



2023 SUSTAINABILITY REPORT

Creating shared value
and involving stakeholders: the story
of a company committed to leaving a mark.
But not a footprint

INTRODUCTION

SUSTAINABLE STRATEGY AND SHARED VALUE

776.0
MILLION EURO

SHARED VALUE EBITDA

52% of total Ebitda
(+16% over 2022).
64% by 2027, 70% by 2030



558.4
MILLION EURO

SHARED VALUE INVESTMENTS

69% of total investments.
72% Csv investments
from 2023 to 2027



92%

OF TOTAL INVESTMENTS EU TAXONOMY-ALIGNED

out of eligible investments
These amount to 453.5 million
euros



PURPOSE-DRIVEN CODE OF ETHICS

based on the corporate purpose included in the company bylaws from 2021



SCIENCE-BASED TARGET VALIDATED

-14% by 2023 greenhouse gas emissions compared to 2019 (37% by 2030)



NEW PLASTICS ECONOMY GLOBAL COMMITMENT OF THE ELLEN MACARTHUR FOUNDATION

Hera the only Italian utility (+42% recycled plastic in 2023 compared to 2017)



DOW JONES SUSTAINABILITY INDEX

Hera included for the fourth consecutive year in the World and Europe indices



NOT ONLY A SUSTAINABILITY REPORT

OUR REPORTS BY TOPIC



www.gruppohera.it/report

(2022 data)

TRACKING WASTE

GIVING MORE VALUE
TO SORTED WASTE



89%
OF SORTED WASTE
RECOVERED



142
RECOVERY PLANTS RECEIVING
SORTED WASTE

IN GOOD WATERS

ALL YOU WANTED TO KNOW (AND MORE)
ABOUT THE QUALITY OF ZERO KM WATER



99.9%
OF ANALYSES COMPLIANT WITH
LEGAL REQUIREMENTS



477
MILLION PLASTIC BOTTLES
AVOIDED WITH TAP WATER

SEE ALSO...



- Complete Sustainability Report (NFS, pursuant to leg. decree 254/16)
- Csv report (Focus on Shared Value)
- Data center (2005-2023 results)



bs.gruppohera.it

2023 HIGHLIGHTS

CREATING SHARED VALUE...

PURSuing CARBON NEUTRALITY



-14%

GREENHOUSE GAS EMISSIONS VS 2019 WITH SBTI METHODOLOGY
(scopes 1+2+3 from downstream sales of electricity and gas; not including last resort services)



8.5 MLN M³
biomethane produced and many projects ongoing for developing hydrogen and photovoltaic power

100%
RENEWABLE ELECTRICITY
to power internal consumption



REGENERATING RESOURCES AND CLOSING THE CIRCLE



61% **RECYCLED MUNICIPAL WASTE**
UE 2025 goal already reached



84.6 THOUSAND TONS
of recycled plastic sold by Aliplast
(+42% compared to 2017)



-21.5%
INTERNAL WATER CONSUMPTION
compared to 2017

ENABLING RESILIENCE AND INNOVATING



148.2 MILLION EURO

invested in innovation in two areas:
ecological transition and digital transformation

9.7

THOUSAND REMOTE CONTROLLED PLANTS
(+8% compared to 2022)



340

MILLION BILLS PAID BY INSTALLMENTS
(+10% compared to 2022)



...ALONGSIDE THE PROTAGONISTS OF CHANGE

GOVERNANCE AND CREATING VALUE

2,310

MILLION EURO
economic value distributed
to local stakeholders



815.8

MILLION EURO
total gross operating
investments



57%

OF DEBT FINANCED WITH
ESG INSTRUMENTS
and a new
Sustainability-linked bond 2023



CUSTOMERS

73/100



**CUSTOMER
SATISFACTION**



-21%

BELOW THE ITALIAN AVERAGE
cost of waste management
service for families

96.5%

**CALLS TO THE
EMERGENCY GAS SERVICE**
with arrival within 60 minutes
(service requirement: 90%)



PEOPLE



31.5

HOURS OF TRAINING PER CAPITA
(30.8 in 2022)

10.2

ACCIDENT FREQUENCY
RATE
(10.5 in 2022)



81%



WORKERS

in companies with gender equality
certification UNI/PdR 125:2022

SUPPLIERS



87%

VALUE OF PUBLIC TENDERS

with the most economically advantageous bid
method

66%

OF TOTAL TENDERS
with the most economically
advantageous bid method



39/100 AVERAGE SCORE

assigned to sustainability in the total
number of procurements with most
economically advantageous



CREATING SHARED VALUE

PURSUING CARBON NEUTRALITY



100% RENEWABLE ELECTRICITY
to power internal consumption

-7.6% ENERGY CONSUMPTION
compared to 2013



1,130

SECONDARY SUBSTATIONS

To support electrification of consumption and widespread generation of renewable energy

43%

RENEWABLE
ELECTRICITY
sold on the free market



36%

contracts with
**AT LEAST ONE ENERGY
EFFICIENCY SOLUTION**
(% of total contracts for families
on the free market)

1.9

MILLION TONS
of greenhouse gas
avoided



8.5 MILLIONI M³
OF BIOMETHANE PRODUCED
and many projects ongoing
for developing hydrogen and
photovoltaic

-14%

GREENHOUSE GAS EMISSIONS VS 2019 WITH SBTi CALCULATION METHODOLOGY

(scopes 1+2+3 from downstream sales of electricity and gas;
not including last resort services)



OBJECTIVES

WHAT WE SAID WE WOULD DO...

Promoting energy efficiency

-8.6% **ENERGY CONSUMPTION** within the Group by 2026 and -10% by 2030 compared to 2013

Energy transition and renewables

44% **RENEWABLE ELECTRICITY SOLD** to free market in 2026



BIOMETHANE AND HYDROGEN

12 million m³ of biomethane produced by 2026 and over 30 million by 2030. Continue initiatives to develop hydrogen



EXPANSION OF PHOTOVOLTAICS

over 90 MW photovoltaic power installed and 2,300 photovoltaic systems sold by 2026 Energy community development



Offsetting climate change

-37% **GREENHOUSE GAS** (scopes 1+2+3 from downstream sales of electricity and gas) by 2030 with SBTi method compared to 2019. Launch the project Hera Net Zero



RESULTS

WHAT WE DID...

-7.6% **ENERGY CONSUMPTION** within the Group in 2023 compared to 2013; -8.1% with intervention already planned



42.8% **RENEWABLE ELECTRICITY SOLD** to free market in 2023



BIOMETHANE AND HYDROGEN

8.5 million m³ the production of biomethane in 2023. Continued initiatives of green hydrogen and photovoltaic development:

- obtained authorization for the power-to-gas plant in Bologna;
- started the design of the production plants of hydrogen in Modena and Trieste



EXPANSION OF PHOTOVOLTAICS

- photovoltaic expansion initiatives launched at Hera sites and in other areas: 5.1 MW installed by 2023 (+3 MW compared to 2022) and numerous projects initiated;
- over 2,400 panels sold to customers (13.3 MW by 2023);
- first collective self-consumption project completed in Bologna



FUTURE TARGETS

WHAT WE WILL DO...

-9% **ENERGY CONSUMPTION** within the Group by 2027 and -10% by 2030 compared to 2013

56% **RENEWABLE ELECTRICITY SOLD** to free market in 2027



RENEWABLE GAS

184 GWh of renewable gas produced/year by 2027:

- 17 million m³ of biomethane produced;
- 770 tons of green hydrogen



EXPANSION OF PHOTOVOLTAICS

By 2027:

- 152 MW photovoltaic power installed at Hera sites and in other areas (depleted landfills, water cycle plants, agrivoltaic parks, Energy Park, etc.);
- 150 MW photovoltaic power of plants sold and with development of energy communities



-37% **GREENHOUSE GAS EMISSIONS** (scopes 1+2+3 from downstream sales of electricity and gas) with 2030 with SBTi method compared to 2019. Define the Hera Group's Net Zero commitment and 1.5 °C Climate transition plan



✓ Results achieved or in line with those planned - Other objectives, results and future targets in the following pages and on bs.gruppohera.it



6 ACQUA PULITA E SERVIZI IGIENICO-SANITARI



11 CITTÀ E COMUNITÀ SOSTENIBILI



12 CONSUMO E PRODUZIONE RESPONSABILI



17 PARTNERSHIP PER GLI OBIETTIVI



14 TUTELA E RISORSA ACQUATICA

CREATING SHARED VALUE

REGENERATING RESOURCES AND CLOSING THE CIRCLE



municipal waste collected and disposed of in landfills

2.7% EU 2035 GOAL ALREADY REACHED
(24% European 2022 average)



-21.5%

INTERNAL WATER CONSUMPTION
Compared to 2017



10%

REUSABLE WASTEWATER
14% by 2027

8.1

WATER LEAKS

m3/km of network/day in the civil aqueduct
(18 Italian 2021 average)

84.6

THOUSAND TONS OF RECYCLED PLASTIC

sold by Aliplast (+42% compared to 2017)



52%

INDUSTRIAL WASTE

sent for material or energy recovery



61%

RECYCLING RATE FOR MUNICIPAL WASTE

EU 2025 goal already reached



148

SITES WITH ENVIRONMENTAL REMEDIATION

completed or in progress

-86.4%

COMPARED TO THE LEGAL LIMITS

in emissions from WTEs. -98% below the PM₁₀ limits in the Imola co-generation plant

OBJECTIVES

WHAT WE SAID WE WOULD DO...

Transition to a circular economy

77%

SORTED WASTE

by 2026 (77% Hera, 70% AcegasApsAmga, 80% Marche Multiservizi)



+102%

PLASTIC RECYCLED

by Aliplast within 2026 and +150% by 2030 (compared to 2017). Build, within 2025, a plant for recycling rigid plastics and one for carbon fibre, partially thanks to NRRP funding



-22%

INTERNAL WATER CONSUMPTION

by 2026 and -25% by 2030 compared to 2017 consumption



Sustainable management of water resources

90%

USERS SERVED

with the Water safety management plan by 2026 and 100% by 2030

Air, soil and biodiversity protection

>80%

SOIL REUSED

in 2018-2026 in creating infrastructures



>5

THOUSAND PUBLIC AND PRIVATE RECHARGING STATIONS

installed within 2026 for electric mobility

RESULTS

WHAT WE DID...

72.2%

SORTED WASTE

in 2023, up compared to 2022 (74.4% Hera, 57.7% AcegasApsAmga, 72.5% Marche Multiservizi)



+42%

PLASTIC RECYCLED

by Aliplast al 2023 (compared to 2017). Authorisation obtained for the Modena rigid plastics recycling plant and construction begun on the Imola carbon fibre recycling plant



-21.5%

INTERNAL WATER CONSUMPTION

in 2023 compared to 2017 consumption thanks to specific water saving initiatives



66%

USERS SERVED

with the Water safety management plan in 2023 (vs 62% in 2022)



76%

SOIL REUSED

in 2018-2023 in creating infrastructures



2.1

THOUSAND PUBLIC AND PRIVATE RECHARGING STATIONS

installed in 2023 for electric mobility (vs 1.800 thousand in 2022)



FUTURE TARGETS

WHAT WE WILL DO...

78%

SORTED WASTE

by 2027 (80% Hera, 68% AcegasApsAmga, 74% Marche Multiservizi)



+122%

PLASTIC RECYCLED

by Aliplast within 2027 and +150% by 2030 (compared to 2017). Build, within 2025, a plant for recycling rigid plastics and one for carbon fibre, partially thanks to NRRP funding



-24%

INTERNAL WATER CONSUMPTION

by 2027 and -25% by 2030 compared to 2017 consumption



91%

USERS SERVED

with the Water safety management plan by 2027 and 100% by 2030

>70%

SOIL REUSED

between 2018 and 2027 in infrastructure construction



>5

THOUSAND PUBLIC AND PRIVATE RECHARGING STATIONS

installed within 2027 for electric mobility

✓ Results achieved or in line with those planned - Other objectives, results and future targets in the following pages and on bs.gruppohera.it



CREATING SHARED VALUE

ENABLING RESILIENCE AND INNOVATING



78% OF WATER NETWORK
undergoing predictive maintenance
(vs 40% in 2022)



9.7 THOUSANDS OF INSTALLATIONS
TELECONTROLLED
(+8% compared to 2022)



340 MILLION

BILLS PAID BY INSTALLMENTS
(+10% compared to 2022)



962 DISADVANTAGED PEOPLE
included in the workplace thanks to supplies
and partnerships with social cooperatives

1,766

PEOPLE HIRED
with permanent contracts
in 2021-2023



10 GAS SENSORS
to monitor landslide events
(130 by 2027)



148.2 MILLION EURO
invested in innovation in two areas:
ecological transition and digital
transformation

OBJECTIVES

WHAT WE SAID WE WOULD DO...

Broader use of innovation and digitalisation

43%

CUSTOMERS WITH E-BILLING

and 41% of customers with online services by 2026



INNOVATION PROMOTER E CORPORATE DIGITAL RESPONSIBILITY

stimulate innovation with internal figures dedicated to ongoing reporting on digital transformation initiatives with the Corporate digital responsibility framework

Developing employment and new skills

65%

EMPLOYEES WITH DIGITAL TRANSITION SKILLS

and over 50% with circular economy and energy transition proficiency by 2026

CONTINUE TO USE THE SOCIAL CLAUSE

to guarantee employment in contracts for emergency services on networks and those linked to customer management (cases of internalisation excluded)

Resilience and adaptation

55 KM

NETWORK UPGRADED

by 2023 (equivalent to 81% of the overall electricity resilience plan in Modena)

DROUGHT RISK MITIGATION

30 million euro for numerous interventions planned by 2026 in the Triveneto and Emilia-Romagna regions, to mitigate the risk of drought (aqueduct interconnections, enhancement of water catchment and intake pipes, new wells and reservoirs)

RESULTS

WHAT WE DID...

40%

CUSTOMERS WITH E-BILLING

and 36% of customers registered for online services in 2023 (vs 35% and 29% respectively in 2022)



GUIDELINES FORMALISED

as a reference, and ongoing internal training for data strategy projects. Continued reporting on digital transformation initiatives under the corporate digital responsibility framework



56%

EMPLOYEES WITH DIGITAL TRANSITION SKILLS

in 2023 (vs 54% in 2022), 36% with energy transition skills (28% in 2022) and 32% with environmental transition skills (21% in 2022)



22

TENDERS WITH SOCIAL CLAUSE

among the most important, to guarantee employment



55 KM

NETWORK UPGRADED

by 2023 (equivalent to 82% of the overall electricity resilience plan in Modena)



DROUGHT RISK MITIGATION

upgrading of sources and interconnection of aqueducts managed underway in the Triveneto and Emilia-Romagna regions (7.4 million euros invested in 2023)



FUTURE TARGETS

WHAT WE WILL DO...

45%

CUSTOMERS WITH E-BILLING

to 2027. To realize by 2024 a new single app single one by unifying those already existing ones, implementing new features and services



DEVELOP ARTIFICIAL INTELLIGENCE

within and outside the Group. Continue to promote ways of interaction with external partners for the creation of solutions innovations

75%

EMPLOYEES WITH DIGITAL TRANSITION SKILLS

and over 53% with circular economy and energy transition proficiency by 2027

CONTINUE TO USE THE SOCIAL CLAUSE

to guarantee employment in contracts for emergency services on networks and those linked to customer management (cases of internalisation excluded)

67.5 KM

NETWORK UPGRADED

by 2024 (equivalent to 100% of the overall electricity resilience plan in Modena)

DROUGHT RISK MITIGATION

85% km of network undergoing predictive maintenance at Group level and 73% of network districted by 2027 (focus on containment of network losses) in Emilia-Romagna and Triveneto

✓ Results achieved or in line with those planned - Other objectives, results and future targets in the following pages and on bs.gruppohera.it

ALONGSIDE THE PROTAGONISTS OF CHANGE

GOVERNANCE AND CREATING VALUE



NEW SUSTAINABILITY-LINKED BOND 2023

of 600 million euro linked to greenhouse gas reduction and plastic recycling targets



PURPOSE-DRIVEN CODE OF ETHICS

approved in February 2023, the sixth edition, and ongoing training of new employees with AlfabEtico, updated based on the company's purpose

2,310 MILLION EURO

economic value distributed to local stakeholders (71% of total amount)



72%

AMOUNT OF LOCAL SUPPLIES

(1.4 million euro)



57%

OF DEBT FINANCED WITH
ESG INSTRUMENTS

+281%

TOTAL RETURN

compared to initial public offering in 2003

100%



WASTE TREATED
in plants with ISO 14001
environmental certification

98%

ENERGY
CONSUMED



in companies with
ISO 50001
CERTIFICATION

OBJECTIVES

WHAT WE SAID WE WOULD DO...

Economic value for stakeholders

2,100 MILLION EURO APPROXIMATE
ADDED VALUE
to stakeholders by 2026
(+25% compared to
2022)



4.1 BILLION EURO IN
INVESTMENTS
made between
2022 and 2026



Sustainability and risk management / Shareholders and lenders

EU TAXONOMY

60% of 2022-2026 gross operating
investments in aligned eligible activities

CIRCULATION OF THE CODE OF ETHICS

implement plan for broader knowledge of
and training on the Code of Ethics for new
recruits

Communication with stakeholders

LAUNCH THIRD EDITION OF HERALAB

in the Imola and Modena areas and
implement the four local initiatives
previously planned: two in the Modena
area and two in the Forlì-Cesena area



RESULTS

WHAT WE DID...

2,037 MILLION EURO ADDED
VALUE
to stakeholders in 2023



815.5 MILLION EURO IN GROSS
OPERATING INVESTMENTS
in 2023 (+15%
compared to 2022)



EU TAXONOMY

55% of 2023 gross operating investments
in aligned eligible activities (54% in 2022)



CIRCULATION OF THE CODE OF ETHICS

590 employees trained in the AlfabEtico
training course



HERALAB

recruitment for the two new Modena
and Imola laboratories begun in 2023.
Implementation of two projects in the
Rimini and Bologna areas.
Work started on seven of the eight
initiatives proposed by the Modena and
Forlì-Cesena Labs



FUTURE TARGETS

WHAT WE WILL DO...

2,400 MILLION EURO APPROXIMATE
ADDED VALUE
to stakeholders by 2027
(+18% compared to
2023)



4.4 BILLION EURO IN
INVESTMENTS
made between
2023 and 2027



EU TAXONOMY

59% of 2023-2027 gross operating
investments in aligned eligible activities

CIRCULATION OF THE CODE OF ETHICS

encourage broader knowledge of and
training on the Code of Ethics for new
recruits by involving employees as
educators

HERALAB

in the Imola and Modena areas and
implement the four local initiatives
previously planned: two in the Modena
area and two in the Forlì-Cesena area



✓ Results achieved or in line with those planned - Other objectives, results and future targets in the following pages and on bs.gruppohera.it

ALONGSIDE THE PROTAGONISTS OF CHANGE

CUSTOMERS

GRUPPO
HERA

servizio clienti

73/100 CUSTOMER SATISFACTION



154 **MILLION EURO**
reimbursed to water customers
from 2014 to 2023 thanks
to the hidden leakage fund
downstream of the meter



-21%

BELOW THE ITALIAN AVERAGE
the cost of sanitation service
urban for domestic users



250

**THOUSAND NEXMETER
METERS INSTALLED**
(roughly '15% of gas
meters, vs 180 k in 2022).
More safety and less
methane gas leaks

204

THOUSAND 2G METERS INSTALLED
(about 42% of electricity meters, vs
28 thousand in 2022). Consumption
data more complete and rapid



96.5%

**CALLS TO GAS
EMERGENCY SERVICES**
with arrival within
60 minutes, higher than
service requirements (90%)

99.6%

**RESPECT FOR THE
QUALITY STANDARDS**
set by the Authority
for four services

OBJECTIVES

WHAT WE SAID WE WOULD DO...

Service quality

81%



SECOND-GENERATION ELECTRICITY METERS

installed by the end of 2026, of which 50% made of recycled plastic

86%

ELECTRONIC GAS METERS

installed and remote-controlled at the end of 2026

GUARANTEE COMPLIANCE WITH COMMERCIAL QUALITY STANDARDS

concerning gas, electricity, water and district heating services, in line with 2022

Safety and service continuity

QUICK RESPONSE IN GAS SERVICES

maintain a level significantly above Arera's requirements for the percentage of calls with arrival within 60 minutes



MORE THAN **300** THOUSAND NEXMETER GAS METRES



installed by the end of 2026, of which 100 thousand made of recycled plastic

Customer relations

≤10



MINUTES, AVERAGE WAITING TIME AT HELP DESKS

and 80 seconds, average waiting time at call centres

RESULTS

WHAT WE DID...

42%



SECOND-GENERATION ELECTRICITY METERS

installed by the end of 2023 (slight increase due to procurement difficulties), of which 31% made of recycled plastic

88%



ELECTRONIC GAS METERS

installed and remote-controlled at the end of 2023 (vs 77% in 2022)

99.6%



COMPLIANCE WITH COMMERCIAL QUALITY STANDARDS

in line with 2022

96.5%



ARRIVALS ON LOCATION OF THE CALL

within 60 minutes (compared to service obligations set at 90%)

250



THOUSAND NEXMETER GAS METRES

installed by the end of 2023 (vs 180 thousand in 2022)

12



MINUTES, AVERAGE WAITING TIME AT HELP DESKS

in 2023, 59 seconds, average waiting time at call centres

FUTURE TARGETS

WHAT WE WILL DO...

91%



SECOND-GENERATION ELECTRICITY METERS

installed by the end of 2027, 60% of which made of recycled plastic

95%

ELECTRONIC GAS METERS

installed and remote-controlled at the end of 2027

GUARANTEE COMPLIANCE WITH COMMERCIAL QUALITY STANDARDS

improve to 2027 compliance with the standards Arera's quality standards related to gas and electricity

QUICK RESPONSE IN GAS SERVICES

maintain a level significantly above Arera's requirements for the percentage of calls with arrival within 60 minutes



MORE THAN **310** THOUSAND NEXMETER GAS METRES



Installed by the end of 2027

≤10



MINUTES, AVERAGE WAITING TIME AT HELP DESKS

and 80 seconds, average waiting time at call centres

✓ Results achieved or in line with those planned - Other objectives, results and future targets in the following pages and on bs.gruppohera.it

ALONGSIDE THE PROTAGONISTS OF CHANGE

PEOPLE



10.2

ACCIDENT FREQUENCY RATE
(vs 10.5 in 2022)



31.5

HOURS OF TRAINING PER CAPITA
(vs 30.8 in 2022)

95.4%

EMPLOYEES WITH PERMANENT CONTRACTS



81% EMPLOYEES

in companies with
UNI/PdR 125:2022 gender
equality certification



33% WOMEN IN ROLES OF RESPONSIBILITY

41% IN CAREER ADVANCES

(excluding blue-collar workers)

40%

OF VARIABLE RETRIBUTION

for managers and middle
managers linked to
sustainability objectives,
24% to creating shared value

6

MILLION EURO

used by employees with Hextra,
the corporate welfare plan



70/100

WORKER SATISFACTION
from an internal
climate review

OBJECTIVES

WHAT WE SAID WE WOULD DO...

Workers

HERASOLIDALE

initiate the fifth edition (2023-2025), involving employees in defining the nonprofit organisations and supporting solidarity projects

RESULTS

WHAT WE DID...

58

THOUSAND EUROS DONATED

to the five organizations partners in 2023 for the fifth edition of HeraSolidale



FUTURE TARGETS

WHAT WE WILL DO...

HERASOLIDALE

continue with the fifth edition (2023-2026) involving employees in defining the nonprofit organisations and supporting solidarity projects

Managing skills and training / People development

25

HOURS PER CAPITA OF TRAINING

in 2023. Develop widespread skills on networks, energy, the environment and energy transition/circular economy. Continue with the initiative allowing employees to dedicate one working day to their professional development



31.5

HOURS PER CAPITA OF TRAINING

provided in 2023. Enhanced training offer to develop widespread skills on networks, energy, the environment and the energy transition/circular economy, and renewed possibility for employees to dedicate one working day to their professional development



≥26

HOURS PER CAPITA OF TRAINING

in 2027. Develop widespread skills on networks, energy, the environment and energy transition/circular economy. Continue with the initiative allowing employees to dedicate one working day to their professional development



≥50%

INTERNAL MOBILITY

needs covered by internal mobility

41%

INTERNAL MOBILITY

needs covered by internal mobility

≥41%

INTERNAL MOBILITY

needs covered by internal mobility

Health and safety

10.5

WORKPLACE ACCIDENT FREQUENCY

by 2026 e <10 by 2030. Continue training and awareness-raising initiatives on the Importance of safety. Gradually extend the use of the "Man on the ground" app in activities with lone worker risk



10.2

WORKPLACE ACCIDENT FREQUENCY

in 2023. Culture of safety initiative ongoing. Initiatives to raise awareness of health and safety issues completed. Testing begun on the use of the "man on the ground" app and further improvements studied



<10

WORKPLACE ACCIDENT FREQUENCY

by 2030. Continue training and awareness-raising initiatives on the Importance of safety



✓ Results achieved or in line with those planned - Other objectives, results and future targets in the following pages and on bs.gruppohera.it

ALONGSIDE THE PROTAGONISTS OF CHANGE

SUPPLIERS

SUPPLIES FROM CERTIFIED COMPANIES

31%

SA 8000

51%

ISO 45001

57%

ISO 14001/EMAS

87%

VALUE OF PUBLIC TENDERS
with the most economically advantageous bid method



WORKPLACE CONDITIONS MONITORING

41 audits of suppliers, of which 10 at their facilities and 31 at Hera work sites

66%

OF TOTAL TENDERS
with the most economically advantageous bid method

NEW VENDOR QUALIFICATION SYSTEM

with monitoring of "Esg maturity" level



OVER 22

SUPPLIERS

invited on average to negotiated tenders: open and transparent competition

39/100

AVERAGE SCORE

assigned to sustainability in the total number of procurements with most economically advantageous

10.5%

VALUE OF CONTRACTS

with circularity criteria in 2023

OBJECTIVES

WHAT WE SAID WE WOULD DO...

Suppliers

MONITOR SUPPLY COMPANIES' CORPORATE SOCIAL RESPONSIBILITY

towards their employees: carry out at least 30 supplier audits (offices and work sites) in 2023



Qualification, selection and evaluation of suppliers

~35/100

AVERAGE SCORE

assigned to aspects of environmental and social sustainability in tenders using the criterion of the economically most advantageous bid



START SUPPLIER ESG MATURITY RATE MONITORING

with the launch of the new eProcurement portal, through a dedicated questionnaire at the supplier qualification stage



Contract management

ANALYSE ALL ACCIDENT EVENTS

reported by service and work providers. Report on the related accident rates



RESULTS

WHAT WE DID...

MONITOR SUPPLY COMPANIES' CORPORATE SOCIAL RESPONSIBILITY

towards their employees: over 40 evaluation questionnaires collected and 41 supplier audits carried out (offices and work sites) in 2023



39/100

AVERAGE SCORE

reserved to aspects of sustainability in tenders carried out in 2023 using the criterion of the economically most advantageous bid



ESG MATURITY INDEX

initiated monitoring of suppliers' Esg maturity index through qualification on Hera_Pro. In the second semester recorded a response rate of 50% with more than 2 thousand suppliers mapped



22.3

SUPPLIERS ACCIDENT FREQUENCY RATE:

252 accident events reported in 2023



FUTURE TARGETS

WHAT WE WILL DO...

MONITOR SUPPLY COMPANIES' CORPORATE SOCIAL RESPONSIBILITY

towards their employees: in 2024 continue to systematically conduct audits at suppliers (locations and construction sites) deemed most critical



~40/100

AVERAGE SCORE

assigned to aspects of environmental and social sustainability in tenders using the criterion of the economically most advantageous bid



CAPACITY BUILDING

capacity building programme launched to encourage improvements in suppliers' "ESG maturity" and in technical-implementation and qualitative skills



ANALYSE ALL ACCIDENT EVENTS

reported by service and work providers. Report on the related accident rates



✓ Results achieved or in line with those planned - Other objectives, results and future targets in the following pages and on bs.gruppohera.it

Hera Spa

Registered office: Viale C. Berti Pichat 2/4 - 40127
Bologna tel.: +39.051.28.71.11 fax: +39.051.28.75.25

www.gruppohera.it

Share capital i.v. € 1.489.538.745,00
C.F. / Reg. Imp. 04245520376
Gruppo Iva "Gruppo Hera" P. IVA 03819031208