

Responsible business management

Electricity sector operators

EU3 >

CUSTOMER ACCOUNTS REGULATED MARKET

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Interruptible users	no.	243	288	286	-45	-15.6
Distributors directly connected with the NTG	no.	51 ⁽¹⁾	27	25	24	88.9
Supply-side dispatching service users (producers and traders)	no.	135	140	135	-5	-3.6
Demand-side dispatching service users (traders and end users, including the Single Buyer)	no.	187	186	182	1	0.5

⁽¹⁾ In addition to licensed distributors, the figure also includes the Operators of Closed Distribution Systems for Internal User Networks directly connected with the NTG.

Suppliers

204-1 >

NUMBER AND QUALIFICATION OF SUPPLIERS

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Number of suppliers						
Number of contracted suppliers	n°	2,148	1,978	1,818	170	9
Procurement of materials and services						
Goods	€m	656	292	277	364	125
Works	€m	340	228	106	112	49
Services	€m	188	136	147	52	38
Supplier origin (% of total)						
Italian suppliers	%	92.8	96.3	95.4	4	-4
Overseas suppliers	%	7.2	3.7	4.6	4	95
Award procedures ⁽¹⁾						
European tenders	%	74.9	65.5	60.9	9	14
Non-European tenders	%	10.9	15.6	21.7	-5	-30
Fixed	%	12.0	12.1	14.2	-0	0
One-off contracts ⁽²⁾	%	2.2	6.9	3.2	-5	-68
Qualification						
Companies on list of approved suppliers	n°	414	404	392	10	3
Qualified categories	n°	45	45	44	-	-
Number of audits	n°	1,214	604	743	610	101

⁽¹⁾ Based on the percentage of the value of contract awards.

⁽²⁾ The "One-off contracts" category primarily includes: sponsorship and donations, fees paid to public entities and trade bodies and contracts awarded to previously qualified suppliers by Terna Plus.

Credit providers

DEBT

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Financial debt (1)	€m	7.899	7.796	7.976 ⁽¹⁾	103	1
Equity ⁽²⁾	€m	4.054	3.829	3.555	225	6
Debt to Equity	%	194,8	203,6	224,4	-	-

⁽¹⁾ For comparative purposes, certain amounts in the financial statements for the year ended 31 December 2016 have been restated without, however, adjusting the value of equity at 31 December 2016.

⁽²⁾ The figures for equity at 31 December 2018, 2017 and 2016 include non-controlling interests in the Tamini Group and the subsidiaries, Terna Interconnectore and Awenia (acquired on 15 February 2018).

LOANS FROM THE EUROPEAN INVESTMENT BANK (EIB)

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Outstanding debt on EIB loans	€m	1,725	1,727	1.612	-3	0

Reports and complaints

IMPLEMENTATION OF THE CODE OF ETHICS

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Total reports received ⁽¹⁾	no.	2	1	2	-	-
<i>Areas of operation for which reports received ⁽²⁾</i>						
- Treatment of employees	no.	2	-	1	-	-
- Supplier management	no.	-	1	1	-	-
- Environment and Safety	no.	-	-	-	-	-
- Corruption/ Corporate loyalty	no.	-	-	-	-	-
- Terna's Compliance /Other	no.	-	-	1	-	-
<i>Outcome of reports</i>						
- Without grounds	no.	2	1	2	-	-
- Action taken ⁽³⁾	no.	-	-	-	-	-
- Under investigation	no.	-	-	-	-	-

< 406-1

⁽¹⁾ The reports received in 2017 were sent to the Audit department. The report received in 2017 was sent to the Ethics Committee. Of the 2 reports in 2016, 1 was received by the Audit department and 1 by the Ethics Committee.

⁽²⁾ Each report or infringement may relate to any number of areas of operation.

⁽³⁾ Action may take the form of a sanction and/or another form - such as, for example, the revision of procedures, internal controls, etc. - with the aim of avoiding a repetition of the event giving rise to the report.

ENVIRONMENTAL COMPLAINTS

	Unit	2018		2017		2016		Change 18-17	% change 18-17
		RECEIVED	DEALT WITH	RECEIVED	DEALT WITH	RECEIVED	DEALT WITH	RECEIVED	DEALT WITH
Total complaints received	no.	26	24	25	20	34	29	2	8
Environmental aspect of complaints received									
- Waste	no.	-	-	1	1	1	1	-	-
- Noise	no.	12	11	13	9	14	11	1	9
- Biodiversity	no.	-	-	-	-	-	-	-	-
- Landscape	no.	-	-	-	-	2	1	-	-
- Electrical and magnetic fields	no.	8	8	4	3	8	7	-	-
- Lighting	no.	-	-	-	-	-	-	-	-
- Vegetation management	no.	4	3	3	3	6	6	1	33
- Other	no.	2	2	4	4	3	3	-	-

Litigation

ENVIRONMENTAL LITIGATION

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Pending	no.	85	96	96	-11	-11.5
In progress	no.	7	8	6	-1	-12.5
Settled	no.	18	8	17	10	125.0

SUPPLIER LITIGATION

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Pending	no.	29	23	22	6	26.1
In progress	no.	6	4	0	2	50.0
Settled	no.	0	3	2	-3	-100.0

CUSTOMER LITIGATION

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Pending	no.	15	15	17	0	0
In progress	no.	0	1	1	-1	-100.0
Settled	no.	0	3	0	-3	-100.0

LITIGATION WITH EMPLOYEES

	Unit	2018	2017	2016	Change 18-17	% change 18-17
Pending	no.	11	10	12	1	10.0
In progress	no.	3	5	11	-2	-40.0
Settled	no.	2	7	2	-5	-71.4