



**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 2 ON THE AGENDA***

*of the Ordinary Shareholders' Meeting of HERA S.P.A.*

*called in a single call on 27 April 2023 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 Ordinary Shareholders' Meeting at the Company's Head Office - *Viale Berti Pichat 2/4, Bologna* – at “Spazio Hera” - on 27 April 2023 at 10.00 to discuss and decide on the items on the following:

agenda

1. Financial statements as at 31 December 2022 of Hera S.p.A.: related and consequent resolutions.  
Presentation of the consolidated financial statements as at 31 December 2022 Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors.  
Presentation of the Sustainability Report – the Non-Financial Consolidated Statement prepared pursuant to Legislative Decree no. 254/2016.
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. Renewal of the authorisation to purchase treasury shares and disposal procedure thereof: related and consequent resolutions.
6. Appointment of the members of the Board of Directors: related and consequent resolutions.
7. Determination of the remuneration of the members of the Board of Directors: related and consequent resolutions.
8. Appointment of the members of the Board of Statutory Auditors and of the Chairman: related and consequent resolutions.
9. Determination of the remuneration of the members of the Board of Statutory Auditors: related and consequent resolutions.

Second item on the agenda.

**Proposed allocation of profit for the year: related and consequent resolutions.**

Dear Shareholders,

The Financial statements of Hera S.p.A. as at 31 December 2022 submitted for your approval, closed with a positive result of EUR 270,976,394.86 and therefore, if you agree, you are asked to approve the following resolution:

*“The Shareholders' Meeting of HERA S.p.A.:*

- *having acknowledged the management report of the Board of Directors;*
- *having acknowledged the report of the Board of Statutory Auditors;*
- *having acknowledged the report of the Independent Auditors;*
- *having examined the financial statements as at 31 December 2022, which closed with a profit of EUR 270,976,394.86;*

***hereby resolves***

- a. *to allocate the profit for the year 1 January 2022 – 31 December 2022, of EUR 270,976,394.86 as follows:*
- an amount of EUR 13,548,819.74 to the legal reserve; and*
  - to distribute a total dividend of a gross amount of EUR 0.125 for each outstanding ordinary share (excluding treasury shares in the company's portfolio) on the day of payment of that dividend; and*
  - an amount of EUR 71,235,231.99 to the extraordinary reserve.*
- Therefore, the total payable dividend amounts to EUR 186,192,343.13 corresponding to EUR 0.125 for each outstanding ordinary share (therefore excluding treasury shares in the company's portfolio);*
- b. *to pay the dividend from 21 June 2023 with coupon no. 21 detachment on 19 June 2023, a dividend that will be paid to the shares on account on 20 June 2023;*
- c. *to authorise the Board of Directors, and on its behalf, the Chairman, to ascertain in due course, in relation to the final number of outstanding shares, the precise amount of the distributed profit and, thus, the precise amount of the extraordinary reserve.”*

Bologna, 21 March 2023

***The Executive Chairman of the Board of Directors***

(Mr. Tomaso Tommasi di Vignano)