



REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

Pursuant to article 123-*bis* TUF

(traditional management and control model)

- **TerniEnergia S.p.A.;**
- www.ternienergia.com;
- This report refers to the financial year ended on December 31, 2011;
- This report was approved on March 14, 2012.

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1.1 GLOSSARY

Code/Code of Conduct for Listed Companies: the Code of Conduct for Listed Companies approved in March 2006 (and modified in March 2010) by the *Corporate Governance* Committee and supported by Borsa Italiana S.p.A. Where it is not differently specified, the references to Principles, Criteria and Comments shall be considered to the Code of 2006.

Code/Code of Conduct for Listed Companies 2011: the Code of Conduct for Listed Companies approved in December 2011 by the *Corporate Governance* Committee and supported by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

Cod. civ./ c.c.: the Civil Code.

Board: the Board of Directors of the Issuer.

Issuer: the issuer to whom this Report refers.

Financial Year: the financial year to which this Report refers.

Consob Issuers' Regulation: the Regulation issued by Consob by resolution no. 11971 of 1999 (as subsequently amended) concerning issuers.

Consob Markets Regulation: the Regulation issued by Consob by resolution no. 16191 of 2007 (as subsequently amended) concerning markets.

Regulation Linked Parties Consob: the Regulation issued by Consob by resolution no. 17221 dated March 12, 2012 (as subsequently amended) concerning deals with related parties.

Report: this report in matter of corporate governance and ownership structure that the companies are required to prepare pursuant to art. 123-*bis* TUF.

TUF: the Legislative Decree 24 February 1998, n. 58 (Consolidated Financial Text).

2 THE PROFILE OF THE ISSUER

The object of this Report is to provide information on the Issuer's ownership structure and corporate governance in compliance with article 123-*bis* of the TUF.

TerniEnergia adopted a traditional model of administration and control pursuant to articles 2380 bis and subsequent of the civil code, and it is made up of the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors.

The Company adheres to the Code of Conduct for Listed Companies issued by Borsa Italiana S.p.A., as published in December 2010, with the integrations and adjustments following the peculiarities of the Group listed below.

Indeed, the Board of Directors analysed, together with the Committees for the matters of the relevant competence, the principles and criteria which were reviewed or updated in the new edition of the Code comparing them with the modalities of implementation adopted by the Group. In light of the above, the Board redefined the Lines of the System of internal control and management of risks, redefining the role of the Internal Control Committee and of the different parties involved.

The results of the above mentioned analysis are described in this Report which, in compliance with the applicable laws, includes a general description of the corporate governance adopted by the Group and reports the information of the ownership structure and adhesion to the Code of Conduct, including the main activities of governance applied as well as the main elements of the internal control system and management of the risks, also in relation to the financial informative process. In particular, this Report, which in different points refers to the documentation available on the web site of the Company, www.ternienergia.com, section Corporate Governance, is composed by four sections: the first shows the information on the proprietary ownership; the second includes a description of the structure of governance; the third analyses the execution of the provisions of the Code, describes the main characters of the system of internal control and management of the risks, also in relation to the process of financial informative and the main governance policies applied; the fourth refers to the table with the relevant information for the contents of each principle and applicative criterion of the above updated Code.

The Code of Conduct is also available on the web site of Borsa Italiana S.p.A., www.borsaitaliana.it.

The corporate governance system is also ruled by the Civil Code, Legislative Decree 58/1998 (TUF), the Company's By-laws, Consob recommendations and the principles set forth by the national and international best practice.

The purpose of the corporate governance system is the creation of value for the benefit of the shareholders, taking into account the equilibrium of the various interests of other stakeholders that deserve protection.

The Company's By-Laws is available on the Investor Relations Section – Documents of the Company's Internet website: www.ternienergia.com

3 INFORMATION ON THE OWNERSHIP STRUCTURE (PURSUANT TO ART. 123-BIS, PARAGRAPH 1 TUF) (AS OF MARCH 14, 2012)

3.1 a) Share Capital Structure (pursuant to art. 123-bis, paragraph 1, letter a) TUF)

The share capital subscribed and paid up as of December 31, 2011 was equal to Euro 23,210,000.00, divided into no. 27,820,000 ordinary shares, with no par value.

The categories of shares representing the share capital as of December 31, 2011 are as follows:

	Nr. of shares	% VS. listed share capital	Rights and Obligations
Ordinary Shares	27,820,000	100	The shares are nominative and attribute the voting right in the ordinary and extraordinary shareholders' meetings along with the right to profit shares

On August 6, 2010, the extraordinary shareholders' meeting of the company approved a severable capital increase in several tranches, with exclusion of voting right pursuant to article 2441, fourth paragraph, second period, of the Civil Code, for a maximum amount equal to euro 60,000,000.00 to be made within July 31, 2011, reserved to qualified Italian and/or foreign investors with the exclusion of Australia, Canada, Japan and United States of America. The above mentioned Extraordinary Shareholders' meeting has also established that, if the increase of the corporate capital was not subscribed within the term of July 31, 2011, such capital had to be considered increased by an amount corresponding to the collected subscriptions, according to the provisions of article 2439 of the Italian Civil Code. On November 11, 2010, the subscription of the first phase of the capital increase was completed for a total counter-value of euro 10,800,000.00. No. 3,000 ordinary shares have been issued and therefore at the completion of the first tranche, the corporate capital of the company is composed by no. 27,820,000 ordinary shares corresponding to a corporate capital of euro 23,210,000.00. The Board of Directors on February 1, 2011 resolved on the non follow-up of the above mentioned procedure.

3.2 b) Limitations to the transfer of securities (pursuant to art. 123-bis, paragraph 1, letter b) TUF)

As of the date of this Report, there were no restrictions on the transfer of shares, including, for example, limits on the possession of securities or the need to obtain the approval of the Company or of other owners of securities.

3.3 c) Significant Shareholdings (pursuant to art. 123-bis, paragraph 1, letter c) TUF)

As of the date of this Report, the significant shareholdings in the Company's capital, according to the notices made pursuant to article 120 TUF as well as to the Shareholders' Book, are as follows:

Declarant	Registered Office	Number of Shares	Percentage % on the Capital as of
Terni Research S.p.A.	Narni – Strada dello stabilimento, 1	16.930.500	60,86%

Stefano Neri, Paolo Ricci, Eugenio Montagna Balzelli and Fabrizio Venturi are directors of the company and shareholders, with shareholding directly or indirectly owned. In particular, the shareholdings are as follows:

	31/12/2010		Movimentazione		31/12/2011	
	Shares	%	Purchases	Sales	Shares	%
Terni Research	16.879.500	60,67%	51.000		16.930.500	60,86%
Costruzioni Baldelli	210.100	0,76%	12.000	12.356	209.744	0,75%
Venturi Fabrizio	42.089	0,15%			42.089	0,15%
Ricci Paolo	80.078	0,29%		39.265	40.813	0,15%
Neri Stefano	97.952	0,35%	10.500		108.452	0,39%

Stefano Neri directly owns 0.39 % of the share capital of the company and controls T.E.R.N.I. Research S.p.A., by owning 1.97% directly and 52.14% indirectly through Skill & Trust Holding, of which he holds the control owning a stake of 62.93% of the share capital. Paolo Ricci directly owns 0.15 % of the share capital of the Issuer. Eugenio Montagna Baldelli indirectly owns 0.75 % of the share capital of the company through Costruzioni Baldelli S.r.l.. Fabrizio Venturi directly owns 0.15 % of the share capital of the company.

3.4 *d) Shares conferring special rights (pursuant to art. 123-bis, paragraph 1, letter d) TUF)*

As of the date of this Report, the Company has not issued securities conferring special control rights.

3.5 *e) Employees' shares plans: mechanisms of exercise of voting rights (pursuant to art. 123-bis, paragraph 1, letter e), T.U.F.)*

No employees' shares plan was established.

3.6 *f) Limitations to voting right (pursuant to art. 123-bis, paragraph 1, letter f) TUF)*

As of the date of this Report the By-laws do not set forth voting right restrictions.

3.7 *g) Shareholders' Agreements (pursuant to art. 123-bis, paragraph 1, letter g) TUF)*

As of the date of this Report, neither shareholders' agreements or agreements between significant shareholders pursuant to art. 122 TUF were executed.

3.8 *h) Change of Control clauses (pursuant to art. 123-bis, paragraph 1, letter h), T.U.F.) and by-laws provisions on OPA (pursuant to articles 104, paragraph 1-ter, and 104-bis, paragraph 1)*

The Issuer executed shareholders' agreements with all the partner companies with whom it has established 12 Joint Venture. Each agreement provides that, if the controlling company TerniEnergia S.p.A. or the partner companies substantially change, the involved party shall notify it to the other party, which is entitled to exercise the option right to purchase the entire shareholding owned by the latter, within two months from the notice.

3.9 *i) Delegations to increase the corporate capital and authorisations to purchase own shares (pursuant to article 123-bis, 1st paragraph, letter m), TUF)*

The Board was not delegated to increase the corporate capital pursuant to article 2443 of the Civil Code or may issue financial instruments.

On February 1, 2011, the Board of Directors resolved on the non follow up of further tranches of the onerous increase of the corporate capital for a maximum amount of euro 60,000,000.00 reserved exclusively to qualified investors in Italy and abroad, with the exclusion of United States of America, Australia, Japan and Canada and with the exclusion of the option right pursuant to article 2441, 5th paragraph, of the Civil Code, resolved by the extraordinary shareholders' meeting of the company on August 6, 2010.

In such event, the Board was delegated to increase the corporate capital pursuant to article 2443 of the Civil Code for the limited amount necessary to the company to enter into the so called STAR segment of the Web Shares Market of Borsa Italiana S.p.A., effectively happened on December 28, 2010.

On September 1, 2009, the ordinary shareholders' meeting of the Company authorized the purchase and disposal of own shares pursuant to article 2357 and following of the Civil Code as well as to article 132 TUF. By purchasing own shares, the company intends to:

- dispose of securities to use as consideration in case of extraordinary/strategic transactions also through the exchange of shareholdings with other subjects, including industrial and/or commercial partners;
 - establish the supply necessary to execute eventual stock option plans to be approved in the future. Such plans may be issued in order to render more competitive the capacity to attract and maintain in the Company the best managerial competences.
- The purchase operations were not instrumental to the reduction of the corporate capital through the annulment of the own shares purchased nor intentionally finalized to delisting operations of the Company.

At the date of the Report, no authorization to purchase own shares is effective.

3.10 *l) Direction and Coordination Activity (pursuant to art. 2497 and following of the Civil Code)*

Notwithstanding TerniEnergia S.p.A. is controlled directly by T.E.R.N.I. Research, it is not subject to direction and coordination activity pursuant to art. 2497-bis of the Civil Code. The Company's Management believes that such direction and coordination relationship does not exist since T.E.R.N.I. Research S.p.A. does not influence the Company nor affect the managerial choices, the running and organization of the Company itself.

Indeed, T.E.R.N.I. Research S.p.A. exclusively has such administrative and economic rights that are typical for shareholders (voting right in the shareholders' meeting, collection of dividends) and the Issuer's management deems that the Company operates in an autonomous way in respect of its controlling company under corporate and business viewpoints.

In addition, as protection for the minority shareholders' interests and rights, the Company adopted the measures set forth by the Code of Conduct for Listed Companies edited in 2011 concerning the corporate governance. In particular, the presence of independent directors in the board of directors, together with the committees for the internal control and for the remuneration, aimed at ensuring an autonomous and unconditioned judgement on the resolutions proposed by the executive directors.

The information required according to article 123-bis, 1st paragraph, letter i) (*"the agreements between the company and the directors providing for indemnities in case of resignations or firing without grounded reasons or if their working relation terminates following a public offer to purchase"*) are included in the report on the remuneration published pursuant to article art. 123-ter TUF (Section 9). The information required according to article 123, 1st paragraph, letter l) (*"the rules applicable to the appointment and replacement of the directors as well as the amendment to the by-laws, if different from those provided by applicable laws and regulations"*) are illustrated in the section of the Report dedicated to the board of directors. (Section 4.1).

4 COMPLIANCE (PURSUANT TO ART. 123-BIS, PARAGRAPH 2, LETTER A) TUF)

The Corporate Governance structure is composed by a management and control system and by the shareholders' meeting. The legal review of the accounts is assigned to an accounting company according to law provisions. TerniEnergia S.p.A. has adopted the management and control system based on the presence of the Board of Directors and of the Board of Statutory Auditors. In such structure the Board, which has the duty to manage and, together with specific committees with consulting functions, verify the existence of the controls necessary to control the trend of the company, is supported by a body (external to the Board itself) with autonomous competence and powers and appointed on the basis of competence, honour and independence defined by law and integrated by the By-laws.

Neither the Company or its controlled companies are subject to non Italian law provisions that have an impact on the Corporate Governance structure of the Company itself. In compliance with the provisions contained in the Code, the Board of Directors has an adequate number of independent directors (3 over 7) and has assigned to an executive director the direction of the internal control system functionality. In compliance with the Code, a shareholders' meeting regulation was adopted, an internal Regulation on Transactions with Related Parties in accordance with Consob Regulation no. 17221/2010 and the roles of investor relation managers and lead independent director were established.

In line with the Code, the Board of Directors appointed the Remuneration Committee, the Internal Control Committee and the Committee for Transactions with Related Parties, while it did not deem necessary to appoint the Committee for the Appointments.

5 THE BOARD OF DIRECTORS

5.1 *Appointment and Replacement (pursuant to art. 123-bis, paragraph 1, letter l) TUF)*

Pursuant to art. 13 of the By-laws, the Company is managed by a Board of Directors made up of 3 (three) to 11 (eleven) members, who are in charge up to a maximum period of three years.

The appointment of the members of the Board of Directors is resolved by the Shareholders' Meeting on the basis of lists filed by the shareholders. Such lists must be filed at least 15 days prior the first call of the Shareholders' Meeting. The minimum shareholding that is required for filing such a list is equal to 2.5% of the share capital voting in the Shareholders' Meeting and such a minimum shareholding complies with the one that can be determined pursuant to article 144-quater of the Issuers' Regulation. The by-laws set forth that, for the purpose of the allocation of the directors to be appointed, lists which were not voted by at least half of the votes requested by the by-laws, that means 2.5% of the share capital having voting right in the Shareholders' Meeting and requested for the filing of the list, are not considered.

The appointment of a minority director is guaranteed by the by-laws according to which all the directors are appointed from the list that obtained the highest number of votes, save for one. The remaining director shall be appointed from the minority list provided that it is not linked in any manner to the majority list and has obtained the second higher number of votes.

In order to ensure the appointment of a minimum number of independent directors pursuant to art. 147-ter, paragraph fourth, TUF, the by-laws set forth that the non independent candidate last appointed following the gradual order in the most voted list is replaced by the first independent candidate that was not appointed in the same list according to the gradual order, or in case of lack of the first independent candidate of the other lists, according to the gradual order and the number of votes that each of them has obtained.

The by-laws do not set forth additional independence requirements in respect of the ones set forth for the statutory auditors pursuant to art. 148 TUF.

In addition to the rules set forth by TUF, the Issuer is not subject to other special laws in forming the Board of Directors.

Succession plans

The Board, as of the date of this Report, has not decided about the adoption of a plan for the succession of the executive directors as provided by *Criterion 5.C.2* of the Code of Conduct for Listed Companies 2011.

However, proper mechanisms in case of replacement before the ordinary expiration are provided by article 13 of the By-Laws. If, for any reasons, at least half of the directors appointed by the Shareholders' meeting ceases from the office, the entire Board is considered decayed. In such case, the directors shall urgently call the Shareholders' meeting for the appointment of the new Board.

5.2 COMPOSITION (pursuant to art. 123-bis, paragraph 2, letter d) TUF)

The Board of Directors is composed by executive and non executive directors, having adequate competence and expertise for a total of 7 members. The members of the Board of Directors in charge at the date of this Report were appointed by the ordinary Shareholders' Meeting on April 29, 2010 and the duration of their office is until the approval of the Financial Statements relating to the Financial Year ending on December 31, 2012. Such appointment was made on the basis of the procedure of the voting list, as provided by the By-laws. In particular, just one list was filed by the majority shareholder T.E.R.N.I. Research (information provided according to articles 144 - *octies* and 144 - *novies*, 1st paragraph 1^{st bis} paragraph).

Herein below the personal and professional details of each director are listed:

Stefano Neri

Born in Terni on September 14, 1959, he obtained a Law Degree from "La Sapienza" University in Rome. After passing the bar exam in 1985, he specialized in administrative law, authoring several publications in such matter. Between 1998 and 2000 he served as vice president of Interparck Servizi per l'Ecologia S.r.l., which at time was part of the Falk group. Founding shareholder of T.E.R.N.I. Research, since September 25, 2006 he has been chairman of the board of directors of TerniEnergia.

Eugenio Montagna Baldelli

Born in Terni on April 5, 1942, he obtained a surveyor diploma in 1961. Since 1983 he has served as chairman of the board of directors of Costruzioni Baldelli S.r.l. Since 2003 he has been managing director of Bastianova S.r.l. and since 2006 he is sole director of Immobiliare Minerva. Since 1990 he has been a member of regional board of A.N.C.E. Umbria. Since 2009 he has been Chairman of the Cassa Edile di Terni. He has been director of TerniEnergia since September 25, 2006.

Fabrizio Venturi

Born in Terni on February 14, 1964, he received his Sociology degree from "La Sapienza" University in Rome. From 1990 to 2007 he was managing director of Venturi S.p.A., a company specializing in the construction of industrial electrical system. Between 2003 and 2006 he was chairman of the Young Entrepreneurs Group of the Umbria region. Since August 28, 2007, he has been a member of the board of directors of TerniEnergia S.p.A..

Paolo Ricci

Born in Terni on July 15, 1940, he obtained his degree in Electrical Engineering from "La Sapienza" University in Rome. Between 1978 and 2000 he served increasingly responsible positions in Enel S.p.A becoming department head and director of the transmission sector. From 2000 to 2005 he served as director in charge of engineering and management of the National Electrical Grid (RTN) at Terna S.p.A.. Since March 30, 2007 Paolo Ricci is Chairman of the Board of directors of SolarEnergy, since August 28, 2007 he has been a member of the board of directors of TerniEnergia. In addition he is chairman of the board of director of the following joint-venture companies: EnergiaAlternativa S.r.l., Energie S.r.l. and Fotosolare Settima S.r.l.

Domenico De Marinis

Born in Rome on January 20, 1961, he obtained an accountant and commercial expert diploma in 1979. He started his professional career in 1982 with Cassa di Risparmio of Perugia. He was head of the Financial Resources Management Department of Istituto per il Credito Sportivo from 1983 to 1992. From 1992 to 2004 he worked for Banca dell'Umbria, where he served, among other capacities, as head of private banking of Terni area. As of the date of this Report, he is an employee of Banca C.R. Firenze S.p.A.,

where he is responsible for the private Banking Center of Perugia. Since 2000 he has been registered in the Financial Promoters Registry. Since 1992, he has been a member of the Association of credit Institution Treasurers (ATICFOREX).

Paolo Ottone Migliavacca

Born in Milan on May 24, 1975, he received his degree in Economics from Bocconi University in 2001. He obtained his PhD in Corporate Management from Bocconi University in 2006.

He is Professor of Economics and Corporate Management at Bocconi University and Professor of Corporate Strategies at the University of Turin. He performs research activities in matter of financial strategies relating to the business growth and sustainability. He is managing director of Gruppo Vita Content Company, vice-chairman of Lucos Alternative Energies S.p.A., he is director of Fondazione Piemontese per l'Oncologia, he is member of the Advisory Board of Lamse Financial Holding S.p.A.. He is director of other medium and small companies.

Davide Gallotti

Born in Brindisi on December 10, 1958, he received his Law Degree from "La Sapienza" University in Rome in 1984. From 1987 to 1992, he was head of the law Department and Legal Affairs of Johnson & Johnson. Since January 1993, he has been the principal of the Gallotti-Cusmai & Partners Law Firm in Rome. Attorney qualified to plead before the Supreme Court since 2005, he has been contract professor at the Economics Department of the University of Perugia. He is author of juridical monographs and publications on nationwide law journals. He is a member of numerous nation and International associations.

Maximum number of offices in other companies

The Board did not set forth general criteria about the maximum number of management and control offices in other listed companies in regulatory markets, in financial, bank, insurance or big companies, which may considered consistent with a proper execution of the office of director for the Issuer (*Applicative criterion 1.C.3.*). At the date of this Report, the offices held by the directors are in small-medium companies and in certain cases in companies belonging to the same group of the Issuer.

5.3 ROLE OF THE BOARD OF DIRECTORS (pursuant to art. 123-bis, paragraph 2, letter d) TUF)

During fiscal year 2011, no. 9 Board of Directors' Meetings took place in order to review and resolve on the management trend, quarterly results and half-year financial Report, proposals relating to the significant transactions and with related parties. The Board has also elaborated the proposals submitted to the Shareholders' meeting on April 22, 2011 among which, in addition to the Financial Statements and destination of the 2010 profit, the approval by the Shareholders' meeting of the proposal grounded by the Board of Statutory Auditors of adjustment of the remuneration for PricewaterhouseCoopers S.p.A. in relation to the accounting activities for the period 2010-2016; it has also resolved on the purchase of shares and subscription of the share capital increase of Lucos Alternative Energies S.p.A., as well as on the incorporation of a company in Greece 100% controlled for the creation of photovoltaic plants on behalf of Enel Green Power S.p.A. The average duration of the meeting has been of 1 hour and 35 minutes. The planned number of meetings for the current financial year is 4, of which 1 was already held.

The company notified to Borsa Italiana the Board meetings' calendar concerning the approval of periodical accounting data, in compliance with art 2.6.2. of Borsa Italiana Regulation.

The Chairman of the Board of Directors operates in order to guarantee that the members of the Board of Directors receive, with proper and adequate timing and modalities, the documents and information necessary to resolve on the relevant items. In order to guarantee that the directors are properly informed and to insure a proper and complete evaluation of the facts submitted to the Board, the documents and information are sent to the directors at least five days before the date of the meeting.

The Board of Directors shall review and approve (*Applicative criterion 1.C.1., letter a*):

- the strategic, industrial and financial plans of the Issuer;
- the strategic, industrial and financial plans of the group led by the Issuer;
- the corporate governance of the Issuer itself;
- the structure of the group led by the Issuer.

The Board of Directors has evaluated the adequacy of the organizational, administrative and accounting structure of the Issuer prepared by the executive directors, with specific reference to the internal control system and management of the conflicts of interest (*Applicative criterion 1.C.1., letter b*).

The Board of Directors has also evaluated the general trend of the management, taking into account in particular, the information collected from the executive bodies as well as periodically comparing the results achieved with those programmed (*Applicative criterion 1.C.1., letter e*).

The Board of Directors, during the meeting held on December 12, 2011, has made a specific evaluation on the dimension, composition and functioning of the Board itself and its committees, expressing comments on the consultants deemed useful in the Board (*Applicative criterion 1.C.1., letter g*).

In such respect, the Board, which is composed by different and precious consultants for a proper evaluation of the strategic plans, resolved on the current composition and dimension which are suitable to guarantee the correct and full functioning of the Board itself, discussing and sharing the strategic, financial, industrial and administrative choices.

The Board of Directors has determined, after examining the proposals of the relevant committee and heard the board of statutory auditors, the remuneration of the executive directors and other directors in charge with specific offices as well as, if the

shareholders' meeting has not resolved upon yet, the division of the global remuneration due to the members of the Board (*Applicative criterion 1.C.1., letter d*). Pursuant to art. 18 of the by-laws, second paragraph, the Board of Directors shall also resolve on the review and prior approval of the transactions of the Issuer and its controlled companies, when such transactions have a significant importance from strategic, economic or financial point of view for the Issuer (*Applicative criterion 1.C.1., letter f*).

The Board of Directors established general criteria in order to identify the transactions having a significant importance from strategic, economic or financial point of view for the Issuer itself. In order to regulate cases of potential conflict of interest, the company has adopted a Procedure for Transactions with Related Parties, drafted in compliance with the provisions included in Consob Regulations 17221 dated March 12, 2010.

The Board of Directors has also appointed, during the meeting held on November 30, 2010, the Committee for the Transactions with Related Parties composed by the independent directors Paolo Ottone Migliavacca, Davide Gallotti and Domenico De Marinis. The Committee has expressed its positive opinion on the adoption of a Procedure for the Transactions with Related Parties.

5.4 DELEGATED BODIES

Managing Directors

The board of directors of the Company, subject to the general faculties vested in them by the by-laws, conferred on the Chairman and managing director Stefano Neri all powers of ordinary and extraordinary administration with the limit of euro 12,000,000.00 for each transaction as well as delegation for the incorporation of any kind of company. To the Chairman and managing director was also granted, with faculty to sub-delegate to another member of the Board, the power to execute contracts as well as preliminary and definitive agreements concerning the purchase of the ownership or other real property rights, finalized to the creation of photovoltaic plants and connection of the same to the net up to the maximum amount of euro 12,000,000.00 for each transaction.

The Board has also conferred on the Chairman and managing director Stefano Neri the following further powers: (i) management of the activity of the board of directors and link between executive directors and non executive directors; (ii) implementation of the resolutions of the shareholders' meetings; (iii) implementation of the resolutions of the board for the development of strategies established therein; (iv) relations with controlling and related companies; (v) coordination of the activity of the managing directors for the drafting of strategic plans having medium-long term to be submitted to the board for the relevant approval.

The Board of Directors granted to the Vice-Chairman, Eugenio Montagna Baldelli, in case of absence of impediment of the Chairman, the following powers: (i) management of the activity of the board of directors and link between executive directors and non executive directors; (ii) implementation of the resolutions of the shareholders' meetings.

The Board of Directors has also granted management powers to the directors Paolo Ricci and Fabrizio Venturi with the following main limitations for value and matter:

- to the director Paolo Ricci the power to execute contracts for the construction of photovoltaic system on the Company's behalf up to the maximum amount of Euro 12,000,000.00 for each transaction;
- to the director Fabrizio Venturi all powers of ordinary administration concerning the business unit performing the entire production cycle, from design to the setting-up and assembling of photovoltaic systems, up to the limit of Euro 500,000.00 for each transaction. Director Venturi was also vested with the powers

related to the monitoring and implementation of the company workplace safety system pursuant to legislative Decree 626/1994 as well for the safeguard of the environment and compliance with privacy law.

The Chairman of the Board of Directors

The Chairman of the Board of Directors, who is also managing director, was vested with management powers by way of delegation (*Principle 2.P.5.*). The Chairman, also in consideration of the above mentioned delegations, is the main responsible for managing the Issuer and he is the controlling shareholder of the Issuer. For efficiency and urgency of certain transactions (in particular sale and purchase of companies and purchase of real property rights relating to the development of the activity of the company), save the powers of the Board of Directors and of two others managing director, it was preferred to concentrate on the Chairman of the Board of Director and Managing Director the managing powers up to the maximum amount of euro 12,000,000.00. Such amount complies with the traditional kind of transactions in the creation of photovoltaic plants sector.

Information to the Board of Directors

The delegated bodies report to the Board about the activity carried out pursuant to the delegations at least every three months and in any case at the first useful meeting.

5.5 OTHER EXECUTIVE DIRECTORS

The executive directors are also directors of other companies belongin to TerniEnergia group, As for TerniEnergia, there are no other executive directors than Stefano Neri, Paolo Ricci and Fabrizio Venturi

5.6 INDEPENDENT DIRECTORS

The Board:

- has evaluated during the meeting held on November 7th, 2011 the existence of the independence requirement for the following non executive directors: Paolo Ottone Migliavacca, Davide Gallotti and Domenico De Marinis (*Applicative criterion 3.C.4.*);
- in the above mentioned evaluation, has applied (among the others) all the criteria provided by the Code (*Applicative criteria 3.C.1. and 3.C.2.*).

In such event, the Board confirmed the preceding evaluations relating to the existing relations with the Group and with other listed or having a significant importance companies, considering them non relevant for the ascertainment of the independence. The board of statutory auditors verified the correct application of the criteria and the procedures adopted by the Board for evaluating the independence of their members (*Applicative criterion 3.C.5.*). Indeed, such control is included among the controls that, pursuant to law provisions, the board of statutory auditors shall perform on the modalities of implementation of the corporate governance rules provided by the codes of conducts followed by the company (article 149, 1st paragraph, letter c-bis TUF) and in relation to which it shall report annually to the shareholders' meeting (please refer to article 153 TUF). During the meeting of the board of statutory auditors held on December 5, 2011, the independence of the members of the Board was ascertained and, according to the provisions of the Code, the informative of the board of statutory auditors will be communicated together with the results of the controls made within its annual report during next shareholders' meeting on April 23, 2012.

5.7 LEAD INDEPENDENT DIRECTOR

In presence of the requirements provided by the Code, that is to say that the chairman of the Board is the main responsible for the management of the Issuer and the controlling shareholder of the Issuer, the Board of Directors on July 5, 2010 appointed the independent director Paolo Ottone Migliavacca as lead independent director (*Applicative criterion 2.C.3.*) for a better contribution to the activity and functioning of the Board.

The lead independent director cooperates with the Chairman in order to guarantee that the directors receive complete and timely information.

The lead independent director has also the faculty to call autonomously or upon request of other directors, proper meetings of just independent directors for the discussion of matters interesting for the functioning of the Board of Directors or the management of the company.

During Year 2011, the lead independent director joined the meetings of the Committee for the internal control (of which he is the Chairman), Committee related parties and meetings of the Board of Directors.

6 HANDLING OF CORPORATION INFORMATION

The Board, upon proposal of the managing directors, adopted a procedure for the internal management and external communication of documents and information relating to the Issuer, with specific reference to the privileged information (*Applicative criterion 4.C.1*).

On April 4, 2008 the Board of Directors approved the establishment of a register of the persons who can access to privileged information, pursuant to art. 115-bis TUF and appointed Annamaria Laurucci as responsible for updating and managing such register. By resolution of April 4, 2008 the Board also approved and spread the “Internal procedure for handling privileged information and for the external communication of documents and information”.

On April 4, 2008 the Board of Directors resolved the adoption, pursuant to art.114, paragraph 7, of TUF and articles 152- sexies and subsequent of the Issuer’s Regulation, of a code of conduct on Internal Dealing concerning information obligations and limits for transactions on financial instruments issued by the Issuer and carried out by significant persons (these being Issuer’s directors and statutory auditors, any person who carries out direction and coordination activities and any officer having access to privileged information on a regular basis and being entitled to adopt decisions potentially affecting the company or companies belonging to the group evolution and future prospects if the accounting value of the relevant stake exceeds 50% of the Issuer’s asset, as well as any direct or indirect shareholder owning at least 10% of the Issuer’s share capital) and any person that is strictly linked to the above mentioned significant persons.

On July 5, 2010, the Board resolved to integrate the code of conduct on internal dealing according to article 2.2.3, 3rd paragraph, letter O of the Borsa Regulation, inserting the prohibition for the members of the boards of directors and statutory auditors as well as for the managers and executives to execute directly or through other persons, transactions of purchase, sale, subscription or exchange of shares or of financial instruments related thereto during the 15 days preceding the meeting called to approve the accounting data of such period (so called black-out periods). Considering the primary interest of the Company to establish and maintain a continuous relation with the financial markets, proper structures have been established in order to maintain and improve their trust and their level of understanding of the company’s facts. In relation thereto, the function of Investor Relations keeps during the year continuous relations with the financial analysts, who follow the company, with their shareholders and with the institutional investors organizing meetings, conference call (concerning the periodical economic-financial informative) as well as joining conferences of the Sector. The Company also uses the web site of the Company, www.ternienergia.com, section Investor Relations, in order to inform the public about the matters submitted and discussed during such events. Through such web site, institutional information, periodical and extraordinary economic-financial news, the programmed calendar for the company events as well as the corporate governance documentation, both in Italian and English language, are published for the public. The telephone exchange number of the Company (+39 0744 758 1) and the email addresses (allegretti@ternienergia.com; ir.ternienergia@irtop.com) to collect the request of information and provide clarifications and details on the transactions executed towards the shareholders.

7 COMMITTEES INSIDE THE BOARD (pursuant to art. 123-bis, paragraph 2, letter d), T.U.F.).

A Remuneration Committee and an Internal Control Committee, providing recommendations and proposals, were established inside the Board. A unique committee carrying out the functions of two or more committees provided by the Code was not established. A further committee, the Committee for the transactions with related parties, in addition to those provided by the Code.

8 COMMITTEE FOR THE APPOINTMENTS

The Board of Directors evaluated the establishment of a Committee for the Appointments (*Principle 6.P.2.*).

As of the date of this Report, the Board of Directors did not deem necessary to appoint a Committee for the Appointments, since no difficulties have been incurred by the shareholders in preparing the nomination proposals.

9 REMUNERATION COMMITTEE

The Board established a remuneration committee (*Principle 7.P.3.*).

Composition and functioning of the remuneration committee (pursuant to article 123-bis, 2nd comma, letter d) TUF).

The remuneration committee is composed by three non executive directors, two of which are independent (*Principle 6.P.3.*), (i.e. Domenico De Marinis and Davide Gallotti) and one is non executive only (Eugenio Montagna Baldelli).

The minimum rules of composition, duties and functioning of the Committee are established in coherence with the new indications included in the Code of Conduct for Listed Companies, 2011 edition.

During the Fiscal Year 2011, three meeting were held, same number has been programmed for the current year.

At least one member of the remuneration committee possesses knowledge and expertise in financial matter or remuneration politics, deemed adequate by the Board at the moment of appointment (*Principle 6.P.3.*).

No director joins the meetings of the remuneration committee where the proposals to the Board on his remuneration are formulated (*Applicative criterion 7.C.6.*). Non-members of the remuneration committee may join the meetings of the committee upon invitation of the committee itself and on single items in the agenda (*Applicative criterion 4.C.1, letter f*).

Function of the remuneration committee:

The Board, upon proposal of the remuneration committee, defines a general policy for the remuneration of the directors and executives with strategic responsibilities (*Principle 6.P.4.*). The remuneration committee periodically evaluates the adequacy, global coherence and real application of the policy for the remuneration of the directors

and executives with strategic responsibilities, using in that respect the information provided by the managing directors; the Remuneration Committee formulates to the board of directors proposals in relation thereto (*Applicative criterion 6.C.5.*).

The remuneration committee submits proposals or expresses opinions to the board of directors on the remuneration of the executive directors and other directors in charge with specific offices as well as on the establishment of performance targets relating to the variable part of such remuneration; it controls the implementation of the decisions resolved by the board itself verifying, in particular, the real achievement of the performance targets. (*Applicative criterion 6.C.5.*)

The remuneration committee has considered not necessary the appointment of a consultant in order to obtain information on the market practice for remuneration policies (*Applicative criterion 7.C.7.*), eventually informed during the execution of its activities directly by the Board of Directors and/or Board of Statutory Auditors about any necessary information for the proper carrying out of its activities.

In the execution of its activities, the remuneration committee had also access to information and company functions, which were necessary for the execution of its duties (*Applicative criterion 5.C.1., letter e.*)

10 REMUNERATION OF THE DIRECTORS

General policy for the remuneration

The board of directors, upon proposal of the Remuneration Committee, defines a policy for the remuneration of the directors and executives vested with strategic responsibilities (*Principle 6.P.4.*).

The remuneration of the managing directors and officers vested with strategic responsibilities is defined in order to align their interests with the achievement of the primary target of creating value for the shareholders in the medium-long period. The remuneration of the directors is significantly linked to the economic results achieved by the Company during the financial year and/or the achievement of specific agreed targets. The target was established in a global annual gross fee by virtue of resolution of the ordinary shareholder meeting held on April 29, 2010; lacking a specific incentive mechanism, the above mentioned fee has also been integrated.

In particular, on August 6, 2010, the ordinary shareholders' meeting resolved on a variable fee for the directors and executives equal to 15% of the already determined fees in case of achievement, within the end of the year, of the agreed targets for the creation of photovoltaic plants having a nominal power of 60 MWp each year.

With reference to the financial year following the financial year of reference in this Report, the Committee points out that the structure of the remuneration of the above mentioned subjects, seems able to guarantee the sustainability in the medium-long period by the Company itself.

The general policy for the remuneration of the managing directors or vested with specific offices defines the guidelines with reference to the subject matters and in coherence with the criteria listed below (*Applicative criterion 7.C.1.*):

- a) the fix part and the variable part are adequately balanced taking in consideration the strategic targets and the policy of management of the risks of the issuer, also considering the sector of activity where it operates as well as the characters of the company's activity carried out;
- b) maximum limitations for the variable parts are provided;
- c) the fix part is sufficient to remunerate the activity of the director in case of non payment of the variable part for failure to achieve the performance targets provided by the board of directors;
- d) the performance targets – that is to say the economic results and the other eventual specific targets to which the payment of the variable parts is linked (including the targets defined for the remuneration plans based on shares) – are pre-determined, measurable and linked to the creation of value for the shareholders in a medium-long period;
- e) the payment of a significant portion of the variable component of the remuneration is postponed for an adequate period of time in respect to the maturing date; the measure of such portion and the duration of the postponement are coherent with the characters of the company's activity carried out and with the profiles of risk.

Remuneration of the managing directors

A significant portion of the remuneration of the directors with managing powers (or carrying out, even only practically, functions relating to the management of the company) is linked to the achievement of specific performance targets, indicated in advance and determined in coherence with the guidelines included in the remuneration's policy defined by the board of directors (*Principle 6.P.2.*).

Remuneration of officers entrusted with strategic responsibilities

A significant portion of the remuneration of the officers with strategic responsibilities is linked to the achievement of specific performance targets, indicated in advance and determined in coherence with the guidelines included in the remuneration's policy defined by the board of directors (*Principle 6.P.2.*). In the assessment of the remuneration of the executive in charge with the drafting of the company accounting documents Paolo Allegretti by the bodies delegated in relation thereto, the above mentioned criteria on the remuneration's policy have been applied and they are coherent with the tasks (*Applicative criterion 6.C.3.*).

Remuneration of the non executive directors

The remuneration of the non executive directors is fixed and it was determined by the Shareholders' Meeting held on 29 April 2012 calculated on the basis of the commitment requested to each of them. The remuneration itself is not linked to the economic results achieved by the company. The non executive directors are not part of incentive plans based on shares.

11 INTERNAL CONTROL COMMITTEE

The Board has set up an internal control committee (*Principle 7.P.1.*), in order to guarantee that its evaluations and decisions on the internal control system, on the approval of the financial statements and half-year reports as well as on the relations with the external auditors are supported by an adequate preliminary activity.

Composition and functioning of the internal control committee (pursuant to article 123-bis, 2nd paragraph, letter d) TUF)

As of the date of this Report, the internal control committee is composed by the independent director Paolo Ottone Migliavacca, with wide expertise in accounting and financial matters, by the independent director Davide Gallotti and by the non executive director Eugenio Montagna Baldelli.

In particular, the internal control committee met only once during 2011, focusing its attention in particular on the results of the financial year with the relevant comments of the auditors, work plans prepared by the audit firms and by the internal audit, on the control of the adequacy of the internal control system and management of the company risks, including the specific evaluation of the administrative and accounting procedures for the drafting of the consolidated financial statement and yearly financial statements as well as on the other financial information.

The number of meetings of the committee programmed for the current year is at least of two, one of which dedicated to analyse the principles and criteria modified or updated by the new Code of Conduct for listed companies and to provide support to the Board of Directors in the definition of the Guidelines of the internal System for management of risks. Please note that as of the date of this Report no meeting was held yet.

The internal control committee, during the year, was composed by non executive directors, in majority independent and the chairman of the committee has been elected among the independent director, Paolo Ottone Migliavacca (*Principle 7.P.4.*).

The internal control committee, during the year, was composed by not less than three members. Considering that the Board of Directors of the Issuer is composed by six members, the committee may be composed by two members if independent (*Applicative criterion 4.C.1., letter a*).

At least one member of the internal control committee possesses adequate expertise in financial and accounting matters, expertise which is considered adequate by the Board at the appointment (*Principle 7.P.4.*).

Paolo Allegretti, Executive in charge with the drafting of the accounting documents of the company, and Grazia Moreschi, Responsible for the office of Internal Audit, in charge with the internal control and Chairman of the Collegial Body for Surveillance provided by Legislative Decree no. 231 dated June 8, 2001, joined the meeting of the internal control committee upon invitation of the committee itself and with reference to single items in the agenda (*Applicative criterion 4.C.1., letter f*).

Functions of the Internal Control Committee

The Internal Control Committee has been charged with the following tasks:

- to assist the Board in the execution of its duties on internal control provided by the Code (*Applicative criterion 7.C.1.*);
- to evaluate, together with the person responsible for the preparation of accounting documents and the auditing company, the correct use of the accounting principles and their homogeneity for the purpose of the consolidated financial statement drafting (*Applicative criterion 7.C.2., letter a*);

- to express opinions on specific issues concerning the identification of the main business risks as well as on the level of risk deemed compatible with the strategic targets (*Applicative criterion 7.C.2, letter b*);
- to report to the Board, at least each half-year, at the financial statement approval and the half-year report on the activity carried-out and the adequacy of the internal control system and management of the risks (*Applicative criterion 7.C.2., letter f*).

The internal control committee, among the activities carried out during the Fiscal Year supporting the Board of Directors:

- examined the half-year report concerning the evaluation of the internal control system and management of risks, prepared by the internal audit;
- controlled the autonomy, adequacy and efficiency of the internal audit also in consideration of the Legislative Decree 231/2001 on the administrative liability of the company;
- joined the meeting of the Surveillance Body on the results illustrated by the auditor in the eventual letter of suggestions and in the report – results shared in advance by the latter with the Chairman of the Board of Statutory Auditors;
- reported to the Board, during the meeting held on December 12, 2011, on the activity carried out as well as on the adequacy of the Internal Control System during the Year;
- examined, with the assistance of the Responsible of the office as internal audit, the control matrixes describing for each process and/or flow accounting-administrative considered critical and/or sensitive within the application of Law 262, the standard activities of key controls and relevant responsible for the operative unit;
- examined, with the assistance of the Responsible of the office as internal audit in his function as Chairman of the Surveillance Body, the warnings received by the Surveillance Body in order to monitor the adequacy of the control system and of the management and organizational model pursuant to Legislative Decree 231/2001.

The chairman of the board of statutory auditors or other auditor indicated by the chairman did not join the works of the internal control committee (*Applicative criterion 8.C.4.*); the report drafted by the internal control committee itself has been submitted to the attention of the board of directors on December 12, 2011 in presence of the chairman of the board of statutory auditors and of Vittorio Pellegrini, member of such board.

The meeting of the internal control committee has been regularly put at record (*Applicative criterion 4.C.1., letter d*).

During the carrying out of its activities, the internal control committee has the faculty to access information and company information considered necessary for the carrying out of its tasks as well as to avail itself of external consultants, within the limits imposed by the Board (*Applicative criterion 4.C.1., letter e*).

12 INTERNAL CONTROL SYSTEM

The Board has defined the guidelines of the internal control system and management of risks, so that the main risks for the Issuer and its controlled companies are correctly identified as well as adequately measured, managed and monitored determining also the compatibility level of such risks with a management of the company coherent with the selected strategic targets (*Applicative criterion 7.C.1., letter a*).

The main characters of the internal control system and management of risks (*Applicative criterion 7.C.1., letter d*).

Please find below the description of the “main characters of the management of risks and internal control system existing in relation to the financial informative process” pursuant to article 123-bis, 2nd paragraph, letter b) TUF (hereinafter referred to as the “System”).

1) Recitals

TerniEnergia has defined a system of management of risks and of internal control in relation to the financial informative process. The System is defined as the complex of the activities aiming at the identification and evaluation of the assumptions, actions or events whose occurrence or lack may jeopardize, partially or entirely, the achievement of the targets of the system of control (“system of management of risks”), integrated by following activities of identification of the controls and definition of the procedures finalized to ensure the achievement of the targets of reliability, accuracy and proper timing of the financial information (“system of internal control”).

The company, during last semester of 2011, has started an organizational change and therefore the accounting administrative activities have been concentrated in TerniResearch, which by virtue of a service agreement, provides for the carrying out of the accounting administrative activities for the companies of the group. In such respect, it is under definition a plan of adaptation aiming at the identification of the main risks for the issuer and the companies in the field of control, in order to properly identify the perimeter of control of each company as well as to properly identify, adequately evaluate, measure, manage and monitor the risks and controls.

In such respect, activities aiming at updating the identification and evaluation of the risks in the single items of the financial statements are starting in order to define and analyse the standard processes and controls, implementing also a “personalization” of the relevant administrative procedure through their adaptation to the single company’s reality taking into account the parameters of significance and importance. The logic that will lead the process of internal adequacy of the internal control of the Company shall be of a process involving all the managing functions of the company, directed to the safeguard of the efficacy and efficiency in the carrying out of the transactions of the company, the reliability of the financial informative, the compliance with the applicable laws and the safeguard of the company’s goods.

On the basis of the recent changes to the Code of Conduct for Listed Companies in December 2011, the Board of Directors shall provide the guidelines in relation to the integrated management of the risks and controls and therefore, waiting for the decisions to be taken, it has been considered a process of gradual harmonization of the system of control considering the decision of the company to update the Organization, Management and Control Model pursuant to Legislative Decree 231/2001 based on a system of integrated internal control.

The logics, methodologies and specific responsibilities related to the definition, application, maintaining and monitoring of the System adopted by the Company by virtue of the managing decisions shall be formally regulated and spread to the interested structures.

Description of the main characters of the System of Management of Risks and of Internal Control existing in relation to the financial informative process

TerniEnergia, for the preparation, implementation, evaluation and monitoring of the System of Management of Risks and of Internal Control relating to the financial informative opted for a model universally deemed among the most credited: the CoSO Framework, documented in the “CoSO Report” as reference model for the construction, analysis and evaluation of the System of Management of Risks and of Internal Control relating to the financial informative and considers the suggestions included in the document “Internal Control over Financial Reporting – Guidance for Smaller Public Companies”, issued by CoSO as well as the guidelines and the Position Paper of the main associations in the reference category (Confindustria, ANDAF, AIIA).

a) Phases of the System of Management of Risks and of Internal Control existing in relation to the financial informative process

The System of Management of Risks and of Internal Control is composed by the following three phases:

I. Identification and evaluation of the risks on the financial informative

TerniEnergia operates through controlled companies in Italy and, considering the structure of the company, the recent organizational changes occurred and the presence also of small companies, the harmonization process of the internal control system will refer to a first phase aiming at the homogenization of the control’s system of the main companies through a process of management of the risks and of internal control.

The process for the identification of the perimeter of the companies and of the “main” processes in terms of potential impacts on the financial informative aims at identifying, with reference to the financial statements, the items of the financial statements, the controlled companies and the accounting-administrative processes deemed significant, on the basis of evaluations made by using parameters having a qualitative and quantitative nature.

In particular, the above parameters are defined:

- by determining the quantitative thresholds values by means of which to compare both the accounts relating to the consolidated financial statements and the relevant contribution of the controlled companies;
- by making qualitative evaluations on the basis of the knowledge of the company’s reality and of the existing specific factors of risk in the accounting/administrative processes.

To the accounts of the financial statements classified as significant are linked the processes of the company relating thereto in order to identify the controls proper to answer to the targets of the internal control’s system for the financial informative.

In the second phase, the significant processes, which may have a material impact on the financial informative (and therefore to be periodically tested) are identified.

II. Identification of the controls for the identified risks

The controls identified are included in proper matrixes (“Matrix of the risks and controls”) within the accounting administrative procedures.

At the completion of the activity of identification of the risks and controls, the point of weakness of the control’s system are evaluated in order to identify eventual compensative controls and to define a proper plan of remedial actions.

III. Evaluation of the controls for the identified risks

The evaluation of the adequacy and effective application of the accounting administrative procedures, which is made through specific testing activities, aims at guaranteeing both the picture and the effectiveness of the identified controls.

The activity of testing is carried out in order to guarantee the coverage of all the existing controls during the reference period. The activity of control is carried out by the single process owners in first instance according to a self-assessment approach, in order to evaluate and verify that the controls in place for the identified risks operate efficiently and in coherence with the provisions of the relevant accounting administrative procedures.

The Internal Audit carries out periodical activities, which are independent from the status of the internal control system, maintaining a flow of periodical communication with the Executive Responsible in order to share the problems relating to the system of internal control for the process of financial informative.

On the basis of the results of the activity of check, in presence of events that may require a remedial action, the Executive Responsible, with the eventual cooperation of other internal structures, defines a remedial plan in order to remedy eventual deficiencies, that may have a negative impact on the efficiency of the system of management of risks and of internal control in relation to the financial informative.

The information related to the regular carrying out of the activities provided by the System allow the Executive Responsible and the delegated administrative bodies to systematically and timely issue, with reference to the considered year, the certificates provided by the relevant laws (in particular article 154-bis TUF) with specific reference to the financial informative.

b) Roles and functions involved

The System of Management of the Risks and of Control in relation to the financial informative is regulated by the Executive Responsible, who prepared adequate accounting administrative procedures for the drafting of the annual and consolidated financial statements as well as of any other communications having financial nature.

The Executive Responsible, in addition, certifies the adequacy and effective application of such procedures with reference to the half-year and annual, civil and consolidated financial statements.

In the carrying out of the tasks assigned by the Board of Directors, the Executive Responsible:

- avails himself with the contribution of the control's structures of the company in the group (for example the Internal Audit) carrying out activities of control independent from the carried out controls;

- is supported by the process owners involved in the process of closure which, at the half-year and annual, guarantee the completeness and correctness of the financial information of their competence.

In the process of adaptation of the system to the characters of the organization, the Company is currently declining and regulating an organic body of informative flows of the Executive Responsible to other company's and control's bodies as well as with the other companies in order to optimize the information on the internal control system. Such flows will provide, among the others, a periodical and structured reporting towards the main company's bodies concerning the contents and logics of the activities carried out, included the suggestions relating to the eventual deficiencies and relevant remedial plans and actions defined by the management for the remedy of the same.

12.1 DIRECTOR IN CHARGE WITH THE SURVEILLANCE ON THE INTERNAL CONTROL SYSTEM AND MANAGEMENT OF RISKS

The Board of Directors identified the director Paolo Ricci as executive director vested with the surveillance of the internal control system (*Principle 7.P.3., letter a*).

The executive director vested with the surveillance on the functioning of the internal control system:

- identifies the main business risks (strategic, operative, financial and of compliance), taking into account the characters of the activities carried out by the Issuer and its subsidiaries, submitting them periodically to the Board's exam (*Applicative criterion 7.C.4., letter a*);
- implements the guidelines defined by the Board, taking care of the planning, performance and management of the internal control system, constantly verifying its general adequacy, efficacy and effectiveness (*Applicative criterion 7.C.4., letter b*);
- renders such system compliant with the operating conditions and the legislative framework (*Applicative criterion 7.C.4., letter c*).

During the meeting held on December 12, 2011, Paolo Ricci reported to the board of directors about the activities carried out with the Executive in charge with the drafting the accounting documents and with the Executive in charge with the Internal Control on the aspects of relevant competence, and guarantees the adequacy, effectiveness and efficient functioning of the internal control system.

12.2 PERSON RESPONSIBLE FOR THE INTERNAL CONTROL

The Board of Directors appointed the internal audit in order to verify that the internal control system is always adequate, fully operative and functioning (responsible for the internal control) (*Applicative criterion 7.C.5., letter a*). The person responsible for the internal control is identified with the internal audit, Grazia Moreschi.

The person responsible for the internal control is not responsible for any operational area and hierarchically depends on the Board of Directors (*Applicative criterion 7.C.5., letter b*).

The person responsible for the internal control:

- had direct access to all the information useful for carrying out the assigned function (*Applicative criterion 7.C.5., letter c*);
- reported to the internal control committee and to the Board of Statutory Auditors (*Applicative criterion 7.C.5., letter f*);
- reported to the executive director in charge with the surveillance of the internal control system's functionality (*Applicative criterion 7.C.5., letter e*).

During Fiscal Year 2011, the person responsible for internal control has controlled the internal control system of the Group/Company in compliance with the strategic targets and through the function of internal audit. In satisfying the respective missions, she has guaranteed a proper and exhaustive monitoring. In relation to that, please note that the results of such control allow, under the profiles of adequacy, functioning and reasonable certainty, the capacity of the system itself to affect the real achievement of the targets assigned to the single functions (efficacy profile), taking into consideration the commitment of the resources for their realization (efficiency profile), in light of the facts (quali/quantitative) of risks and of their probability to influence the achievement of such targets.

The improvement of the internal control system is pursued by the Issuer in coherence with the provisions of the Code of Conduct for Listed Companies on the following main aspects, which qualify and characterize the corporate governance of the Company: ethic of the company, relevant law framework, procedural framework, company culture, organizational aspects, informative and communication in the company, company processes guaranteeing the operational efficiency.

Remedial actions, which were deemed proper to eliminate the weaknesses, have been taken, specific follow-up, according to pre-defined and objective criteria have been implemented, and continuous monitoring activities have been carried out.

Therefore, with reference to the specific operational contexts analyzes during the Fiscal Year 2011 and following remedial actions implemented and programmed, the internal control system, in its entirety, has been judged proper to reduce the profiles of risk at a physiological acceptable level to guarantee the proper functioning of the processes.

12.3 ORGANIZATION AND MANAGEMENT MODEL pursuant to Legislative Decree 231/2001

The Issuer adopted an organization and management model pursuant to Legislative Decree no. 231/2001.

Such a model is made up of a General Part, a Special Part and the Ethic Code.

In the general part the main contents and the control instruments of the model are defined. In the special part crimes against the Public Administration, the breach of laws in matter of safety at work, corporate crimes, Market Abuse, IT crimes and unlawful treatment of personal data are ruled. Following the introduction of the new offences by the most recent laws which contemplate the cases of presupposed offence of liability provided by article 25 undecies – Environmental offences.

A Risk Assessment process concerning the crimes detailed in the Special Part is on-going as far as the relevant operation formalities are concerned..

The Company carries out a continuous promotion activity of the Ethic Code as well as initiatives aimed at improving the work condition of its employees by way of offering them training and information activities.

By resolution dated September 26, 2008 the Board of Directors approved an Organization and Management Model and appointed the Surveillance Body (hereinafter referred to as “OdV”) made up of a sole member pursuant to the “Guidelines for the setting up of Organization, Management and Control models pursuant to legislative decree 231/2001”. By resolution dated February 16, 2009 such a model was set up and also the Internal Audit function was established.

The Board of Directors, by resolution dated February 1, 2011, has changed the OdV increasing the number of its members in consideration of the increased dimension and functioning registered during the last two years. The body in charge with the surveillance and functioning of the model itself, as of the date of this Report is composed by the internal audit, Grazia Moreschi, and by two external consultants, Emiliano Barcaroli, business consultant and auditors, and Roberto Piersantini, business consultant and auditor, chairman of the business consultants bar in Terni. The OdV has its own internal Regulation and operates on the basis of a specific Surveillance Programme. It meets at least quarterly and reports to the Board of Directors also through the internal control Committee, and to the Board of Statutory Auditors.

12.4 AUDITING COMPANY

PriceWaterhouseCoopers S.p.A. is the company in charge with the accounting of the Company’s financial statements for the financial years ending on December 31 from the year 2008 to 2016 pursuant to articles 155 and 156 TUF, according to the Shareholders’ Meeting resolution dated February 26, 2008.

12.5 EXECUTIVE RESPONSIBLE FOR THE DRAFTING OF COMPANY ACCOUNTING DOCUMENTS

On April 4, 2008 the Board of Directors resolved on the setting up of the Officer Responsible for the Drafting of Accounting Documents of the Company function pursuant to article. 154-bis TUF. On October 28, 2009, the Board of Directors appointed Paolo Allegretti as Executive Responsible, who has the professional requirements for such an office since he got a degree in economics and commerce and he had experience in matter of business control and administration.

The Board of Directors provided the Officer Responsible for the Drafting of the Accounting Documents with adequate powers and means for the carrying out the activities assigned to him pursuant to the laws and the regulations.

13 INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

The Company, in compliance with the provisions of Consob regulation no. 17221 dated March 12, 2010, adopted, with the entrance into force on December 1, 2010, the "Procedures for transactions with related parties" (the "Procedures") aiming at ensuring the transparency and substantial and procedural correctness of the transactions with related companies, identified pursuant to IAS 24, international accounting principle.

The Procedures define the transactions having "significant importance" to be approved in advance by the Board, with motivated and binding opinion of the Committee for transactions with related parties, with the exception of the resolutions on remuneration in relation to which the Remuneration's Committee is competent, and determine the availability to the public of an informative document.

The other transactions, unless included in the residual category of transactions having a minor value - transactions having a value lower than euro 250,000.00 - are defined of "minor importance" and may be executed without the motivated and binding opinion of the above mentioned Committee.

The Procedures identify, in addition, the cases of exemption from the application of the Procedures, including in particular the ordinary transactions executed at conditions equivalent to the market or standard conditions, the transactions with or between related parties and those with linked companies, conditional upon the absence of significant interests of other related parties of the Company, and the transactions having a minor value.

The implementation and spreading of the Procedures among the companies belonging to the Group is one of the duties of the Executive responsible for the drafting of the accounting documents of the company, who guarantees the coordination with the administrative procedure provided by article 154 bis of the Legislative Decree 58/98. In relation to the most important transactions with related parties executed during year 2011, please refer to the Financial Statements.

In addition, the Company prepares, for the part related to the important transactions, an informative document drafted in accordance with Annex 4 of the Regulation no. 17221/2010, by means of which the Board has a prior exam and approval of the transactions having a significant economic, business and financial importance.

The decisions concerning the significant transactions are then out of the powers granted to the executive directors, meaning by significant transactions those obliging the Company to inform the market pursuant to specific prescriptions of the surveillance authority.

If the Company needs to execute significant transactions, the delegated bodies shall provide the Board of Directors, in advance, with a summary of the analyses carried out in terms of strategic coherence, economic feasibility and expected return for the Company.

14 APPOINTMENT OF STATUTORY AUDITORS

Pursuant to article 21 of the By-laws, the Shareholders' Meeting appoints the Board of Statutory Auditors which is made of 3 (three) statutory auditors and 2 (two) alternate auditors, who are in charge for a three-year maximum period. The appointment of the Board of Statutory Auditors members is made by the Shareholders' Meeting on the basis of lists filed by the shareholders, in order to ensure the appointment of a Statutory Auditor and an Alternate Auditor for the minority.

The lists must be filed at least 15 days before the day fixed for the Shareholders' Meeting on first call. Following the amendments to the By-Laws according to the Legislative Decree 27/2010, implementing UE Directive on the Rights of Shareholders, such term has been modified in 25 days before the day fixed for the Shareholders' Meeting on first call.

The participation quota provided for filing the list is equal of at least 2.5% of the corporate capital having voting right in the Shareholders' Meeting and such minimum quota of participation corresponds to the quota assessable pursuant to article 144-*quarter* of the Issuers' Regulation.

The By-Laws provide that, for the purposes of the allocation of the auditors to be elected, the lists non having received a percentage of votes equal to at least half of that requested by By-Laws, that is to say 2.5% of the corporate capital having voting right in the Shareholders' Meeting for the filing of the same, shall not be considered.

The appointment of a Statutory Auditor and an Alternate Auditor by the minority is ensured by the by-laws provision according to which the first two candidates of the list that obtained the higher number of votes and the first candidate of the list which was second for number of votes obtained - and that is not linked to shareholders presenting or voting the list that obtained the higher number of votes - are appointed. The first alternate auditor of the list which obtained the higher number of votes is appointed alternate auditor together with the first alternate auditor of the list that was second for number of votes obtained.

In case of same number of votes between two or more lists, the older candidates shall be appointed until the occurrence of the positions to assign, in accordance with article 144-*sexies*, 9th paragraph, of the Issuers' Regulation.

The chairmanship of the Board of Statutory Auditors pertains to the candidate of the list that is second for number of votes obtained.

In addition to the laws set forth by TUF, the Issuer is not subject to other special laws in relation to the appointment of the Board of Statutory Auditors.

Currently, the Board of Statutory Auditors is composed by Ernesto Santaniello, Chairman, Roberto Raminelli and Vittorio Pellegrini, statutory auditors, Fausto Sciamanna and Marco Rosatelli, alternate auditors.

15 AUDITORS (pursuant to art. 123-bis, paragraph 2, letter d) TUF)

The Board of Statutory Auditors is made up of three statutory auditors and two alternate auditors and it is appointed by the Shareholders' Meeting that also resolves upon the relevant remuneration.

The current by-laws also set forth that the minority is entitled to appoint both a Statutory Auditor and an Alternate Auditor.

The auditors have the following duties:

- a) Acting autonomously and independently also from the shareholders who appointed them;
- b) Operating exclusively in the company's interest;
- c) Controlling the Company's management carried out by the Board of Directors;
- d) Coordinating their activity with the Auditing Company and the Internal Control Committee.

The Board of Statutory Auditors in charge at the date of this Report was appointed by the ordinary Shareholders' Meeting held on April 29, 2010 and will remain in charge until the Shareholders' Meeting approving the financial statement as for the year ended on December 31, 2012. Such appointment was made on the basis of the procedure of voting list provided by the by-laws. In particular, only one list has been filed by the majority shareholder T.E.R.N.I. Research. In such event, declarations of each candidate of acceptance also attesting the absence of ineligibility causes as well as the existence of the requirements provided by the applicable laws and by-laws for the office of auditor of the Company, were provided. Curricula vitae have been attached to the lists on the personal and professional characters of each candidate, together with the list of the managing and controlling offices in other companies and deemed significant according to law; the main details of the above are listed in this Report.

Please find herein below a short curriculum vitae for each auditor showing the expertise and experience accrued in company management matters.

Ernesto Santaniello

Born in Naples on September 6, 1943; he got a degree in Business and Economics at the University of Naples in 1972. Business consultant and auditor since 1975, he is working as independent consultant in his own firm since 1985. He is currently Chairman of the Board of the Statutory Auditors, auditor and liquidator in several important regional and national companies.

Roberto Raminelli

Born in Terni on December 16, 1959; he got a degree in Economic and Bank Sciences at the University of Siena in 1984. Business consultant since 1986. From 1987 to 1999, he has been teacher or general accounting in technical institutes. He cooperates as technical consultant with the Courts of Terni and Spoleto. He is currently the Chairman of the board of auditors of the Municipality of Terni

Vittorio Pellegrini

Born in Terni on April 5, 1966, received his degree in Economics from "La Sapienza" University of Rome in 1991. Certified as a CPA in 1993. Between 1993 and 1996 he was a member of the board of directors of Azienda Servizi Municipalizzati of Terni and from 1993 to 2006 he was a member of the board of directors of Consorzio Aree Industriali of the Terni, Narni and Spoleto complex. He is currently the Chairman of the Board of Auditors of Fondazione Cassa di Risparmio di Terni and Narni, of Terni Research S.p.A., of Terni Research Energy S.p.A. and of TerniTecnologie S.p.A.

Fausto Sciamanna

Born in Terni on April 30, 1960, obtained an accountant diploma in 1978. He is registered in the technical expert registry of the Court of Terni, where he serves as

expert and official receiver. From 2000 to 2006 he was Chairman of the Council of Auditors of the Province of Terni. Currently, in addition to serving as Chairman of the Council of Auditors of the Town of Orvieto, he serves as statutory auditor with Secam S.p.A., So,ge.co. S.p.a. and D.I.T.T. Soc Cons. a.r.l.

Marco Rosatelli

Born in Terni on February 2, 1971, obtained his Economics degree in 1996. He subsequently worked as a tax consultant for numerous major companies and local authorities. During his professional career, he also worked on tax disputes. He currently serves as statutory auditor for the companies Coseni S.p.A., Immobiliare Vincioni S.p.A., Centro soc. Cooperativa, new Edil Qualità S.p.A. He also serves as alternate auditor for numerous other companies.

The Board of Statutory Auditors carried out the evaluation of independence of its members pursuant to the criteria set forth by article 148 TUF.

The Board of Statutory Auditors annually verifies the independence of its members on the basis of written information provided by each auditor, upon express request of the Company and taking into account the definition provided by article 148 TUF.

In this respect, the members of the Board of Statutory Auditors did not have relationships even recently with the Issuer or with entities connected to the Issuer that could affect their autonomous capacity of judgement and the Board of Statutory Auditors checked that its members still possess the independence requirement.

During the Fiscal Year 2011, the Board of Statutory Auditors met no. 5 times and each statutory member was present. The meetings have been regularly recorded; in addition, meetings among the Board of Statutory Auditors, the internal control Committee and the internal audit have taken place, with specific reference to the evaluation of the adequacy of the internal control system and management of risks, and between the Board of Statutory Auditors and the Auditing Company for a reciprocal exchange of information. The average duration of the above mentioned meetings has been of 4 hours and 30 minutes. The number of meetings of the Board of Statutory Auditors planned for the current year is of 4; please note that as of the date of this Report no meeting has taken place yet.

It is also necessary to point out that it is a deontological duty to inform the other Auditors and the Chairman of the Board of Directors if one Auditor has, directly or on behalf of third parties, an interest in a specific transaction of the Issuer, specifying nature, terms, origin and range of the interest (*Applicative criterion 8.C.4.*); no obligation in the matter has been regulated.

The Board of Statutory Auditors is in charge with the surveillance and observance of law provisions and by-laws, on the principles of proper management and on the adequacy of the internal control system and management of the risks and on the organizational, administrative and accounting asset as well as on its functioning. It is also in charge with the implementation of the rules of the company's management to which the company declares to comply with; furthermore, it is called to express a grounded proposal to the shareholders' meeting at the appointment, revocation and relevant decision on the remuneration, of the office to the accounting firm.

Within its activity, the Board of Auditors has controlled the financial informative process, the efficiency of the internal control systems, internal review and management of the risk, the annual legal review of the accounts and the consolidated accounts and the independence of the accounting firm.

In such respect, the Board of Auditors evaluated the proposals, the work plan and the results exposed in the reports prepared by the accountants and in the eventual letter of suggestions; it has also been periodically updated on the control carried out by the internal audit and on the activity of the Committee for control.

The board of auditors, during the carrying out of its activity, cooperated with the internal audit and the internal control committee (*Applicative criteria 8.C.4. and 8.C.5.*).

16 RELATIONSHIP WITH SHAREHOLDERS

The Issuer set up a special section of its Internet website, that is easily accessible, where information concerning the Issuer and that are significant for the shareholders are available so that the shareholders may consciously exercise their rights. A responsible in charge with the management of the relationships with the shareholders (*investor relations manager*) has been identified (*Applicative criterion 9.C.1.*).

On July 5, 2010, the Board of Directors appointed Paolo Allegretti as investor relations manager with the specific task to lead the management of the information for the investors pursuant article 2.2.3., 3rd paragraph, letter i of the Borsa Regulation.

The Issuer maintains, in relation thereto, a continuous dialogue with the market and the shareholders.

It has been evaluated the establishment of a company structure in charge with the management of the relationships with the shareholders (*Applicative criterion 9.C.1.*). The above mentioned structure was vested with the management of the relationship with the shareholders, while the management of the relationship with the institutional investors and the rating agencies is granted to the investor relations managers.

The communication's activity, oriented to facilitate the comprehension to the market of the economic-financial performance of the company and of the development perspectives, is realized in:

- The organization of periodical meetings with institutional investors and financial analysts;
- The publication in the web site of the company of all the press releases, the payment notices relating to the exercise of the rights relating to the issued securities, the documents relating to the shareholders' meetings.

The web site is the most efficient instrument used by the company to manage the communication with the shareholders and investors and dedicates proper sections to Corporate Governance, Investor relations, press releases and events.

17 SHAREHOLDERS' MEETINGS (*pursuant to art. 123 bis, paragraph 2, letter c), TUF*)

The Shareholders' meeting represents all the shareholders and resolves, as ordinary meeting, on the approval of the annual financial statements, appointment and revocation of the members of the Board of Directors, appointment of the members of the Board of Auditors and their Chairman, decision on the remuneration of the directors and auditors; as extraordinary meeting, it resolves on the amendments to the By-laws and extraordinary transactions as increases of the corporate capital, mergers, demergers, save for the matters expressly granted to the Board of Directors by article 13 of the By-laws. Pursuant to article 123 ter of the Legislative Decree 58/98, the Shareholders' meeting is also called to vote (consulting and non binding vote) on the

Remunerations' Policy, which represents the first section of the Report on the Remunerations.

According to article 10 of the By-laws, the holders of voting right, which have obtained by the qualified intermediary the certification on their legitimacy, communicated to the company in compliance with the applicable laws, may join the Shareholders' meeting.

The company may designate for each meeting one or more subjects to whom the holders of voting right may grant delegation, with instructions to vote, for all or some of the items in the agenda.

The designated subjects, the modalities and the terms of granting the delegations are indicated in the notice of call of the meeting.

With reference to the Shareholders' meeting to be held on April 23, 2012 in sole call, the Company has indicated Servizio Titoli S.p.A. as representative of the shareholders, which want to grant delegation.

The ordinary meeting meets and resolves with the majorities provided by the law provisions (in first call with the attendance of at least half of the shareholders with voting right and resolves with the absolute majority of the votes; in the sole or second call, it meets with any portion of the corporate capital with voting right represented and resolves with the majority of votes), save for the appointment of the directors and members of the Board of Auditors in relation to which the relative majority is sufficient.

Also with reference to the Shareholders' extraordinary meeting and validity of its resolutions, law provisions on majority apply. In first call, it is validly assembled with at least half of the corporate capital with righting vote; in second, with at least one third of the shareholders of the capital while in third or sole call, with at least one fifth of the capital itself. The resolution is taken with the favourable vote of at least two third of the capital represented in the meeting.

The Shareholders' Meeting is ordinary or extraordinary according to law and it is convened by the Board of Directors, by the person designated by the Board or by those who are entitled to do so pursuant to the law.

The Shareholders' Meeting is convened by notice of call to be published on the web site or according to the modalities provided by the applicable law. The shareholders' meeting may take place outside the registered office, provided it is in Italy or if abroad it is in another European Union member state.

Meetings are held according to the Shareholders' Meeting Regulation that is published on the website www.ternienergia.com in the investor relations section, Shareholders' meetings, Regulation.

18 FURTHER CORPORATE GOVERNANCE PRACTICES (*pursuant to art. 123 bis, paragraph 2, letter a), TUF*)

The Issuer does not adopt corporate governance practices additional to ones set forth by the laws or regulations and that are described in this Report. All the corporate governance practices are fully described in the previous paragraphs above.

19 AMENDMENTS FROM THE ENDING OF THE FINANCIAL YEAR

Save for what mentioned in this Report, no changes have been occurred in the *corporate governance* structure since the end of the financial year 2011.

20 TABELLA 1: INFORMAZIONI sugli ASSETTI PROPRIETARI

STRUTTURA DEL CAPITALE SOCIALE				
	N° azioni	rispetto al c.s.	Quotato (indicare i mercati) / non quotato	Diritti e obblighi
Azioni ordinarie	2.782.000		Segmento STAR di Borsa Italiana	Le azioni sono nominative e attribuiscono il diritto di voto nelle assemblee ordinarie e straordinarie nonché il diritto di partecipazione agli utili
Azioni con diritto di voto limitato				
Azioni prive del diritto di voto				

ALTRI STRUMENTI FINANZIARI <i>(attribuenti il diritto di sottoscrivere azioni di nuova emissione)</i>				
	Quotato (indicare i mercati) / non quotato	N° strumenti in circolazione	Categoria di azioni al servizio della conversione/esercizio	N° azioni al servizio della conversione/esercizio
Obbligazioni convertibili				
Warrant				

PARTECIPAZIONI RILEVANTI NEL CAPITALE			
Dichiarante	Azionista diretto	% su capitale ordinario	% su capitale votante
Terni Research S.p.A.	Azionista Diretto	60,86	60,86
Neri Stefano	Azionista Diretto ed Indiretto	61,25	61,25

21 TABELLA 2: STRUTTURA DEL CONSIGLIO DI AMMINISTRAZIONE E DEI COMITATI

Consiglio di Amministrazione											Comitato Controllo Interno		Comitato Remun.		Eventuale Comitato Nomine		Eventuale Comitato Esecutivo		Comitato Parti Correlate			
Carica	Componenti	carica dal	carica fino a	Lista (M/m)*	Esec.	Non-esec.	Indip. da Codice	Indip. da TUF	** (%)	Numero altri incarichi ***	****	**	****	**	****	**	****	**	****	**		
Presidente e AD	Neri Stefano	29 Apr 10	31 Dic 12	M	X		==	==	89	1												
Vice Presidente	Montagna Baldelli Eugenio	29 Apr 10	31 Dic 12	M		X			89	==	X	100	X	100								
Amm.re	Ricci Paolo	29 Apr 10	31 Dic 12	M	X				89	==												
Amm.re	Venturi Fabrizio	29 Apr 10	31 Dic 12	M	X				100	==												
Amm.re	MigliavaccaPaolo Ottone	29 Apr 10	31 Dic 12	M		X	X	X	89	==	X	100							X	100		
Amm.re	Gallotti Davide	29 Apr 10	31 Dic 12	M		X	X	X	100	==	X	100	X	100					X	100		
Amm.re	De Marinis Domenico	29 Apr 10	31 Dic 12	M		X	X	X	100	==			X	100					X	100		
	MigliavaccaPaolo Ottone	05 Lug 10	31 Dic 12	N/A					89	==												
-----AMMINISTRATORI CESSATI DURANTE L'ESERCIZIO DI RIFERIMENTO-----																						
	Cognome Nome																					
Indicare il <i>quorum</i> richiesto per la presentazione delle liste in occasione dell'ultima nomina: almeno il 2,5% del capitale sociale con diritto di voto nell'Assemblea ordinaria (ovvero, se diversa, la percentuale massima eventualmente consentita da disposizioni di legge o regolamenti, art. 13 Statuto sociale).																						
N. riunioni svolte durante l'esercizio di riferimento:						CDA:9			CCI:1			CR:3			CN:			CE:			Comitato Parti	

NOTE

*In questa colonna è indicato M/m a seconda che il componente sia stato eletto dalla lista votata dalla maggioranza (M) o da una minoranza (m).

** In questa colonna è indicata la percentuale di partecipazione degli amministratori alle riunioni rispettivamente del C.d.A. e dei comitati (n. di presenze/n. di riunioni svolte durante l'effettivo periodo di carica del soggetto interessato).

***In questa colonna è indicato il numero di incarichi di amministratore o sindaco ricoperti dal soggetto interessato in altre società quotate in mercati regolamentati, anche esteri, in società finanziarie, bancarie, assicurative o di rilevanti dimensioni. Si alleggi alla Relazione l'elenco di tali società con riferimento a ciascun consigliere, precisando se la società in cui è ricoperto l'incarico fa parte o meno del gruppo che fa capo o di cui è parte l'Emittente.

***In questa colonna è indicata con una "X" l'appartenenza del membro del C.d.A. al comitato.

22 TABELLA 3: STRUTTURA DEL COLLEGIO SINDACALE

Collegio sindacale							
Carica	Componenti	In carica dal	In carica fino a	Lista (M/m)*	dipendenza da Codice	** (%)	Numero altri incarichi ***
Presidente	Santaniello Ernesto	29 Apr 10	31 Dic 12	M	SI	100	==
Sindaco effettivo	Pellegrini Vittorio	29 Apr 10	31 Dic 12	M	SI	100	==
Sindaco effettivo	Raminelli Roberto	29 Apr 10	31 Dic 12	M	SI	100	==
Sindaco effettivo	Sciamanna Fausto	29 Apr 10	31 Dic 12	M	SI	-	==
Sindaco effettivo	Rosatelli Marco	29 Apr 10	31 Dic 12	M	SI	-	==
-----SINDACI CESSATI DURANTE L'ESERCIZIO DI RIFERIMENTO-----							
	Cognome Nome						
Indicare il <i>quorum</i> richiesto per la presentazione delle liste in occasione dell'ultima nomina: almeno il 2,5% del capitale con diritto di voto nell'Assemblea ordinaria, ovvero, se diversa, la percentuale massima eventualmente consentita o richiamata da disposizioni di legge o regolamentari, ai sensi dell'art. 21 dello statuto sociale.							
Numero riunioni svolte durante l'esercizio di riferimento:5							

NOTE

* In questa colonna è indicato M/m a seconda che il componente sia stato eletto dalla lista votata dalla maggioranza (M) o da una minoranza (m).

** In questa colonna è indicata la percentuale di partecipazione dei sindaci alle riunioni del C.S. (n. di presenze/n. di riunioni svolte durante l'effettivo periodo di carica del soggetto interessato).

*** In questa colonna è indicato il numero di incarichi di amministratore o sindaco ricoperti dal soggetto interessato rilevanti ai sensi dell'art. 148 *bis* TUF. L'elenco completo degli incarichi è pubblicato dalla Consob sul proprio sito internet ai sensi dell'art. 144-*quinqiesdecies* del Regolamento Emittenti Consob.