Terna Driving Energy

PRESS RELEASE

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E-MARKET SDIR CERTIFIED

Number of shares representing approximately 0.10% of share capital, for a maximum total amount of €10 million

TERNA: ESG-LINKED PLAN 2021-2025

Confirmed the central role played by sustainability for the national transmission system operator

Rome, 28 May 2021 – TERNA S.p.A. (“Terna” or the “Company”) announces that, in implementation of the authorization granted by the Annual General Meeting of 30 April 2021 and the subsequent Board of Directors’ resolution of 12 May 2021, a share buyback programme will be launched on 31 May 2021, at a total cost of up to €10 million and involving up to a maximum of 1.95 million of the Company’s ordinary shares (the “ **e**”). This represents approximately 0.10% of Terna’s share capital. Purchases under the e will be carried out by 30 June 2021.

The e is designed to service the *Plan 2021-2025* for the management of Terna and/or its subsidiaries, as defined by art. 2359 of the Italian Civil Code and approved by the Annual General Meeting of 30 April 2021, and/or any share-based incentive plans for the Directors and/or employees of the Company and/or its subsidiaries and/or associates.

In line with Terna’s commitment to sustainability and social and environmental responsibility, the e also involves a mechanism based on bonuses and penalties linked to the Company’s achievement of specific environmental, social and governance (ESG) objectives. Terna, acknowledged this year as one of the 50 most sustainable businesses in the world and ranked the number one Electric Utility in the Dow Jones Sustainability World Index, confirms the central role played by sustainability as a cornerstone of its strategy, for the benefit of all stakeholders.

Terna has today appointed Exane BNP Paribas, a qualified intermediary, to implement the Programme. The intermediary will take decisions regarding purchases in full independence, including the timing of transactions, and in compliance with daily price and volume limits consistent with both the authority granted by the above Annual General Meeting and the provisions of art. 5 of Regulation (EU) 596/2014 on market abuse and art. 3 of Delegated Regulation (EU) 2016/1052.

Purchases are to be made at a price that must not be more than 10% higher or lower than the price of the Company's shares on the Mercato Telematico Azionario (screen-based trading system) organised and operated by Borsa Italiana S.p.A. (the "MTA"), as recorded during the previous day's session for each individual transaction. The price paid must not, in any event, exceed the higher of the price of the last independent trade and the highest current independent bid on the MTA.

Purchases must be carried out on the MTA, in such a way as to ensure the equal treatment of shareholders, in compliance with art. 144-*bis*, section 1(c) of CONSOB Regulation 11971/1999, and in accordance with the procedures provided for in art. 5 of Regulation (EU) 596/2014 on market abuse and art. 3 of Delegated Regulation (EU) 2016/1052. The Company shall report the transactions carried out to the relevant authorities and to the market in accordance with the terms and conditions provided for in art. 2 of Delegated Regulation (EU) 2016/1052, providing the following information: *(i)* on a detailed basis: the date, time, number of shares purchased and the price of each purchase; *(ii)* on an aggregate basis: for each day, the number of shares purchased and the weighted average price paid.

As of today, the Company holds 1,525,900 treasury shares, equal to 0.076% of the share capital, purchased at a total cost of €9,499,998.75 under the share buyback programme launched on 29 June 2020 and concluded on 6 August 2020. Subsidiaries do not hold Terna's shares.