



PRESS RELEASE

UBI Banca closes the first Green Bond issue on the wholesale market

Orders close to €1.5 billion, 3 times the amount of the issue

Milan, 3rd April 2019 – UBI Banca continues to implement its 2019 funding plan started in February with two issuances, a covered bond and a Tier 2 issue respectively, and has successfully placed the first Green Bond (Senior Preferred) issuance on the wholesale market for a five-year, €500 million benchmark amount.

The issuance, made under the Group's EMTN Programme, was carried out as part of a broader Framework, compliant with the guidelines issued by ICMA, which, in addition to Green Bonds, also includes the possibility to issue Social and Sustainable Bonds. The issue will refinance a selected renewable energy project finance portfolio (€0.5 billion out of a total of €1.3 billion), which focuses primarily (86%) on solar energy and wind power.

ISS-oekom, as the Second Opinion Provider, has released an opinion on the Framework and on the portfolio. UBI Banca will publish on an annual basis, for the next five years, a report on the allocation of the bond's proceeds and on the environmental impact of the bond issued.

The issuance was met with strong demand from approximately 150 investors, with orders reaching close to €1.5 billion. This allowed to tighten the initial spread guidance of mid-swap + 170/175 bps to the final level of 150 bps over the 5 year mid-swap.

The allotment of orders saw prevailing demand from abroad (73%), mainly originated from: France (35%), Germany/Austria (13%), Nordics (12%), UK/Ireland (6%) e Spain/Portugal (5%).

In terms of type of investor, subscription was mainly by Funds (68%) with a strong component of funds with ESG/Green mandates.

The settlement date for the transaction will be the 10th of April 2019.

The issue price for the bond is 99.79%. The fixed coupon of 1.5% will be paid in arrears on 10 April of each year from 2020.

The bond, reserved to institutional investors, will be listed on the Irish stock exchange.

The expected ratings for the bond are as follows: Baa3 (Moody's), BBB- (S&P), BBB- (Fitch), BBB (DBRS).

Victor Massiah, the Group's Chief Executive Officer, remarked that "This inaugural issue represents another step forward in the pursuit of a corporate strategy that is ever more inclusive in terms of sustainability issues and which has its roots in the history of the banks from which UBI was formed. This strategy was also developed through UBI Comunità, and subsequently diversified with the launch of the Social4Planet Sicav and with the creation of the recent Framework for the issue of Green, Social and Sustainable Bonds. This issuance shows UBI Banca's ability to combine

closeness to the territories and to the community with those institutional funding solutions which are most appreciated by international markets”.

Credit Agricole CIB acted as the Sole Sustainable Structuring Advisor, while Banca IMI, BNP Paribas, Credit Agricole CIB, Credit Suisse, UBI Banca and UniCredit acted as joint bookrunners.

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