



A2A signs the first credit line in Italy linked to the Group's Sustainability Policy and the Standard Ethics Rating

Milan, August 29, 2018 - The A2A Group signed a sustainable **400-million-euro** five-year revolving credit line that, **for the first time in Italy**, features a spread linked not only to A2A's **ESG** (environmental, social and governance) **performance**, but also to its achievement of specific **business objectives** related to decarbonisation, green energy and the circular economy. The "ESG/KPI-linked Revolving Credit Facility" includes a bonus/malus mechanism linked to both environmental KPIs and **the annual ESG Standard Ethics rating**.

"Being the first in Italy to have signed a credit line with these characteristics shows how A2A is innovative not only industrially but also in corporate finance, combining economic efficiency with environmental sustainability," explained Valerio Camerano, CEO of the A2A Group. "This financing will be increasingly advantageous as we implement the business model outlined in our Group's Strategic Plan. The underlying principle of our development strategy is sustainability, and this enables us to genuinely integrate the management of economic, environmental and social aspects. Our faith in this model is so great that in 2017 we had already included targets linked to sustainability in the Group's MBO incentive systems."

"Sustainability is a principle shared by all" says Giovanni Valotti, President of A2A "Translating it into concrete projects, measuring it with objective indicators, taking account in a transparent way of the degree to which those objectives are attained, connecting it to mechanisms of company financing and incentivisation of the management are the ways to turn words into deeds. To the benefit of all current citizens and future generations."

The credit line, which replaces the previous agreement that A2A signed in 2013, provides for **environmental targets** consisting of two of the objectives that the A2A Group set in its **2018-2022 Sustainability Plan and Policy**. The first relates to the circular economy and consists of increasing the **recovery of material** from waste treated at the Group's plants, while the second relates to the **decarbonisation** process that A2A has already undertaken. Specifically, A2A aims to expand the percentage of **green energy** produced from renewable sources that will be sold in the mass market segment. If it achieves these targets, the interest rate on the credit line will adjust downwards.

In addition, an upgrade or downgrade in A2A's **Standard Ethics Rating** (SER), which is currently "EE-", will also cause the interest rate spread on the Group's financing to adjust.

BBVA has been named the sole Sustainability Advisor and Documentation Agent for this new sustainable credit line, while BBVA and Crédit Agricole CIB are Joint Sustainability Coordinators.

The lenders BBVA, Crédit Agricole CIB, Banca IMI-Intesa Sanpaolo, Mediobanca and UniCredit have been appointed Mandated Lead Arrangers.

A2A

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