

## 1.05 SHARE PERFORMANCE AND INVESTOR RELATIONS

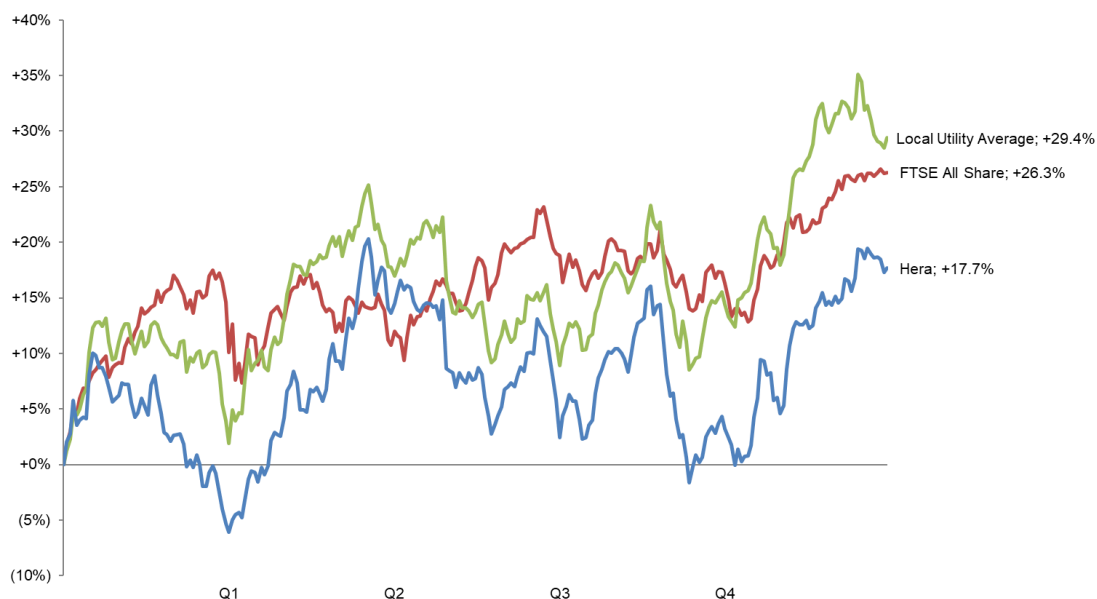
**Financial markets recover the losses seen in 2022**

In 2023, all main stock markets performed positively, recovering from the heavy losses seen during the previous year, impacted by the energy crisis triggered by the conflict in Ukraine and the end of expansionary monetary policies. Even in a context in which central banks continued the cycle of rate increases to control inflation, investors looked favourably towards both the reduction in energy commodity prices, as the crisis gradually normalised, and the macroeconomic data, which, while pointing towards an economic slowdown, dispelled fears of a deep recession. Indeed, as a reflection of the pandemic period and the more recent Ukrainian conflict, growth continues to be underpinned by expansionary fiscal policies, with investments directed mainly at the energy transition and defence.

**Italian market best in Europe**

Against this backdrop, the Italian FTSE All Share index rose by 26.3% over the period, showing the best performance among the major European stock exchanges, supported by the brilliant performance of banking stocks, whose results benefited from the European Central Bank's interest rate hike. Hera stock closed the year with an official price of 2.976 euro, up 17.7% year-on-year. This positive performance appeared against a higher average figure for local utilities, which benefited from a positive scenario due to their power generation business, which is not a significant activity within Hera's portfolio.

### 2023 HERA STOCK, LOCAL UTILITY SECTOR AND ITALIAN MARKET PERFORMANCE COMPARISON



**Dividend rises to 12.5 cents per share**

Hera's Board of Directors, which met on 21 March 2023 to approve the year-end results for 2022, decided to propose to the Shareholders Meeting a dividend per share coming to 12.5 cents, up 4.2% and consistent with the indications contained in the business plan. Following the approval of the shareholders, given during the Shareholders Meeting held on 27 April 2023, the ex-dividend date was set at 19 June, with payment on 21 June. Hera thus confirmed its ability to remunerate shareholders thanks to the resilience of its business portfolio, which has enabled it to pay steady and growing dividends since its listing.

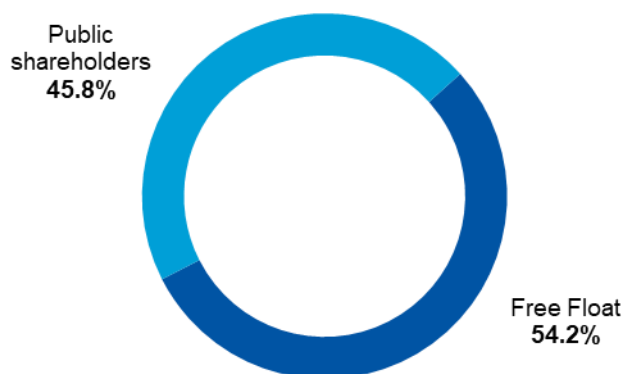
**+281% of total shareholders return since the IPO**

The joint effect of continuously remunerating shareholders through dividends and a rise in the price of the stock over the years allowed the total shareholders return accumulated since the IPO to remain consistently positive and to stand at over +280.7% at the end of the reporting period.

The number of financial analysts covering the stock (Banca Akros, Equita Sim, Exane Bnp Paribas, Intermonte, Intesa Sanpaolo, Kepler Cheuvreux and Mediobanca) increased thanks to the coverage by Banca Akros, which gave a positive opinion, and almost unanimously expressed positive opinions, with

**Consensus target price:** a target price that continued to show significant potential. At the end of the year, the consensus target price came to 3.49 euro, showing a 17.3% upside potential.  
**3.49 euro**

#### SHAREHOLDER BREAKDOWN AT 31 DECEMBER 2023



At 31 December 2023, the shareholding breakdown showed its usual stability and balance, with 45.8% of shares belonging to 111 public shareholders located across the areas served and brought together by a stockholders agreement, renewed for three further years and effective from 1 July 2021 to 30 June 2024, and a 54.2% free float. The shareholding structure includes high number of public shareholders (111 municipalities, the largest of which holds shares amounting to less than 10% of the total) and a large number of private institutional and retail shareholders.

**45.8%**  
**share capital pertaining to the public stockholders agreement**

Since 2006, Hera has adopted a share buyback program, most recently renewed by the Shareholders Meeting held on 27 April 2023 for a further 18 months, for an overall maximum amount of 240 million euro. The purpose of this program is to finance M&A opportunities involving smaller companies, and smoothing out any abnormal market price fluctuations vis-à-vis those of the main comparable Italian companies. As of 31 December 2023, Hera held 45.8 million treasury shares.

**Treasury share plan approved**

The Group continued to engage in intense communications with financial market players in 2023. After presenting the 2022-2026 business plan, the Group's top management took part in a road show to meet with investors in the main financial centres and update them on business trends and future prospects. Following the renewal of the Board of Directors, the new management was immediately willing to meet analysts and investors, and participated in important conferences organised by Italian and international brokers. The intensity of the Group's commitment to dialogue with investors contributes to strengthening its reputation on the markets and constitutes an intangible asset to the benefit of Hera's stock and stakeholders.

**Ongoing communication with the market in 2023 as well**

As regards the information required by article 2428, paragraph 3, subparagraphs 3 and 4 of the Italian Civil Code, concerning the number and nominal value of the shares constituting the share capital of Hera Spa, the number and nominal value of the treasury shares held at 31 December 2023, as well as the changes in these shares during 2023, see note 25 of paragraph 3.02.04 and the statement of changes in equity in paragraph 3.01.05 of the Parent Company's separate financial statements.