

**press release**

Bologna, 10 June 2019

## **2019 Integrated Governance Index: Hera ranked first in green finance**

*The Hera Group ranks fourth in the 2019 edition of the index that measures the integration of ESG factors within the strategies of Italy's main companies, and first, for the second consecutive year, in the area of sustainable finance*

The Hera Group has firmly maintained its excellent position among Italian companies who unite their own strategies with a commitment towards sustainability. Full confirmation of this has come from the 2019 edition of the Integrated Governance Index, an eminent model that analyses the degree to which ESG (Environmental, Social, Governance) factors are integrated within corporate strategies. These factors represent activities that, in addition to pursuing traditional business objectives, take social and environmental aspects into consideration.

This year, the Hera Group came fourth in the overall IGI ranking, one position higher than in 2018, and was confirmed, for the second consecutive year, second to none in the special category dedicated to sustainable finance.

This result shows once again the multi-utility's attention towards sustainability and the creation of shared value, two key factors in its strategy and top priority elements in defining its financial operations and investments.

### **The Group's best practices**

Environmental, social and governance objectives have played a significant role in the Hera Group's strategic planning for some time now and contribute to defining its future path, in line with the UN's 2030 Agenda. Evidence of this can be seen in the Group's shared value Ebitda, i.e. the portion of overall Ebitda that derives from business activities able to meet these same goals, globally: in 2018 this indicator came to 375.2 million euro, or 36% of total Ebitda, with the aim – included in the Business plan – of rising to 40% by 2022.

The Group's financial instruments also respect both this vision and the market's increasingly acute awareness of ESG issues. Hera has proven able to move within this framework ahead of time, interpreting ongoing changes and providing itself with innovative models which are attractive on the market.

This is precisely why the Hera Group has been recognised, within the Italian scenario, as a reference point for new strategies in the area of sustainable finance. After being the first company in Italy to issue a green bond, in 2014, following the example given by other large corporations internationally, last May it introduced the first sustainable revolving line of credit, thanks to a system that offers bonuses for reaching specific environmental sustainability goals. The latter include, for example, a further reduction in the carbon footprint for energy production, new targets in energy efficiency and improvement in sorted waste, all areas in which the Group has been at the forefront for years, as is documented in its sustainability report.



**INTEGRATED  
GOVERNANCE  
INDEX**

### **The 2019 Integrated Governance Index**

The Integrated Governance Index (IGI) is currently the only project that quantitatively evaluates the degree to which ESGs are integrated within corporate management (integrated governance). Developed by ETicaNews, with research and legal support provided by associations and specialised advisors, this year marks its fourth edition. In 2019, the IGI invited Italy's top 100 listed companies to participate, along with businesses that publish non-financial statements and the country's top 50 non-listed companies. The Index's overall analysis and ranking process is based on a survey containing 70 questions, subdivided into eight areas, with an additional area of research that changes each year (dedicated to "ESG and human capital" in 2019).