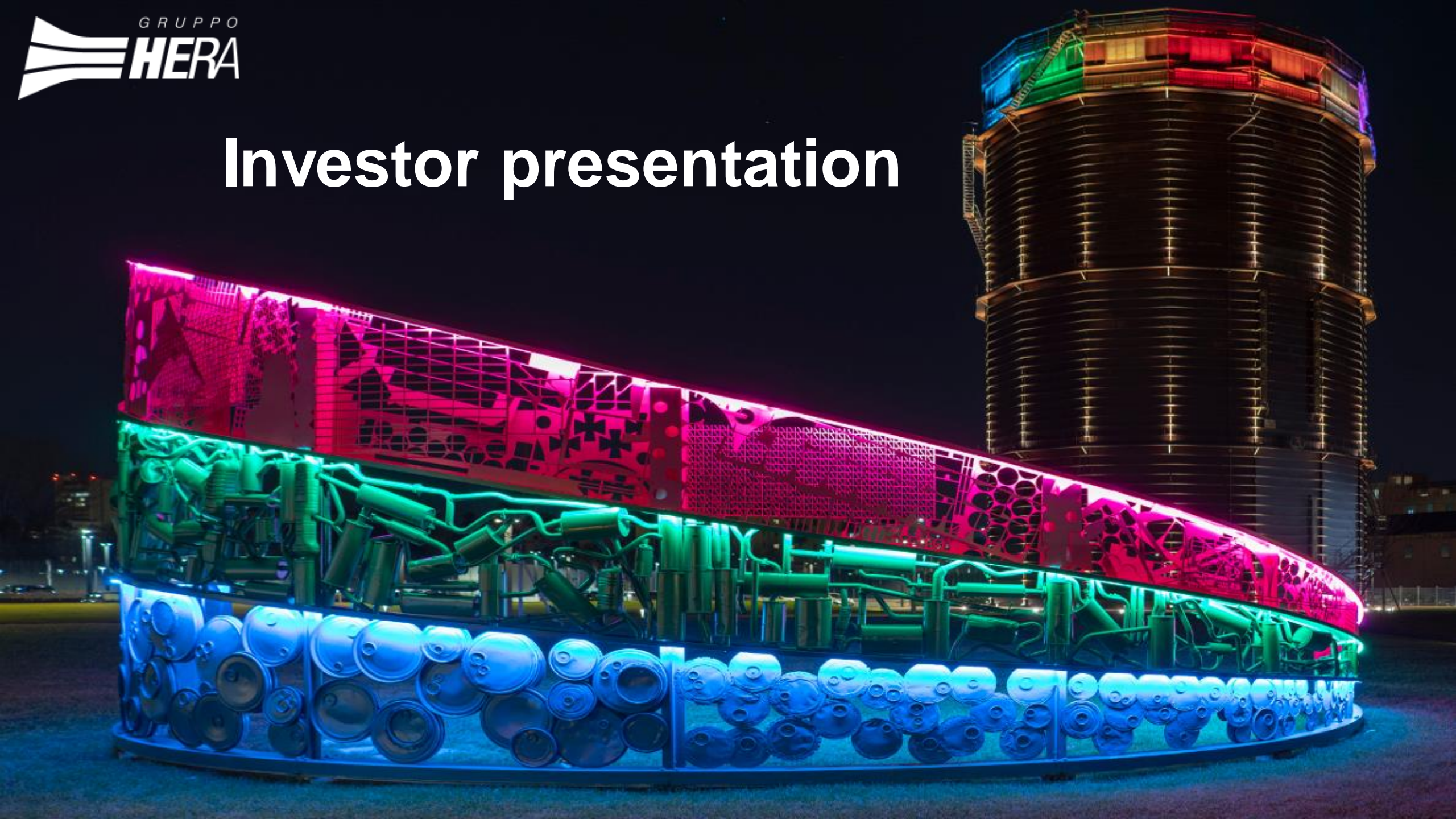


Investor presentation



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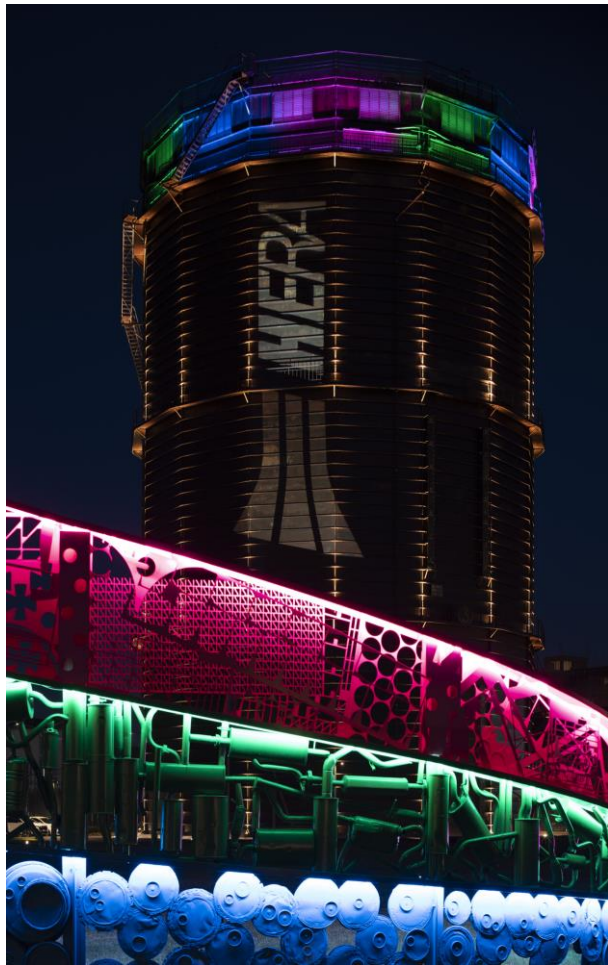
This document is not intended to be and should not be construed as providing legal, financial, tax or technical advice. Each recipient of this document shall be taken to have made their own investigation and appraisal of the condition (financial or otherwise) of Hera based upon advice from such financial, legal and tax advisers as they have deemed necessary.

The base prospectus dated 16 December 2024 is available at the Issuer’s website https://eng.gruppohera.it/group_eng/investor-relations/debt-and-rating/bond-issuances

This disclaimer applies, *mutatis mutandis*, also with respect to the green financing framework, the related second party opinion, any documents incorporated by reference into the base prospectus and any oral presentation and any question-and-answer session.

Agenda

1 Company & Financial overview



2 Hera Sustainability strategy

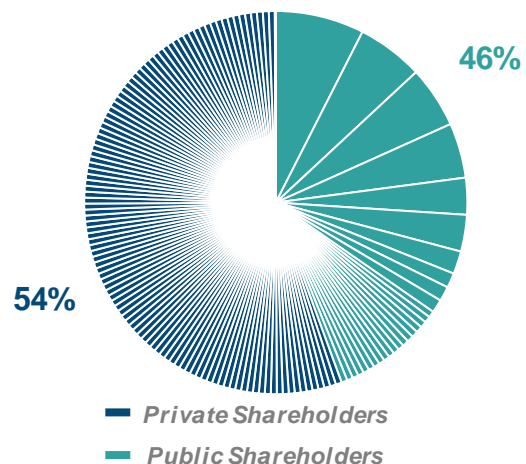




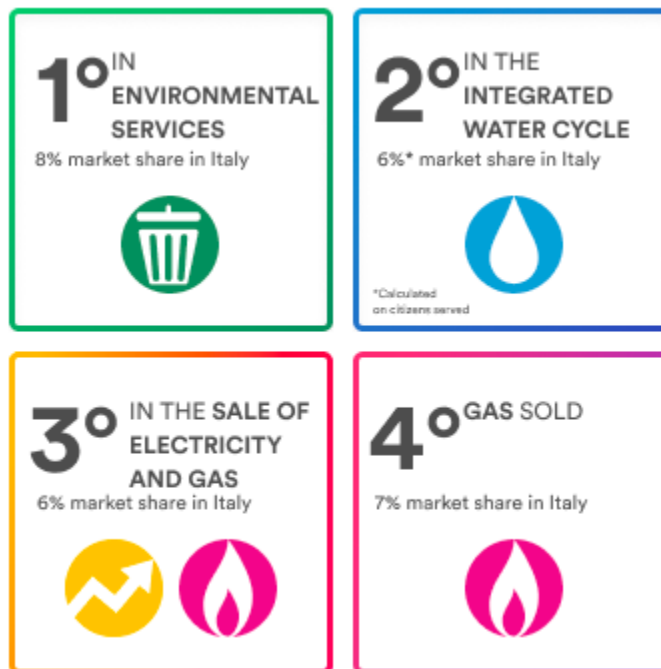
1 - Company & Financial overview

Hera in a snapshot: a multiutility with strong market positions in the wealthiest part of Italy

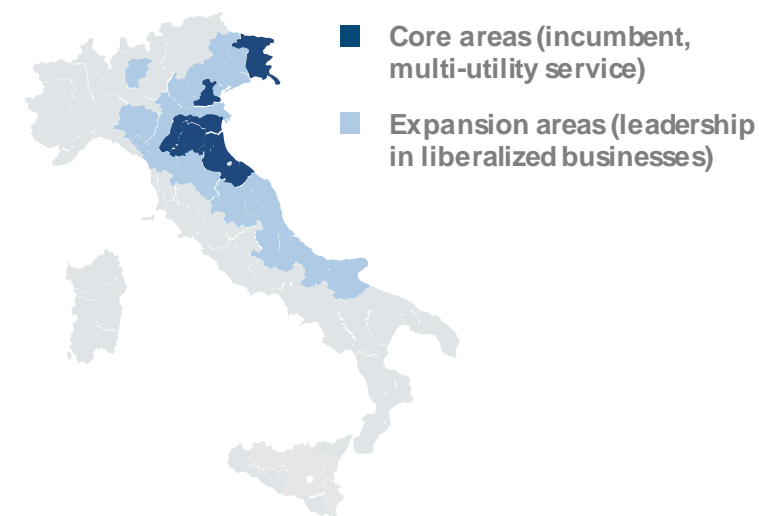
Shareholders



Market Position



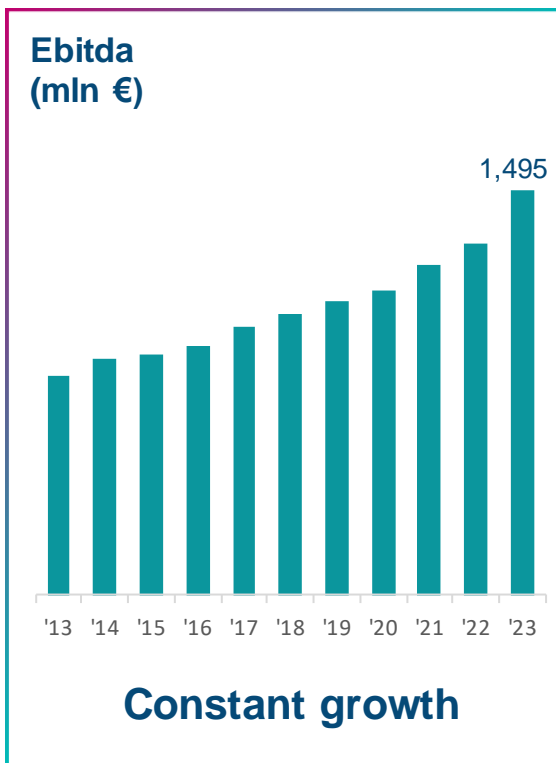
Geographical Footprint



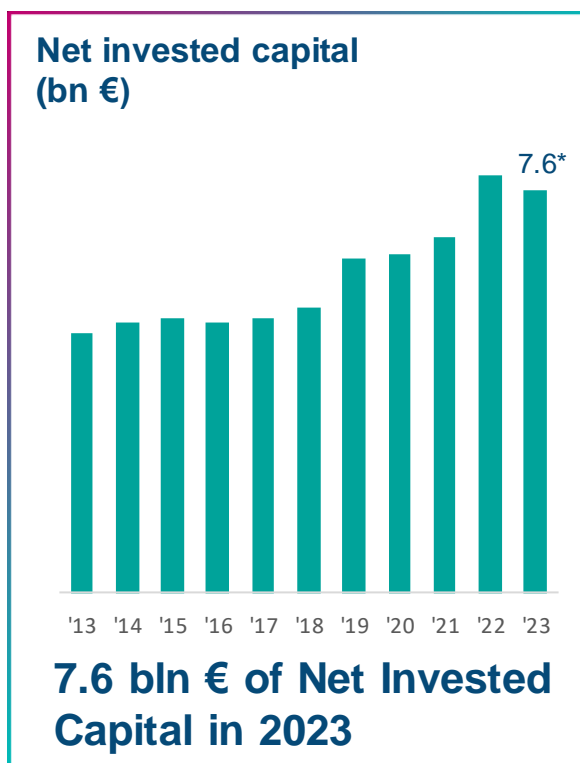
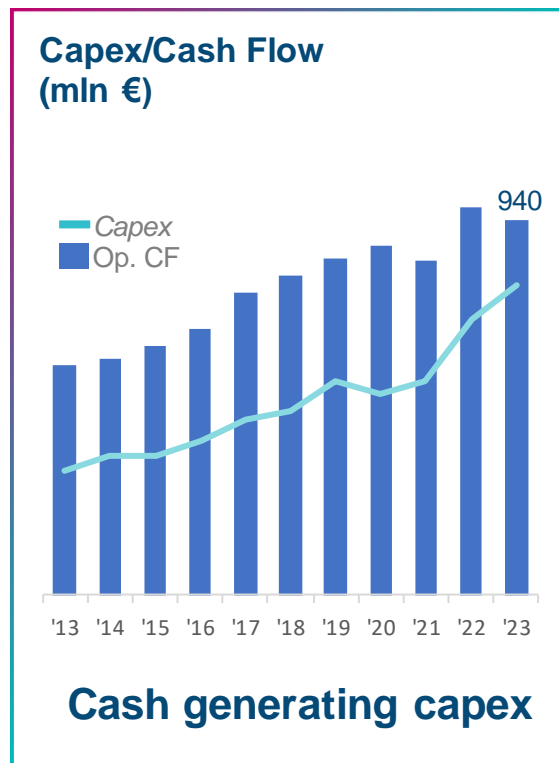
Focused low risk growth

One of the largest Italian multi-utility: about 5.2 bln € mkt cap

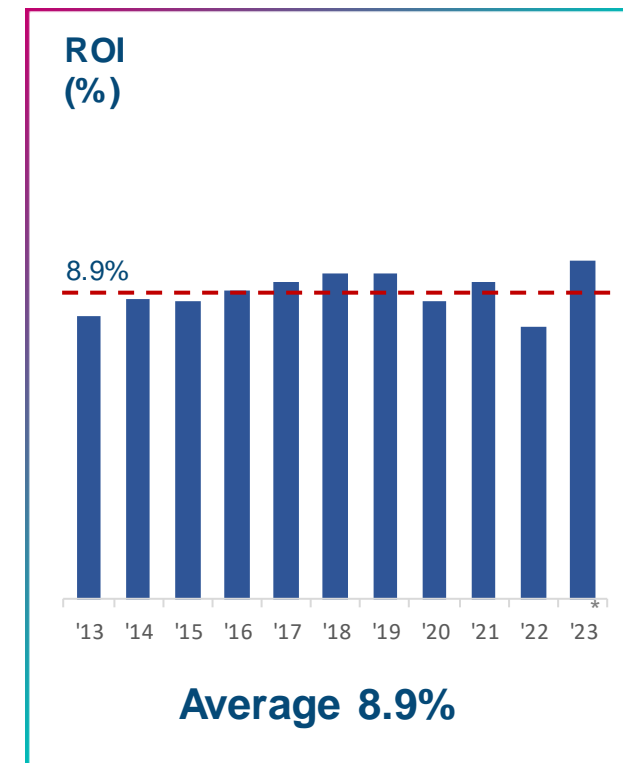
Hera's economic and financial track record



**The 2023 Ebitda referred to in this graph is the Adjusted Ebitda*



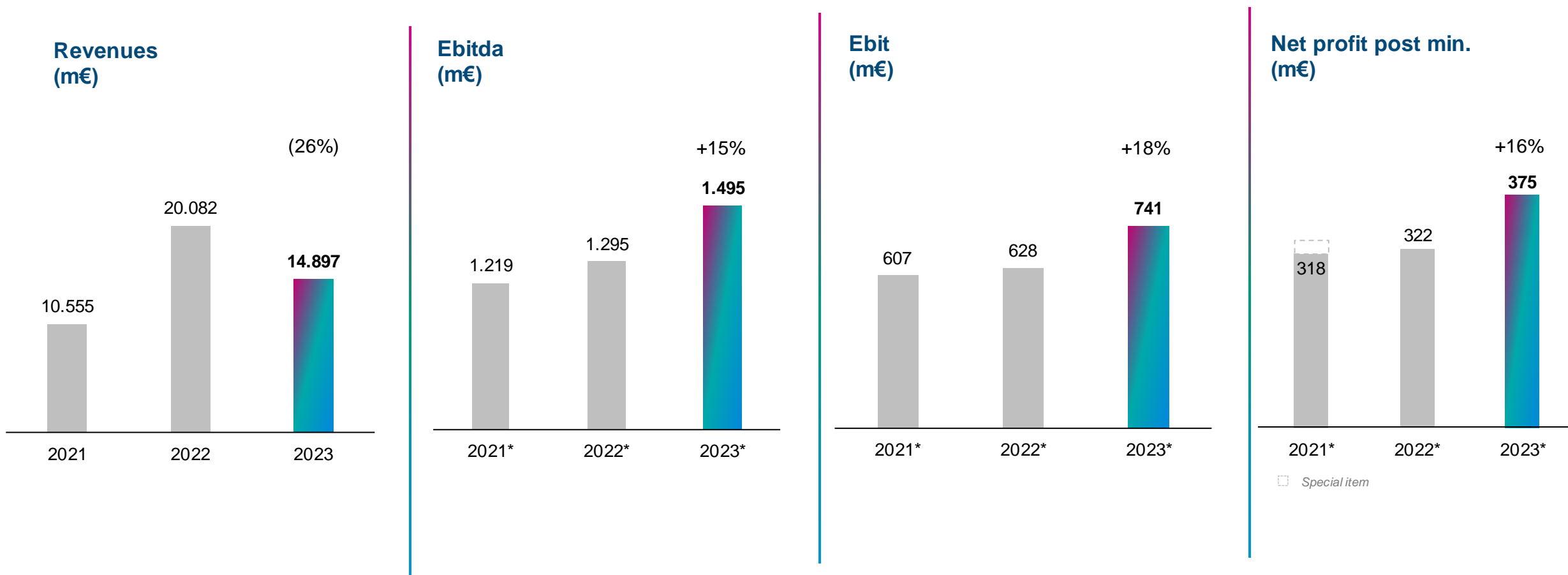
**The 2023 Net Invested Capital referred to in this graph is Adjusted*



**The 2023 ROI referred to in this graph is Adjusted*

Uninterrupted and resilient growth

FY 2023 results

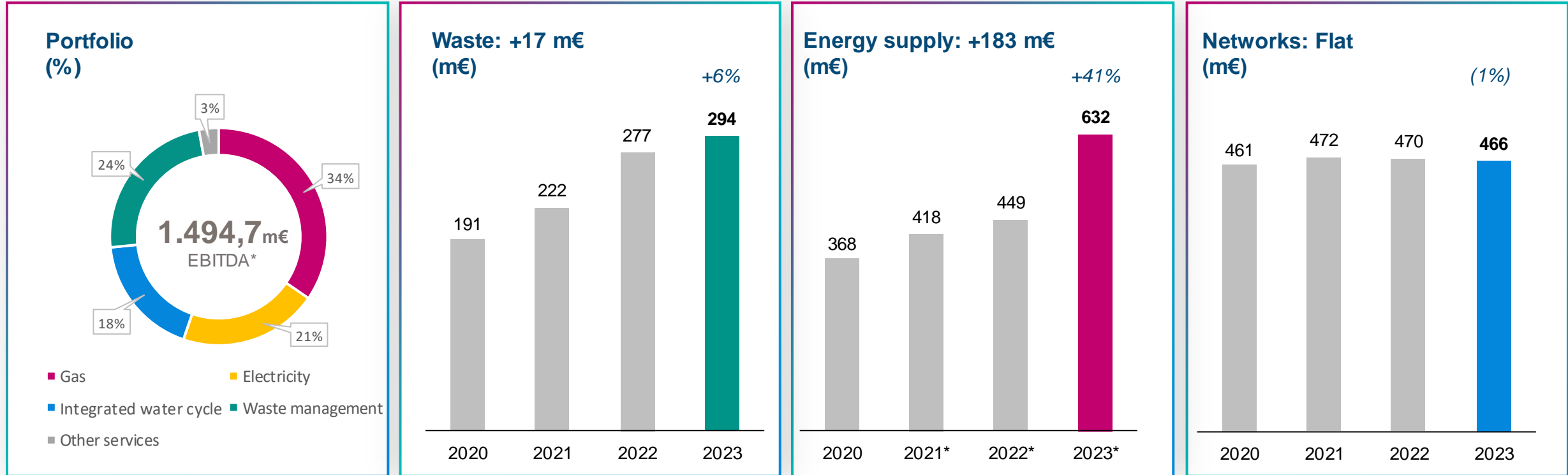


Energy prices normalization and improvement down to bottom line

* Data are adjusted for a temporary accounting difference in gas stock valuation. Adjustments: on Ebitda and Ebit was -4.4m€ in Y'21, +94.1m€ in Y'22 and -93.0m€ in '23; on Net Profits was -3.2m€, +67.0m€ in Y'22 and -66.2m€ in Y'23



FY 2023 - well balanced Business Portfolio to ensure overall constant growth and risk mitigation

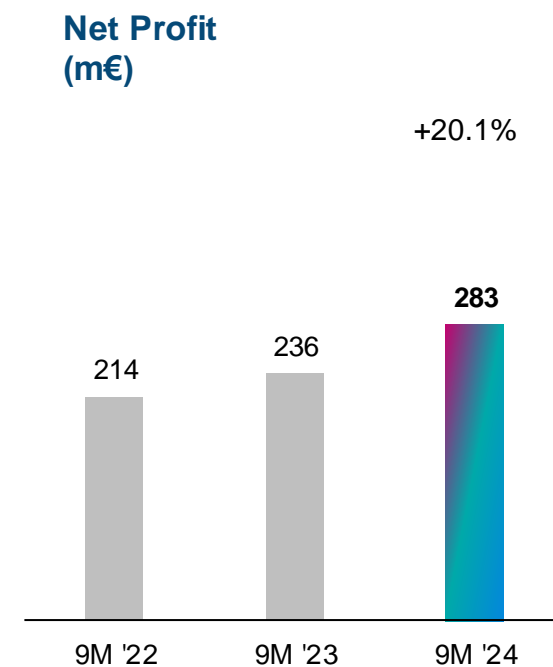
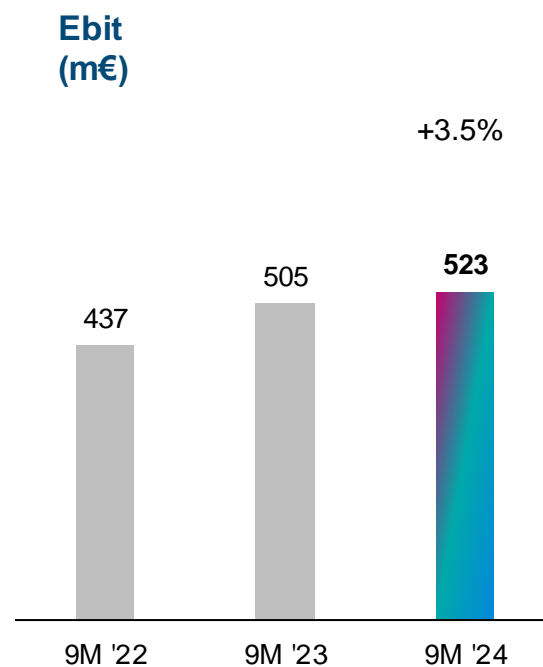
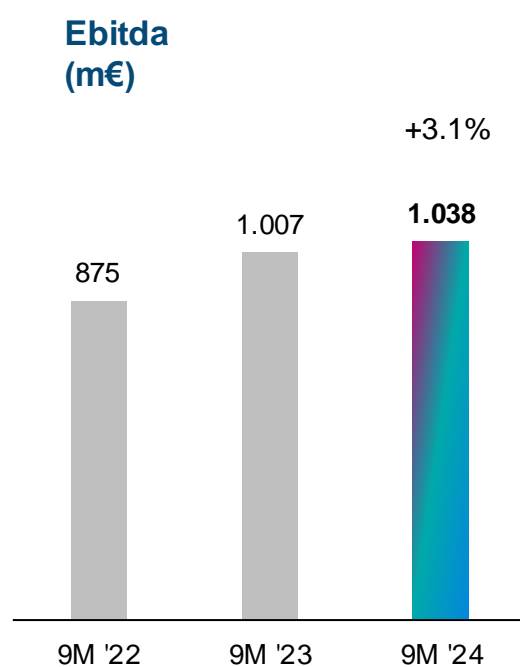
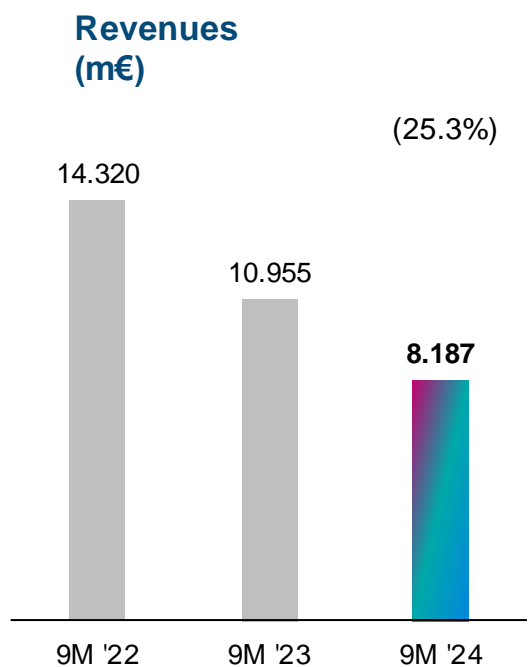


*The 2023 Ebitda referred to in this graph is the Adjusted Ebitda

* Data are adjusted for a temporary accounting difference in gas stock valuation. Adjustments: on Ebitda and Ebit was - +94.1m€ in '22 and -93.0m€ in '23

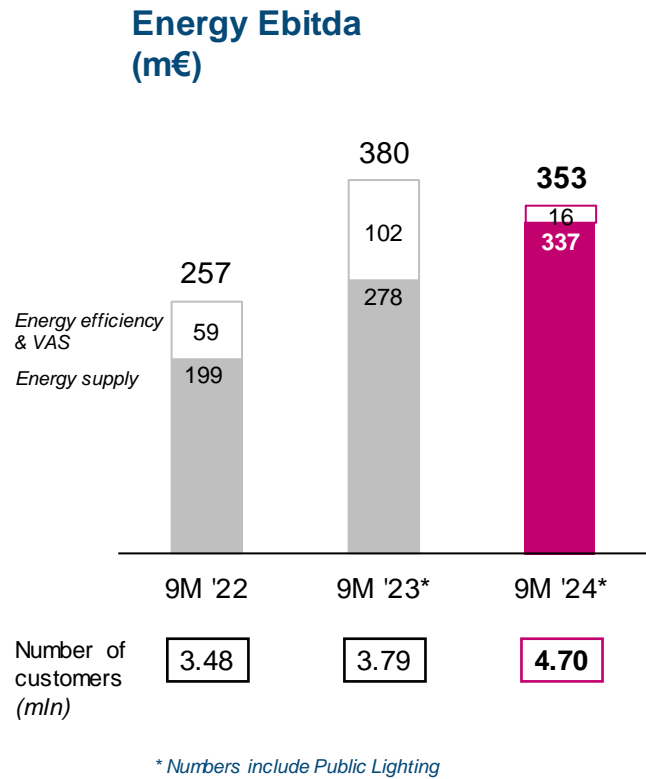
Business Mix: 35% Regulated and 65% Liberalized and 3.3 bln RAB

9M'24 results

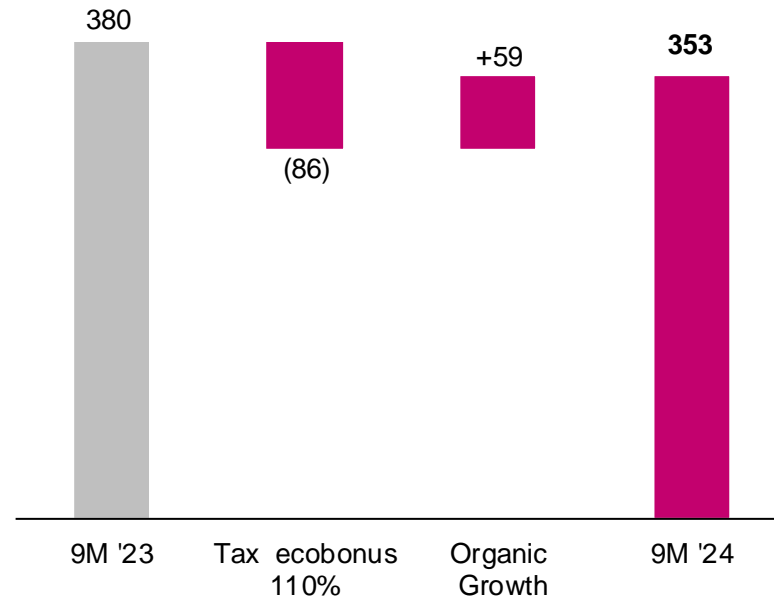


Confirmed bottom line double digit growth rate

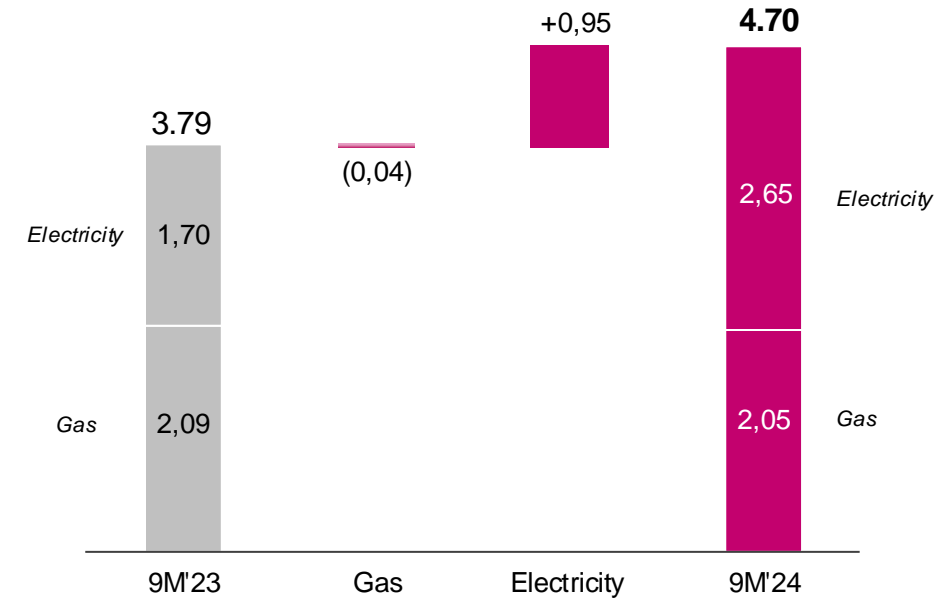
9M' 2024 - Energy supply



Ebitda growth drivers (m€)



Energy customers (mln customers)

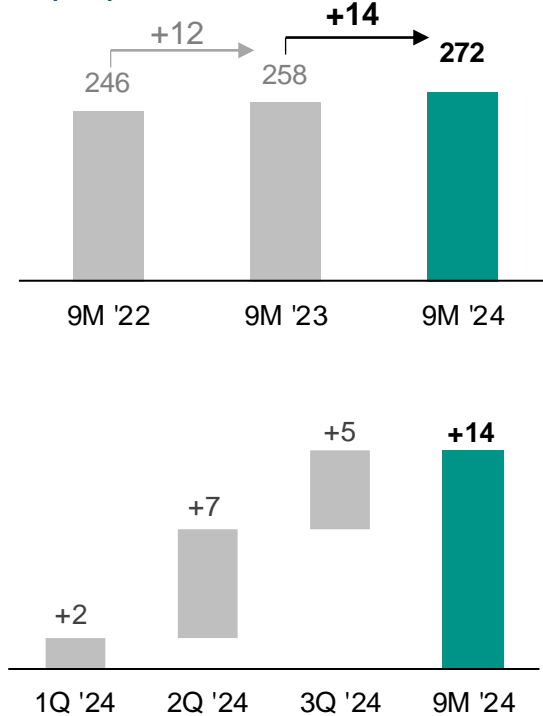


All activities posted valuable growth on like-for-like basis

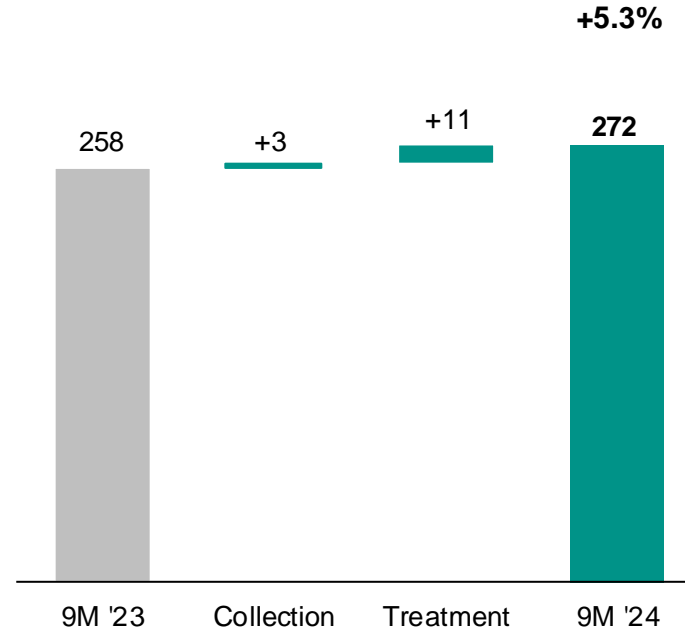
9M' 2024 - Waste



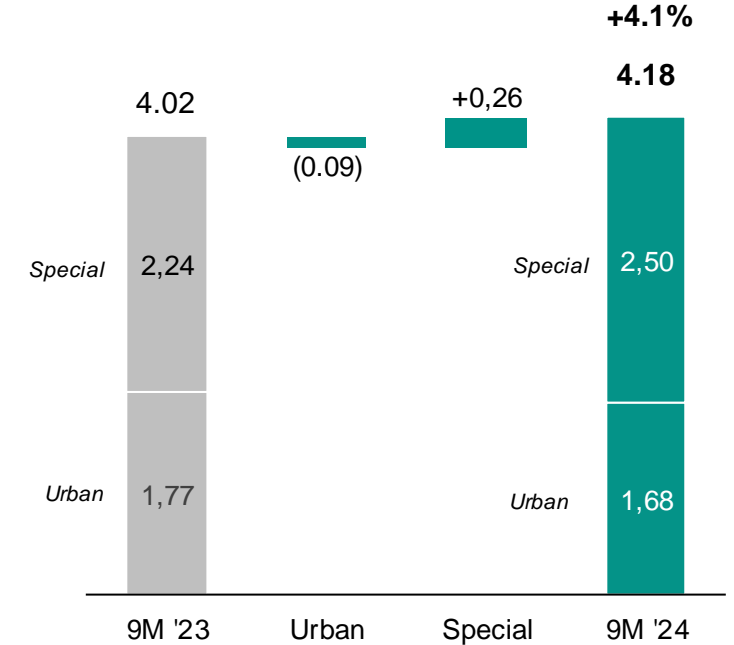
Ebitda growth track record
(m€)



Ebitda growth drivers
(m€, %)



Waste volumes
(mln tons from third parties)

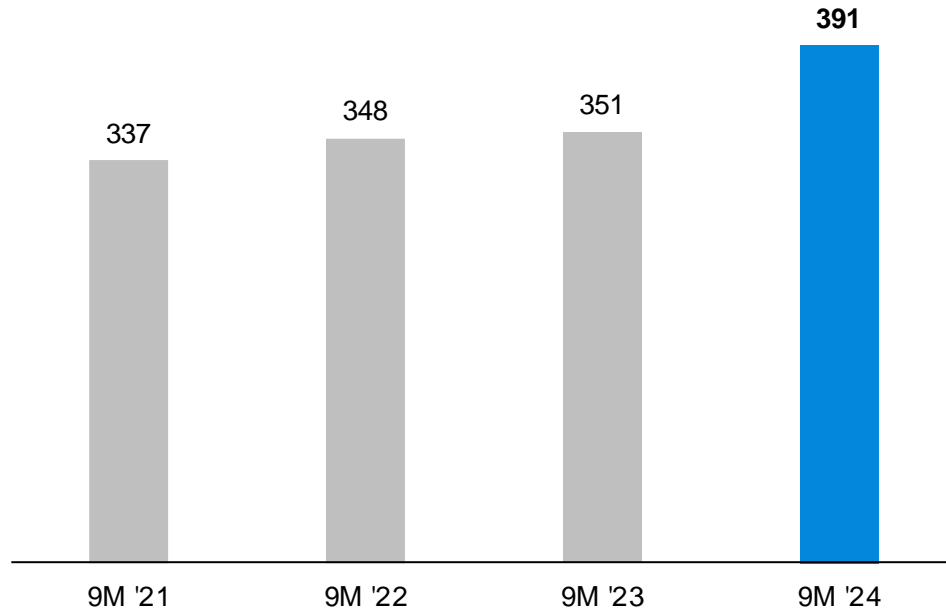


Confirming growth path even in a more challenging macro scenario

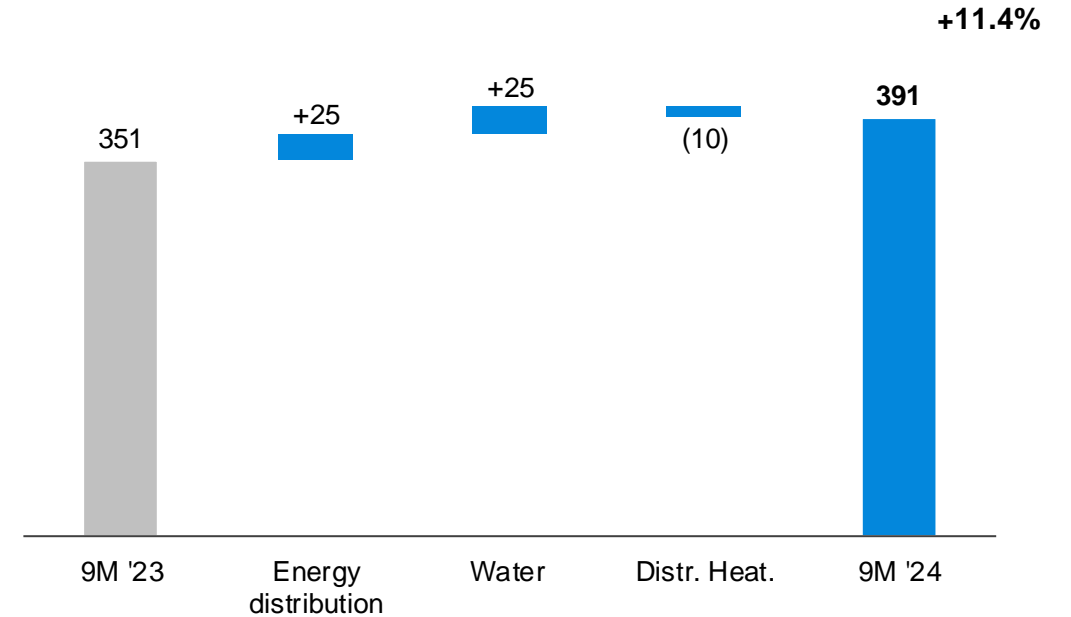


9M' 2024 - Networks

Networks resilience
(Ebitda m€)



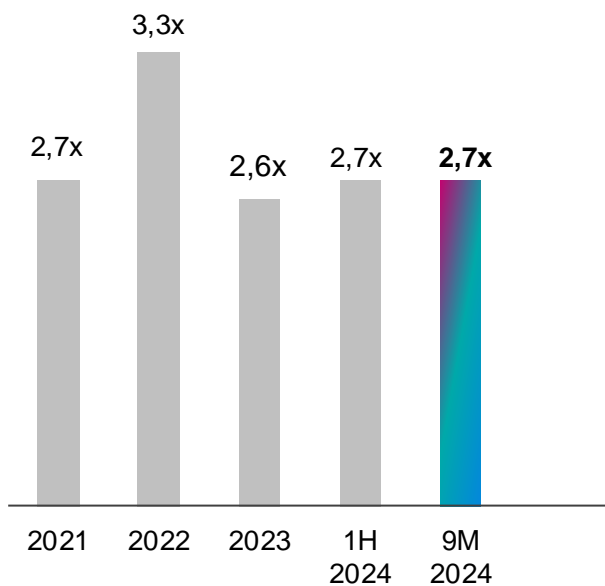
Ebitda growth drivers
(m€)



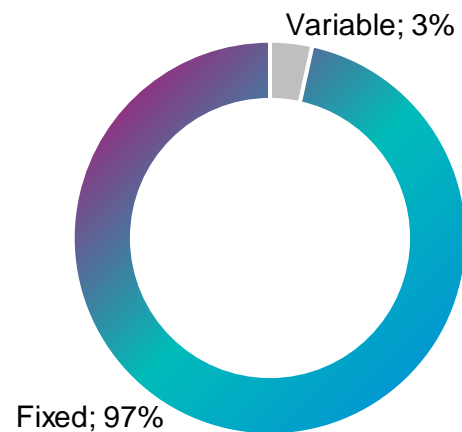
New tariff system underpin strong growth

Financial items 9M' 2024

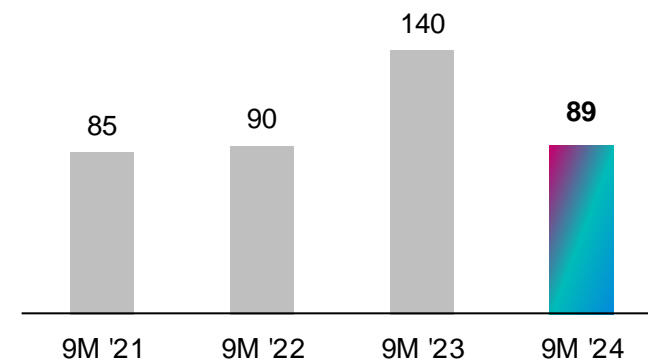
Net Debt/Ebitda
(x)



Interest rate at 9M' 24
(%)



Net interest expenses
(m€)



Strong financial flexibility

Financial rating Hera

MOODY'S

Baa2
Stable Outlook

*“**Moody’s** rating is based on the strong business profile of the company, with an extremely well-balanced portfolio of activities and highlights the high visibility of regulated activities, together with solid financial metrics. The credit profile of Hera S.p.A. (Baa2 stable) is supported by the company's diversified business mix; its portfolio of low-risk domestic fully regulated activities (32% of EBITDA in the 12 months that ended June 2024) with limited price and volume exposure, underpinned by supportive and transparent regulatory frameworks”*

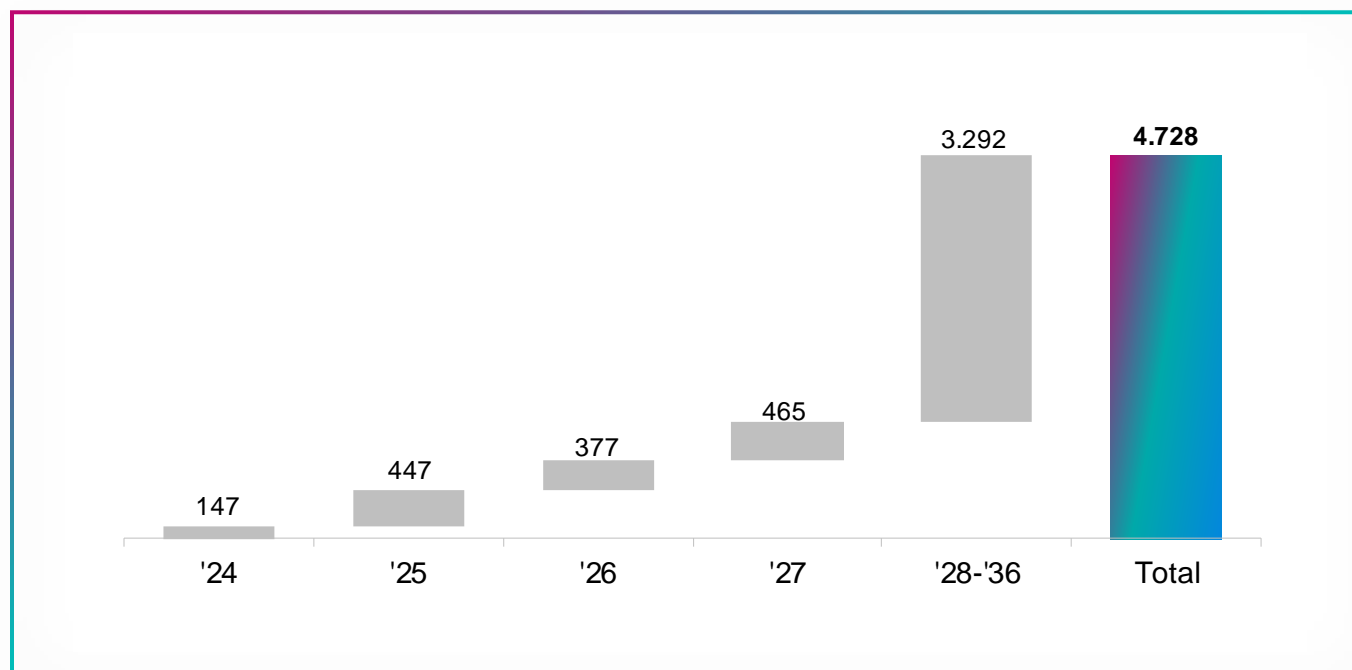
S&P Global

BBB+ / A-2
Stable Outlook

*“**Standard & Poor’s** stated that the new business plan 2023-2027 provides strategic continuity and supports the rating as stable and predictable cash flow generation from fully regulated activities in electricity, gas, and water distribution, as well as urban waste collection and treatment, will represent at least 40% of reported EBITDA over the next two to three years. Furthermore, Hera has a balanced financial policy, with a commitment to the current rating. The rating on Hera remains capped at one notch above our rating on Italy.”*

Solid and a flexible debt structure in line with growth objectives

Debt maturity profile at 9M 2024 (nominal value, € mln)



- ❖ **Net Financial Debt: 4,175.0 m€**
- ❖ **Committed Credit Lines undrawn: 1,005 m€**
- ❖ **Cash Available*: 1,608.2**

Liability management (m€)

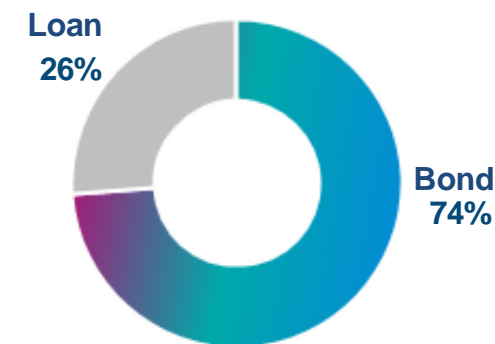
Repaid 2024

| | |
|----------------------|--------|
| Green Bond 2014-2024 | 288 m€ |
| Other loans | 150 m€ |

New lending



460 m€ fixed interest rate



*Including Cash and Cash equivalent for 858.2 m€ and Uncommitted lines for 750 m€



2 - Hera Sustainability strategy



Sustainability at Hera in pills

- 
- 1** Embedding sustainability in top management strategy and corporate communication
 - 2** Moving from linear to Circular Economy and committing to Net Zero impact
 - 3** Implementing Sustainable Projects, ESG Actions and Funding
 - 4** Creating and measuring Shared Value
 - 5** Reporting to stakeholders

Hera's sustainability strategy is fully aligned with UN SDG Agenda

GOAL UN 2030 AGENDA



DRIVERS FOR THE CREATION OF SHARED VALUE

Territory
Enabling resilience and innovating



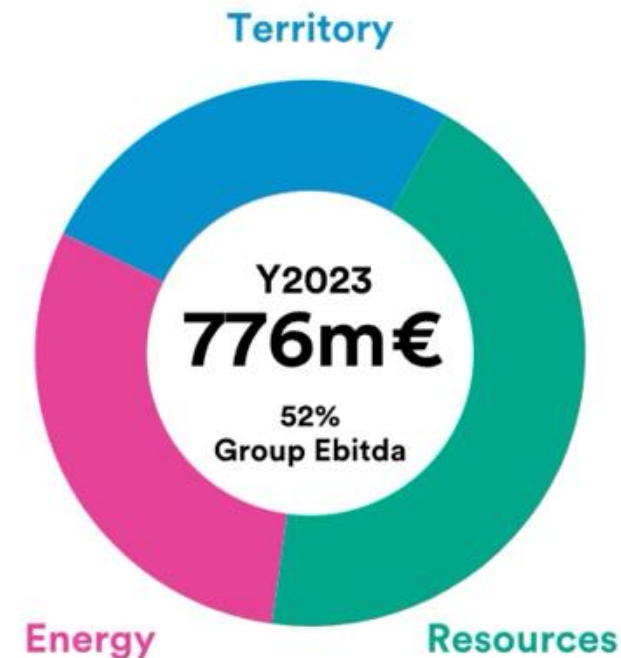
Energy
Pursuing the carbon neutrality



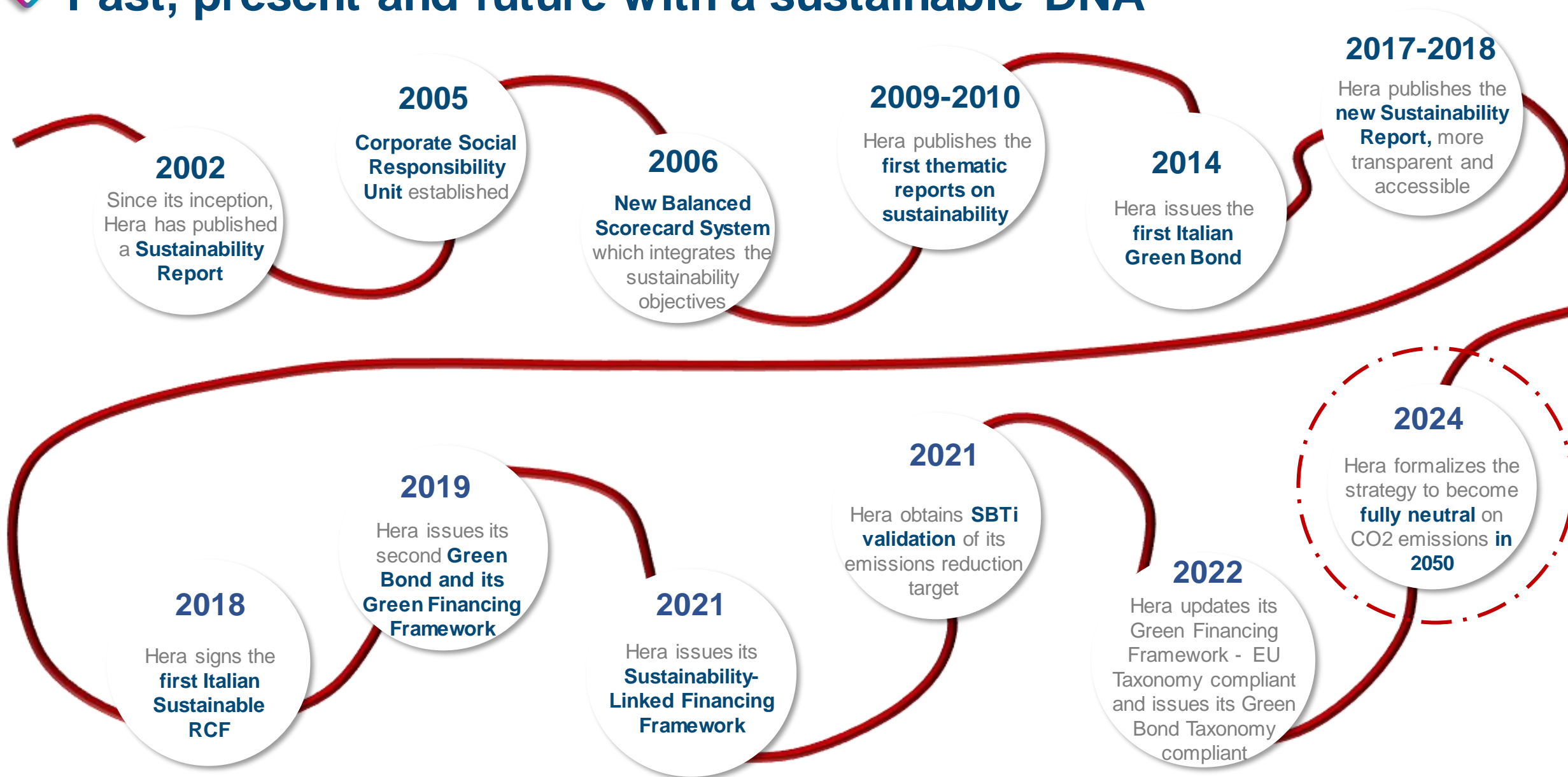
Resources
Regenerating resources and closing the loop



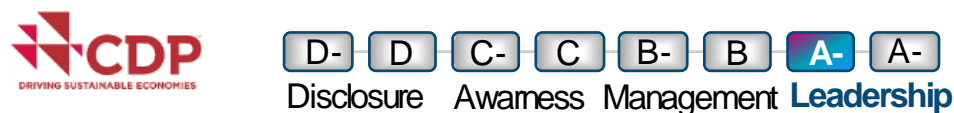
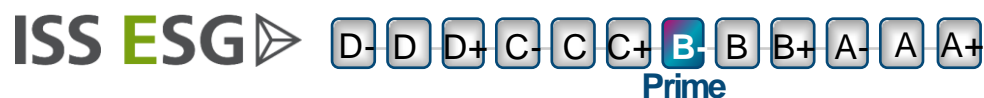
CSV 2023



Past, present and future with a sustainable DNA



Excellent leadership in ESG performance



REFINITIV 
TOP 100 COMPANY 2023
Diversity and inclusion Index

Hera was the **first multi-utility** company in the world in the ranking drawn up by Refinitiv for the promotion of **diversity, inclusion** and **staff development**



Hera is now part of the FTSE4Good Index Series, in recognition of the Group's attention towards sustainability



Among the top three companies in Italy. Awarded for Hera's strategy of putting people at the centre of welfare, training and diversity, promoting work agility and digitisation.



In 2023, Hera ranked first again for integrating sustainability policies into its business strategies

Be Sustainable

92% capex taxonomy compliant*

Sustainable approach to management

Innovation to tackle with climate change

CAPEX

MAIN TARGETS

2022

2023

BP 2027



Carbon
neutrality
171 m€



Reduction of CO₂ emissions -12%
(vs 2019)

-14%



Renewable electricity sold

41%

43%



Biomethane from organic
waste (mcm)

8

9



SCIENCE
BASED
TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Reduction of
CO₂ emissions
in 2027 vs 2019
-29%



Circular
Economy
356 m€



Plastic recycled by
Aliplast (vs 2017)

+33%

+42%



Sorting urban waste
collection

68%

72%



Water reuse

7%

10%



ELLEN MACARTHUR
FOUNDATION

Plastic recycled in
2027

+122%



Resilience &
Innovation
371 m€



Predictive maintenance
water (km)

13,925

27,000



Plants remotely
controlled (n.)

9,000

9,700



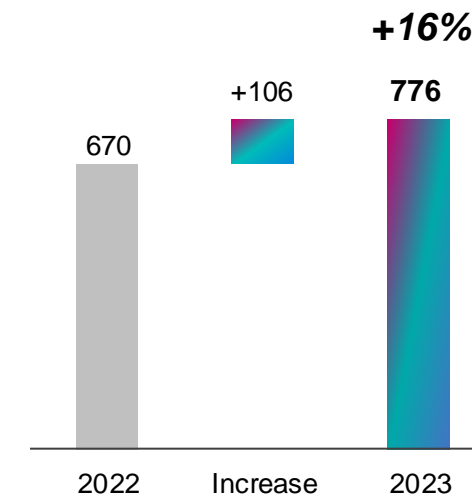
Robotized Elect.
secondary cabins (n.)

1,038

1,130

Resilience and
reliability of
our asset

CSV Ebitda
(m€, % of Group Ebitda)



On track to meet 2030 commitments

*Capex within taxonomy scope

Sustainable targets and CSV – 2030 Agenda

Carbon neutrality

| | 2027 | 2030 |
|---|-------------|-------------|
| SBTi emissions (Scope 1+2+3 vs 2019) | -23% | -37% |
| Renewable electricity sold | 56% | >50% |
| Group energy consumptions (vs 2013) | -9% | -10% |

-37% CO2 emissions by 2030



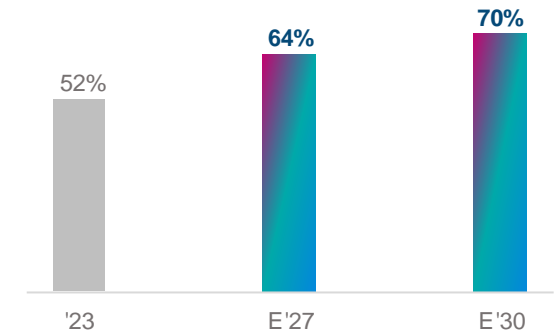
Circular economy

| | 2027 | 2030 |
|--|--------------|--------------|
| Plastic recycled (vs 2017) | +101% | +150% |
| Water reuse | 13.6% | 18% |
| Internal water consumption (vs 2017) | -23.8% | -25% |

+150% recycled plastic by 2030



Sustainability – Ebitda CSV (% of Ebitda)



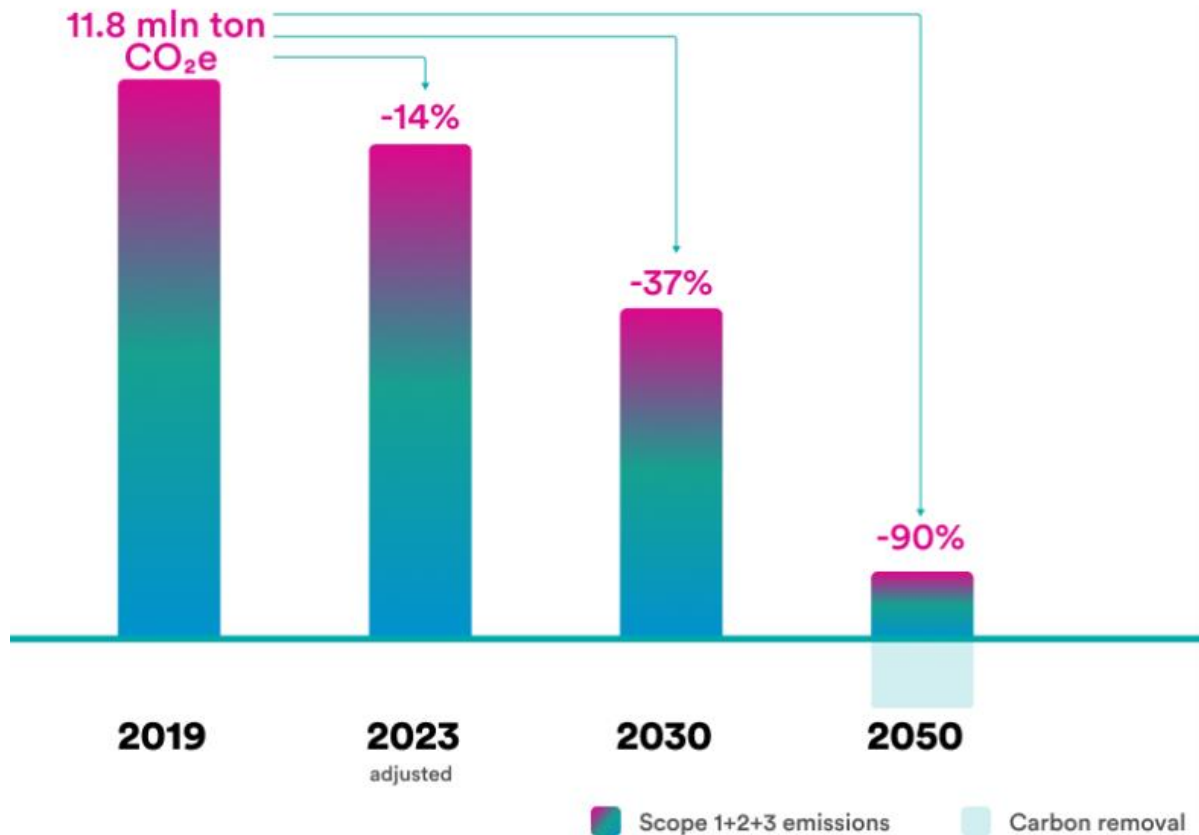
70% Ebitda CSV by 2030



Targets aiming at achieving full sustainability

Target Net Zero by 2050

“The Hera Group is committed to achieving Net Zero emissions by 2050, by reducing Scope 1, 2 and 3 emissions by around 90% compared to 2019 and neutralising all residual emissions at the end of the path towards decarbonisation.”



A set of long term actions to achieve the Net zero emissions by 2050

- **Scope 1&2:**
 - installing carbon capture and storage (CCS) technologies on several waste-to-energy plants that make up the Group's set of facilities (Scope 1);
 - maintaining full coverage of internal electricity consumption through certified renewable energy, eliminating Scope 2 emissions;
- **Scope 3 from energy sold:** constantly increasing volumes of renewable electricity sold to customers (>75% vs 32% in 2023).
- **Scope 3 from gas sold:** a gradual electrification of the Group's customer base and the offer and wider use of energy-saving solutions
- The use of carbon removal solutions is the element that completes the Group's Net Zero strategy to neutralise all residual emissions as of 2050.

◇ Hera's Green Financing Framework – EU Taxonomy Alignment












- ❖ In 2022 Hera has updated its Green Financing Framework (GFF) **to align it with the European Taxonomy and best market practices**
- ❖ The GFF is aligned with the first two objectives of the EU Taxonomy which are **climate change mitigation and climate change adaption**
- ❖ Hera's Green Financing Framework is targeting at financing **16 economic activities** aligned with the EU Taxonomy (e.g., composting of bio-waste, district heating/cooling distribution). Alignment is ensured by the fact that these targeted activities

***Sustainalytics** has confirmed the alignment of Hera's Framework with technical screening criteria for the corresponding 16 eligible economic activities and the associated 48 DNSH. It is also of the opinion that the EU Taxonomy's Minimum Safeguards requirements are met.*














Hera's Green Financing Framework – Eligible Categories

| ICMA Green Categories | EU economic activities (as mapped in the EU Taxonomy) | KPI for reporting | SDGs |
|--|---|---|---|
| Sustainable water & wastewater management | 5.1 Construction, extension and operation of water collection, treatment and supply systems 5.3 Construction, extension and operation of waste water collection and treatment | <ul style="list-style-type: none"> Served citizens (n) Annual volume of wastewater treated (mc) Water fed in the network by source (mc) Reduction rate of internal water consumption compared to 2017 (%) Quality of the waste-water in compliance with regulatory limits (%) Urban areas compliant with law regarding waste-water treatment (%) |    |
| Circular Economy & Pollution prevention and control | 3.17 Manufacture of plastics in primary form 4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids 5.5 Collection and transport of non-hazardous waste in source segregated fractions 5.7 Anaerobic digestion of bio-waste 5.8 Composting of bio-waste 6.5 Transport by motorbikes, passenger cars and light commercial vehicles | <ul style="list-style-type: none"> Recycled plastic sold (ton) GHG emission avoided (tCO₂ e) Separated/Sorted collection of waste (%) Waste sent for the recovery of material (%) Reusable treated waste water (% of total treated waste water) |    |
| Energy efficiency & infrastructure | 4.1 Electricity generation using solar photovoltaic technology 4.9/14 Transmission and Distribution of Electricity / Networks for renewable and low-carbon gases 4.15 District Heating/Cooling distribution 4.22 Production of heat/cool and power from geothermal energy 7.3/5/6 Installation, maintenance and repair of Energy efficiency equipment / Instruments and devices for measuring, regulation and controlling energy performance of buildings / Renewable energy technologies | <ul style="list-style-type: none"> Energy saved (toe) GHG emission avoided (tCO₂ e) Reduction in CO₂ emissions compared to 2019 with SBTi calculation method (%) Number of events of interruption by client (n) Installed Smart meters (n) Served Citizens/Points of grid distribution (POD, PDR) Biomethane produced by OFMSW (million m³) |    |

Green Bond allocation - HP € 500 mln

| SDGs | Categories of Eligible Green Projects | EU Economic Activities | ACTUAL 2023 | ACTUAL 2024 | EXPECTED 2025 | Shares |
|--|---|---|------------------|------------------|------------------|------------------|
|  | Sustainable water and wastewater management | 5.1 Construction, extension and operation of water collection, treatment and supply systems | 63,498,568 € | 61,765,635 € | 57,583,225 € | 36.6% |
|  | | 5.3 Construction, extension and operation of waste water collection and treatment | 41,902,514 € | 36,264,141 € | 38,576,746 € | 23.3% |
|  | | Sustainable water and wastewater management's Total | 105,401,082 € | 98,029,777 € | 96,159,971 € | 59.9% |
|  | Circular Economy & Pollution prevention and control | 3.17 Manufacture of plastics in primary form | 8,171,273 € | 9,746,035 € | 10,005,567 € | 5.6% |
|  | | 5.5 Collection and transport of non-hazardous waste in source segregated fractions | 18,725,594 € | 17,653,343 € | 17,794,082 € | 10.8% |
|  | | 5.7 Anaerobic digestion of bio-waste | 2,999,149 € | 1,669,534 € | 1,565,440 € | 1.2% |
| | | Circular Economy & Pollution prevention and control's Total | 29,896,015 € | 29,068,912 € | 29,365,089 € | 16.4% |
|    | Energy Efficiency and Energy Infrastructure | 4.1 Electricity generation using solar photovoltaic technology | 1,735,988 € | 7,873,434 € | 13,434,886 € | 4.6% |
| | | 4.9 Transmission and distribution of electricity | 23,714,045 € | 23,268,046 € | 24,262,332 € | 14.2% |
| | | 4.15 District heating/cooling distribution | 1,708,758 € | 3,339,217 € | 1,045,775 € | 1.2% |
| | | 4.22 Production of heat/cool from geothermal energy | 697,013 € | 851,182 € | 2,086,597 € | 0.7% |
| | | 7.3 Installation, maintenance and repair of energy efficiency equipment | 673,113 € | 1,662,879 € | 2,751,378 € | 1.0% |
| | | 7.6 Installation, maintenance and repair of renewable energy technologies | 1,173,986 € | 906,553 € | 893,971 € | 0.6% |
| | | Energy Efficiency and Energy Infrastructure's Total | 29,702,902 € | 37,901,311 € | 44,474,939 € | 22.4% |
| Total | | | 165,000,000.00 € | 165,000,000.00 € | 170,000,000.00 € | 500,000,000.00 € |
| Green Projects timeline | | | 33.00% | 33.00% | 34.00% | 100% |
| | | | Refinancing | 66.00% | | |
| | | | Financing | 34.00% | | |
| GRUPPOHERA 26 | | | | | | |

Thank you