

Methodological guide to the Report

[102-32] [102-50]

This sustainability report represents the **Consolidated non-financial reporting** (CNFR) of the Hera Group (the Group). It reports – to the extent necessary to ensure understanding of Hera’s business activities – on its performance, its results and the impact it has on the issues considered relevant and referred to in Art. 3 and 4 of Italian Legislative Decree 254/16 with reference to the year 2020 (from 1 January 2020 to 31 December 2020). In order to define the aspects relevant to the Group and its stakeholders, a structured **materiality analysis** process was carried out which is described in the paragraph “The materiality analysis and definition of contents” of this Methodological guide to the Report.

As established by Art. 5 of Italian Legislative Decree no. 254/16, this document forms a separate report and is marked with specific wording in order to connect it to the Non-Financial Reporting required by law.

The Hera Group considers the Non-Financial Reporting to be its **sustainability report**, a primary tool for managing and reporting its activities and results in the **economic, environmental and social fields**, as well as a fundamental tool for providing **information to and dialoguing** with its stakeholders.

[102-51] [102-52]

The Sustainability Report has been drawn up and published yearly since 2002. Since 2007, it has been **approved by the Board of Directors of Hera Spa** when the annual and consolidated financial statements are approved and has been submitted to the Shareholders’ Meeting. The most recent sustainability report was published in April 2020. This edition was approved by the Board of Directors of Hera Spa on 24 March 2021. This aspect demonstrates the **central role** of sustainability and corporate social responsibility in Hera Group’s planning and control system, which brought forward the obligations introduced by the European directive on non-financial reporting by more than ten years.

The document is widely disseminated to all of the Group’s stakeholders through publication on the company’s website and distribution and presentation to all Group workers.

In addition to the performances and goals achieved, the sustainability report provides the principles which guide Hera Group’s actions, the future objectives, the results of its dialogue with stakeholders and its **existing** initiatives. Special focus was given to **case studies**: projects that particularly demonstrate the Group’s commitment towards sustainability and the creation of shared value and the relative results achieved in these spheres.

The structure of the sustainability report is the direct consequence of the **strategic approach** aimed at **creating shared value** that Hera Group has adopted since 2016 to respond more effectively to the challenges of sustainable economic development at global and local level, and to make the value generated through the local area more tangible.






The **glossary** in the appendix explains the technical terms used, while the **analytical list of contents** makes it easier to read the document.

The scope of reporting

[102-5] [102-45]

The scope of the **economic and financial** data and information is the same as Hera Group’s consolidated financial statements as at 31 December 2020. The scope of the **social and environmental** data and information includes all the companies consolidated using the line-by-line method in the Group’s consolidated financial statements, as reported below.

Companies included in the scope of reporting

 HERA	 HERAcomm	 HERAmbiente	 AcegasApsAmga	 marche multiservizi
<ul style="list-style-type: none"> • Hera Spa • Acantho Spa • HERAtech Srl • Hera Trading Srl • Inrete Distribuzione Energia Spa • Uniflotte Srl 	<ul style="list-style-type: none"> • Hera Comm Spa • Amgas Blu Srl • Estenergy Spa - Ascopiave Energie Spa - Ascotrade Spa - Blue Meta Spa - Etra Energia Srl - Hera Comm Nordest Srl • Hera Comm Marche Srl • Wolmann Spa 	<ul style="list-style-type: none"> • Herambiente Spa • Aliplast Spa - Aliplast France - Aliplast Iberia - Aliplast Polska • ASA Scpa • Feronia Srl • Frullo Energia Ambiente Srl • Herambiente Servizi Industriali Srl • Hestambiente Srl 	<ul style="list-style-type: none"> • AcegasApsAmga Spa • AcegasApsAmga Servizi Energetici Spa - Hera Servizi Energia Srl - Tri-Generazione Scarl • Aresgas EAD - Aresenergy Eood - Black Sea Gas Company Eood • Hera Luce Srl 	<ul style="list-style-type: none"> • Marche Multiservizi Spa • Marche Multiservizi Falconara Srl

[102-10]

These changes were made to the 2019 scope:

- **Wolmann Spa**, a company specialised in creating ad hoc solutions for those who wish to invest in solar energy as an energy source for their house or company, was acquired by Hera Comm Spa and consolidated line-by-line starting 31 December 2020;
- **Alimpet Srl** was merged to be incorporated in Aliplast Spa, effective as of 1 January 2020;
- **A Tutta Rete Srl** was merged to be incorporated with Inrete Distribuzione Energia Spa, effective as of 1 January 2020;
- **Cosea Ambiente Spa** was liquidated, with sale of its "Fleet and container management" branch to Uniflotte Srl and its "Environmental Services" branch to Hera Spa;
- **Pistoia Ambiente Srl** was merged to be incorporated in Herambiente Spa, backdated for accounting purposes to 1 January 2020;
- **Sviluppo Ambiente Toscana Srl** was liquidated and demerged.

Even if not included in the scope of consolidation, information relating to the company **Enomondo Srl** (in which Herambiente holds a 50% interest) which manages a biomass plant, has been reported. This information includes the aspects linked to atmospheric emissions, energy generation and waste disposal.

In order to compare data over time and to assess the performance of the Group's activities, the comparative data relating to the two previous years has been included, if available. Furthermore, to ensure that the Group's performance is correctly represented and that the figures are reliable, estimates have been used as little as possible. When using estimates, they are based on the best available and appropriately reported methodologies. Any changes to the scope indicated above are appropriately reported in the document and, where present, do not compromise the proper representation of the business activity.

The reporting standards

[102-12] [102-54]

This sustainability report/CNFR has been drawn up in compliance with the "Global Reporting Initiative Sustainability Reporting Standards" defined by the Global Reporting Initiative (GRI) according to the "In accordance" – Core option.

For the definition of value added and its distribution to stakeholders the “**Standard GBS 2013 - Principles for drawing up sustainability reports**” defined by Gruppo di studio per il Bilancio Sociale (GBS) was also used.

Furthermore, as a result of the commitments undertaken by the Group in relation to the **Global Compact (United Nations)**, the report represents the yearly **Communication on Progress** that is submitted to this institution.



During 2020, the Hera Group made progress in its alignment with the **Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)**, published in 2017 by the Financial Stability Board, and the **Guidelines of the European Union on the communication of the information relating to the climate**. This report states the process of adhering to and aligning with the recommendations of the Task Force, approved by the Management Review Committee in December 2020 and that saw the involvement of a designated interdepartmental team comprised of the Shared Value and Sustainability, Risk Management, Strategic Planning, Energy Management, and Administration, Finance and Control departments. Important information has already been included in the report in line with the TCFD Recommendations, such as an overview of the Group's total emissions by supply chain, the fine-tuning of the Scope 3 indirect emissions inventory, a table with the main GHG targets and indicators in the appendix, the description of the bonus system linked to climate objectives, the description of the governance processes regarding climate-related risk supervision and management, and lastly, some initiatives identified to reduce risks and anticipate the opportunities arising from climate change (see chapter Climate change mitigation).

Structure of the report

The Hera Group adopts a strategic approach to corporate social responsibility and sustainability based on the theory of **Shared Value** (Csv, “Creating shared value”), which highlights how a company can enhance its competitiveness while at the same time generating a **positive impact** on society, **meeting the needs of a social and environmental nature** of the communities and local areas where the company operates.

The sustainability report reflects this approach also in the very layout of the contents. In addition to quantifying the **shared value EBITDA**, introduced for the first time for the purpose of drafting the 2016 sustainability report, this report also focuses on the activities, results, case studies and **investments** related to shared value creation.

The CSV approach turned into a model (CSV model) which was constructed through the **analysis of the global and local scenario**, identifying **three drivers** and **nine impact areas** of interest to the Hera Group. Each driver was associated with the main **Sustainable Development Goals (SDGs)**, defined by the 2030 Agenda of the United Nations, which the Group intends to meet. Over the course of 2020, the CSV model underwent **updating**, which is shown in the section "Shared value", which saw the introduction of some new aspects in the stage of analysis of the scenario.

The sustainability report is divided up into **three main sections**: Sustainable strategy and shared value; Shared value; Bases and organisational levers.

The “**Sustainability strategy and shared value**” section contains the introduction chapter (About us) and references with regard to sustainability management ("Hera Group for the planet, people and prosperity" chapter) and shared value ("Shared value" chapter).

The “**Shared value**” section contains for each defined impact area, the present and future scenario (status indicators, policies, targets and megatrends) and the Group's responses: improvement objectives,

performance indicators and case studies. The impact areas are divided up respectively in these chapters: Pursuing carbon neutrality; Regenerating resources and closing the loop; Enabling resilience and innovating.

Lastly, the “**Bases and the organisational levers**” section contains all relevant corporate social responsibility aspects, but doesn't directly answer the challenges and goals to the creation of shared value: Governance and creation of value; Quality, cost and safety of customer services; People; Suppliers. These must be considered as the basis for generating shared value and, at the same time, as organisational levers through which value can be increased over time.

The reporting process

In addition to the previously listed guidelines, the sustainability report was drawn up in compliance with a specific Group **internal procedure** issued in 2012, later updated in 2015 and 2019. This procedure describes the activities required for planning, achieving, approving, disclosing and presenting the report, as well as the associated roles and responsibilities.

The **social and environmental sustainability** objectives set out in the sustainability report were defined with reference to the planning and control instruments used by the Group: 2020-2024 business plan, 2021 budget and 2021 balanced scorecard. These interconnected instruments contain sustainability objectives which have an impact on stakeholders. In particular, the business plan includes sustainability-related indicators for which quantitative targets have been defined.

The **collation** and the **consolidation** of the information and data presented in the sustainability report took place by means of the use of dedicated software: data and information were directly communicated via the software by the contact individuals and were subsequently validated by the designated managers in the internal procedure.

[102-48]

Any **changes in calculations** compared to previous years are properly listed in the notes to the tables.

The Management Review Committee and the work group

[102-53]

The sustainability report was drawn up by the **Shared Value and Sustainability Department** of Hera Spa (bs@gruppohera.it), with the participation of numerous contact individuals, both in terms of data collection and for the descriptions and comments. The preparation and supervision of the work, as well as the approval of the improvement objectives and of the document to be submitted to the Board of Directors was carried out by the Management Review Committee, made up of the Chairman, the CEO and 16 Group directors.

Thanks to all the 209 persons involved in the preparation of this Sustainability Report.

Auditing of the report

[102-56]

The Consolidated non-financial reporting is subject to a limited audit (“limited assurance engagement” in accordance with the criteria indicated by the ISAE standard 3000, Revised version) by the **independent auditing firm** Audirevi Spa. These activities concluded with the issue of the “Independent auditors’ report” presented at the end of this document.

It should be noted that the quantitative information contained in the Non-Financial Reporting, which does not refer to the indicators reported in the "GRI Contents reference table", has not been specifically examined by Audirevi Spa. This information has been presented voluntarily, also on the basis of the

materiality analysis, to supplement that required by Italian Legislative Decree no. 254/16 and by the reporting standards adopted by the Hera Group.

The stakeholders and the materiality analysis

Hera's stakeholders

[102-21] [102-40] [102-42] [102-43] [102-44]

Hera Group's stakeholder map has been defined starting off from a survey of its stakeholders. Each category of stakeholders identified presents particular interests and priority topics and is listened to through specific dialogue and involvement initiatives.

The materiality analysis and definition of the contents

[102-46]

Non-financial and sustainability reporting is preceded annually by the **analysis and identification of material topics** for the Hera Group and its stakeholders. Specifically, the relevant aspects are selected according to the size of the impacts (positive and negative) generated and the repercussion they may have on stakeholders' decisions. The process for defining the material topics is based on the **analysis of internal and external documents** which brings to light the most relevant topics related to the shared value and sustainability, which the reporting must focus on.

To identify the topics linked to the Hera Group's activities with an economic, social and environmental impact, the **business plan** and **risk analysis** were analysed. Thanks to these two documents, it was possible to comprehend the strategic priorities and the main risks monitored and how these can affect the shared value and sustainability dimension.

In order to understand the material topics for stakeholders, the **external scenario** relating to the three drivers of shared value, the main **regulatory changes**, the **press review**, the issues raised during the **HeraLABs** and the main issues arising from other **engagement activities** (including the internal climate survey and the customer satisfaction survey) were taken into account.

So the external context concerning the **three drivers identified for the creation of shared value** was then analysed: pursuing carbon neutrality, regenerating resources and closing the loop, enabling resilience and innovating. For each of the three drivers, global, European, national and local **policies** were analysed in-depth to define the priorities for change towards sustainability; this involved 89 policies, including the 2030 UN Agenda, in relation to which the commitments and the most significant quantitative targets for Hera's activities were considered. This set of policies was joined by nine new policies analysed in 2020.

Regarding the **press review**, the presence of information regarding the Hera Group was analysed in the leading national, regional and local newspapers by highlighting the topics that showed greater visibility in more than one local area (articles and topics with overall negative visibility index above one thousand points or positive visibility index above 5 thousand points were selected).

The **HeraLABs** were then considered, encounters with stakeholders which have the purpose of proposing initiatives for involving the reference area and improving the sustainability of the services offered, periodically checking their effectiveness. During the various LAB meetings, aspects of interest to the categories of stakeholders which take part in them are proposed and analysed, and improvement initiatives are identified which are jointly planned by Hera and the LAB itself.

Lastly, the **annual customer satisfaction survey** assesses the quality of services offered and customers' satisfaction with the Group, also highlighting the aspects that are of particular importance in determining customers' overall satisfaction. **The biennial employee satisfaction survey**, dialogue activities with **consumer associations** and the **Area Managers'** activities also contributed to the definition of material topics.

The material topics identified as a result of this analysis are submitted to the Management Review Committee, which approves selection so that they can then be added to the full list of the material topics.

[102-47] [102-49]

Based on the materiality analysis on the topics presented in the 2019 sustainability report, contents and data relating to the **TCFD Recommendations** and the strategy and results of the Group in terms of **resilience and adjustment** to outside risks (climate change, health emergency, water stress) were reported and examined.

The material topics identified after the most recent materiality analysis are listed below, **in order of importance** to the Group and to its stakeholders:

- Transition to a circular economy;
- Resilience and adjustment;
- Promotion of energy efficiency and spreading renewable energy;
- Digitalisation, innovation, data analytics, artificial intelligence, cyber security;
- Sustainable management of water resources;
- Occupational Health and Safety;
- Air and soil quality;
- Reduction of greenhouse gas emissions (climate change);
- Integration of climate change in the governance, the strategy and the analysis of the risks;
- Safety and continuity of the service provided to customers;
- Environmental impact of waste treatment plants;
- Local development of the area, indirect economic impacts and social inclusion;
- Quality, costs of waste collection and city integrity service;
- Training and professional development, remuneration and incentives;
- Compliance with environmental and social regulations;
- Economic value for stakeholders;
- Management of the supply chain;
- Diversity;
- Quality and consumption of the mains water;
- Commercial relations with customers through branches, call centres and the web;
- Anti-corruption activities.

Breakdown of the information required by Italian Legislative Decree no. 254/2016 and relevant aspects

[103-1]

Each sphere of Italian Legislative Decree no. 254/16 has been reported on within this report, in accordance with current legislation. There are various material topics identified in the above-mentioned analysis are consistent with the Decree on the non-financial information.

The following table summarises the material topics (listed in order of importance) and their link with aspects of Italian Legislative Decree no. 254/16, the reason why the topic is relevant, the Green bond and GRI reference standard, the scope of the impact and the reference stakeholders.

Material topic	Area	Description	Indicators	Scope of the impact	
	It. Leg. Dec. no. 254/16			Internal	External
<i>Transition towards a circular</i>	Environmental topics Art. 3.2, paragraphs a, b, c)	In its capacity as waste management services operator, the Hera Group is committed to the development of a	GRI 306-2	Group companies which manage	Local community

Material topic	Area		Description	Indicators	Scope of the impact	
	It. Leg. Dec. no.	254/16			Internal	External
<i>economy</i>			business model increasingly oriented towards the circular economy. In fact, Hera is committed to increasing recycling and recovery (of material and energy), decreasing conferring material to landfills, promoting waste prevention initiatives and improving internal circularity.	GB7 GB8	waste management services and waste treatment plants	
<i>Resilience and adjustment</i>	Environmental topics	Art. 3.2, paragraphs a, b, c)	As operator of water services and gas and electricity distribution services, the Hera Group has to handle the management of the water and energy networks following a rationale of resilience and adjustment to outside events.	*	Group companies that manage water and energy services	Local community
<i>Promotion of energy efficiency and spreading renewable energy</i>	Environmental topics	Art. 3.2, paragraphs a, b, c)	The Hera Group, as an energy services provider, is committed to reducing internal and customer energy consumption, offering solutions aimed at energy efficiency and decarbonisation. Hera also fosters more widespread use of renewable energy, which it produces mainly by exploiting the organic media of waste (e.g.: biomethane) and which it offers to its customers by means of dedicated offers.	GRI 302-1 GRI 302-2 GRI 302-3 GRI 302-4 GRI 302-5 GB1	Group	Customers
<i>Innovation, digitalisation, data analytics, artificial intelligence, cyber security</i>	Social topics	Art. 3.2, paragraph d)	The Hera Group, through the Innovation Department, develops innovative projects within the context of digitalisation, data analytics and business intelligence, committed to innovating and digitalising internal processes and external services, in order to make its business more efficient, reliable, secure and circular.	GRI 203-1 GRI 418-1 GB9	Group	Local community
<i>Sustainable management of water resources</i>	Environmental topics	Art.3.2, paragraph a, b, c)	The Hera Group, being an operator of water services, undertakes to guarantee its customers the perfect quality of the water together with all the technical services indispensable for maintaining the continuity of the supply. Furthermore, Hera is involved in water management activities (for its own consumption and that of its customers), along with sewage and wastewater treatment sector upgrade and network resilience activities.	GRI 303-1 GRI 303-2 GRI 303-3 GB2 GB3 GB4		Customers Local community
<i>Occupational Health and Safety</i>	Aspects regarding HR management	Art. 3.2, paragraphs c, d)	The Hera Group safeguards a healthy and safe work environment, committing itself to measures to reconcile the work-life balance, as well as to maintaining a consistently low lost time injury rate. Furthermore, Hera considers possession of the Iso 45001 certification to be a social criteria in the process for the identification, selection and monitoring of suppliers, and monitors the main lost time injury indices for the main suppliers of goods and services.	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-8	Employees	Suppliers

Material topic	Area It. Leg. Dec. no. 254/16	Description	Indicators	Scope of the impact	
				Internal	External
<i>customers</i>		undertakes to guarantee a safe and reliable service, limiting interruptions. The Group is committed to ensuring the resilience of its electricity grids and water networks, with a view to adaptation to the climate change.	GB10		
<i>Environmental impact of waste treatment plants (NIMBY syndrome)</i>	Environmental topics Art. 3.2, paragraphs a, b, c)	When managing the waste treatment plants also close to urban contexts, the Hera Group is particularly careful not to create inconveniences for the reference community. Hera carries out environmental impact assessment and screening procedures aimed at assessing the effects of the works (both at construction site level and in the project stage), on the environment and on human health and well-being.	GRI 305-7	Group companies which manage waste management services and waste treatment plants	Local community
<i>Local development of the area, indirect economic impacts and social inclusion</i>	Social topics Art. 3.2, paragraph d)	The activities managed by the Hera Group (water, waste management and energy services) generate significant indirect impacts on the reference area. These include the distribution of value added to the various categories of stakeholders, the lead-on employment of the suppliers, social responsibility in tenders with the social clause.	GRI 201-1 GRI 201-4 GRI 203-1 GRI 203-2 GRI 204-1 GRI 401-1 GRI 413-1	Group	Suppliers Shareholders Local community Public Administration
<i>Quality, costs of waste collection and city integrity service</i>	Social topics Art. 3.2, paragraph d)	The Hera Group manages municipal waste collection services in the area served and, in order to guarantee the quality of the service provided, commits itself to observing minimum standards.	GRI 417-1 GRI 417-2 GRI 417-3	Group	Local community Public Administration
<i>Training and professional development, remuneration and incentives</i>	Aspects regarding HR management Art. 3.2, paragraphs c, d)	The Hera Group considers the training and professional development of its employees to be fundamental, and demonstrates this through the average per capita training hours for its employees, the numerous training activities organised at HerAcademy, the leadership model and the development process, which assesses over 5 thousand employees each year. Furthermore, Hera defines and applies a remuneration and incentive policy aimed at attracting, motivating and retaining its human resources.	GRI 404-1 GRI 404-2 GRI 404-3	Employees	
<i>Compliance with environmental and social regulations</i>	Environmental topics Art. 3.2, paragraphs a, b, c)	When handling the services provided and managing its plants, the Hera Group observes the environmental and social legislation, also in the event of outsourced activities. From an environmental standpoint (emission limits and water quality), Hera sets itself more challenging objectives than those envisaged by the law, carrying out period checks care of its plants.	GRI 307-1 GRI 419-1	Group	Employees

Material topic	Area It. Leg. Dec. no. 254/16	Description	Indicators	Scope of the impact	
				Internal	External
<i>Economic value for the stakeholders</i>	Social topics Art. 3.2, paragraph d)	The activities managed (water, waste management and energy services) generate economic value which the Hera Group distributes to the reference stakeholders. The main stakeholder categories affected are: suppliers (local supplies), employees (remuneration), shareholders (dividend distribution), local community (sponsorship and donations) and the Public Administration (taxes, levies, fees).	GRI 201-1	Group Employees	Suppliers Shareholders Local community Public Administration
<i>Management of the supply chain</i>	Social topics Art. 3.2, paragraph d)	The activities managed by the Hera Group (water, waste management and energy services) generate significant indirect impacts on the reference area.	GRI 204-1 GRI 307-1 GRI 308-1 GRI 414-1 GRI 419-1		Suppliers
<i>Diversity</i>	Aspects regarding HR management Art. 3.2, paragraphs c, d)	The Hera Group protects the rights of all the employees, undertaking to guarantee equal opportunities and to value diversity. In 2009 Hera signed the Equal Opportunities Charter and in 2011 established a Diversity manager who, together with a work group, defines projects, activities and initiatives concerning diversity and inclusion.	GRI 401-1 GRI 401-3 GRI 405-1 GRI 405-2	Employees	
<i>Quality and consumption of the mains water</i>	Social topics Art. 3.2, paragraph d)	The Hera Group manages water services and has wastewater treatment and purification plants. Therefore, it is committed to ensuring high levels of wastewater treatment and purification, including through the planning of improvement measures for plants and networks.	GRI 416-1 GRI 416-2 GRI 417-1 GRI 417-2 GRI 417-3	Group	Customers Local community
<i>Commercial relations with customers through branches, call centres and the web</i>	Social topics Art. 3.2, paragraph d)	The Hera Group manages essential services for customers and the local community, and believes it is fundamental to ensure a quality service, also with regard to assistance via physical and web channels. In fact, Hera is constantly committed to reducing the waiting time at branches and call centres.	*	Group	Customers Local community
<i>Anti-corruption activities</i>	Fight against corruption Art. 3.2, paragraph f)	The topic is transversal to all the businesses managed and is material especially in the purchasing and tenders sphere and in the dealings with the institutions; the majority of Hera Group's supplies are in fact handled by means of tenders, important supply contracts and the like.	GRI 205-1 GRI 205-2 GRI 205-3	Group	Suppliers
<i>Respect for human rights (non-material)</i>	Respect for human rights Art. 3.2, paragraph e)	The issue of respect for human rights is not regarded as material because the Group's operational offices are located mainly in Italy or in countries in which a significant risk from this point of view has not been noted. This assessment also takes into account the aspects indicated in the chapter "Innovation and contribution to development" (section: "The impact of supplies on the areas") where the origin of foreign supplies is highlighted. Supplier audits on social responsibility did not reveal any critical issues in this sphere (see "Suppliers" section).			

*Specific GRI indicators are not available for certain material topics. Despite this, their reporting is carried out by means of other indicators and information relating to the same within the following sections: "Resilience and adjustment", "Customer relations" and "Risk management".

With regard to tax transparency, Hera Group operates essentially on the Italian territory and, in line with the principles defined by the Code of Ethics, adopts principles of transparency for the purposes of compliance with tax legislation, fulfilling its obligations regarding direct and indirect taxes. Tax aspects are assessed and managed in accordance with applicable tax regulations. The management of relations with the tax authorities is delegated to relevant Group functions. Hera guarantees transparency and fairness in relations with the tax authorities with which relations are maintained; in order to resolve any dispute, in a collaborative spirit, Hera undertakes to provide to national and local authorities all the information requested, in a complete, correct, adequate and timely manner.

[102-12]

The main **management models** (Art. 3.1, paragraph a) of Italian Legislative Decree no. 254/16) adopted by the Group, relating to the aspects of Italian Legislative Decree no. 254/16, are:

- Organisational model for corporate crime prevention (Italian Legislative Decree no. 231/2001)
- Management system for corporate social responsibility or supplier audit system which is based on criteria similar to that of the Sa 8000
- Iso 14001 environmental certification
- Iso 9001 quality certification
- Iso 50001 Energy efficiency certification
- Iso 45001 occupational safety certification
- Iso 37001 corruption prevention certification.

The **company policies** (Art. 3.1, paragraph b) of Italian Legislative Decree no. 254/16), again with regard to these aspects, are the following (published on the Group's website):

- Code of Ethics and related implementing systems (Ethics and Sustainability Committee and its functioning regulations)
- Quality and sustainability policy
- Data protection policy
- Remuneration policy
- Corruption prevention model.

The Hera Group has also signed the following commitment declarations:

- Charter for equal opportunities and equality in the workplace (furthered by the Italian Ministry of Employment and the Italian Ministry for Equal Opportunities, Sodalitas Foundation, Impronta Etica, AIDAF, AIDDA and UCID)
- Manifesto Valore D, for female employment
- Patto Utilitalia for inclusion in the company
- CEOs call of Csr Europe "a New Deal for Europe"
- Women's Empowerment Principles (WEPs) of UN Global Compact and UN Women
- UN CEO Water Mandate
- New Plastics Economy Global Commitment of the Ellen Mac Arthur Foundation
- European strategy for plastics - voluntary pledges

it complies with the following organisations/programmes of international importance:

- UN Global Compact (Hera is a founding member of the Global Compact Network Italia Foundation)
- Ellen MacArthur Foundation

and supports the Task force on Climate-related Financial Disclosure (TCFD) set up by the Financial Stability Board.

Hera's **risk management model** (Art. 3.1, paragraph b) of Italian Legislative Decree no. 254/16) is also supplemented by environmental and social aspects, as described in the section "Sustainability and risk management".

GRI contents reference table

[102-55]

GRI STANDARDS AND OTHER INDICATORS	SECTION	PAGE	OMISSIONS
GRI 102: General Disclosures 2016			
Organisational profile			
102-1	Name of the organisation	About us	18
102-2	Activities, brands, products and services	About us	18
102-3	Location of headquarters	About us	18
102-4	Location of operations	About us	18
102-5	Ownership and legal form	The scope of reporting	6
		The composition of the shareholding structure	270
102-6	Markets served	Services provided	19
102-7	Scale of the organisation	Services provided	19
		The production and allocation of value added	262
		The composition of the shareholding structure	270
		Hera Group's workforce	329
102-8	Information on employees and other workers	Hera Group's workforce	330 - 331
102-9	Supply chain	Suppliers	362
102-10	Significant changes to the organisation and its supply chain	The scope of reporting	7
102-11	Precautionary Principle or approach	Environmental impact assessments presented during the year	110 Regulations are respected and Environmental Impact Assessments are carried out for new plants
102-12	External initiatives	The reporting standards	7
		Breakdown of the information required by Italian Legislative Decree No. 254/2016	16
102-13	Membership of associations	Our commitment to sustainability in national and international networks	35
		Associations of which Hera is a member	279
Strategy			
102-14	Statement from senior decision-maker	Letter to stakeholders	4
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	Mission and values	20
		The Code of Ethics	260
102-17	Mechanisms for advice and concerns about ethics	The Ethics and Sustainability Committee	253
		Compliance system for corruption and fraud prevention	256
Governance			
102-18	Governance structure	Corporate governance	253
		Risk management	255

GRI STANDARDS AND OTHER INDICATORS		SECTION	PAGE	OMISSIONS
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate governance	253	
		Managing sustainability	259	
102-21	Consulting stakeholders on economic, environmental, and social topics	Hera's stakeholders	10	
		Dialogue and consultation initiatives	273	
102-22	Composition of the highest governance body and its committees	Corporate governance	253	
		Managing sustainability <u>Responsibilities in the social and environmental sphere</u>	259	
102-23	Chair of the highest governance body	Corporate Governance Report 2020	95 - 98	
102-24	Nominating and selecting the highest governance body	Corporate Governance Report 2020	90 - 91	
102-26	Role of highest governance body in setting purpose, values, and strategy	How we do what we do	23	
		Corporate governance	253	
		Managing sustainability	259	
102-30	Effectiveness of risk management processes	Risk management	255	
102-32	Highest governance body's role in sustainability reporting	Methodological guide to the Report	2	
102-33	Communicating critical concerns	The Ethics and Sustainability Committee	253	
		Main activities and results achieved in 2020	259	
102-34	Nature and total number of critical concerns	The Ethics and Sustainability Committee	253	
102-37	Stakeholders' involvement in remuneration	Remuneration and incentives	340	
		2020 Remuneration Report	340 - 348	
Stakeholders' engagement				
102-40	List of stakeholder groups	Hera's stakeholders	10	
102-41	Collective bargaining agreements	Remuneration and incentives	340	
102-42	Identifying and selecting stakeholders	Hera's stakeholders	10	
		Dialogue and consultation initiatives	273	
102-43	Approach to stakeholder engagement	Hera's stakeholders	10	
		Dialogue and consultation initiatives	273	
102-44	Key topics and concerns raised	Hera's stakeholders	10	
		Dialogue and consultation initiatives	273	
		Relationships with the local community	277	
		Relationships with the Public Administration	286	
Reporting practice				
102-45	Entities included in the consolidated financial statements	The scope of reporting	6	
102-46	Defining report content and topic Boundaries	The materiality analysis and definition of the contents	10	
102-47	List of material topics	The materiality analysis and definition of the contents	11	
102-48	Restatements of information	The reporting process	9	
102-49	Changes in reporting	The materiality analysis and definition of the contents	11	
102-50	Reporting period	Methodological guide to the Report	6	
102-51	Date of most recent report	Methodological guide to the Report	6	
102-52	Reporting cycle	Methodological guide to the Report	6	

GRI STANDARDS AND OTHER INDICATORS		SECTION	PAGE	OMISSIONS
102-53	Contact point for questions regarding the report	The Management Review Committee and the work group	11	
102-54	Claims of reporting in accordance with the GRI Standards	The reporting standards	7	
102-55	GRI contents index	GRI contents reference table	392	
102-56	External assurance	Auditing of the report	9	
		Independent auditors' report	399	
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Breakdown of the information required by Italian Legislative Decree No. 254/2016 and relevant aspects	11	
103-2	The management approach and its components	Sustainability and risk management	253	
		The quality, safety, environmental and social responsibility management system	260	
103-3	Evaluation of the management approach	Sustainability and risk management	253	
		The quality, safety, environmental and social responsibility management system	260	
ECONOMIC PERFORMANCE				
GRI 201: Economic performance 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
201-1	Direct economic value generated and distributed	The economic value distributed to stakeholders	204	
201-4	Financial assistance received from government	The production and allocation of value added	264	
GRI 203: Indirect economic impacts 2016 – Management approach disclosures [103-1; 103-2; 103-3]				
203-1	Infrastructure investments and services supported	"Shared value" investments	31	
		Investments in innovation	176	
		The investments	211	
203-2	Significant indirect economic impacts	Focus on economic value distributed to suppliers	205	
		Placement under supply contracts with social cooperatives	217	
GRI 204: Procurement practices 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
204-1	Proportion of expenses on	Focus on economic value distributed to suppliers	206	
GRI 205: Anti-corruption 2016 – Management approach disclosures [103-1; 103-2; 103-3]				
205-1	Operations assessed for risks related to corruption	231 risk assessment activities	257	
205-2	Communication and training on anti-corruption policies and procedures	Training initiatives	258	
205-3	Episodes of corruption found and the actions taken	231 risk assessment activities	258	
		Management and prevention of fraud	258	
ENVIRONMENTAL PERFORMANCE				
GRI 302: Energy 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
302-1	Energy consumption within the organisation	Primary energy consumption of the Hera Group	44	
302-2	Energy consumption outside the organisation	Primary energy consumption of the Hera Group	45	
302-3	Energy intensity	Primary energy consumption of the Hera Group	45	
302-4	Reduction of energy consumption	Energy efficiency within the Hera Group	46	

GRI STANDARDS AND OTHER INDICATORS		SECTION	PAGE	OMISSIONS
302-5	Reductions in energy requirements of products and services	District heating: an answer to protect air quality	140	
	GB1. Public lighting points using LEDs (%)	Energy efficiency in public lighting	52	
GRI 303: Water and Effluents 2018 – Management approach disclosures [103-1; 103-2; 103-3]				
303-1 (2018)	Interactions with water as a shared resource	The commitment to reduce the consumption of residential customers and businesses Water resources Resilient aqueduct and water source management	118 120 234	
303-2 (2018)	Management of water discharge related impacts	Wastewater treatment quality	127	
303-3 (2018)	Water withdrawal	Water resources	120	
	GB2. Water distributed using tankers [m3]	Resilient aqueduct and water source management	234	
	GB3. Quality of treated water [%]	Wastewater treatment quality	126	
	GB4. Urban areas >2000 inhabitant equivalents adjusted to wastewater purification regulations (% of inhabitant equivalents)	Wastewater treatment quality	129	
GRI 305: Emissions 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
305-1	Direct (Scope 1) GHG emissions	Total emissions of the Hera Group	74	
305-2	Energy indirect (Scope 2) GHG emissions	Total emissions of the Hera Group	74	
305-3	Other indirect (Scope 3) GHG emissions	Total emissions of the Hera Group Greenhouse gases: metrics and objectives	74 406	
305-4	GHG emissions intensity	Carbon intensity indices	77 - 77	
305-5	Reduction of GHG emissions	Emissions avoided	78	
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Atmospheric emissions of waste-to-energy plants Atmospheric emissions generated by district heating Emissions of the Imola cogeneration plant	133 142 143	
	GB5. GHG emissions avoided by selling recycled plastic and with district heating [thousands of t CO ₂ e]	Aliplast measures the carbon footprint of its products District heating: an answer to protect air quality	81 140	
	GB6. Atmospheric emissions of the waste-to-energy plants with respect to the regulatory limits [%]	Atmospheric emissions of waste-to-energy plants	134 - 135	
GRI 306: Waste 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
306-2	Waste by type and disposal method	Waste produced by the company	107	
	GB7. Separate waste collection [%]	Separate waste collection	89	

GRI STANDARDS AND OTHER INDICATORS		SECTION	PAGE	OMISSIONS
GB8. Waste sent for recovery out of total waste treated in the selection plants [%]		The material and energy recovery in Herambiente's selection plants	102	
GRI 307: Environmental Compliance 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
307-1 Non-compliance with environmental laws and regulations		Pending legal proceedings	283	
		The relationship with the Italian regulatory and supervisory authorities	288	
		Litigation with customers	323	
		Litigation with suppliers	379	
GRI 308: Supplier environmental assessments of 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
308-1 New suppliers that were evaluated using environmental criteria		The supplier qualification procedure	364	
SOCIAL PERFORMANCE				
GRI 401: Employment - Management approach disclosures [103-1; 103-2; 103-3]				
401-1 New employee hires and employee turnover		Stable employment and turnover	219	
401-3 Parental leave		Diversity and inclusion	229	
GRI 403: Occupational health and safety 2018 - Management approach disclosures [103-1; 103-2; 103-3]				
403-1 (2018) Occupational health and safety management system		The quality, safety, environmental and social responsibility management system	260	
403-2 (2018) Hazard identification, risk assessment, and incident investigation		Health and safety	345	
403-3 (2018) Occupational health services		Health and safety	345	
403-4 (2018) Worker participation, consultation, and communication on occupational health and safety		Health and safety	352	
403-5 (2018) Worker training on occupational health and safety		Training initiatives	333	
		Health and safety	351	
403-6 (2018) Promotion of worker health		Welfare	344, 344	
403-7 (2018) Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Supplier assessment and checking	366	
403-8 (2018) Workers covered by an occupational health and safety management system		The quality, safety, environmental and social responsibility management system	260	
		Hera's commitment to quality, safety, environment and social responsibility certification	261	
GRI 404: Training and Education 2016 - Management approach disclosures [103-1; 103-2; 103-3]				
404-1 Average hours of training per year per employee		Training initiatives	333	
404-2 Programs for upgrading employee skills and transition assistance programs		Training initiatives	333	
		Scuola dei Mestieri and the knowledge management system	337	
		HerAcademy: Hera Group's corporate university	337	

GRI STANDARDS AND OTHER INDICATORS	SECTION	PAGE	OMISSIONS
404-3	Percentage of employees receiving regular performance and career development reviews	The development process	338
GRI 405: Diversity and Equal Opportunity 2016 - Management approach disclosures [103-1; 103-2; 103-3]			
405-1	Diversity of governance bodies and employees	Diversity and inclusion Corporate governance	226 253
405-2	Ratio of basic salary and remuneration of women to men	Diversity and inclusion	228
GRI 413: Local Communities 2016 – Management approach disclosures [103-1; 103-2; 103-3]			
413-1	Operations with local community engagement, impact assessments, and development programs	HeraLAB, a tool for listening to the local communities	277
GRI 414: Supplier Social Assessment 2016 – Management approach disclosures [103-1; 103-2; 103-3]			
414-1	New suppliers that were evaluated using social criteria	The supplier qualification procedure	364
GRI 415: Public policy 2016 – Management approach disclosures [103-1; 103-2; 103-3]			
415-1	Political contributions	Focus on distributed economic value with donations and sponsorships	210
GRI 416: Customer Health and Safety 2016 – Management approach disclosures [103-1; 103-2; 103-3]			
416-1	Assessment of the health and safety impacts of product and service categories	Quality of drinking water	121
		Safety and continuity of the service	312
		Health and safety impact assessments are carried out for the integrated water service and the gas distribution service.	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Quality of drinking water	121 The topic of non-compliance with voluntary regulations and codes regarding the impacts on health and safety of services during their life cycle is applicable to the integrated water service only.
	GB9. Electronic gas meters installed (number)	Initiatives for improving the quality of readings	310
	GB10. Average number of power outages per customer [number]	Safety and continuity of the electricity service	312
GRI 417: Marketing and Labelling 2016 – Management approach disclosures [103-1; 103-2; 103-3]			
417-1	Requirements for product and service information and labelling	Quality of drinking water	122
		The gas bill	299
		The electricity bill	300
417-2	Episodes of non-compliance in information and labelling of products and services	The relationship with the Italian regulatory and supervisory authorities	297
417-3	Cases of non-compliance relating to marketing communications	The relationship with the Italian regulatory and supervisory authorities	283

GRI STANDARDS AND OTHER INDICATORS	SECTION	PAGE	OMISSIONS
GRI 418: Customer privacy 2016 – Management approach disclosures [103-1; 103-2; 103-3]			
418-1	Proven complaints relating to breaches of customer privacy and the loss of customer data	IT security	201
GRI 419: Socio-economic Compliance 2016 – Management approach disclosures [103-1; 103-2; 103-3]			
419-1	Non-compliance with laws and regulations in the social and economic area	Pending legal proceedings The relationship with the Italian regulatory and supervisory authorities Sanctions imposed on the Group Litigation with customers Industrial relations Litigation with suppliers	283 288 291 323 356 379

Independent auditors' report

[102-56]

HERA S.p.A.

**INDIPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL DISCLOSURE
PURSUANT TO ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5
OF CONSOB REGULATION 20267 ADOPTED BY RESOLUTION OF JANUARY 18, 2018**

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL DISCLOSURE PURSUANT TO ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5 OF THE CONSOB REGULATION 20267 ADOPTED BY RESOLUTION OF JANUARY 18, 2018

To the Board of Directors of

Hera S.p.A.

Pursuant to article 3, paragraph 10, of Legislative Decree no. 254 of 30 December 2016 (hereinafter the "Decree") and article 5 of CONSOB Regulation no. 20267/2018, we were appointed to carry out the limited assurance engagement on the consolidated non-financial disclosure of Hera S.p.A. and its subsidiaries (hereinafter the "Hera Group") as of and for the year ended 31 December 2020, in accordance with article 4 of the Decree and approved by the Board of Directors on 24 March 2021 (hereinafter the "NFD").

Responsibility of the Directors and the Board of Statutory Auditors for the NFD

The Directors are responsible for the preparation of the NFD in accordance with the requirements of Articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), which they identified as the reporting standard.

The Directors are responsible, within the terms provided for by law, for that part of the internal control they deem necessary to ensure that the NFD is free from material misstatement, whether due to fraud or unintentional behaviours or events.

The Directors are responsible for identifying the content of the NFD, within the matters mentioned in Article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary to ensure the understanding of the Group's business, its trends, its results and related impacts.

The Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFD, for the policies adopted by the Group and for the identification and management of risks generated or faced by the Group.

The Board of Statutory Auditors is responsible for overseeing, in accordance with the law, the compliance with the Decree.

Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence disclosed in the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts the International Standard on Quality Control 1 (ISQC Italy 1) and, accordingly, maintains an overall quality control system, that includes processes and procedures for the compliance with ethical and professional standards and with applicable laws and regulations.

Auditor's Responsibility

We are responsible for expressing, on the basis of the work performed, a conclusion regarding the compliance of the NFD with the Decree and the GRI Standards. We conducted our engagement in accordance with the principle "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and perform procedures to obtain a limited assurance that the NFD does not contain material errors. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised ("reasonable assurance

engagement") and, consequently, do not provide us with a sufficient level of assurance to become aware of all significant facts and circumstances that could be identified in a reasonable assurance engagement.

The procedures performed on the NFD are based on our professional judgment and consisted of interviews, primarily with the company personnel responsible for the preparation of the NFD, in the analysis of documents, recalculations and other procedures aimed at obtaining evidence as appropriate.

In particular, we carried out the following procedures:

1. analysis of the relevant topics reported in the NFD relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree, with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, to assess its compliance with the Decree;
3. comparing the economic and financial information reported in the NFD with the information reported in the Hera Group's Consolidated Financial Statements;
4. understanding of the following matters:
 - business and organisational model of the Group, with reference to the management of the topics specified by art. 3 of the Decree;
 - policies adopted by the Group with reference to the topics specified by art. 3 of the Decree, actual results, and related key performance indicators;
 - main risks generated or faced by the Group, with reference to the topics specified by art. 3 of the Decree.

With reference to such matters, we carried out some validation procedures on the information presented in the NFD and some controls, as described under point 5, letter a) below;

5. understanding of the processes underlying the preparation, collection and management of the qualitative and quantitative material information included in the NFD.

In particular, we held meetings and interviews with the management of Hera S.p.A. and with the personnel of Hera S.p.A., Hera Trading S.r.l., Inrete Distribuzione Energia S.p.A., Uniflotte S.r.l., Hera Comm S.r.l., Herambiente S.p.A., AcegasApsAmga S.p.A., Hera Luce S.r.l., Marche Multiservizi S.p.A. and we performed limited analysis and validation procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and submission of non-financial information to the Department responsible for the preparation of the NFD.

Moreover, for significant information, considering the activities and characteristics of the Group:

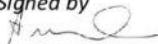
- at parent company's and subsidiaries' level:
 - a) with reference to the qualitative information included in the NFD, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and obtained supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we performed analytical procedures and limited tests, in order to assess, on a sample basis, the consolidation of the information.
- for the following companies and sites, which we selected on the basis of their activities, their contribution to the performance indicators at consolidated level and their location, we held meetings remotely, during which we met local management and gathered supporting documentation regarding the compliance with procedures and calculation methods used for the key performance indicators: Hera S.p.A. Bologna and Modena offices, Granarolo dell'Emilia (BO), Imola (BO), Ravenna and Ferrara plants; Hera Trading S.r.l., Inrete Distribuzione Energia S.p.A., Uniflotte S.r.l., Hera Comm S.r.l. Bologna offices; Herambiente S.p.A. Bologna office and Granarolo dell'Emilia (BO), Ravenna and Rimini (FC) plants; AcegasApsAmga S.p.A. Trieste office and Padova plant; Marche Multiservizi S.p.A. Pesaro office and plant.

Conclusion

Based on the work performed, nothing has come to our attention that caused us to believe that the NFD of the Hera Group as of 31 December 2020 and for the year then ended has not been prepared, in all material respects, in compliance with articles 3 and 4 of the Decree and the GRI Standards.

Bologna, 6 April 2021

Audirevi S.p.A.

Signed by

Antonio Cocco
Partner

SASB indicators

Waste management - Sustainability disclosure topics & Accounting metrics (version 2018-10)

Topic	Accounting metric		Unit of measure	Page
Greenhouse gas emissions	IF-WM-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Metric tons (t) CO ₂ e, Percentage (%)	73
	IF-WM-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 and lifecycle emissions, emissions reduction targets, and an analysis of performance against those targets	-	66
Fleet fuel management	IF-WM-110b.1	(1) Fleet fuel consumed, (2) percentage natural gas, (3) percentage renewable	Gigajoules (GJ), Percentage (%)	143
	IF-WM-110b.2	Percentage of alternative fuel vehicles in fleet	Percentage (%)	143
Air quality	IF-WM-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Metric tons (t)	132
Management of leachate and hazardous waste	IF-WM-150a.1	(1) Total Toxic Release Inventory (TRI) releases, (2) percentage released to water	Metric tons (t), Percentage (%)	132
Labor practices	IF-WM-310a.1	Percentage of active workforce covered under collective bargaining agreements	Percentage (%)	340
	IF-WM-310a.2	(1) Number of work stoppages and (2) total days idle	Number, Days idle	345
Workforce health and safety	IF-WM-320a.1	(1) Total Recordable Incident Rate (TRIR), (2) fatality rate, and (3) Near Miss Frequency Rate (NMFR) for (a) direct employees and (b) contract employees	Rate	345
Recycling and resource recovery	IF-WM-420a.1	(1) Amount of waste incinerated, (2) percentage hazardous, (3) percentage used for energy recovery	Metric tons (t), Percentage (%)	101
	IF-WM-420a.2	Percentage of customers receiving (1) recycling and (2) composting services, by customer type	Percentage (%)	88
	IF-WM-420a.3	Amount of material (1) recycled, (2) composted, and (3) processed as waste-to-energy	Metric tons (t)	113
	IF-WM-420a.4	Amount of electronic waste collected, percentage recovered through recycling	Metric tons (t), Percentage (%)	88

Waste management - Activity metrics (version 2018-10)

Activity metric		Unit of measure	Page
IF-WM-000.B	Vehicle fleet size	Number	143
IF-WM-000.C	Number of: (1) landfills, (2) transfer stations, (3) recycling centers, (4) composting centers, (5) incinerators, and (6) all other facilities	Number	108

Water utilities and services - Sustainability disclosure topics & Accounting metrics (version 2018-10)

Topic	Accounting metric		Unit of measure	Page
Energy management	IF-WU-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), Percentage (%)	42
Distribution network efficiency	IF-WU-140a.2	Volume of non-revenue real water losses	Thousand cubic meters (m ³)	114
Water	IF-WU-240a.2	Typical monthly water bill for residential customers	Reporting currency (€)	302

Topic	Accounting metric		Unit of measure	Page
affordability and access		for 10 CCF of water delivered per month		
	IF-WU-240a.3	Number of residential customer water disconnections for non-payment, percentage reconnected within 30 days	Number, Percentage (%)	216
Drinking water quality	IF-WU-250a.1	Number of (1) acute health-based, (2) non-acute health-based, and (3) non-health-based drinking water violations	Number	120
	IF-WU-250a.2	Discussion of strategies to manage drinking water contaminants of emerging concern	-	120
End-use efficiency	IF-WU-420a.2	Customer water savings from efficiency measures, by market	Cubic meters (m ³)	118
Water supply resilience	IF-WU-440a.1	Total water sourced from regions with High or Extremely High Baseline Water Stress, percentage purchased from a third party	Thousand cubic meters (m ³), Percentage (%)	120
	IF-WU-440a.2	Volume of recycled water delivered to customers	Thousand cubic meters (m ³)	116
	IF-WU-440a.3	Discussion of strategies to manage risks associated with the quality and availability of water resources	-	120
Network resiliency and impacts of climate change	IF-WU-450a.4	Description of efforts to identify and manage risks and opportunities related to the impact of climate change on distribution and wastewater infrastructure	-	234

Water utilities and services - Activity metrics (version 2018-10)

Activity metric		Unit of measure	Page
IF-WU-000.B	Total water sourced, percentage by source type	Cubic meters (m ³), Percentage (%)	120
IF-WU-000.E	Length of (1) water mains and (2) sewer pipe	Kilometers (km)	126

Gas utilities and distributors - Sustainability disclosure topics & Accounting metrics (version 2018-10)

Topic	Accounting metric		Unit of measure	Page
Energy affordability	IF-GU-240a.2	Typical monthly gas bill for residential customers for (1) 50 MMBtu and (2) 100 MMBtu of gas delivered per year	Reporting currency (€)	299
	IF-GU-240a.3	Number of residential customer gas disconnections for non-payment, percentage reconnected within 30 days	Number, Percentage (%)	216
Integrity of gas delivery infrastructure	IF-GU-540a.3	Percentage of gas (1) transmission and (2) distribution pipelines inspected	Percentage (%) by length	314

Gas utilities and distributors - Activity metrics (version 2018-10)

Activity metric		Unit of measure	Page
IF-GU-000.C	Length of gas (1) transmission and (2) distribution pipelines	Kilometers (km)	314

Electric utilities and Power generators - Sustainability disclosure topics & Accounting metrics (version 2018-10)

Topic	Accounting metric		Unit of measure	Page
Greenhouse gas emissions and energy resource planning	IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Metric tons (t) CO ₂ e, Percentage (%)	73
	IF-EU-110a.2	Greenhouse gas emissions associated with power deliveries	Metric tons (t) CO ₂ e	73
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-	66
Air quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) particulate matter (PM ₁₀), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Metric tons (t), Percentage (%)	132
Water management	IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m ³), Percentage (%)	120
Energy affordability	IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	Reporting currency (€)	300
	IF-EU-240a.3	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	Number, Percentage (%)	216
Grid resiliency	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Minutes, Number	312

Electric utilities and Power generators - Activity metrics (version 2018-10)

Activity metric		Unit of measure	Page
IF-EU-000.C	Length of transmission and distribution lines	Kilometers (km)	312
IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	Megawatt hours (MWh), Percentage (%)	58
IF-EU-000.E	Total wholesale electricity purchased	Megawatt hours (MWh)	62