indicator is the total ASA % (used in international benchmarks), calculated with regard to individual Local Areas or for the entire country taking into account: Planned Unavailability, Occasional Unavailability, Unavailability due to Malfunctioning, Unavailability due to External Events, and Unavailability due to Development Work.

(3) Average interruption time of the National Transmission Grid in a year, calculated as the ratio between the energy not supplied in a certain period (ENS value) and the average power absorbed by NTG in the period considered. The 2010 figure has been recalculated and is therefore different from the previously published one.

(4) Energy not supplied due to interruptions on the NTG during the period. Since 2008, with AEEG Resolution 341/07, the Authority adopted a different definition for the index. The new index also includes energy not supplied to Users directly connected, due to events on other connection grids that are not part of the NTG and a share of the energy not supplied due to force majeure events or significant incidents. By "significant incident" is meant any interruption during which the energy not supplied amounts to more than 250 MWh. The share affecting the ENSR index is a decreasing percentage of energy not supplied in the individual significant incident. The 2010 figure has been recalculated and is therefore different from the previously published one.

# Economic responsibility

<b>Shareholders</b>						
Indicator	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Composition of shareholders base</b>						
Other institutional and retail investors	%	65.75	53.60	55.88	12.15	22.7%
Cassa Depositi e Prestiti S.p.A.	%	29.85	29.86	29.99	-0.01	0.0%
Major institutional investors	%	4.40	11.44	9.01	-7.04	-61.5%
Enel S.p.A.	%	0.00	5.09	5.12	-5.09	-100.0%
<b>Socially Responsible Investors (ISR) <sup>(1)</sup></b>						
ISR funds	n°	95.0	97.0	67.0	-2.0	-2.1%
Terna's shares held by ISR funds	%	11.2	14.3	14.6	-3.1	-21.8%
ISR weight in institutional funds	%	31.7	39.7	40.6	-8.0	-20.2%
<b>Share Performance</b>						
Financial performance of shares	%	-17.6	5.3	28.5	-22.9	-430.0%
Dividend Yield <sup>(2)</sup>	%	8.1	6.7	6.6	1.5	21.9%
<b>Terna in stock indexes</b>						
FTSE Italia ALL SHARE	%	1.8	1.6	1.4	0.2	10.5%
FTSE MIB	%	1.8	1.8	1.6	0.0	1.7%
<b>Shareholder return</b>						
EPS (Earnings per share)	€	0.22	0.31	0.39	-0.09	-28.4%
DPS (Dividend per share)	€	0.21	0.21	0.19	0.00	0.0%
<b>Total Shareholder Return (TSR)</b>						
- since the IPO	%	140.6	171.8	142.3	-31.1	-18.1%
- since the beginning of the year	%	-11.4	12.2	37.2	-23.6	-194.1%
<b>Communication with shareholders</b>						
IMeetings/conference calls with investors ("buy-side")	n°	197	270	342	-73	-27.0%
Meetings/conference calls with financial analysts ("sell-side")	n°	468	368	338	100	27.2%
Meetings with investors dedicated to or with time for CSR issues	n°	3	5	3	-2	-40.0%
Request for information from Retail Investors <sup>(3)</sup>	n°	28	18	29	10	55.6%
<b>Economic performance</b>						
Revenues	€/million	1,553.9	1,505.1	1,324.7	48.8	3.2%
EBITDA	€/million	1,121.6	1,069.3	933.8	52.3	4.9%
EBIT	€/million	772.8	750.5	654.4	22.3	3.0%
EBT	€/million	764.0	662.8	505.3	101.2	15.3%
Net income <sup>(4)</sup>	€/million	453.6	432.1	790.0	21.5	5.0%
ROACE	%	10.0	11.0	11.4	-1.0	-9.1%

(1) Investments made on the basis of ethical criteria/ESG (Environmental Social Governance) in addition to traditional ones.

(2) The value was calculated as the ratio between the dividend paid for the year considered and the average reference price in December.

(3) The figure takes into account requests received via e-mail.

(4) Some economic comparative balances for 2010 and 2009 were modified based on the change in the accounting method adopted by the Terna Group for goodwill exemptions. This led to modifying the figure previously published for the net income.

## Providers of capital

Indicator	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Debt <sup>(1)</sup></b>						
Financial debt	€/million	5,123.1	4,977.0	3,758.2	146.1	2.9%
Equity	€/million	2,751.0	2,773.2	2,515.7	-22.2	-0.8%
Debt to Equity	%	186.2	179.5	149.4	6.7	3.7%
<b>EIB loans</b>						
Remaining debt on EIB loans	€/million	1,345.4	1,080.1	766.9	265.3	24.6%
<b>Rating <sup>(2)</sup></b>						
<b>S&amp;P (as of Sept. 2, 2004)</b>						
Outlook	Index	Negative	Stable	Stable		
M/L Term	Index	A-	A+	A+		
Short Term	Index	A-2	A-1	A-1		
<b>Moody's (as of Sept. 2, 2004)</b>						
Outlook	Index	Negative	Stable	Stable		
M/L Term	Index	A3	A2	A2		
Short Term	Index	Prime-2	Prime-1	Prime-1		
<b>Fitch (as of May 4, 2006)</b>						
Outlook (Issuer)	Index	Negative	Stable	Stable		
M/L Term (Issuer)	Index	A	A	A		
Short Term (Issuer)	Index	F1	F1	F1		
FitchSeniorUnsecured Debt	Index	A	A+	A+		

(1) Differently from previous publications, data refer to the Terna Group and not only to Terna S.p.A..

(2) These refer to the latest assigned assessments.

## Suppliers

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Number of suppliers</b>						
Number of suppliers with contracts	no.	2,314	2,316	2,308	-2	-0.1%
<b>Procurement of materials and services</b>						
Supplies	€/million	454.6	404.9	461.3	49.7	12.3%
Work	€/million	516.5	772.8	253.2	-256.3	-33.2%
Services	€/million	201.2	151.1	210.9	50.2	33.2%
<b>Management instruments</b>						
Eligible companies registered	no.	353	260	180	93	35.8%
Categories qualified	no.	41	40	36	1	2.5%
Implemented monitoring	no.	749	593	263	156	26.3%
<b>Litigation with suppliers</b>						
Proceedings pending	no.	24	22	16	2	9.1%
Proceedings initiated	no.	2	6	0	-4	-66.7%
Proceedings concluded	no.	0	0	0	0	-

## Customers - Regulated market

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Customer portfolio</b>						
<b>Users of the transmission service</b>						
Distributors directly connected to the National Transmission Grid	no.	20	19	19	1	5.3%
<b>Users of the dispatching service</b>						
Users of injection dispatching	no.	91	86	77	5	5.8%
Users of withdrawal dispatching	no.	110	109	106	1	0.9%
<b>Litigation with customers</b>						
Proceedings pending	no.	14	12	8	2	16.7%
Proceedings initiated	no.	3	4	1	-1	-25.0%
Proceedings concluded	no.	1	0	0	1	-

# Environmental responsibility

## Environmental data

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>SF<sub>6</sub> quantity and emissions</b>						
Percentage of SF <sub>6</sub> leakage out of total	%	0.60	0.73	0.89	-0.13	-17.2%
Emissions of SF <sub>6</sub> greenhouse gases	kg	2,518	2,645	3,005	-127	-4.8%
SF <sub>6</sub> quantity	kg	416,553	362,174	339,468	54,379	15.0%
- in operating equipment	kg	367,524	325,853	305,781	41,671	12.8%
- in cylinders	kg	49,029	36,322	33,687	12,708	35.0%
<b>Waste management <sup>(1)</sup></b>						
Waste produced	tons	7,198.1	5,515.9	7,053.3	1,682.2	30.5%
Waste recycled	%	83.3	89.1	83.0	-5.8	-6.5%
<b>Non-hazardous special waste</b>						
Machines, equipment, towers, cables, conductors						
- quantity produced	tons	1,737.4	1,682.5	2,250.9	54.9	3.3%
- quantity delivered for recycling	tons	1,671.6	1,614.5	2,096.8	57.1	3.5%
Packing						
- quantity produced	tons	354.3	275.2	242.6	79.1	28.7%
- quantity delivered for recycling	tons	333.9	259.5	204.1	74.4	28.7%
Other						
- quantity produced	tons	902.3	544.9	564.0	357.4	65.6%
- quantity delivered for recycling	tons	294.9	189.4	233.4	105.5	55.7%
<b>Total non-hazardous special waste</b>						
- quantity produced	tons	3,310.8	2,502.6	3,057.5	808.2	32.3%
- quantity delivered for recycling	tons	2,617.2	2,063.3	2,534.4	553.9	26.8%
<b>Hazardous special waste</b>						
Machines, equipment, towers, cables, conductors						
- quantity produced	tons	2,789.5	2,226.6	2,746.1	562.9	25.3%
- quantity delivered for recycling	tons	2,680.7	2,194.9	2,554.8	485.8	22.1%
Oils						
- quantity produced	tons	736.6	649.2	933.2	87.5	13.5%
- quantity delivered for recycling	tons	563.6	536.3	544.4	27.4	5.1%
Lead batteries						
- quantity produced	tons	125.9	106.5	185.3	19.4	18.2%
- quantity delivered for recycling	tons	125.9	106.5	185.3	19.4	18.2%
<b>Waste deriving from asbestos containing materials</b>						
- quantity produced	tons	0.5	0.0	69.2	0.5	-
- quantity delivered for recycling	tons	-	-	-	-	-
Other						
- quantity produced	tons	234.8	31.1	61.9	203.7	654.7%
- quantity delivered for recycling	tons	10.0	11.8	37.5	-1.9	-15.7%
<b>Total hazardous special waste</b>						
- quantity produced	tons	3,887.3	3,013.3	3,995.7	874.0	29.0%
- quantity delivered for recycling	tons	3,380.1	2,849.5	3,322.0	530.7	18.6%
<b>Consumption</b>						
<b>Direct consumption</b>						
Gasoline for vehicles	tons	167.5	158.8	155.8	8.7	5.5%
Gas oil for vehicles	tons	1,747.8	1,721.4	1,673.9	26.4	1.5%
Gas oil for generating groups and heating	tons	260.5	297.5	306.5	-37.0	-12.4%
Methane gas for heating	Thousands of m <sup>3</sup>	242.8	186.5	157.5	56.2	30.1%
<b>Indirect consumption <sup>(2)</sup></b>						
Consumption of electricity	GWh	174.3	164.4	154.2	9.9	6.0%
<b>Environmental litigation</b>						
Proceedings pending	no.	139	153	163	-14	-9.2%
Proceedings initiated	no.	12	16	11	-4	-25.0%
Proceedings concluded	no.	26	26	28	0	-

(1) Only waste from the production process is included, and thus waste produced by service activities (urban waste) is excluded. Waste belonging to the "Excavation earth and rocks" and "Effluent" categories is excluded, since – being linked to the construction of works in stations – it is exceptional and would therefore make the data series non-homogeneous, especially if the quantity is significant. The value of the "Excavation earth and rocks" and "Effluent" amounted to 1,541 tons in 2010 (16,053 tons in 2009). For 2011, only waste referring to the "Effluent" category were excluded since the "Excavation earth and rocks" category was not significant any longer; the figure for the "Effluent" category was equal 675 tons in 2011.

(2) During 2011, a survey and assessment activity was carried out on electricity consumption of stations and offices. Based on the results of this activity, it was possible to include in the table more precise data not only for 2011 but also compared to the figures previously published for 2010-2009.



## Social responsibility

### Number and composition of personnel

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Number</b>						
Number of employees	no.	3,493	3,468	3,447	25	0.7%
Inflow during the year	no.	176	178	57	-2	-1.1%
Outflow during the year	no.	151	157	134	-6	-3.8%
<b>Composition</b>						
<b>Professional status</b>						
Senior executives	%	1.7	1.7	1.9	0.0	0.0%
Junior executives	%	14.0	14.5	14.2	-0.5	-3.1%
White-collar workers	%	56.3	54.5	54.4	1.8	3.3%
Blue-collar workers	%	28.0	29.3	29.6	-1.4	-4.6%
<b>Education</b>						
University graduates	%	21.6	19.2	18.0	2.4	12.7%
High school graduates	%	46.6	46.5	45.6	0.1	0.2%
Vocational school graduates	%	15.8	16.2	17.0	-0.4	-2.3%
Elementary/middle school graduates	%	16.0	18.2	19.4	-2.2	-11.9%
<b>Age and years at Terna</b>						
Average age	y	45.2	45.6	46.4	-0.3	-0.7%
Average years at Terna <sup>(1)</sup>	y	20.0	20.5	21.5	-0.5	-2.5%
<b>Flexible employment contracts and terms</b>						
Fixed-term contracts <sup>(2)</sup>	no.	143	107	73	36	33.6%
Beginner and training contracts that became permanent during the year	no.	54	61	120	-7	-11.5%
Interns and apprentices	no.	38	34	12	4	11.8%
Part-time employees	%	0.9	0.9	0.9	0.0	-1.3%
Overtime work	%	8.2	6.3	6.12	1.9	30.2%

(1) In the case of employees who began to work at the Company following the acquisition of corporate divisions, the average number of years at Terna takes into account their previous employment.

(2) The figures include beginner contracts and fixed-term contracts.

## Employee satisfaction and development

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Compensation</b>						
Average cost per employee <sup>(1)</sup>	€	79,432	78,564	75,643	868	1.1%
Executive employees with stock options <sup>(2)</sup>	no.	9	14	14	-5	-35.7%
Executive employees with Long Term Incentive (LTI)	no.	46	47	47	-1	-2.1%
Variable compensation as % of fixed pay <sup>(3)</sup>	%	9.4	9.4	9.0	0.0	0.0%
<b>Training</b>						
Hours of training per employee	h	51	49	47	2	3.7%
Training expense per employee <sup>(4)</sup>	€	289.6	387.9	389.4	-98.3	-25.3%
Training coverage <sup>(5)</sup>	%	97	96	91	1.0	1.0%
<b>Corporate climate</b>						
Total spontaneous resignations	no.	16.0	41.0	26.0	-25.0	-61.0%
Absences per employee <sup>(6)</sup>	h	60.0	59.1	62.4	0.9	1.5%
<b>Litigation with employees</b>						
Proceedings pending	no.	25	32	37	-7	-21.9%
Proceedings initiated	no.	3	7	3	-4	-57.1%
Proceedings concluded	no.	10	12	17	-2	-16.7%

(1) By employee is meant every employee of the Company, including executives.

(2) There is only one Stock Option Plan, which was resolved on December 21, 2005 and will end in 2013.

(3) The figures regard the incentives paid to all employees, including executives. Fringe benefits are excluded.

(4) Training expenses do not include the cost of sessions missed nor the hours of instruction provided directly by employees.

(5) % of employees who took at least one training course during the year.

(6) This figure regards the number of non-contractual absences during the year (illness, accident, leave of absence, strike, unpaid absence).

## Safety

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Occupational injuries</b>						
Occupational injuries	no.	49	50	36	-1	-2.0%
- fatal	no.	0	0	0	0	-
- serious	no.	1	2	0	-1	-50.0%
Injury Rate <sup>(1) (3)</sup>	%	1.67	1.74	1.24	-0.1	-3.9%
Lost Day Rate <sup>(2) (3)</sup>	%	46.35	65.03	40.94	-18.7	-28.7%
Periodical health inspections	no.	2,983	2,364	2,088	619	26.2%
<b>Occupational injuries of contractor employees</b>						
Occupational injuries of contractor employees	no.	13	14	n.a.	-1	-7.1%
- serious	no.	4	5	1	-1	-20.0%
- fatal	no.	0	0	1	0	-

(1) This is the number of injuries with at least one day of abstention from work divided by the number of hours worked during the year, multiplied by 200,000 (corresponding to 50 work weeks x 40 hours x 100 employees). To facilitate comparison with other sources, this indicator was also calculated using a multiplication factor equal to 1,000,000 and not 200,000 (thus obtaining a Frequency Rate 5 times higher than the ILO Frequency Rate). On the basis of this calculation method, the Injury Frequency Rate is equal to **8.3** in **2011**, **8.7** in **2010** and **6.2** in **2009**.

(2) This is the ratio between the days not worked because of injury and the hours worked during the year, multiplied by 200,000. The days not worked are calendar days and are counted from the day the injury occurred. To facilitate comparison with other sources, this indicator was also calculated using a multiplication factor equal to 1,000. On the basis of this calculation method, the serious injury rate is equal to **0.2** in **2011**, **0.3** in **2010** and **0.2** in **2009**.

(3) In 2011, processing criteria were reviewed as well as the items that determine the total of hours worked. To guarantee data consistency and comparability, the figures of hours worked used for determining rates were updated and reviewed also for the previous years (2010 e 2009) and used for drafting injury rates; for this reason, data published in the table are different from data published in the previous years.

## Relations with labor unions

	Unit	2011	2010	2009	Change 10-11	Change 10-11%
<b>Employee union membership</b>						
Union membership rate	%	60.6	61.2	65.08	-0.6	-1.0%