

# INWIT makes SLB debut

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INWIT (ticker INWIM), an Italian wireless network infrastructure company, issued two bonds in 2025 for general corporate purposes. In March, it priced a EUR750 million 5yr vanilla bond,[1] with proceeds used on a tender offer for its 2026s. Following this, it issued its first ESG-labelled bond in October, an EUR850 million 7yr Sustainability-Linked Bond (SLB), to further tender the 2026s.[2]

With SLB volumes below their peak in 2021,[3] and some high-profile issuers pivoting away from the format,[4] seeing a crossover issuer (INWIT is rated BB+/BBB-) enter the SLB market is a positive sign. **In this note we examine INWIT's bond issuance and the potential benefits to using SLBs.**

Details on INWIT's outstanding bonds are shown in Table 1.[5] Although it has two vanilla bonds with close maturities (2030s and 2031s), the disjointed pricing curves mean we are unable to use these comparables to imply an SLB option price (for the pricing levels please see Figure 2 later in the document).[6]

*Table 1. INWIT outstanding bonds. Source: Bloomberg Finance L. P., accessed 21 Oct 2025.*

| Description | ISIN | Issue Date | Maturity | Amount outstanding (EUR million) |
|---|---|---|---|---|
| SLB €3.625 32s | XS3201918318 | 13-Oct-25 | 13-Oct-32 | 850 |
| €3.75 30s | XS3040316971 | 01-Apr-25 | 01-Apr-30 | 750 |
| €1.75 31s | XS2332687040 | 19-Apr-21 | 19-Apr-31 | 500 |
| €1.875 26s | XS2200215213 | 08-Jul-20 | 08-Jul-26 | 173 |
| €1.625 28s | XS2244936659 | 21-Oct-20 | 21-Oct-28 | 750 |

However, there is some evidence that INWIT was rewarded with stronger investor demand through its shift to ESG-labelled bond issuance. When comparing average book cover (the ratio of total investor demand to notional issued) for each month in which the company priced its bonds, the SLB seems to be closer to the average level, whereas the March vanilla deal came in lower than the market average. **This aligns with the observation that ESG-labelled issuances had higher book cover on average in 2025 compared with vanilla deals for EUR corporate deals**. Higher book cover is an indicator of increased investor demand.

SLBs have the potential to align investors with improving sustainability outcomes. Moreover, ambitious structures can reward issuers via attractive costs-of-capital.[6] It is positive to see a crossover issuer transition into labelled issuance; for investors this brings increased transparency, and for INWIT it may potentially have contributed to higher investor demand.

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[1] "INWIT successfully closes a new bond issue for 750 million euros", INWIT, 28 Mar 2025.
[2] "INWIT ANNOUNCES THE BUYBACK OF 2026 NOTES AND THE INTENTION TO ISSUE NEW EURO DENOMINATED NOTES", INWIT, 6 Oct 2025.
[3] For more on the SLB market please see "A watershed year for the SLB market", AFII, 15 Jul 2025.
[4] For further commentary please see "Enel's 'transition' from SLBs", AFII, 30 Sep 2025.
[5] Note there was EUR 700mn notional of the 2026s outstanding prior to the recent tender, "INWIT: POSITIVE OUTCOME OF THE NOTES BUYBACK", INWIT, 22 Oct 2025.
[6] For more on the SLB option value please see "Sustainability-Linked Bond Handbook", AFII, 12 May 2024.

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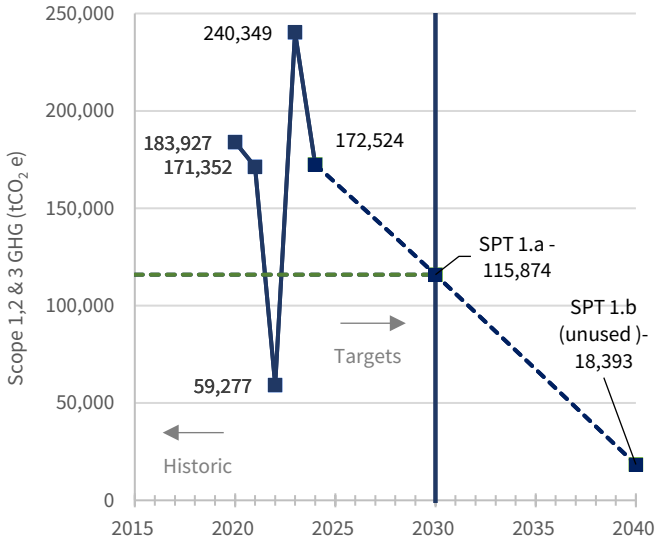
## INWIT's SLB details

INWIT has five bonds outstanding, including the SLB, totalling approximately EUR3 billion (see Table 1). All bonds are rated BB+ and BBB- by S&P and Fitch.[7]

The SLB is tied to one Sustainability Performance Target (SPT): a 37% absolute reduction of Scope 1, 2 & 3 emissions from a 2020 baseline by 2030. The bond pays a 75bps step-up per annum if this SPT is missed.[8]

INWIT also has two other SPTs in its Sustainability-Linked Financing Framework (SLFF), published in June 2024, that are not tied to the SLB. One is a 90% emissions reduction from the same baseline by 2040 (shown in Figure 1). The other is linked to a social KPI, with the company aiming to reach 35% of women in management and executive positions by 2030.[9]

*Figure 1. INWIT Scope 1, 2 & 3 emissions. Source: INWIT, AFII.*



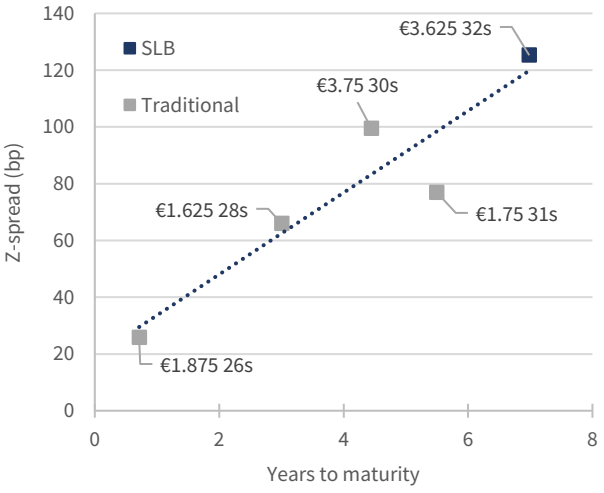

The majority of the company's emissions come from Scope 2 & 3, at 54% and 45% in 2024 respectively, suggesting the KPI is comprehensive.[10] It is also worth noting that the Second Party Opinion, provided by Sustainalytics, rates the SPT as highly ambitious, when compared to historical and peer performance, and its alignment with a 1.5°C scenario.[11]

## Pricing

INWIT's SLB was reported to be "*well received by investors*", according to syndicate bankers.[12]

Figure 2 shows current market pricing, which suggests the SLB was anchored to the 2030s, given the bonds have a similar coupon and were both priced this year. The 1.75% 2031s look to be pricing at a much tighter spread. These bonds are older and have a lower coupon, but this disjointed pricing means we cannot estimate if there is any SLB option value in the pricing of the SLB.

*Figure 2. INWIT bond Z-spreads. Source: Bloomberg Finance L. P., accessed 21 Oct 2025.*




[7] "Luxembourg Stock Exchange - INFRASTRUTTURE WIRELESS ITALIANE S.P.A. | LuxSE", accessed 21 Oct 2025.
[8] "Luxembourg Stock Exchange - InfraWireIta 3,625% 13/10/2032 - XS3201918318", accessed 14 Oct 2025.
[9] "Sustainability Linked Financing Framework 2024", INWIT, Jun 2024.
[10] "INWIT Integrated Report 2024", INWIT, May 2025.
[11] "Second-Party Opinion INWIT Sustainability-Linked Financing Framework", Sustainalytics, 11 Jun 2024.
[12] "Inwit inspires hope for SLB market with €850m deal", GlobalCapital, 7 Oct 2025.

## Book cover

Since both the vanilla 2030s and the SLB 2032s were issued this year, it is easier to draw comparisons between these two bonds (even though market conditions and investor liquidity also differed somewhat between March and October of this year), compared to INWIT's other bonds, issued between 2020 and 2021.

*Table 2. Book cover for EUR corporate bonds over ≥ 300mn issued. with maturity between 2028 to 2034. Source: Bloomberg Finance L. P., accessed 21 Oct 2025.*

| Bonds | Book cover | Month priced | Average Book cover in month priced |
|---|---|---|---|
| 2030 Vanilla | 2.8x | March | 3.8x |
| 2032 SLB | 2.6x | October | 3.0x |

The 2030s and 2032s both had similar book covers, as shown in Table 2, with the SLB's slightly lower. However, the table also shows the average across EUR corporates for the relevant month, showing the SLB was significantly closer to the average than the vanilla bond.

INWIT having lower book cover than the market average could perhaps be due to the company being a crossover name, which could in turn mean it generated less demand from investment-grade only funds.

Incidentally, looking at EUR corporate bond issuance over the course of this year,[13] the average book cover for labelled debt does seem higher than vanilla deals, standing at 3.8x for labelled bonds (which include SLBs, social, sustainability and green deals), vs 3.7x for vanilla.

# Conclusion

Having historically issued only vanilla debt, INWIT has just printed its inaugural SLB. This debut is a positive signal for the labelled debt market, which has seen issuers pivot away from issuing SLBs and lower volumes overall this year.

Compared to the average cover ratio of the month each bond was priced in, the SLB performed better than the vanilla 2030s. Furthermore, average labelled debt book cover is marginally above vanilla deals this year, for EUR corporate issuance.

SLBs are a powerful tool of transparency, supporting investor dialogue and potentially offering attractive costs-of-capital for ambitious isusers.[6] If INWIT was rewarded with higher investor demand, that may encourage it to use the product more in the future.

[13] Data includes all EUR-denominated corporate issuance priced from 1 Jan to 21 Oct 2025, excluding hybrids, with amount issued ≥ 300mn. Corporates exclude financial and government securities. This data was sourced from Bloomberg Finance L. P, accessed 21 Oct 2025.

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