

Diversity, Equity & Inclusion (DE&I) Policy

Approved by the Board of Directors of TERNA S.p.A. at the meeting held on January 24, 2024

Approved by

Board of Directors



Reference management systems and/or organisational models:

X	Quality Management System
	Environmental Management System
	Occupational Health and Safety Management System
	Major Accident Management System - Seveso
	Information Security Management System
	Energy Consumed for Own Use Management System
	LLW Laboratory Management System
	Calibration Centre Management System
	Anti-Bribery Management System
	Asset Management System
	Infection Prevention and Control Management System
X	Compliance Management System
	Business Continuity Management
	Tax Control Model
	Privacy Model
	262 Model
X	231 Model

(Place an "X" in the left-hand column with reference to the line in question)

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1. General information

In the Terna Group (hereinafter also simply “Terna”) people are at the centre, indispensable resources in continual evolution and renewal: it will in fact be the people who will guide the challenges of the energy transition and the impact of the new technologies on corporate processes and on the organisation of work.

For this reason Terna attributes vital importance to them, committing itself to guaranteeing for them management based on general ethical principles of legality, honesty and responsibility, as well as of good management, respect, equity and transparency.

Terna sustains the value of diversity and equity and values the uniqueness of people, working to create an inclusive work environment that encourages collaboration and creativity and in which people can develop their potential and their humanity.

1.1 Purpose of the document

At Terna, each person is unique: a bearer of precious humanity, skills and experience that enrich the human capital of the company and generate a competitive advantage for the business.

This Policy was drawn up with the objective of formalising Terna’s commitment to value and uphold diversity, and to prevent and penalise all discrimination and harassment on the basis of gender, age, sexual orientation, nationality, disability, political opinions, religious beliefs and any other personal characteristics of the people it engages with, in compliance with all applicable national and international laws and regulations on diversity and inclusion.

This Policy strengthens Terna’s commitment to promoting the conditions that enable removal of cultural, organisational and material obstacles limiting full expression of the individual and full recognition of their value within the organisation, promoting differences and distinctive skills.

The Group, with its extensive national and international operations, recognises the importance of valuing the wealth of history and experiences originating from the different local contexts in which it operates, building a common, shared identity and considering the respective needs of communities.

1.2 Scope of application

This Policy applies to:

- “employees”, understood as full-time/temporary/trial-period employees and outsourcing personnel or those completing an internship;
- to all the Terna Group Companies, including the companies with headquarters abroad.

2. References

This policy formally establishes Terna’s principles on diversity, equity and inclusion, which integrate and implement the principles of the UN Universal Declaration of Human Rights, the Conventions and Recommendations of the International Labour Organisation (ILO), the EU Charter of Fundamental Rights and legislative provisions on diversity, equity and inclusion.

2.1 Internal references

- LG054 Whistleblowing
- LG014 Ethics Committee Regulation
- LG083 Management of Human Resources procedures within the Terna Group
- LG077 Sustainability Policy

- LG057 Respect for “Human Rights” within the Terna Group
- LG051 Stakeholder Management Model
- PL02 Terna Group Integrated Management System Policy.

3. Our Commitment

On the basis of what has been stated, Terna undertakes to:

- promote equality, countering any kind of discrimination - direct or indirect - based on gender, age, sexual orientation, nationality, ability/disability, political opinions, religious beliefs and any other personal characteristics;
- guarantee that all personnel operating within the Group, regardless of contract type, adopt respectful conduct that reflects inclusion, the Code of Ethics and Terna’s values, in the work environment and in relation to third parties;
- promote and guarantee observance of equal opportunities—in all stages of the employment relationship —promoting, in particular, balance between genders and different generations within the company and supporting the full development and enhancement of the potential of individuals;
- recognise the value of balance between professional and private life, developing specific programmes and initiatives in support of conciliation;
- develop campaigns aimed at raising awareness and training on issues of Diversity, Equity & Inclusion;
- contribute to the creation of a working environment and corporate culture in which the uniqueness of each individual is considered an asset and where they feel free to be themselves and their contribution within the team is properly valued;
- monitor the degree of inclusivity, listening to the points of view of its people in order to adopt appropriate initiatives and measures.

Managers and all those who manage personnel, supervise them or are involved in the processes of selection, onboarding, promotion and training of personnel therefore have particular responsibility.

Terna confirms its constant commitment to an inclusive culture through actions to raise awareness and promote informed conduct in terms of recognition and respect for diversity, awareness of stereotypes and use of language that is inclusive and respectful to all individuals.

3.1 Gender diversity

Terna is committed to promoting gender equality through various initiatives with goals monitored using specific key performance indicators (KPI).

In terms of its culture, Terna is involved in actions to raise awareness at all levels, with the aim of eliminating stereotypes and unconscious bias and implementing policies and welfare measures that promote a better work-life balance, support for parents, sharing of family and care-giving responsibilities and removal of potential obstacles to equal pay. To reduce the gender gap, Terna adopts fair selection processes based on skills and suitability for the role, and professional-development and remuneration programmes based on fairness and performance, periodically monitoring results.

Specifically, in order to develop the managerial expertise and leadership of women, Terna offers specific training programmes, including presentations by role models and participation in inter-company activities of associations it partners with, supporting female empowerment and ensuring increasing gender balance

in positions of greater responsibility within the various corporate structures, including managerial positions and executive roles. These issues are handled with an integrated communications plan involving multimedia content, detailed articles, interviews, video explainers and social-media campaigns across the Group's various in-house and external communication channels. In addition to this communications activity, in terms of external relations, Terna has also established projects for external sponsorship of gender equality. This involves support for several associations and awareness-raising initiatives within schools, aimed in particular at guiding and educating female students and young professionals, focusing on STEM subjects (science, technology, engineering and mathematics) and more generally on areas in which women are under-represented or absent and which offer key employment opportunities today and in the future.

Terna is also committed, as far as possible, to guaranteeing gender equality amongst those taking part in round-table discussions and events, and to combating gender violence in all of its forms through awareness-raising initiatives and guaranteeing the opportunity to report any abuse or violence in the workplace through channels and tools that protect confidentiality, on the basis of the Whistleblowing Policy.

3.1.1 Gender Equality Steering Committee

Offering constant confirmation of its commitment to Gender Equality, Terna has decided to gain and maintain Gender Equality Certification in line with standard UNI/PdR 125:2022, establishing its Gender Equality Steering Committee (hereinafter "Steering Committee"). This body is appointed to guarantee adoption and constant application within the Terna Group of the gender-equality policy and to draw up the Strategic Plan for Gender Equality, establishing simple, measurable, achievable and realistic goals with set time frames and assigned responsibilities.

Specifically, in correct pursuit of the principles of this Policy and for achievement of the corporate goals, the aforementioned Committee is responsible for:

- a) verifying compliance of the company with Standard UNI/PdR 125:2022;
- b) keeping a record, including the time sequence, of cases of non-compliance in relation to UNI/PdR 125, along with causes and corrective and preventive action;
- c) identifying and periodically assessing company risk, monitoring implementation of actions planned to mitigate the risks identified;
- d) guaranteeing that the corrective and preventive action decided upon is implemented, evaluating the efficacy of methods adopted to meet the organisation's policies and the requirements of Standard UNI/PdR 125:2022 and suggesting improvements, as well as evaluating the adequacy of available resources;
- e) facilitating internal checks and audits, preparing appropriate documentation for top management providing an overview of results.

In performance of its duties, the Steering Committee may seek the support of corporate structures specialised in the various topics of interest through cross-disciplinary figures involved in management of the aforementioned areas.

For the fulfilment of its responsibilities and duties, the Steering Committee meets at least twice a year.

3.2 Generations

Terna recognises and promotes integrated strategies for development and management of the needs of different generations within the company.

In this context, considering the demographic outlook and related impacts on company turnover, initiatives aim to promote intergenerational dialogue and sharing. The focus is not only on the actual age and

professional seniority of colleagues, but also on seeking effective ways for their professional development that promote contamination of differing social, cultural and working experiences, in addition to the differing skills that characterise each generation.

3.3 Affectional orientation and gender identity

Terna is also committed to ensuring every individual feels respected and appreciated, regardless of their gender identity and/or expression or affectional orientation. The company promotes a corporate culture fostering conduct, processes and practices that accept and value individual characteristics and combat all forms of discrimination.

To achieve the aforementioned goals, Terna implements a series of initiatives aimed at raising awareness and promoting behaviour and language that is respectful and inclusive of all genders and affectional orientations, reporting any discriminatory conduct.

3.4 Disabilities

Terna gives equal opportunities to all people, regardless of any temporary or permanent sensory, cognitive or motor impairment. In this regard, the company is committed to tangible measures that facilitate recruitment of disabled persons, fully acknowledging and promoting their talent and skills within the company.

The company also works to create working tools and spaces that are free from cultural, physical and sensory barriers, which can guarantee full accessibility to all people and therefore facilitate their access to physical locations, IT tools (e.g. corporate software), and opportunities for employment, professional development and training, providing all people with the chance to achieve their goals and contribute to the achievement of the company's goals through their role.

3.5 Interculturalism

Terna supports and encourages an attitude that is open to dialogue and integration, including in terms of multiculturalism, working both within the company and with the local areas in which it operates for awareness, respect and promotion of an intercultural and open-minded approach, rooted in organisational and social cooperation.

The goal is to promote people and their unique cultural qualities in order to support transformation, accelerate growth and guide more innovative and robust decision making, communicating transparently around diversity and different perspectives.

4. Application and responsibility

The strategies and policies for promotion of diversity, equity and inclusion are aligned and work in synergy with Terna's sustainability strategies and policies, through commitments and the definition of goals and targets, and the monitoring and transparent reporting of this activity.

In line with the commitment to increase the level of awareness around diversity issues and develop an inclusive working environment, Terna has established a corporate structure with the title "Diversity, Equity and Inclusion", focused on action and monitoring on diversity, equity and inclusion issues, including by gathering proposals and suggestions for initiatives in these areas.

The efforts of the entire organisation, in fact, are essential to build an inclusive corporate culture capable of promoting diversity. On this basis, Terna:

- defines and implements inclusive corporate policies involving all levels of the organisation;

- adopts personnel selection, hiring and onboarding procedures based on processes and practices that are neutral in terms of all types of diversity and focused on recognising individual characteristics and professional skills on the basis of the company's requirements;
- adopts measures to support a healthy work-life balance and improve corporate welfare;
- undertakes to adopt policies for evaluation, career advancement and rewarding of personnel that are fair, with specific training to avoid prejudice in evaluations and careful attention to development paths for the different corporate populations;
- adopts a system for annual monitoring and reporting of results and progress in the management of diversity and inclusion;
- communicate progress in terms of promoting and managing diversity and adopts policies to raise awareness within and outside the company regarding the value of inclusion measures adopted.

Terna considers the role of team leaders to be fundamental. These figures should set an example and:

- ensure that no acts of discrimination occur;
- identify obstacles of a cultural, organisational or relational nature preventing full inclusivity in the workplace and take action to overcome such obstacles;
- create a climate in which everybody feels able to express themselves;
- increase awareness within their team of the principles contained in this Policy.

It is also fundamental, in management of Human Resources processes, to ensure promotion of diversity in the long-term at all levels and in all phases of implementation of company policies for onboarding, evaluation, and personnel growth and development, with the goal of maximising equity and inclusion.

5. Reporting system and sanctions system

All parties this Policy applies to are required to report to Terna's Ethical Committee regarding any conduct that is not compliant with the principles contained, including harassment or any form of physical and/or psychological violence, making reference—as set out in the Whistleblowing Policy—to the IT reporting channel which can be accessed via the following link:

<https://whistleblowing.terna.it/Segnalazioni/InvioSegnalazione>.

Alternatively, reports can always be submitted through the following channels:

- by email to whistleblowing@terna.it;
- by registered post to the address Responsabile Audit di Terna S.p.A. c/o TERNA S.p.A., Viale Egidio Galbani, 70 – 00156 Rome, Italy, containing the specific phrase "Riservato – whistleblowing".

Terna guarantees whistleblowers maximum protection of confidentiality. It does not tolerate acts of retaliation and sanctions anyone who commits them.

Breaches of this Policy make applicable disciplinary sanctions or measures modulated in relation to their seriousness.

Depending on the type of report, the appointed corporate bodies, company managers and structures involved take action, promptly adopting the necessary measures to resolve the circumstances that led to the report.

Implementation of this Policy is monitored both by tracking achievement of the specific goals and by evaluating the aforementioned reports and verifying corrective actions.



6. Approval, distribution and updating

This Policy has been approved by the Board of Directors of Terna S.p.A.

Terna promotes the adoption of this Policy by all the Group Companies and its sharing with all parties it applies to, also through specific training and induction sessions which involve also the Board of Directors.

This Policy is also available on the corporate website, with the aim of further disseminating and promoting Terna's culture of diversity, equity and inclusion.

This Policy will be the subject of periodic updating, also on the basis of the results of internal assessments and monitoring actions undertaken.