

## **TERNA'S AGM APPROVES FINANCIAL STATEMENTS FOR 2020 AND TOTAL DIVIDEND OF 26.95 EURO CENTS PER SHARE FOR 2020, UP +8% ON 2019**

- *AGM approves financial statements for year ended 31 December 2020 and total dividend of 26.95 euro cents per share for 2020, up +8% on 2019 (including interim dividend of 9.09 euro cents previously paid in November 2020 and a final dividend of 17.86 euro cents payable in June 2021)*
- *New Performance Share Plan 2021-2025 approved*
- *Authority to buy back and dispose of own shares approved, subject to prior revocation of authority granted by AGM of 18 May 2020*
- *Report on Remuneration Policy and Remuneration Paid approved*

**Rome, 30 April 2021** – The Annual General Meeting (“AGM”) of Terna S.p.A.’s shareholders met in Rome today. The AGM, chaired by Valentina Bosetti, approved Terna S.p.A.’s financial statements for the year ended 31 December 2020, as presented by the Chief Executive Officer and General Manager, Stefano Donnarumma.

The Consolidated financial statements and the “2020 Sustainability Report – Consolidated Non-Financial Statement” were also presented, the latter having been prepared pursuant to Legislative Decree 254 of 30 December 2016.

In view of the ongoing health emergency linked to Covid-19, and considering the legislation enacted in order to contain the disease, in compliance with the provisions of art. 106, paragraph 4 of Law Decree 18 of 17 March 2020, as converted with amendments into Law 27 of 24 April 2020, and as subsequently amended by Law Decree 183 of 31 December 2020, in turn converted with amendments into Law 21 of 26 February 2021, attendance at the AGM was only permitted through the representative designated by the Company pursuant to art. 135-*undecies* of Legislative Decree 58 of 24 February 1998 (the “CLF”). At the start of proceedings, approximately 66.72% of the Company’s issued capital was represented at the AGM.

## **APPROVAL OF THE FINANCIAL STATEMENTS AND APPROPRIATION OF PROFIT FOR THE YEAR**

As proposed by the Board of Directors, the AGM approved, with 99.37% of votes in favour, a total full-year dividend for 2020 of 26.95 euro cents per share, up +8% on 2019 (in line with the policy announced to the market) and payment – before any legal withholdings – of a final dividend of 17.86 euro cents per share, following payment of an interim dividend of 9.09 euro cents previously paid from 25 November 2020. The final dividend will be payable from 23 June 2021, with an ex-dividend date for coupon 34 of 21 June 2021 (a record date, as defined by art.83-*terdecies* of the CLF of 22 June 2021).

Payment of the final dividend will be made exclusively from profit for 2020.

## **NEW PERFORMANCE SHARE PLAN 2021-2025 APPROVED**

Pursuant to and for the purposes of art. 114-*bis* of the CLF, the AGM approved, with 98.67% of votes in favour, the long-term incentive plan based on the Company's ordinary shares and named the "Performance Share Plan 2021-2025", to be implemented in accordance with the terms and conditions described in the Information Circular whose publication was announced to the market on 31 March 2021.

## **AUTHORITY TO BUY BACK AND DISPOSE OF OWN SHARES APPROVED, SUBJECT TO PRIOR REVOCATION OF AUTHORITY GRANTED BY AGM OF 18 MAY 2020**

The AGM has authorised, subject to prior revocation of the authority granted by the AGM of 18 May 2020, with 99.40% of votes in favour, the Board of Directors to buy back and subsequently dispose of up to 1.95 million of the Company's ordinary shares, representing approximately 0.10% of the share capital, at a total cost of up to €10 million. The authority remains subject to the requirements that treasury shares held by the Company and its subsidiaries from time to time may not in any case exceed 10% of the Company's share capital, or any other maximum amount provided for by the law in force at the time, and that purchases must be carried out within the limits of distributable profits and available reserves, as reported in the latest approved financial statements.

The authority to buy back own shares is valid for eighteen months from the date of today's AGM. There is instead no time limit for the subsequent disposal of the shares purchased.

Based on the proposal made by the Board of Directors, the AGM has also established the purposes, terms and conditions of the buyback and disposal of own shares, establishing the methods to be used in calculating the purchase price and the purchase procedures to be followed.

## REPORT ON THE REMUNERATION POLICY AND REMUNERATION PAID APPROVED

Finally, pursuant to and for the purposes of art. 123-*ter* of the CLF, the AGM approved, with 89.19% of votes in favour, the first section of Terna S.p.A.'s *Report on the Remuneration Policy and Remuneration Paid*, which explains the policy for the remuneration of members of the Board of Directors and the Board of Statutory Auditors, the General Manager and key management personnel in 2021, and the procedures used in adopting and implementing the Policy.

The AGM also approved, with 59.17% of votes in favour, the second section of Terna S.p.A.'s *Report on the Remuneration Policy and Remuneration Paid*, which describes the remuneration paid to members of the Board of Directors and the Board of Statutory Auditors, the General Manager and, in aggregate form, key management personnel in 2020.

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A summary of shareholder resolutions and the minutes of the AGM will be made available to the public within the terms and according to the procedures required by the relevant laws.

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*Given that the AGM has not approved any amendments thereto, the Annual Report for the year ended 31 December 2020, as published in accordance with the procedures and within the deadline required by law, is already available to the public at the Company's registered office and at the stock exchange management company, Borsa Italiana S.p.A.. The document is also available on the Company's website ([www.terna.it](http://www.terna.it)), on the website of the authorised storage service "1Info" ([www.1info.it](http://www.1info.it)) and at Borsa Italiana S.p.A. ([www.borsaitaliana.it](http://www.borsaitaliana.it)), as announced to the market on 8 April 2021.*