

Swiss Life Group

Type of Engagement: Annual Review

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Introduction

In 2019, Swiss Life Group (Swiss Life) issued green bonds aimed at financing or refinancing the acquisition, development, redevelopment or renovation/ refurbishment of green buildings. In 2020, Swiss Life engaged Sustainalytics to review the projects funded through the issued green bonds and provide an assessment as to whether the projects met the Use of Proceeds criteria and the Reporting commitments outlined in the Swiss Life Green Bond Framework.

Evaluation Criteria

Sustainalytics evaluated the projects and assets funded until September 30, 2020 based on whether the projects and programmes:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the Swiss Life Green Bond Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the Swiss Life Green Bond Framework.

Table 1 lists the Use of Proceeds, Eligibility Criteria, and associated KPIs while Table 2 lists the associated KPIs.

Table 1: Use of Proceeds, Eligibility Criteria, and associated KPIs

Use of Proceeds	Eligibility Criteria
Green Buildings	Acquisition, development, redevelopment, renovations and/or refurbishments of buildings which are certified under recognized sustainable building certification schemes and that have obtained the following Green certifications (or equivalent): <ul style="list-style-type: none"> • Minergie [Minergie, Minergie-P, Minergie-A, Minergie ECO] • LEED [Gold or higher] • BREEAM [Excellent or higher] • HQE [Excellent or higher]

Table 2: Key Performance Indicators

Use of Proceeds	Key Performance Indicators
Green Buildings	<ul style="list-style-type: none"> • Level of certification by property • Annual GHG emissions reduced / avoided, expressed in kg of CO₂ per square meter of allocated energy reference area (sqm ERA) i.e. kg CO₂ per sqm ERA

Issuing Entity's Responsibility

Swiss Life is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including description of projects, amounts allocated, and project impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of Swiss Life's Green Bond Use of Proceeds. The work undertaken as part of this engagement included collection of documentation from Swiss Life employees and review of documentation to confirm the conformance with the Swiss Life Green Bond Framework.

Sustainalytics has relied on the information and the facts presented by Swiss Life with respect to the eligible projects. Sustainalytics is not responsible nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by Swiss Life.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the review.

Conclusion

Based on the limited assurance procedures conducted,¹ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed bond projects, funded through proceeds of Swiss Life's Green Bond, are not in conformance with the Use of Proceeds and Reporting Criteria outlined in the Swiss Life Green Bond Framework.

¹ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Detailed Findings

Table 3: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the projects funded by the green bonds until September 30, 2020 to determine if projects aligned with the Use of Proceeds Criteria outlined in the Swiss Life Green Bond Framework and above in Table 1.	All projects reviewed complied with the Use of Proceeds criteria.	None
Reporting Criteria	Verification of the projects funded by the green bonds until September 30, 2020 to determine if impact of projects was reported in line with the KPIs outlined in the Swiss Life Green Bond Framework and above in Table 2. For a list of KPIs reported please refer to Appendix 1.	All projects reviewed reported on at least one KPI per Use of Proceeds criteria.	None

Appendices

Appendix 1: Impact Reporting by Eligibility Criteria

Use of Proceeds Category	Environmental Impact Reported by Eligibility Criteria	
	KPI	KPI performance
Green Buildings	Level of certification by property	<ul style="list-style-type: none"> • Five buildings with Minergie • Four buildings with Minergie-P-Eco • One building with Minergie -ECO
	Annual GHG emissions avoided / reduced	<ul style="list-style-type: none"> • Eight acquisition and development projects avoided 18.7 kg CO₂ per sqm ERA, as compared to benchmark assets² emissions • Two renovation and refurbishment projects reduced 14.9 kg CO₂ per sqm ERA, as compared with emissions before renovation

Appendix 2: Green bond proceeds allocation

Project Category	Net Bond Proceeds Allocations (CHF million)
Proceeds allocated to green buildings	385.0
Unallocated proceeds	215.0
Total:	600.0

² Swiss Life mandated the consulting company pom+ Consulting AG to elaborate appropriate benchmarks which in the case are categorized into the main categories residential, commercial and mixed and all only contain Swiss real estate objects.

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In case of discrepancies between the English language and translated versions, the English language version shall prevail.

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5th Green Bond Pioneer Awards

Climate Bonds Initiative

Largest Verifier for Certified
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GlobalCapital SRI Awards

Named

2015: Best SRI or Green Bond Research or Rating Firm
2017, 2018, 2019: Most Impressive Second Opinion Provider



The
Green Bond
Principles