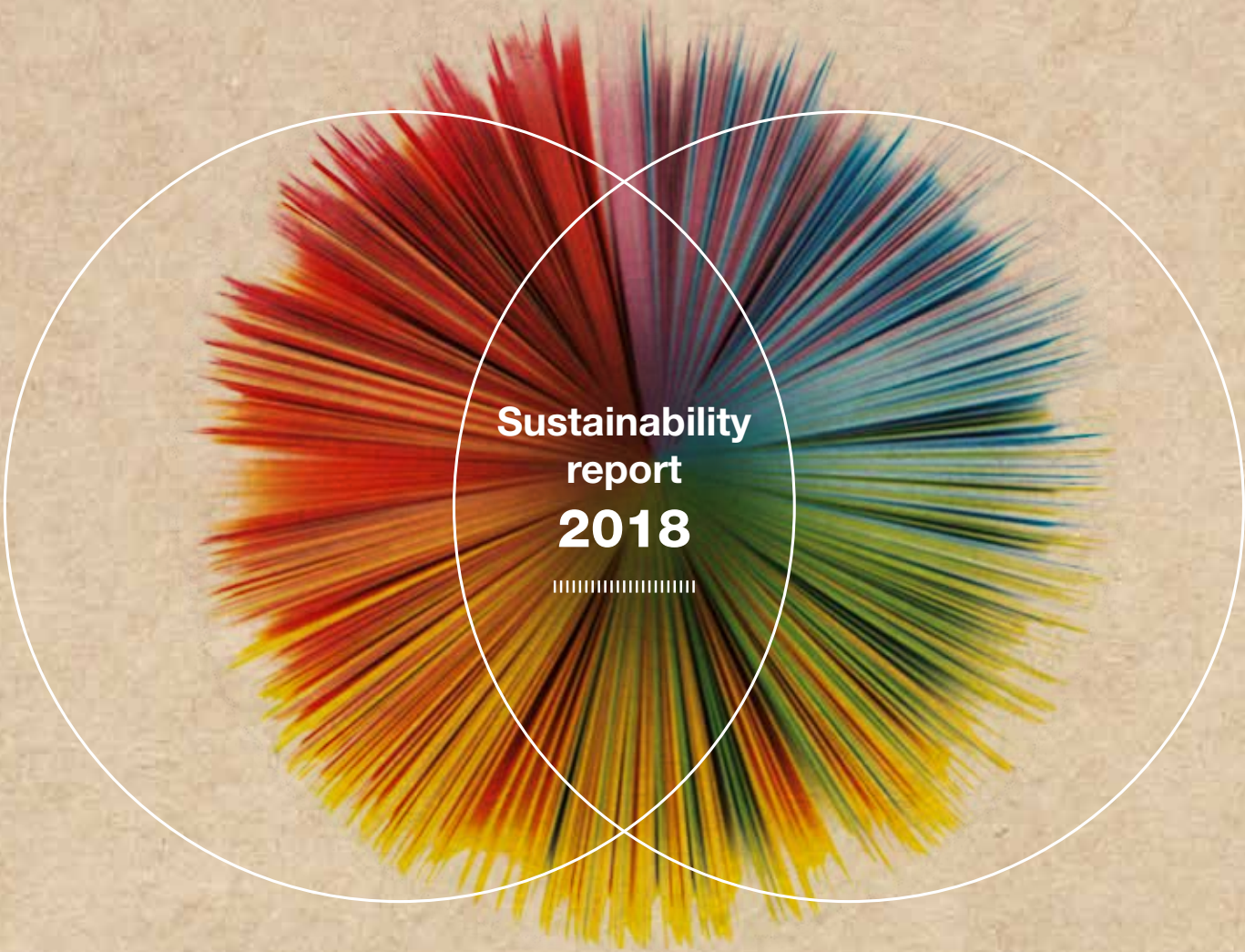
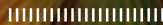


HERA



Sustainability
report
2018



1

Introduction



Sustainability, strategy and shared value

375

million euro

shared value Ebitda,
36% of total Ebitda
(+14% over 2017)

2018 Reporting Oscar
and special prize for innovative
reporting

184

million euro

shared value investments,
40% of total investments

CE100,

Hera among the world's leading
circular economy companies,
part of the Ellen MacArthur
Foundation's program

71 /100

customer satisfaction

our annual survey confirms the high
quality of Group services

**Hera in the Global Diversity
and Inclusion Index**

Hera ranked 2nd in Italy and
22nd worldwide among the 100
companies in the Thomson Reuters
index for its inclusion and diversity
policies

Letter to stakeholders

Our sustainability reporting: previous elements confirmed and new features introduced

This year's sustainability report reaffirms the innovative representation of its content as introduced in 2017, focused on **creating shared value (Csv)**. The positive results we are able to report this year as well, alongside the new goals we have set for the future, are once again flanked by an overview of the scenario in terms of sustainability. Taken as a whole, they represent our response to the significant **environmental and socio-economic challenges** faced by the communities we serve. With the aim of introducing further improvements in our accountability profile, in this report we have included new sections dedicated to the **results achieved in each local area served**. Furthermore, our sustainability reports focused on single issues have recently been enhanced by a fifth report, concentrated on **Goal 17 of the UN's Agenda** and dedicated to the many initiatives involving collaborations between Hera and the citizens and organisations found in the communities served.

Creating shared value:

our new strategic approach towards sustainability

A new goal: the strength of business in regenerating the ecosystem and the environment

The considerable extent of the economic, social and environmental changes we are currently witnessing, in some ways a historical turning point, raises complex issues for businesses, who can no longer simply limit themselves to containing the negative impact of their operations. Moreover, within a context in which institutions have difficulty coming up with effective and widely accepted solutions, **communities are now showing higher expectations** towards the business world, increasingly urged to tackle the social and environmental challenges we are currently facing.

We believe the answer lies in our approach to creating shared value. Ours is an approach that calls for the ties between Csr and a company's strategy to be reshaped, bringing the former into the very heart of the latter. While Csr as defined until present had pondered the "what" and the "how" of a business, thus taking a "reactive" stance, shared value brings to the foreground its "reason why", dealing with the basic grounds on which a business exists – that is to say, its mission and its strategy – and the distinctive features that set it apart from all others. In our opinion, the companies with the strongest future are those who use their strength **to contribute to regenerating the ecosystem and the environment**. We are committed to ensuring that Hera remains part of this category of companies.

Energy, resources and territory:

three drivers for creating shared value

Reporting: shifting the focus from "what" and "how" to an evolving "reason why"

The most significant room for improvement in business reporting therefore consists in creating a direct and unavoidable link between Csr and corporate strategy, capable of raising questions as to a company's "reason why", guiding innovation and forcing us to reflect on how it can support society. Integrating the "what" and the "how" that are already factored into traditional business reporting, all of this not only implies a deep knowledge of the company's activities and the impact it has on

375 million euro

the Ebitda from Csv activities

its various stakeholders. It also calls for an accurate analysis of its external context, identifying the points at which its business intersects with the ecosystem; these are the **points that offer opportunities for creating shared value and sustainably developing** the company. The opportunities we have identified for ourselves, based on an analysis of the UN's 2030 Agenda and over sixty sustainability policies seen worldwide or on a European, national or local level, fall into three categories: (i) **smart use of energy**, (ii) **efficient resource management** and (iii) **innovation and contribution to development**. These three areas directly concern Hera's "reason why" and have a positive influence on its current, and above all future, competitiveness. Furthermore, they lie at the root of three of the most prominent chapters in our sustainability report.

Our new strategic approach substantiated by a 14% rise in "shared value" Ebitda

One of the strong points of innovative Csv reporting is its quantification of "shared value" Ebitda. This indicates the amount of total Ebitda deriving from business activities capable of responding to the goals listed in the "global agenda", i.e. the "calls to action" that move towards sustainable growth, as summarised by the three drivers mentioned above. In 2018, **"shared value" Ebitda came to 375 million euro**, increasing by 14% over the previous year and representing 36% of total Ebitda. This result thus shows progress along the path set out by the 2018-22 Business Plan, designed in order for approximately 40% of 2022 Ebitda to come from business initiatives responding to the global agenda priorities that match the Group's activities.

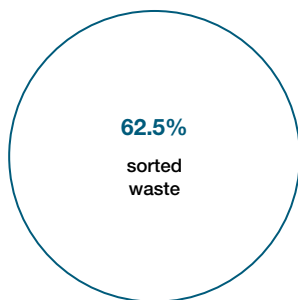
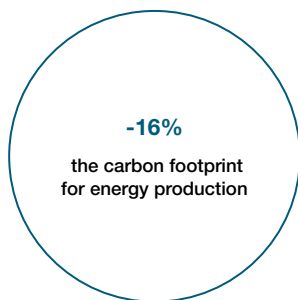
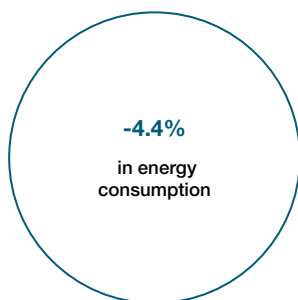
Hera for a smarter use of energy

The initiatives identified by Hera Spa, Inrete, AcegasApsAmga and Marche Multiservizi within the framework of Iso 50001 (included in the energy improvement plan) and already implemented allowed energy consumption to be reduced by roughly 10.300 Toe, or -4.4%, compared to the figures seen in 2013. The improvement plan calls for additional energy efficiency initiatives that will make room for 5.3% in overall savings, once again compared to 2013, well over the 5% target set for 2020. A considerable number of initiatives have been introduced with our customer businesses/partners: 27 agreements with professional associations and enterprises were signed by the end of 2018. Among the initiatives currently available to residents, the Group's marketing offers include **Hera Led, Hera Thermo and Hera ContaWatt**; in this area, one must also consider **the consumption analysis report**, a free service allowing one's own energy consumption to be compared with that of a similar family. At the end of 2018, almost 15% of customers took advantage of Hera Comm's energy efficiency services.

Some additional elements, part of our contribution to countering climate change, include: purchasing 100% renewable electricity for the business activities of Hera Spa, AcegasApsAmga and Marche Multiservizi; launching **biomethane production** from the organic portion of waste in the Sant'Agata biorefinery in the province of Bologna; producing 600 GWh of renewable energy; **reducing the Group's carbon footprint for energy production by 16%** compared to 2015.

Hera for a more efficient use of resources

A further **increase in sorted waste** was seen in 2018, now reaching 62.5% (as against the 2017 Italian average of 55.5%), with a corresponding reduction in the use of landfills for urban waste disposal, which has now settled at 4.5% (compared to the 2017 Italian average of 26%). In this area, Hera is almost 20 years ahead of the EU goal for a circular economy and is positioned on the same level as the best-performing European countries. The ninth edition of the report entitled **Sulle tracce dei rifiuti** ("Retracing Waste"), published in 2018, indicates an overall recycling level of



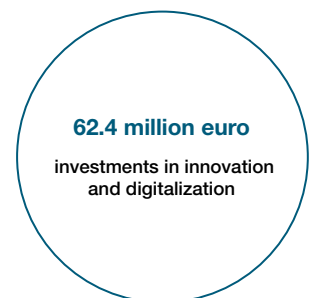
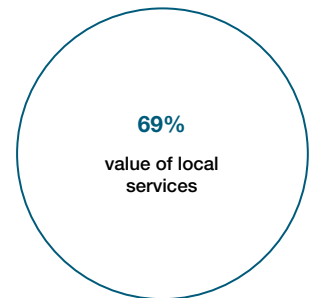
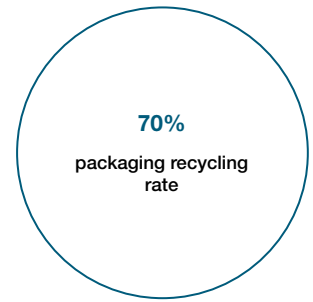
48% for the areas served by Hera, which thus ranks well in comparison to the goal of 55% set by the EU for 2025, and a packaging recycling level of 70%, which already meets the EU's target set for 2030.

As regards industrial waste, increases were seen in 2018 concerning the amount of waste recovered by HASI, which rose to 41.6%, and the recycled plastic products sold by Aliplast, which totalled over 84 thousand tons (+4% compared to 2017). Our strong commitment towards sustainability in the **sewerage and purification sector** also continued in 2018. The main projects included Rimini (7 interventions completed out of the 14 comprising the Integrated reclamation plan, with additional interventions aimed at mitigating water risk) and completing the Servola treatment plant in Trieste (fully operational as of June 2018), which has recently allowed the community infraction to be definitively closed, after being inherited from a previous manager.

Hera for innovation and a sustainable development of the local area

Significant results were achieved by the Group in 2018 regarding Csv issues linked to the economic and occupational development of local areas, innovation and digitalisation, and air and soil protection. The **value coming from local service** providers reached 69% of the total, amounting to 632 million (+7% over 2017), while induced employment is estimated at approximately 8,100 workers; this data confirms the Group's leading role in local development. Investments in **innovation came to roughly** 62.4 million euro and were dedicated to projects in four areas: smart city, utility 4.0, circular economy and customer experience. Smart city initiatives included smart eco-friendly islands, environmental quality monitoring, a sustainability analysis and monitoring dashboard for municipalities and energy maps. As regards utility 4.0, numerous projects were aimed at further optimising operating processes, benefitting safety and service continuity, work quality and internal efficiency. Additionally, the Group's efforts towards developing digital channels for customer relations continued in 2018. The new app MyHera was launched, which is dedicated to residential customers and has reached 100,000 downloads. **Air protection** was confirmed by positive results coming from the environmental performance of the Group's ten waste-to-energy plants, which in 2018 as well showed a very modest amount of emissions into the atmosphere, 86% lower on average than the legal limits. Furthermore, in **soil protection** the projects completed by Heratech in 2018 proved able to reuse 68% of the soil involved.

To conclude, in light of the encouraging results reported in this document, we can maintain that sustainability reporting guarantees the well-known and consolidated "external" value of the Hera Group; at the same time however, it has also opened the way, from the very outset, towards creating an "internal" value whose importance cannot be overlooked. This internal value has been responsible for the **organisation's significant cultural growth**, with tangible and progressive improvements in managing its daily business and in its relations with stakeholders, with an excellent grasp of the "what" and the "how". Our current strategic approach to creating shared value has introduced a new phase, focused on the "reason why", that has led us to renew our reporting and that, we believe, will be able to **support our company's future growth**.



Tomaso Tommasi di Vignano

Executive Chairman

Stefano Venier

CEO

2

Shared value



Smart use of energy

Sustainable Development Goals



14.6%

customers adhering to initiatives involving energy efficiency services

4.4%

energy consumption reduction compared to 2013, -5.3% including projects already in the works

10

energy efficiency projects presented to the Gse for white certificates, 5 of which include behavioural measures

600 GWh

renewable energy produced

equivalent to the consumption of 182 thousand families

100%

renewable energy

for activities managed by Hera Spa, AcegasApsAmga and Marche Multiservizi

12%

customers with the Nature Package offer

based on energy deriving from 100% renewable sources

-16%

carbon footprint

for energy production compared to 2015, aiming at -23% by 2022

Biomethane project

production underway in the Sant'Agata Bolognese biorefinery

2.3

million

tons of greenhouse gas avoided

Objectives Results Future targets

what we said we would do...

what we did...

what we will do...

Promoting energy efficiency



Iso 50001 plan for energy improvement: reduce energy consumption by over 4% in 2018 and by 5% by 2020 (compared to 2013).

(E) (T) (M)

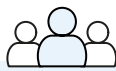
reduction in energy consumption in 2018 (compared to 2013) thanks to the projects implemented. 5.3% reduction expected by 2020 with projects already planned.

4.4%

reduction in energy consumption by 2022. 5% reduction by 2020.

(E) (T) (M)

6%



Continue to **promote gas, electricity and district heating offers with energy efficiency services**. Reach 20% of customers with these offers in 2018 (+30% over 2017) and 35% by 2021.

of customers have adhered to energy efficiency offers. Offers promoted in 2018: Hera ContaWatt, Hera Thermo, Hera Ecomove, Hera Led and Led Business.

14.6%

customers with gas, electricity and district heating offers including energy efficiency **services by 2022**.

19%



Public lighting: realizing energy savings projects for 1,300 toe in 2018, such as replacing traditional light bulbs with Led lamps (16% by 2021).

(E) (T) (M)

toe saved thanks to projects carried out in 2018, including replacing traditional light bulbs with Led lamps (15% in 2018).

1,634

toe energy savings expected for 2019, from projects in public lighting including replacing traditional light bulbs with Led lamps (23% al 2022).

(E) (T) (M)

1,300

Advancing renewable energy



Start production of biomethane from organic waste.

(E)

Biomethane production from waste at the Sant'Agata Bolognese plant began in late 2018.



Produce of biomethane in the Sant'Agata Bolognese plant in 2018 and inject it into the gas network. Launch the authorisation phase for constructing the Lugo biomethane production plant.

(E)

7 million m³

Reducing greenhouse gas emissions

22%

Reduce the carbon footprint for energy production (kg CO₂/MWh) by 22% within 2021 (compared to 2015).

(E) (T) (M)

16%

reduction in the carbon footprint for energy production in 2018 (compared to 2015).

23%

reduction in the carbon footprint for energy production (Kg CO₂/MWh) by 2022 (compared to 2015).

(E) (T) (M)

Applicable local area of improvement measures

(E) Emilia-Romagna (T) Triveneto
(M) Marche Multiservizi

Other objectives, results and future targets at bs.gruppohera.it

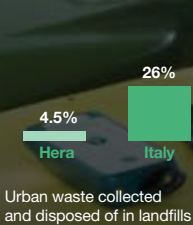
3

Shared value



Efficient use of resources

Sustainable Development Goals



EU 2035 goal already reached

95%

of urban areas brought in line with purification regulations >2,000 PE

500

thousand cubic metres coming from the Bologna purifier recovered in 2018 thanks to the first agreement signed with local authorities

62.5%

sorted waste over an area with 3.1 million inhabitants

4

of Italy's top 10 cities for sorted waste performance per capita are served by the Hera Group (>100 thousand inhabitants)

550

thousand euro in non-expired medication and 11 thousand meals, recovered with FarmacoAmico and CiboAmico

93%

waste recovered the amount of sorted waste recuperated, going towards a circular economy

150

thousand tons of CO₂ avoided with the plastic recycled by Aliplast

70%

level of packaging recycled EU 2030 goal reached

Objectives Results Future targets

what we said we would do...

what we did...

what we will do...

Transition towards a circular economy



Increase sorted waste of urban waste: 60.6% in 2018 and 70% by 2021 across the areas served by the Group; expand the app “Il Rifiutologo” into the Marche region.

(E) (T) (M)

62.5%

sorted waste in 2018. Expanding the app “Il Rifiutologo” into the Marche region delayed to 2019.

73.2%

sorted waste by 2022, thanks to initiatives including an extension of unit pricing in Emilia-Romagna.

(E) (T) (M)



Urban waste: increase recycling to 60% by 2021 and packaging recycling to 70%.

(E) (T) (M)

70%

packaging recycling in 2017 (compared to 68% in 2016). Overall recycling came to 48% in 2017 (compared to 47% in 2016).

76%

packaging recycling and 60% overall urban waste recycling by 2022.

(E) (T) (M)



Industrial waste: complete our waste management offer for customers with circular economy solutions, and further increase the amount of recovery.

42%

recovery of the 480 thousand tons of industrial waste managed by HASI in 2018 (as against 30.5% in 2017). Marketing offers launched with circular economy solutions.



For large industrial clients, **develop a unified offer with “circular” solutions** for waste, energy, water and telecommunications.

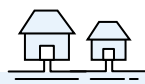
Sustainable management of water



Launch updating projects in the sewage-purification sector, in particular by:

- updating all agglomerations >2,000 PE within 2021;
- creating projects for 66 agglomerations between 200 and 2,000 PE in 2018;
- creating projects for 5 plants above 10,000 PE in 2018.

(E)



Updating the sewage-purification sector is underway:

- 95% urban agglomerations >2,000 PE updated at the end of 2018 and one intervention concluded in Trieste;
- plans for 66 agglomerations (updating expected within 2021);
- projects for five plants >10,000 PE (updating expected within 2020).

100%

agglomerations >2,000 PE updated within 2021. Furthermore:

- 252 additional agglomerations updated, out of 254 between 200 and 2,000 PE in Emilia-Romagna and Triveneto within 2022.

(E) (T) (M)



Launch water management structuring. Reduce water consumption in the Imola cogeneration plant by 40,000 cubic metres (-15% compared to 2017). (E)

40 thousand m³

of water expected to be saved each year in the Imola cogeneration plant thanks to the work done in 2017. Water management launched.

10%

reduction in internal water consumption by 2022, compared to 2017 consumption.

(E) (T) (M)

Applicable local area of improvement measures

(E) Emilia-Romagna (T) Triveneto
(M) Marche Multiservizi

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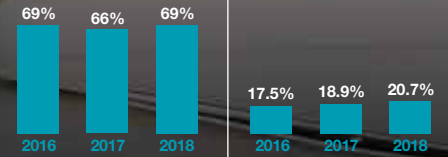
4

Shared value



Innovation and contribution to development

Sustainable Development Goals



Value of local services (632 million euro in 2018) Customers making use of online services

8,120

workers

the induced employment generated by Hera in 2018

816

people facing hardship

included thanks to supplies from social cooperatives, totalling over 62.2 million euro

62.4

million euro

for innovation and digitalisation, 22 projects in smart city, circular economy and data analytics

-86%

legal limits

on emissions from waste-to-energy plants. -98% PM₁₀ limits in the Imola plant

68%

reused soil

in projects implemented in 2018

Bio-plastic

two agreements for production of the biodegradable plastic of the future

Objectives Results Future targets

what we said we would do...

what we did...

what we will do...

Broader use of innovation and digitalisation



Continue promoting e-billing

(22% of all contracts using bills sent by email in 2018 and 31% and 2021) and continuation of the campaign "Digi e lode".

(E)

24%

customers receive their bills by email.

The second edition of "Digi e lode" is underway, bringing customers and the company together in digitalising local schools.

41%

of customers with e-billing and 27%

of customers making use of online services by 2022. Promote customer digitalisation through projects including an extension of the campaign "Digi e lode".

(E) (T) (M)



Continue/launch new innovative circular economy projects and new management of purification sludge.



New innovative circular economy projects and management of purification sludge, such as biorefinery 2.0 (to produce bio-combustibles by treating trimmings gathered) and a ultrasound sludge hydrolysis system.



Continue research on producing

bio-plastic from organic portions and from CO₂ and hydrogen in a partnership with Bio-on.

Developing employment and new skills



Continue to use the social clause to guarantee employment with contracts for emergency services on networks and services linked to customer management.

(E) (T) (M)

23

are the tenders, including the most important, in which the social clause guaranteeing employment was included.



Continue to use the social clause to guarantee employment with contracts for emergency services on networks and services linked to customer management.

(E) (T) (M)

Air and soil protection

725 thous m²

of land reused between 2018 and 2021 in infrastructure planning (2/3 of the total land involved in new projects).

(E)

68%

of land reused in creating new infrastructures during 2018 (115 thousand square meters).

75%

of land reused between 2019 and 2022 in infrastructure planning (3/4 of the total land involved in new projects).

(E)



Continue to prefer purchasing vehicles with a reduced environmental impact (29% in 2021).

(E) (T) (M)

22.8%

vehicles with a reduced environmental impact in 2018 (22% in 2017).

31%

vehicles with a reduced environmental impact in 2022.

(E) (T) (M)

+200 public and private infrastructures created in 2019 for electric urban mobility.

(E) (T)

Applicable local area
of improvement measures

(E) Emilia-Romagna (T) Triveneto
(M) Marche Multiservizi

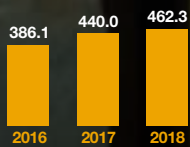
Other objectives, results and future targets
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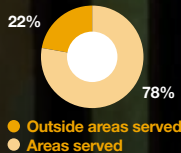
The bases and the organisational levers



Governance and value creation



Total operating investments (million euro)



Total economic value distributed

+212%

total return on stock compared to original listing in 2003

1,281

million euro

added value distributed to local stakeholders



632

million euro

value of services from local suppliers



1,913

million euro

economic value distributed to local areas (+4% compared to 2017)

300

Hera in the FtseMib

Hera now among the 40 most important companies listed on the Italian stock exchange

hours listening to stakeholders

in the ten sessions of HeraLAB in 2018

First "sustainable" line of credit in Italy

signed by Hera in 2018 with a mechanisms rewarding sustainability targets

Objectives Results Future targets

what we said we would do...

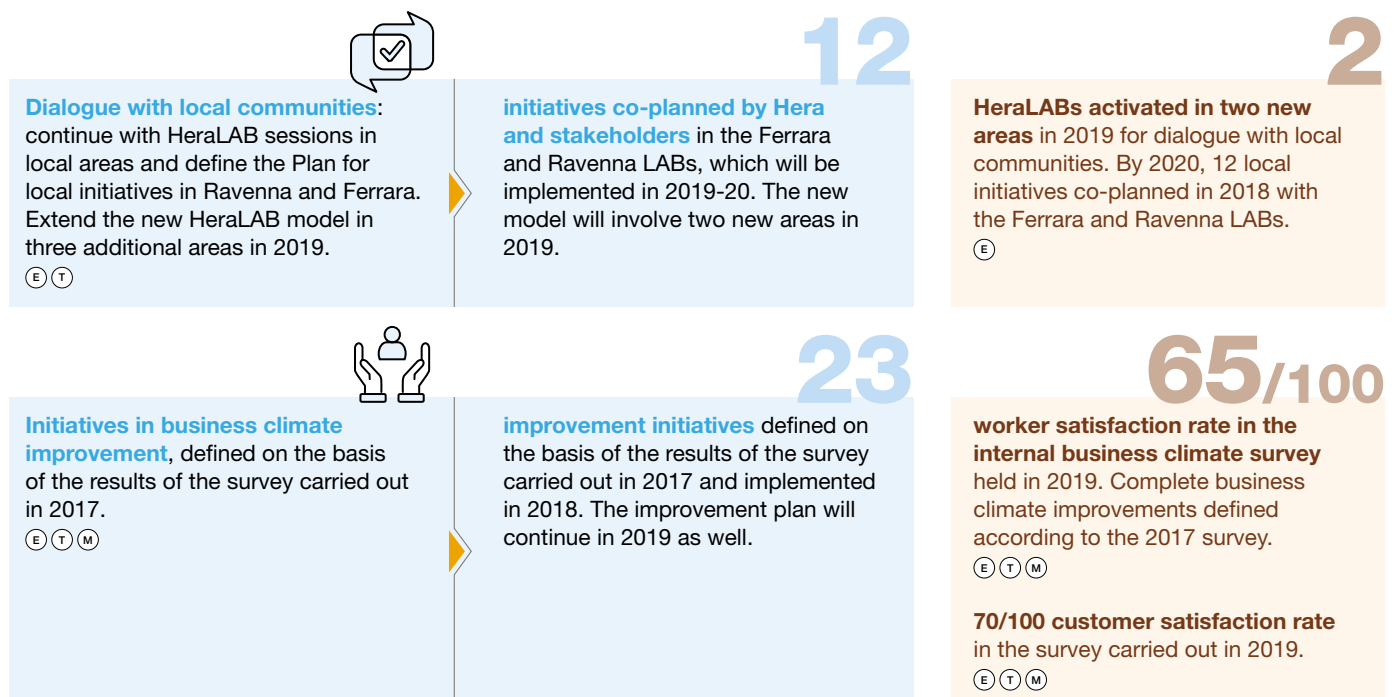
what we did...

what we will do...

Economic value for stakeholders



Dialogue with our stakeholders



Applicable local area of improvement measures

(E) Emilia-Romagna (T) Triveneto
(M) Marche Multiservizi

Other objectives, results and future targets at bs.gruppohera.it

6

The bases and the organisational levers



Customer service quality, costs and safety



Average yearly expense for four types of non-household users (euro/m²)

-27%

lower than the Italian average for non-household urban waste



Average yearly expense per family

-19%

lower than the Italian average for household urban waste

45%

of bills attributable to Hera

28% raw materials and 27% taxes and system charges

96.7%

calls to the emergency gas service

with arrivals within 60 minutes (service obligation: 90%)

99.6%

compliance with quality standards

set by the Authority for four services

9.6

minutes average waiting time

at help desks and chance to book an appointment with an operator

36

seconds average

waiting time at the Group's call centre to answer calls from residential customers

399

thousand analyses

carried out on Group drinking water, 1,100 per day, of which 63% on the distribution network

Objectives Results

Future targets

what we said we would do...

what we did...

what we will do...

Service and drinking water quality

30%

electronic metres by the end of 2018 and 57% within 2021: continue the electronic gas metre installation project.

(E T M)

34%

electronic gas metres installed by the end of 2018 (as against 22% at the end of 2017).

78%

electronic gas metres installed by the end of 2022: 43% by the end of 2019.

(E T M)



Improve respect for commercial quality standards and other services potentially involving reimbursements to end customers in the gas, electricity, water, and district heating areas.

(E T M)

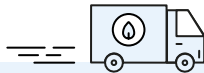
99.6%

cases of commercial quality standards respected in 2018: essentially in line with 2017.



Further improve respect for commercial quality standards in the gas, electricity, water and district heating services. Further reduce reimbursements paid to customers in the event these standards are not respected. (E T M)

Safety and service continuity

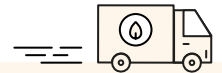


Quick response in gas services: maintain a level significantly above Arera's requirements for the percentage of calls answered within 120 seconds followed by arrival within 60 minutes.

(E T M)

97.4%

amount of calls answered within 120 seconds in 2018; amount of arrivals on location within 60 minutes: 96.7% (service requirements set at 90%).



Quick response in gas services: maintain a level significantly above Arera's requirements for the percentage of calls answered within 120 seconds followed by arrival within 60 minutes.

(E T M)

Update the resilience plan formulated in 2018 for electricity grids; implement projects for grid automation primary/secondary transformer rooms, improving service continuity and quality.

(E)

Customer relations



Guarantee quality of the call centre and average waiting time in line with 2017. Further improve waiting time at AcegasApsAmga's help desks.

(E T M)

9.6

minutes average waiting time at help desks, with a reduction in all areas served, more sharply in those pertaining to AcegasApsAmga (from 15 minutes to 12). Average waiting time at the call centre in line with previous years.



Guarantee quality of the call centre and average waiting time at help desks in line with 2018.

(E T M)

Applicable local area
of improvement measures

(E) Emilia-Romagna (T) Triveneto
(M) Marche Multiservizi

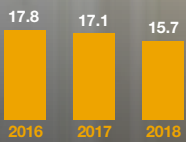
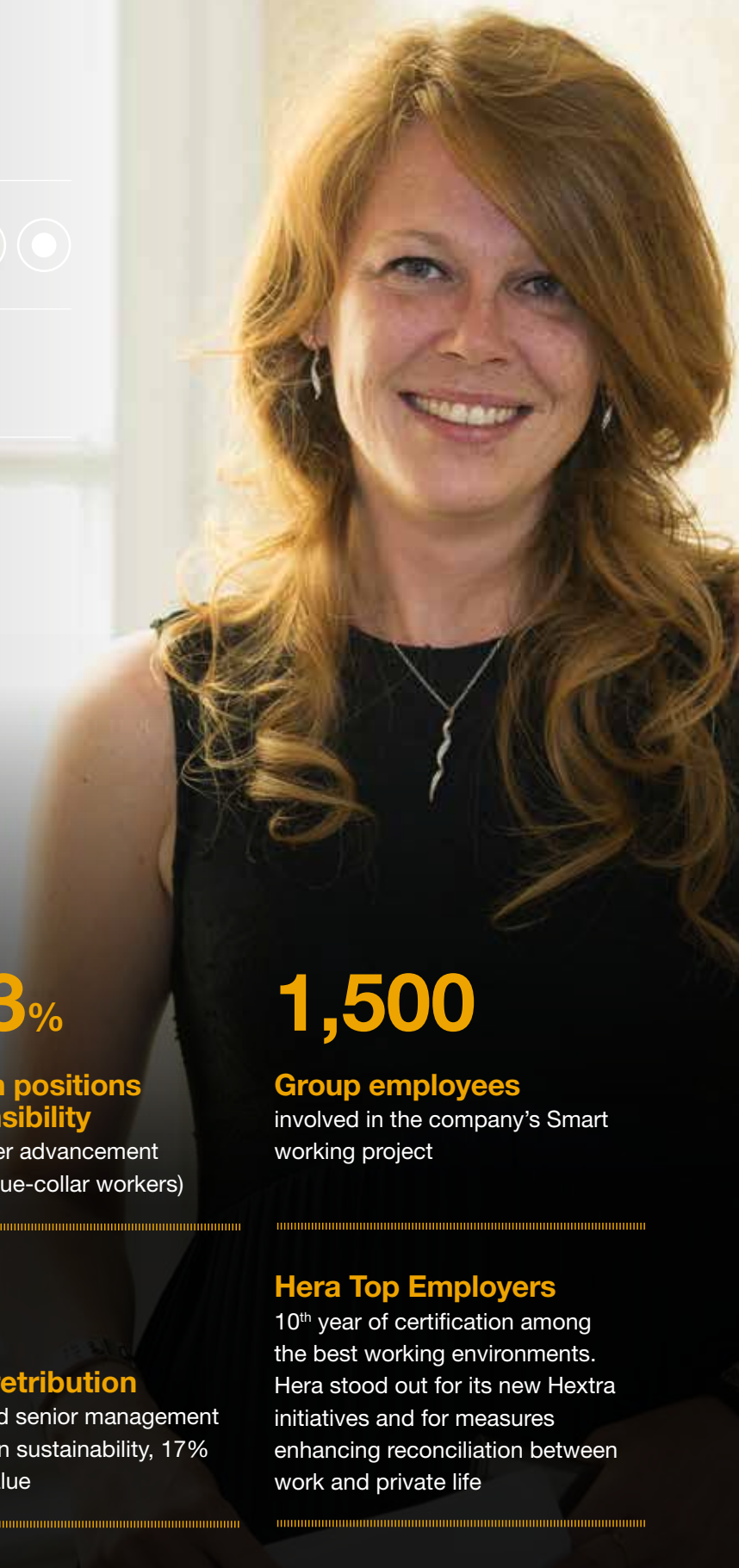
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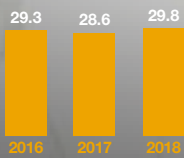
The bases and the organisational levers



People



Workplace accident index



Training

96.2%

employees with permanent contracts

4.2

million euro

used by employees with Hextra, the company's welfare plan (with 98.5% of employees adhering)

32.3%

women in positions of responsibility

41% in career advancement (excluding blue-collar workers)

30%

variable retribution

of middle and senior management depending on sustainability, 17% on shared value

1,500

Group employees

involved in the company's Smart working project

Hera Top Employers

10th year of certification among the best working environments. Hera stood out for its new Hextra initiatives and for measures enhancing reconciliation between work and private life

Objectives Results Future targets

what we said we would do...

what we did...

what we will do...

Workers



Involve employees in the new edition of HeraSolidale in favour of non-profit organisations chosen for their visibility and accountability, contribution to reaching the UN's 2030 Agenda, level of accountability and pertinence to Hera services (accessory criterion).

(E) (T)

57.4

thousand euro donated in 2018 (91% of the result reached over two years with the previous edition) by Group employees to 5 non-profit organisations, partners in the 2018-19 edition of HeraSolidale.



Continue to promote the third edition of HeraSolidale in 2019 and to support reaching the goals of the 5 partner non-profit organisations through donations by employees and customers.

(E) (T) (M)

Involve all employees in the fourth update of the Hera Group's code of ethics.

(E) (T)

Managing skills and training

25

hours per capita of training in 2018: continue with training within HerAcademy as well.

29.8

hours of training per capita in 2018.

24.4

hours of training per capita in 2019 within HerAcademy.

Welfare, diversity and inclusion



Continue to promote Hextra, the Hera Group's welfare system, and to promote the possibility of dedicating part of the production bonus to the company's welfare system. Increase the «welfare amount» to 7%.

(E) (T) (M)

7%

increase in the amount available to employees as part of Hextra in 2018, which now reaches 385 euro that can be used in 5 areas of welfare.



Continue to promote Hextra, valorising the related opportunities in terms of knowledge and availability of the services offered, so as to give employees more support in choosing how to use the amount received.

(E) (T) (M)

Health and safety

17.9

accident frequency in 2018 (-2% compared to the 2015-2017 average). Introduce specific initiatives for awareness of safe driving.

(E) (T) (M)

15.7

accident frequency in 2018 (-16% compared to the 2015-2017 average). "Guido come vivo" initiative launched, aimed at raising awareness and training concerning safe driving.

-3%

reduction in accident frequency in 2019 (18.2) compared to the 2014-2018 average. Raise awareness of health and safety in employees on all levels of the company, through initiatives such as "Guido come vivo" and "Hera cardioprotetta".

(E) (T) (M)

Applicable local area
of improvement measures

(E) Emilia-Romagna (T) Triveneto
(M) Marche Multiservizi

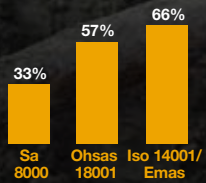
Other objectives, results and future targets
at bs.gruppohera.it

8

The bases and the organisational levers



Suppliers



Supplies from certified businesses

75%

supplies with accident monitoring

93.5%

value of public tenders awarded by adopting the economically most advantageous bid method

72.8%

of total tenders with the economically most advantageous bid method

32/100

average score assigned to sustainability in tender awards

21

suppliers invited on average to participate in negotiated tendering procedures for open and transparent competition

Responsible tenders:

23 tenders included clauses safeguarding jobs. Clauses limiting discount percentages and authorising temporary outsourced work confirmed

Workplace conditions monitoring

20 audits of suppliers, of which 7 in their offices, 1 directly on-field and 12 in Hera work sites



Objectives Results

Future targets

what we said we would do...

what we did...

what we will do...

Suppliers



SA8000 certification: 90 additional evaluation questionnaires and 19 supplier audits (offices and work sites) in 2018.

(E)

20

SA8000 audits at supplier offices and work sites and 90 evaluation questionnaires in 2018



Monitor suppliers' company social responsibility towards their employees: 90 additional evaluation questionnaires and 20 supplier audits (offices and work sites) in 2019.

(E) (T) (M)

Qualification selection and evaluation of suppliers



Continue to assign a score to aspects of environmental and social sustainability in tenders using the criterion of the economically most advantageous bid.

(E) (T) (M)

32/100

out of the average score reserved for aspects of sustainability in tenders using the criterion of the economically most advantageous bid in 2018.



Continue to assign a score to aspects of environmental and social sustainability in tenders using the criterion of the economically most advantageous bid.

(E) (T) (M)



Continue to valorise quality, safety, environmental and social management systems in choosing suppliers.

(E) (T) (M)

87%

of supplies from suppliers having ISO 9001, 66% Emas/ISO14001, 57% OHSAS 18001, 33% SA8000: continue to valorise management systems certified in 2018.



Continue to valorise quality, safety, environmental and social management systems in choosing suppliers.

(E) (T) (M)

Contract management



Workplace health and safety: monitor accidents for 70% of the value of service and work supplies and raise suppliers' awareness of workplace safety.

(E) (T)

75%

of the value of service and work supplies from suppliers with accident monitoring in 2018.

75%

the value of service and work supplies in 2019 with workplace accident monitoring.

(E) (T) (M)

Applicable local area
of improvement measures

(E) Emilia-Romagna (T) Triveneto
(M) Marche Multiservizi

Other objectives, results and future targets
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