

UNIQA Insurance Group AG

Type of Engagement: Allocation Review

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Introduction

In 2020, UNIQA Insurance Group AG (UNIQA) issued green bonds aimed at financing and/or refinancing existing and future projects that provide positive environmental impact through facilitating renewable energy and sustainable resource management investments in high-income OECD countries. Sustainalytics provided a Second-Party Opinion on the UNIQA Green Bond Framework¹ (the “Framework”). In September 2021, UNIQA 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 outlined in the UNIQA Green Bond Framework. Sustainalytics has calculated the estimated impact achieved by the green bonds issued by the UNIQA Group in a separate report.²

Evaluation Criteria

Sustainalytics evaluated the projects and assets funded in 2020 based on whether the projects and programmes met the Use of Proceeds and Eligibility Criteria outlined in the UNIQA Green Bond Framework.

Table 1 lists the Use of Proceeds and the Eligibility Criteria.

Table 1: Use of Proceeds and the Eligibility Criteria

Use of Proceeds	Eligibility Criteria
Renewable Energy	Wind and/or Solar Power Projects located in High-Income OECD countries.
Pollution Prevention and Control	Waste-to-Energy Projects with materials recovery and recycling prior to incineration, and acceptable levels of thermal efficiency located in High-Income OECD countries, including Municipal Solid Waste treatment plant: Mechanical-Biological Treatment (MBT), materials recovery, combustion with energy recovery, and anaerobic digestion.
Clean Transportation	Electric Rail Transportation Projects located in High-Income OECD countries, including investments in rolling stock, rolling stock refurbishment, rail transportation systems and infrastructure.
Sustainable Water and Wastewater Management	Projects which improve the energy and/or water efficiency of water supply and wastewater treatment infrastructure, located in High-Income OECD countries.

¹ UNIQA, “UNIQA Green Bond Framework”, at: <https://www.uniqagroup.com/gruppe/versicherung/investor-relations/Anleihen.en.html>

² The Impact Report for bonds and loans issued by UNIQA under the UNIQA Green Bond Framework is available at: [PLACEHOLDER for link]

Issuing Entity's Responsibility

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

Independence and Quality Control

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

Sustainalytics has relied on the information and the facts presented by UNIQA with respect to the Nominated 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 UNIQA.

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,³ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed bond projects, funded through proceeds of UNIQA's green bonds, are not in conformance with the Use of Proceeds outlined in the UNIQA Green Bond Framework. UNIQA has disclosed to Sustainalytics that the proceeds of the green bond were fully allocated as of September 2020.

Detailed Findings

Table 2: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the 12 projects funded by the green bond in 2020 to determine if projects aligned with the Use of Proceeds Criteria outlined in the UNIQA Green Bond Framework and above in Table 1. For allocation to the individual use of proceeds categories, please refer to Appendix 1.	All 12 projects reviewed complied with the Use of Proceeds criteria.	None

³ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects and estimated and realized costs of projects, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendix

Appendix 1: Allocation Reporting by Eligibility Criteria

Use of Proceeds Category	Green Projects Financed	Net Bond Proceeds Allocation (EUR) ⁴
Renewable Energy	Wind Offshore	38,792,170
	Wind Onshore	48,836,811
	Solar Photovoltaic	96,516,810
Pollution Prevention and Control	Waste to Energy	17,823,000
Total Proceeds Raised (EUR)		200,000,000
Total Proceeds Allocated (EUR)		201,968,791⁵

⁴ No allocation was made under other categories defined in the UNIQA Green Bond Framework.

⁵ Sustainalytics notes that the proceeds reported as allocated exceeds amount raised. This is due to the additional capital invested in eligible projects that cannot be proportionally decoupled from total investments made by UNIQA.

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