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Hannon Armstrong Makes \$115 Million Preferred Equity Investment in the University of Iowa's Transformative Utility System Project

Joins ENGIE and Meridiam in a 50-Year Concession Agreement that Transitions University toward a Zero-Carbon Footprint

ANNAPOLIS, Md.--(BUSINESS WIRE)-- Hannon Armstrong Sustainable Infrastructure Capital, Inc. ("Hannon Armstrong") (NYSE: HASI), a leading investor in climate change solutions, today announced a \$115 million preferred equity investment in a utility public-private partnership ("P3") between the University of Iowa, ENGIE, Meridiam, and Hannon Armstrong, to operate, maintain and upgrade the University's energy and water utilities.

With its preferred equity investment in the historic behind-the-meter sustainable energy campus project, Hannon Armstrong joins ENGIE and Meridiam in the "Hawkeye Energy Collaborative," which was awarded a \$1 billion 50-year utility management concession contract in December 2019 and reached financial close on March 10, 2020. Hawkeye Energy Collaborative will support the University of Iowa's energy, water, and sustainability goals for two campuses spanning 1,700 acres in Iowa City, Iowa. Together, these campuses form one of the largest university footprints in the United States.

Under the agreement, ENGIE will operate, maintain, optimize, and improve the on-campus utility systems for the University. The scope includes providing heating, cooling, and electricity to the campuses through a dedicated network while also managing high-quality water, sanitary sewer and storm sewer services. Notably, the P3 will help the University of Iowa meet its zero-carbon energy transition objectives, becoming coal-free in energy production on campus by January 1, 2025, if not sooner. Hawkeye Energy Collaborative will also work with the University to assure:

- The exploration of multiple services and solutions involving a reduction in energy usage (such as energy-as-a-service and an artificial intelligence aided energy management platform) as well as generation sources such as renewable energy, microgrids, energy storage, and other innovative technologies that prepare the campus for a resilient and sustainable future
- A seamless transition to welcome all current utility system employees
- Students, faculty, and staff have opportunities to benefit from experiential learning and innovation via internships, projects, and research opportunities in energy and other

areas, including through an innovative program to enhance awareness of ways to improve resource use for students and other members of the University community

“We are pleased to invest in the Hawkeye Energy Collaborative, a landmark public-private partnership for resiliency and sustainability goals,” said Hannon Armstrong Chairman and CEO Jeffrey Eckel. “The comprehensive concession agreement to address multiple utility systems is innovative in scope and ambition – providing a model of a campus utility system that many U.S. colleges and universities will look to for improved system efficiency, cost, and performance. Our expansion into the higher education P3 asset class will further diversify our portfolio and bolster our efforts to create a climate-positive future.”

About Hannon Armstrong

Hannon Armstrong (NYSE: HASI) is the first U.S. public company solely dedicated to investments in climate change solutions, providing capital to leading companies in energy efficiency, renewable energy, and other sustainable infrastructure markets. With more than \$6 billion in managed assets as of December 31, 2019, Hannon Armstrong’s core purpose is to make climate-positive investments with superior risk-adjusted returns. For more information, please visit www.hannonarmstrong.com. Follow Hannon Armstrong on [LinkedIn](#) and Twitter [@HannonArmstrong](#).

Forward-Looking Statements:

Some of the information in this press release contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended that are subject to risks and uncertainties. For these statements, we claim the protections of the safe harbor for forward-looking statements contained in such Sections. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. When we use the words "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may" or similar expressions, we intend to identify forward-looking statements.

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Media

Gil Jenkins

443-321-5753

media@hannonarmstrong.com

Investors

Chad Reed

410-571-6189

investors@hannonarmstrong.com

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