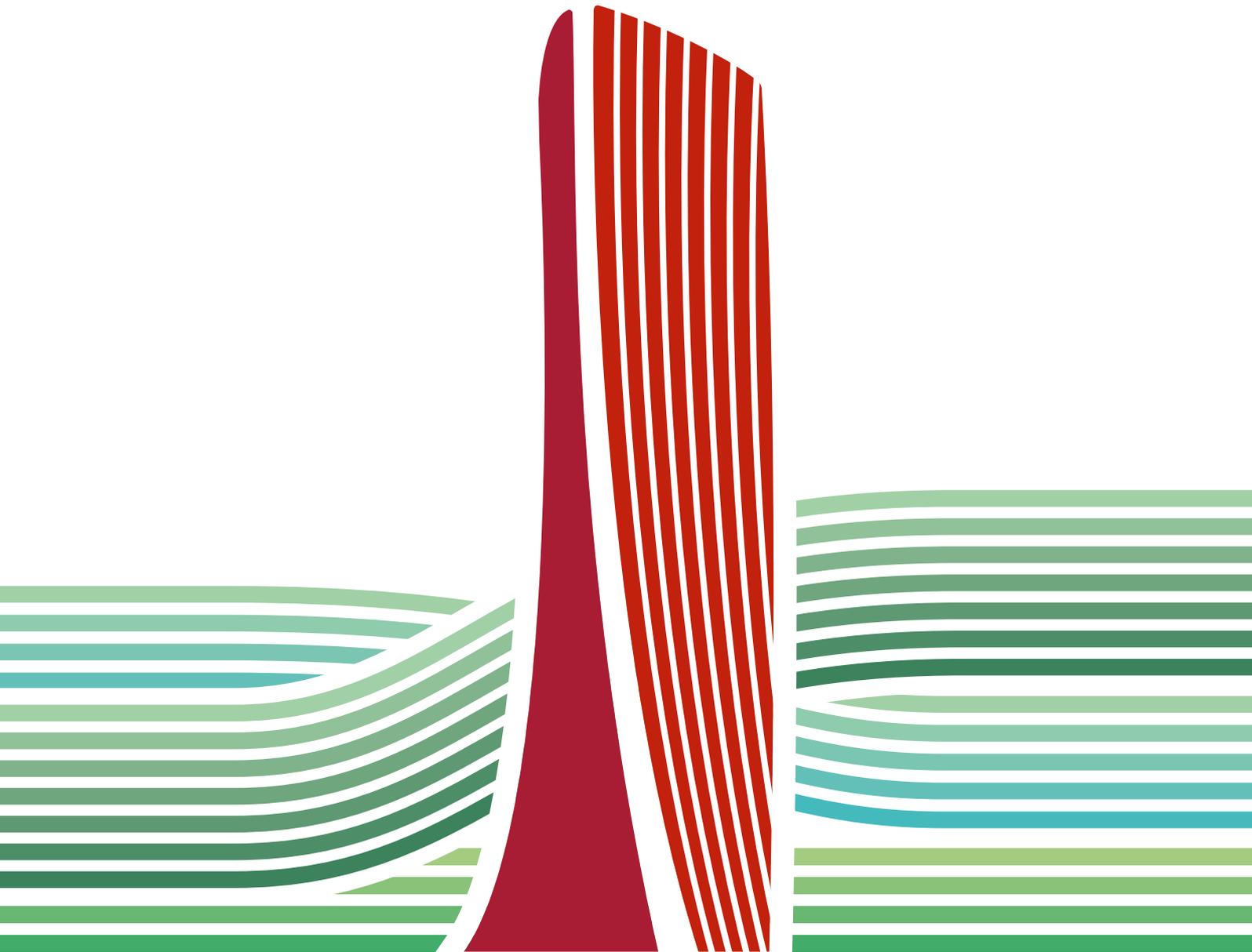


189<sup>th</sup> year

# Green Bond Report 2020



[generali.com](https://www.generali.com)





# Green Bond Report 2020

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[www.generali.com](http://www.generali.com) for investor presentations, financial statements  
and any other relevant document for further information on Generali



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We see sustainability as the ability of businesses to create long-term economic value while preserving the environment and acting for communities. Green bonds allow us to pursue this vision while moving forward with our debt management goals.

*Philippe Donnet - Group CEO*



## Our green finance journey

**MAY 2018**

The renewal of credit facilities included innovative sustainable and green features: their cost was linked to targets both on green investments and progress made on sustainability initiatives.

**SEPTEMBER 2019**

The Generali Group issued its first Green Bond worth € 750 million, which was also the first green bond issued by a European insurance company. The bond was issued in accordance with the Generali Green Bond Framework.

**FEBRUARY 2020**

The Generali Group developed its first Green Insurance Linked Securities Framework, in line with the Group sustainability strategy.

**JULY 2020**

The Generali Group issued its second Green Bond worth € 600 million, confirming its commitment to sustainability. The Green Bond Report for this bond will be released in 2021.

The **Generali Green Bond Framework** illustrates the commitment to sustainability, which is a crucial focal point of the business. It outlines that the use of proceeds is governed both by green eligibility and ESG exclusion criteria, which are consistent with the Generali SRI Guidelines.

An amount equivalent to the net proceeds of the Green Bond issuance was exclusively used to refinance or finance real estate assets.

The Green Bond contributed to avoid GHG emissions of 3,436 tCO<sub>2</sub>e per year.

The Generali Green Bond Report alignment with the Generali Green Bond Framework was verified by EY (external auditor).



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

## #1 Green Bond issuance

by a European Insurance Company

€ 750 mln Green Bond  
maturing in 2030

Net proceeds  
from the issuance in September 2019

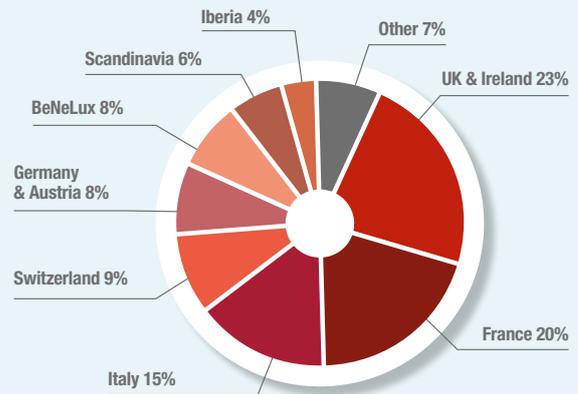
fully allocated to Green Buildings  
fully used to refinance Green Buildings

Green Bond included in the Bloomberg  
Barclays MSCI Green Bond Index

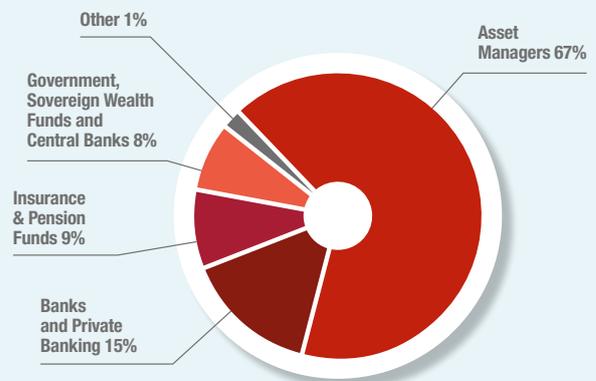
GHG emissions avoided  
3,436 tCO<sub>2</sub>e

Avoided emissions per € mln invested:  
4.6 tCO<sub>2</sub>e/€ mln

### Investors' allocation by geography



### Investors' allocation by investor type



## Allocation

### Generali Tower

Italy (Milan)

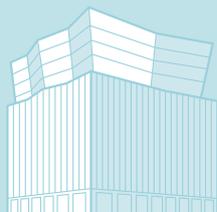
LEED Platinum



### Fen Court

UK (London)

BREEAM EXCELLENT



### Plac Malachowskiego

Poland (Warsaw)

BREEAM VERY GOOD



### KroLEwska

Poland (Warsaw)

LEED Platinum



### Piekna 2.0

Poland (Warsaw)

BREEAM In-Use VERY GOOD

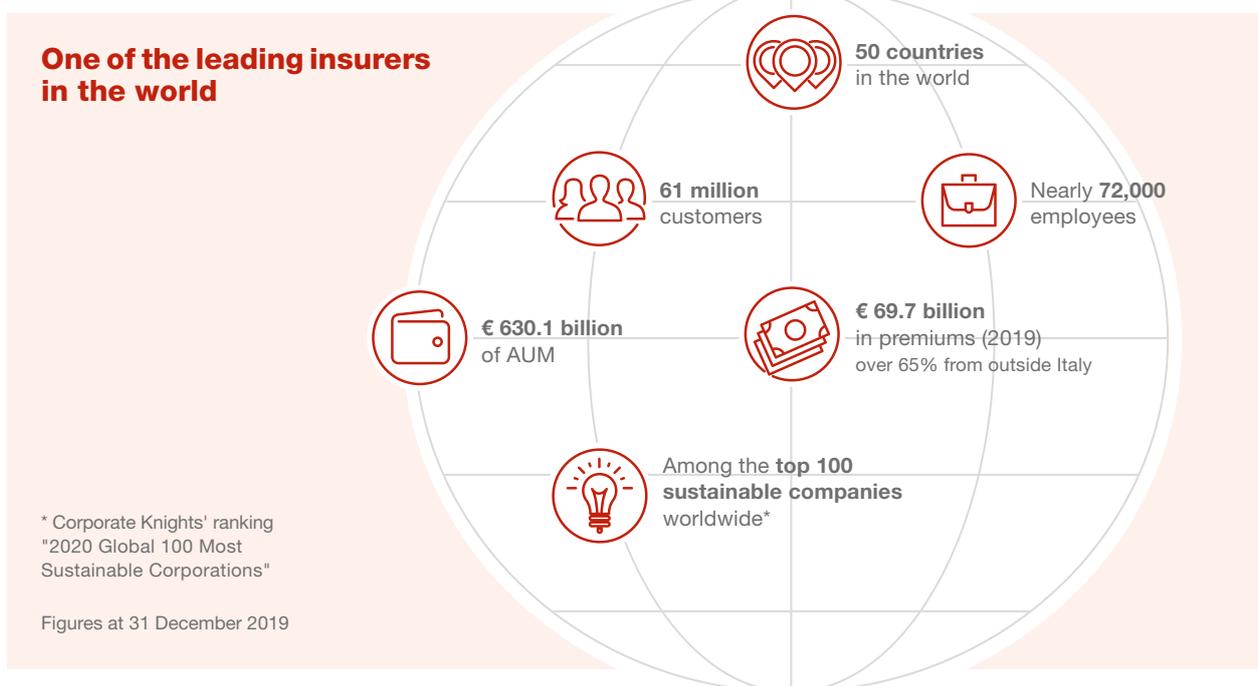


Please refer to the section "Impact Report" for further information on Green Bond impacts

## Generali at a glance

Generali is a major player in the global insurance industry, a strategic and highly important sector for the growth, development and welfare of modern societies. In almost **200 years of history**, Generali has built a multinational group that is present in **50 countries**, with more than **400 companies** and over **70,000 employees**. The Generali Group aims to become the standard setter and industry leader in the European retail insurance market.

In recent years, Generali has implemented a major strategic reorganization that has allowed us to bring increased 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.



Since the very beginning, our strong international vocation has set us apart and is one of our greatest strengths. Generali is geographically diversified with a balance between mature markets in Western Europe, markets with high growth prospects (Eastern Europe), and emerging markets in Asia and Latin America. Generali<sup>1</sup> is the largest insurer in Italy, the second largest in Germany, and in France ranked eighth in both life and P&C segments. In Central and Eastern Europe, Generali is an undisputed leader in terms of profitability, with a combined ratio among the best in the sector, and occupied top three positions in the Czech, Hungarian and Slovakian markets. Generali also has a significant presence in Asia, especially in China, India and Indonesia, where the Group is pursuing further growth and commercial development. The Group is one of the largest foreign insurance operators in Latin America, mainly in Argentina.

Over time, the Group has broadened its activities from the insurance business to the full range of savings management, real estate and financial services. The Banca Generali group is a key player in the Italian personal financial services market. The Generali Group is also a key player in the real estate sector via Generali Real Estate S.p.A. (GRE), one of the world's leading real estate asset managers.

Furthermore, the acquisition of the majority stake in Sycomore Factory SAS was closed in 2019. This strategic partnership, that is another step forward in the execution of Generali's asset management strategy, will allow to enrich the offering with innovative investment solutions and to strengthen focus and capabilities on sustainability and responsible investments for clients.

<sup>1</sup> Source: Group Annual Integrated Report 2019.

## Generali's approach to sustainability



Generali is conscious of its role and responsibility in promoting the growth, development and welfare of modern society. By issuing green bonds, we confirm our commitment to sustainability, contributing in a tangible way to the reduction of CO<sub>2</sub> emissions and supporting the UN Sustainable Development Goals.



*Gabriele Galateri di Genola - Chairman*

Generali is conscious of its strategic role and responsibility in promoting the growth, development and welfare of modern societies. Therefore, sustainability is the foundation of our long-term vision for success.



As a demonstration of this approach, in the three-year strategic plan **Generali 2021** we set specific goals that strengthen the link between sustainability and our core business. We are committed to increase premiums from green and social products by 7%-9% and allocate € 4.5 billion to green and sustainable investments between 2018 and 2021.



I am particularly pleased by the strong interest in our first Green Bond, clear evidence of the fact that sustainability has truly become part of the way we do business.



*Cristiano Borean - Group CFO*

As part of our sustainability strategy, we launched **The Human Safety Net** in 2017, a global movement to empower disadvantaged people in the communities where we work. It aims to activate both financial and technical resources, as well as the skills of Generali's employees and agents to unlock human potential by inspiring people to help people. It is designed to share goals, favour the interaction with local communities and ultimately build long-term changes and benefits for the beneficiaries.

With respect to the environment, we want to play an active role in supporting the **Just Transition** towards a more sustainable society and we support the goals adopted under the **Paris Agreement** through our products, services and investments. We also participate in public debate and we collaborate with Governments and sector associations to promote the development of system solutions, consistent with the principles of the **Group Policy for the Environment and Climate**.

## GENERALI HAS BEEN INCLUDED IN THE FOLLOWING SUSTAINABILITY INDICES

---

- Dow Jones Sustainability World and Europe
- MSCI ESG Leaders
- FTSE4Good
- Euronext Vigeo Europe 120
- STOXX ESG Leaders 50

## AND ACHIEVED THE FOLLOWING RATINGS AND RESULTS

---

- MSCI ESG Research: AA
- ISS ESG: C Prime
- SAM Sustainability Yearbook 2020: bronze medal
- Corporate Knights' Global 100 Most Sustainable Corporations in the World of Corporate Knights

## Our strategy on climate change

### OUR COMMITMENTS TO FIGHT CLIMATE CHANGE

#### PROMOTE THE DEVELOPMENT OF THE GREEN ECONOMY

€ 4.5 bln in green and sustainable investments.

Increase green products offering for retail and SMEs segments.

Community of Experts in loss prevention for underwriting the renewable energy sector.

Green innovation in our financial management with Green Bonds and Green Insurance Linked Securities.

#### DECARBONIZE THE INVESTMENTS AND CLIENT'S PORTFOLIOS

General account investments to be climate neutral by 2050.

No new investments in coal and tar sand sectors and disinvestment of the residual exposure.

No underwriting of new customers in the coal sector, no increase of minimal insurance exposure to coal-related activities and no insurance exposure to tar sands sector.

Engagement for the Just Transition with issuers, customers and other stakeholders to facilitate the energy transition and open dialogue with environmental NGOs.

#### REDUCE DIRECT IMPACTS

20% reduction of GHG emissions by 2020 related to office management and business travel compared to base year 2013.

### OUR STRATEGIC PARTNERSHIPS



THE NET-ZERO ASSET OWNER ALLIANCE

TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



In February 2018, the Board of Directors of Assicurazioni Generali approved the **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.

As for **investments**, we will progressively decarbonise our general account investment portfolio in order to reach climate neutrality by 2050. We will not make any new investment in issuers related to the coal and tar sands sectors and we are gradually eliminating the residual bond exposure to these industries bringing them to maturity and/or considering the possibility of divesting them before maturity.

We are also strongly committed to supporting the transition to a greener and more sustainable economy. To this end, we are increasing the investments in green and sustainable assets by € 4.5 billion between 2018 and 2021. We are well on track in delivering this objective: at year-end 2019 we had already allocated € 2,667 million in new green and sustainable investments.

As for **underwriting**, since 2018 we are not increasing our already negligible insurance exposure to coal-related businesses, which represent roughly 0.1% of all P&C premiums, also reflecting the commitment not to insure any new coal customer or any new mine or coal-fuelled power plant construction. We also remain committed not to underwrite risks associated with tar sands companies, including the operators of the related pipelines. In the renewable energy sector, where we already have a strong presence, we set up a competence center to develop and share the best practices for underwriting the specific risks of this sector. Furthermore, we increased product offering of insurance solutions with environmental value for the retail market and the SMEs.



In countries where we are a primary investor and/or insurer and the economy and employment depend heavily on the coal sector, in line with the **Just Transition** principles we develop **engagement activities** and constant dialogue with issuers, customers and other stakeholders in order to facilitate the transition to low-carbon economy while minimizing the consequences for local employment and communities through the adoption of protective measures. This engagement enables us to decide whether to continue insuring the coal-related activities of these companies, and including them in the general account investment portfolio. The renewal of property coverages and the investments are subject to the engaged company's commitment to present and implement effective transition plans. In this case, every two years we will monitor the level of implementation of these plans.

During 2019, following the negative outcome of the engagement process, we decided to stop activities with two companies. To date, we are engaging with six companies, of which only two are among the world's top 120 companies in terms of coal capacity expansion plans, as identified in the 2019 database provided by the German NGO Urgewald, currently considered as a reference.

We are aware that the green transition is posing a significant challenge to countries that are strongly reliant on extractive industries and carbon-intensive fossil fuels: they will need to restructure their economy, reskilling the affected workers and preparing the youth for future jobs, to maintain social cohesion. As responsible investors, given our strategic presence in communities in Central and Eastern Europe involved in these changes, we support these countries in a Just Transition as demonstrated by the allocation of this Green Bond. 27% of the proceeds were allocated to Green Buildings located in Poland.

To ensure consistency with the commitment for climate protection that we promote in our value chain, we periodically monitor and report the GHG generated by our **direct operations** to verify the effectiveness of the reduction strategies implemented. The most relevant environmental aspects on which we focus our actions are:

- the management of company sites, aiming at the optimization of spaces through the consolidation of smaller offices into larger sites, the reduction of energy consumption and the use of natural resources, the purchase of green power as well as the curbing of waste production and its correct disposal;
- the management of business travel, regulated by the Group Travel Policy which involves the reduction of business trips through greater recourse to smart working, teleconferencing and training via e-learning. We also prioritise the use of public transport to reduce the use of private vehicles or promoting the adoption of hybrid electric models as corporate fleet.

In these areas, we set the goal of achieving a reduction by 2020 of the GHG emissions related to our operations by at least 20% compared to the base year 2013.



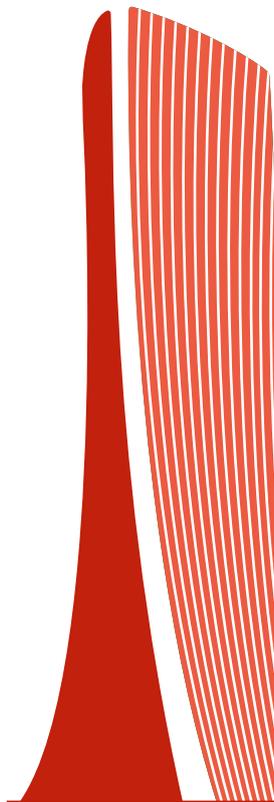
[www.generali.com/our-responsibilities/our-commitment-to-the-environment-and-climate](http://www.generali.com/our-responsibilities/our-commitment-to-the-environment-and-climate) to find out more about our commitments to the environment and the Group's approach to climate-related risks and opportunities.

## Focus on Real Estate at Generali

Generali Real Estate (GRE), a fully-controlled subsidiary of the Generali Group, is one of the world's leading real estate asset managers, with around € 31 billion of assets under management as of 30 June 2020. It leverages the expertise of more than 430 professionals, with operating units located in the main European cities within four macro areas (Southern Europe, Western Europe, Central Northern Europe and Central Eastern Europe).

Globally, the buildings and construction sector accounted for 36% of final energy use and 39% of energy and process-related carbon dioxide (CO<sub>2</sub>) emissions as reported in the 2019 Global Status Report. 11% of these emissions resulted from manufacturing building materials and products such as steel, cement and glass<sup>2</sup>. In light of this relevant impact, sustainability is a key focus for GRE. We recognize that the real estate sector is at the crossroads of two global megatrends: climate change and urbanization. There is an opportunity for GRE to have a large impact and demonstrate leadership within the market. This is why at GRE we aim to be proactive in reducing the environmental impact of our portfolio of properties as well as integrating environmental, social and governance (ESG) metrics and monitoring these metrics across our business operations. Our vision is to have a market-leading portfolio of sustainability credentials as well as best practices for asset and property management and development, as set out in our Responsible Property Investment Guidelines.

**The two main objectives for the GRE sustainability strategy are:**



### INCREASE ESG CREDENTIALS OF OUR PORTFOLIO

- Screening new investments for sustainability criteria
- Acquiring assets with high sustainable certification
- Aiming to certify and assess existing portfolio assets
- Targeting sustainable certifications for major building renovations

### COMBAT GLOBAL WARMING AND ITS IMPACTS

- Leveraging data analytics to drive energy optimization and CO<sub>2</sub> reduction
- Engaging with tenants to create a win/win sustainable partnership
- Fostering sustainable procurement and circular economy in construction
- Assessing and mitigating climate risk in our properties

<sup>2</sup> Source: 2019 Global Status Report for Buildings and Construction prepared by the International Energy Agency (IEA) for the Global Alliance for Buildings and Construction (GlobalABC).

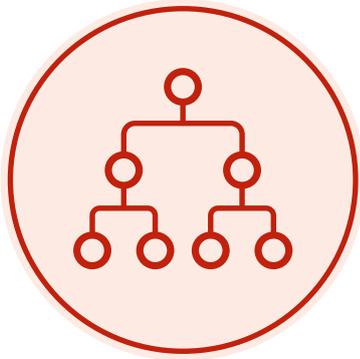


At Generali Real Estate we have a long track record in acquiring and developing sustainable buildings.

We are also rolling-out best sustainable practices within our business, leveraging technology and data science, which allow us to measure the efficiency and environmental impact of our portfolio. That's the reason why our sustainable buildings have been the Group's top choice for allocating the proceeds of our first Green Bond.



*Aldo Mazzocco - GRE CEO*



## How we work

The **GRE CEO** has overall responsibility and accountability for sustainability. **GRE Sustainability Steering Committee** is responsible for overseeing and supporting the implementation of the Responsible Property Investment Guidelines across the organization.

Sustainability Officers from each country have been appointed to oversee sustainability aspects in their respective geographies. Together they form the **Sustainability Working Group**, a collaborative platform for best practices and implementation of cross border initiatives.

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

## INCREASE ESG CREDENTIALS OF OUR PORTFOLIO

We focus on buying **certified buildings** - including but not limited to BREEAM, LEED, HQE and DGNB - in order to increase the share of certified buildings in the portfolio.

BREEAM®



We ensure that all acquisitions undergo a **Sustainability Assessment** thanks to an in-house tool developed by GRE, as part of the due diligence. The following categories are assessed by means of a dedicated questionnaire: Energy, Water, Waste, Materials, Land Use & Ecology, Pollution, Transport, Health & Wellbeing and Management.

We obtain sustainable certifications and target **30% energy efficiency improvements** for major building renovations, in line with the requirements of the EU Taxonomy and the Green Bond Framework.

We obtain certifications and/or carry out sustainability assessments on our **existing portfolio assets**, with an aim to continuous improvement. Implementation of capital expenditure also targets the most appropriate level of sustainability via cutting-edge technology and efficient equipment.

We publish an annual **Sustainable Balance Sheet** to monitor and demonstrate we are increasing the sustainable credentials of our portfolio. In 2019, 70% of our office assets had such credentials; 77% of certifications obtained were in a high-level category (LEED Gold, BREEAM Very Good and above).

## COMBAT GLOBAL WARMING AND ITS IMPACTS

We have initiated a **Data Analytics project** in 2019. This project covers ca.140 assets in 11 countries across Europe, where existing utilities consumption data are collected and centralized in a digital platform, which automatically calculates CO<sub>2</sub> emissions and monitors their evolution. We are supported by Deepki, an innovative prop-tech, green-tech SaaS solution.



We formed a partnership with Ergelis to roll-out an **energy performance system** on our logistic assets. This has shown substantial energy efficiency improvements for the 2018/2019 in comparison with the benchmark year prior to set up.



We carried out a **smart building system** pilot project, Meteo Viva Climate, that optimizes desired room temperature and user comfort. This system does not simply react to variations in the indoor climate, but also anticipates the impact of weather patterns as well as that of building usage, all whilst optimizing energy efficiency and minimizing costs.



We are proposing a new **“Standard Green Lease Clause”**, each time we (re)negotiate a lease with a tenant. This clause will allow GRE to obtain the tenants’ utility consumptions on a regular basis, so that we can measure them, track them and then take action to improve our management and our buildings - hand in hand with our tenants.

We look to progressively integrate sustainability criteria into GRE’s Global Procurement processes - opportunities range from supplier selection to certification or labelling of construction products and services, from methodologies promoting the reduction of embedded carbon to employing the circular economy as well as recycled and eco-materials.

We carried out the first **impact analysis** for our full portfolio (around € 30 bn) in 2020. Thanks to the methodology developed by Trucost S&P Global, we have been able to geo-localize all of our assets and to map out the physical risks related to global warming, in line with the TCFD Recommendations.



We are supporting the decarbonization of logistic supply chains, and have recently signed the “joint call for the deployment of hydrogen trucks” alongside Hydrogen Europe, a trade association representing more than 100 industry companies.

**WE MUST, WE WANT TO, WE CAN.  
MAKE A DIFFERENCE.  
GRE SUSTAINABILITY.**



**WE MUST**  
invest in sustainable asset  
to secure a future  
for the next generations.



**WE WANT TO**  
invest in sustainability  
to take care  
of our Planet now.



**WE CAN**  
invest in innovative  
technology to improve  
our asset sustainability.

# Allocation of the Green Bond proceeds and associated impacts

## Generali Green Bond Framework in a nutshell

### 01 USE OF PROCEEDS

An amount equivalent to the net proceeds of the Green Bond issuance will be exclusively used to finance or refinance, in whole or in part, through project bonds or equity investments, 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 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

### 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 identified assets are then subject to a second analysis with respect to their conformity to the criteria. This examination is carried out by the Green Bond Committee.

#### Allocation decision

The Green Bond Committee takes the final decision on the selection of designated assets to the 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, 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 Bonds.



## MANAGEMENT OF PROCEEDS

Generali commits on a best effort basis to reach full allocation within one year following Green 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 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.

## 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 Group Green Bond Framework issued in 2019, an amount equivalent to the net proceeds were exclusively used to refinance the acquisition, retrofitting and development of green 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 bonds, Assicurazioni Generali has set up a **Green Bond Committee**, bringing together various departments within the Group to supervise the activities preceding and following the issue of green bonds, the selection and monitoring of the pool of the eligible green assets and to ensure the compliance of the green bonds with best practices. More specifically, the role of the Green 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 Green Assets;
- to regularly update the Framework;
- to monitor any on-going evolution related to green bond market practices in terms of disclosure/reporting, harmonization.



**5 MEETINGS**  
in 2020



## Allocation Report

In line with the Generali Green Bond Framework issued in 2019, an amount equivalent to the net proceeds has been fully allocated to refinance all-in-costs<sup>3</sup> of the green assets owned by the Group.



<sup>3</sup> VAT included, when applicable.

<sup>4</sup> Energy costs savings estimated using the ASHRAE Standard 90.1-2007.

<sup>5</sup> Expected data compared to a standard benchmark.

<sup>6</sup> The amount represents 45% of the disbursements made for the development of Fen Court until its delivery in 2019.

# Generali Tower

Milan (Italy)



Generali Tower is part of CityLife\*, one of the **most important urban redevelopment projects in Europe**, a balanced mix of private and public services including a business hub, a shopping district, a residential area and Milan's third largest park.

The tower (170 meters, 44 storeys) has a sinuous shape and was designed to guarantee the **highest levels of efficiency** and the maximum control of energy consumption.

It has obtained the **LEED 'Platinum'** certification.

This iconic office tower, Generali Group Headquarters, stands for **Innovation, Sustainability** and **Corporate Citizenship**, which are core values for the Group.

\*CityLife S.p.A. is a subsidiary of the Generali Group.

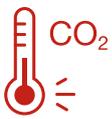
## Sustainability and well-being at the heart of the design



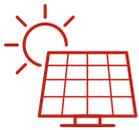
The façade of the tower consists of a **dual-skin system** to guarantee the aesthetic torsion effect on the outer skin and maximum energy efficiency through the inner skin.



The structure's **double-façade of sun-deflecting louvers** flanked by glazing, combined with a chilled-beam conditioning system provides extremely efficient environmental control for each floor.



The heating system is powered by district heating, so **minimizing the CO<sub>2</sub> impact into the atmosphere.**



**150.64 kWp  
Photovoltaic Plant.**



The project has **reduced potable water use by 49%.**



The tower's lobby leads directly to the Piazza Tre Torri, where the station of the **new M5 underground metro line** is located.



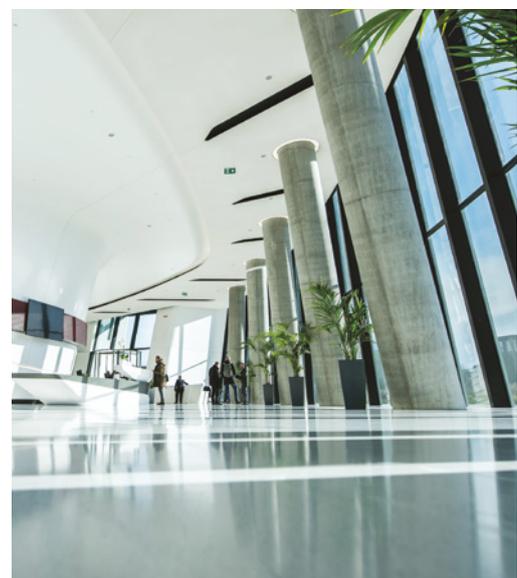
**Bicycle storage, changing and shower facilities** are present in the tower.



Access for vehicles is provided by an **innovative underground road system** with lifts from the carparks directly to the tower's lobby.



The project has **diverted 98% of the on-site generated construction waste from landfill.**



## Fen Court

London (UK)

An aerial photograph of the Fen Court building in London. The building features a prominent glass facade with a grid of vertical fins and a large, multi-level rooftop garden with greenery and walkways. A white box in the upper right corner of the image contains the BREEAM logo and the word 'EXCELLENT' in green capital letters.

**BREEAM**<sup>®</sup>  
EXCELLENT

Fen Court is in a prime location in the heart of the tower cluster of the City of London.

Its 15 storeys offer over 39,800 sqm of office and retail space, a public passageway through the building with 180 sqm digital LED ceiling to be used for **public art installations**, and a panoramic restaurant on the 14<sup>th</sup> floor. The building is crowned by a **public roof garden** offering stunning views to the London skyline and 3 new public spaces which were created within and around the building.

Fen Court has been designed to the highest environmental sustainability requirements and has achieved the **BREEAM 'Excellent'** certification.

## Sustainability and well-being at the heart of the design



### Innovative high-performance façade in 2 sections:

- a) Natural shading via ceramic fins and metallic "brise-soleil" on double glazed lower façade;
- b) Closed cavity facade, triple glazed sealed and pressurized, integrated automated blinds on the crown of the building.



### Renewable energy produced on site

via Ground Source Heat Pump technology: 22 GSHP Boreholes, up to 200 m deep.



### 2,800 sqm roof garden fully open to the public

with over 1,000 visitors per day, promoting biodiversity with 89 wisteria trees, 5,000+ bulbs, fruit trees, hummingbirds, honeybees.



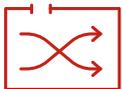
### Rainwater harvesting and greywater recycling

are implemented throughout the building and roof garden.



### 180 sqm LED technology digital public art screen

displaying Generali commissioned art as well as hosting artwork in partnership with non-profit organization Sculpture in the City.



### Building's flexibility to enhance internal design,

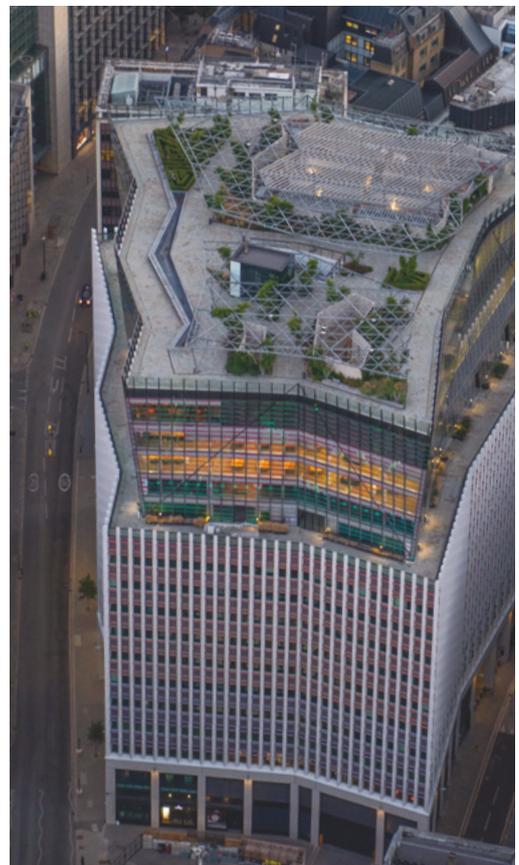
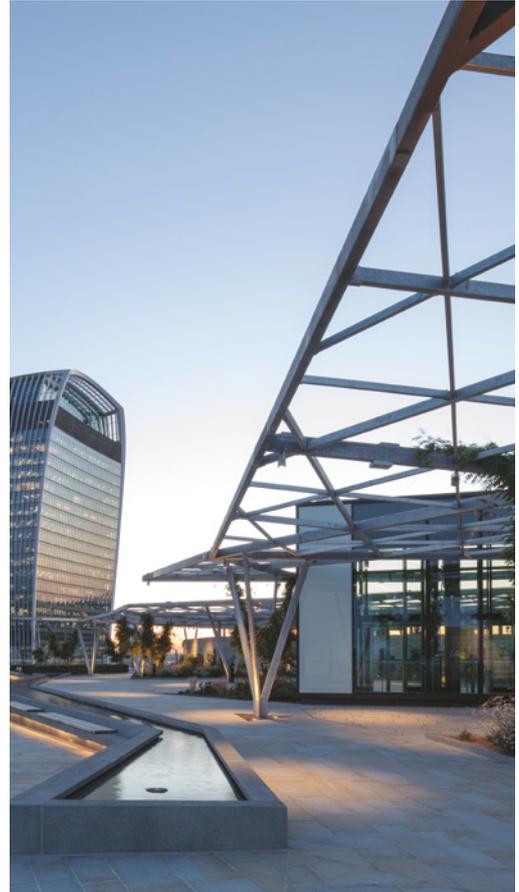
connect teams and promote a sense of community and new ways of working.



At basement level, 252 cycle spaces + 82 motorcycle spaces, lockers and 28 showers. **A full floor of innovation and wellness space.**



**84% of all waste is recycled.** Food waste is collected and transported to a specialized anaerobic digestion facility. Methane capture and electricity production is fed back into the national grid.



# Plac Malachowskiego KroLEwska Piekna 2.0

Warsaw (Poland)



**BREEAM<sup>®</sup>**  
VERY GOOD



**BREEAM<sup>®</sup>**  
In-Use VERY GOOD



## Plac Malachowski

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One of Warsaw's most beautiful buildings, Plac Malachowski was built in 1907 in one of the city's most prestigious areas, at a walking distance from the Old Town and many government buildings and corporate headquarters.

A perfect combination of history and modernity, it offers around 14,600 sqm of office and retail spaces over six above ground and two below ground floors.

Fully refurbished in 2013, it maintains its original structure and façade and has achieved a **BREEAM "Very Good"** certification.



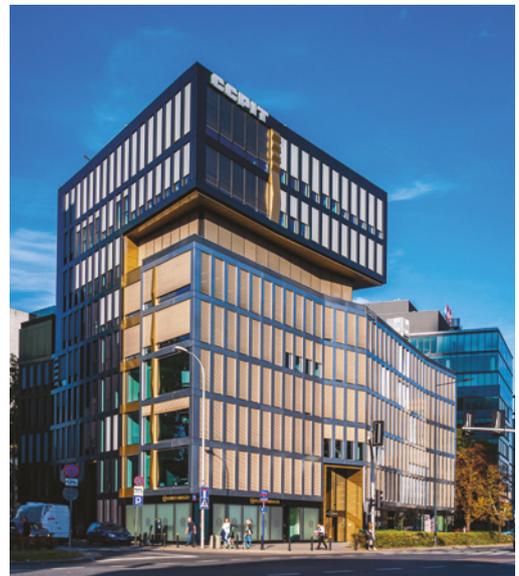
## KroLEWska

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The building KroLEWska is located in the heart of Warsaw's Central Business District. It represents a top-class real estate development project.

The office and retail asset comprise around 6,400 sqm and has been developed with high standards: a state-of-the-art façade, flexible office floor plans and wide terrace surfaces with efficient usage possibilities.

It holds a **LEED "Platinum"** certification and has been awarded as the most sustainable building in Poland in its category.



## Piekna 2.0

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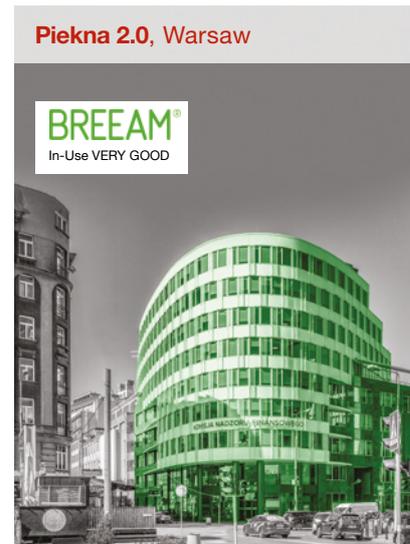
Piekna 2.0 is an eight-storey building with approximately 15,800 sqm of high-quality office spaces, complemented by high street retail units at ground floor.

It is located in the very heart of Warsaw on Piekna Street, and it is well-served by public transport.

Built in the early 2000's, it recently underwent a major refurbishment and it has obtained a **BREEAM In-Use "Very Good"** certification. BREEAM In-Use is an environmental assessment method to determine and drive sustainable improvements in the operational performance of the buildings.



## Impact Report



### GREEN BOND PORTFOLIO

<b>Total GHG emissions</b>	5,942 tCO <sub>2</sub> e
<b>Emission intensity</b>	0.06 tCO <sub>2</sub> e/m <sup>2</sup>
<b>Avoided emissions</b>	3,436 tCO <sub>2</sub> e
<b>Avoided emissions per € mln invested</b>	4.6 tCO <sub>2</sub> e/€ mln

Data refer to annual basis.

In spite of the high quality of certifications of the three buildings in Poland, we have adopted a prudent approach that has not considered their expected avoided emissions, as they would be exclusively based on estimation.



Please refer to the section "Allocation Report" for the expected avoided emissions of the Polish buildings.

# Methodological notes

## 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 on an aggregate portfolio level. Calculations refer to the period 1 January 2019 - 31 December 2019, thus reflecting the annual energy consumption, GHG emissions produced and avoided. Such calculation period is also instrumental to provide a fair representation of avoided CO<sub>2</sub> emissions under normal circumstances; using data including 2020 would have led to CO<sub>2</sub> savings inflated by the one-off impact stemming from lower occupancy rates due to Covid-19.

For the vast majority (73%) of the portfolio, actual data on energy consumption were used (i.e. verified through bills and electronic measurements of the energy consumed). Accordingly, the GHG emissions produced by the buildings have been calculated deriving the emission factors applied by the individual suppliers, as envisaged by the "market-based" method of the GHG Protocol.

As for the Polish buildings for which this information was not available at the time of preparing the Report, we have estimated the energy consumption, using data from the official EU-backed energy database (Entranze<sup>7</sup>) identified by location and type of asset, and multiplied by the exact floor area of the building. As far as GHG emissions are concerned, they have been calculated using the last available emission factors issued by the International Energy Agency, including the embodied carbon from construction.

The estimation method and information sources have been provided by Trucost, part of S&P Global, a market-leader service company in carbon and environmental data and risk analysis.

Total GHG emissions are reported in accordance with the debt financing share of Generali: 45% for Fen Court, 100% for the other buildings in scope.

Consistently with a prudent approach approved by the Green Bond Committee, the avoided emissions related to 27% of the portfolio value have been not considered, as they would be exclusively based on estimation. Generali will endeavour to include the impacts generated by the Polish buildings at the maturity of the Green Bond.

The avoided emissions for 73% of the portfolio value result from the difference 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 2019

GHG emissions avoided (in CO<sub>2</sub>e) = Baseline GHG emissions CO<sub>2</sub> – Eligible Assets actual GHG emissions in 2019

In order to establish a "Baseline scenario", a benchmark study was conducted with a large real estate portfolio to determine the typical energy per square meters consumption of office buildings. The study was carried out considering parameters such as buildings sector, typology and location, in 2019.

To calculate the GHG emissions from the baseline scenario it is assumed that the allocation between electricity and heating fuels is the same proportion as the actual allocation for that building.

GHG emissions = total floor area \* typical\_floor area\_consumption \* (X% \* CO<sub>2</sub> electricity + Y% \* CO<sub>2</sub> gas)

X% = emission share derived from electricity in the original building

Y% = emission share derived from gas/district heating in the original building

The benchmark study was conducted by Deepki, a green-tech SaaS solution for the real estate sector, with a portfolio of more than 650 buildings.

<sup>7</sup> www.entranze.eu

# Independent Auditors' Report on the Green Bond Report



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## Independent auditors' report on the Green Bond Report

(Translation from the original Italian text)

To the Board of Directors of  
Assicurazioni Generali S.p.A.

We have been appointed to perform a limited assurance engagement on Green Bond Report 2020 of Generali Group (hereinafter the "Group") prepared to comply with the reference principles established in the Green Bond Framework and in accordance with the "Methodological Note" section of the Green Bond Report 2020.

### Managements responsibility

The Management is responsible for the preparation of the Green Bond Report 2020 in accordance with the "Methodological Note" prepared in line with the Green Bond Framework.

The Management is also responsible, within the terms provided by law, for that part of internal control that it considers necessary in order to allow the preparation of the Green Bond Report 2020 that is free from material misstatements caused by fraud or not intentional behaviors or events.

### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

### Auditors' responsibility

It is our responsibility to express, based on of the procedures performed, a conclusion about the compliance of the Green Bond Report 2020. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the Green Bond Report 2020 is free from material misstatements. Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

EY S.p.A.  
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The procedures performed on the Green Bond Report 2020 were based on our professional judgment and included inquiries, primarily with Group's personnel responsible for the preparation of the information included in the Green Bond Report 2020, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

We have performed the following procedures:

1. virtual interviews with the personnel of Generali Group involved in the preparation of the Green Bond Report;
2. assessing, through interviews with the personnel of Generali Group, the procedures followed to collect, aggregate and report allocation and impact indicators included in the Green Bond Report;
3. in particular, regarding the significant information contained in the Green Bond Report 2020, with reference to quantitative data, we have conducted both limited documentary evidences and analytical procedures, in order to collect information about the processes and procedures that support the collection, elaboration, processing and transmission of indicators. With reference to qualitative information, we have collected supporting documentation to verify consistency with the available evidence.

## Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Green Bond Report 2020 of Generali Group has not been prepared, in all material aspects, in accordance with the "Methodological Note" of Green Bond Report 2020 and in line with the Green Bond Framework.

Milano, 5 November 2020

EY S.p.A.  
Matteo Brusatori  
(Auditor)

This report has been translated into the English language solely for the convenience of international readers.

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### **Green Bond Report 2020**

prepared by  
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in collaboration with  
Group Debt and Treasury

### **Coordination**

Group Communication & Public Affairs

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

### **Photos**

page 12 Fencourt terrace:  
credits Dirk Lindner  
page 18 Tower with bike:  
credits Mario Tirelli  
page 20 Fencourt seen from above:  
credits Jason Hawkes  
page 21:  
picture above credits Dirk Lindner,  
below credits Jason Hawkes

### **Concept & Design**

Loud adv

