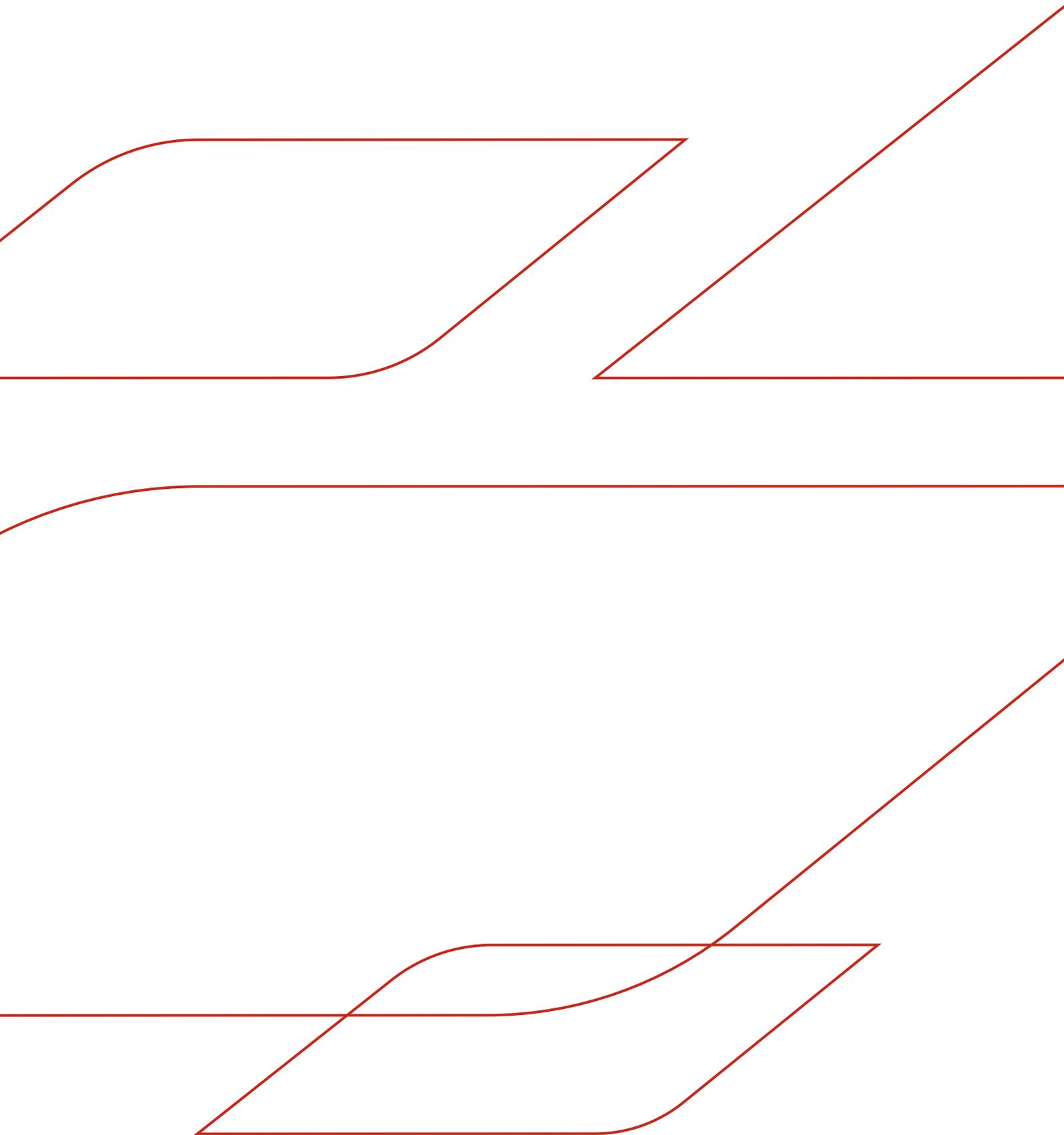


# GREEN BOND REPORT 2023





# GREEN BOND REPORT 2023

## Issuance 2022

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“ As the external environment continues to present critical challenges from many standpoints, at Generali we remain more convinced than ever of the need to place sustainability at the heart of our whole activity. Acting as a responsible insurer, responsible investor, responsible employer and responsible corporate citizen allows us to keep creating sustainable value for our Group and all stakeholders, and this is further confirmed by our successful placement of several green bonds. ”

Philippe Donnet - Group CEO

## OUR SUSTAINABLE FINANCE JOURNEY



 Sustainable issuance with allocation of proceeds to **green assets**

 Sustainable issuance with allocation of proceeds to **social assets**

The **Generali Sustainability Bond Framework**, based on the Green Bond Framework, illustrates the commitment to sustainability, which is a crucial focal point of the business. It outlines that the use of proceeds of the Bond is governed by eligibility and exclusion criteria, consistent with the Group's Sustainable and Responsible Investments (SRI) guidelines. Second Party Opinion received by Sustainalytics, confirming alignment of the Framework with the 2021 version of the Green and Social Bond Principles and the Sustainability Bond Guidelines. An amount equivalent to the net proceeds of the Green Bond issuance was exclusively used to refinance or finance projects with an environmental value.

JUNE



Generali Group developed its **first Sustainability Bond Framework**<sup>1</sup>. The Generali's Sustainability Bond Framework represents a new umbrella framework for issuing future Green Bonds, Social Bonds and Sustainability Bonds. It embeds our previous Green Bond Framework. Afterwards, Generali Group issued its **first Sustainability Bond** worth € 500 million.



Generali returns<sup>2</sup> to the Insurance-linked Securities (ILS) market with a € 200 million cat bond exposed to windstorms in Europe and earthquakes in Italy. The transaction is **the first ever ILS issuance that embeds innovative green features** in compliance with the Generali Green ILS Framework.

JUNE



The Generali Group successfully concludes the placement of its **third Green Bond** worth € 500 million. The bond was issued in accordance with the Generali Sustainability Bond Framework.

SEPTEMBER

The Generali Group published its **first Green ILS Report**. The Report illustrates the allocation of freed-up capital and provides an overview of the related environmental impacts. The Generali Green ILS Report alignment with the Generali Green ILS Framework was verified by KPMG (external auditor).

APRIL and SEPTEMBER



The Generali Group successfully concludes the placement of its **fourth and fifth Green Bond** both of € 500 million. The bonds were issued in "green" format in accordance with its Sustainability Bond Framework. These transactions are in line with Generali's sustainability commitment.

2021

OCTOBER

The Generali Group published its **second Green Bond Report**. The Report illustrates the allocation of the proceeds deriving from the second issue and provides an overview of the related environmental impacts. The Generali Green Bond Report alignment with the Generali Sustainability Bond Framework was verified by EY (external auditor).

2022

DECEMBER

The Generali Group published its **first Sustainability Bond Report**. The Report illustrates the allocation of the proceeds deriving from the issue and provides an overview of the related environmental and social impacts. The Generali Sustainability Bond Report alignment with the Generali Sustainability Bond Framework was verified by KPMG (external auditor).

2023

The Green Bond as regards the share allocated to real estate assets contributed to avoid of 826 tCO<sub>2</sub>e GHG emissions per year<sup>3</sup>.

KPMG S.p.A. (external auditor) carried out the limited review of the Generali Green Bond Report 2023 according to the criteria indicated in the "International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised") issued by the International Auditing and Assurance Standard Board (IAASB).

<sup>1</sup> For more details see [page 16](#) of this report.

<sup>2</sup> Generali is one of the main European sponsors in this market, also thanks to previous issues: two catastrophe risk bonds (Lion I Re, 2014 and Lion II Re, 2017) and one motor third-party liability risk bond (Horse Capital I, 2016).

<sup>3</sup> Data referred to avoided emissions is partially estimated. For more details, please refer to the real estate methodological note in this report.

## SUSTAINABILITY BOND HIGHLIGHTS

### Green Bond included

in the Bloomberg Barclays MSCI Green Bond Index

**€ 500 mln Green Bond**  
maturing 2032

**ISIN:** XS2468223107

### Net proceeds

From the issuance in June 2022

Fully allocated to:

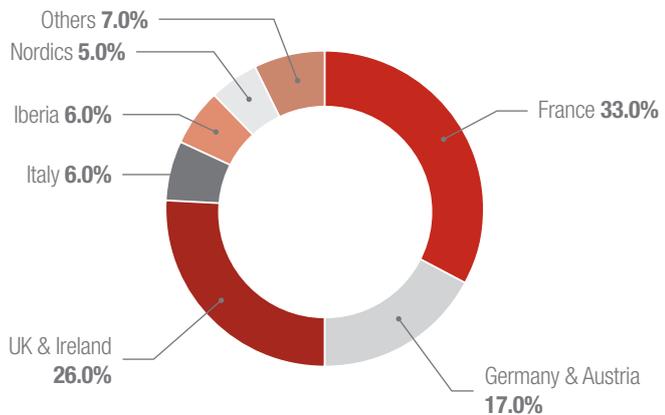


*Category 1:  
Green Building*

### GHG avoided emissions<sup>4</sup>

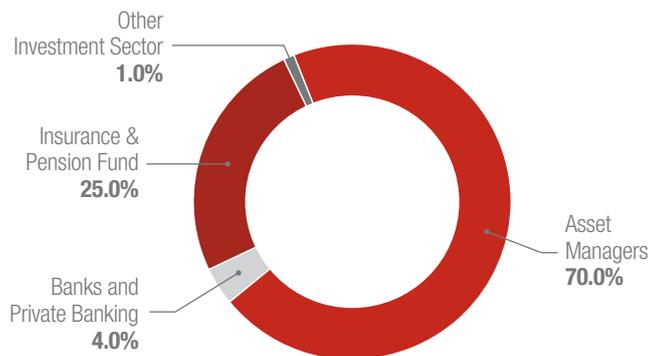
**826 tCO<sub>2</sub>e/year**

### Investors' allocation by geography



Data referred to June 29, 2022.

### Investors' allocation by investor type



Data referred to June 29, 2022.

<sup>4</sup> Data referred to avoided emissions is partially estimated. For more details, please refer to the real estate methodological note in this report.

# ASSETS SELECTION

The data below refer to the all in cost of the green assets<sup>5</sup> not just to the allocated share of the Green Bond proceeds. For this information, refer to the section "Overall allocation".

## GREEN ASSETS SELECTION

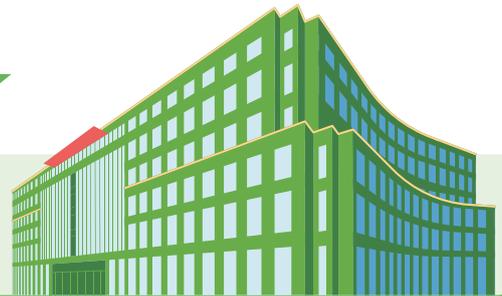
### Times Square

📍 London, UK



Overall Avoided Emissions (tCO<sub>2</sub>e/year): **208**

Sqm: **34,902**



### Cortile della Seta

📍 Milan, Italy



Overall Avoided Emissions (tCO<sub>2</sub>e/year): **508**

Sqm: **18,891**



### Melius

📍 Luxembourg, Luxembourg



Overall Avoided Emissions (tCO<sub>2</sub>e/year): **472**

Sqm: **11,717**



Please refer to the section "Impact Evaluation" for further information on Green Bond impacts

<sup>5</sup> The real estate asset Cortile della Seta is 50% owned by the Generali Group.

# GENERALI AT A GLANCE

Generali is one of the largest global insurance and asset management providers. Established in 1831, it is present in over 50 countries in the world, with 82 thousand employees serving 68 million customers (Figures as at December 31, 2022).

In recent years we have been through a major strategic reorganization that has allowed us to bring in greater focus on our core business, greater discipline in the management of our assets, and simpler, more transparent governance. This process has led us into a new phase, based on more efficient business models, innovative commercial strategies, and a stronger, more global brand.

We are inspired and motivated in what we do by our **purpose** “enable people to shape a safer and more sustainable future by caring for their lives and dreams”.

The commitment to **sustainability** is one of the enablers of our **strategy**, and our ambition is to be the **Lifetime Partner** to our customers, offering innovative and personalized solutions thanks to an unmatched distribution network.



## Global presence

Since the very beginning, our strong international vocation has set us apart and is one of our greatest strengths. Our **geographical diversification** is balanced between mature countries such as Italy, Germany and France, markets with high growth prospects (Eastern Europe), and emerging countries in Asia and Latin America.

In particular, we are the leading insurer in **Italy**, one of the leading primary insurance groups in the **German market**, while in France we are eighth in the life insurance segment, eighth in the P&C segment, and fifth in A&H.

The Group boasts a presence in the **central-eastern European** area for nearly 200 years and after the re-opening of the markets in 1989, it has strengthened its position over the years, becoming one of the largest insurance companies in this area.

The Group has an increasingly significant presence also in **Asia** and **South America**, areas where it is seeking to continue its growth.

## GENERALI'S APPROACH TO SUSTAINABILITY

“ Financial management is an important part of the Generali commitment toward sustainability. Thanks to the emission of its green and sustainable bonds, the Company confirms its commitment to the implementation of green projects in order to mitigate the impact of the climate change effects. ”

**Andrea Sironi - Chairman**

Sustainability is the originator of our strategy, with the ambition of creating long-term value by promoting financial performance while considering people and the planet. It is about acting for the common good to build a more resilient and just society. This ambition is aligned with our purpose “enable people to shape a safer and more sustainable future by caring for their lives and dreams”.

Being the originator of the new strategy means for sustainability to be a game changer, shaping the way all the decisions are taken leading Generali to be a transformative, generative and impact driven company, able to create shared value. Therefore, Generali identifies four responsible roles to play as investor, insurer, employer and citizen.



\* General account - Direct investments (corporate bond and equity, sovereign bond).

\*\* General account - Listed equity and corporate bond portfolios. Carbon footprint in terms of GHG intensity per invested amount. Baseline: 2019.



As a **RESPONSIBLE INVESTOR**, we aim at fully integrating ESG criteria into the investment activities, reducing greenhouse gas emissions from the investment portfolio to net-zero by 2050, and increasing our new green and sustainable investments, including the Fenice 190 investments to support the EU Recovery.



As a **RESPONSIBLE INSURER**, we provide insurance solutions with ESG components, reduce greenhouse gas emissions from the underwriting portfolio to net-zero by 2050, and support the sustainable transition of small and medium-sized enterprises (SMEs) through the SME EnterPRIZE project.



As a **RESPONSIBLE EMPLOYER**, we carry out dedicated actions to foster and promote diversity, equity, and inclusion in our work environment, continuously upskilling our people, nurturing talent in all its forms, and implementing more flexible and sustainable ways of working. In addition to this, we commit to measuring, reducing, and reporting the carbon footprint resulting from our own direct operations.



As a **RESPONSIBLE CITIZEN**, we act to unlock the potential of people living in vulnerable circumstances through the global initiatives of The Human Safety Net Foundation, a social innovation hub powered by Generali's skills and international network, aimed at creating positive social impact.



The 3<sup>rd</sup> Green Bond issue is consistent with our proactive approach to managing the bond maturity profile. It will further extend the average life of our debt while valuing assets with green and social components, in line with our commitment to sustainability.



**Cristiano Borean** - Group CFO

### Generali has been included in the following sustainability indices

- Dow Jones Sustainability World and Europe
- MSCI ESG Leaders
- FTSE4Good Index Series
- Euronext Vigeo Europe 120
- STOXX Global ESG Leaders

### And achieved the following ratings and results

- Top 1% of S&P Global ESG score 2022
- MSCI ESG Research: AAA
- ISS ESG performance: C Prime

## OUR GROUP CLIMATE CHANGE STRATEGY

On February 2018, the Board of Directors of Assicurazioni Generali approved the Group's Strategy on **Climate Change**. This includes specific investment and underwriting targets and identifies the involvement of our stakeholders to facilitate the just transition towards a society with a low environmental impact. The strategy has been updated in June 2021 and in June 2022.

### OUR COMMITMENTS TO TACKLE CLIMATE CHANGE

#### INVESTMENTS

By 2025 € 8.5 to € 9.5 billion in **new green and sustainable investments** in addition to those already made by the end of 2020.

Exclusion of new investments and gradual divestment from coal-related companies identified with **progressively more restrictive criteria**.

Phase-out of investments in the coal sector by **2030 for OECD countries** and by **2040 for the rest of the world**.

**Exclusion** of new investments and progressive divestment from companies active in the **exploration and production of unconventional fossil fuels**: tar sands, oil and gas extracted through fracking and upstream operations in the Arctic.

Gradual decarbonization of the investment portfolio to reach **net-zero GHG emissions by 2050**.

#### INSURANCE

As part of the growth strategy for insurance solutions with **ESG components** (CAGR from +5% to +7% over the 2022-2024 period), creation of a center of competence for the development and sharing of best practices for underwriting renewable energy risks.

**Exclusion** of new underwriting cover and gradual discontinuation of the existing cover for clients insured for activities strictly related to the **coal industry** identified with progressively more restrictive criteria.

Phase-out of underwriting exposure to the coal sector by **2030 for OECD countries** and by **2038 for the rest of the world**.

Forging ahead with the commitment to no longer insure clients operating in upstream **oil and gas**, both conventional and unconventional.

Progressive decarbonization of the insurance portfolio to reach **net-zero GHG emissions by 2050**.

#### ADVOCACY FOR THE JUST TRANSITION AND ENGAGEMENT ACTIVITY

Application of Just Transition principles to protect workers and local communities from **social risks** such as employment and **energy security**.

By 2025, engagement with **20 carbon-intensive companies** in the Group's investment portfolio.

Public reporting on the progress of engagement activities through the **Group Annual Integrated Report**.

#### OPERATIONS

By the end of 2025, in line with climate science, **reduction of greenhouse gas emissions** from offices, data centers and company vehicle fleets by at least 35% compared to base year 2019.

Purchasing energy from **100% renewable sources** whenever possible and further commitment to improving energy efficiency.

Ambition to reach **net-zero GHG emissions by 2040** and subsequently to become climate negative.

### OUR STRATEGIC PARTNERSHIPS



NET-ZERO  
INSURANCE ALLIANCE

THE NET-ZERO ASSET  
OWNER ALLIANCE



Visit [generali.com](https://www.generali.com) to find out more about our commitments to the environment and the Group's approach to climate-related risks and opportunities

# FOCUS ON GENERALI REAL ESTATE SUSTAINABILITY STRATEGY

“ We keep on contributing with some of our most sustainable assets to the Green Bonds of Generali. The real estate sector can be an extraordinary tool to generate positive differentials in terms of energy consumption and CO<sub>2</sub> emissions, but in particular to promote social sustainability actions (the letter “S - Social”) since it is capable - if implemented on a large scale - of regenerating entire portions of cities, significantly increasing the quality of life and the quality of services provided to citizens. ”

**Aldo Mazzocco** - *Generali Real Estate CEO*

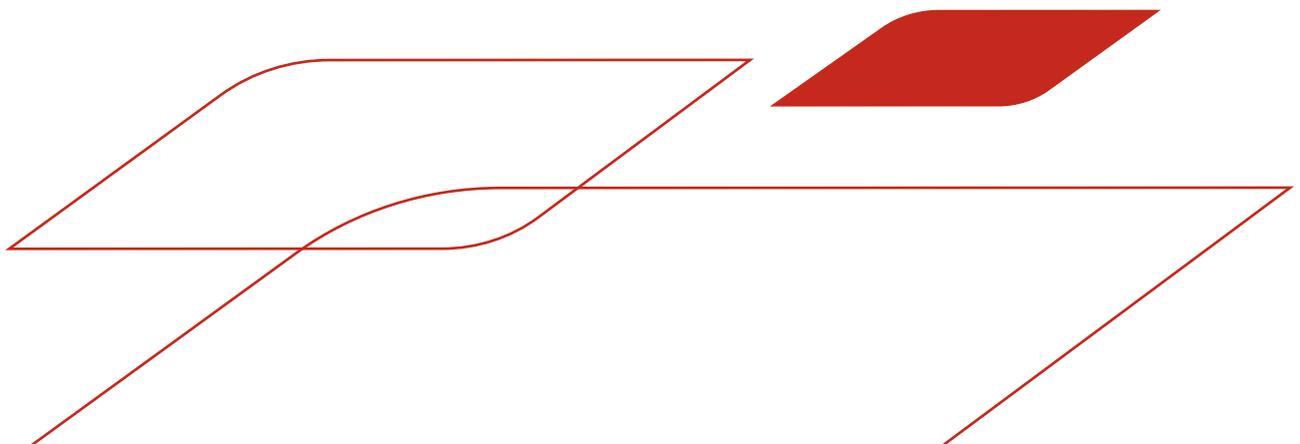
Generali Real Estate (GRE) is the specialized asset manager in the Generali Group, with more than € 39 billion of assets under management (as of year-end 2022).

By managing a unique portfolio, comprising both historic and recently- constructed buildings, Generali Real Estate has developed in-depth know-how of technological innovation and sustainability. Through its specialized asset management company, GRE also manages a series of pan-European real estate investment funds.

At Generali Real Estate, taking a proactive stance in reducing the environmental impact of our portfolio is not enough. Environmental, Social and Governance (ESG) metrics and monitoring are integrated in every stage of our business operations, with a market-leading portfolio of sustainability credentials as well as best practice asset and property management and a sustainable approach to building and urban development. The Responsible Property Investment Guidelines are the frame for the Corporate Governance for GRE Sustainability, encompassing the activities within a structured framework that guides all the future endeavours and ensures that the environmental priorities become a reality.

GRE aligns the focus of its ESG strategy, in addition to the regulatory needs, in particular to the needs of the internal and external clients. This is reflected in the commitments undertaken and the tools introduced.

As far as regulation is concerned, major focus is given to the incoming EU Taxonomy for the eco-sustainability and to national regulations affecting the real estate business (i.e. Tertiary Decree in France).



## GENERALI REAL ESTATE COMMITMENTS

### NET-ZERO ASSET OWNER ALLIANCE (NZAOA)

It was launched in September 2019 by the United Nations. In the view of NZAOA, asset owners have a key role in driving the **decarbonization** of the economy through their investments. **Generali Group** joined in January 2020 aiming to decrease emissions in investment portfolio by 2050. For real estate, GRE set a specific target to achieve this goal, aimed at aligning progressively its direct portfolio to the decarbonization pathway of the Carbon Risk Real Estate Monitor (CRREM) model, to limit global warming to 1.5 °C.

### GREEN AND SUSTAINABLE ISSUANCES

In Generali green and sustainable issues are included assets which fulfil particular high ESG criteria, like **high-level certification** for newly acquired buildings (i.e. LEED Gold, BREEAM Very Good or plus), and optimization of **energy efficiency** improvement >30% for retrofitting.

All assets included in the Green Bonds, Sustainability bond and Green ILS are subject to energy monitoring and CO<sub>2</sub> emission calculations.

### CERTIFICATION AND ASSESSMENT

All **new investments must undergo a sustainability assessment**, in order to ensure the acquisition of assets with high-level sustainability features, and increase the portfolio credentials through certification and/or assessment. For this purpose, GRE developed and implemented an own assessment tool, related to the BREEAM® scheme. This provides GRE the possibility to have a comprehensive view on ESG quality and shows a forecast on certification opportunities. The report is part of the decision-making memorandum for new acquisitions.

### INVESTORS COMMITMENT

GRE started several projects to meet the strong market demand for Funds certification and benchmarking (GRESB, SRI label, MSCI risk assessment) and to comply with European regulations for ESG integration and disclosure.

### TENANCY ENGAGEMENT

With the **Green Leases**, GRE undertakes the integration of most important ESG topics into commercial leases in order to engage with tenants in a win-win sustainable collaboration and meet demand for data analytics and disclosure.

**Tenant Survey** supports GRE in exploring the needs and current situation of our tenants and enhance relations and communication with tenants. In 2022 GRE carried out a digital survey across out international portfolio with >2000 tenants, with questions related to Sustainability & Innovation.

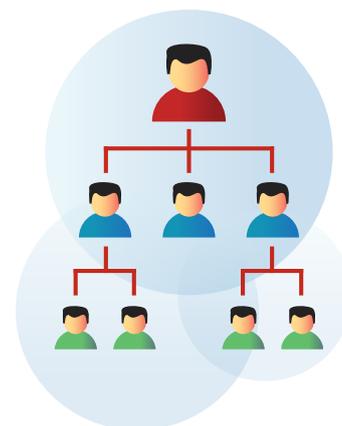
## HOW WE WORK

The **GRE CEO** has overall responsibility and accountability for sustainability.

The GRE **Sustainability Steering Committee** is responsible for overseeing and supporting the implementation of the Responsible Property Investment Guidelines across the organization.

The central **Sustainable Investing Team** is dedicated to driving and managing the sustainable activity across the business.

The **Sustainable Investing Managers** and Officers from each Region have been appointed to oversee sustainability aspects in their respective geographies.



# GENERALI SUSTAINABILITY BOND FRAMEWORK IN A NUTSHELL

The Generali's Sustainability Bond Framework represents a new umbrella framework for issuing future Green Bonds, Social Bonds and Sustainability Bonds. It embeds our previous Green Bond Framework.

## 01

### USE OF PROCEEDS

An amount equivalent to the net proceeds of the Green Bond, Social and Sustainability issuance will be exclusively used to finance or refinance in whole or in part, through project bonds or equity investments, loans or tax credits, eligible Assets that meet the Eligibility criteria as outlined below:

#### Financial Eligibility Criteria

Eligible Assets are assets for which the disbursement has occurred no more than two calendar years prior to the year of issuance of the Bond or assets acquired post issuance of the Bond.

#### Exclusion Criteria

For the avoidance of doubt, financings related to the following activities are excluded from Green Bonds eligibility:

- Fossil-Fuel energy
- Nuclear energy
- Large Hydro >20MW
- Gambling
- Tobacco
- Alcohol
- Weapons

#### Green and Social Eligibility Criteria

They are defined for each of the following categories:

- Green buildings
- Renewable energy
- Energy efficiency
- Clean transportation
- Sustainable water management
- Recycling, re-use and waste management
- Access to Essential Services / Social Infrastructure
- Affordable Housing
- SME financing, socioeconomic advancement and employment generation
- Response to Health and Natural Disaster Crisis

## 02

### ASSET EVALUATION AND SELECTION

The process for evaluation and selection of Eligible Assets reflects the integration of sustainability criteria within the Group's investment process:

#### Analysis of eligibility

The persons in charge of real estate and Infrastructure investments / financings are trained, within each selected area, to evaluate from the inception of each project its compliance with the criteria for Eligible Assets.

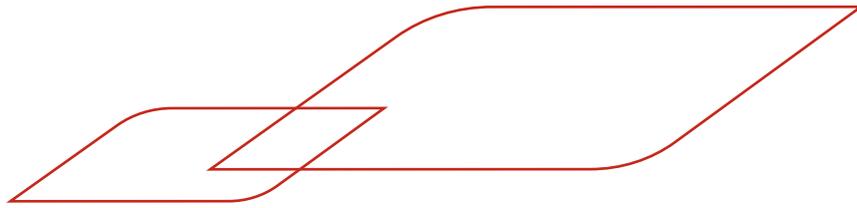
#### Confirmation of eligibility

The identification assets are then subject to a second analysis with respect to their conformity to the criteria. This examination is carried out by the Sustainability Bond Committee.

#### Allocation decision

The Sustainability Bond Committee takes the final decision on the selection of designated assets to the green and sustainability bonds. Once the pool of Eligible Assets is identified, the Committee also examines twice per year the pool of assets already allocated to verify their continued compliance and absence of significant controversy, regardless of its nature. The Committee also can lead to a retraction, temporary or permanent, of a project from the list of Eligible Assets. A new asset would then be identified as a substitute in case the pool of Eligible Assets is lower than the amount of proceeds raised through the issue of Green, Social and Sustainability Bonds.





[www.generali.com/investors/debt-ratings/sustainability-bond-framework](http://www.generali.com/investors/debt-ratings/sustainability-bond-framework) for the Generali's Sustainability Green Bond Framework

### 03

#### MANAGEMENT OF PROCEEDS

Generali commits on a best effort basis to reach full allocation within one year following Green, Social and Sustainability Bond issuance.

The Group will monitor and track the net proceeds through its internal accounting system. Pending full allocation, unallocated proceeds may temporarily be invested in accordance with Generali's investment guidelines in cash, deposits and money market instruments or SRI Investment.

Generali intends to designate sufficient investments in Eligible Assets to ensure that the outstanding balance related to the portfolio of Eligible Assets is always equal to or higher than the total balance of Green, Social and Sustainability Bond proceeds.

If any Eligible Assets exit Generali's Portfolio or cease to fulfil the Eligibility criteria, Generali will strive to substitute those assets with replacement Eligible Assets that comply with the Eligibility Criteria, as soon as reasonably practicable.

### 04

#### REPORTING

In accordance with market best practices such as the Joint International Financial Institution communication on a Harmonized Framework for Impact Reporting, Generali will endeavour to produce a report annually until full allocation and to update it upon any material changes that would affect the portfolio of Eligible Assets.



## PROCESS FOR ASSET EVALUATION AND SELECTION

In line with the Generali Sustainability Bond Framework issued in 2021, an amount equivalent to the net proceeds from the issue of Sustainability Bond will be allocated to finance/refinance the acquisition, retrofitting and development of eligible assets. Generali ensures that eligible assets comply with official national and international environmental and social standards and local laws and regulations on a best effort basis.

Asset selection also complies with all the Generali Group’s internal ESG policies and guidelines, such as:

- Group Sustainability Policy;
- Code of Conduct;
- Responsible Investment Guideline.

As an integral part of its governance for green, social and sustainability bonds, Assicurazioni Generali has set up a **Sustainability Bond Committee**<sup>6</sup>, bringing together various departments within the Group to supervise the activities preceding and following the issue of green, social e sustainability bonds, the selection and monitoring of the pool of the eligible assets and to ensure the compliance of the Green, Social and Sustainability Bonds with best practices.

More specifically, the role of the Sustainability Bond Committee is:

- to review and validate the existing pool of Eligible Green Assets;
- to review and validate the new investments/financing to be included in the pool of Eligible Assets;
- validating the annual report for investors;
- to regularly update the Framework;
- to monitor any on-going evolution related to Green, Social and Sustainability Bond market practices in terms of disclosure/reporting, harmonization.



The Sustainability Bonds Committee is made up of eight organizational units permanently present and other organizational units that may vary according to the assets financed or refinanced through the proceeds collected through the issuance of green, social and sustainability bonds.



<sup>6</sup> The Sustainability Bond Committee, as reported in the Sustainability Bond Framework, is based upon the Green Bond Committee and represents its extension. For more information, see the Sustainability Bond Framework published in 2021.  
<sup>7</sup> Effective from 2 may 2022 the organization unit name is Group Cash & Capital Management.

# ALLOCATION OF THE GREEN BOND NET PROCEEDS

In line with the Generali Group Sustainability Bond Framework, an amount equivalent to the net proceeds has been fully allocated to refinance some different type of green assets owned by the Group.

Consistently with what is reported in the Sustainability Bond Framework, the selected assets comply with the eligibility criteria provided for by the category:

## CATEGORY 1: GREEN BUILDING

Category 1 "Green Building": for green assets namely green commercial and residential buildings, which meet regionally, nationally or internationally recognized standards of certifications such as LEED (Gold or above), BREEAM (Very Good or above) or any equivalent and recognized green building Assessment system.

### CONTRIBUTION TO SDG



**11**  
SUSTAINABLE CITIES  
& COMMUNITIES

### SDG TARGETS



**11-1**  
By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.



**11-C**  
Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials.

## ALLOCATION - GREEN ASSET

### Times Square

London, United Kingdom

16,490 sqm

€ 223.9 million (44.8% of allocated net proceeds)

BREEAM Very Good



### Cortile della Seta

Milan, Italy

9,446 sqm

€ 175.6 million (35.1% of allocated net proceeds)

LEED Gold



### Melius

Luxembourg, Luxembourg

11,717 sqm

€ 100.5 million (20.1% of allocated net proceeds)

BREEAM Very Good



# IMPACT EVALUATION

## GREEN ASSET Times Square

BREEM Very Good



## London United Kingdom



Times Square is an office building comprising 7 floors and 2 underground floors, with 34,902 sqm, enriched by large terraces. The building is located in 160 Queen Victoria Street, close to St. Paul's Cathedral and the London Stock Exchange. Several important real estate development projects have been completed in recent years in the district, consolidating it as the main business hub in London. The building is conveniently accessible through public transport, it is perfectly in line with Generali Real Estate's commitment to sustainability, with certification BREEAM In use "Very Good" and high health and well-being standards, coherently with the ESG investment guidelines of the Group.

All tenants have signed contracts for the purchase of electricity from renewable sources starting from 2024, which therefore makes the production of CO<sub>2</sub> from electricity almost zero.



LED type lighting.



Proximity of amenities, **public transport** and cycle facilities confirms transport high score.



Building with features **enabling use of less able-bodied people**.



**Automated refrigerant** leak detection system.



A suitable facility is available for the **operational waste** generated by the organisation managing the asset.



GREEN ASSET

# Cortile della Seta

LEED Gold



## Milan Italy



Cortile della Seta, certified LEED Gold is located in the center of Milan and has two entrances whose one in Via della Moscova 33 and the other one in Via Solferino 21. It has five floors above ground, one underground floor used as car park and plant room, and an inner court covered by a glassed roof for an area of c. 18,891 sqm. The roof is pitched and hosts a PV plant, two cooling towers to condense the heat pumps and the two AHUs serving the offices. The building is constructed of stone, the windows are draught-proofed, double glazed and equipped with curtains but the casement is aluminum, therefore the frames have a high heat transfer coefficient.

All tenants have signed contracts for the purchase of electricity from renewable sources starting from 2024, which therefore makes the production of CO<sub>2</sub> from electricity almost zero.



Temperature / ventilation control in-place.



Access of less able-bodied people given.



PV Panels provision in place.



Proximity of amenities, public transport and easy facility access to the building.



Suitable waste facilities for tenant & asset level.



Higher number of regulatorily required electric car charging stations.



CO<sub>2</sub> probes for automatic adjustment of the amount of primary air.



Lights are LED and in particular those of car parking have presence sensors.



>80% of offices with external view.

GREEN ASSET  
**Melius**

BREEAM Very Good



## Luxembourg Luxembourg



Melius is a recent building completed in 2018, arranged over 2 basement floors, 1 ground floor and 10 storeys above ground of offices and meeting rooms, for an area of c. 11,717 sqm and a capacity of 1,223 people. It is located in the new Cloche d'Or area of Luxembourg and Fully let to a strong tenant (Alter Domus). It is certified BREEAM "Very good" as well as DGNB "Gold", proving high-level quality conception and construction.

The tenant has already signed a contract for the purchase of electricity entirely from renewable sources, which therefore makes the production of CO<sub>2</sub> from electricity almost zero.



A **Green Guide tool** was used for the project to measure the life cycle environmental impact of the building components.



Energy meters are provided for each department and floor of the building. Sub-meters are provided for all major energy consuming systems and they are connected to the **BMS with data outputs**.



Thanks to an **efficient water monitoring**, the water consumption of each floor is less than 10% of the total water demand of the building.



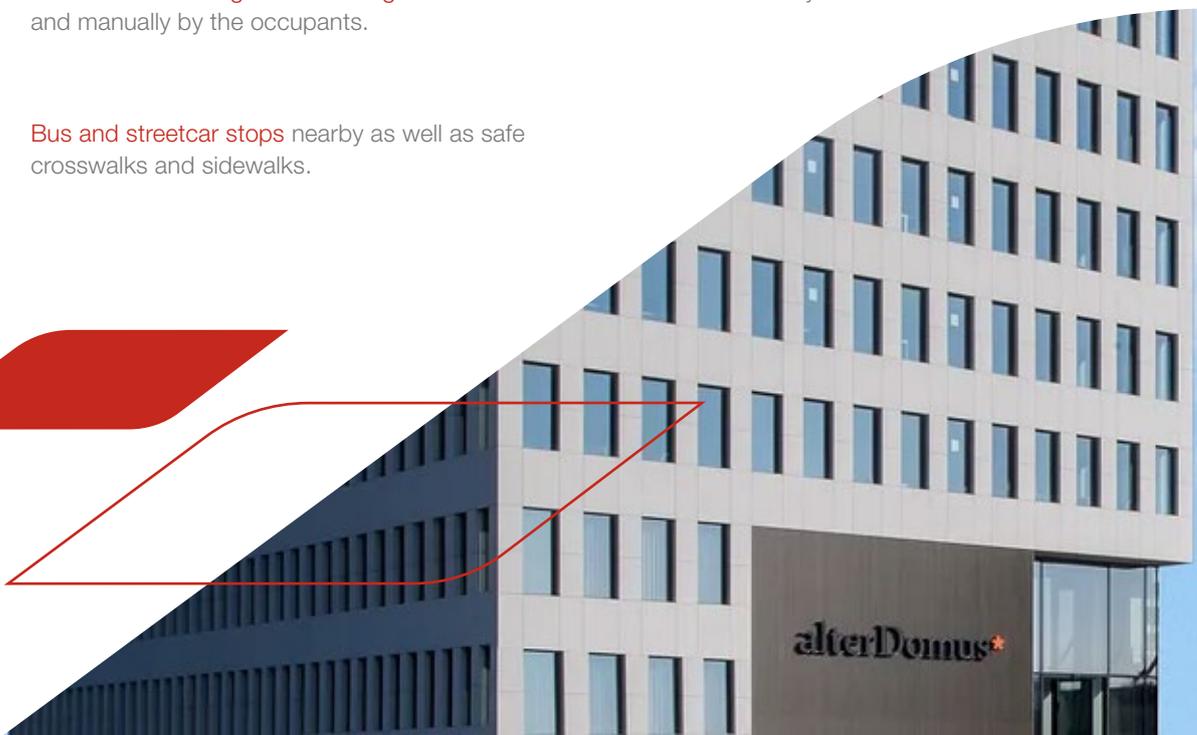
The refrigerants used in the HVAC system (R-134a and R 410a) have an **ozone depletion potential of zero**.



The **blinds are designed to avoid glare** and can be controlled automatically and manually by the occupants.



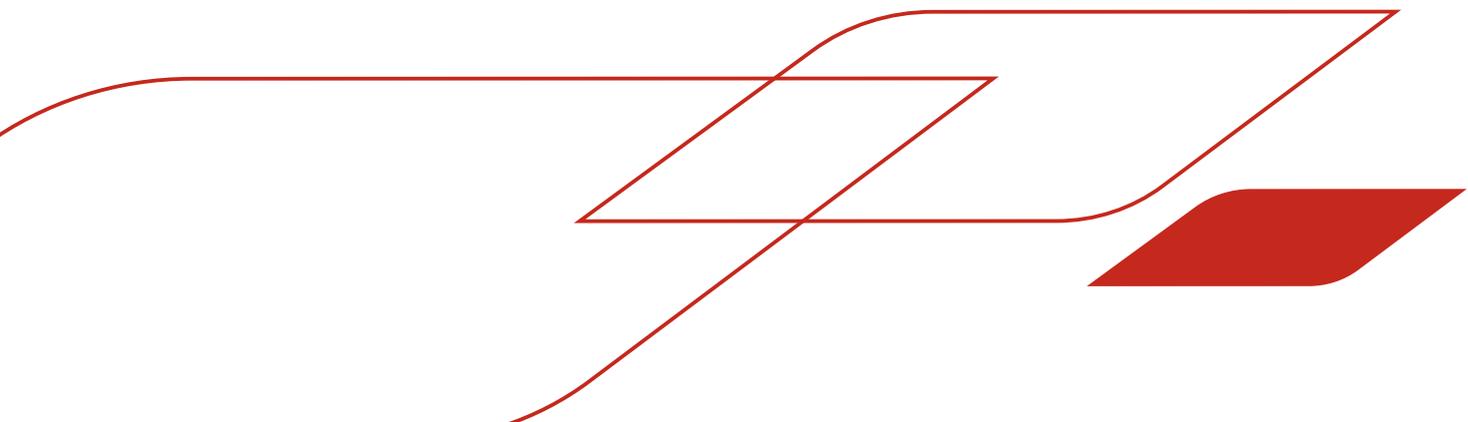
**Bus and streetcar stops** nearby as well as safe crosswalks and sidewalks.



## SUSTAINABILITY PORTFOLIO GREEN ASSETS

Asset selected	Sqm related to the allocated net proceeds [A]	GHG Emissions produced (tCO <sub>2</sub> e)		Avoided emissions (tCO <sub>2</sub> e) [D=B-C]	Avoided emissions (%) [E=C/B]	GHG emission intensity of the building (tCO <sub>2</sub> e/Sqm) [F=C/A]	Allocated net proceeds (€ mln)	Allocated net proceeds (%)
		of the benchmark (tCO <sub>2</sub> e) [B]	of the building (tCO <sub>2</sub> e) [C]					
<b>Times Square</b>	16,490	828	729	99	-12.0%	0.044	223.9	44.8%
<b>Cortile della Seta</b>	9,446	320	65	255	-79.7%	0.007	175.6	35.1%
<b>Melius</b>	11,717	556	84	472	-84.9%	0.007	100.5	20.1%
<b>Total</b>	<b>37,653</b>	<b>1,704</b>	<b>878</b>	<b>826</b>	<b>-48.5%</b>	<b>0.023</b>	<b>500.0</b>	<b>100%</b>

Data refer to annual basis.  
For more details about calculation and methodology see the methodological note.



# METHODOLOGICAL NOTE

Consistently with what is reported in the Sustainability Bond Framework, the selected assets comply with the eligibility criteria provided for by the category:

**Category 1 “Green Building”:** for green assets namely green commercial and residential buildings, which meet regionally, nationally or internationally recognized standards of certifications such as LEED (Gold or above), BREEAM (very good or above) or any equivalent and recognized green building Assessment system.

## Methodological note - Green building

### Key underlying methodology and/or assumptions used in the quantitative determination.

We report the impact of the assets financed or refinanced by the Green Bond both on an aggregate portfolio level and on an asset level. Calculations refer to the period 01.01.2022-31.12.2022, thus reflecting the annual energy consumption, GHG emissions produced and avoided.

For all the assets, most part of the energy consumption is provided with actual data (i.e. verified through bills and electronic measurements of the energy consumed), while the remaining consumption has been estimated. Accordingly, the GHG emissions produced by the buildings have been calculated using the emission factors provided by our Data Analytics service provider Deepki (source of emission factors: CRREM, Ademe, IEA). As envisaged by the “market-based” method of the GHG Protocol, the electricity consumption covered by certificates of renewable sources (Guarantee of Origin) will produce no CO<sub>2</sub> emissions.

*At portfolio level, the total GHG emissions are reported as the sum of the emissions produced by all the buildings in scope according to the portion refinanced by the debt: for Melius the share will be equal to 100% of the building all in cost, for Cortile della Seta the share will be equal to 50% of the building all in cost, while for Times Square the share will be equal to 47% of the building all in cost.*

The avoided emissions for the green buildings result from the ratio between:

- GHG emissions, expressed in CO<sub>2</sub>e, induced by a “baseline scenario”
- GHG emissions, expressed in CO<sub>2</sub>e, induced by the Eligible Assets in 2022

GHG emissions avoided (in CO<sub>2</sub>e) = Baseline GHG emissions CO<sub>2</sub> – Eligible Assets actual GHG emissions in 2022

The Emission Intensity for the green buildings result from the difference between:

- GHG emissions, expressed in CO<sub>2</sub>e, induced by the Eligible Assets in 2022
- Sqm related to the allocated net proceeds

Sqm related to the allocated net proceeds = GHG emissions, expressed in CO<sub>2</sub>e, induced by the Eligible Assets in 2022 / Sqm related to the allocated net proceeds

The Avoided emissions (%) is the percentage reduction of GHG emission of the building compared to the reference benchmark.

In order to establish a “baseline scenario”, a benchmark study was conducted with a large real estate portfolio to determine the typical CO<sub>2</sub>e per square meters of office or retail buildings. The study was carried out considering parameters such as buildings sector, typology, and location, in 2022.

*The benchmark study was conducted by Deepki, a green-tech SaaS solution for the real estate sector, with a portfolio of more than 30,000 building references, for which actual data were collected.*

# INDEPENDENT AUDITORS' REPORT ON THE GREEN BOND REPORT



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**(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## Independent auditors' report on the Green Bond Report

*To the board of directors of  
Assicurazioni Generali S.p.A.*

We have been engaged to perform a limited assurance engagement on the information about the allocation of the proceeds of the Green Bond issued by Assicurazioni Generali S.p.A. on the 6 July 2022 (the "proceeds") and the related impact metrics presented in the "Allocation of green bond proceeds" and "Impact evaluation" sections of the Green Bond Report 2023 - Issuance 2022 (the "report") of the Generali Group (the "group"). This report has been prepared for the purposes established by the Sustainability Bond framework (the "framework") published by the group in June 2021 and in accordance with the "Methodological note" section of the report, which complies with the framework.

### **Responsibilities of the group's management for the report**

The group's management is responsible for the preparation of the report in accordance with the requirements of the "Methodological note" section of the report, which complies with the framework.

Management is also responsible for such internal control as it determines is necessary to enable the preparation of a report that is free from material misstatement, whether due to fraud or error. Moreover, management is responsible for identifying the content of the report, selecting and applying policies and making judgements and estimates that are reasonable in the circumstances.

### **Auditors' independence and quality control**

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



**Generali Group**

*Independent auditors' report on the Sustainability Bond Report*

*1 December 2023*

### **Auditors' responsibility**

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the information about the allocation of the proceeds and the related impact metrics presented in the "Allocation of green bond proceeds" and "Impact evaluation" sections of the report with the requirements set out in the "Methodological note" of the report. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the information about the allocation of the proceeds and the related impact metrics presented in the "Allocation of green bond proceeds" and "Impact evaluation" sections of the report are based on our professional judgement and include inquiries, primarily of the group's personnel responsible for the preparation of the information presented in the report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following main procedures:

- 1 obtaining and reading the second party opinion on the compliance of the framework with the Green Bond Principles 2021, the Social Bond Principles 2021 and the Sustainability Bond Guidelines 2021 (International Capital Markets Association – "ICMA");
- 2 holding interviews with management and personnel responsible for the preparation of the report. We also obtained documentation supporting the processes and procedures used to gather, combine, and present the quantitative and qualitative information about the allocation of the proceeds and the related impact metrics;
- 3 performing sample-based analytical and selected procedures, to check whether the quantitative information about the allocation of the proceeds and the related impact metrics were supported by suitable evidence, in conformity with the requirements of the "Methodological note" section of the report.

### **Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the information about the allocation of the proceeds and the related impact metrics presented in the "Allocation of green bond proceeds" and "Impact evaluation" sections of the Green Bond Report 2023 - Issuance 2022 of the Generali Group has not been prepared, in all material respects, in accordance with the requirements of the "Methodological note" section of the report.

Trieste, 1 December 2023

KPMG S.p.A.

(signed on the original)

Andrea Rosignoli  
Director of Audit

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**Green Bond Report 2023**

prepared by Group Integrated Reporting

**Coordination**

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The document is available on [www.generali.com](http://www.generali.com)

**Concept & Design**

Loud adv

