

Infrastructure: Viveracqua Hydrobond 2022, fourth bond issuance of €148.5 million concluded

The bond issue will support a plan involving total investment of €350 million in support of the Veneto-based water service thanks to the operation involving the European Investment Bank (EIB), Cassa Depositi e Prestiti (CDP) and Kommunalkredit Austria AG (Kommunalkredit). Banca Finint acts as arranger and placement agent for the securities.

The project involves the local companies Acque del Chiampo, Acque Veronesi, Bim Gestione Servizi Pubblici, ETRA, Livenza Tagliamento Acque and Piave Servizi, which serve over 290 municipalities and more than 2.3 million residents

17 March 2022 -Around €350 million will be invested over the next four years to **support the upgrading and efficiency of the Veneto water network** for the benefit of businesses and families, in keeping with the principles of sustainable water management (Goal 6 of the United Nations 2030 Agenda). This is the target of **Viveracqua Hydrobond 2022, the long-term issuance of €148.5 million** implemented by **six consortium managers in Viveracqua**, to which the **European Investment Bank (EIB), Cassa Depositi e Prestiti (CDP) and Kommunalkredit Austria AG (Kommunalkredit)** have subscribed following the positive results of Viveracqua Hydrobond 2020.

This private placement operation will enable innovative financing of the investment plans of the six companies — Acque del Chiampo, Acque Veronesi, BIM Gestione Servizi Pubblici, ETRA, Livenza Tagliamento Acque and Piave Servizi — which serve over 290 municipalities and more than 2.3 million inhabitants thanks to an aqueduct network of over 22 000 kilometres. Specifically, there are plans to improve sewerage systems and purification plants.

Viveracqua Hydrobond 2022 is the fourth financing transaction, promoted by Viveracqua and coordinated by Banca Finint, supporting the investment plans of Integrated Urban Water Management consortia, which is being implemented directly through the capital markets. This issue follows the positive experiences already achieved in 2014 (€150 million unlocking more than €341 million worth of investments), in 2016 (€77 million, with investments worth over €197 million) and in 2020 with Viveracqua Hydrobond 2020 (€248 million, with planned investments totalling €700 million).

The temporary grouping of companies formed by **Banca Finint** and the **Cappelli RCCD law firm** acted as arranger, placement agent and legal advisor for the transaction. The EIB and CDP were assisted by the Legance law firm, while Kommunalkredit was assisted by a dedicated team from the Cappelli RCCD law

firm. The Pirola Pennuto Zei firm assisted the managers in their deliberative processes.

Monica Manto, Chairman of Viveracqua said, *"We thank the investors for the great confidence that they have shown in our projects. The renewal of water infrastructure is of strategic importance for the development of our regions and to achieve the 2030 Agenda goals relating to the sustainable use of water. The support provided by those choosing to invest in our bonds is vital to achieve key environmental goals in the coming years. The consolidated synergy between the operators of Veneto's water service displayed by the Viveracqua consortium once again represents an important credential for accessing favourable means of financing. Thanks to this new bond issue, major works to improve sewerage and purification systems in Veneto and parts of Friuli-Venezia Giulia will be launched."*

Gelsomina Vigliotti, Vice-President of the EIB, said, *"With more than 1,600 projects and almost €79 billion in financing, the EIB is one of the world's largest water sector lenders. Investment in the sector is in fact one of the pillars of our climate change adaptation strategy. This is why we continue to support the Viveracqua Consortium. Thanks to this operation, more than 2.3 million people will benefit from more modern, efficient and sustainable water resource management infrastructure in the future."*

Dario Scannapieco, CEO of CDP, noted, *"CDP once again confirms its commitment to local businesses that are keen to strengthen services supporting the local community. The hydrobond instrument, which has in the recent past received favourable market feedback, ensures wide-ranging investment and long-term planning. Working together with the other financial institutions involved in the bond issue reaffirms the commitment to the sustainable development of the country, in line with the objectives of the 2022-2024 Strategic Plan"*.

Enrico Marchi, Chairman of Banca Finint, said, *"We are proud to have worked as arranger for all four issues promoted by Viveracqua and are pleased with the confidence that, over time, water service management companies have placed in the system bonds instrument. At a time when focus on the environment is at its peak, ensuring that our institution's financial engineering skills can benefit investments in water efficiency in the region allows us to play a leading role in the area of sustainability, in line with Goal 6 of the UN 2030 Agenda. Moreover, the operation further strengthens the partnership that unites Banca Finint with investors of primary standing such as the European Investment Bank, Cassa Depositi e Prestiti and Kommunalkredit Austria, confirming the quality and relevance of the financial instrument."*

Birgit Brinda, Head of Structuring & Execution at Kommunalkredit, said, *"Having already taken part in the previous Viveracqua Hydrobond 2020 transaction, we are very pleased to have joined our trusted partners for this next issue. This operation is a new pillar of an innovative approach to financing water*

infrastructure extension and upgrading projects, ultimately offering tangible benefits to the community.”