

CAP HOLDING SUCCESSFULLY PLACES A 105 MILLION EURO SUSTAINABILITY-LINKED BOND

Milan, 5th December 2023 – Cap Holding S.p.A. (“Cap Holding” or the “Company”) has finalized the placement of a non-convertible EUR 105 million Sustainability-Linked bond with Pricoa Private Capital, the private capital arm of PGIM, the global investment management business of Prudential Financial, Inc. The bonds are entirely subscribed by PGIM Inc. and listed on the Euronext Dublin.

The securities have a maturity of 14 years and pay a semi-annual coupon of 5.10 percent.

This transaction represents the first US Private Placement bond in a Sustainability-Linked format, with coupon linked to the Scope 1, 2, and 3 reduction of Greenhouse Gas (“GHG”) emissions, as defined by the Sustainability-Linked Financing Framework published by Cap Holding in December 2023.

More specifically, CAP Holding commits to reducing its own GHG emissions as follows:

- Scope 1 and 2: -42% by 2030 vs. 2021
- Scope 3: -25% by 2030 vs. 2021

The proceeds from the issuance will be used by the Company for general corporate purposes and, notably, to support investments in the integrated water service, outlined industrial plan.

“The transaction reaffirms Cap Holding's commitment to sustainability, with specific reference to the Group's GHG emission reduction goals” says Alessandro Russo, Cap Holding CEO. “This new Sustainability-Linked instrument will allow us to pursue with greater determination specific targets that are particularly important for our Group, targets to which we have long been committed through multiple initiatives, in line with the sustainability strategies of our industrial plan.

Our partnership with Pricoa, an important player in the capital markets, further demonstrates the high reputation of Cap Holding group through their significant support, which will allow the Company to promptly seize the best investment opportunities in line with its sustainability objectives”.

In the context of the transaction, Mediobanca acted as Sole Arranger of the bond and as Sole Structuring Advisor of the Sustainability Linked-Financing Framework, and the law firm Simmons & Simmons advised Cap Holding on all related legal and fiscal aspects”.