

Hera Shareholders Meeting: 2024 financial statements approved and dividend increases to 15 eurocents

The Group's process of industrial growth continues, closing 2024 with key operating-financial indicators and investments rising, continuing to successfully seize market opportunities and generate value for the local areas served and all stakeholders

The Hera Extraordinary and Ordinary Shareholders Meeting, chaired by Executive Chairman Cristian Fabbri, met this morning in Bologna to approve the 2024 financial statements and payment of a dividend increasing to 15 eurocents per share, in line with what had been previously announced when the 2028 Business Plan was presented, due to the significant results achieved.

Also presented to Shareholders Meeting was the Sustainability reporting which, as of this year, is an integral part of the consolidated and separate financial statements at 31 December 2024, as required by the Corporate Sustainability Reporting Directive (CSRD) 2022/2464/EU.

Among the various resolutions passed, the Shareholders Meeting also approved an amendment to the Articles of Association, in compliance with Legislative Decree 125/2024 implementing the CSRD.

Amendment of Article 29 of the Articles of Association: new position of Manager responsible for Sustainability reporting

As part of the European Green Deal, in order to strengthen companies' reporting obligations, Legislative Decree 125/2024 introduced the possibility of establishing the position of the Sustainability reporting manager. The Shareholders Meeting therefore approved the amendments of the Articles of Association aimed at regulating the procedures for appointment and the requirements concerning experience and professionalism for this new figure, in compliance with current legislation.

2024 financial statements approved with further growth in key indicators

The Shareholders Meeting approved the 2024 financial statements, which indicate increases in the main operating and financial indicators and investments. The creation of value for all stakeholders and the Group's solid equity once again prove the validity of its multi-business model and its ability to combine corporate growth and sustainable development.

Among the main results: adjusted Ebitda rose to 1,587.6 million euro (+6.2%), mainly showing internal and structural growth, and the adjusted net profit attributable to shareholders increased sharply, reaching 494.5 million euro (+31.8%). Total operating investments grew to 860.3 million euro (+5.5%), an increase that demonstrates the ongoing focus on developing, enhancing and strengthening the resilience of assets under management, whose resistance was confirmed even during the extreme weather and climate phenomena that hit Emilia-Romagna last autumn.

Net debt stood at 3,963.7 million euro, as against 3,827.7 million euro at 31 December 2023, mainly as a result of growth in investments and M&A transactions, including the acquisition of 70% of TRS Ecology. The Group's financial strength was fully confirmed, with the net debt / Ebitda ratio* at 2.50x, an improvement on both the third quarter of 2024 and the figure seen at 31 December 2023.

These results prove, once again, the validity of the management policies implemented by the Group, whose solid equity and financial flexibility have enabled it to continue on its path of industrial growth, by increasing investments, successfully seizing market opportunities and continuing to generate value for the benefit of all stakeholders.

Payment of a dividend increasing to 15 euro cents per share approved

The Ordinary Shareholders Meeting approved the Board of Directors' proposal to pay a dividend coming to 15 eurocents per share, up 7.1% compared to the last dividend paid. The ex-dividend date was set at 23 June 2025, with payment as of 25 June 2025. The dividend will be paid to shares recorded on 24 June 2025.

The entire dividend policy for the next few years will benefit from this increase, which once again confirms the Group's strong focus on generating value for shareholders. This rise is also consistent with the remuneration policy set out in the 2024-2028 Business plan, which foresees growth in dividends coming to 17 eurocents per share by 2028, with net profit per share increasing by an average of 6% each year.

Sustainability reporting: growth in shared value Ebitda and investments

During the presentation of the 2024 financial statements, the Hera Group's Sustainability reporting was also put to the attention of the Shareholders Meeting. In accordance with the CSRD and the European Sustainability Reporting Standards (ESRS), as of this year it is an integral part of the Directors' report and contains all information needed to understand the company's impact on sustainability issues and how they affect its performance and results.

As confirmation of Hera's commitment to sustainability and creating value in the areas served, in 2024 shared-value Ebitda (CSV Ebitda), referring to business activities that also meet the sustainability objectives of the Global Agenda, rose to 856.6 million euro, up 10% from 776.0 million euro in 2023, and equivalent to 54% of the Group's total Ebitda. This result is in line with the significant increase CSV Ebitda expected in the Business plan, projected to reach over 1,100 million euro in 2028, equivalent to 66% of the Group's total Ebitda, along a path that generates concrete benefits for the communities served, alongside the company's own development.

This is also confirmed by the economic value distributed to stakeholders in the local areas in which Hera operates, which reached 2.1 billion euro in 2024.

Shared-value investments also rose, up from 558.4 million euro in 2023 to 655.1 million euro in 2024, and accounting for about 76% of total gross operating investments. Moreover, 90% of the investments eligible for the Taxonomy of environmentally sustainable activities are already aligned with the criteria of this European regulation, and are thus able to make a substantial contribution to environmental goals including climate change mitigation, circular economy, water resource protection and pollution prevention.

Other resolutions approved

The Shareholders Meeting, in its ordinary session, approved the report on the remuneration policy and compensation paid, in line with international best practices.

A supplement to the remuneration of KPMG, the external auditing firm, was also approved due to changes in the scope of business, regulatory changes and revised auditing standards compared to those in force in 2022, when KPMG was appointed for the period 2024-2032.

Lastly, the Shareholders Meeting approved the renewal of the Board of Directors' authorisation to purchase treasury shares (and procedures for their management), for an amount of up to 240 million for 18 months, with the revocation of last year's resolution for the portion not executed. The renewal of the authorisation to use treasury shares was requested in order to pursue the purposes permitted by regulations and accepted market practices, in order to increase the creation of value, within the scope of transactions carried out by Group companies as well, for which investment opportunities may arise, and for transactions involving the issue of financial instruments.