



press release

Bologna, 31 July 2024

Hera Group Italy's first multi-utility with a Net Zero target

The Hera Group's climate change mitigation strategy is now enriched with the definition of the Climate Transition Plan and the goal of reaching Net Zero by 2050 as regards direct and indirect emissions.

Today, the Board of Directors of the Hera Group, one of Italy's largest multi-utility companies operating in the waste management, energy and water sectors, approved the Climate Transition Plan, a document that presents the Group's strategy and commitment to achieve Net Zero by 2050. This goal will be pursued as regards both direct and indirect greenhouse gas emissions, reducing them by 90% overall within 2050 (compared to 2019) and removing all residual emissions at the end of the path to decarbonisation.

The Climate Transition Plan sets out the key aspects of the Group's strategy over the short, medium and long term, consistently with the indications and trajectories outlined by the scientific community, starting with the 2015 Paris Agreement, to limit global warming to within 1.5°C at the end of the century, compared to pre-industrial figures. This document therefore presents the Hera Group's vision and commitments for a sustainable future, quantifying its current and future impact in terms of emissions and illustrating both the internal decarbonisation levers that the company will activate to achieve Net Zero with the full involvement of all stakeholders, and the contribution coming from the evolution of the external scenario.

Well integrated within the Group's more general strategy, the definition of a long-term Net Zero objective contributes to the concrete form taken by its corporate purpose – which explicitly mentions the achievement of carbon neutrality – and is consistent with the decarbonisation commitments already undertaken by the Group with an outlook to 2030.

The Hera Group's strategy for Net Zero

The Hera Group's Climate Transition Plan specifies both the actions under the company's direct control and the external factors expected from the evolution of the national and European energy scenario. Among the internal decarbonisation levers aimed at reducing its own emissions (Scope 1 and 2) and those of its customers (Scope 3), the Group expects to install carbon capture and storage (CCS) technology on several waste-to-energy plants (Scope 1); to maintain total coverage of internal electricity consumption with certified renewable energy, reducing Scope 2 emissions to zero; to progressively electrify the Group's customer base and thus supply energy from renewable sources and propose energy-saving and photovoltaic power generation solutions (Scope 3).

Externally, the trends of electrification and increased consumption efficiency, the penetration of renewable sources and the introduction of renewable gases into the national energy mix will favour the decarbonisation of the system as a whole, thus supporting a further reduction of the emissions included in Hera's inventory. Lastly, the Group's Net Zero strategy is rounded off by the use of tools to remove carbon dioxide from the atmosphere, to neutralise all residual emissions that cannot be further eliminated.

Reaching the 2050 Net Zero target will significantly reduce the Group's carbon footprint: in particular, Scope 3 emissions per energy customer will decrease from 3.3 tonnes in 2019 to less than 0.2 tonnes by 2050.



Hera's path towards reducing greenhouse gas emissions

As early as 2021, the Group had defined decarbonisation targets for 2030, validated by the prestigious international network Science Based Targets initiative (SBTi) and in line with the “well-below 2°C” level, equivalent to -37% of absolute greenhouse gas emissions in 2030 compared to 2019. In 2023, overall, the Hera Group's emissions for the defined perimeter had already decreased by 14% vs 2019.

Now, with the Climate Transition Plan, the Hera Group “commits to achieving Net Zero emissions by 2050, through a reduction of Scope 1, 2 and 3 emissions by approximately 90% compared to 2019 and the removal of all remaining emissions at the end of the path to decarbonisation”.