

Investor presentation



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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

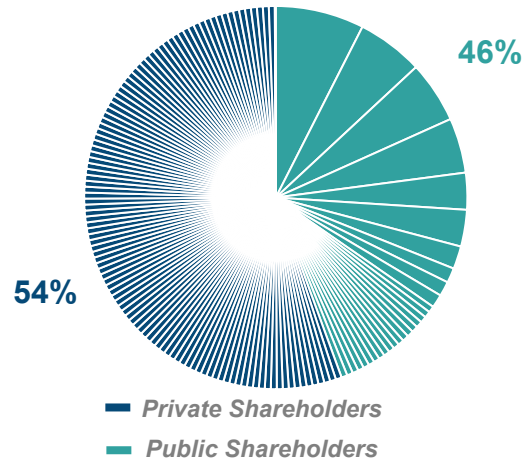
- 1 Company & Financial Overview**
- 2 Business strategy & Debt structure**
- 3 Hera Sustainability strategy**

Company & Financial Overview



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

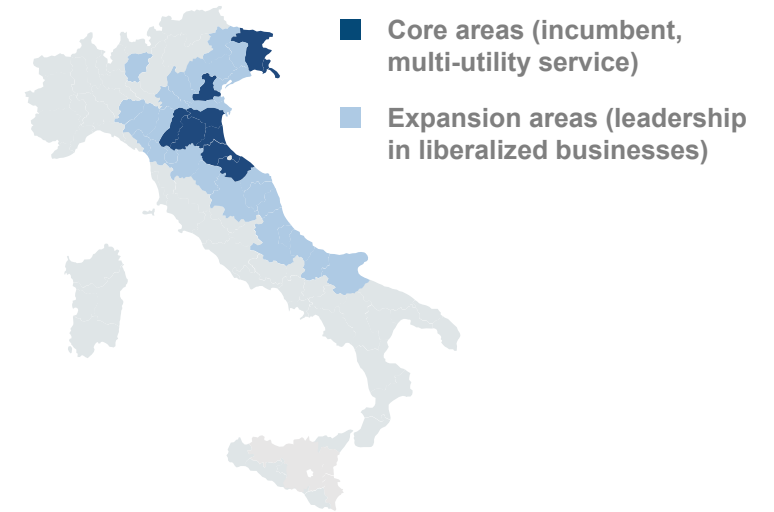
Shareholders



Market Position



Geographical Footprint

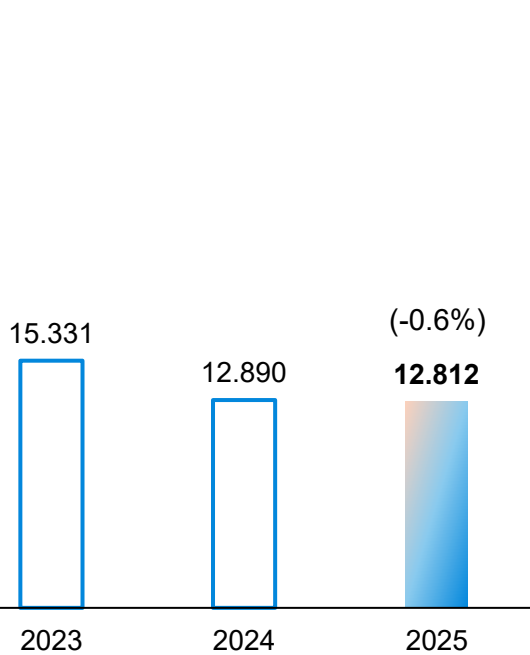


Focused low risk growth

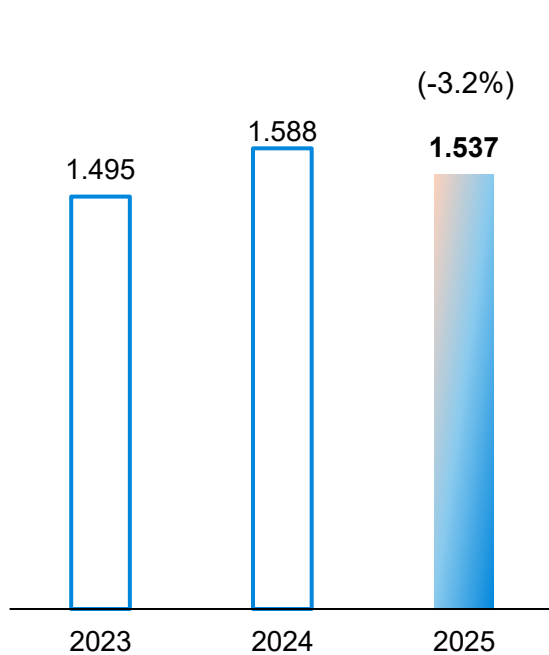
One of the largest Italian multi-utility: about 6.2 bln € mkt cap

FY 2025 results

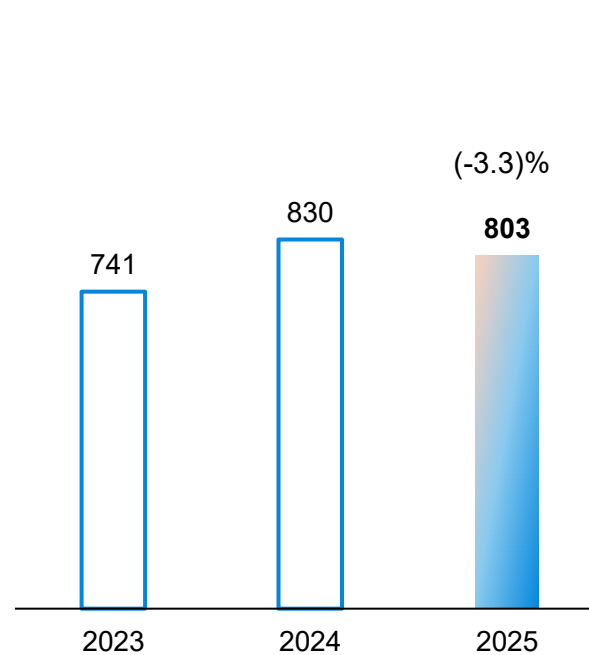
Revenues (m€)



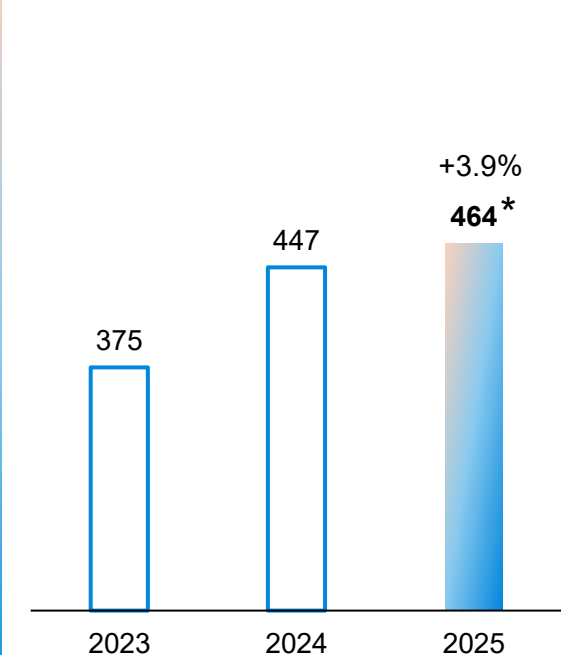
Ebitda (m€)



Ebit (m€)



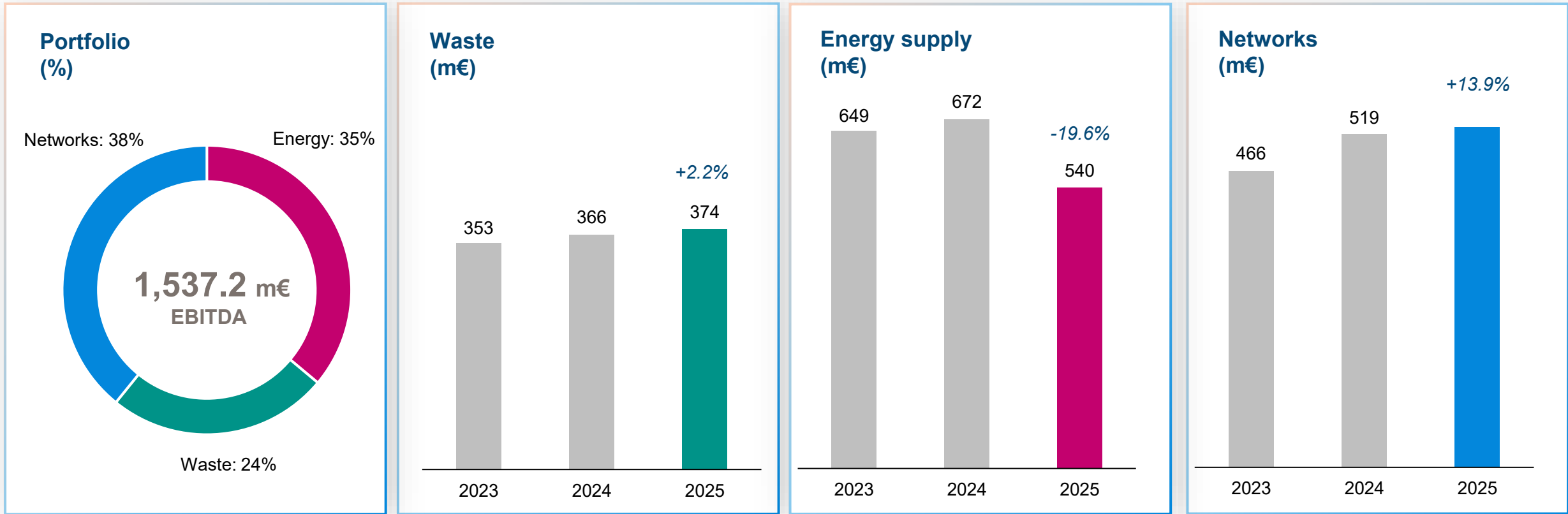
Profit (loss) for the year (m€)



*excluding special items

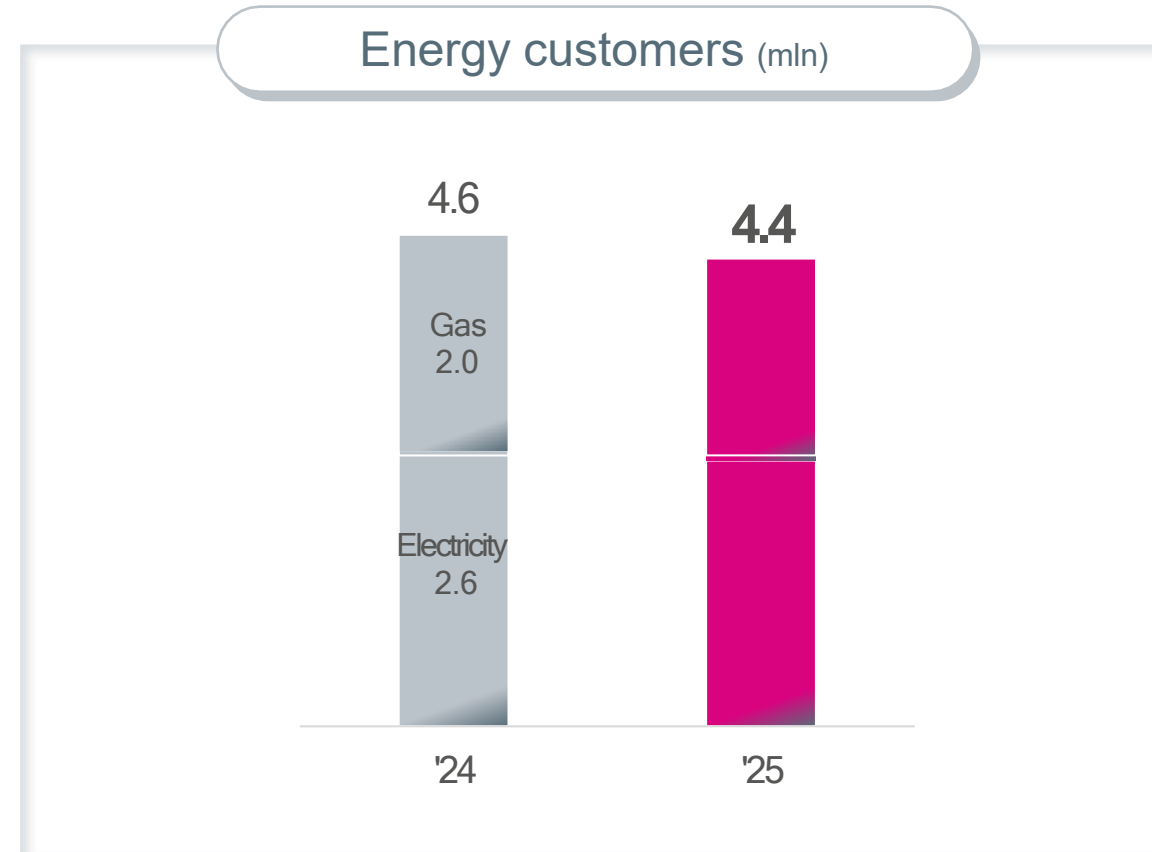
Operating and financial performance drive value creation

FY 2025 - well balanced Business Portfolio to ensure overall constant growth and risk mitigation



Business Mix: 42.6% Regulated and 57.4% Liberalized
RAB: 3.9 bln

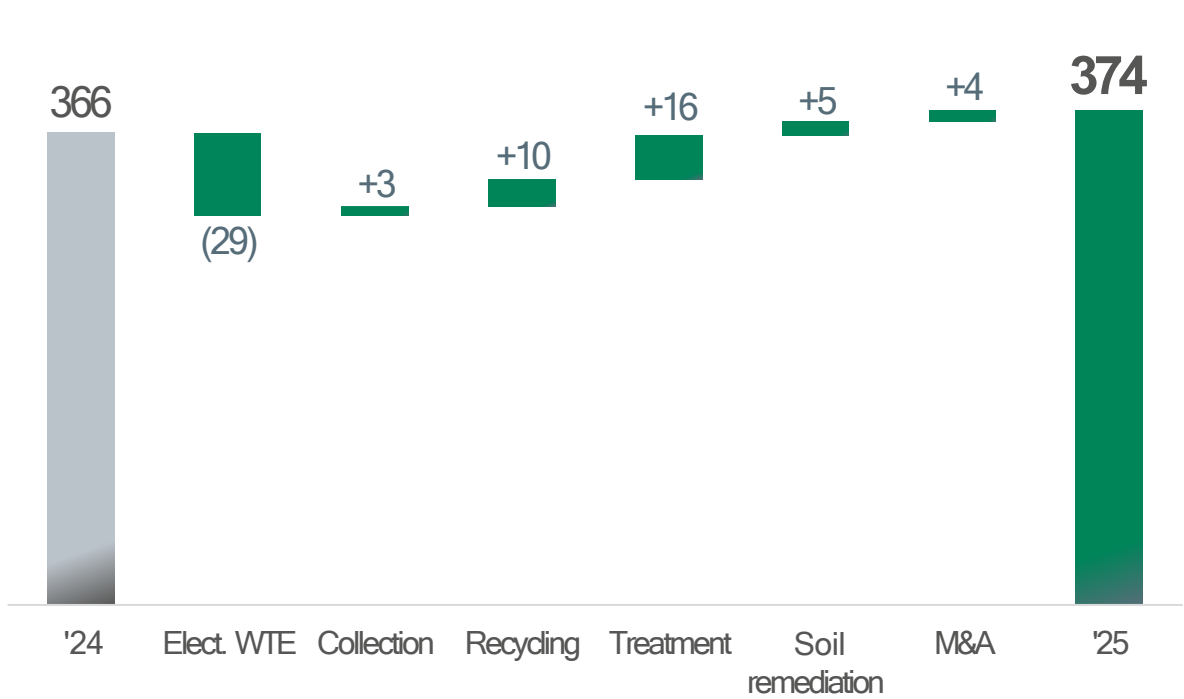
Energy: FY 2025



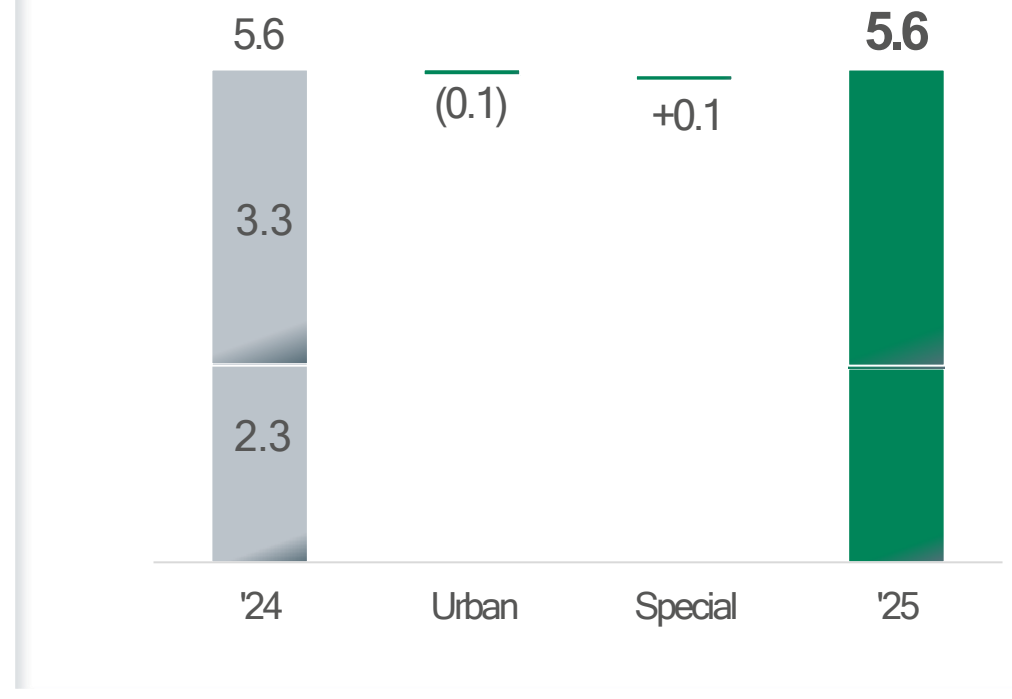
Results driven by outcome of tenders on last resort MKT

Waste: FY 2025

Ebitda growth (m€)

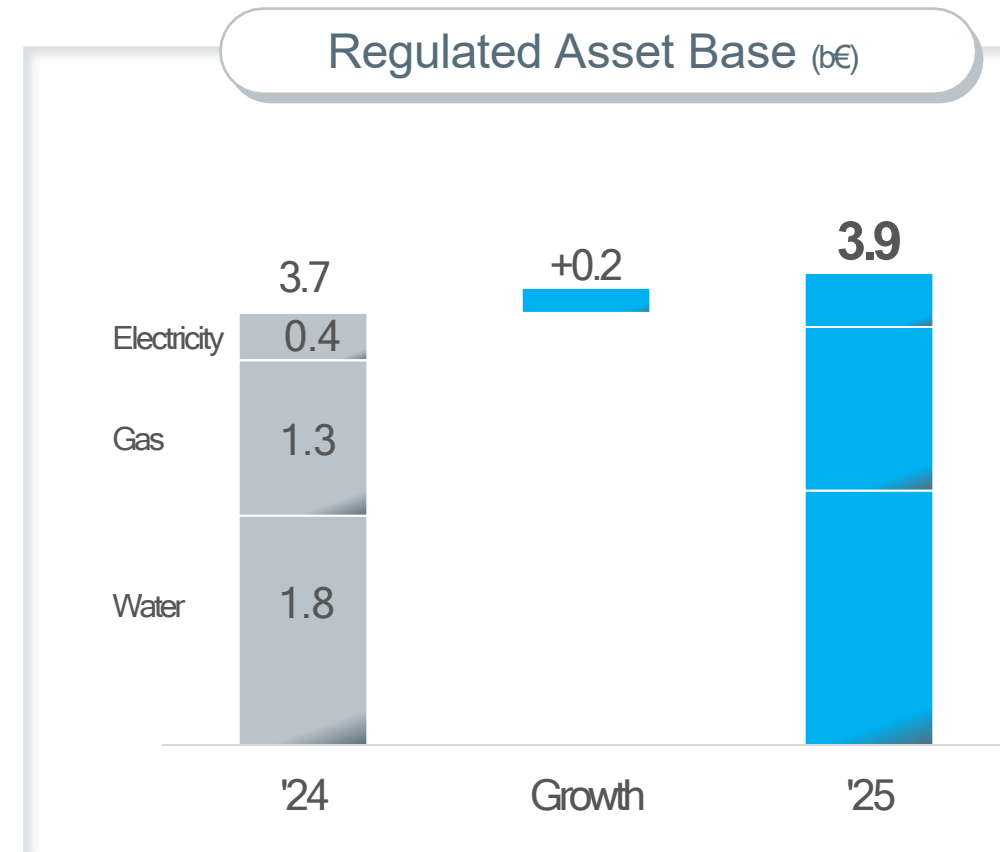
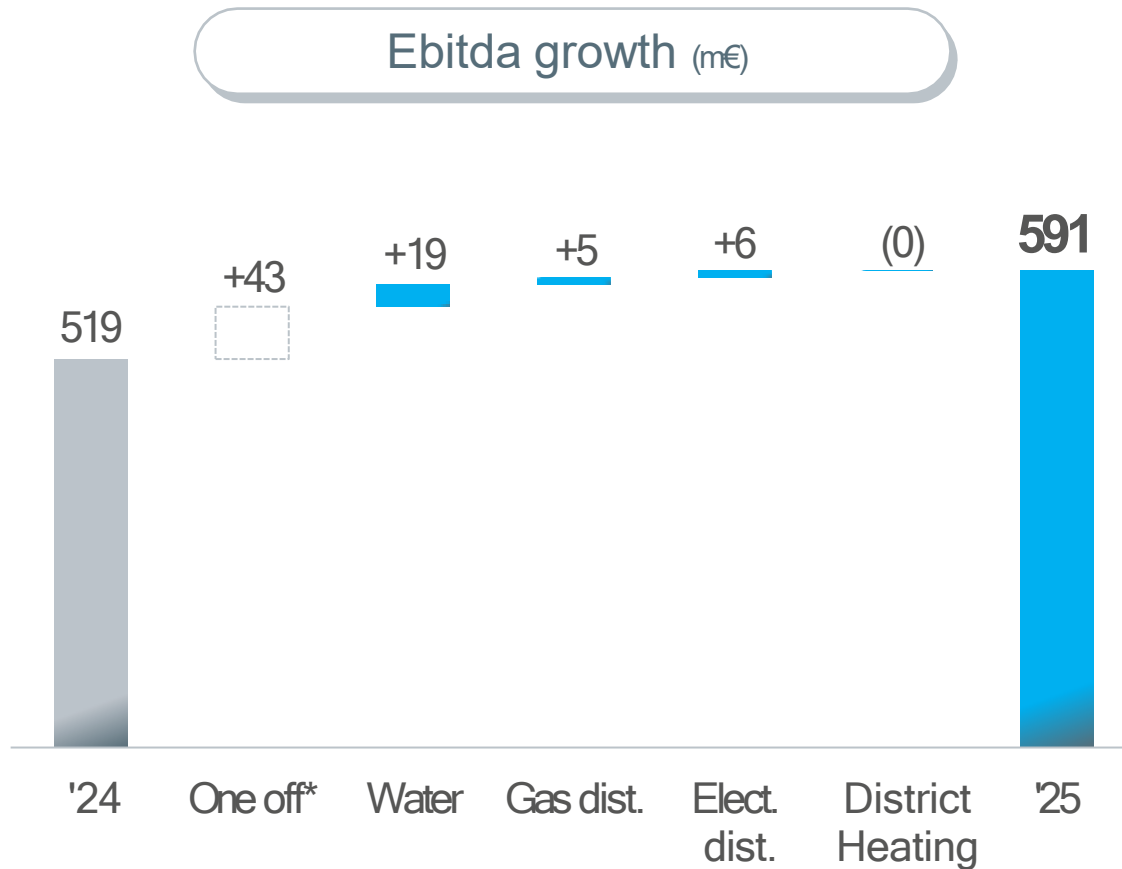


Waste volumes (mln tons)



All activities contributed to growth

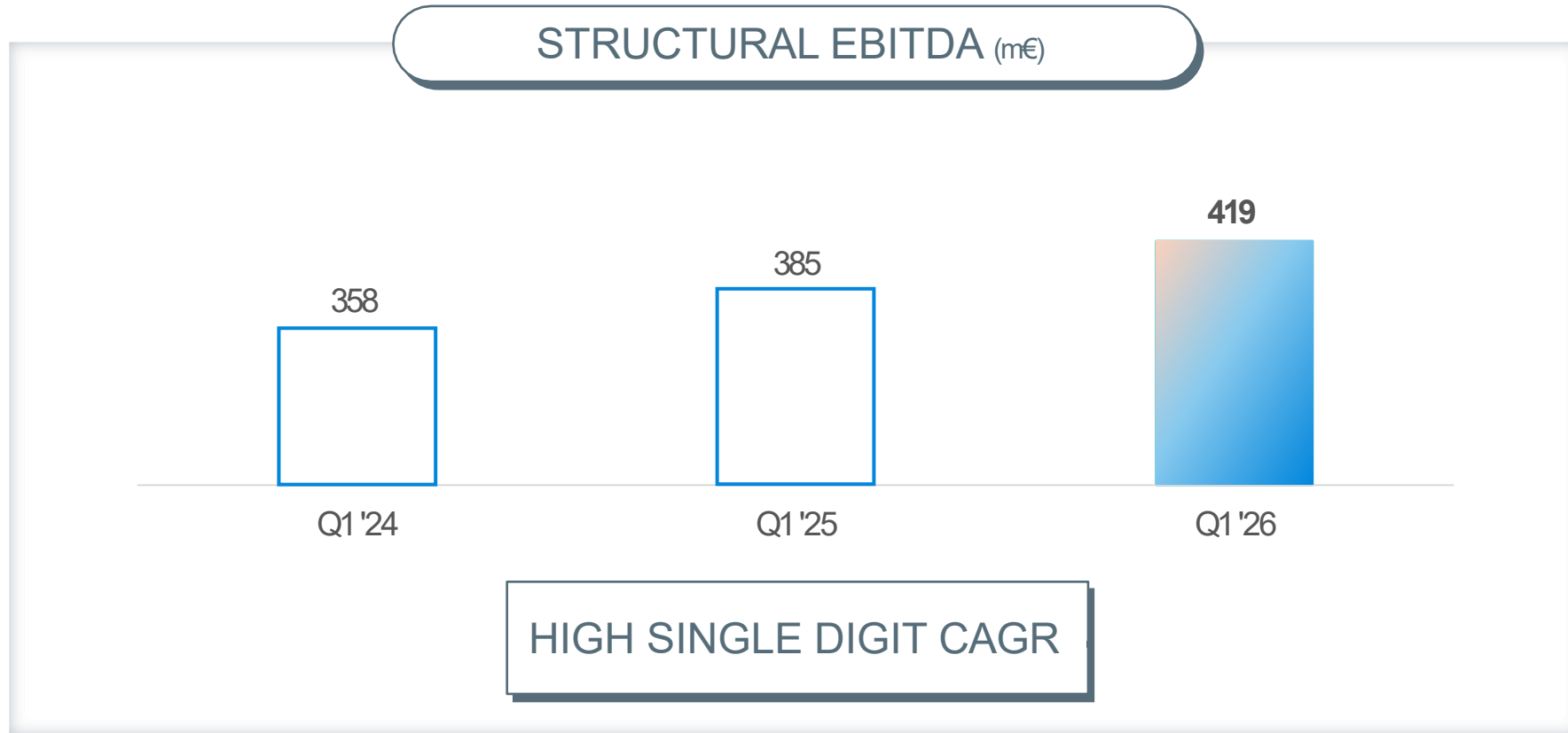
Networks: FY 2025



Inflation recognition and capex underpin strong growth

* 24 m€ resolution 87/2025 for redefinition of values to cover operational costs for the years 2020-25 in gas distribution, 16 m€ past inflation recognition in water, 2 m€ past inflation recognition in electricity distribution, 1 m€ past inflation recognition in gas distribution

Q1 2026: Solid structural growth trend



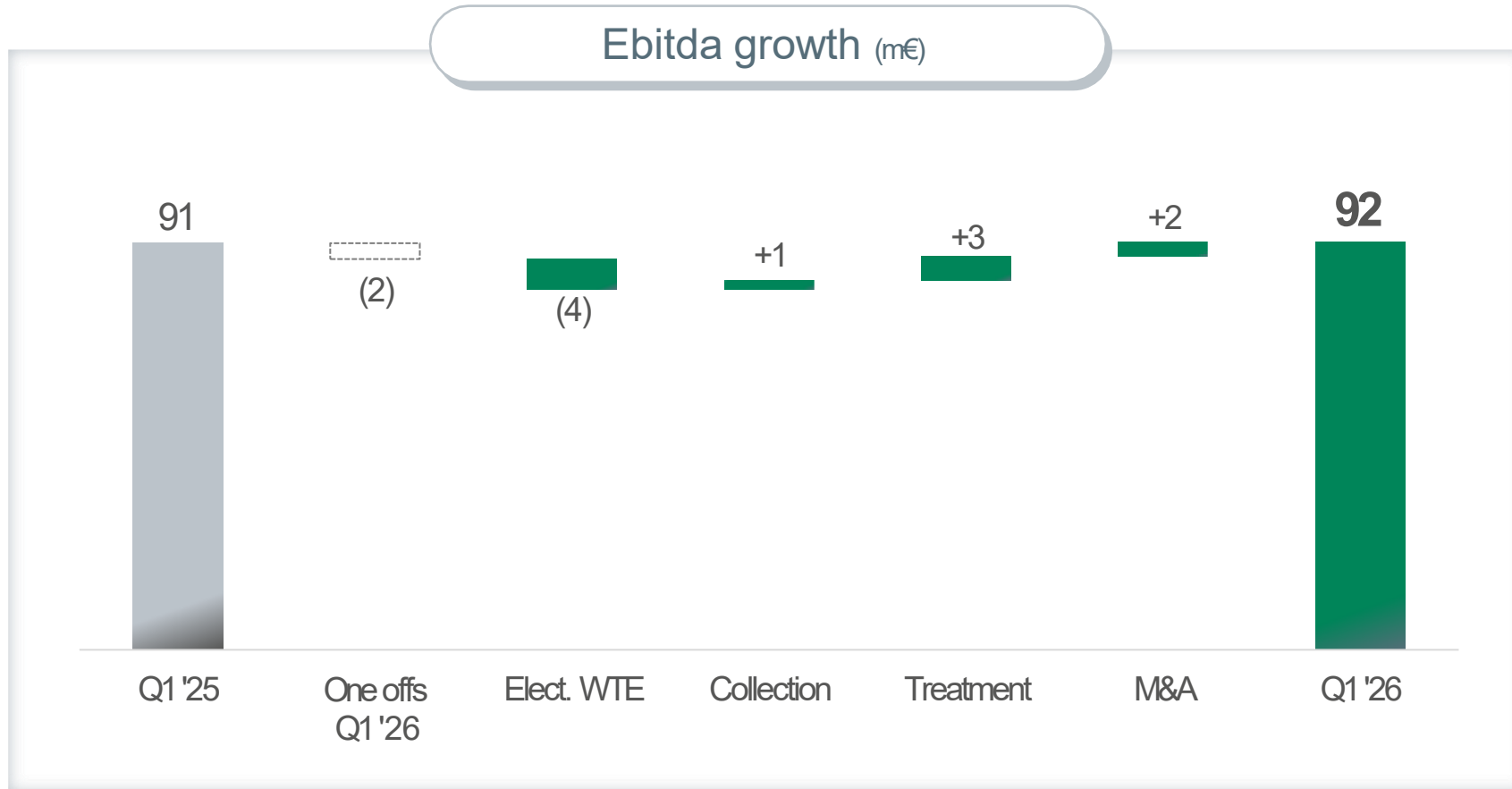
Aligned with Business Plan targets

Energy: Q1 2026



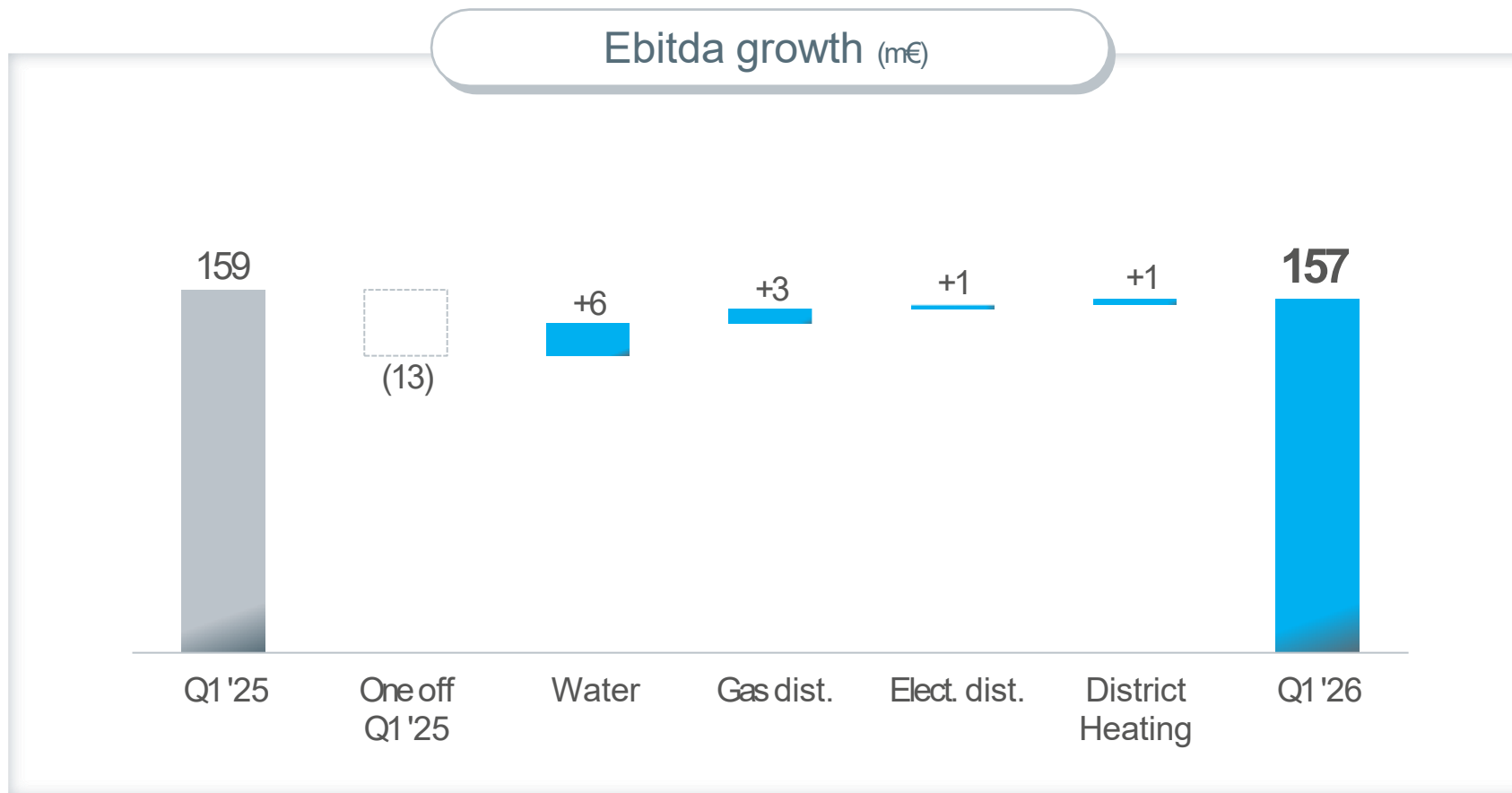
Compensating normalization of temporary opportunitites

Waste: Q1 2026



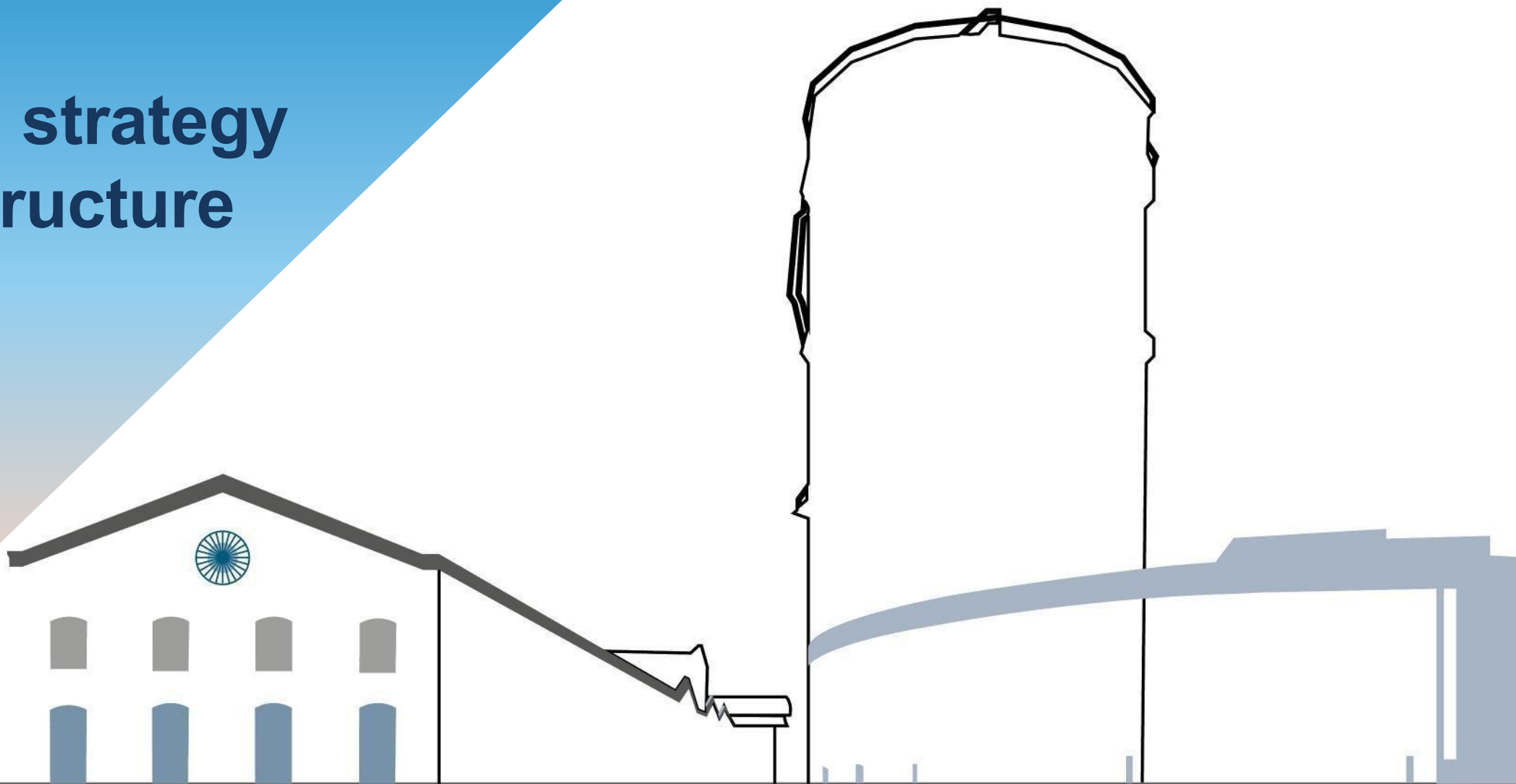
All activities contributed to growth

Networks: Q1 2026



Organic growth fully offsets '25 one offs

Business strategy & Debt structure



Business strategy

Macro-trends

WATER



- Extreme weather events
- Increase std. in water regulation
- Italian infrastructural gap



Significant capex needs

ENERGY



- **Italian scenario by '40***
 - Final energy consumption: -20%
- | | Cagr to '40 | Incidence % |
|---------|-------------|-------------|
| Electr. | +1.6% | 36% |
| Gas | -0.4% | 32% |
- Increase in RES and green gas



Demand for energy efficiency, decarboniz. and infrastructural develop.

WASTE



- Italian infrastructural gap
- Circular economy EU directives



Opportunities to expand

Strategy

- Innovation & digitalization
- Increase water availability
- Leakage reduction

- Improve sewage and wastewater treatment
- Reuse
- Efficiency

Distribution

- Gas & D.H.: Capex plan for readiness and strengthen reliability
- Electricity: development of hosting capacity
- Efficiency gains on networks

Supply & Renewables

- Offers focus on decarbonization
- CRM and mktg supported by AI
- Develop RES for customers

INNOVATION AND AI DEVELOPMENT

- Expand plant capacity and intermediation activities
- Explore new circular economy potential
- Global Waste Management services

Strategy to create value

* Source: Snam – Terna scenario to 2040

Strategic priorities

Enhance Resilience



Keeping a balanced mix of core businesses, investing to strengthen competitive advantage and maintain a neutral position on all main macros

CREATE VALUE



Strengthening return on invested capital with steady and visible returns for shareholders

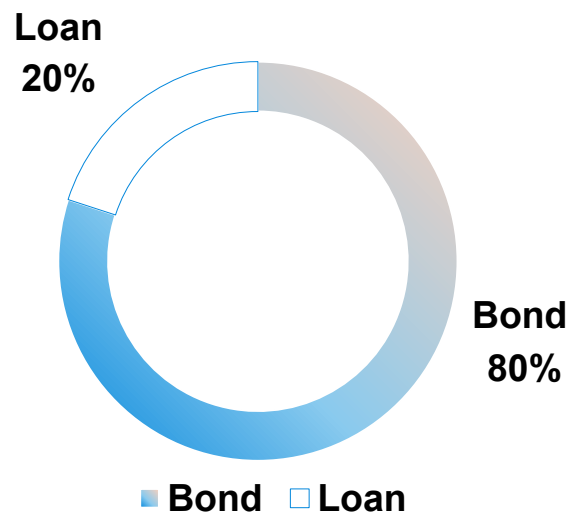
Be Sustainable



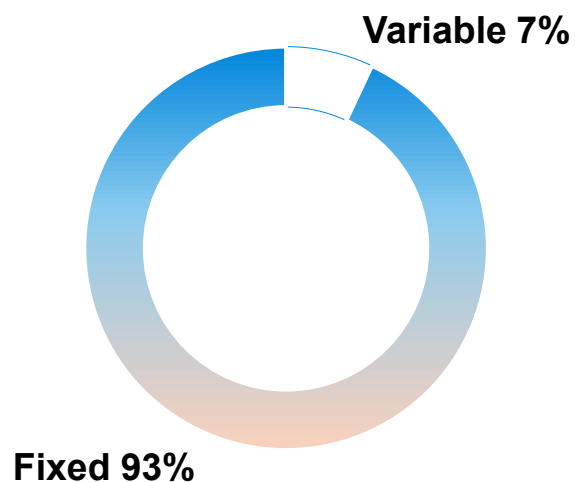
Sustainability to address business opportunities to create value on long term visible trends in EU

Proven value accretive strategy

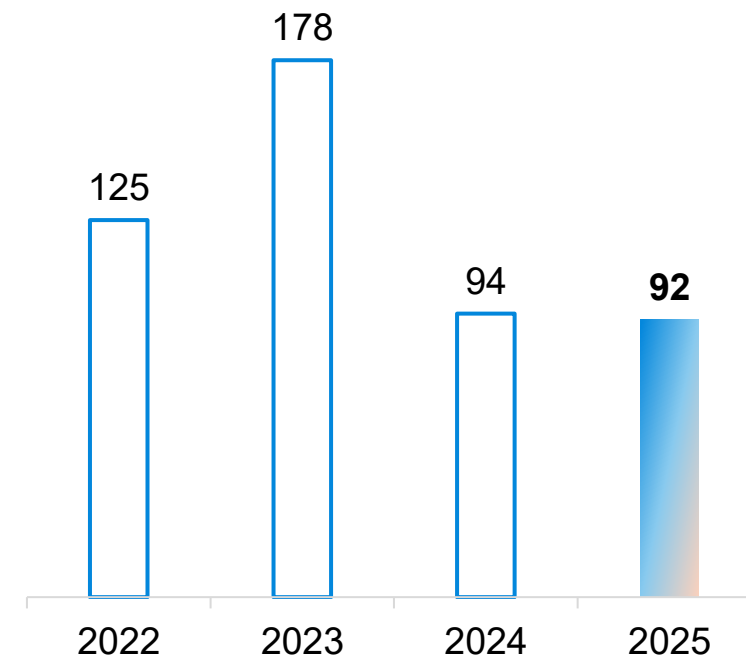
Bond & Loan Mix (%)



Interest rate at FY 25 (%)



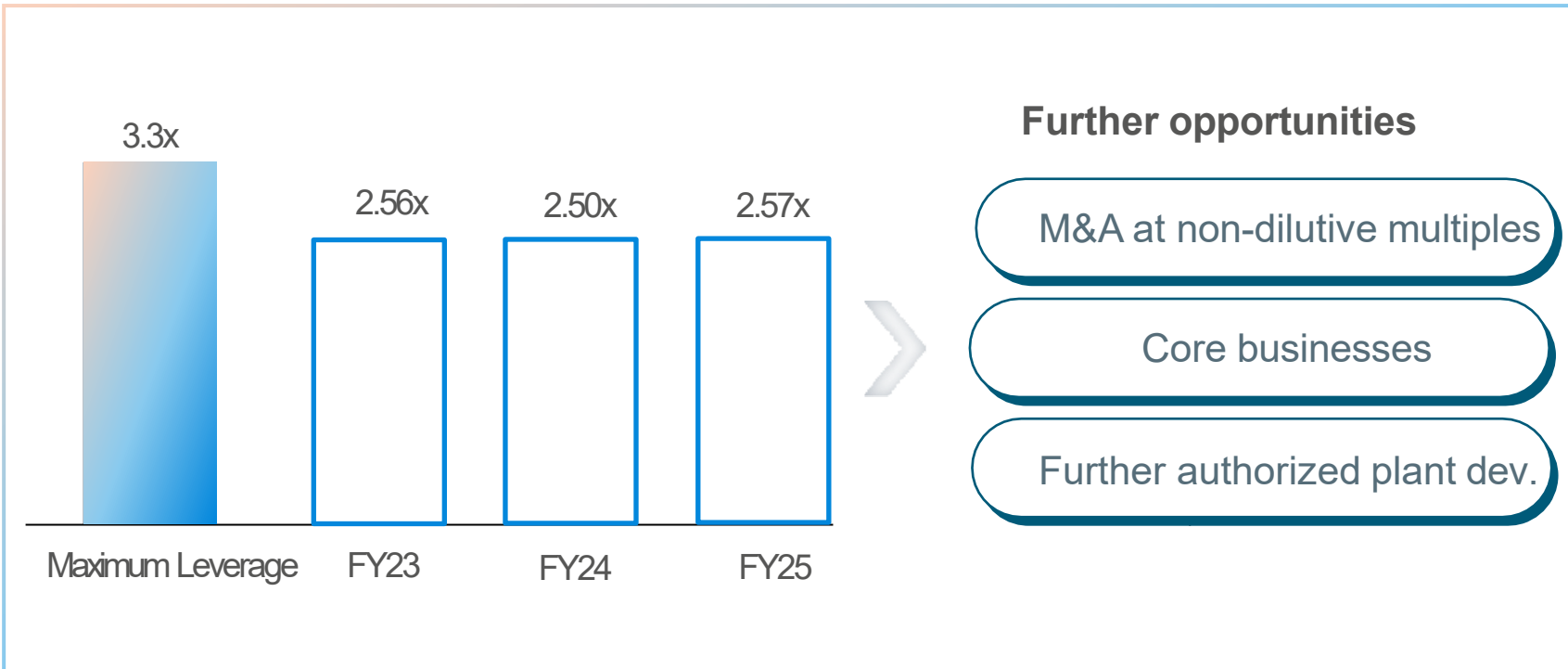
Net interest expenses (m€)



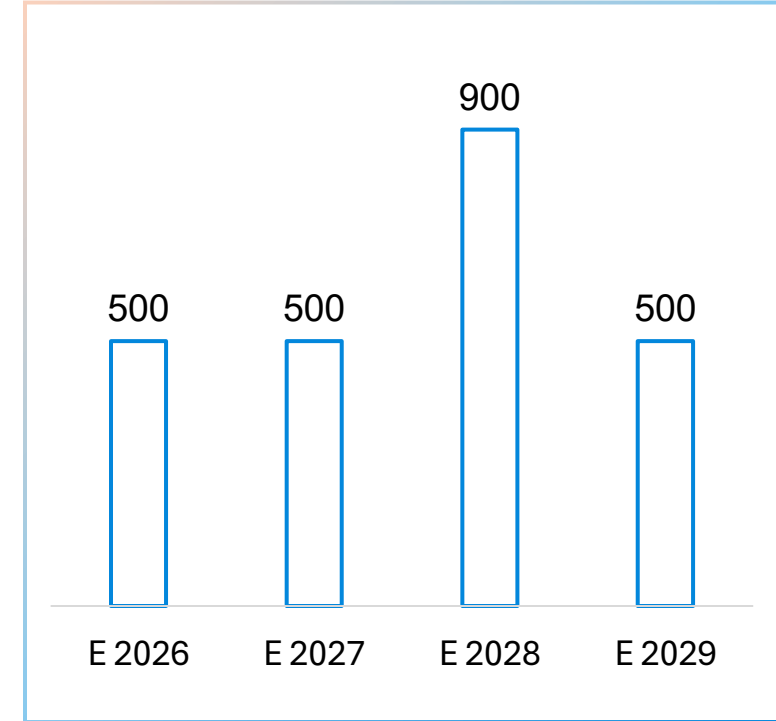
Low risks and low costs

Financial leverage & Refinancing needs

Net Debt / EBITDA (x)



Refinancing needs (€ mln)



Room for futher growth

Financial rating Hera

MOODY'S

Baa1
Stable Outlook

Last credit opinion on 14 January 2026

S&P Global

BBB+ / A-2
Stable Outlook

Last credit opinion on 15 May 2025

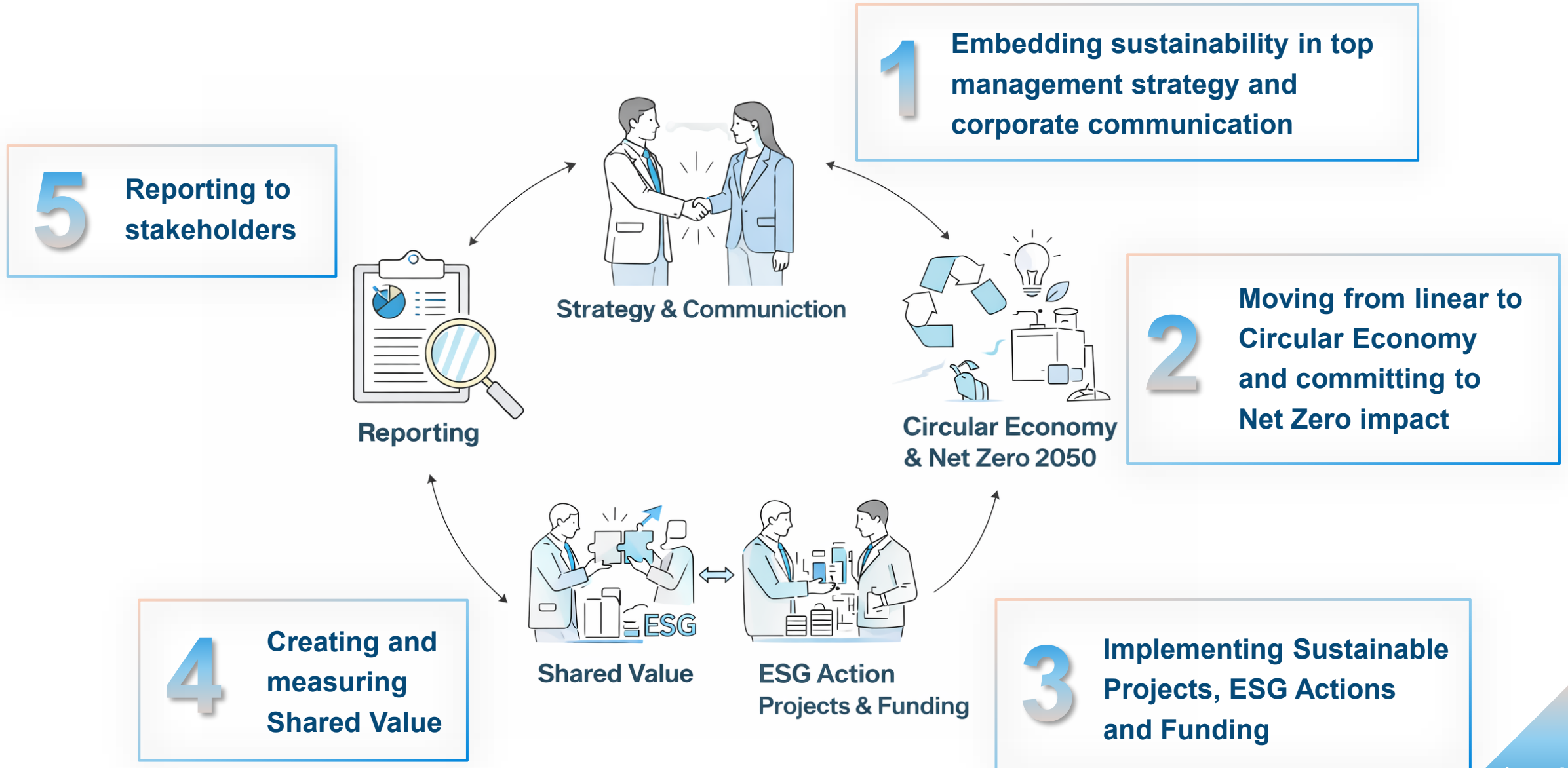
- ▶ Strong and diversified business profile
- ▶ Portfolio of low-risk domestic fully regulated activities with limited price and volume exposure
- ▶ The company's strategy of growth through small and medium-sized acquisitions mainly funded through share exchanges
- ▶ Solid liquidity and financial profiles

- ▶ Business Plan 2024-2028 ensures strategic continuity
- ▶ Stable and predictable cash flows from fully regulated activities ($\geq 40\%$ of EBITDA from regulated electricity, gas, water and waste)
- ▶ Track record of continuous earnings growth supports the rating

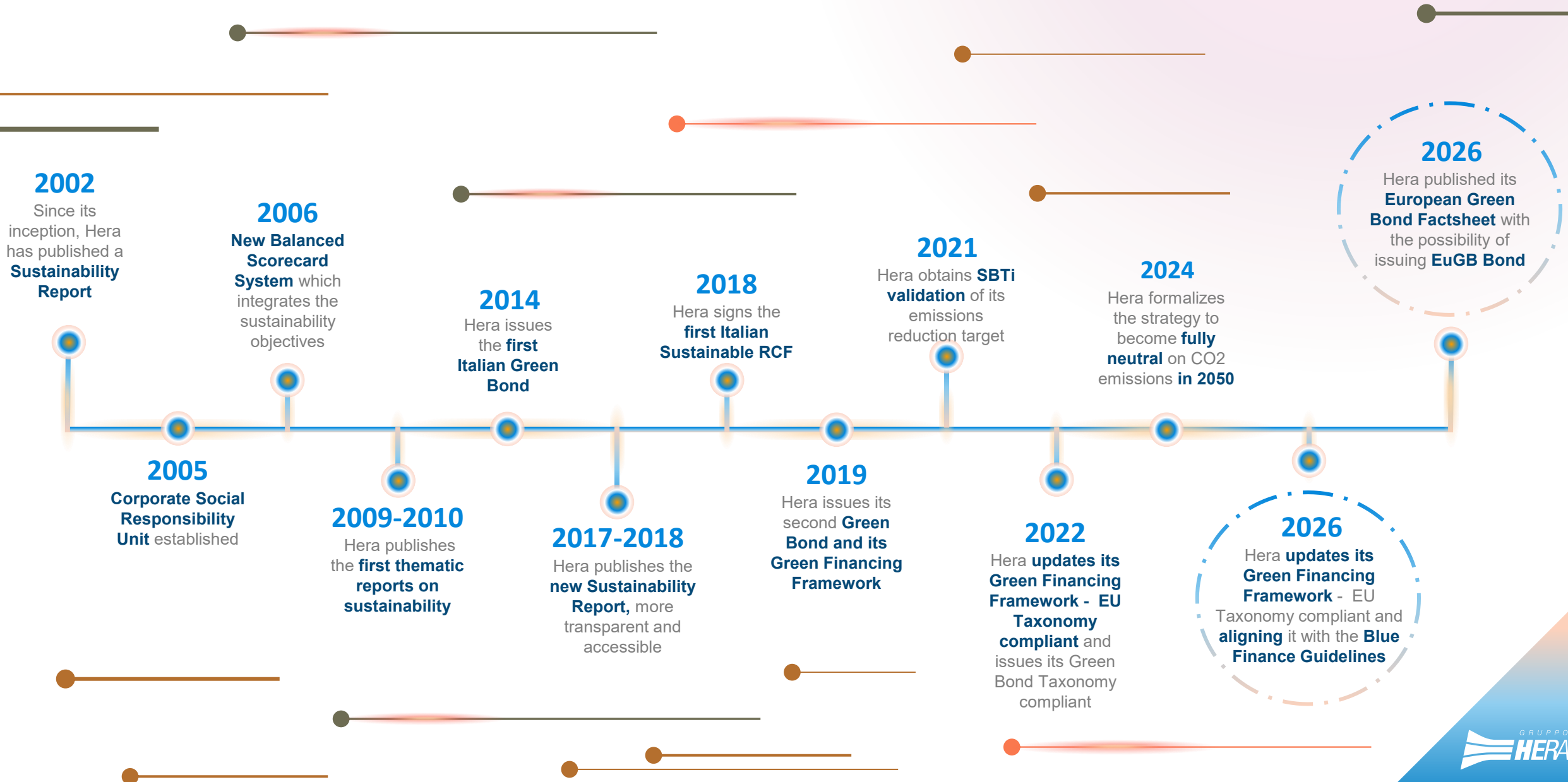
Hera Sustainability strategy



Sustainability at Hera in pills

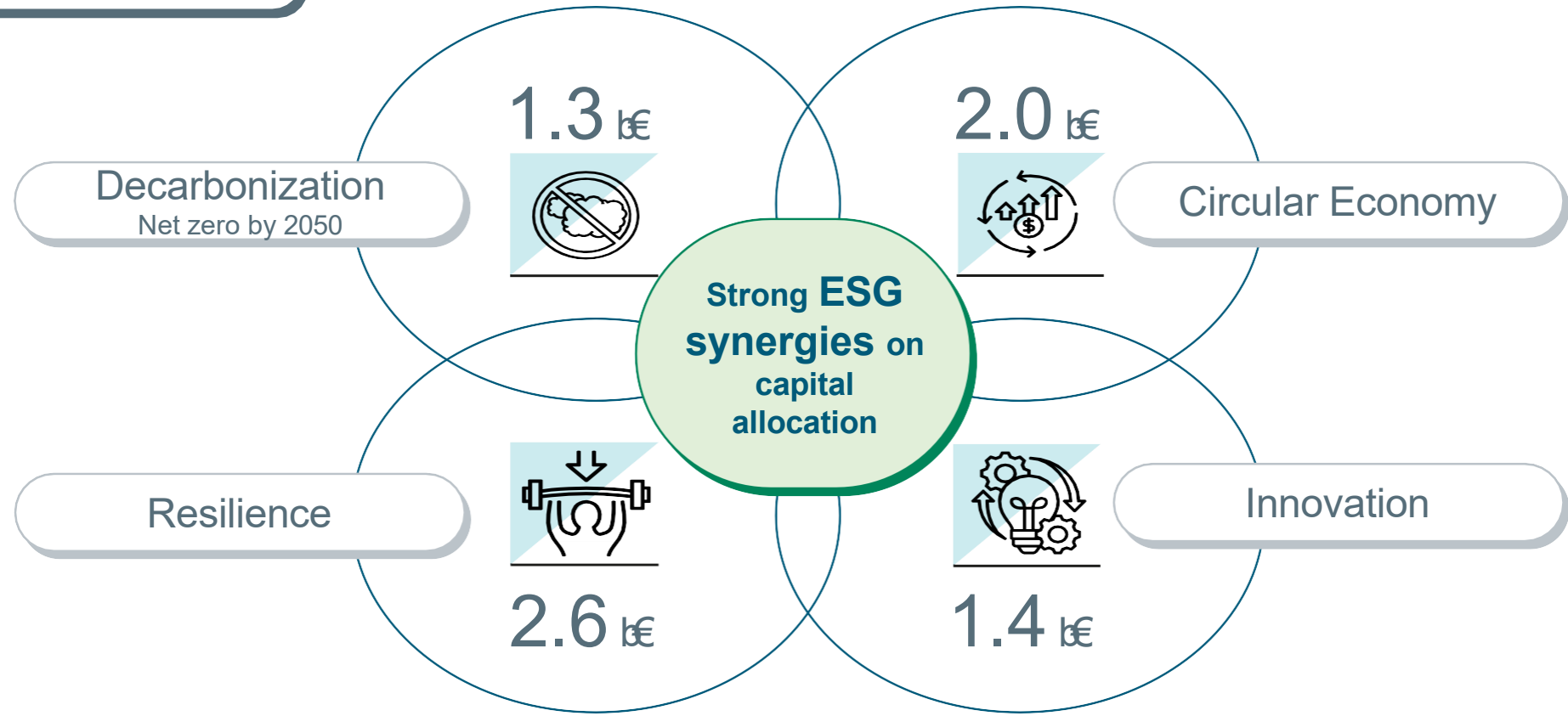


Past, present and future with a sustainable DNA



Be Sustainable

Capital Plan (b€)



Sustainability to create value

Hera's Green Financing Framework

- ❖ In 2026 Hera has updated its Green Financing Framework (GFF) to align it with the **European Taxonomy and best market practices**, and, subsequently harmonising it in 2025 with the new **European Green Bond Standard**.
- ❖ Hera's Green Financing Framework (GFF) includes **16 economic activities aligned with the EU Taxonomy** including integrated water management, recycling and recovery operations, renewable energy generation, and the development and management of district heating and cooling networks. These activities are eligible for financing through Green Bonds issued by the Hera Group.

2019

The first version of the GFF was published in 2019 aligned with the **ICMA principles**.

2022

Hera has updated the GFF to align with the **European Taxonomy and market best practices**.

2026

Hera has also updated the GFF to harmonise the content with the **EUGB Standard** and to introduce **Blue Finance**.



Link for GFF:

<https://www.gruppohera.it/documents/688182/0/Green+Financing+Framework+2026.pdf/32c4c3a9-ff7b-4a4b-7b50-19ad2094135f?t=1767557037795>

<https://www.gruppohera.it/documents/d/gruppohera/spo-hera-green-financing-framework-pdf>

Hera's EU Green Bond Factsheet

100% EU Taxonomy

Hera will allocate **100% of the proceeds** to activities fully aligned with the EU Taxonomy.

Programmatic Factsheet

Hera has published a **programmatic factsheet** to support more issuances of EU GB Bond.

Use of Proceeds

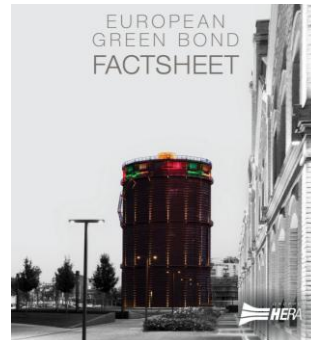
The Factsheet plans to finance and refinance **Fixed Assets, Capex and Opex relating to the activities included in the GFF.**

Initial Launch

In **January 2026**, Hera published its first **European Green Bond Factsheet**.

Green Bond Report

Hera will publish an annual **Allocation Report** and **Impact Report** until full allocation.



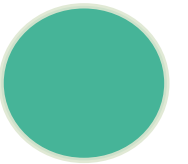
Link for EUGB Factsheet:

<https://www.gruppohera.it/documents/688182/0/European+Green+Bond+Factsheet.pdf/ca999e7a-89b3-2d86-782e-37c72e25d323?t=1767557720039>

<https://www.gruppohera.it/documents/d/gruppohera/spo-hera-european-green-bond-factsheet-pdf>

Achievements from S&P's

Overall: «Medium Green»



Sustainable water and wastewater management

Dark to Medium Green



Circular economy and pollution prevention and control

Dark to Medium Green



Energy efficiency and infrastructure

Dark to Medium Green

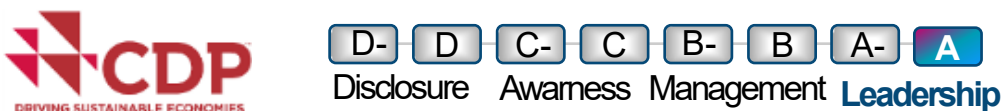
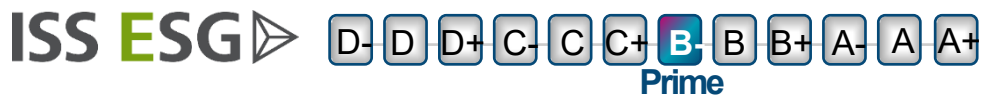
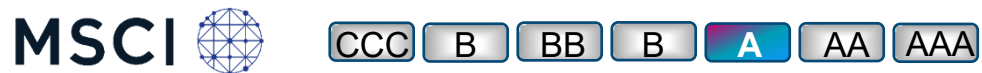


GFF & EU Factsheet alignment:

- ✓ European Green Bond Standard
- ✓ Green Bond Principles, ICMA, 2025
- ✓ Green Loan Principles, LMA/LSTA/APLMA, 2025
- ✓ Guidelines for Blue Finance, IFC, 2025
- ✓ Regulation (EU) 2023/2631

S&P Global Rating has issued a Second Party Opinion (SPO) and an external review on the Green Financing Framework and the European Green Bond Factsheet confirming Hera's excellent sustainability strategy with an overall rating of "Medium Green".

Excellent leadership in ESG performance



In 2025, Hera is in the **Top 10** and the **first multi-utility in the world** in the ranking drawn up by Refinitiv on the promotion of diversity, inclusion and people development



Hera continues to be included in the index drawn up by **Bloomberg** which measures the performance of global companies on policies in the field of inclusion



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 2025, Hera once again achieved a **podium ranking (second place)** for the fifth year in a row for integrating ESG principles into corporate strategies.



Equileap included Hera in the **global Top 10 in the Utilities sector**

Hera's EU GB Potential Allocation

Categories of Eligible Green Projects	EU Economic Activities	ACTUAL 2024	ACTUAL 2025	EXPECTED 2026	Shares
Sustainable water and wastewater management	5.1 Construction, extension and operation of water collection, treatment and supply systems	31,215,699 €	79,817,640 €	40,979,940 €	30.4%
	5.3 Construction, extension and operation of waste water collection and treatment	2,351,113 €	95,915,941 €	36,056,036 €	26.9%
	Sustainable water and wastewater management's Total	33,566,812 €	175,733,581 €	77,035,976 €	57.3%
Circular Economy & Pollution prevention and control	5.5 Collection and transport of non-hazardous waste in source segregated fractions	6,858,320 €	40,460,984 €	36,394,447 €	16.7%
	Circular Economy & Pollution prevention and control's Total	6,858,320 €	40,460,984 €	36,394,447 €	16.7%
Energy Efficiency and Energy Infrastructure	4.1 Electricity generation using solar photovoltaic technology	0 €	933,715 €	34,950,959 €	7.2%
	4.9 Transmission and distribution of electricity	11,198,140 €	41,373,752 €	22,258,882 €	15.0%
	7.3 Installation, maintenance and repair of energy efficiency equipment	0 €	14,355,016 €	4,879,416 €	3.8%
	Energy Efficiency and Energy Infrastructure's Total	11,198,140 €	56,662,482 €	62,089,257 €	26.0%
Total		51,623,272 €	272,857,048 €	175,519,680 €	500,000,000 €
Green Projects timeline		10.32%	54.57%	35.10%	100%

Refinancing	64.9%
Financing	35.1%

Closing remarks

Solid FY2025 and Q1 2026 results

Conservative Net Debt / Ebitda at 2.6x

Focus on Sustainability Funding

New Green Financing Framework & EU Factsheet

Thank you

