



A2A ISSUED ITS INAUGURAL SUSTAINABILITY-LINKED BOND

Orders from investors were in the region of € 1.2bn, which implies an oversubscription ratio of 2.5x

Milan, 7th July 2021 - A2A (Moody's Baa2/stable - Standard & Poors BBB/stable) successfully launched its inaugural Sustainability-Linked Bond with a size of € 500mln and maturity 10 years.

The new transaction received a strong investor response: indeed the total order book peaked at € 1.2bn, implying an oversubscription ratio of 2.5x. The new bond, which addresses only institutional investors and is issued within the Euro Medium Term Notes Programme, is based on the new Sustainable Finance Framework.

Notes have an issue price of 99.547% and a reoffer yield equal to 0.672%. Coupon has been set at 0.625% whilst the final spread over the reference mid swap rate is equal to 65bps.

The bond is linked to the achievement of a specific sustainability performance target related to direct greenhouse gas emissions reduction (Scope 1) per kWh of energy produced. This target, which is also included in A2A 10-year strategic plan, commits A2A to cap the Group's greenhouse gas emissions in 2025 at 296g CO₂ per kWh (or lower), in line with the Science Based Target commitment approved in March 2020.

"This transaction further highlights the Group's commitment to fighting climate change while combining strategic plan objectives with sustainability targets - Andrea Crenna, CFO of A2A, said - The new bond will increase the share of Group's ESG-labelled debt, which is also a target included in A2A 10-year strategic plan, with a >70% in 2030".

Should A2A fail to reach the target, a 25bps coupon step-up will apply. In the event that A2A reaches the target, the coupon will remain unchanged until the maturity of the bond.

The notes are subject to the English Law and will be listed on the Luxembourg Stock Exchange from the 15th of July 2021 once all the relevant documentation will be signed.

JP Morgan and UniCredit acted as Global Coordinators in the transaction whilst BBVA, BNP Paribas, Citi, IMI-Intesa Sanpaolo, Mediobanca, JP Morgan, Santander, Société Générale and UniCredit acted as Joint Bookrunners.

A2A was supported by the legal counsel Orrick whilst the Joint Bookrunners were assisted by Allen & Overy.

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