

September 27, 2021



Hannon Armstrong Announces \$100 Million CarbonCount® Green Commercial Paper Note Program

First Green Commercial Paper Program in the United States Provides for CarbonCount® Reporting on Avoided Emissions

ANNAPOLIS, Md.--(BUSINESS WIRE)-- Hannon Armstrong Sustainable Infrastructure Capital, Inc. ("Hannon Armstrong," or the "Company") (NYSE: HASI), a leading investor in climate solutions, today announced the establishment of a \$100 million CarbonCount® Green Commercial Paper Note Program (the "CarbonCount® Green CP Program"), marking the launch of the first fully Green Commercial Paper program in the United States. BofA Securities, Inc. is acting as the sole dealer and green structuring advisor on the program.

Amounts available under the CarbonCount® Green CP Program may be borrowed, repaid and re-borrowed from time to time, with the maximum aggregate face or principal amount of CarbonCount® Green Commercial Paper Notes outstanding at any one time not exceeding \$100 million. The CarbonCount® Green Commercial Paper Notes will be sold on terms that are customary for the United States commercial paper market and will be at least equal in right of payment with all of Hannon Armstrong's other unsecured and unsubordinated indebtedness. Payment of the CarbonCount® Green Commercial Paper Notes will be supported by a direct-pay letter of credit issued by Bank of America, N.A.

Consistent with our investment thesis and Sustainability Investment Policy, Hannon Armstrong only invests in assets that are neutral to negative on incremental carbon emissions or have some other tangible environmental benefit, such as reducing water consumption. We track and report on the impact of all investments utilizing our CarbonCount® metric, a proprietary scoring tool for evaluating investments in U.S. based renewable energy, energy efficiency, and climate resilience projects to determine the efficiency by which each dollar of invested capital reduces annual carbon dioxide equivalent (CO2e) emissions. This first-of-its-kind methodology promotes transparency in project finance by creating a simple and comparable metric for infrastructure projects to be evaluated in terms of how much the capital investment is mitigating climate change.

The Company intends to allocate an amount equal to the net proceeds of CarbonCount® Green Commercial Paper Notes to acquire or refinance, in whole or in part, Eligible Green Projects, which include Behind-the-Meter, Grid-Connected and Sustainable Infrastructure projects:

- **Behind-the-Meter:** distributed building or facility projects, which reduce energy usage

or cost through the use of solar generation and energy storage or energy efficiency improvements including heating, ventilation and air conditioning systems, lighting, energy controls, roofs, windows, building shells, and/or combined heat and power systems;

- **Grid-Connected:** projects that deploy cleaner energy sources, such as solar and wind to generate power where the off-taker or counterparty is part of the wholesale electric power grid; and
- **Sustainable Infrastructure:** upgraded transmission and distribution systems, water and storm water infrastructure, and other projects that improve water or energy efficiency, increase resiliency, positively impact the environment, or more efficiently use natural resources.

Pending allocation of the full amount equal to the net proceeds from the concurrently outstanding CarbonCount® Green Commercial Paper Notes at any point of time, the Company intends to invest such net proceeds in interest-bearing accounts and short-term, interest-bearing securities that are consistent with the Company's intention to continue to qualify for taxation as a REIT.

"This CarbonCount® Green Commercial Paper Program is another cost-effective and innovative component of our diverse funding platform, as we remain a leader in both climate positive investing and green debt issuance," said Jeffrey A. Lipson, Chief Financial Officer and Chief Operating Officer.

ABOUT HANNON ARMSTRONG

Hannon Armstrong (NYSE: HASI) is the first U.S. public company solely dedicated to investments in climate solutions, providing capital to leading companies in energy efficiency, renewable energy, and other sustainable infrastructure markets. With more than \$8 billion in managed assets, 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 contains forward-looking statements and 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. When used in this press release, words such as "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may," "target," or similar expressions, are intended to identify such forward-looking statements. Forward-looking statements are subject to significant risks and uncertainties. Investors are cautioned against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause actual results to differ materially from those described in the forward-looking statements include those discussed under the caption "Risk Factors" included in the Company's Annual Report on Form 10-K for the Company's fiscal year ended December 31, 2020, which was filed with the U.S. Securities and Exchange Commission ("SEC"), as well as in other reports that the Company files with the SEC.

Forward-looking statements are based on beliefs, assumptions and expectations as of the

date of this press release. The Company disclaims any obligation to publicly release the results of any revisions to these forward-looking statements reflecting new estimates, events or circumstances after the date of this press release.

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