GREEN BOND REPORT 2022

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1. Introduction

Unipol (including Unipol Gruppo, UnipolSai Assicurazioni, and its subsidiaries, and referred to together as "Unipol", "Group", or "we") is a leading Italian insurance group in the Non-Life business and among the top in Europe. It is listed on the Italian Stock Exchange "Borsa Italiana" and included in the FTSE MIB.

Unipol is committed to creating shared, sustainable value from the economic, social, and environmental perspective and is a signatory of the UN Global Compact, Principles of Responsible Investment (UN PRI), and Principles for Sustainable Insurance (UNEP FI PSI).

Unipol has always focused greatly on protecting the environment and combating climate change. The Group is fully aware of the role that insurance may play in mitigating the impacts of climate change and facilitating the transition to a low-carbon economy through the development of insurance and investment products that promote mitigation and adaptation.

Unipol Group's climate strategy

In June 2022, the Board of Directors of Unipol Gruppo adopted the Unipol Group strategy on climate change to detail how the Group is gearing up to deal with the risks and take advantage of the opportunities related to the climate, defining new medium/long-term targets for reducing its greenhouse gas emissions to support its decarbonisation process. The climate strategy is an annex to the Sustainability Policy and describes the commitments undertaken by the Group in its three main areas of intervention:

- **Real estate development and management activities**
  The Group is committed to a 46.2% reduction by the end of 2030 in Scope 1 and 2 emissions linked to consumption of electricity, gas and other energy sources for all buildings over which the Group has direct control, from the operating sites and those of the diversified companies to the real estate where the UNA Group operates and the foreign sites, in line with climate science and in particular with the scenario of limiting the increase in the global average temperature to within 1.5°C.

- **Investment activities**
  In May 2022, the Unipol Group joined the Net-Zero Asset Owner Alliance, thus committing to reducing the emissions of its investment portfolios to net zero greenhouse gas emissions by 2050 and acting to reduce greenhouse gas emissions through the engagement of investee companies, defining specific interim targets.
  In this respect, the Unipol Group has expanded its sector-based exclusions to Corporate Issuers in sectors with the strongest impact, excluding, a priori, new investments in Corporate Issuers that obtain 30% or more of their earnings from coal mining activities or the generation of electricity from thermal coal, and from activities connected with tar sands, shale gas and Arctic drilling, and that do not show a sufficiently ambitious position in terms of transitioning their business to a low-carbon regime.
  Additionally, in order to achieve climate neutrality in its portfolio, the Group has planned a periodic reduction in the admissible earnings ceiling dependent on thermal coal by investee Corporate Issuers, and expects to complete its disinvestment from coal by the end of 2030.
  Lastly, to strengthen its role in supporting the transition to a low-carbon economy, the Unipol Group decided to further increase the amount of thematic investments for the SDGs, with a goal of reaching €1.3bn invested in support of the 2030 Agenda in 2024, starting from the €862.2m invested at the end of 2021.

- **Underwriting activities**
  Unipol is committed to developing a range of insurance products and services to support customers in mitigating and adapting to climate change. Within the 2022-2024 Strategic Plan, the Group again decided to set a target connected to the incidence of products with social and environmental value, establishing an objective of 30% to be reached by the end of 2024.
  To support customers in the transition to a low-carbon economy, Unipol will develop products that incentivise its MV customers to reduce their emissions, with the support of telematics, and will pay increasing attention to reducing the environmental impacts of the claims management process, implementing circular economy approaches. Companies that derive 30% or more of their revenues from coal mining or the generation of electricity from thermal coal and companies that adopt unconventional mining practices are excluded from the underwriting of insurance products.

Unipol Group, which in November 2020 became a supporter of the Task Force on Climate-related Financial Disclosures (TCFD), published the fourth edition of its "Unipol and climate change – Reporting climate-related information" report on the year 2022.

2. Unipol Green Bond

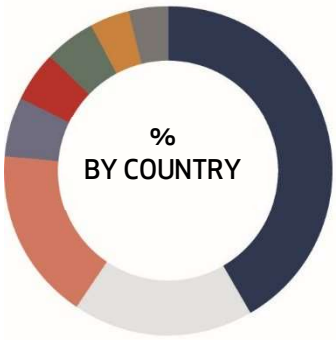
For its inaugural green bond issue, Unipol developed a Green Bond Framework in alignment with the Green Bond Principles published by ICMA (2018 edition).

The Unipol Green Bond Framework was reviewed by Sustainalytics, which issued a Second-Party Opinion and confirmed its alignment with Green Bond Principles.

UNIPOL GREEN BOND – MAIN FEATURES

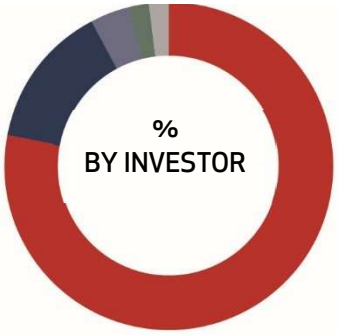
Issuer	**Unipol Gruppo S.p.A.**
Nominal amount	**EURO 1,000 million**
Issuance date	**23 september 2020 (Euro 750 mln.)** **26 november 2020 (Euro 250 mln.)**
Maturity date	**23 september 2030**
Coupon	**3.25%**

TOTAL ALLOCATED AMOUNT BY COUNTRY



UK/IRELAND 42%
ITALY 18%
FRANCE 17%
SWITZERLAND 6%
NORDICS 5%
GERMANY /AUSTRIA 5%
SPAIN 4%
OTHERS 4%

TOTAL ALLOCATED AMOUNT BY INVESTOR TYPE



ASSET MANAGERS 78%
BANKS/PRIVATE BANKS 14%
INSURANCE/PF 4%
HEDGE FUNDS 2%
OTHERS 2%

As soon as practically possible, and no later than the maturity of the bond, Unipol intends to allocate an amount at least equivalent to the net proceeds from the issuance of any Green Bond to finance and/or refinance, in whole or in part, new or existing, Eligible Green Assets – mainly held by UnipolSai – that meet the Eligibility Criteria as defined below.

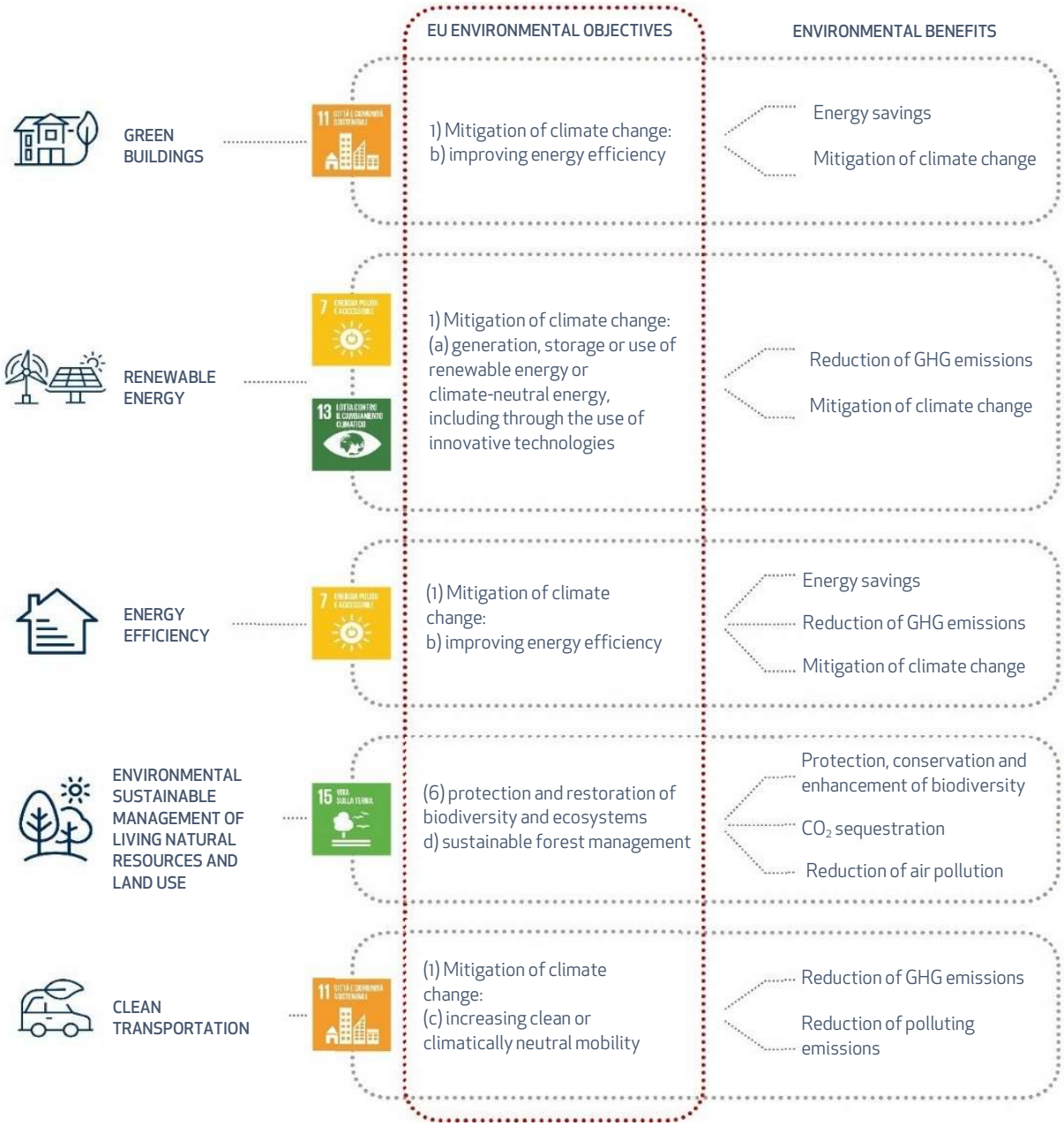
Financial Eligibility Criteria

Assets are considered Eligible if the related disbursement has occurred no more than 36 months prior to the year of issuance of the Green Bond or if they have been acquired post-issuance of the Green Bond.

Green Eligibility Criteria

Projects (re)financed using the proceeds from Green Bond issuance ("green assets") must fall within one of the following categories described in the Unipol Group Green Bond Framework.

Green Bond Framework – Admissible asset categories and expected environmental benefits



The evaluation and selection process is fully integrated and coherent with the investment process as defined in the Group's Investment Policy, guaranteeing the same control in terms of overall risk management and integration of ESG factors.
A special body, the Green Bond Working Group, is responsible for evaluating the alignment of the existing and proposed pool of Eligible Green Assets with the Categories and the Criteria defined in the Green Bond Framework (section "Use of proceeds").

The Working Group met on February 7th, 2022 to ensure the allocation of proceeds for FY2021 and on February 6th, 2023 to ensure the allocation of proceeds for FY2022.

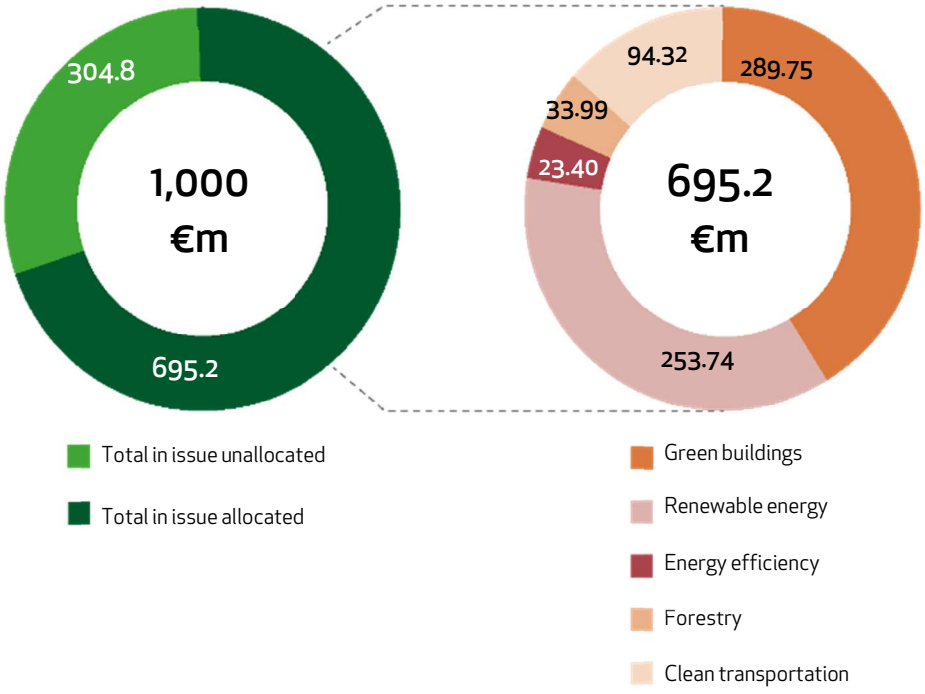
The Green Bond Working Group submits the proposals to the UnipolSai Investment Committee / UnipolSai Real Estate Committee for the approval of their financing with Green Bond proceeds.

3. Allocation reporting

Of the €1,000 million proceeds raised from the September and November 2020 Green Bond issuance, €695.2 million was allocated to green projects as of December 31st, 2022, representing a rate of allocated proceeds[1] of 69.5%.

The percentage of net proceeds used for refinancing[2] is 51.26%, while 48.74% represents new financing.

Green Bond issue and allocation by category



[1] Consequently, balance of unallocated proceeds is equal to 30.5%.

[2] As a conservative approach, since the report refers to different issue dates, we have considered all disbursements made before 01/01/2021 as refinanced.

Green Buildings

An important role was played by interventions to improve the environmental performance of the buildings belonging both to Unipol and to Unipol's customers for which the Group has acquired "Ecobonus" tax credits.

Concerning Unipol Group's real estate assets, the proceeds of the Green Bond were allocated to assets that, due to renovations, have received a BREEAM-In-Use Certification level "Excellent".

Regarding properties owned by third parties, the Group has structured an offer that facilitates beneficiaries' use of measures defined by the Italian Decree Law 34/2020 (so-called "Decreto Rilancio") and aimed to promote energy efficiency improvements in privately owned buildings, providing for a tax credit equal to 110% of eligible expenses.
The proceeds were allocated to finance individual renovation interventions carried out by residents, condominiums, and companies taking advantage of the facilities provided by the Relaunch Decree for renovation works; in particular, the proceeds were allocated to acquiring credits related to the "Ecobonus" measure. The tax credit generated can be attributed to the tax liabilities of the relevant property owner or can be traded ("cessione del credito") by entitled property owners, effectively by selling it to third parties, usually financial institutions such as Unipol Group.
To allocate Green Bond proceeds, renovations credits were considered that involve an energy saving of at least 30% compared to the energy performance of the building before the renovation, verified through the analysis of the Energy Performance Certificate (in Italian "Attestato di Prestazione Energetica" or APE) issued at the end of the renovation.
In allocating the proceeds, the Group considered an amount equal to 100% of the loan's value, corresponding to the investment effectively made to improve environmental performance.

Renewable energies

For renewable energy, Unipol identifies four subcategories:

- Wind – the majority of the proceeds are allocated to wind projects, offshore and onshore facilities;
- Solar – mainly photovoltaic plants located in Italy and Spain;
- Hydropower – the refinanced hydropower projects are large-scale and located in North America and Europe (Norway and Portugal);
- Geothermal – the only geothermal project is in Iceland.

Clean Transportation

The proceeds are allocated to the refinancing and financing of investments made to purchase electric vehicles and hybrid vehicles (with a CO_2 emission threshold of <50gCO_2/km) by Unipol*Rental*, the group company specialising in the long-term car rental. Unipol*Rental* (formerly Car Service) became part of the Unipol Group in September 2019. All vehicles with the indicated characteristics purchased within the look-back period provided for by the Green Bond Framework and still managed by Unipol*Rental*were considered for the allocation of proceeds.

Environmental sustainable management of living natural resources and land use

The proceeds have been allocated to twelve sustainable forestry projects. Almost all of them are in the USA. There are two types of trees under maintenance: Loblolly Pine trees and Slash Pine Trees, certified by the Sustainable Forestry Initiative (SFI).
The European project is located in Ireland, and the certification is provided by Forest Stewardship Council (FSC). The activity undertaken is the ecological restoration of areas featuring native woodland and peatland.

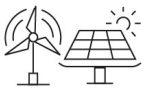
Energy efficiency

Investments in products and systems that reduce energy consumption or mitigate greenhouse gas (GHG) emissions; most of the refinanced energy efficiency projects are located in Italy, except for a Europe-wide project currently underway. Fully operational projects in Italy are:

- Heating/cooling – industrial and civil energy efficiency projects and air conditioning and refrigeration (HVACR)[3];
- Lighting – mainly for town halls and public roads.

[3] Among the refinanced HVACR projects, some generate environmental benefits only in terms of avoided GHG emissions by switching from high-Global Warming Potential (GWP) refrigerants to low-GWP substitutes.

[4] PROCEEDS ALLOCATED TO GREEN PROJECTS

	Sub-Category	Funds allocated to each Eligible Category (m€)
GREEN BUILDINGS	"Ecobonus" tax credits	188.30 M
	Unipol Real Estate	101.45 M
	Green Buildings Total	**289.75 M**
 RENEWABLE ENERGY	Wind	140.47 M
	Solar	83.74 M
	Hydropower	26.92 M
	Geothermal	2.61 M
	Renewable Energy Total	**253.74 M**
ENERGY EFFICIENCY	Heating	7.88 M
	Lighiting	13.43 M
	Mix	2.09 M
	Energy Efficiency Total	**23.40 M**
ENVIORNMENTAL SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES AND LAND USE	**Sustainable Forestry**	**33.99 M**
CLEAN TRANSPORTATION	EV	26.95 M
	Hybrid	67.37 M
	Clean Transportation Total	**94.32 M**
	Total	**695.20 M**

[4] For investments via funds, the subcategories may change over the years due to the consequential change in the underlying funds' projects.

PROCEEDS ALLOCATED – SDGs

Funds allocated to each Eligible Category (M)

Green Buildings → 289.75 M

Clean Transportation → 94.32 M

SGDs 11 → 384.07 M

Sustainable Forestry → 33.99 M

SGDs 15 → 33.99 M

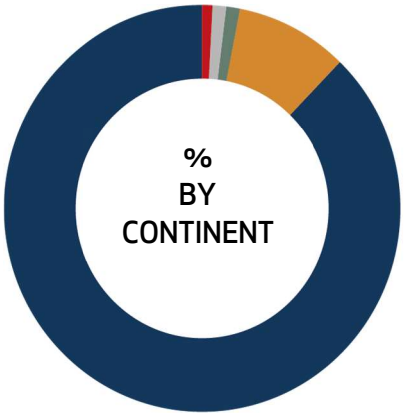
Renewable Energy → 253.74 M

Energy Efficiency → 23.40 M

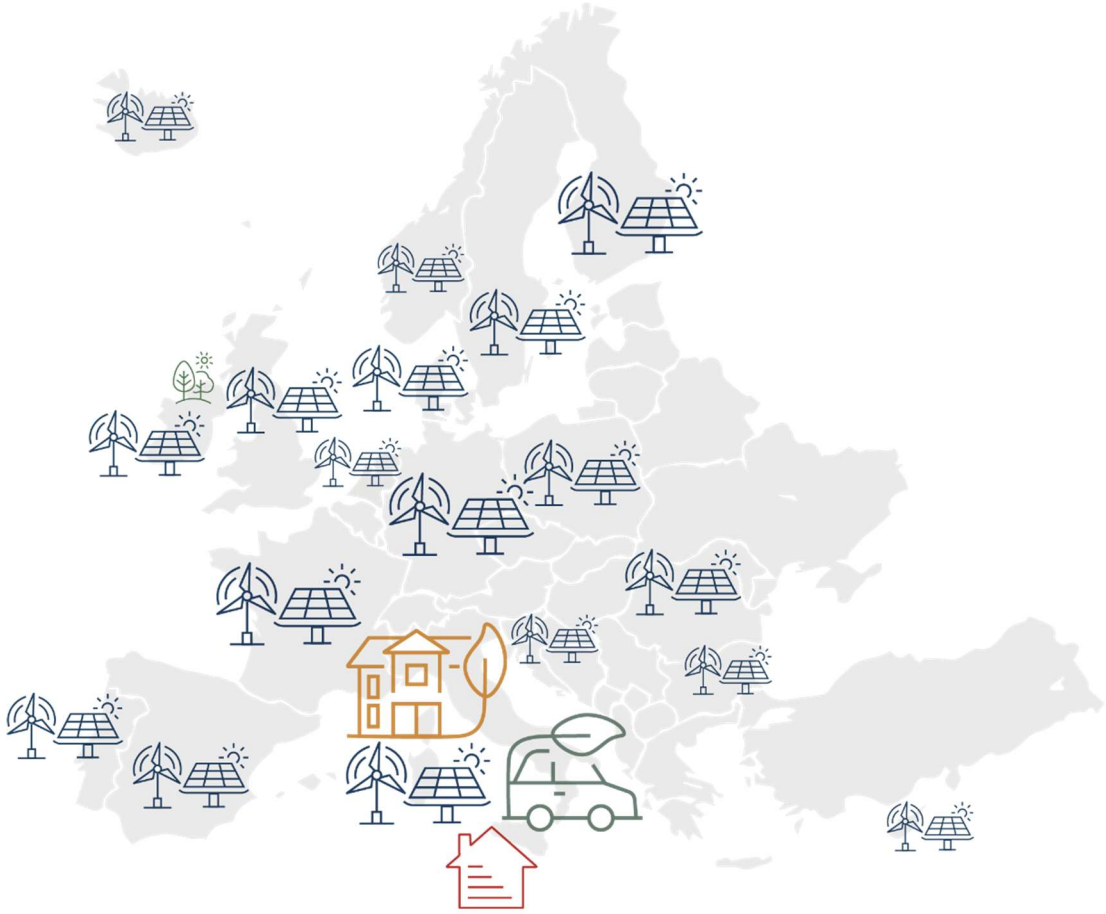
SGDs 7 & 13 → 277.14 M

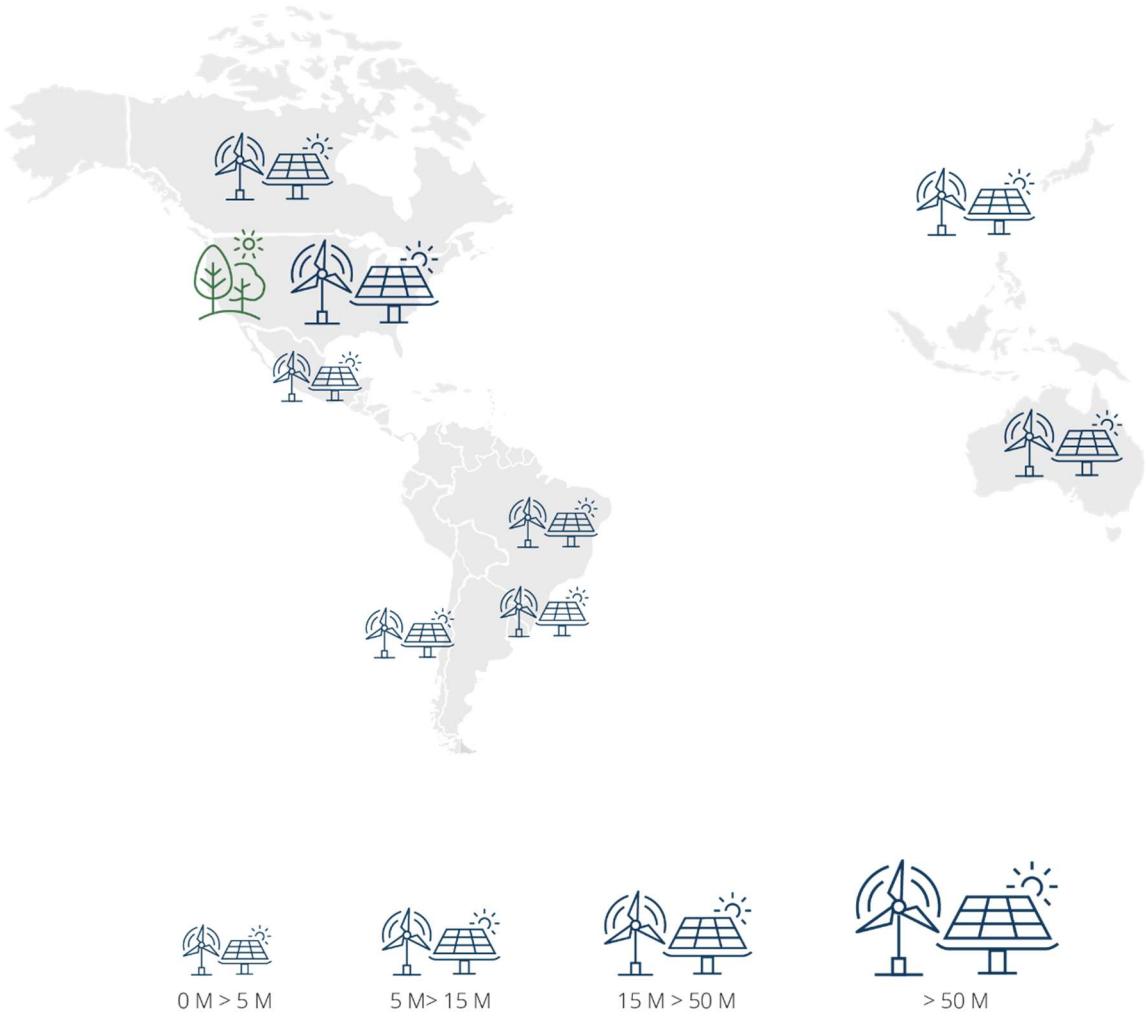
Total → 695.20 M

BREAKDOWN ALLOCATED BY CONTINENT



77%	Europe
16%	North America
3%	South America
2%	Australia
1%	Asia





Temporarily unallocated proceeds have been invested on a temporary basis in accordance with Unipol's liquidity management activities and the relevant internal policies.

4. Impact reporting

Impact reporting aims at providing investors with information on the environmental impacts and benefits associated with the Green Assets refinanced through the Green Bond issuance. In line with the Green Bond Framework, environmental impact data is provided at a Category level, subject to the availability of information. Further details on the methods for calculating environmental impacts are available in the "Methodological Note" section.

Green Buildings

For "Ecobonus"[5] renovation only buildings where renovation works were fully completed at the end of 2022 have been considered for the impact assessment.
Impact data was estimated for Real Estate projects. For more information regarding methodology, please refer to the dedicated section.

	Subcategory	Green Bond Asset Portfolio amount [M€]	Projects [number]	Annual energy savings [MWh]	Attributable Annual GHG emissions reduced/avoided [tCO_2]
Green Buildings	Ecobonus	188.30	3104	16,046	5,781
	Real Estate	101.45	3	13,101	933
	Total	**289.75**	**3107**	**19,147**	**6,714**

Renewable energy

The impact data in the following table refer to operational projects.
Estimates can be disclosed, in line with the ICMA framework; total impact, including ongoing projects, are available in footnotes[6] for completeness of the information.

	Subcategory	Green Bond Asset Portfolio amount [M€]	Projects [number]	Attributable Capacity of renewable energy plant(s) constructed or rehabilitated [MW]	Attributable Annual renewable energy generation in [MWh] (electricity)	Attributable Annual GHG emissions reduced/avoided [$tCO_2eq.$]
Renewable Energy	Wind	140.47	124	895	2,141,499	916,695
	Solar	83.74	94	585	708,984	339,763
	Hydropower	26.92	11	191	93,338	34,100
	Geothermal	2.61	1	8	50,347	3
	Total	**253.74**	**230**	**1,679**	**2,994,168**	**1,290,561**

[5] The number of projects refers to the total number of tax projects financed through the purchase of tax credits.
The allocation corresponds to the partial disbursement adjusted with the duration of the credit itself considering the period of tax demobilization.
[6] Attributable Capacity of renewable energy plant(s) constructed or rehabilitated [MW] = 2,204 MW
Attributable Annual renewable energy generation in [MWh] (electricity) = 4,137,379 MWh
Attributable Annual GHG emissions reduced/avoided [$tCO_2eq.$] = 2,030,922 tCO2eq

Clean Transportation

	Subcategory	Green Bond Asset Portfolio amount [M€]	Number Vehicles Purchased	Number of km of clean transportation [km]	Attributable Annual GHG emissions reduced/avoided [$tCO_2eq.$]
Clean Transportation	EV	26.95	765	10,963,571	1,869
	Hybrid	67.37	2006	30,688,165	4,134
	Total	**94.32**	**2,771**	**41,651,736**	**6,003**

Environmental sustainable management of living natural resources and land use

	Subcategory	Green Bond Asset Portfolio amount [M€]	Projects [number]	Area [ha]	Total Carbon Sequestered [tCO_2]
Forestry	Forestry	33.99	17	17,560	132,449
	Total	**33.99**	**17**	**17,560**	**132,449**

Energy efficiency

	Subcategory	Green Bond Asset Portfolio amount ([M€]	Projects [number]	Annual energy savings [MWh]	Attributable Annual GHG emissions reduced/avoided [$tCO_2eq.$]
Energy Efficiency	Heating	7.88	3	4,458	1,046
	Lighting	13.43	3	25,536	6,693
	Mix	2.09	1	n/a	16,203
	Total	**23.4**	**7**	**29,995**	**23,942**

5. Project examples

Green Buildings

Urban Up is Unipol Group's developed project dedicated to the real estate redevelopment of buildings owned by the Group and aimed at enhancing the value of some of the most important properties in the Italian architectural park.

For more information: https://www.urbanupunipol.com/index_en.html

Location : Via Gustavo Fara 41, Milan
Destination: Multi-Use
Floor Area: 24,297 mq²
Allocated proceeds: 54.6 M
Description:
Built in the years of the "economic boom", today it has been brought back to life thanks to a project aimed at transforming it into a state-of-the-art multifunctional building that will host a business-oriented luxury hotel, designer apartments, a fitness center, and a lounge terrace open to the public. It is an imposing and ambitious renovation that aims to restore an icon of modern architecture that has always been a symbol of Milanese renewal.
The redevelopment:
The renewal of the Galfa Tower is based on a project by the architect Maurice Kanah of Studio bg & k associati, who leveraged the original features and the compositional and geometric clarity to create a new mix: 13 floors for a business hotel (Meliá group) with 145 rooms, restaurant, meeting rooms and fitness area; in the upper floors 73 high-end residences, two- to four-room apartments with dedicated services; rooftop open to the public with a panoramic restaurant; fitness center in the basement Inspired by cutting-edge criteria of space optimization, all functions will be accessible through dedicated entries.
The location:
Galfa Tower is harmoniously positioned in the exclusive setting of the new Porta Nuova skyline, a constantly evolving district. Strategically positioned between Via Galvani and Via Fara, it is easily accessible from the motorway and the city center, a few minutes' walk from the Stazione Centrale train station and well served by public transportation and three subway lines (M2 Gioia and Centrale stops; M3 Sondrio and Centrale stops; M5 Isola stop).

Green Buildings

Location: Corso di Porta Romana 19, Milan
Destination: Office Management
Floor Area: 6,992 mq²
Allocated proceeds: 10.30 M
Description:
At street level on Corso di Porta Romana there is a commercial space and a large entrance. Along the inner courtyard there are large relaxation areas, a break area, and meeting rooms. In the basement there are archives and private parking spaces. The 1st to 7th floors are home to prestigious offices, for a total surface area of over 6,000 square meters. The distinguishing features of the project are the redesign of the internal facades, the new loggia on the penultimate floor, and the new glazed roof structure that houses a lounge area, executive offices, and a special meeting room with hanging garden. Everything is designed to create a pleasant, comfortable workspace that can inspire and improve the concentration and wellbeing of future users.
The redevelopment:
The renovation of Romana 19 – a period building with a modern flair – is a blend of innovation and tradition: sophisticated, modern forms are combined with architectural solutions that convey the echo of a past inspired by luxury and elegance.
Thus Romana 19 has been transformed into a new property featuring large, bright offices spaces. An environment full of allure and details typical of the great Milanese tradition, offering prestige and innovation in the heart of Milan.

BREEAM
CODE FOR A SUSTAINABLE BUILT ENVIRONMENT
BRE GLOBAL
EXCELLENT

The location:
One of the most central and prestigious areas of the city, distinguished by period buildings and the presence of the famous Velasca Tower. Corso di Porta Romana and the nearby Corso Italia represent two important connecting arteries, both to reach the location by car and to exit the city, easily reaching the East and West orbital roads and the Sole and A7 motorways. Nearby: office buildings, Milan University, Maggiore Policlinico Hospital and the Duomo, whose spires are just a few hundred meters from the building as the crow flies. Numerous public transportation connections: the yellow subway, line 3, Missori stop, and several bus and tram lines.

Green Buildings

Location : Via de Castilla 23, Milan
Destination: Tourist / Receptive
Gross floor area: 37,500 mq^2
Allocated proceeds: 36.5 M
Description:
The design proposed by the Progetto CMR team and chosen by the Unipol Group for the renovation of the building in Via De Castilla not only includes esthetic aspects but also aims to improve its functionality, energy performance, and the overall efficiency of the building's management. The result is an iconic building with state-of-the-art technological solutions, consisting of two factory buildings measuring 53 and 15 meters high forming a 45° angle.
The redevelopment:
Paid great attention to the aspects of system engineering, to guarantee the building's energy efficiency and environmental sustainability. The latest generation of pumping wells are included to make use of ground water for both heating and cooling; the two buildings will also be equipped with inverter pumping, internal inverter systems, heat recovery of the air treatment, as well as solar panels positioned on the roof of the taller building. In order to better monitor the building's management, a sophisticated BMS (Building Management System) will be implemented.
The location:
The structure is located in the Isola district, one of the most dynamic areas of Milan. In recent years it has undergone a constant and profound transformation in terms of architecture and quality of services, making it one of the most attractive areas of the city. Located in front of Bosco Verticale, De Castilla 23 is perfectly connected to the world: in fact it is situated at the center of the triangulation between the Porta Garibaldi railway station and the Gioia and Isola subway stations.

BREEAM
EXCELLENT

Renewable Energy

Country: Germany
Field: Renewable Energy / Wind

The project is a 345.5MW offshore wind farm in the German North Sea with 55 wind turbines. The project benefits from a feed-in tariff until 2026 with a floor price thereafter until 2036. Located approximately 45km off the coast of Germany, the two wind farms generate an emission-free power equivalent to the consumption of 600,000 households.

Energy Efficiency

Country: Italy
Field: Energy Efficiency / Lighiting

The main objective of this project is to compete for public and private contracts, either directly or in temporary groups with other entities, for the integrated management of the public lighting service and related energy efficiency measures. The project offers technical and operational solutions for energy saving in public lighting and tunnels, as well as the management of related services, for some of the main Italian cities.

Forestry

Country: USA
Field: Forestry

The property consists of numerous tracts that are spread across several countries within approximately 60 miles of the southwestern edge of Atlanta, Georgia. The property is well stocked with both natural and planted pine as well as natural hardwoods. There also are 19 different wood processing facilities in its wood basket, ranging from lumber, chip, oriented strand board (OSB) and pellet mills to pulp, paper, plywood and veneer plants. The area of influence extends for a total of 4,917.66 hectares 100% certified by the SFI (Sustainable Forestry Initiative).

Clean Transportation

Country: Italy
Field: Clean Transportation / Unipol Rental

Unipol rental's GB-eligible fleet consists of 28% electric cars and 71% hybrid cars. The car fleet includes both commercial vehicles such as delivery vans and trucks as well as vehicles for private use. The total KM driven by the fleet, estimated through the unipol boxes installed in the vehicles, correspond to almost 28 thousand trips Rome-Paris.

6. Methodological note

Unipol reports the estimated impact of the assets refinanced by the Green Bonds at an aggregate level for each of the five categories. To compute the attributable impact associated with the allocated proceeds of Unipol Green Bond, the Group adopted the "pro-rated share approach" by applying a percentage of our share of the total financing to the environmental impacts associated with each project/portfolio, in line with ICMA's Harmonised Framework for Impact Reporting.
The calculations and the data request were made for the time period 1.1.2022 to 31.12.2022.
The report is based on genuine data provided by the fund insofar as it is available.
If data was not available, Unipol relied upon estimates for the following impact metrics:

Green Buildings

- **Annual energy savings (MWh)**
  Ecobonus credits
  The "Attestato di Prestazione Energetica" (APE) is the document that outlines the energy characteristics of a building, a house or a flat. It is a control tool that summarises the energy performance of buildings [7] on a scale from A4 to G (10-letter scale). For estimation purposes, we have considered the indicators present in the APEs:
  - Non-renewable energy performance index EPgl,nren KWh/m^2 year
  - Renewable energy performance index EPgl,ren KWh/m^2 year

  We calculate actual impact data by comparing the APE before and after the works.
  Where the APE is not available, in order to estimate the annual energy savings, a simulation is carried out on the SIAPE database extracting the average Primary Energy Demand of comparable buildings corresponding to the starting energy class and the energy class reached at the end of the redevelopments works.
  Sistema Informativo sugli Attestati di Prestazione Energetica (SIAPE[8]) is the italian national tool to collect the Energy Performance Certificates of buildings and real estate units. Established by Interministerial Decree 26/06/2015, SIAPE is created and is managed by ENEA with the primary aim of providing a detailed picture of the state of the art of energy requalification of the national building stock.

  Unipol Real Estate
  Regarding Unipol Group's buildings, consistently with the methodology applied for *ecobonus* credits, we estimated the MWh produced before the redevelopment works using the SIAPE methodology explained above, while taking into account the area of the buildings and their climate zone and assuming the energy class before works as the current minus two steps (e.g. 2022 actual: A1 energy class, for estimation: C energy class).
  Once the pre-redevelopment works MWh was estimated, it has been deducted from the buildings' actual consumption during 2022 to estimate the saved MWh.

- **Annual GHG emissions reduced/avoided (tCO_2)**
  Ecobonus credits
  The "Attestato di Prestazione Energetica" (APE) is the document that outlines the energy characteristics of a building, a house or a flat. It is a control tool that summarises the energy performance of buildings on a scale from A4 to G (10-letter scale). For estimation purposes, we have taken into account the indicator present in the APEs:
  - CO_2 emissions Kg/m^2 year

  We calculate actual impact data by comparing the APE before and after the works.
  Where the APE is not available, in order to estimate the annual reduced/avoided GHG emissions, a simulation is carried out on the SIAPE[9] database extracting the average CO2 of comparable buildings corresponding to the starting energy class and the energy class reached at the end of the redevelopments works.

  Unipol Real Estate
  Regarding Unipol Group's buildings, consistent with the methodology applied for *ecobonus* credits, we estimated the GHG emissions pre redevelopments works using the SIAPE methodology explained above, while taking into account the area of the buildings and their climate zone and assuming the energy class before works as the current minus two steps (e.g. 2022 actual: A1 energy class, for estimation: C energy class).
  Once the pre-redevelopment works GHG emissions was estimated, it has been deducted from the 2022 buildings' GHG emissions estimated with SIAPE methodology. The energy consumed by the buildings comes entirely from renewable sources, however, there was no intention to parameterize emissions to 0 in order to highlight the punctual savings depending from the redevelopment works.

[7] Legislative Decree 48/2020 implementing Directive (EU) 2018/844
[8] https://siape.enea.it/indici-prestazione-emissioni
[9] https://siape.enea.it/indici-prestazione-emissioni

Renewable Energy

- **Energy generated (MWh)**
  Impact measurement metrics for renewable energy were calculated using project reported yearly energy generation data (MWh) or, where not available, capacity factors provided multiplied by the total size (MW) of the project bearing in mind the period of its operation (COD, Commercial Operation Date). The capacity factors are estimated using the IRENA[10] methodology.

- **GHG Emissions avoided ($tCO_2eq.$)**
  Avoided emissions are calculated by comparing the GHG emissions attributable to the renewable energy project (0 $tCO_2eq.$) with the average emissions of electricity mix of the host Country/Region. GHG emissions avoided (in $tCO_2eq.$) = Electricity generated by the asset (GWh) x specific emissions factor of the electric mix of the country/region ($tCO_2eq./GWh$). Unipol relies on actual GHG emissions avoided figures provided by Company's project. However, Unipol estimates emissions through IEA[11] standards if no independent estimation is provided.

- **Capacity of renewable energy plant(s) constructed or rehabilitated [MW]**
  Capacity of renewable energy plant(s) constructed or rehabilitated was estimated by dividing the provided MWh figure by the plant capacity factor provided by IRENA bearing the plant location and the operating hours.

Energy Efficiency

- **GHG Emissions avoided ($tCO_2eq.$)**
  No estimates were intended for the following category, referring only to genuine data received.
  In this regard, the methodology of the received data is as follows.
  The following coefficients were used to calculate avoided emissions: $CO_2eq.$ emissions and emission factors for heat production by fuel type ISPRA; Standard parameters, fuels/materials ISPRA; EU Regulation FS-Gas.

Forestry

- **Total Carbon Sequestered (tCO_2)**
  No estimates were intended for the following category, referring only to genuine data received.
  In this regard, the methodology of the received data is as follows.
  The sequestered emissions are reported by calculating the forest carbon stored in the trees (whole trees, including below ground roots) multiplied by conversion rates to obtain the cubic tons.

Clean Transportation

- **Attributable Annual GHG emissions reduced/avoided ($tCO_2eq.$)**
  Avoided emissions have been estimated by the stated emission factor in the car registration document, comparing it with an average benchmark of the global Italian car fleet calculated using ACI[12] and DEFRA[13] data.

Moreover, in a few limited cases, precise information on the project was not provided (e.g., because the information was provided by aggregating data or because of the cross-border nature of the project). For ease of comprehension, allocated amounts and associated impacts were assigned proportionally to the different categories or regional areas.

[10] https://www.irena.org/Statistics
[11] https://www.bilans-ges.ademe.fr/docutheque/docs/Documentation%20g%C3%A9n%C3%A9rale%20anglaise%20v18.1.pdf
[12] https://opv.aci.it/WEBDMCircolante/
[13] https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021 - $CO_2eq.$ emission factors were considered to build the baseline for avoided emissions

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Building a better working world

Independent auditors' report on the Green Bond Report 2022

To the Board of Directors of
Unipol Gruppo S.p.A.

We have been engaged to perform a limited assurance engagement on the accompanying Green Bond Report 2022 of Unipol Gruppo S.p.A. (hereinafter "Unipol Group " or "Group"), prepared to comply with the reference principles established in the Group Green Bond Framework and in accordance with the criteria provided by the "Methodological note" section of the Green Bond Report 2022.

Management's responsibility

The Management is responsible for the preparation of the Green Bond Report 2022 in accordance with the criteria provided by the "Methodological note" prepared in line with the Group Green Bond Framework, and for the internal controls as management determines is necessary to enable the preparation of the Green Bond Report 2022 that is free from material misstatement, whether due to fraud or error.

Independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

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

Auditors' responsibility

Our responsibility is to express a conclusion on the Green Bond Report 2022 based on our limited assurance engagement. We conducted our limited assurance engagement in accordance with the provisions of the standard "*International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information*" ("ISAE 3000 revised") issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain limited assurance whether the Green Bond Report 2022 is free from material misstatement.

The procedures we performed were based on our professional judgment and included inquiries, primarily of persons responsible for the preparation of the Green Bond Report 2022, inspection of documents, recalculation, agreeing or reconciling with underlying records and other evidence-gathering procedures that are appropriate in the circumstances.

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Our limited assurance engagement also includes:

1. assessing, through virtual interviews with the personnel of Unipol Group, the procedures followed to collect, aggregate and report allocation and impact indicators included in the Green Bond Report 2022;
2. in particular, regarding the significant information contained in the Green Bond Report 2022, 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;
3. with reference to qualitative information, we have collected supporting documentation to verify consistency with the available evidence.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ISAE 3000 revised and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Conclusion

Based on the procedures we have performed, nothing has come to our attention that causes us to believe that the Green Bond Report 2022 of Unipol Gruppo S.p.A. is not prepared, in all material respects, in accordance with the criteria provided by the “Methodological note” section of the Green Bond Report 2022 and in line with the Group Green Bond Framework.

Milan, May 25, 2023

EY S.p.A.

Paolo Ancona
(Auditor)

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