

Second-Party Opinion

Swiss Life Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Swiss Life Green Bond Framework is credible and impactful and aligns with the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible category for the use of proceeds - Green Buildings - is aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible category will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 9.



PROJECT EVALUATION / SELECTION Swiss Life Group's internal process in evaluating and selecting projects is managed by the Green Bond Committee. The Committee is responsible for ensuring eligible green assets are aligned with eligibility criteria outlined in the Framework and adding/removing assets from the eligible asset pool in the event that existing assets no longer meet the criteria. Swiss Life has a dedicated environmental and social risk assessment process that is applicable to all allocation decisions made under the Framework. Sustainalytics considers the risk management process to be adequate and the project selection to be in line with market practice.



MANAGEMENT OF PROCEEDS Net proceeds are managed by Swiss Life Group's Proprietary Asset Management and Capital Management teams. Pending full allocation, unallocated proceeds will be invested on a temporary basis in accordance with Swiss Life's liquidity management activities, and in accordance with relevant internal policies. This is in line with market practice.



REPORTING Swiss Life Group intends to report on allocation of proceeds on its website on an annual basis until full allocation. In addition, Swiss Life Group is committed to reporting on relevant impact metrics. Sustainalytics views Swiss Life Group's allocation and impact reporting as aligned with market practice.

Evaluation Date	August 23, 2021 ¹
Issuer Location	Zurich, Switzerland

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¹ This document is an update of a Second-Party Opinion, originally published in October 2019. In August 2021, Swiss Life engaged Sustainalytics to assess the alignment of its Green Financing Framework. No changes were made to the eligible use of proceeds categories. The scope of Sustainalytics' update consists of assessing the updated Framework's alignment with the 2021 Green Bond Principles and 2021 Green Loan Principles as well as confirming that the Framework is aligned to current market practice.

Introduction

Swiss Life Group (“Swiss Life”, or the “Company”) is a comprehensive life insurance, pensions, and financial service provider. Headquartered in Zurich, the Company also operates in Germany and France with competency centres (IT centers) in Luxembourg, Lichtenstein, and Singapore. Swiss Life Group employs a workforce of approximately 8,500 people.

Swiss Life has developed the Swiss Life Green Bond Framework (the “Framework”) under which it intends to issue green bonds and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future green building projects that meet the eligibility criteria as defined in the Framework. The Framework defines eligibility criterion in the following area:

1. Green Buildings

This Framework builds upon Swiss Life’s 2019 Green Bond Framework. In 2021, Swiss Life engaged Sustainalytics to review its Framework and provide an updated Second-Party Opinion on the Framework’s alignment with the Green Bond Principles 2021 (GBP)². This Framework will be published in a separate document.³

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁴ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2021 as administered by the ICMA.
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.10, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Swiss Life’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Swiss Life representatives have confirmed (1) they understand it is the sole responsibility of Swiss Life to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Swiss Life.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

² The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

³ The Swiss Life Green Bond Framework is available on Swiss Life Group’s website at: <https://www.swisslife.com/en/home/investors/bonds-and-ratings.html>

⁴ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Swiss Life has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Swiss Life Green Bond Framework

Sustainalytics is of the opinion that the Swiss Life Green Bond Framework is credible, impactful and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of Swiss Life's Green Bond Framework:

- Use of Proceeds:
 - The eligible category of the use of proceeds – Green Buildings – is aligned with those recognized by the GBP.
 - The category contemplates the acquisition, construction or redevelopment of buildings which meeting one of the following eligibility criteria:
 - Buildings that have or are expected to receive at least one of the following internationally recognized green building certifications at the specified minimum levels Minergie, LEED Gold, BREEAM Excellent and/or HQE Excellent. Sustainalytics views the referenced certifications as credible, and the levels selected as aligned with market practice. Please refer to Appendix 1 for Sustainalytics' assessment of the eligible certifications.
 - Buildings that are in line with the Swiss Energy Class Label 'B' or better.⁵ Sustainalytics considers EPC labels A and B for buildings in Switzerland to be in line with market practice.
 - The Framework also contemplates financing and/or refinancing the refurbishment and/or renovation of buildings that meet: (i) one of the above-mentioned criteria and/or; (ii) target a 30% reduction in greenhouse gas (GHG) emissions compared to the building's baseline prior to the refurbishments. Sustainalytics considers this as aligned with market expectations.
- Project Evaluation and Selection:
 - Eligible projects will be evaluated by Swiss Life's Green Bond Committee (the "Committee"). The Committee is comprised of the Head of Capital Management, the Chief Risk Officer, the Head of Responsible Investment, and the Head of Real Estate Portfolio Management. The Committee is responsible for ensuring that proposed projects align with the Company's internal responsible investment policy as well as the eligibility criteria outlined in the Framework.
 - Swiss Life has established a process to ensure that social and environment risks are considered in line with its Asset Managers' approach for sustainability risk assessments. The Company has confirmed that this is also applicable to all allocation decisions made under the Framework. Sustainalytics considers these environmental and social risk management systems to be adequate and aligned with market expectation. For additional detail see Section 2.
 - Based on the establishment of a dedicated committee and risk management system, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - Swiss Life will establish an internal tracking system to monitor the allocation of green bond proceeds to eligible assets. This process will be managed jointly by the Proprietary Asset Management and Capital Management teams. Pending full allocation of proceeds, unallocated proceeds will be temporarily held in accordance with Swiss Life's liquidity management activities, and in accordance with the relevant internal Swiss Life policies. This in line with market practice.
- Reporting:

⁵ Swiss Life internal classification based on the Swiss standard SIA 2031:2016. Energy class label 'A' indicates ≤ 42 kwh/m²energy reference area; 'B' corresponds to 60-42 kwh/m²energy reference area.

- Swiss Life will publicly report on both allocation of proceeds and relevant impact metrics on an annual basis. The Company will report on the total amount of allocated proceeds by eligible green asset category, the amounts of financing vs refinancing and the amount of unallocated proceeds.
- For Impact Reporting, the Company intends to report on CO₂ emissions avoided based on:
 - The differential of the selected assets' greenhouse gas emissions compared to a benchmark asset (greenhouse gas (GHG) differential per m² energy reference area)
 - The impact of renovations and construction on the asset's GHG emissions (GHG reduction per m² energy reference area)
- Based on the commitments to impact and allocation reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Bond Guidelines 2021

Sustainalytics has determined that the Swiss Life Green Bond Framework aligns with the four core components of the GBP. For detailed information please refer to Appendix 2: Green Bond Programme External Review Form.

Section 2: Sustainability Strategy of Swiss Life

Contribution of Framework to Swiss Life Group's sustainability strategy

Swiss Life prioritizes its overall operational environmental impact and role in climate protection. The Company aims to reduce CO₂ emissions while simultaneously raising internal Company awareness of environmental and climate protection. Swiss Life articulates its sustainability strategy across the following four areas: (i) business activities; (ii) within society; (iii) as an employer; and (iv) in the environment.

The Company has set environmental targets in three areas that are material to its operations:⁶ (i) Reduce greenhouse gas emissions by 10% by 2021 based on 2016 scope 1, 2 and 3 emissions (ii) Increase the share of renewable electricity used in its buildings to 100% by 2021; and (iii) Continuously reduce use of fossil fuels in business premises within its investment cycles. In this regard, Swiss Life decreased its total GHG emissions by 42.5% from 23,657 tonnes in 2019, to 13 611 tonnes in 2020. Over the same period, the Company increased its share renewable electricity from 71% to 89% while reducing total energy consumption by 21%.⁷ Swiss Life has communicated to Sustainalytics that it is on track to achieve its 2021 goals and will publish new successor targets by the end of the year. Additionally, in 2019, the Company conducted a materiality assessment identifying areas in which it has the greatest impact in relation to sustainable development and identified responsible real estate management as an area of high priority.

Sustainalytics is of the opinion that the Swiss Life Framework is aligned with the company's overall sustainability strategy. However, Sustainalytics encourages the Company to set quantitative, timebound short, medium and long-term GHG emission reduction targets.

Well-positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the use of proceeds from the Framework will be directed towards eligible projects that are expected to have positive environmental and social impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key risks associated with the eligible projects could include occupational health and safety, land use and biodiversity issues associated with large-scale developments, emissions, effluents, and waste generated in construction.

Swiss Life contracts out development work to conduct the activities that will be financed. When contracting with suppliers and service providers, Swiss Life requires all supplier to meet its guidelines relating to non-discrimination, worker health and safety laws, adherence to environmental and climate protection standards.⁸ Additionally, Swiss Life activities take place in Designated Countries under the Equator Principles which further ensures that adequate environmental and social governance legislation is in place to mitigate the common environmental and social risks related to the development activities be financed.

Additionally, Swiss Life has internal policies that relate to the identified risk including the following:

⁶ Swiss Life, "Annual Report 2020", (2021), at <https://www.reports.swisslife.com/reports/swisslife/annual/2020/gb/English/0/home.html>

⁷ Ibid

⁸ Ibid

- Code of Conduct – Swiss Life incorporates sustainability into its business practices through its Code of Conduct that ensures the Company is compliant, monitors and assesses in alignment with appropriate legal and regulatory measures.⁹
- Health and Safety – Swiss Life promotes employee health through its Occupational Safety and Health Management framework that ensures measures are in place to protect the wellbeing of its employees.¹⁰
- Sustainable Procurement – Swiss Life requires its external service providers and suppliers to comply with its sustainable procurement standards to ensure social and environmental concerns are considered.¹¹

Swiss Life also has implemented the recommendations from the Task Force on Climate-related Disclosures (TCFD) into its operations, emphasizing its commitment to climate risk and mitigation. For its governance procedures, this involved executive oversight from the Corporate Executive Board, chaired by the Group CEO, that receives regular reports within the area of sustainability including risk management, tracking of targets and regulation and compliance.¹² In addition, Swiss Life has adopted a comprehensive risk management framework that identifies, assesses, and manages sustainability related risks through both qualitative and quantitative analysis.¹³ Finally, in alignment with the recommendations of metrics and targets the Company measures climate-related risks and has incorporated relevant targets into its business model and operations. This is done in accordance with internationally recognized standards including the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB).¹⁴

Based on these policies, standards, and assessments, Sustainalytics is of the opinion that Swiss Life has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by GBP. Sustainalytics has focused below where the impact is specifically relevant in the local context.

The role of green buildings in contributing to Switzerland's climate targets

The building sector accounts for 40% of total energy consumption and 36% of CO₂ emissions in the EU.¹⁵ As of 2021, approximately 45% of Switzerland's primary energy consumption was attributable to buildings.¹⁶ The impact of the building sector on the total national GHG emissions is estimated to be about one third of the country's GHG emissions.¹⁷ In 2019, the Government of Switzerland set a target to reduce its net carbon emissions to zero by 2050.¹⁸ Notably, Swiss buildings have traditionally relied on oil for heating and buildings are scarcely insulated which contribute to heat loss and energy inefficiency.¹⁹ Currently, only 1% of Swiss houses are renovated,²⁰ and this rate will need to be doubled to achieve the goals set out by the government.

⁹ Swiss Life, "Sustainability in Business Activities – Code of Conduct", (2021), at:

https://www.reports.swisslife.com/reports/swisslife/annual/2020/gb/English/3030/sustainability-in-business-activities.html#anchor_10701510_7

¹⁰ Swiss Life, "Sustainability as an Employer – Health and Safety", (2021), at:

<https://www.reports.swisslife.com/reports/swisslife/annual/2020/gb/English/3050/sustainability-as-an-employer.html>

¹¹ Swiss Life, "Sustainability in Business Activities", (2021), at:

https://www.reports.swisslife.com/reports/swisslife/annual/2020/gb/English/3030/sustainability-in-business-activities.html#anchor_10701510_7

¹² Swiss Life, "TCFD Framework Assessment", (2021), at: <https://reporting.swisslife.com/en/2020TCFD/report/tcf-report/metrics-and-targets/operational-ecology>

¹³ *Ibid*

¹⁴ *Ibid*

¹⁵ European Commission, "Energy performance of buildings directive", at: <https://ec.europa.eu/energy/en/topics/energyefficiency/energy-performanceof-buildings>

¹⁶ Swiss Government, "Energy in Buildings", (2021), at: <https://www.bfe.admin.ch/bfe/en/home/efficiency/buildings.html>

¹⁷ *Ibid*

¹⁸ Swiss Government, "Federal Council aims for a climate-neutral Switzerland by 2050", (2019), at:

<https://www.admin.ch/gov/en/start/documentation/media-releases.msg-id-76206.html>

¹⁹ SWI Swiss Info, "Why most Swiss building are environmentally inefficient", (2020), at: https://www.swissinfo.ch/eng/climate-crisis_why-it-may-take-100-years-to-renovate-every-building-in-switzerland/45481906#:~:text=Buildings%20use%20about%2040%25%20of,as%20the%20chart%20below%20shows.

²⁰ Swiss National Science Foundation, "Building renovation needs to be speeded up – synthesis on the main topic of Buildings and Settlements", (2019), at: http://www.nfp70.ch/en/News/Pages/191017_news_nfp70_building_renovation_needs_to_be_speeded_up.aspx

As part of the efforts to mitigate climate impact of the sector, the Swiss Government introduced the Building Programme. The programme was developed to reduce energy consumption in the building industry through subsidizing the cost of energy-saving renovations towards reducing energy consumption considerably.²¹

Based on the above, Sustainalytics is of the opinion that Swiss Life's investments into certified green buildings will contribute to reduction in the overall energy consumption and impact of the building sector in Switzerland and consequently, national climate targets.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bond(s) issued under the Swiss Life Green Bond Framework advances the following SDG and target:

Use of Proceeds Category	SDG	SDG target
Green Buildings	9 - Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Conclusion

Swiss Life has developed the Swiss Life Green Bond Framework under which it may issue green bonds and use the proceeds to finance green building projects that provide environmental benefits and reduce emissions associated with the operation of the building. Sustainalytics considers that the projects funded by the sustainability bond proceeds are expected to provide positive environmental and social impact.

The Swiss Life Green Bond Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that Swiss Life Green Bond Framework is aligned with the overall sustainability strategy of the company and that the use of proceed category will contribute to the advancement of the UN Sustainable Development Goal 9. Additionally, Sustainalytics is of the opinion that Swiss Life has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Swiss Life Group is well-positioned to issue sustainability bonds and that that Swiss Life Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles (2021).

²¹ Swiss Federal Office of Energy, "Measures for increasing energy efficiency", (2020), at: Measures for increasing energy efficiency (admin.ch)

Appendices

Appendix 1: Sustainalytics' Assessment of Green Building Certifications

	HQE	BREEAM	LEED	Minergie
Background	The Haute Qualité Environnementale or HQE (High Quality Environmental standard) is a standard for green building in France, based on the principles of sustainable development first set out at the 1992 Earth Summit. The standard was launched in 2005 and is controlled by HQE and certificate is issued by Cerway/ Certivea/ Cerqual.	BREEAM (Building Research Establishment Environmental Assessment Method) was first published by the Building Research Establishment (BRE) in 1990. Based in the UK. Used for new, refurbished and extension of existing buildings.	Leadership in Energy and Environmental Design (LEED) is a US Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.	Minergie is a Swiss building standard for new and modernized buildings. The brand is shared by industry, the cantons and the federal government and is protected against misuse.
Certification levels	Pass Good Very good Excellent Exceptional	Pass Good Very Good Excellent Outstanding	Certified Silver Gold Platinum	Minergie Minergie-P Minergie-A Minergie-ECO
Areas of Assessment: Environmental Project Management	Global management system	Management (Man) addresses various aspects: project management, deployment, minimal environmental disturbance worksite and stakeholder engagement.	Integrative process, which requires, from the beginning of the design process, the identification and creation of synergies between the various project stakeholders regarding the construction choices and the technical systems.	The planners choose the appropriate Minergie standard together with the clients and develop a corresponding preliminary project.
Areas of Assessment: Environmental Performance of the Building	Energy Environment (Site, Components, Worksite, Water, Waste, Maintenance) Comfort (Hydrothermal, Acoustic, Visual, Olfactory) Health (Spaces quality, Air Quality, Water Quality) Principles of Equivalence	Energy Land Use and Ecology Pollution Transport Materials Water Waste Health and Wellbeing Innovation	Energy and atmosphere Sustainable Sites Location and Transportation Materials and resources Water efficiency Indoor environmental quality Innovation in Design Regional Priority	Energy source Energy demand Energy monitoring Heating/Cooling Airtightness E-Mobility
Requirements	Prerequisites (independent of level of certification) + Points-based performance level: Performing and High Performing The Prerequisite level is obtained when all the minimum requirements for a target are met, while the Performing and High Performing levels are obtained based on a percentage of points given per target, allowing for flexibility. Based on the total number of stars obtained per area, an overall HQE level is then given. Environmental certificates are assigned at all stages of	Prerequisites depending on the levels of certification + Credits with associated points This number of points is then weighted by item ¹¹ and gives a BREEAM level of certification, which is based on the overall score obtained (expressed as a percentage). Majority of BREEAM issues are flexible, meaning that the client can choose which to comply with to build their BREEAM performance score. BREEAM has two stages/ audit reports: a 'BREEAM Design Stage' and a 'Post Construction Stage', with different assessment criteria.	Prerequisites (independent of level of certification) + Credits with associated points These points are then added together to obtain the LEED level of certification There are several different rating systems within LEED. Each rating system is designed to apply to a specific sector (e.g. New Construction, Major Renovation, Core and Shell Development, Schools-/Retail-/Healthcare New Construction and Major Renovations, Existing Buildings: Operation and Maintenance).	The applicant submits the application to the responsible Minergie certification body, in paper form and via the Minergie Online Platform (MOP) The Minergie certification body reviews the application and can ask questions or additional claims. Once all requirements have been met, the provisional certificate will be issued. It serves for planning security and can be used for advertising purposes: The project may now be called a Minergie building. When the building is being created. If desired, the Minergie relevant aspects can be checked by MQS Bau. Once the building has been properly commissioned, the

	the building life cycle, and on-site audits are required.			applicants will submit the documents for the construction confirmation. They therefore report to the certification body the completion of the construction measures as well as their planning-compliant realization. The experts assume responsibility. The certification body checks the submitted documents and carries out random checks on every fifth project, possibly even during the construction phase. Subsequently, the definitive certificate is handed out. A definitive certificate with label number guarantees a Minergie house. A subsequent optimization of the building services with MQS operation complements the Minergie quality control in an ideal way.
Performance display	 ENERGY ●●●●  HEALTH ●●●●  ENVIRONMENT ●●●●  COMFORT ●●●●	 Pass Outstanding		

Appendix 2: Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Swiss Life Group
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Swiss Life Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	August 23, 2021
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- | | |
|--|--|
| ☒ Use of Proceeds | ☒ Process for Project Evaluation and Selection |
| ☒ Management of Proceeds | ☒ Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| ☒ Consultancy (incl. 2 nd opinion) | ☐ Certification |
| ☐ Verification | ☐ Rating |
| ☐ Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

The eligible category for the use of proceeds - Green Buildings – is aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible category will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 9.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| ☐ Renewable energy | ☐ Energy efficiency |
| ☐ Pollution prevention and control | ☐ Environmentally sustainable management of living natural resources and land use |
| ☐ Terrestrial and aquatic biodiversity conservation | ☐ Clean transportation |
| ☐ Sustainable water and wastewater management | ☐ Climate change adaptation |
| ☐ Eco-efficient and/or circular economy adapted products, production technologies and processes | ☒ Green buildings |
| ☐ Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | ☐ Other (please specify): |

If applicable please specify the environmental taxonomy, if other than GBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Swiss Life Group's internal process in evaluating and selecting projects is managed by the Green Bond Committee. The Committee is responsible for ensuring eligible green assets are aligned with eligibility criteria outlined in the Framework and adding/removing assets from the eligible asset pool in the event that existing assets no longer meet the criteria. Swiss Life has a dedicated environmental and social risk assessment process that is applicable to all allocation decisions made under the Framework. Sustainalytics considers the risk management process to be adequate and the project selection to be in line with market practice.

Evaluation and selection

- | | |
|--|---|
| ☒ Credentials on the issuer's social and green objectives | ☒ Documented process to determine that projects fit within defined categories |
| ☒ Defined and transparent criteria for projects eligible for Green Bond proceeds | ☒ Documented process to identify and manage potential ESG risks associated with the project |
| ☐ Summary criteria for project evaluation and selection publicly available | ☐ Other (please specify): |

Information on Responsibilities and Accountability

- ☒ Evaluation / Selection criteria subject to external advice or verification
 ☐ In-house assessment
- ☐ Other (please specify):

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

Net proceeds are managed by Swiss Life Group's Proprietary Asset Management and Capital Management teams. Pending full allocation, unallocated proceeds will be invested on a temporary basis in accordance with Swiss Life's liquidity management activities, and in accordance with relevant internal policies. This is in line with market practice

Tracking of proceeds:

- ☒ Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- ☒ Disclosure of intended types of temporary investment instruments for unallocated proceeds
- ☐ Other (please specify):

Additional disclosure:

- | | |
|--|---|
| ☐ Allocations to future investments only | ☒ Allocations to both existing and future investments |
| ☐ Allocation to individual disbursements | ☒ Allocation to a portfolio of disbursements |
| ☐ Disclosure of portfolio balance of unallocated proceeds | ☐ Other (please specify): |

4. REPORTING

Overall comment on section (if applicable):

Swiss Life Group intends to report on allocation of proceeds on its website on an annual basis until full allocation. In addition, Swiss Life Group is committed to reporting on relevant impact metrics. Sustainalytics views Swiss Life Group's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- ☐ Project-by-project
 ☒ On a project portfolio basis
- ☐ Linkage to individual bond(s)
 ☐ Other (please specify):

Information reported:

- ☒ Allocated amounts
 ☐ Green Bond financed share of total investment

☐ Other (please specify):

Frequency:

- ☒ Annual
 ☐ Semi-annual

☐ Other (please specify):

Impact reporting:

- ☐ Project-by-project
 ☒ On a project portfolio basis
- ☐ Linkage to individual bond(s)
 ☐ Other (please specify):

Information reported (expected or ex-post):

- ☒ GHG Emissions / Savings
 ☒ Energy Savings
- ☐ Decrease in water use
 ☐ Number of beneficiaries
- ☐ Target populations
 ☐ Other ESG indicators (please specify):

Frequency:

- ☒ Annual
 ☐ Semi-annual

☐ Other (please specify):

Means of Disclosure

- ☐ Information published in financial report
 ☐ Information published in sustainability report
- ☒ Information published in ad hoc documents
 ☐ Other (please specify):
- ☐ Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)**SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE****Type(s) of Review provided:**

- ☐ Consultancy (incl. 2nd opinion)
 ☐ Certification

☐ Verification / Audit

☐ Rating

☐ Other (*please specify*):

Review provider(s):
Date of publication:
ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. **Second-Party Opinion:** An institution with sustainability expertise that is independent from the issuer may provide a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures such as information barriers will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy, and/or processes relating to sustainability and an evaluation of the environmental and social features of the type of Projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or sustainability criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally or socially sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental or social impact or alignment of reporting with the Principles may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external sustainability standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green, Social and Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental and/or social performance data, process relative to the Principles, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material sustainability risks.

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