

HERA S.P.A.

Registered Office in Bologna at V.le Carlo Berti Pichat 2/4

Share capital Euro 1,489,538,745.00

Registered with the Bologna Register of Companies

Registration number 04245520376

DIRECTORS' REPORT

ITEM 1 ON THE AGENDA

EXTRAORDINARY PART

of the Extraordinary and Ordinary Shareholders' Meeting of HERA S.P.A.

called in a single call on 30 April 2025 at 10 a.m.

Dear Shareholders,

The Board of Directors of HERA S.p.A., has asked you to attend the single call of this Extraordinary and Ordinary Shareholders' Meeting at the Company's Head Office - *Viale Berti Pichat 2/4, Bologna* - on 30 April 2025 at 10.00am to discuss and decide on the items on the following:

agenda

Extraordinary Part of the Shareholders' Meeting

1. Amendment of Article 29 of the Articles of Association: related and consequent resolutions.

Ordinary Part of the Shareholders' Meeting

1. Financial statements as at 31 December 2024 of Hera S.p.A.: related and consequent resolutions. Presentation of the consolidated financial statements as at 31 December 2024 Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors.
2. Proposed allocation of profit for the period: related and consequent resolutions.
3. Report on the remuneration policy and fees paid: resolutions relating to Section I – Remuneration policy.
4. Report on the remuneration policy and fees paid: resolutions relating to Section II – Fees paid.
5. Integration of the fee for the auditing firm KPMG SpA: related and consequent resolutions.
6. Renewal of the authorisation to purchase treasury shares and disposal procedure thereof: related and consequent resolutions.

First item on the agenda of Extraordinary Part.

Amendment of Article 29 of the Articles of Association: related and consequent resolutions.

The Board of Directors of HERA S.p.A. (hereinafter “**HERA**” or the “**Company**”), has invited you to attend this Extraordinary Shareholders' Meeting to submit to your attention the proposed resolution concerning the amendment of article 29 of the Articles of Association (hereinafter “**Articles of Association**” or “**Articles**”).

This report is prepared in accordance with the provisions of article 72 of the Regulations adopted pursuant to Consob Resolution no. 11971 of 14 May 1999 (hereinafter “**Issuers' Regulations**”) and Annex 3A, Schedule 3, attached to the Issuers' Regulations.

Please note that the following proposed amendments stem from the European Commission's new

Directive 2022/2464/EU, known as the Corporate Sustainability Reporting Directive (CSRD), which supersedes the previous Directive 2014/95/EU, known as the Non-Financial Reporting Directive (NFRD). This initiative is part of the European Green Deal and aims to enhance transparency and the disclosure of information by companies regarding the environmental, social, and governance (ESG) impacts of their activities, through strengthened reporting obligations. Subsequently, Italy transposed this directive with Legislative Decree No. 125 of 6 September 2024, which introduced (with Article 12, paragraph 1, letter d) paragraph 5-ter to Article 154-bis of Legislative Decree 58/1998 (hereinafter “TUF”).

In particular, Article 154-bis, paragraph 5-ter of the TUF introduces into the Italian legal framework the new role of the Manager in charge of certifying compliance with Sustainability Reporting (“**Manager in charge of Sustainability matters**”). It establishes that *“If the issuer is subject to sustainability reporting obligations (...), the delegated administrative bodies and the officer responsible for the preparation of corporate accounting documents shall certify, through a specific report, that the sustainability reporting included in the management report has been prepared in accordance with the reporting standards (...).”* The same certification may be issued by a manager other than the manager in charge of preparing corporate accounting documents, provided they have specific expertise in sustainability reporting. Said manager shall be appointed, following the mandatory opinion of the control body, in accordance with the procedures and professionalism requirements set out in the company’s Articles of Association. (...)

It is therefore specified that, in order to regulate at the statutory level the introduction of the new role of the Manager in charge of Sustainability matters, defining the appointment procedures and the experience and professional requirements for the position, it is proposed to amend Article 29 of the Articles of Association, also numbering the paragraphs that make up this article.

In light of the above, the proposed amendments to Article 29 of the Articles of Association are hereby submitted for approval by the Shareholders, as highlighted in the synoptic table below, which presents a side-by-side comparison of the current and proposed wording of the relevant article.

CURRENT TEXT	NEW TEXT
ART. 29 MANAGER IN CHARGE OF PREPARING FINANCIAL REPORTS	ART. 29 MANAGER IN CHARGE OF PREPARING FINANCIAL REPORTS AND MANAGER IN CHARGE OF SUSTAINABILITY REPORTING
Subject to the mandatory and non-binding opinion of the supervisory body, the Board of Directors appoints	29.1 After obtaining the mandatory and non-binding opinion of the supervisory body, the Board of Directors appoints

CURRENT TEXT	NEW TEXT
the manager in charge of preparing the company's financial reports.	the manager in charge of preparing the company's financial reports, as well as the manager in charge of sustainability reporting.
The manager will be chosen from among those who have gained a total experience of at least three years in administrative or control activities or executive functions in the finance, administration and control sector at joint-stock companies with a share capital of not less than two million euros.	29.2 The manager in charge of preparing the company's financial reports will be chosen from among those who have gained a total experience of at least three years in administrative or control activities or executive functions in the finance, administration and control sector at joint-stock companies with a share capital of not less than two million euros and who meet the applicable requirements prescribed by current pro tempore legislation.
	29.3 The manager in charge of sustainability reporting will be chosen from among those who have gained a total experience of at least three years in sustainability and ESG reporting activities, or executive functions in the same sector at joint-stock companies with a share capital of not less than two million euros and who meet the applicable requirements prescribed by current pro tempore legislation.

Resolution proposal

Given the above, the Board of Directors invites you to pass the following resolutions:

“Extraordinary Shareholders' Meeting of HERA S.p.A.:

- *having heard the Chairman's presentation;*
- *having acknowledged the report of the Board of Directors and the proposal made therein;*

hereby resolves

- (i) to amend article 29 of the Articles of Association as indicated by the text hereunder, with a comparison of the proposed amendments*

CURRENT TEXT	NEW TEXT
ART. 29 MANAGER IN CHARGE OF PREPARING FINANCIAL REPORTS	ART. 29 MANAGER IN CHARGE OF PREPARING FINANCIAL REPORTS AND

CURRENT TEXT	NEW TEXT
	MANAGER IN CHARGE OF SUSTAINABILITY REPORTING
Subject to the mandatory and non-binding opinion of the supervisory body, the Board of Directors appoints the manager in charge of preparing the company's financial reports.	29.1 After obtaining the mandatory and non-binding opinion of the supervisory body, the Board of Directors appoints the manager in charge of preparing the company's financial reports, as well as the manager in charge of sustainability reporting.
The manager will be chosen from among those who have gained a total experience of at least three years in administrative or control activities or executive functions in the finance, administration and control sector at joint-stock companies with a share capital of not less than two million euros.	29.2 The manager in charge of preparing the company's financial reports will be chosen from among those who have gained a total experience of at least three years in administrative or control activities or executive functions in the finance, administration and control sector at joint-stock companies with a share capital of not less than two million euros and who meet the applicable requirements prescribed by current pro tempore legislation.
	29.3 The manager in charge of sustainability reporting will be chosen from among those who have gained a total experience of at least three years in sustainability and ESG reporting activities, or executive functions in the same sector at joint-stock companies with a share capital of not less than two million euros and who meet the applicable requirements prescribed by current pro tempore legislation.

(ii) *to confer all-encompassing powers to the Chairman to arrange, even through representatives if necessary, whatever may be required, necessary or useful to pass the above resolution, including the authority to:*

- *sign and publish any document, deed and/or declaration that may be required or necessary for this purpose, including any notice that may be required by current regulations, including applicable regulations;*
- *more generally to arrange anything that may be required, necessary and useful for the passing of the above resolution, making any non-substantial changes that may be*



requested by the competent authorities, above all for registration with the Register of Companies”.

Bologna, 26 March 2025

The Executive Chairman of the Board of Directors
(Cristian Fabbri)