

press release

Bologna, 27 April 2023

## **Hera Shareholders Meeting: new Board of Directors appointed, 2022 financial statements approved and dividend increased to 12.5 cents**

*The Group continues along its path of growth, creating value shareholders and the local areas served. Cristian Fabbri appointed Executive Chairman of the Board of Directors and Orazio Iacono confirmed as CEO.*

Hera's Ordinary Shareholders Meeting, chaired by Tomaso Tommasi di Vignano, was held this morning in Bologna to approve the 2022 financial statements and the payment of a dividend rising to 12.5 cents per share, in line with what was previously announced during the presentation of the Business Plan to 2026.

Among the various resolutions passed, the Meeting also appointed the members of the Board of Directors and the Board of Statutory Auditors for the next three years.

The 2022 Sustainability Report (a consolidated non-financial statement, prepared pursuant to Legislative Decree 254/2016) was also presented during the Meeting.

### **2022 financial statements approved with results showing growth**

The Assembly approved the 2022 financial statements, which confirmed growth in key operating and financial indicators and in investments.

Among the main results: Ebitda rose to 1,295.0 million euro (+6.2%) and net profit attributable to shareholders amounted to 322.2 million euro (+1.4%). Operating investments, including capital grants, reached 709.5 million euro (+20.5%), and went to promoting the energy transition, the circular economy and innovation, with concrete projects consistent with the main national and international policies, demonstrating the Group's ongoing focus on enhancing the value of assets under management and increasing their resilience. Net debt stood at 4,249.8 million euro, compared to 3,261.3 million euro at 31 December 2021. The net debt/Ebitda ratio came to 3.28x, but excluding the gas reserve in storage facilities, this ratio drops to approximately 2.9x, in line with Hera's performance targets.

These figures demonstrate, once again, the validity of the management policies implemented by the Group, which, together with its solid and resilient multi-business industrial model, have proved effective in responding to the complex external scenario, enabling it to guarantee continuity and quality of services and to create value for the company and all stakeholders, while pursuing sustainable development.

### **Dividends paid rise to 12.5 cents per share**

The Shareholders Meeting then approved the Board of Directors' proposal to distribute a dividend coming to 12.5 cents per share, up 4.2% compared to the last dividend paid.

The ex-dividend date was set at 19 June 2023, with payment as of 21 June 2023. The dividend will be paid to shares recorded on 20 June 2023. The dividend paid, based on the Hera share price at 31/12/2022, corresponds to an annual return of 4.94%.

A strong focus on creating value for shareholders was thus confirmed. This increase is indeed consistent with the remuneration policy set out in the Business Plan, which foresees growth in dividends, reaching 15 cents per share by 2026.

### **Sustainability Report: Shared-value Ebitda up sharply to 670.3 million euro**

The 2022 Sustainability Report was also presented during the Shareholders Meeting, showing that improvement in operating and financial indicators goes hand in hand with the Group's focus on sustainability and its attention towards all stakeholders. More specifically, in 2022, shared-value Ebitda, which refers to business activities that also respond to the drivers for sustainable growth and therefore involve operations that help meet the targets on the Global Agenda, rose to 670.3 million euro, up significantly compared to 2021 (+17.5%) and corresponding to 51.8% of overall Ebitda. This result is in line with the path set out in the Business Plan, which projects this value at 62% of total Ebitda by 2026 and 70% in 2030, part of a linear process that generates concrete benefits for the local areas and communities served, parallel to the Group's own development.

### **Board of Directors and the Board of Statutory Auditors renewed**

The Board of Directors and the Board of Statutory Auditors were renewed for the next three years (their mandate expiring on the date of the Shareholders Meeting held to approve the 2025 financial statements).

As an outcome of the vote, the following directors were appointed:

- majority list (representing Hera's public shareholders agreement): Cristian Fabbri, Orazio Iacono, Gabriele Jacobazzi, Fabio Bacchilega, Gianni Bessi, Grazia Ghermandi, Alessandro Melcarne, Lorenzo Minganti, Milvia Mingozzi, Marina Monassi and Monica Mondardini
- minority lists: Francesco Perrini, Paola Gina Maria Schwizer, Alice Vatta, Bruno Tani.

The CVs of the new directors can be consulted at:

[https://eng.gruppohera.it/group\\_eng/corporate-governance/board-of-directors](https://eng.gruppohera.it/group_eng/corporate-governance/board-of-directors)

As regards the Board of Statutory Auditors, the following auditors were appointed:

- majority list (representing Hera's public shareholders agreement): Marianna Girolomini, Antonio Gaiani (standing auditors), Susanna Giuriatti (alternate auditor)
- minority list: Myriam Amato (Chairman), Stefano Gnocchi (alternate auditor).

The CVs of the new auditors can be consulted at:

[https://eng.gruppohera.it/group\\_eng/corporate-governance/board-of-statutory-auditors](https://eng.gruppohera.it/group_eng/corporate-governance/board-of-statutory-auditors)

Pursuant to current legislation on the issue and the Articles of Association, the gender criterion was respected.

### **Other resolutions approved**

The Shareholders Meeting also approved a renewed authorisation for the Board of Directors to purchase treasury shares (and the procedures for their management) having a value of up to 240 million euro for 18 months, at the same time revoking last year's resolution for the non-executed part. The renewal of authorisation to use treasury shares was requested in order to pursue the purposes permitted by law and accepted market practices, in order to increase value creation for shareholders in transactions carried out by Group companies as well, for whom investment opportunities may arise, and for transactions involving the issue of financial instruments.

Lastly, the Shareholders Meeting approved the Report on remuneration policy and compensation paid, in line with international best practice, and the Corporate governance report was presented.

### **Executive Chairman, Vice Chairman and CEO appointed**



The inaugural meeting of Hera's Board of Directors, appointed in the morning by the Shareholders Meeting, was held this afternoon in Bologna. The Board appointed the Chairman, Vice Chairman and CEO.

Cristian Fabbri, who has been with the company since 2006, was appointed Executive Chairman. Within the Group, he held positions involving increasing responsibilities before becoming Hera's Central Market Director, CEO of Group subsidiaries Hera Comm and EstEnergy, and a member of the Boards of Directors of other Group companies.

Gabriele Giacobazzi was confirmed as (non-executive) Vice-Chairman, the role he has covered since 2020. President of the Association of Engineers, he has been a professor at the Faculty of Engineering of the University of Modena and Reggio Emilia.

Orazio Iacono was confirmed as CEO, the position he has held at Hera since May 2022. He previously worked at RFI and later Trenitalia, eventually acting as CEO and General Manager, a position he held until 2020. In 2021 he was Senior Advisor Oaktree Capital Management/PwC Italy and later became Chief Operating Officer Sustainable Infrastructures at Saipem.

Lastly, the Board of Directors thanked Tomaso Tommasi di Vignano, whose term of office came to an end after more than 20 years at the helm of the Hera Group, for his fundamental contribution to the company's growth.