



SCART | Progetto
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Gruppo Hera
IL LATO DELLA VITA DEL BUSINESS

ESG world Gold class^{*}

Y2020 Financial results



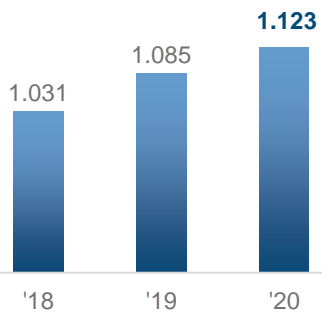
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Sustainability Award
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* According to the 2021 Yearbook of S&P Global

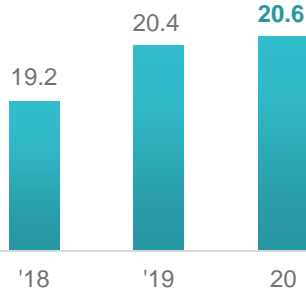
At a glance

EBITDA
(m€)



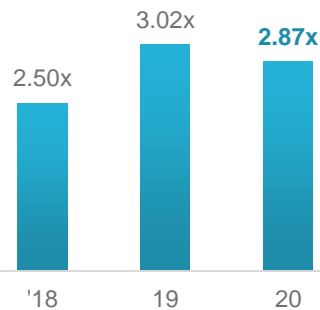
+3.5% '20 vs '19

EPS
(c€)



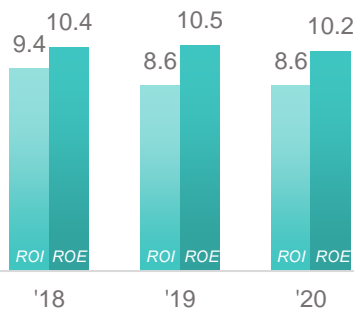
+1.0% '20 vs '19

NET DEBT / EBITDA
(x)



(4.8%) '20 vs '19

ROI and ROE
(%)



Positive value creation

Rock solid results outperforming expectations

2020 focused on all usual value drivers

EXTERNAL GROWTH



MERGERS

Est Energy (12 months)

Pistoia Ambiente (6 months)

PARTNERSHIPS

SNAM, Eni and NextChem

MOU signed to develop future business plan projects

Extended network of partnership for **H2 development**

EFFICIENCIES



SCALE / DIGITALIZATION

Efficiencies and savings from innovation and widespread insourcing across business portfolio

SYNERGIES

+9m€ mainly in EstEnergy thanks to the deployment of Group commercial strategies

ORGANIC GROWTH



100% EXECUTED

>500m€ capex executed increasing organic RAB, customers increase, treatment plants and Energy service



STAKEHOLDERS

Clients: deferred instalments

Suppliers: *reverse factoring*

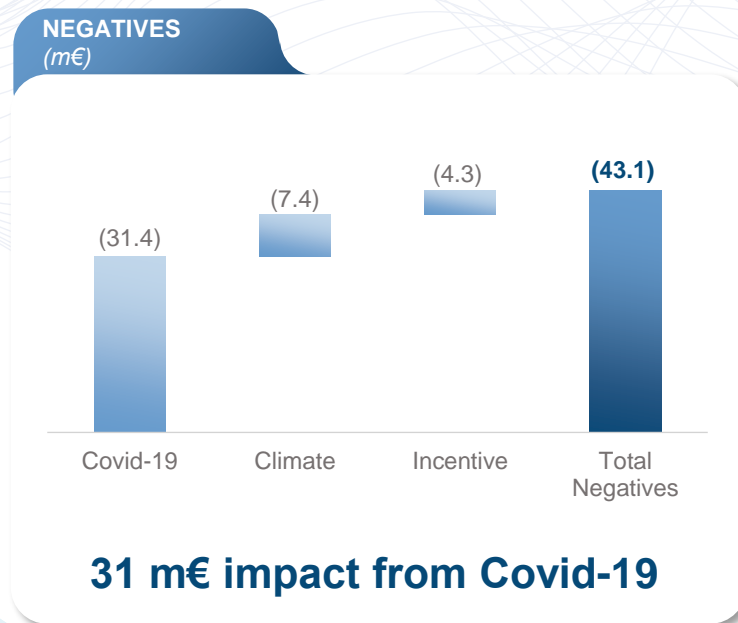
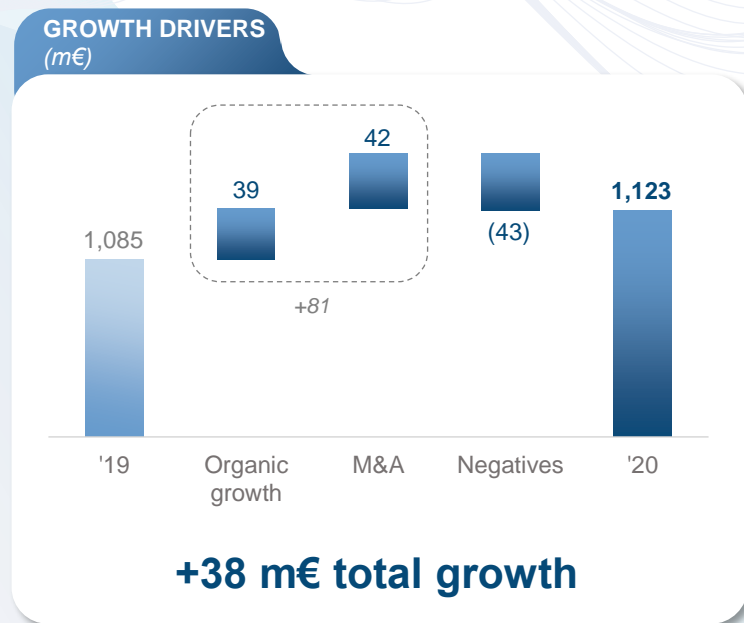
Ref. Territories: *Contribution to build up emergency hospitals*

Employees: *Remote working and Insurance cover against Covid. No temporary layoffs*

Shareholders: *delivered DPS as promised*

Achievement only partially reflected in '20 results

2020 Ebitda by driver



Balancing Organic Growth and M&A, fully offsetting Negatives



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Business and financial results

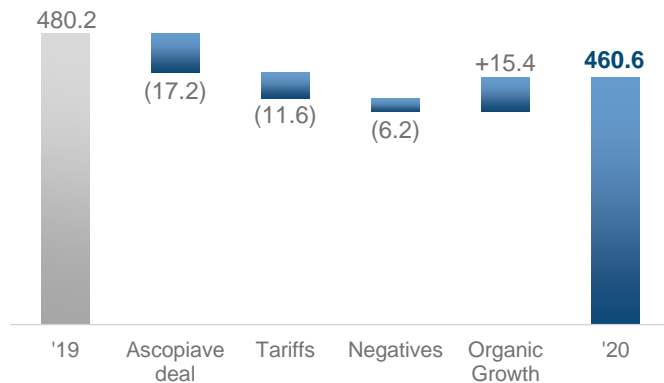


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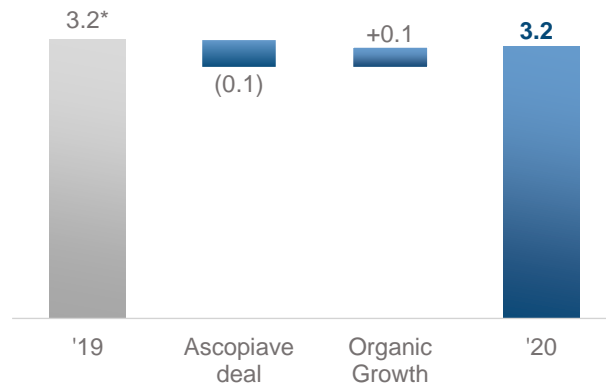
Networks

GROWTH DRIVERS (m€)



Solid organic growth

RAB (b€)



Stable RAB despite Ascopiave swap

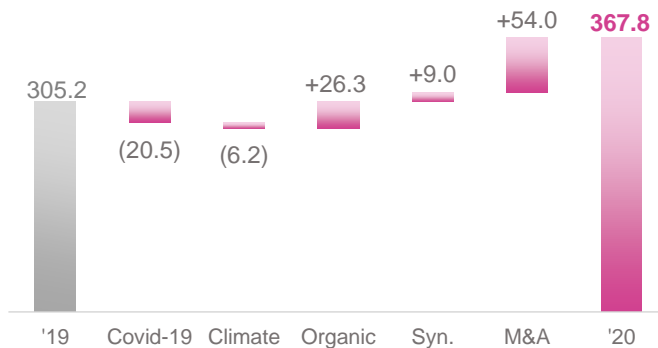
Rock solid assets value

**Including 0.2 b€ of District Heating Net Invested Capital*

Energy

GROWTH DRIVERS

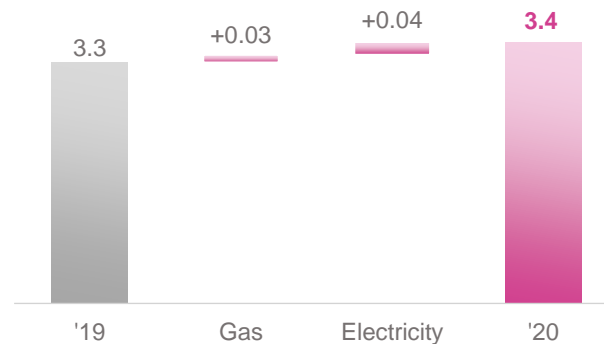
(m€)



Growing a scalable platform

CUSTOMERS

(mln)



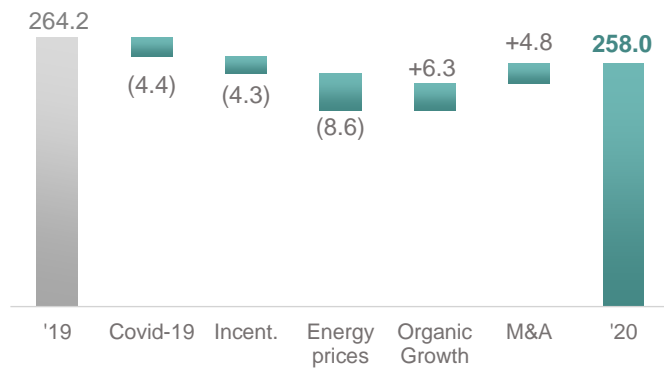
+72k organic customers

Safe cash generating business

Waste

GROWTH DRIVERS

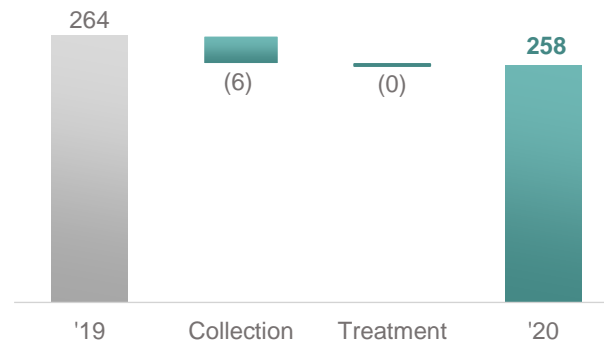
(m€)



Resilient results in all quarters

EBITDA by ACTIVITY

(m€)

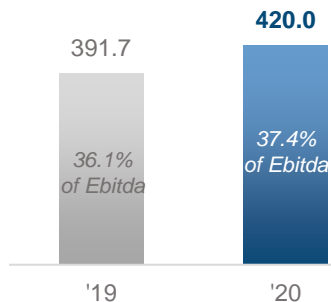


Mkt structure underpinned treatment

Gaining momentum from economic recovery

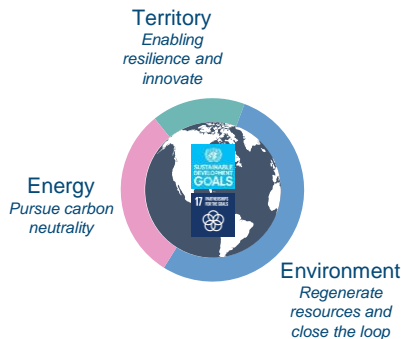
Concretely working on SDGs

CSV (m€)



+7.2% '20 vs '19

'20 CSV SPLIT (m€)



297 m€ capex devoted to CSV

ESG

Ratings

DJSI World and Europe Leader
FTSE4GOODS
REFINITIV DIVERSITY INDEX
TOP Employer

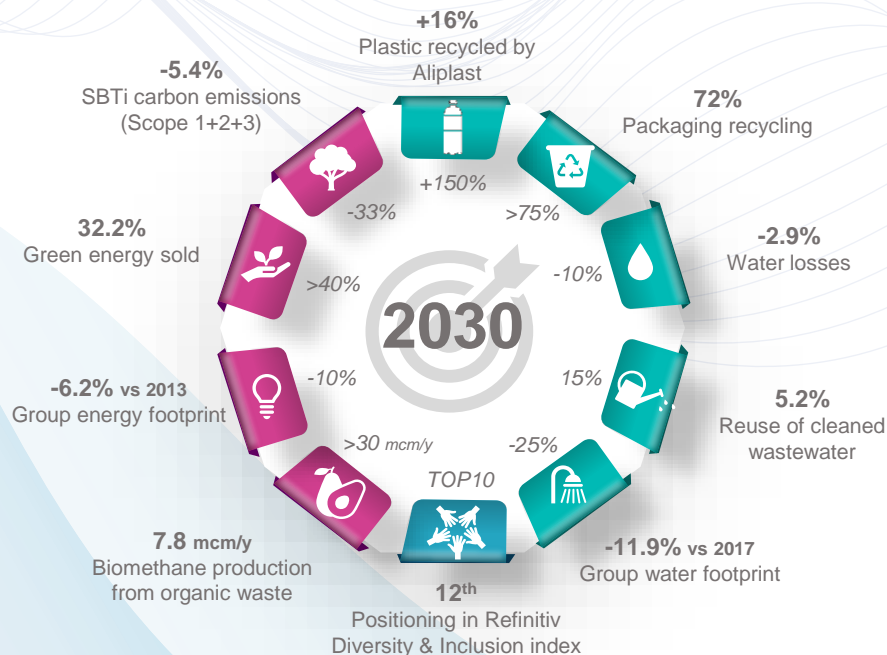
Criteria

TCFD: transparent communication in Annual Financial and Sustainability reports
SBTi: defined an action plan consistent with SBTi and submitted application

ESG underpinned to growth and enhanced transparency

Our path to 2030 targets: 2020 achievements

Carbon neutrality targets



Circular economy targets

Ambitious contribution to EU and UN strategies

Cash flow generation



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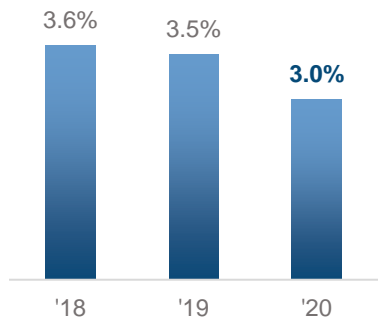


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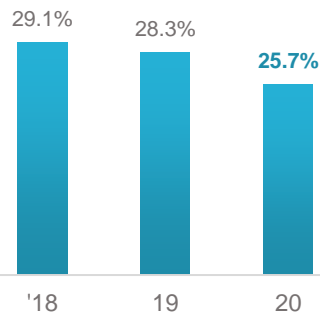
Beyond Ebitda

COST OF DEBT (%)



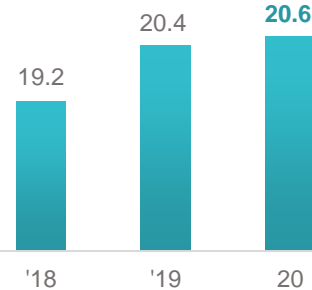
0.25% coupon last bond issued

TAX RATE (%)



Exploiting all fiscal opportunities

EPS (c€)



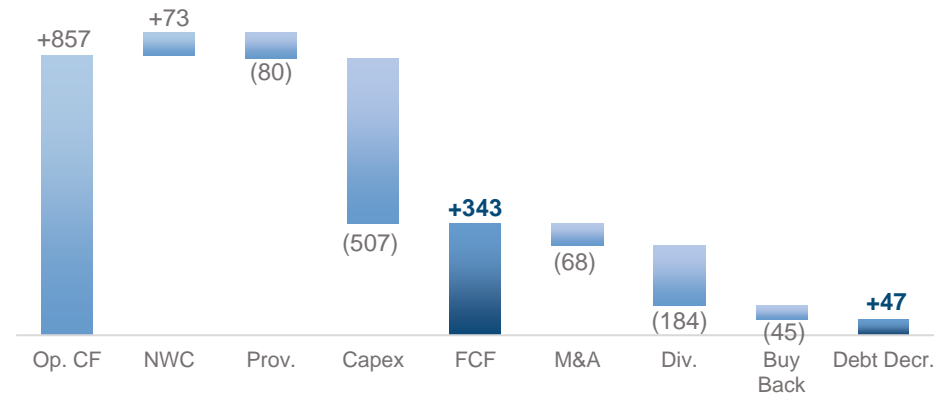
+1.0% '20 vs '19

Well performing on financial and tax management

Cash flow

GROWTH DRIVERS

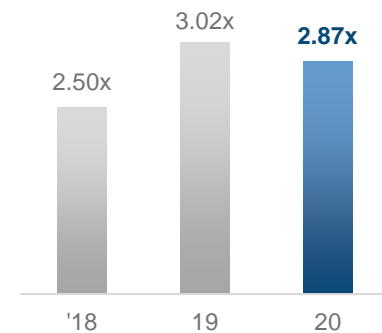
(m€)



FCF/Sh. increased to 23.5 c€ vs 16.5 in 2019

NET DEBT / EBITDA

(x)



(4.8%) '20 vs '19

Increased cash generation reduces leverage

Closing Remarks



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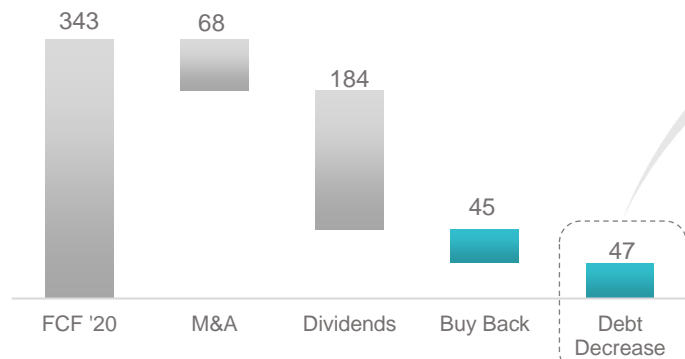


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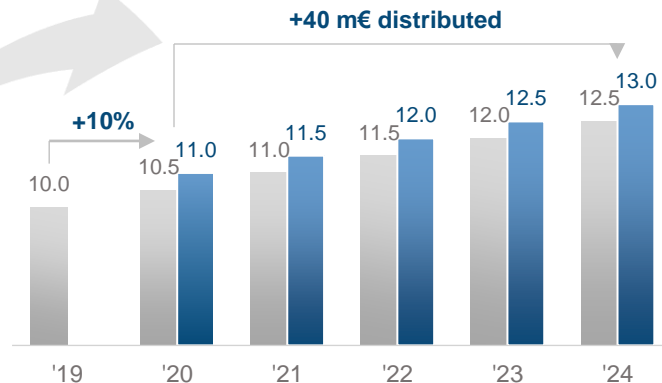
Closing remarks

FREE CASH FLOW (m€)



Counter-diluting M&A in BP to '24

DIVIDEND POLICY (c€)



Dividend policy reviewed upward

Overperformance vs BP devoted to shareholders

Annex



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Annex: P&L

	Y '19	Y '20	
REVENUES	7,443.6	7,546.8	+1.4%
EBITDA	1,085.1	1,123.0	+3.5%
<i>Ebitda margin</i>	<i>14.6%</i>	<i>14.9%</i>	
Depreciation and provisions	(542.6)	(571.7)	
EBIT	542.5	551.3	+1.6%
Financial costs	(91.6)	(80.6)	
Figurative interests (IAS)	(21.8)	(44.3)	
Income from Associates & J.V.	13.4	8.2	
PRETAX PROFIT	442.5	434.6	(1.8%)
Tax	(125.4)	(111.8)	
<i>Tax rate</i>	<i>28.3%</i>	<i>25.7%</i>	
Minorities	(16.3)	(20.1)	
NET PROFIT POST MINORITIES	300.8	302.7	+0.6%
Special items	84.9	0.0	
NET PROFIT REPORTED	385.7	302.7	

Annex: Water and Waste

WATER

(m€)	Y 2019	Y 2020	Ch.
Revenues	911.9	883.6	(28.3)
Ebitda	265.3	265.8	+0.5

Data	Y 2019	Y 2020	Ch.
Aqueduct (mm3)	289.3	285.9	(3.5)
Sewerage (mm3)	246.3	240.8	(5.6)
Purification (mm3)	241.0	236.7	(4.3)

WASTE

(m€)	Y 2019	Y 2020	Ch.
Revenues	1,190.5	1,190.3	(0.2)
Ebitda	264.2	258.0	(6.2)

Data	Y 2019	Y 2020	Ch.
Urban W. Volumes (Kton)	2,348	2,219.1	(128.7)
Special W. Volumes (Kton)	2,211	2,187.6	(23.5)
Waste from third parties	4,559	4,406.7	(152.3)
Internal W. Volumes (Kton)	2,616	2,203.2	(413.0)
Total Volumes Treated	7,175	6,609.9	(565.3)

Annex: Gas and Electricity

GAS

(m€)	Y 2019	Y 2020	Ch.
Revenues	2,971.9	3,361.3	+389.4
Ebitda	341.6	374.4	+32.8

Data	Y 2019	Y 2020	Ch.
Volumes distrib. (mm3)	2,982.9	2,585.3	(397.6)
Volumes sold (mm3)	9,850.7	13,246.1	+3,395.4
<i>of which trading (mm3)</i>	<i>7,547.4</i>	<i>10,148.1</i>	<i>+2,600.6</i>
District Heating (GWht)	487.8	460.4	(27.4)
Final retail volumes (mm3)	2,303.2	3,098.0	+794.8
Clients ('000 unit)	2,049.5	2,076.2	+26.8

ELECTRICITY

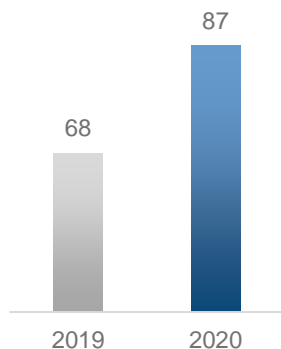
(m€)	Y 2019	Y 2020	Ch.
Revenues	2,590.4	2,315.9	(274.6)
Ebitda	178.5	188.2	+9.7

Data	Y 2019	Y 2020	Ch.
Volumes sold (GWh)	12,830.4	12,820.7	(9.7)
<i>of which Salvaguardia (GWh)</i>	<i>2,632.9</i>	<i>2,192.6</i>	<i>(440.3)</i>
Volumes distrib. (GWh)	3,051.7	2,752.3	(299.5)
Clients ('000 unit)	1,288.8	1,333.6	+44.8

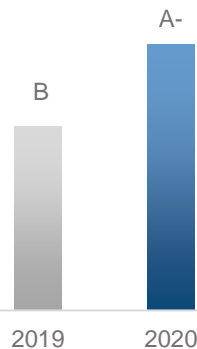
ESG Rating improvements

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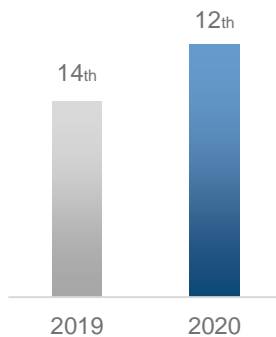


CDP

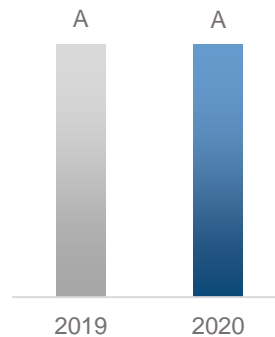


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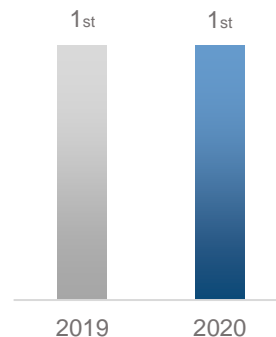


MSCI



INTEGRATED GOVERNANCE INDEX

1st for green financing



Hera reports comply with

