



CPI PROPERTY GROUP

(société anonyme)

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Press Release - Corporate News

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CPI PROPERTY GROUP – Groundbreaking Sustainability-Linked Bond Issue

CPI PROPERTY GROUP (“**CPIPG**” or the “**Company**”), the leading owner of income-generating real estate in Central Europe, has become the first real estate company from our region to issue sustainability-linked bonds.

“CPIPG is proud of our leadership in sustainable financing,” said David Greenbaum, CFO of CPIPG. “The Group was the first borrower from our region to issue benchmark green bonds in 2019 and has further strengthened our ESG agenda and capital structure through this innovative transaction.”

The sustainability-linked bonds were issued in the amount of €700 million, with an annual coupon of 1.75% and a maturity date of 14 January 2030.

In keeping with CPIPG’s commitment to reduce the greenhouse gas (“**GHG**”) emissions intensity of our property portfolio by 30% through 2030 versus the 2019 baseline, the sustainability-linked bonds are subject to a step-up margin of 0.25% in the final two years if CPIPG does not achieve a reduction in GHG emissions intensity of about 22% by year-end 2027. GHG emissions intensity is expressed as tonnes of CO₂ equivalent per square metres of property portfolio. Sustainalytics, as independent second party opinion provider, assessed CPIPG’s targets as “ambitious” with “very strong” key performance indicators that are aligned with the Paris agreement.

Proceeds from the sustainability linked bonds will be used primarily to fund the full repayment (via make-whole call) of two bonds: CPIPG’s 4.75% notes due 8 March 2023 (ISIN: XS1955030280), with about \$377 million outstanding, and 2.125% notes due 4 October 2024 (ISIN: XS1693959931), with about €239 million outstanding.

The sustainability-linked bonds are listed on the Main Market of the Irish Stock Exchange plc (trading as Euronext Dublin) and are accepted for clearance through Euroclear and Clearstream, Luxembourg. The sustainability-linked bonds, issued under the Company’s Euro Medium-Term Note Programme, are rated Baa2 by Moody’s and BBB by Standard & Poor’s. The ISIN code for the sustainability-linked bonds is XS2432162654 and the Common Code is 243216265. The base prospectus and the final terms for the sustainability-linked bonds are available at the website of the Company (www.cpipeg.com).

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