

press release
Bologna, 6 October 2021

Hera: sustainable finance increasingly at the heart of corporate strategies

Hera is among the first companies in Italy to publish its Sustainability-Linked Financing Framework. An important point of reference also for issuing bonds in the future, it includes objectives linked to reducing greenhouse gas emissions and plastic recycling, in line with the Group's Business Plan and strategies for energy and environmental transition

The Hera Group – which pioneered sustainable finance in 2014, when it issued the first green bond in Italy – has further strengthened its integration between financial strategy and attention towards sustainability, with a focus on carbon neutrality and circular economy projects.

The Group has in fact published – among the first companies in Italy to do so – its Sustainability-Linked Financing Framework (SLFF), which sets out the guidelines of its commitment to sustainable finance. This document outlines the metrics applicable to any financial instrument, and in particular provides a reference model for future bonds linked to reducing emissions and encouraging plastic recycling.

More specifically, the Hera Group has introduced two key indicators in its SLFF, in line with the strategies outlined in the Business Plan for energy and environmental transition, and representative of Hera's commitment to achieving the goals on the UN's 2030 Agenda.

The first concerns reducing greenhouse gas emissions: Hera aims to lower these emissions by 37% within 2030 (compared to 2019), thanks to both concrete interventions within the company and the involvement of suppliers and customers in electricity and gas sales. This is one of the most ambitious targets defined by a company in Italy, validated by the prestigious international network Science Based Target initiative (SBTi).

The second is linked to the quantity of plastics recycled by the Group, an area in which it already shows leadership, through its subsidiary Aliplast. The only Italian multi-utility to have signed the Ellen MacArthur Foundation's "New Plastics Economy Global Commitment", it will extend its commitment in this sector, through means including increasing its plant capacity and extending its range of action to the recovery of rigid plastics. The goal is to increase the amount of plastic recycled by 150% within 2030 (compared to 2017).

In the spirit of transparency, which has always been one of Hera's hallmarks, intermediate Sustainability Performance Targets (SPTs) have also been defined with respect to the 2030 objectives, which will be reported annually.

The Hera Group's published SLFF now stands alongside its Green Financing Framework (GFF) – adopted by the company in 2019 – and responds to the growing attention shown by international investors towards sustainable financial instruments. This is an area in which Hera has always invested: after

USEFUL LINK

[Sustainability-Linked Financing Framework](#)

[Social Responsibility in Hera Group](#)

[IR area in Hera website](#)

CONTACTS

Group Director of External Relations at Hera S.p.A.
Giuseppe Gagliano
+39 051.287595
giuseppe.gagliano@gruppohera.it

Head of Media Relations at Hera S.p.A.
Cecilia Bondioli
+39 051.287138 | +39 320.4790622
cecilia.bondioli@gruppohera.it

<https://eng.gruppohera.it/>



issuing the first green bond in Italy in 2014, the Group in fact offered a second “green” bond in 2019 and, in 2018, was the first company to launch an ESG-linked revolving credit line in this country.

“With the Sustainability-Linked Financing Framework, we have consolidated the link between our financial strategies and the attention to sustainability which has always characterised us, for reasons including the very nature of the businesses we manage”, states **Luca Moroni, Group Manager of Administration, Finance and Control**. “Green financial instruments and, more generally, ESG criteria are in fact a fundamental lever to create value and support our commitment to an increasingly regenerative and resilient development. In particular, reducing greenhouse gas emissions and recycling plastics are particularly relevant areas for us, where we want to and can make a real difference in order to respond to the many challenges we are currently facing, starting with climate change, and contribute to meeting the goals on the 2030 Agenda”.

Sustainalytics, one of the leading ESG rating agencies, has issued a Second Party Opinion certifying the Hera Group’s Sustainability-Linked Financing Framework’s consistency with the main international reference standards, first and foremost the International Capital Market Association’s 2020 Sustainability-Linked Bond Principles.

In structuring its SLFF, the Group was supported by BNP Paribas, UniCredit and Mediobanca.