



BUSINESS PLAN **2022 - 2026**

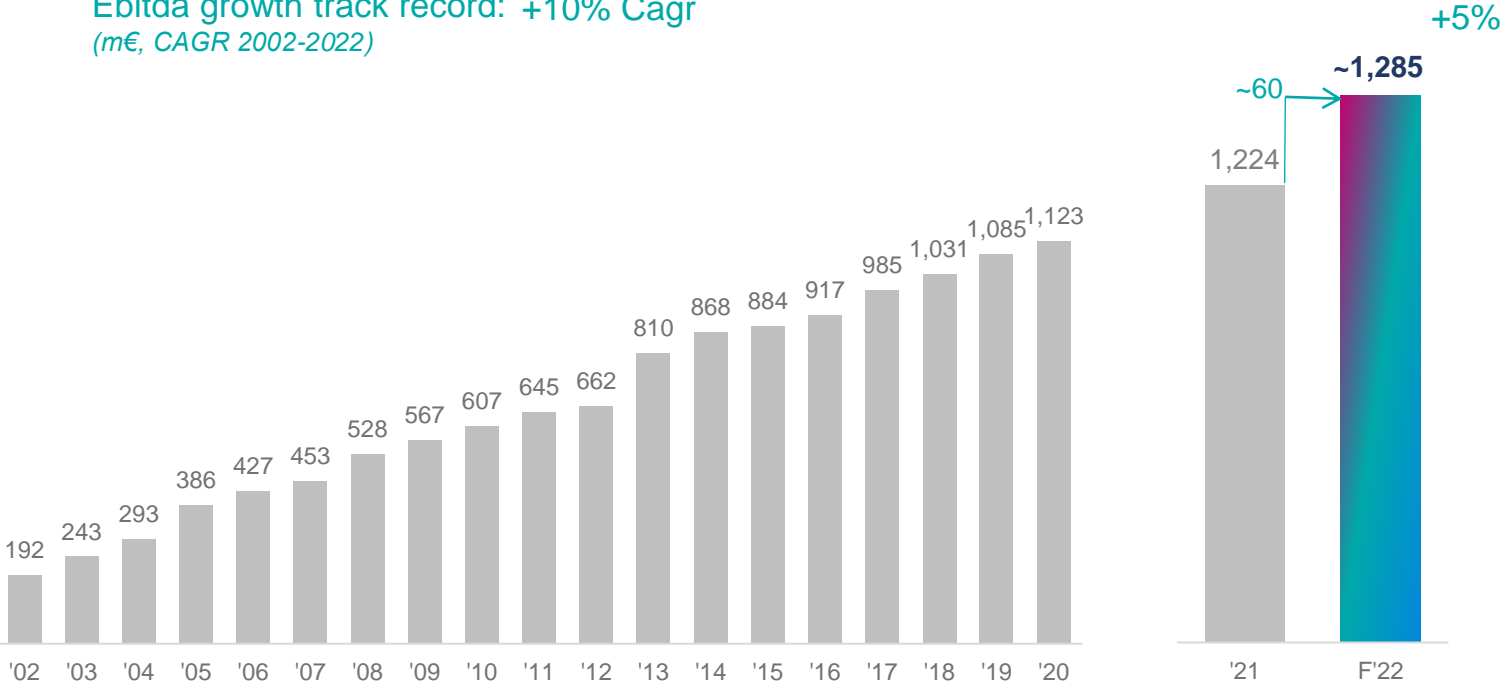


Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

2022 forecast: Keep on growing

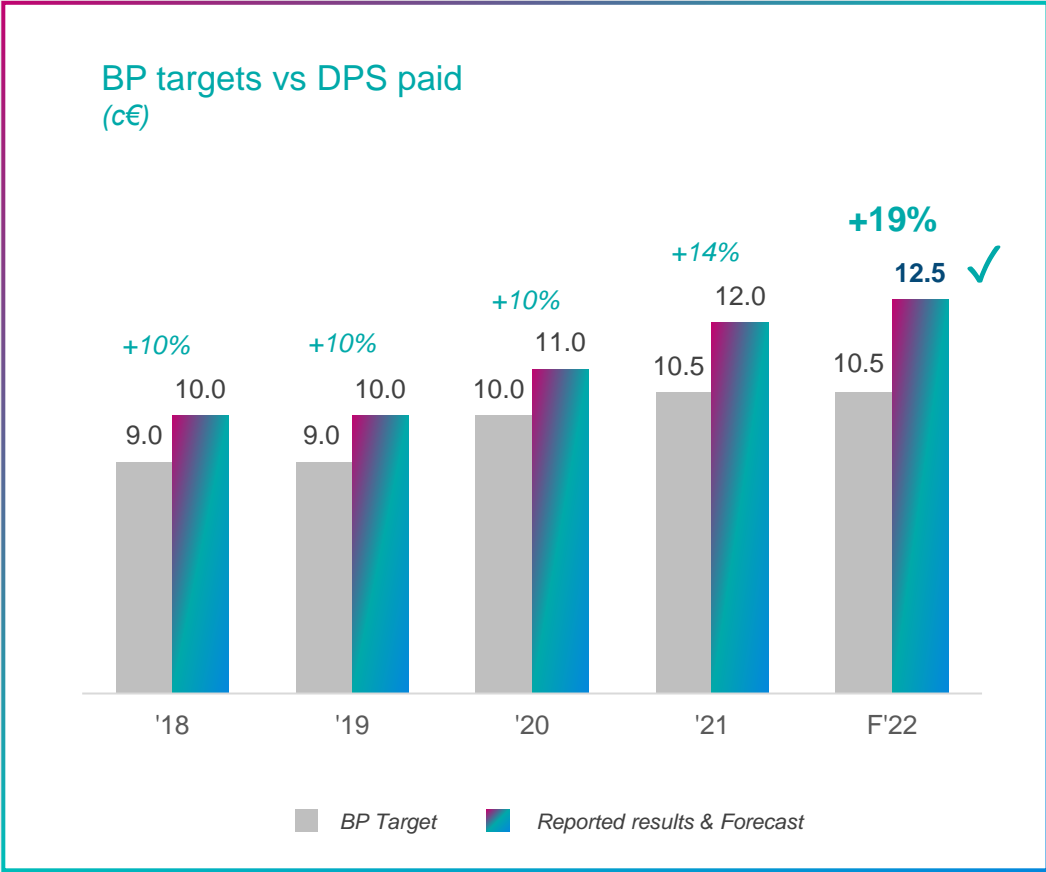
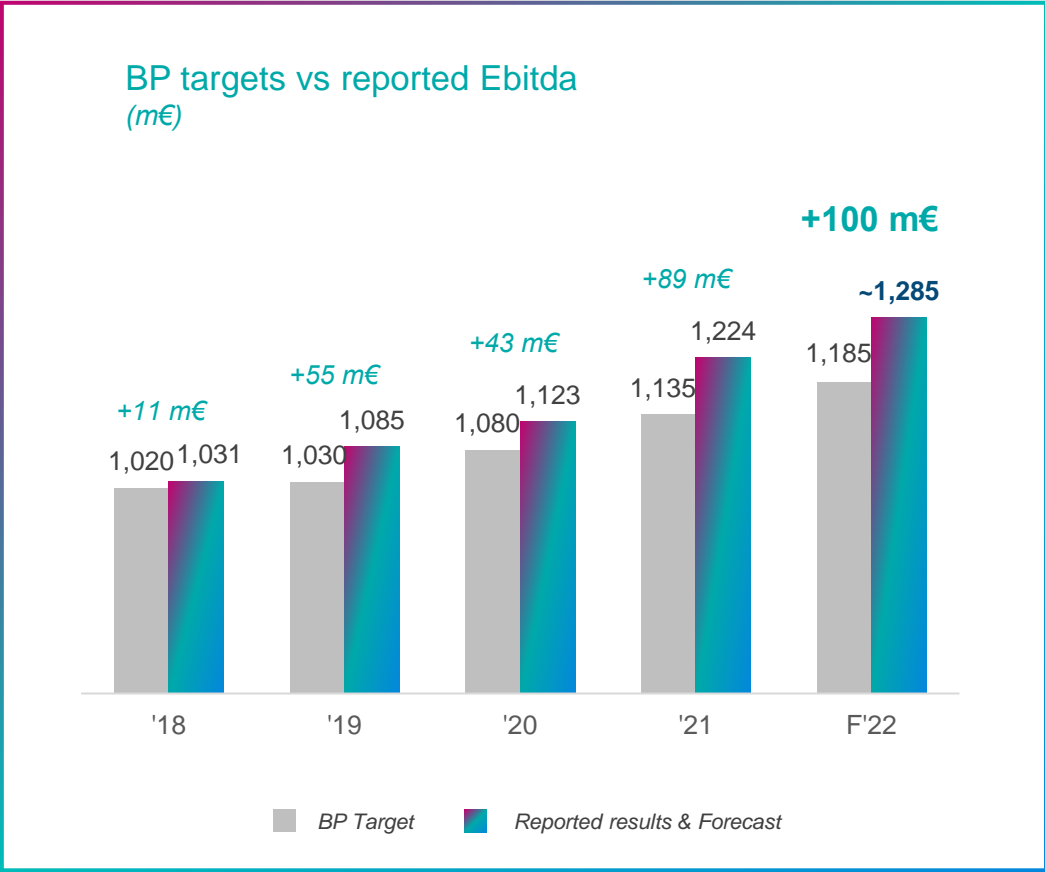
Ebitda growth track record: +10% Cagr
(m€, CAGR 2002-2022)



'22 vs '21 ↑	Waste Strong performance benefitting market scenario
'22 vs '21 ↑	Networks Quality premiums and capex more than offset Wacc cut
'22 vs '21 ↑	Energy Underpinned by energy efficiency and last resort mkt
'Y22 vs '3Q'22 ↓	Debt/Ebitda 3.3x (vs 3.6x 3Q'22) following gas storage seasonality

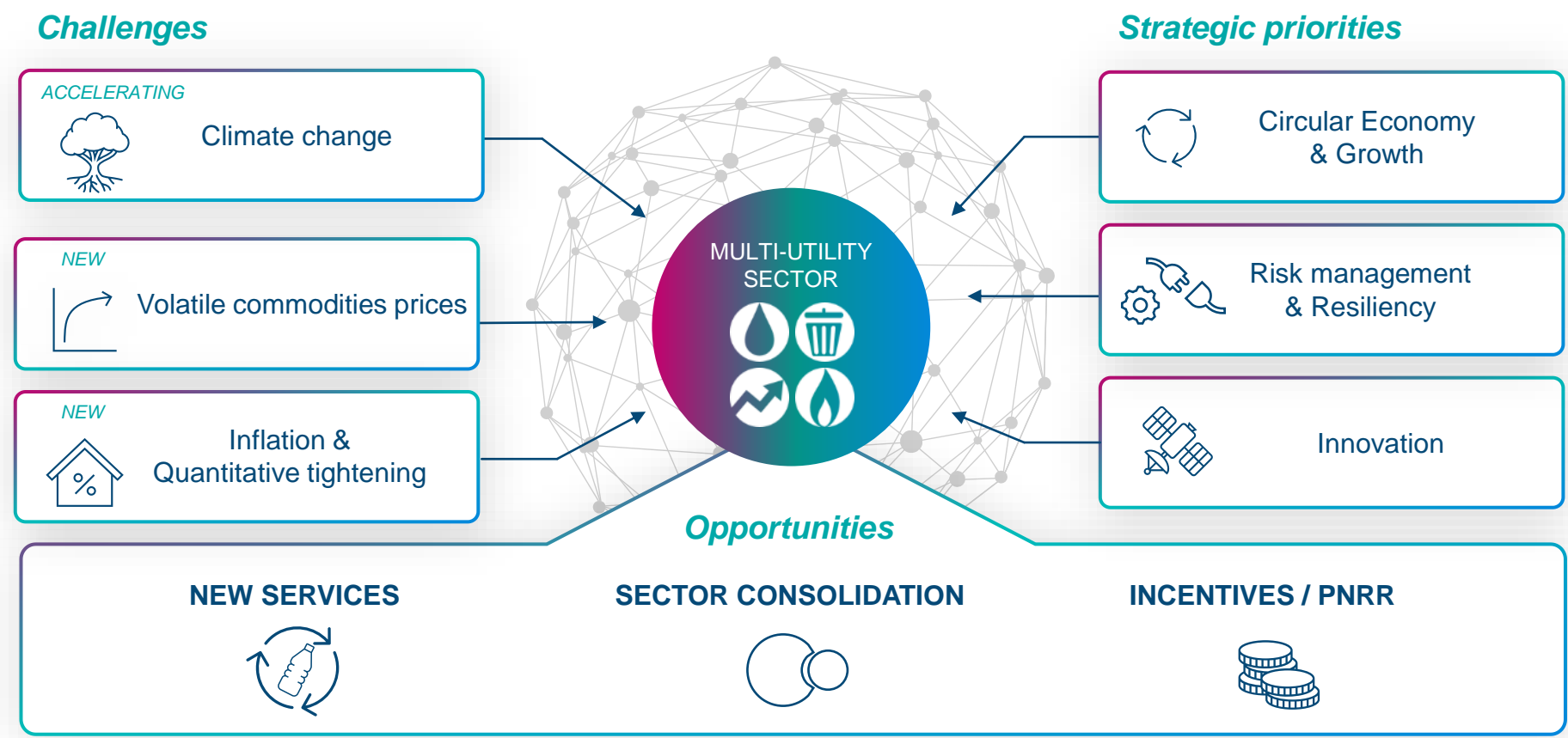
Results backed by resilient margins in all activities

2022 forecast benchmark



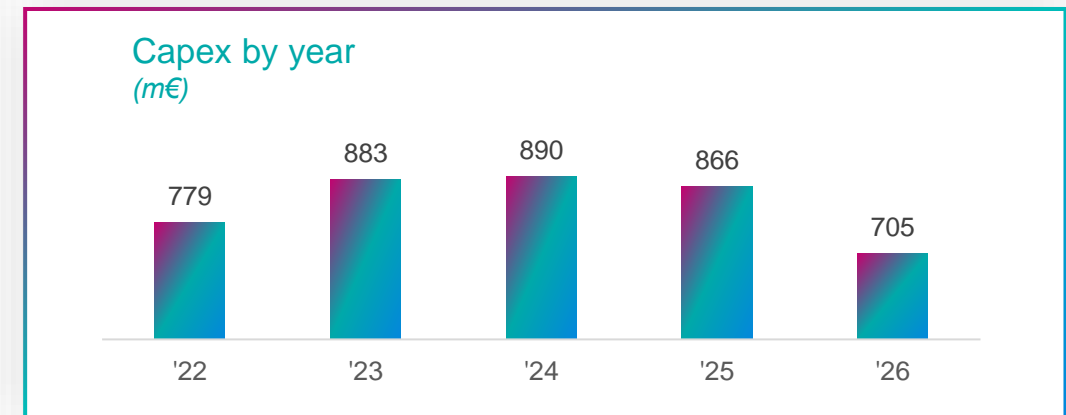
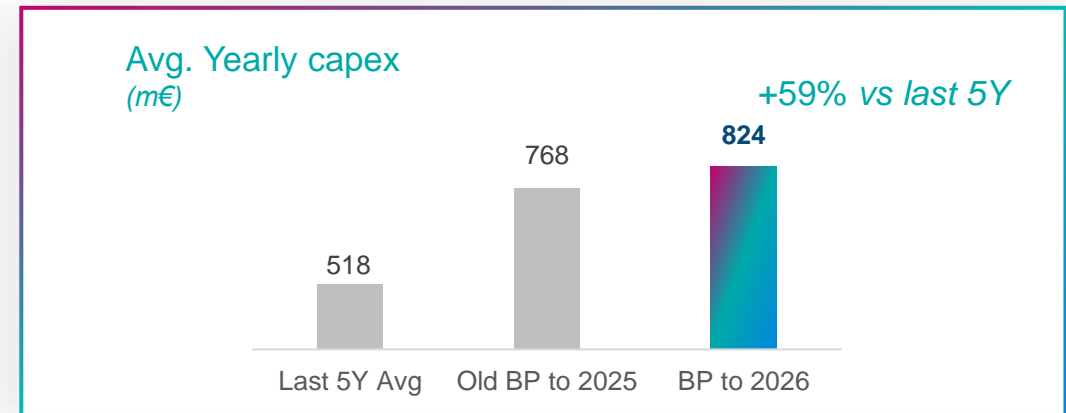
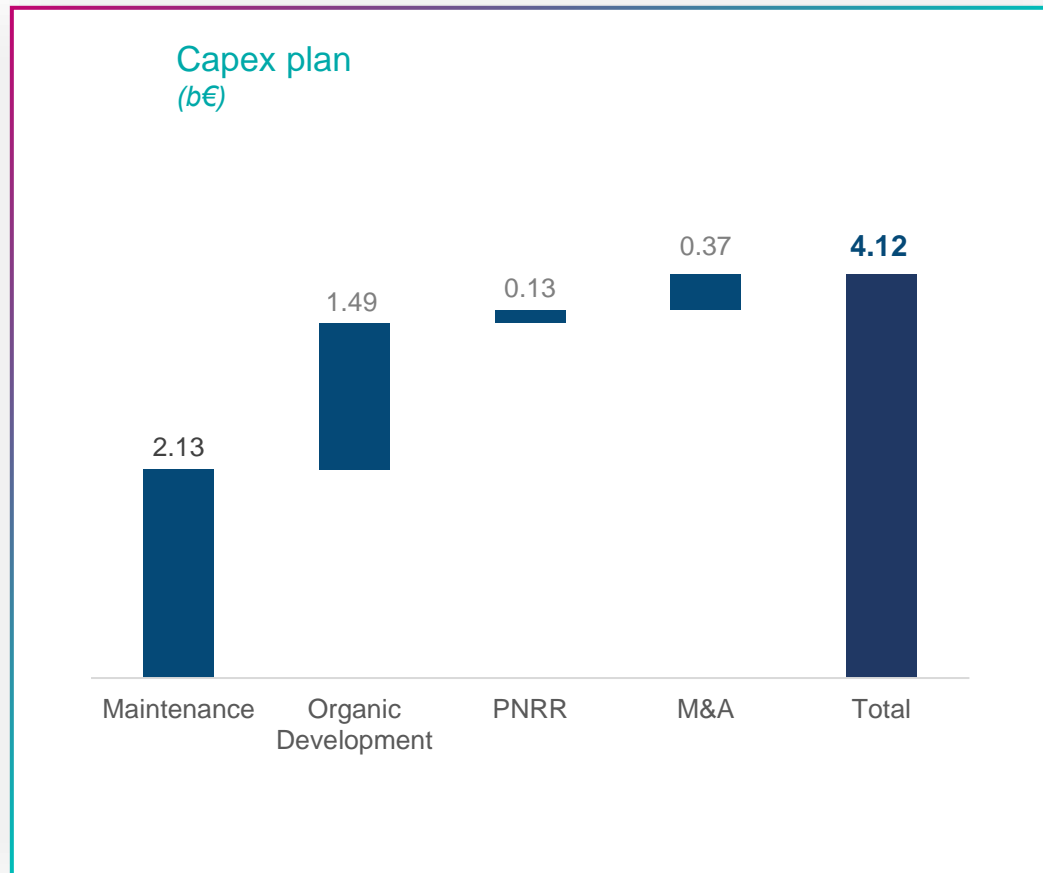
Target outperformance transferred to shareholders

Scenario: new challenges emerged



“Sustainability” demand underpins new expansion potentials

Robust capex plan



Enhanced capex supporting several growth options

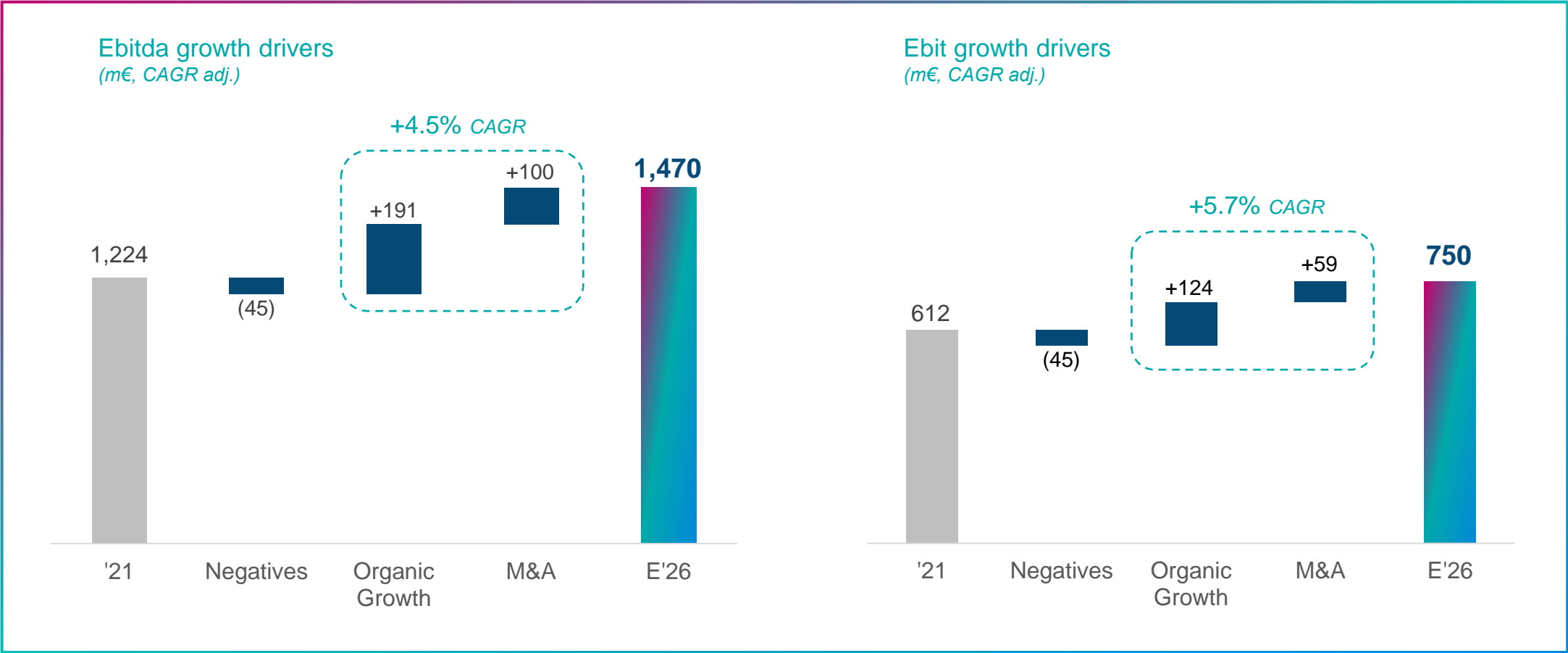
Solutions underpinned by public funding



Projects		Awarded (m€)	Awaiting (m€)	Total potential (m€)	Benefits
Circular Economy		30	96	126	New plants, recovering new materials
Energy transition		36	-	36	Smarter grids lead more efficiency
Energy efficiency		50	-	50	Increased sustainability on District Heating
Territory - Water		20	35	55	Improve productivity
Total		135	131	266	

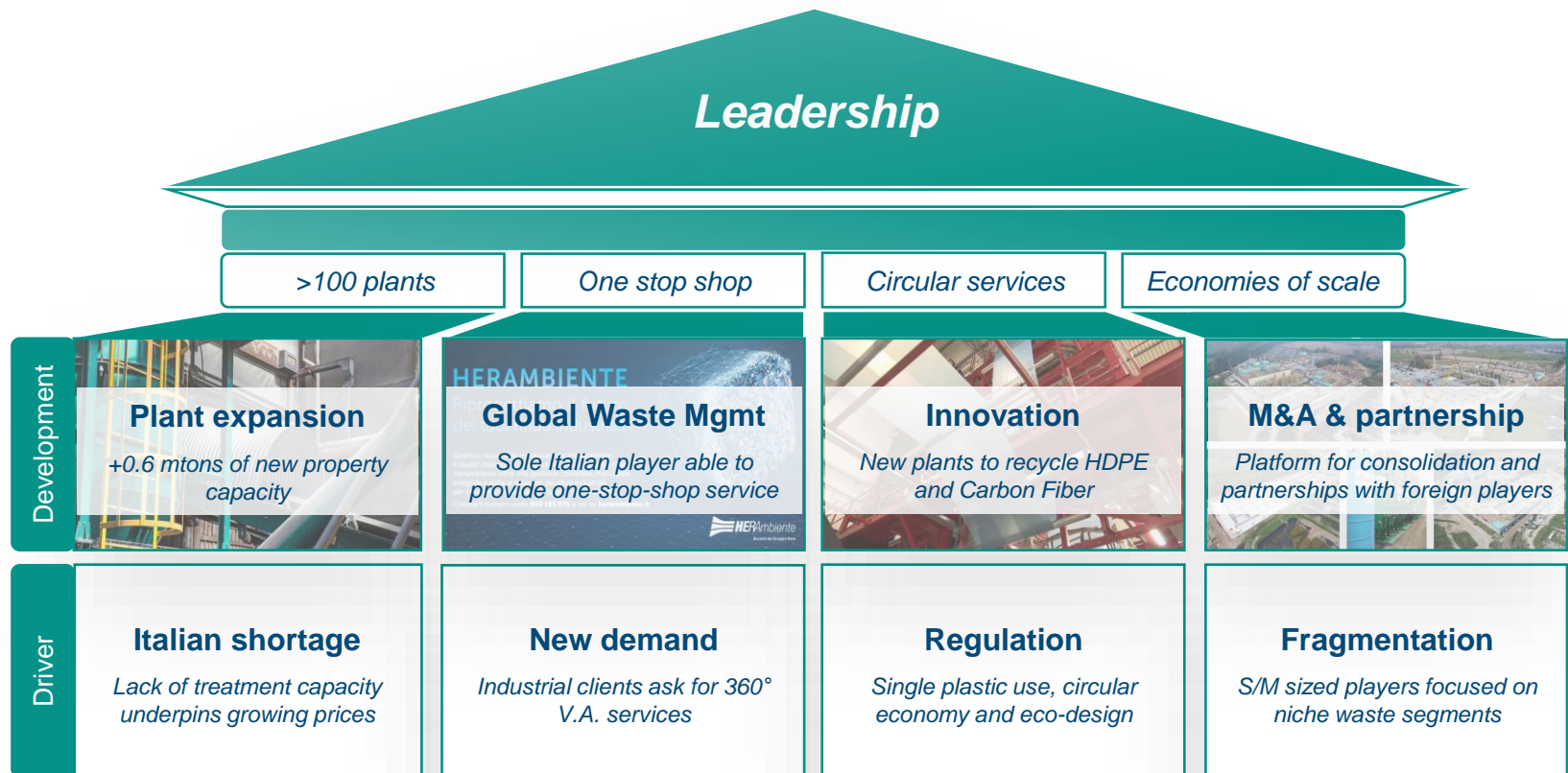
Leveraging on our multi-business platform

Growth drivers to 2026



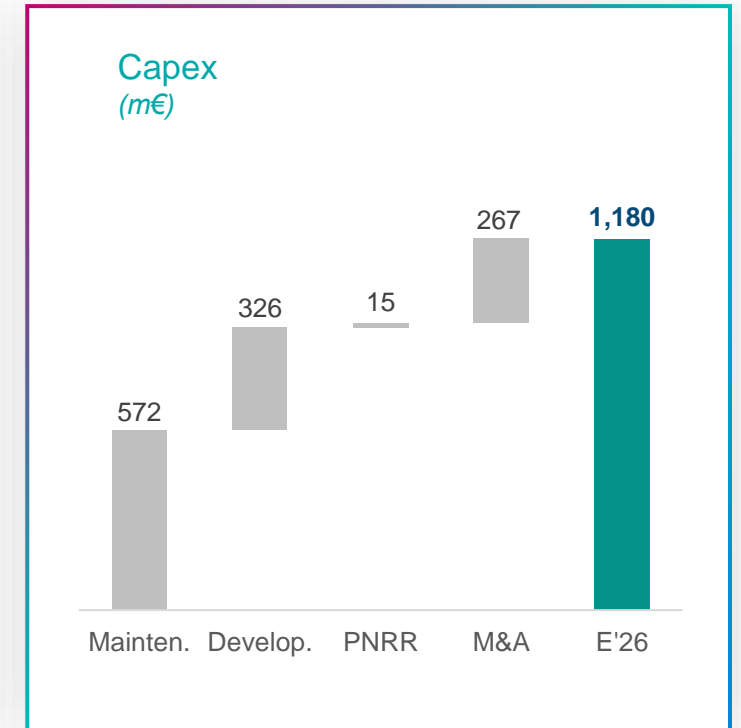
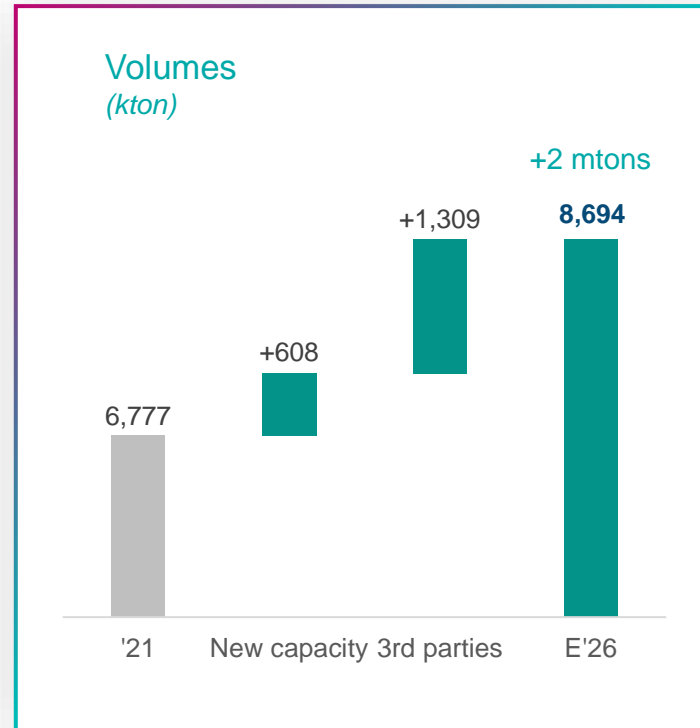
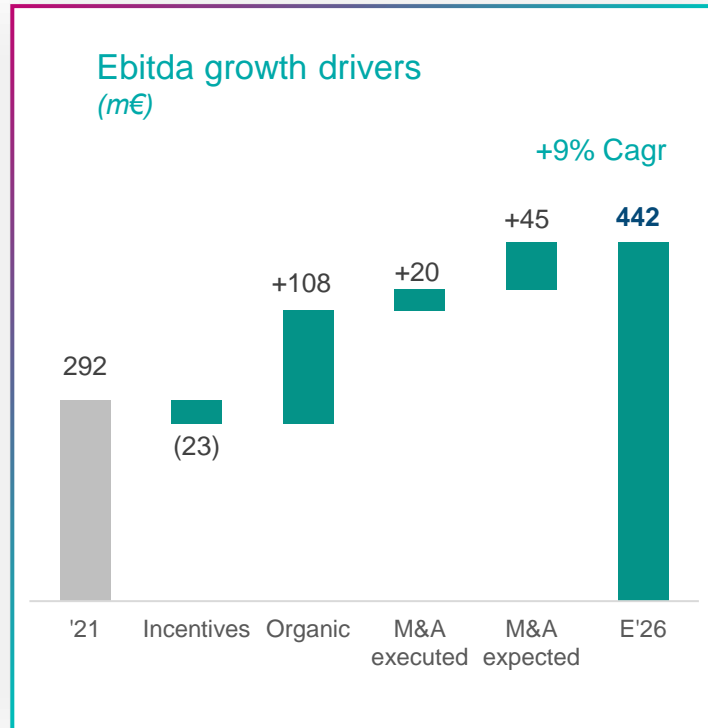
Visible drivers in line with track records

Waste: main contributor to Group's growth



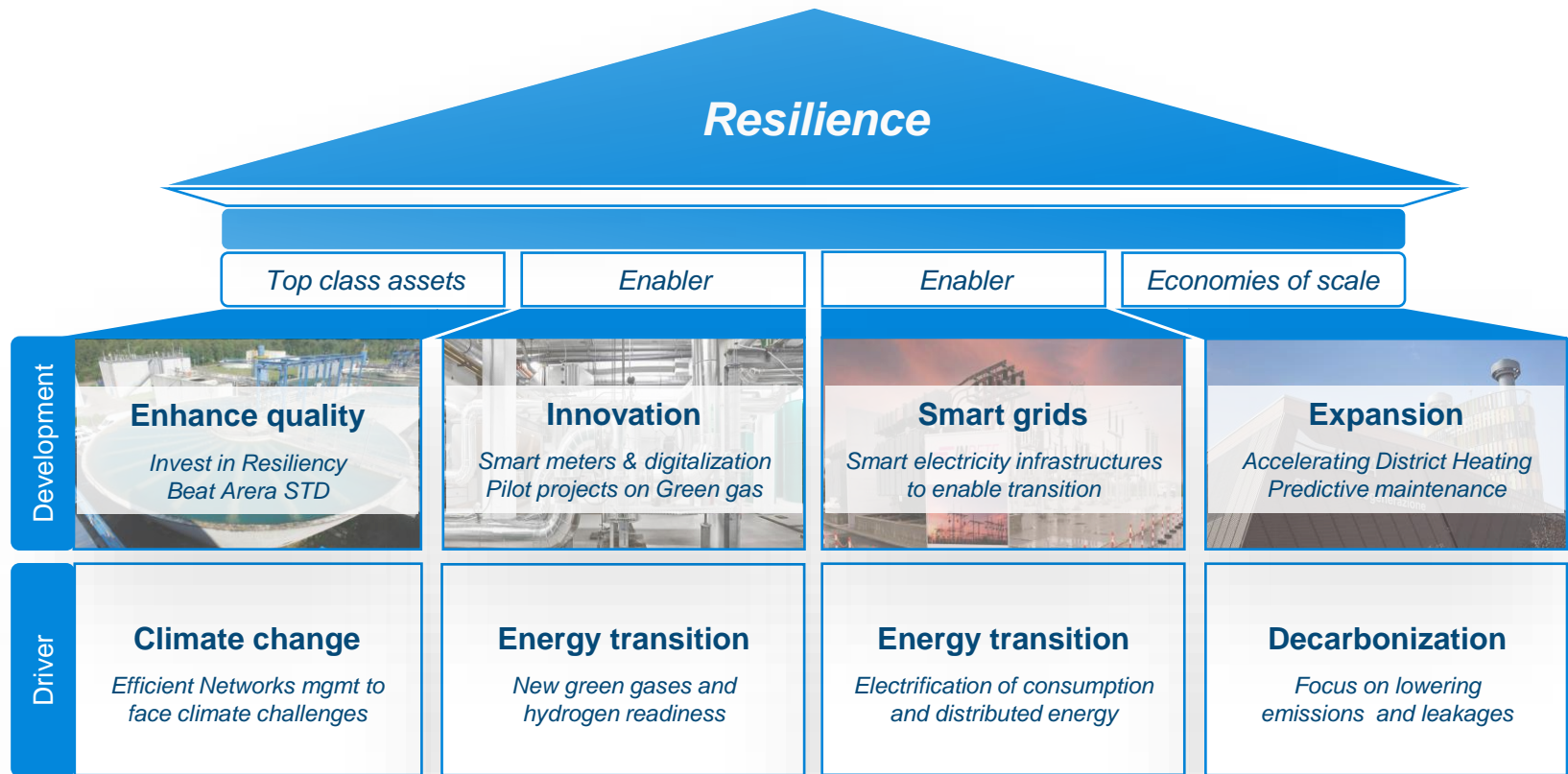
Surfing growing demand leveraging on distinctive know how

Waste targets



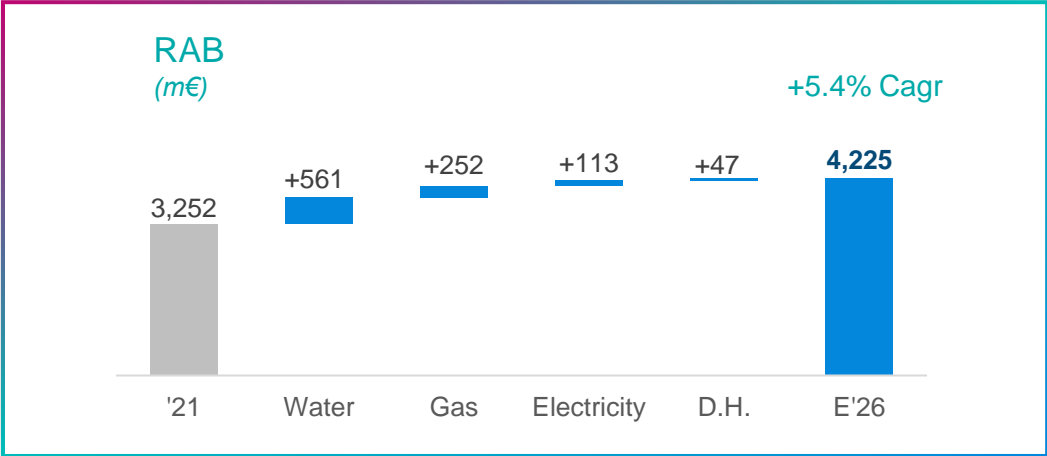
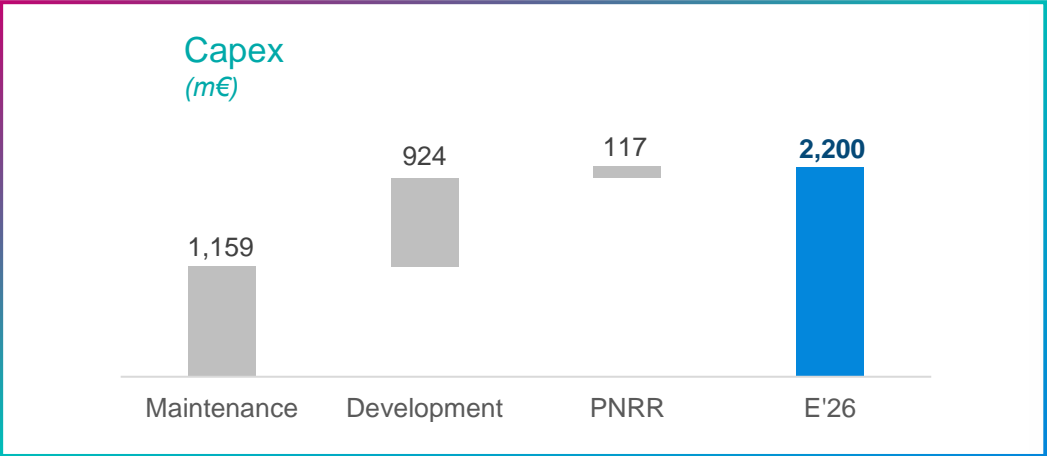
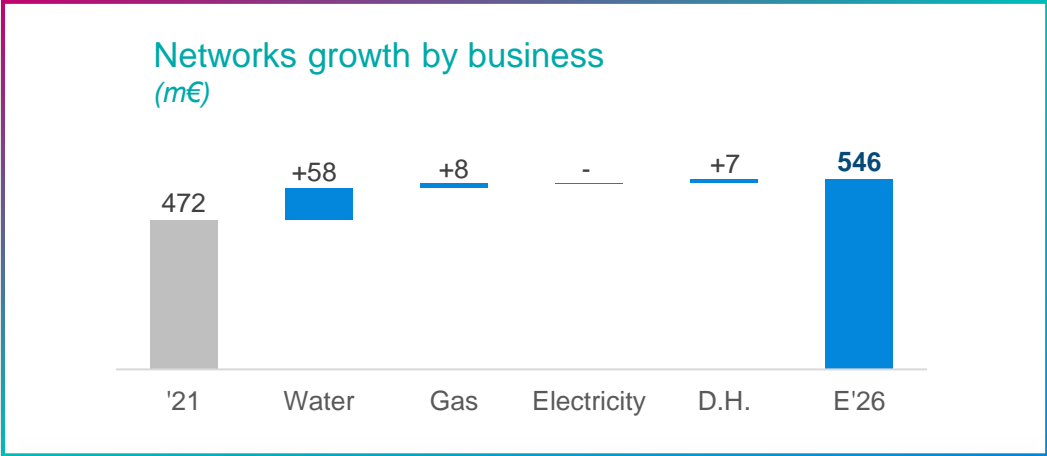
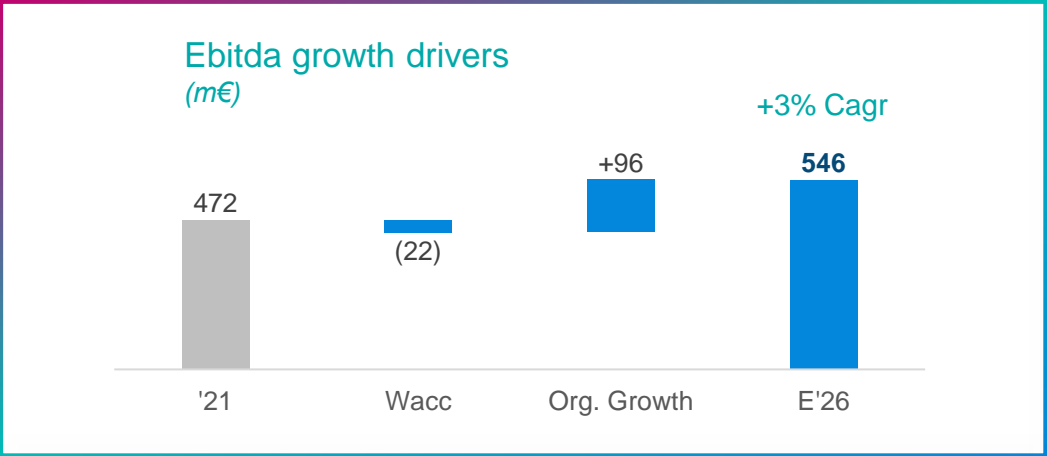
Gaining momentum supported from 360° growth potentials

Networks for transition



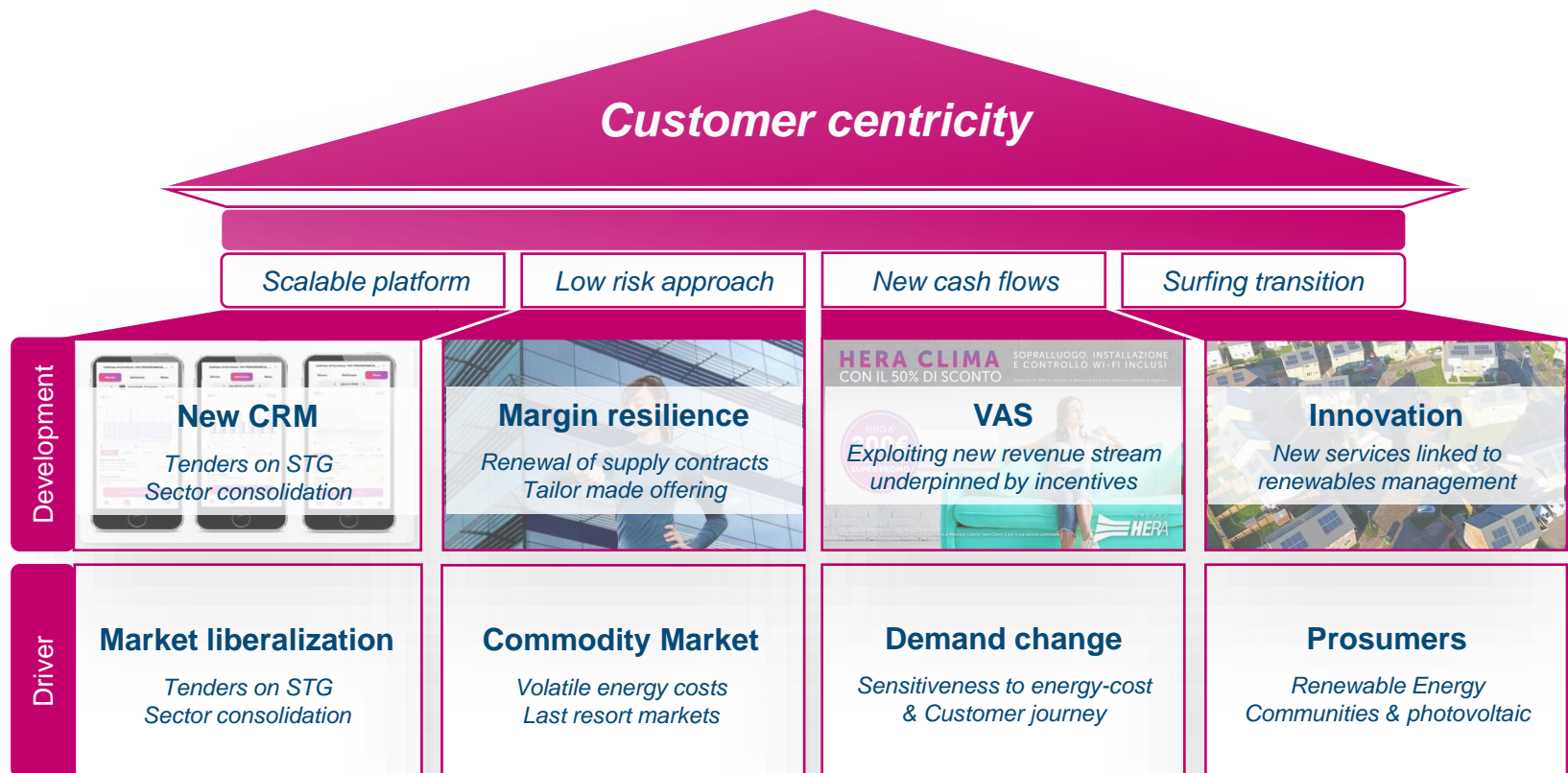
Asset readiness through innovation to enhance resilience

Networks targets



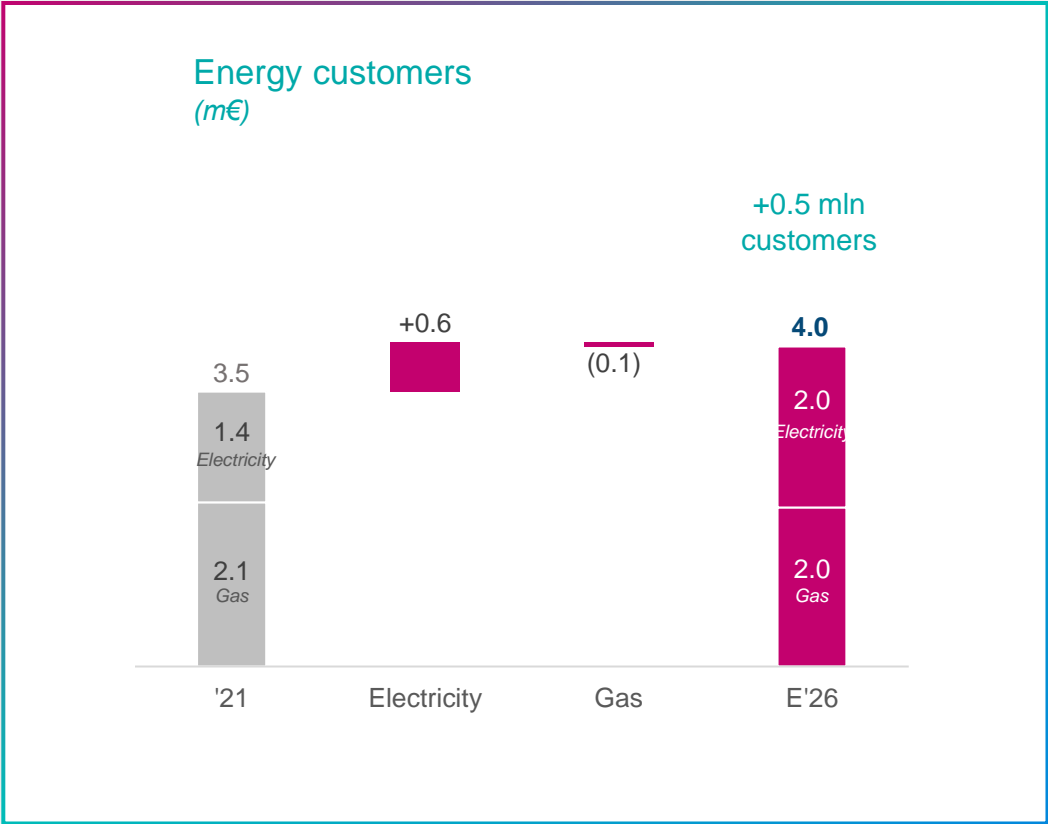
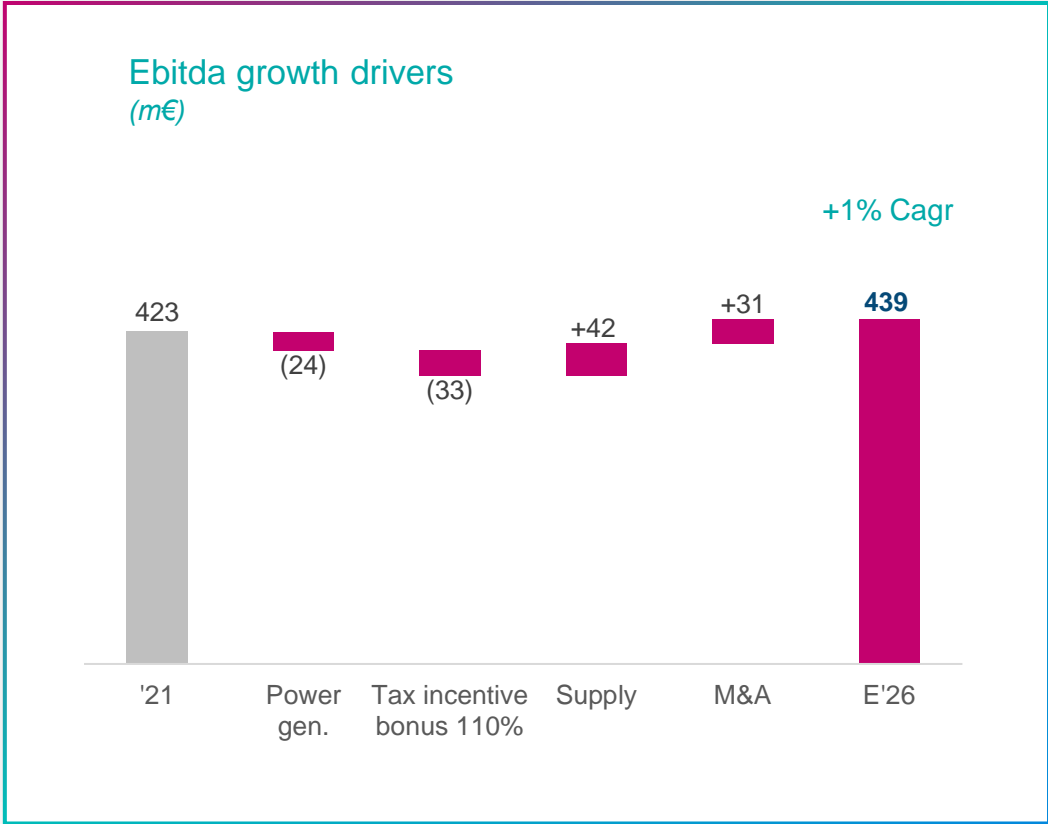
Growth fueled by capex, efficiencies and return protection

Energy: disruptive changes ahead



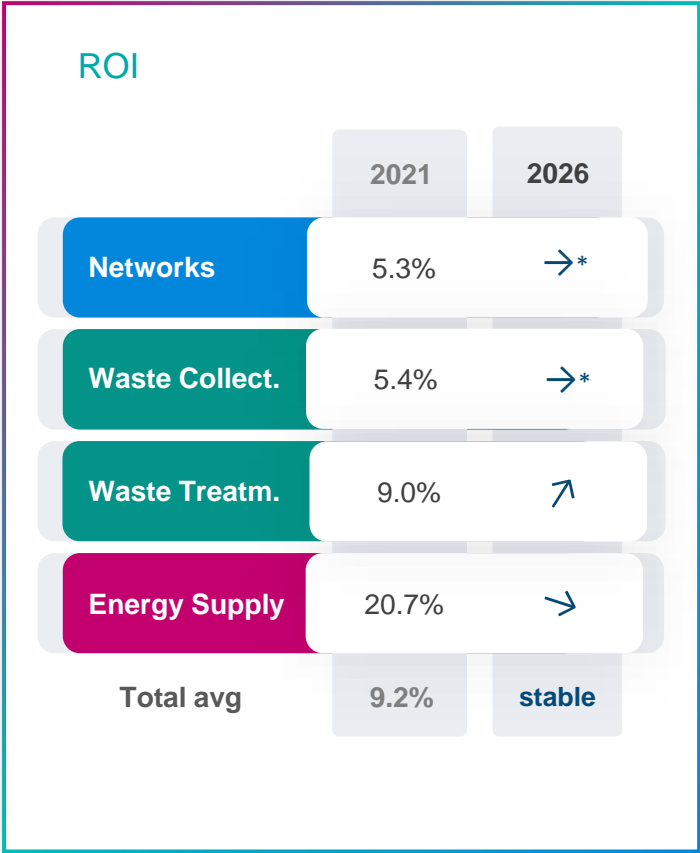
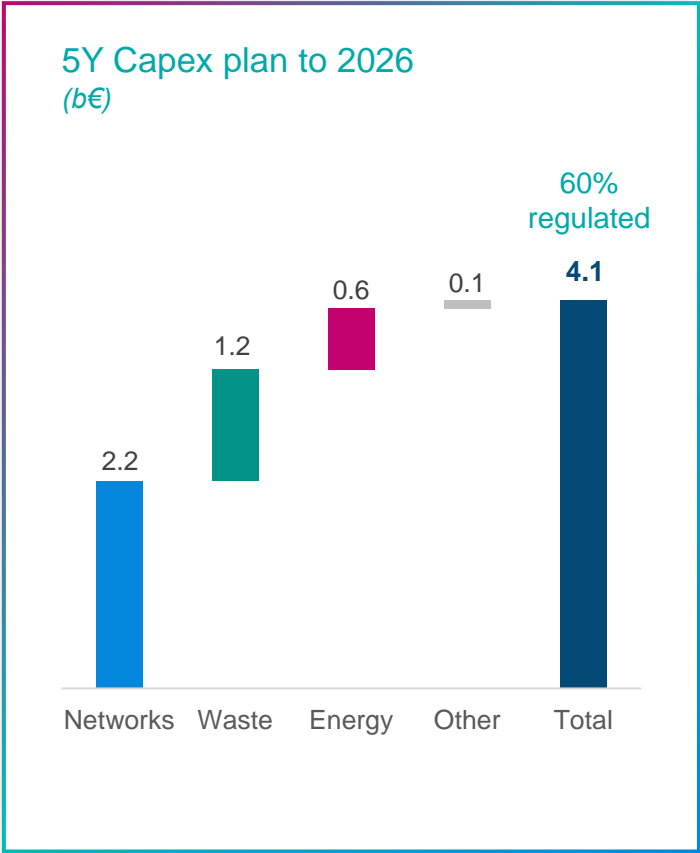
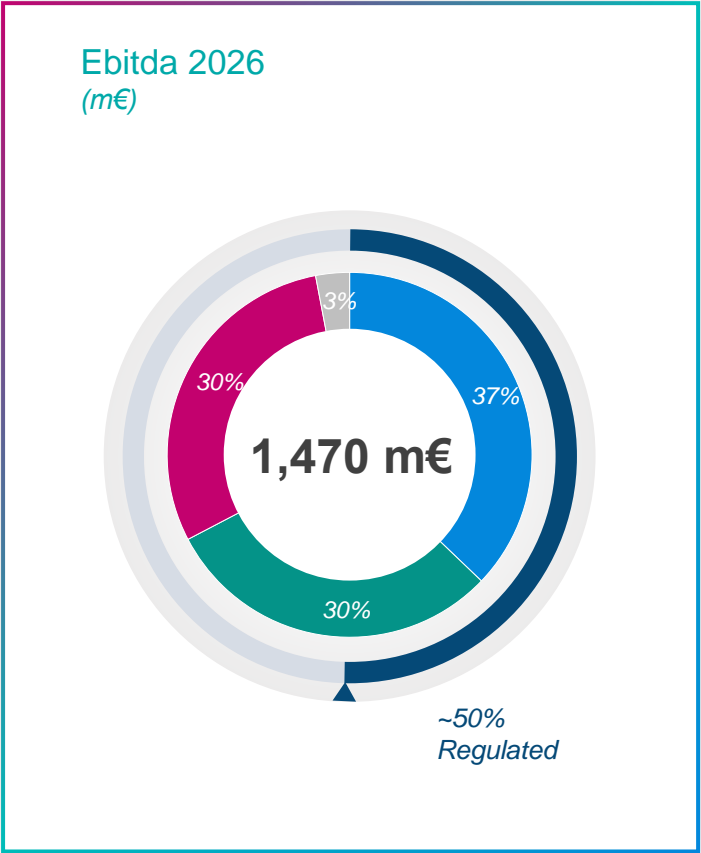
Creating value from our most valuable intangible

Energy targets



Protect margins, normalizing NWC

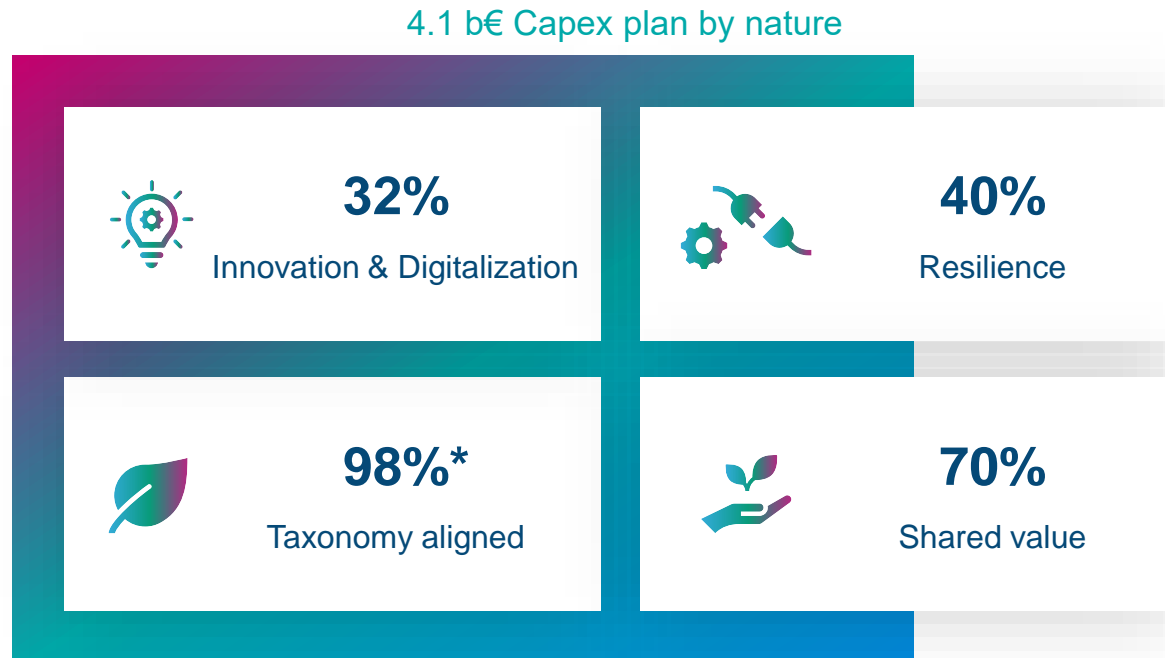
Capex strengthen unique integrated infrastructures



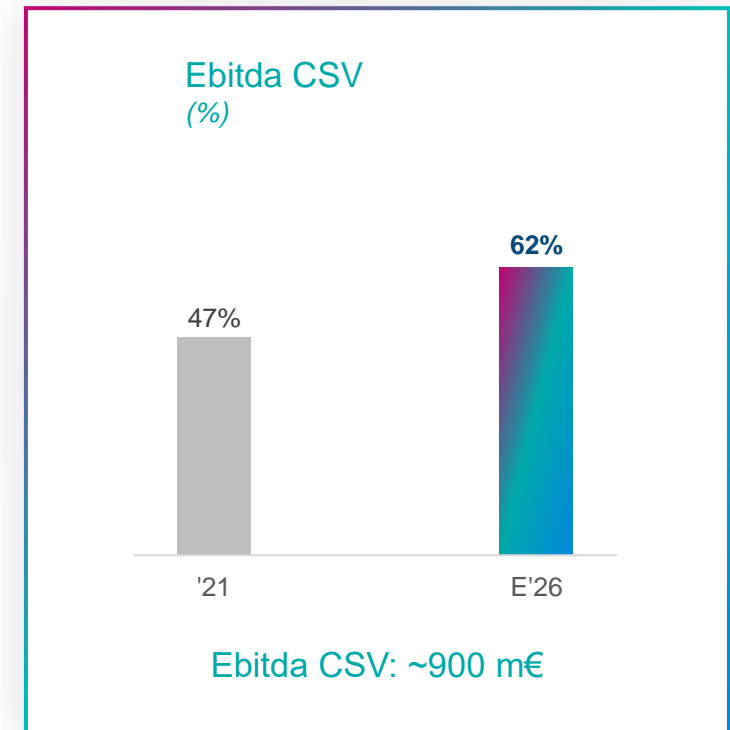
(*) Positive trigger on Wacc review (due to ECB tightening) not embedded in Business plan

Growing assets with lower risk

Capex aligned to macro-trends



* Capex, within Taxonomy scope



Capital allocation focused on sustainability

Sustainable targets and CSV

Carbon neutrality

	2026	2030
<i>SBTi emissions</i> <i>(Scope 1+2+3 vs 2019)</i>	-23%	-37%
<i>Renewable electricity sold</i>	44%	>50%
<i>Group energy consumptions</i> <i>(vs 2013)</i>	-8.6%	-10%
<i>Biomethane produced</i> <i>(mln m³)</i>	12	30

-37% CO2 emissions by 2030



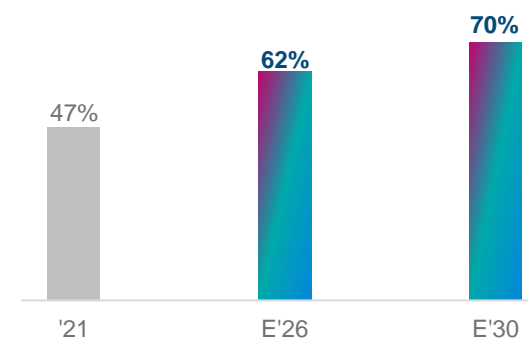
Circular economy

	2026	2030
<i>Plastic recycled</i> <i>(vs 2017)</i>	+102%	+150%
<i>Packaging recycled</i>	73%	>80%
<i>Water reuse</i>	13%	18%
<i>Internal water consumption</i> <i>(vs 2017)</i>	-20%	-25%

+150% recycled plastic by 2030



Sustainability – Ebitda CSV (% of Ebitda)

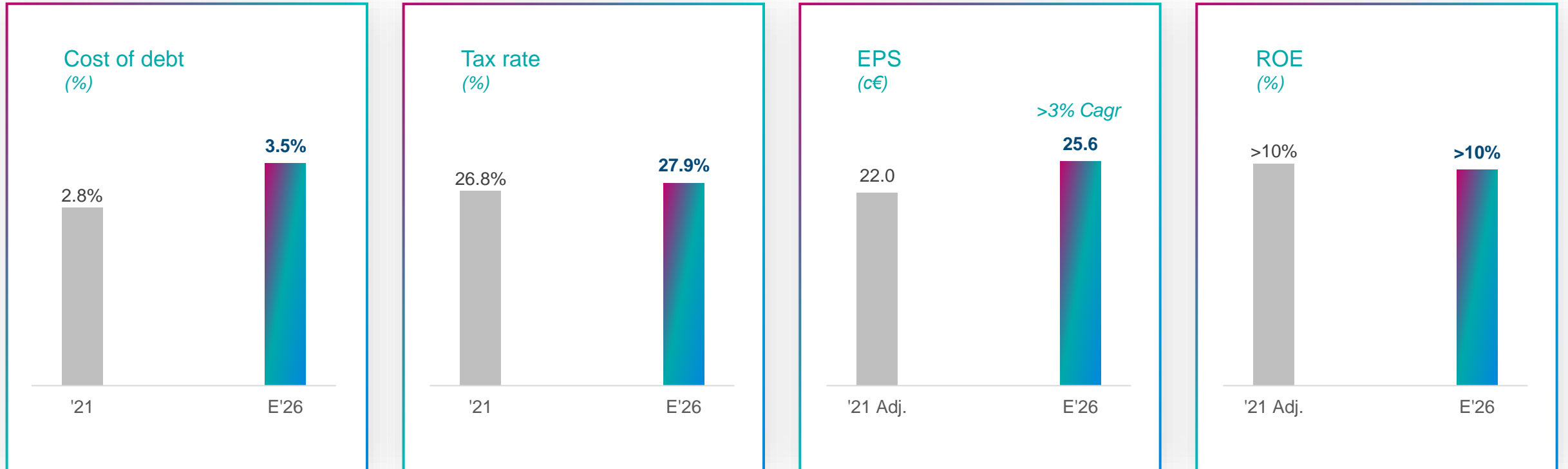


70% Ebitda CSV by 2030



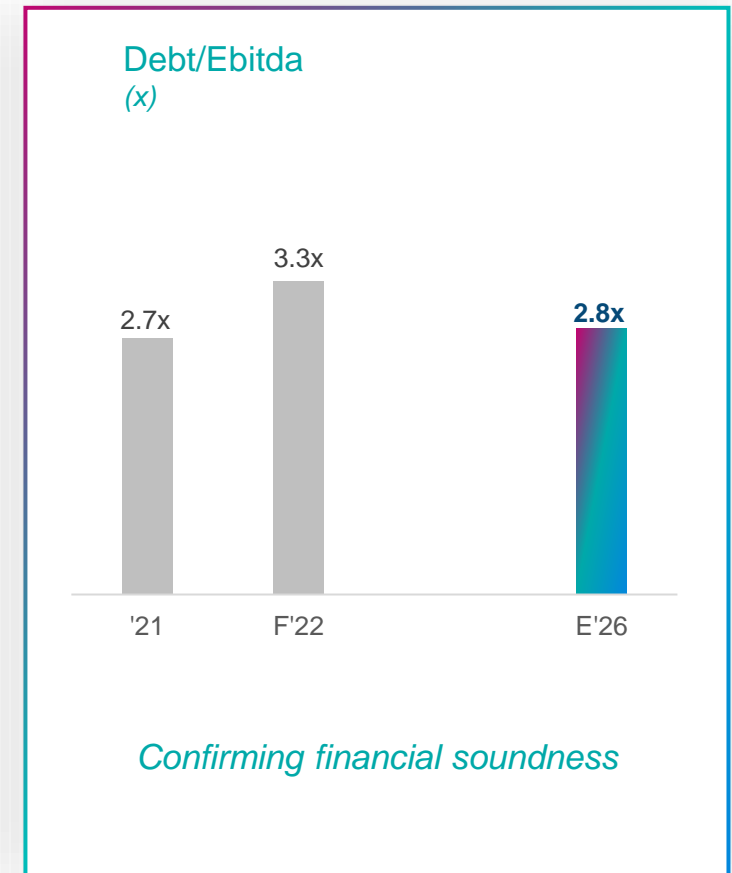
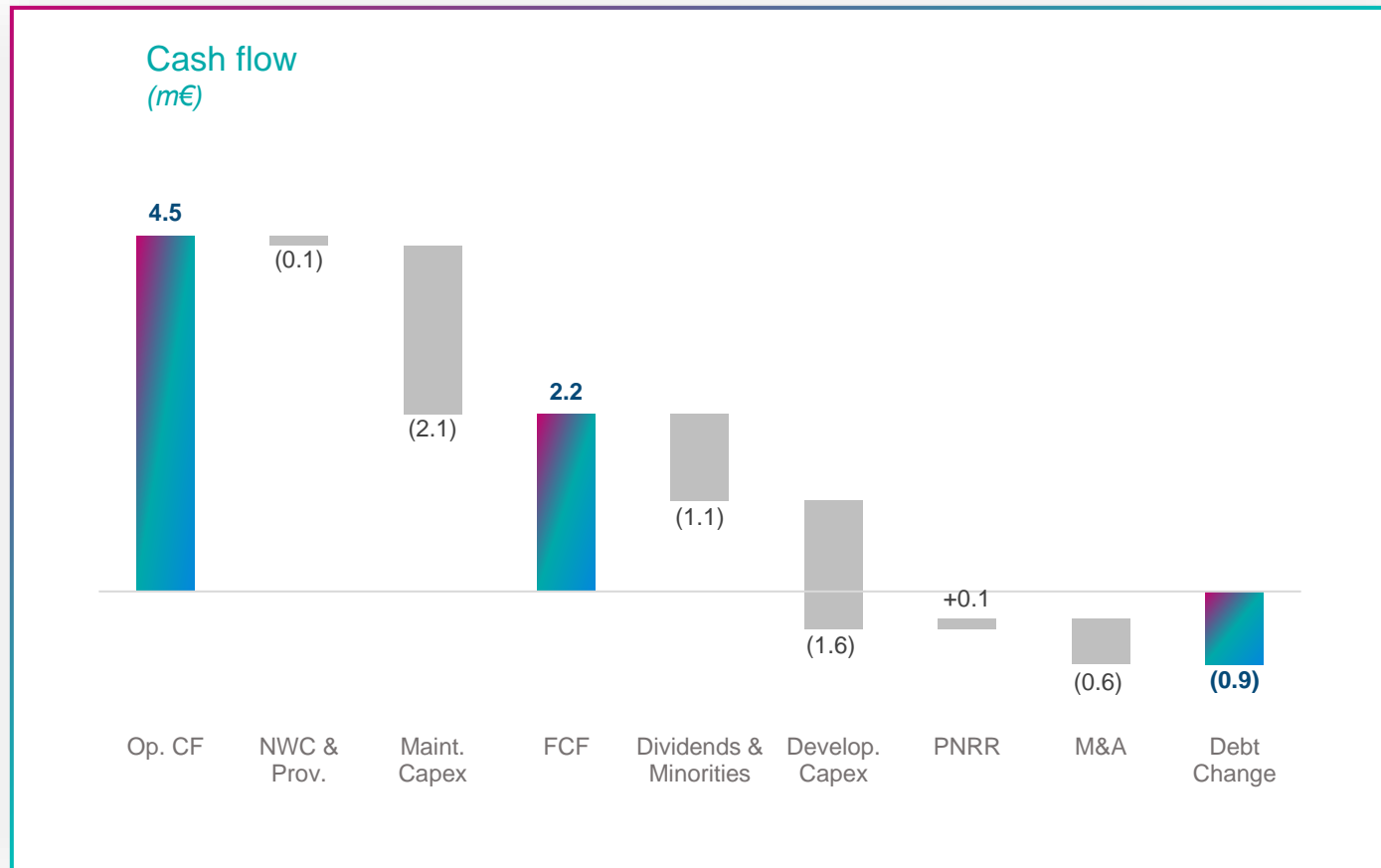
Targets aiming at achieving full sustainability

Below Ebit



ROE confirmed above 10%

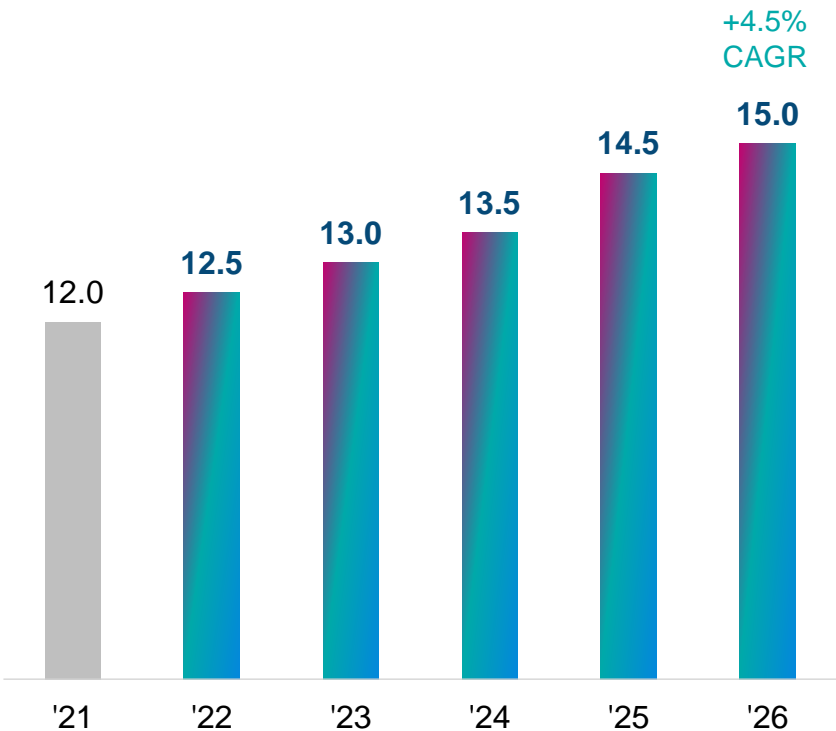
Cash flow and leverage



Strong cash generation to fund growth

Closing remarks

Dividend policy
(c€, floor)



Financials

Forecast Ebitda '22
outperformed
1,285 m€

Solid Ebitda growth to '26
~250 m€

Financial soundness to '26
2.8x in '26

Dividend floor increased to
15c€ in '26

Business portfolio

Rebalanced portfolio
37%-30%-30%
Networks – Waste – Energy

Waste main contributor
to Ebitda growth
+150 m€

Capex plan increased
824 m€
yearly capex

Stable ROI with lower risk
9.1% ROI in '26

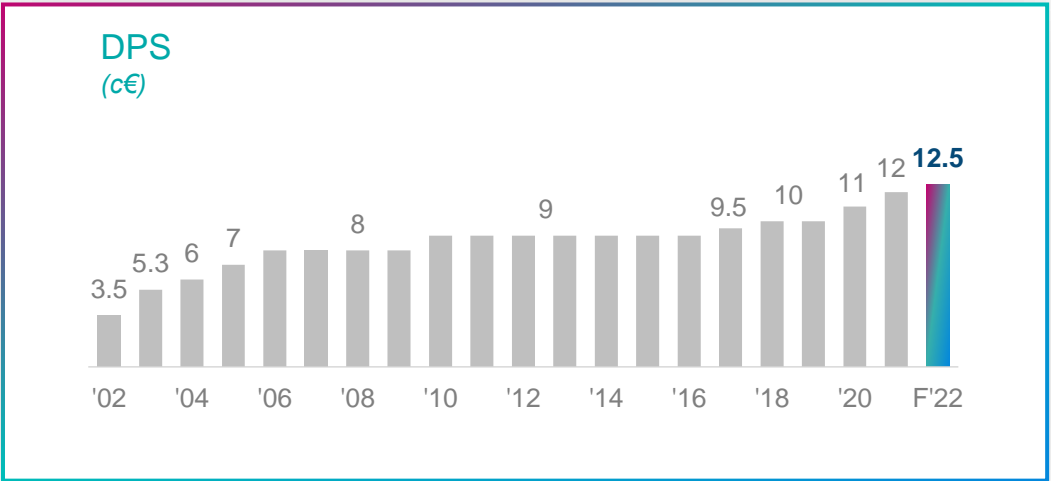
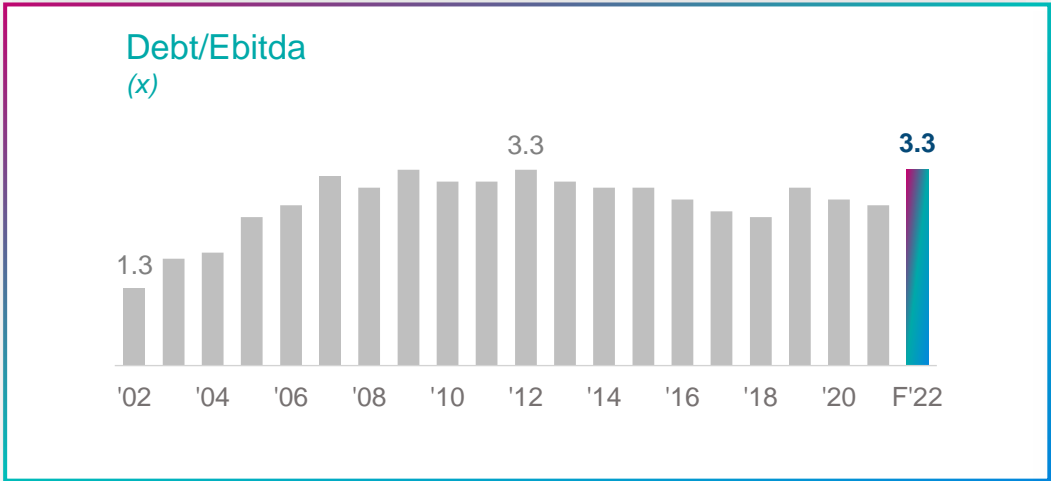
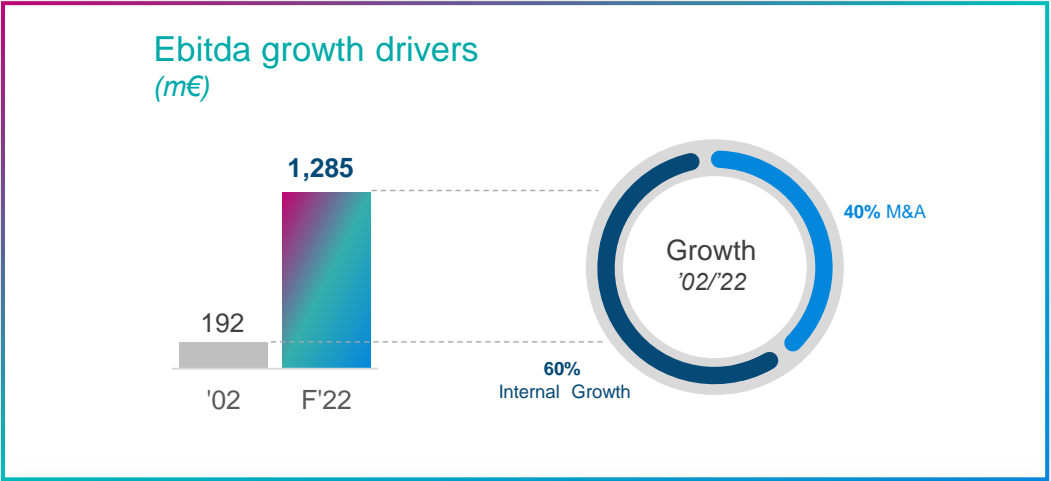
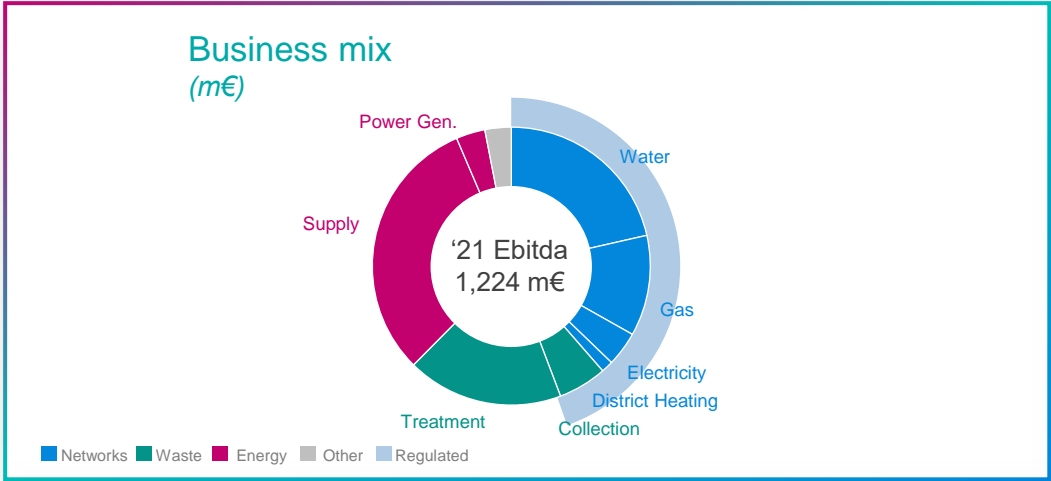
Value creation confirmed maintaining a low risk profile



BUSINESS PLAN
2022 - 2026

ANNEX

Hera in a snapshot



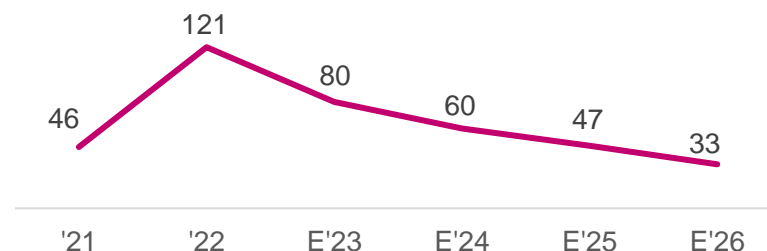
Un-interrupted, balanced and solid growth underpins DPS track record

Business plan main assumptions

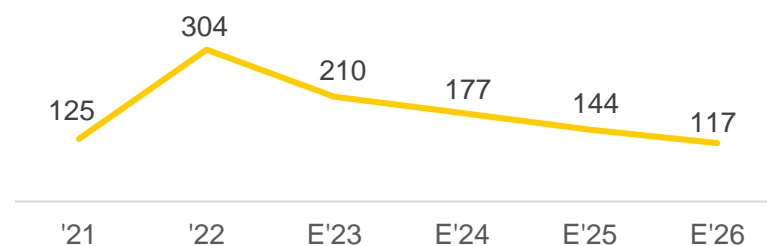
BP targets vs reported Ebitda
(m€)

	A'21	E'26
Brent (Dollar/Barrel)	70.7	73.3
Exchange rate €/€	1.18	1.13
Inflation (%)	1.9%	1.5%
GRIN certificate (former Green Certificate) (€/MWh)	109.4	29.2
White certificates (€/TEP)	260.0	256.0
CO₂ certificates (€/ton)	79.5	90.0
Tax rate (%)	26.8%	27.9%
Cost of Debt (%)	2.9%	3.6%

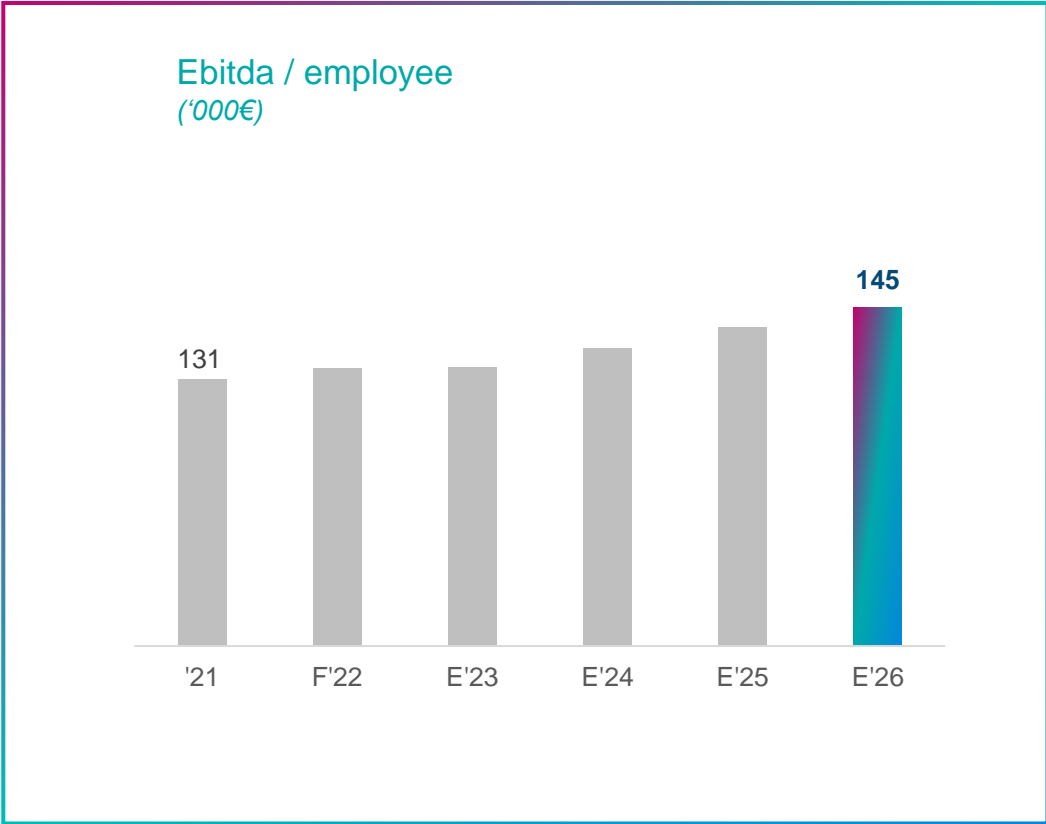
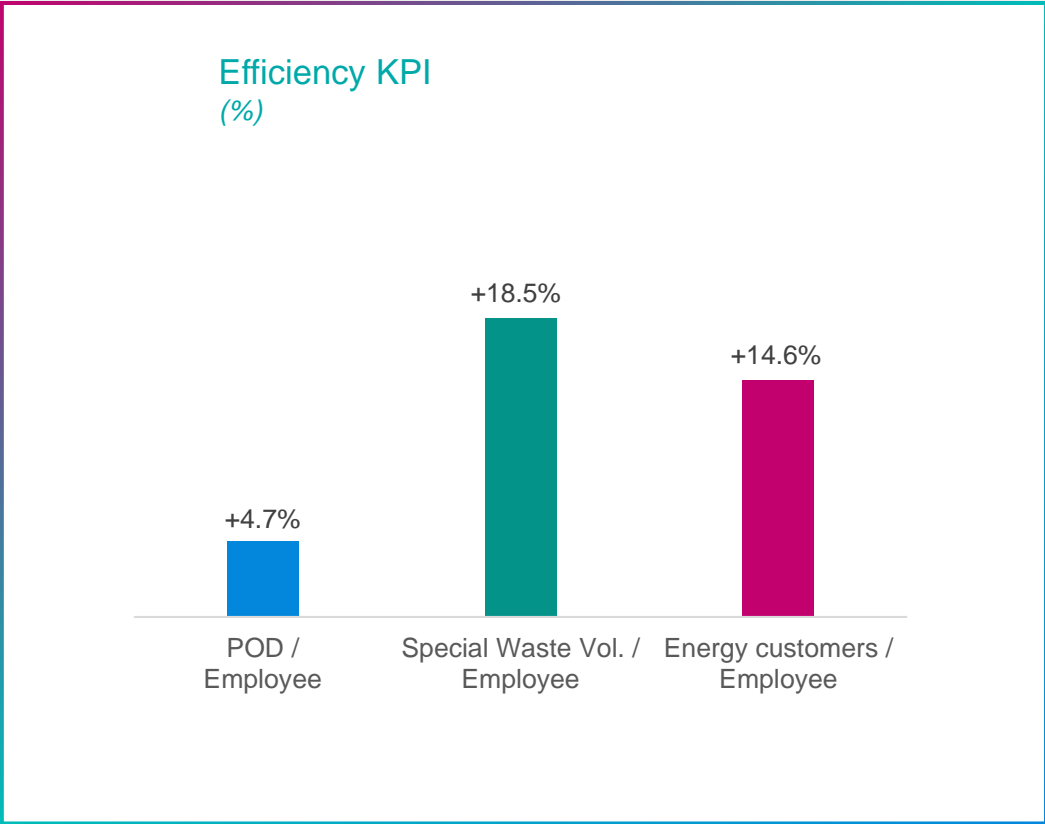
Gas
(€/MWh, TTF Day ahead)



Electricity
(€/MWh, PUN)

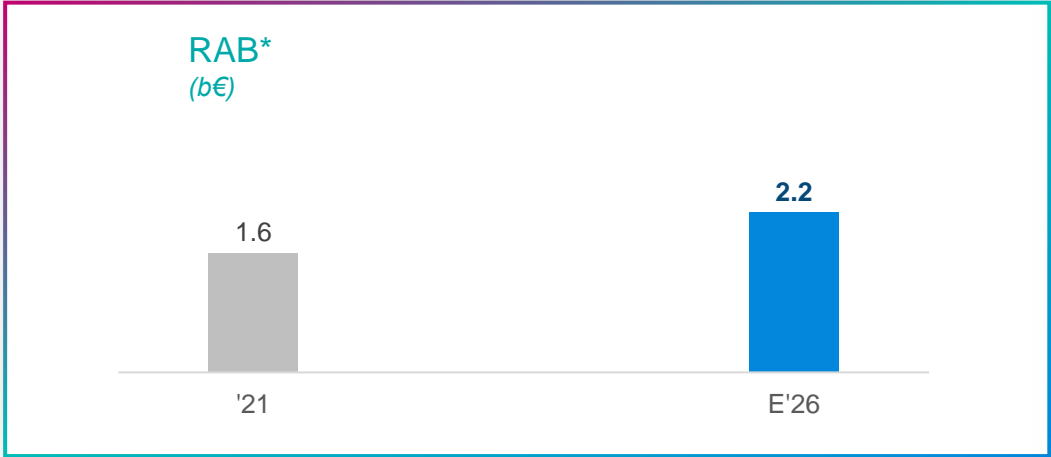
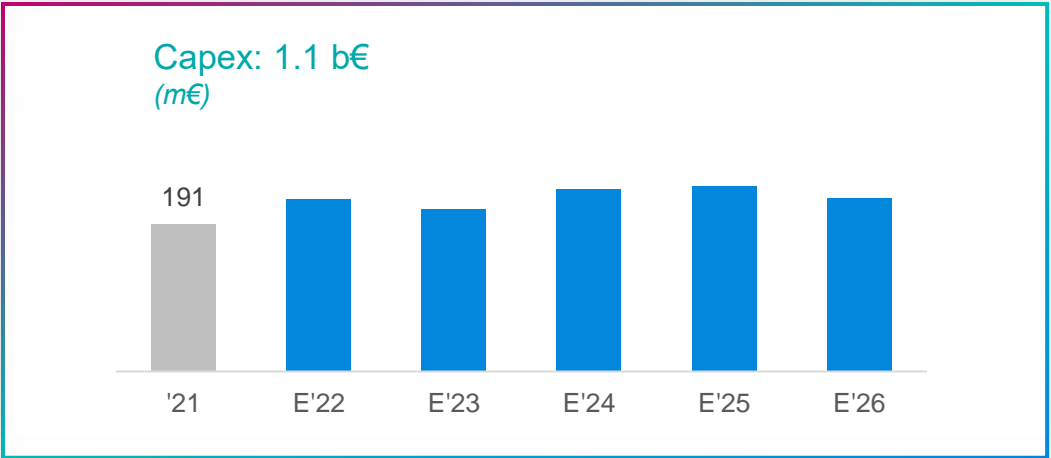
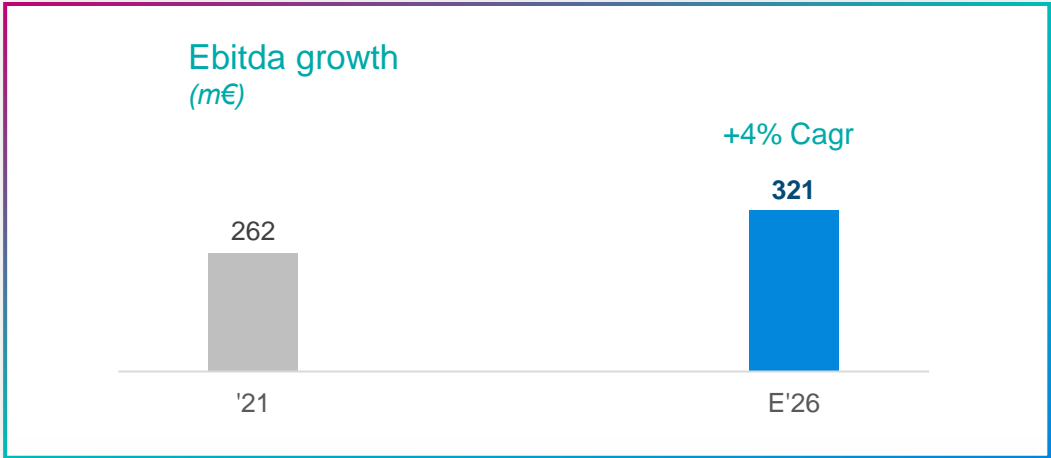


Enhanced efficiency



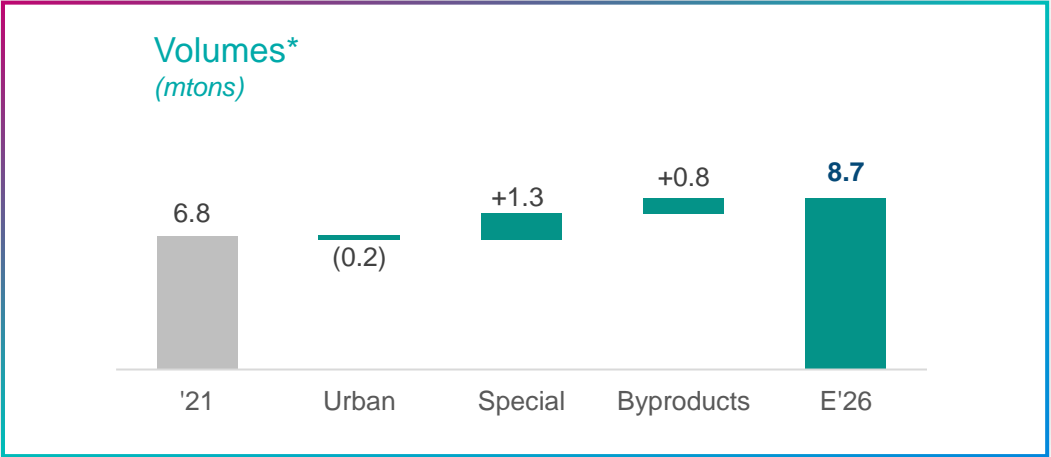
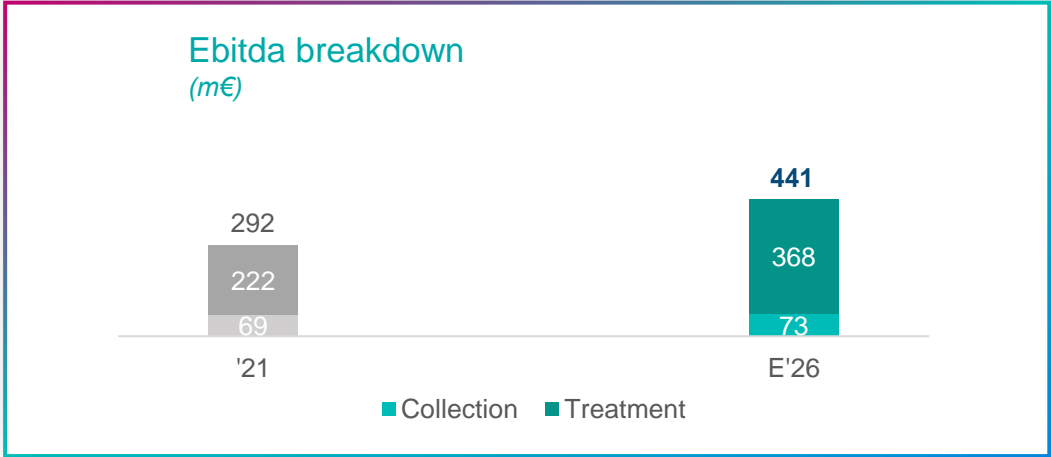
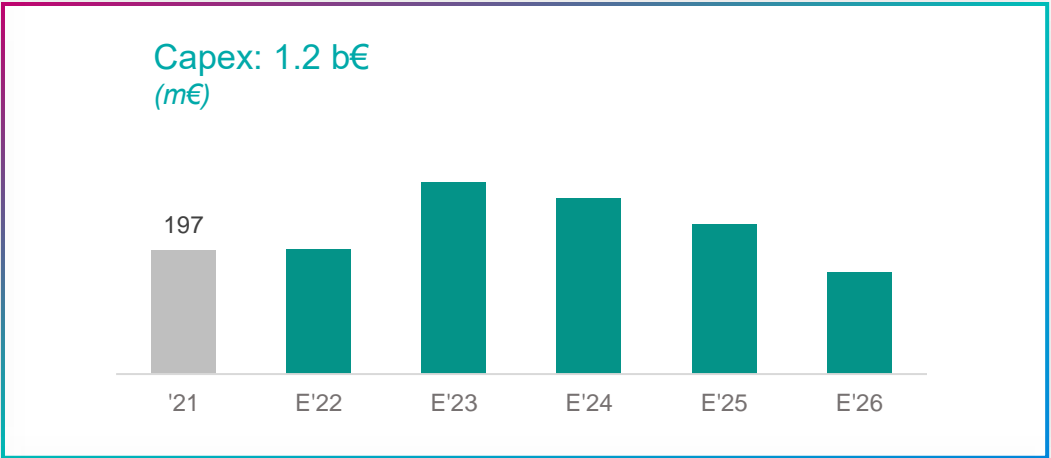
Further efforts on efficiency gains

Water targets



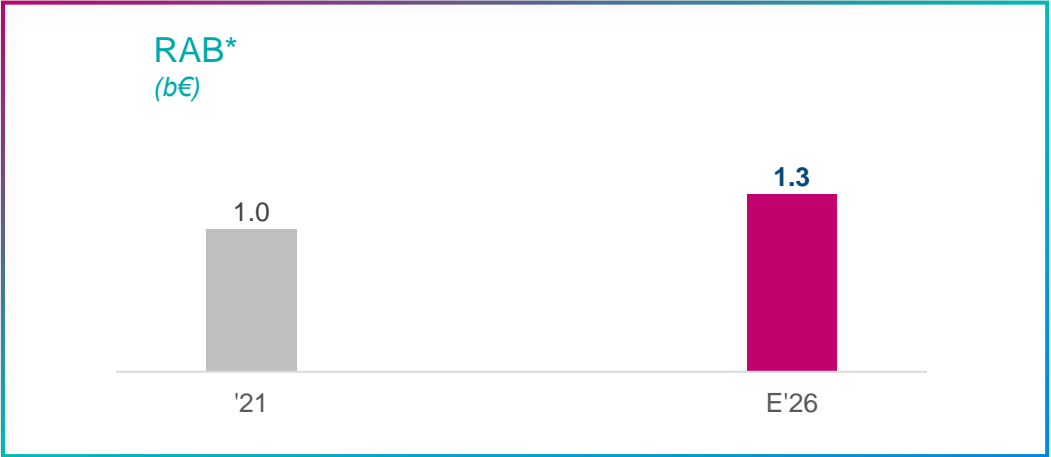
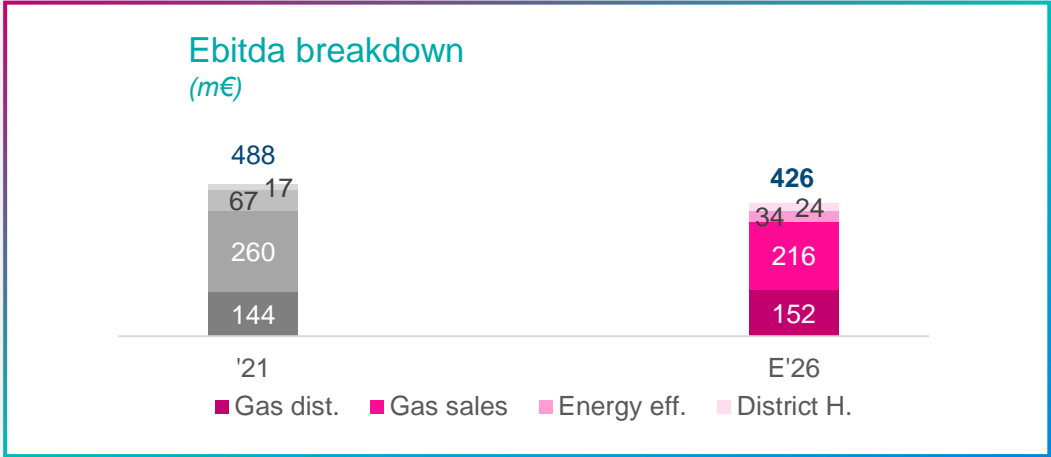
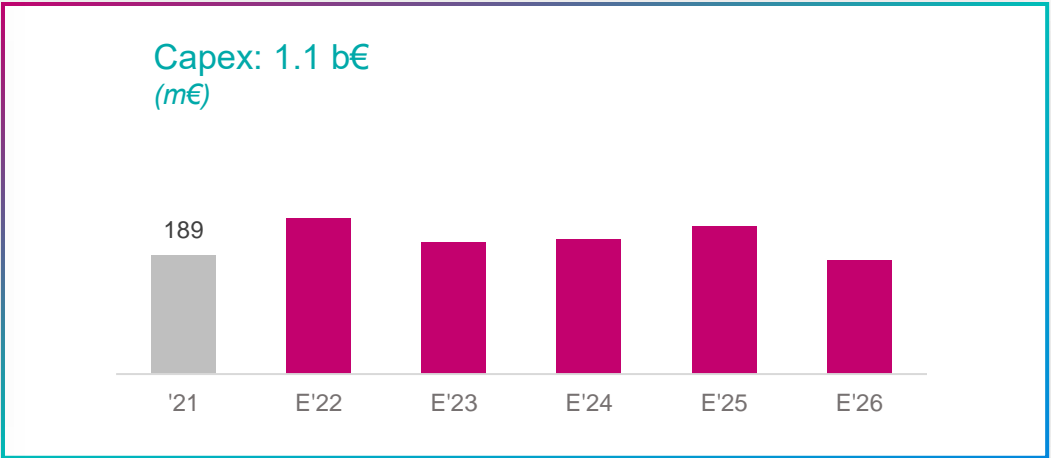
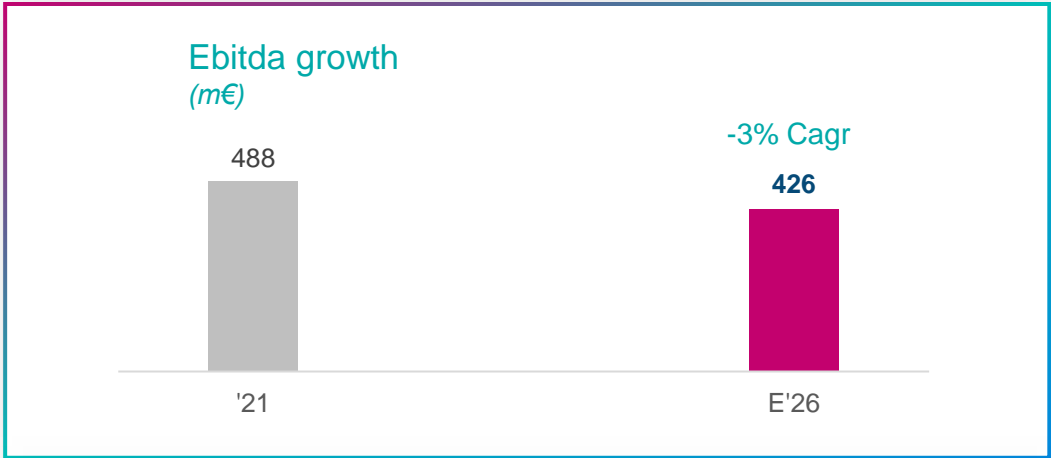
* Numbers exclude M&A

Waste targets



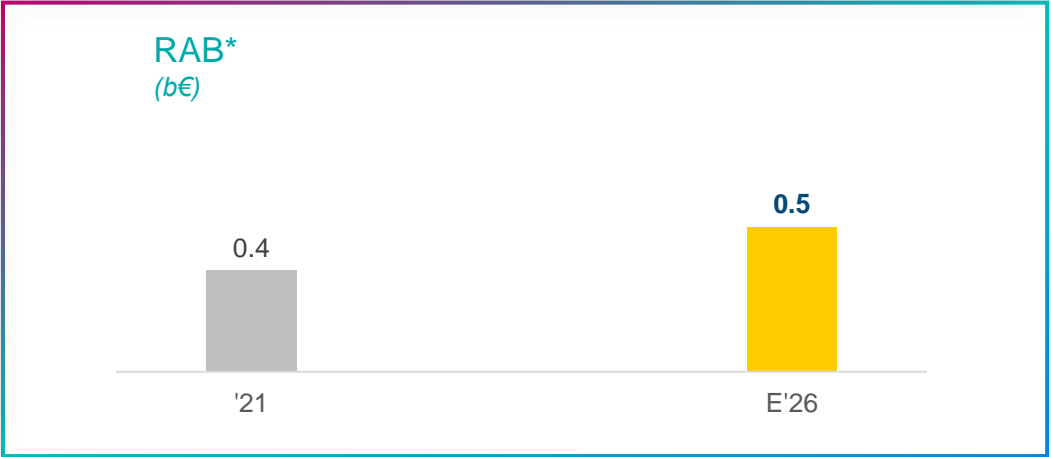
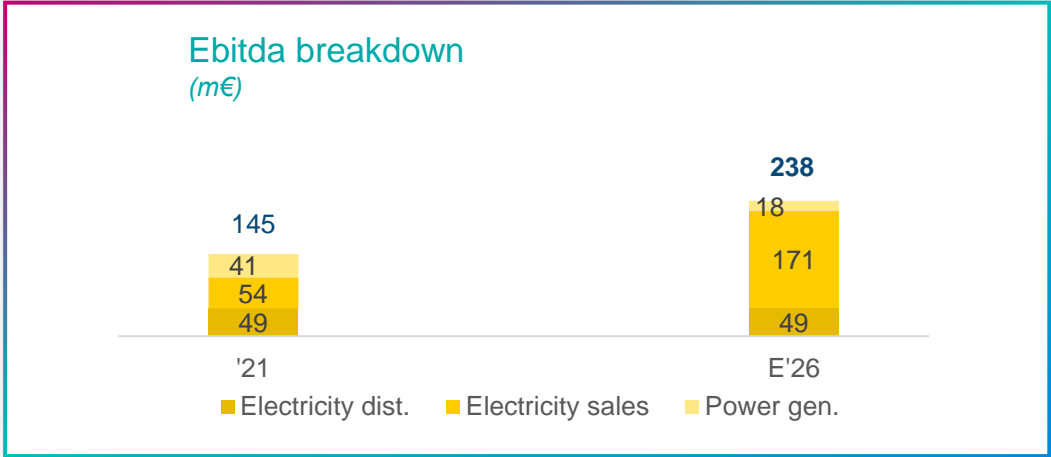
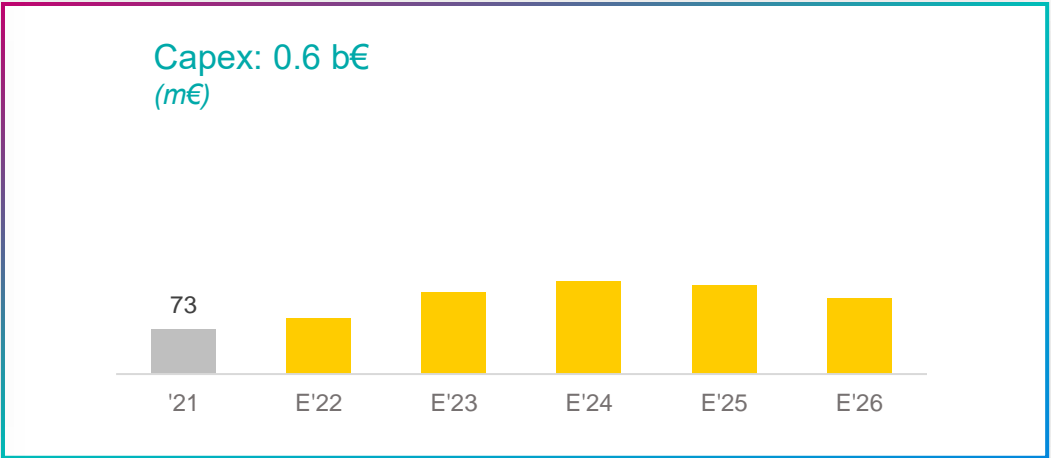
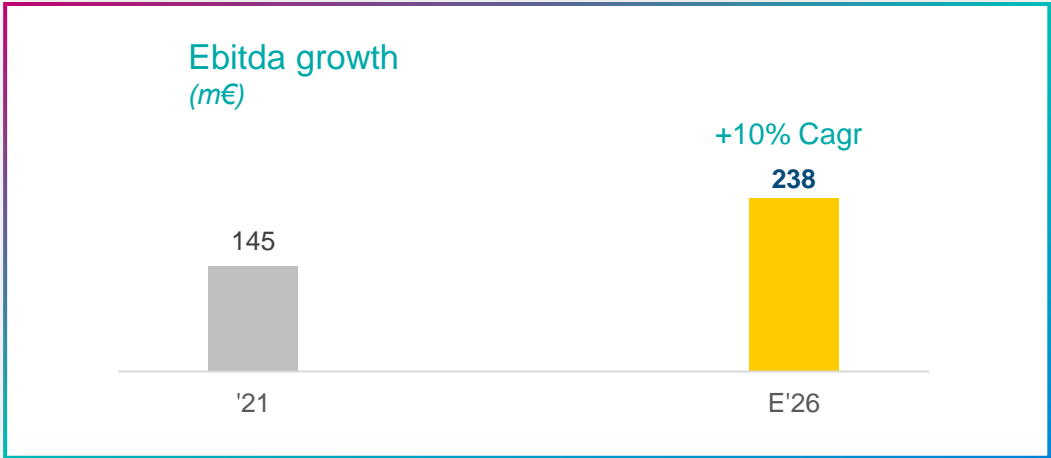
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Gas targets



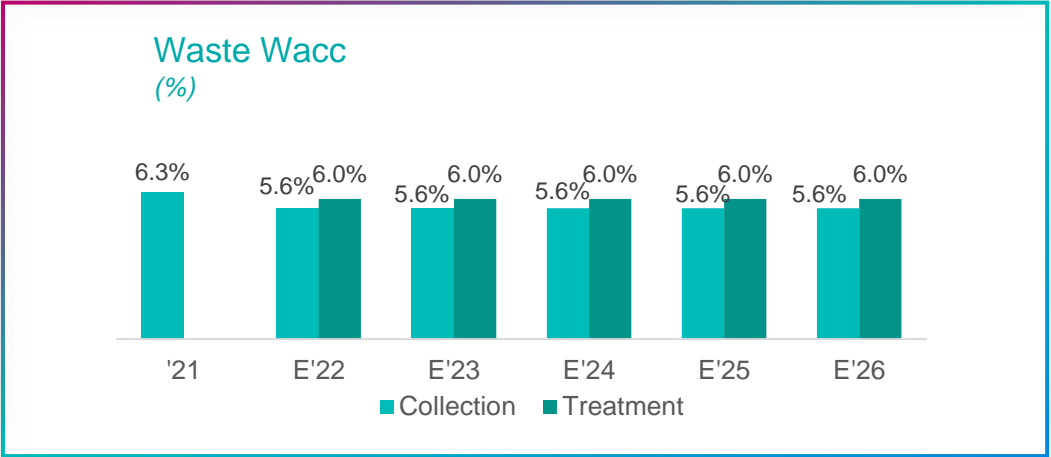
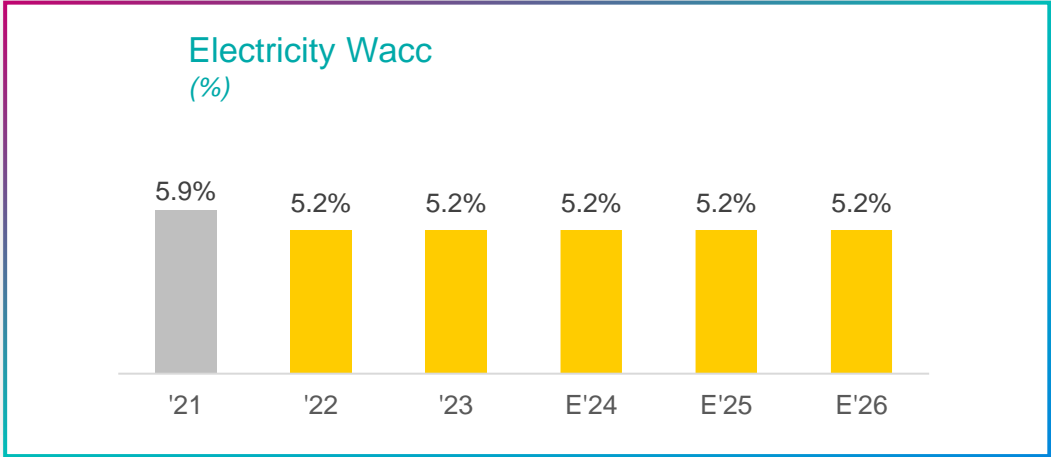
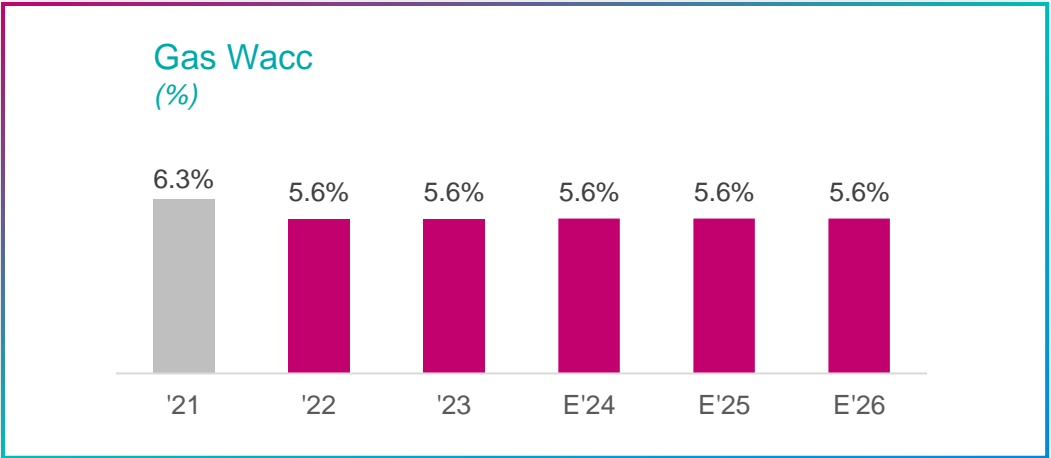
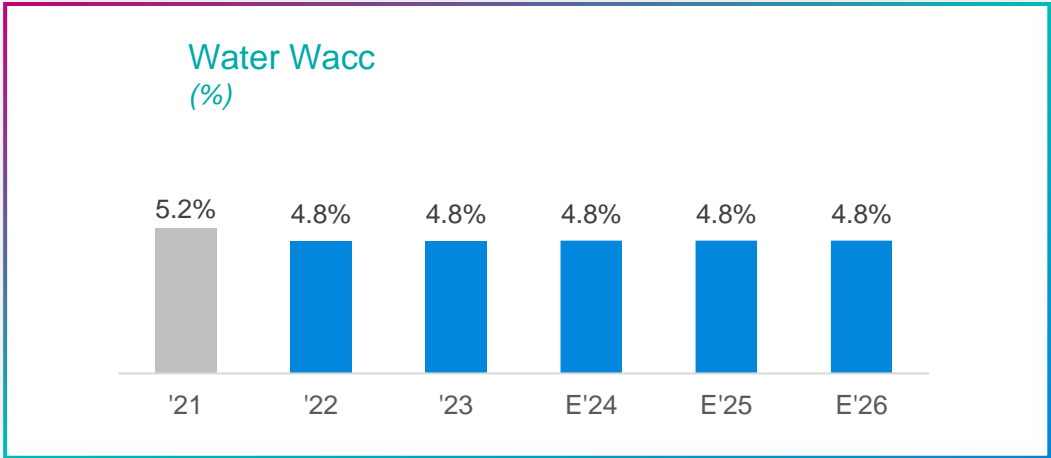
* Numbers exclude M&A

Electricity targets



* Numbers exclude M&A

Regulated returns (Wacc)



* Numbers exclude M&A

Disclaimer

This presentation contains forward-looking statements regarding future events (which impact the Hera Group's future results) that are based on current expectations, estimates and opinions of management.

These forward-looking statements are subject to risks, uncertainties and events that are unpredictable and depend on circumstances that might change in future.

As a result, any expectation on Group results and estimates set out in this presentation may differ significantly depending on changes in the unpredictable circumstances on which they are based.

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