

# FIDELIDADE

SEGUROS DESDE 1808

## Green Bond Allocation & Impact Report

Fidelidade – Companhia de Seguros

July – 2025

# AGENDA



**1.**

**Introduction**

**2.**

**Sustainability Pillars**

**3.**

**Transition to Net Zero**

**4.**

**Allocation & Impact Report**

**1.**



## **Introduction**



# On May-2024, Fidelidade issued the First Green EUR RT1 in the insurance sector globally

## Green bond – Key points



### Inaugural RT1

issuance out of Portugal and Spain



### 1<sup>ST</sup>

Green EUR RT1 in the insurance sector globally



### 2<sup>ND</sup>

Bond issued by Fidelidade, following T2 in May-2021



### 100%

of net proceeds committed to green eligible projects



### 7.75%

Fixed Coupon until reset date (Perpetual Non-Call 5.5Y)



### 500M€

Volume of issued capital



# Fidelidade among the best companies according to ESG ratings



## Material ESG Issues per Subindustry

Product Governance



Human Capital



ESG Integration - Financials



Data Privacy and Security



Business Ethics



Corporate Governance



- Negligible Risk
- Low Risk
- Medium Risk
- High Risk

ESG Risk Rating COMPREHENSIVE ?

**12.2** Low Risk



Ranking

Industry Group (1st = lowest risk)

**Insurance** 6 out of 302

Universe

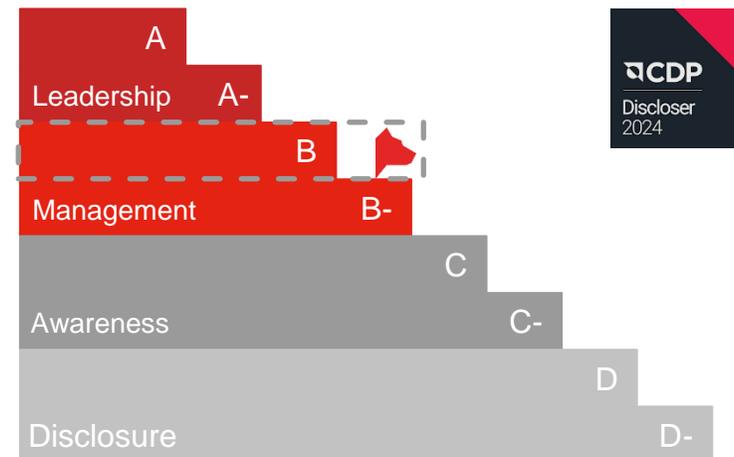
**Global Universe** 628 out of 14698

**6<sup>th</sup>** Insurer worldwide (3<sup>rd</sup> percentile)

**3<sup>rd</sup>** European insurer



Fidelidade included in Sustainalytics' **Top-Rated ESG Companies List (2<sup>nd</sup> year in a row)**



Top-rated categories	Score
Emissions Reduction Initiative and Low Carbon Products	<b>A</b>
Governance	<b>A</b>
Public Policy Engagement and Industry Collaboration	<b>A</b>
Context	<b>A</b>
Verification (incl. Emissions)	<b>A -</b>
Pricing Environmental Externalities	<b>A -</b>

**Total Score (inc. all 17 categories)** **B**

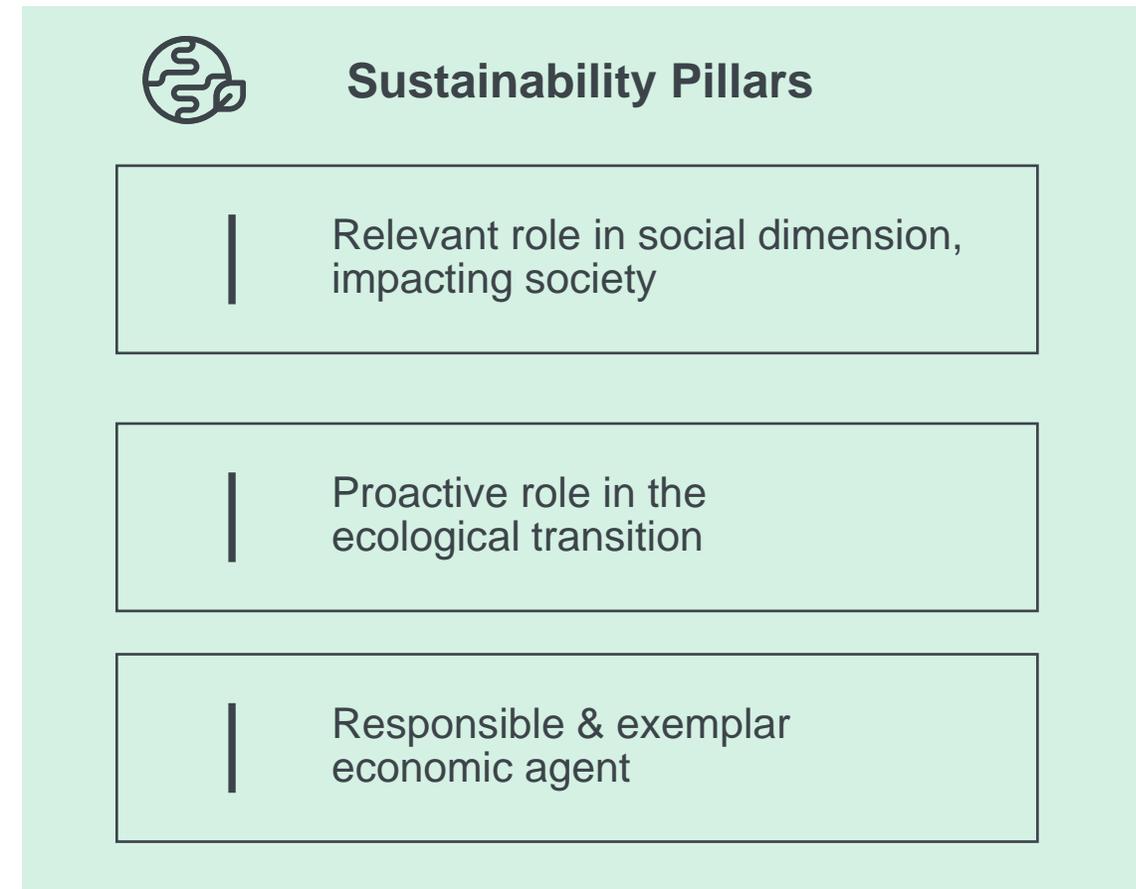
**2.**



## **Sustainability Pillars**



# Fidelidade long-term strategic pillars





# Fidelidade is fully committed with its ESG ambition,...

*Prepare the future, contribute for Society resilience, positively impacting all our stakeholders*

## Proactive role in the **Ecological** transition

### Climate Change Mitigation

Net Zero ambition in whole value chain:  
Operations, Insurance and Investments

### Climate Change Adaptation

Promotion of climate action towards a  
more resilient Society

### Biodiversity

Integration of a nature positive  
approach in business activity

## Relevant role in **Social** dimension, impacting Society

### Longevity

Preparedness for longer lives  
with quality at all ages

### Social Inclusion

Offering of adapted solutions to  
all segments of Society

### Own workforce

Promotion of a safe, equitable  
and positive working environment

### CSR

Active role to contribute for  
pressing societal needs

## Responsible & exemplary **Economic** agent

### Suppliers and Partners

Incorporation of sustainable practices  
across the whole value chain

### Digital Innovation

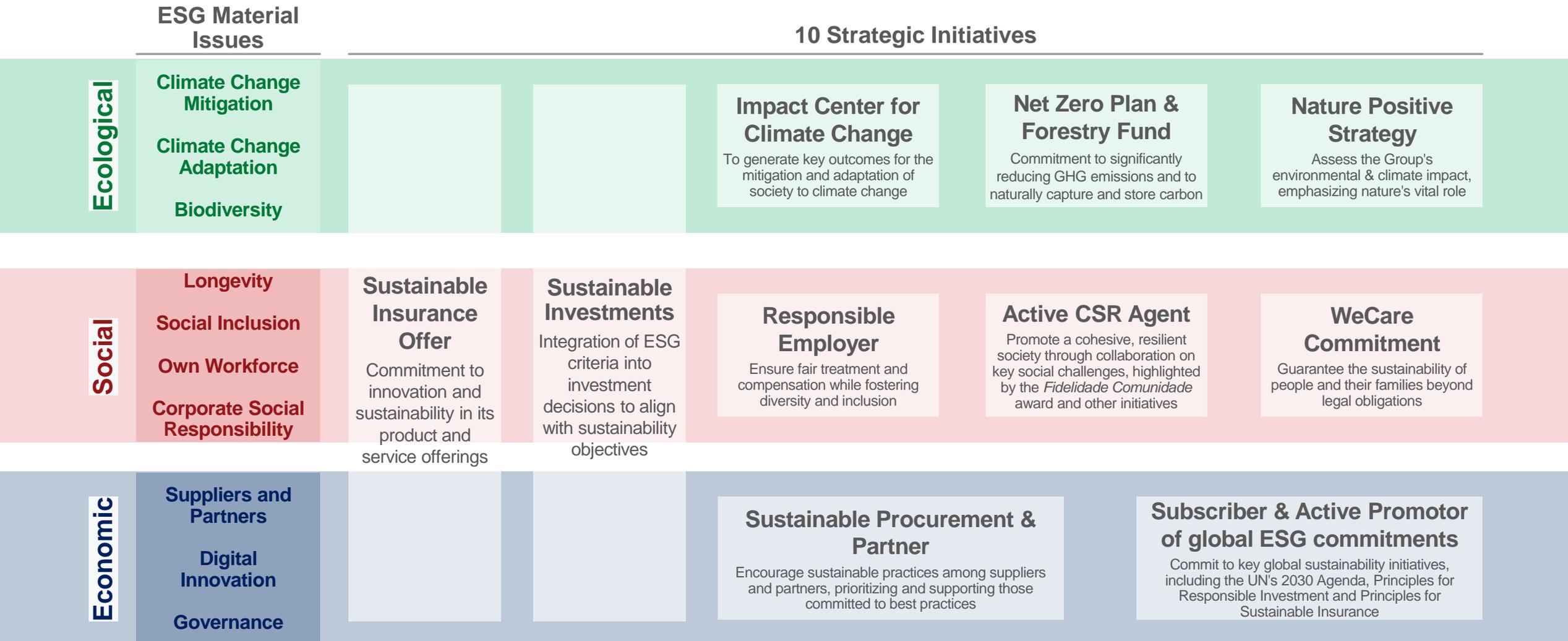
Development of digital capabilities for a  
higher quality & more inclusive service

### Governance

Assurance of the highest standards in  
company internal practices



# ... with an important set of strategic initiatives ongoing



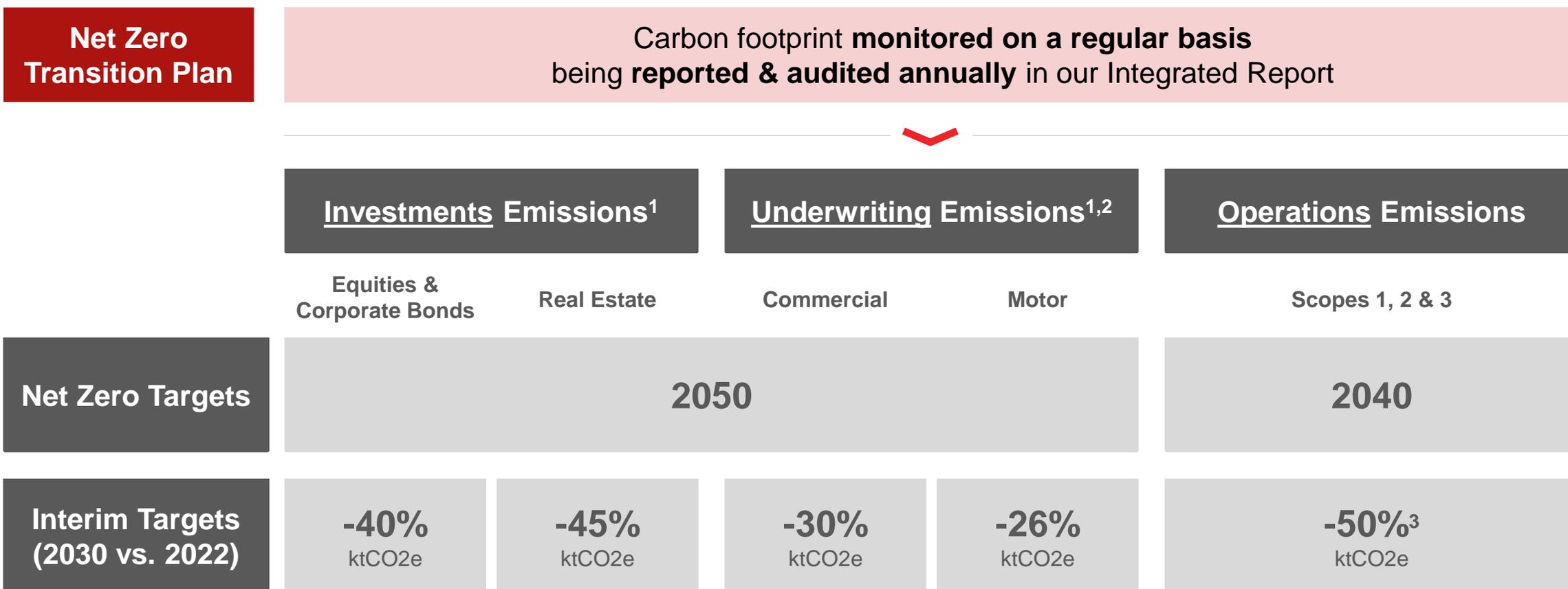
**3.**



## **Transition to Net Zero**



# Fidelidade's Transition Plan has Net Zero and Interim targets



Source: company information

Note: all targets are aligned with NZAOA (robust market-led initiative with feasible requirements for joiners) and with Science Based Targets initiative

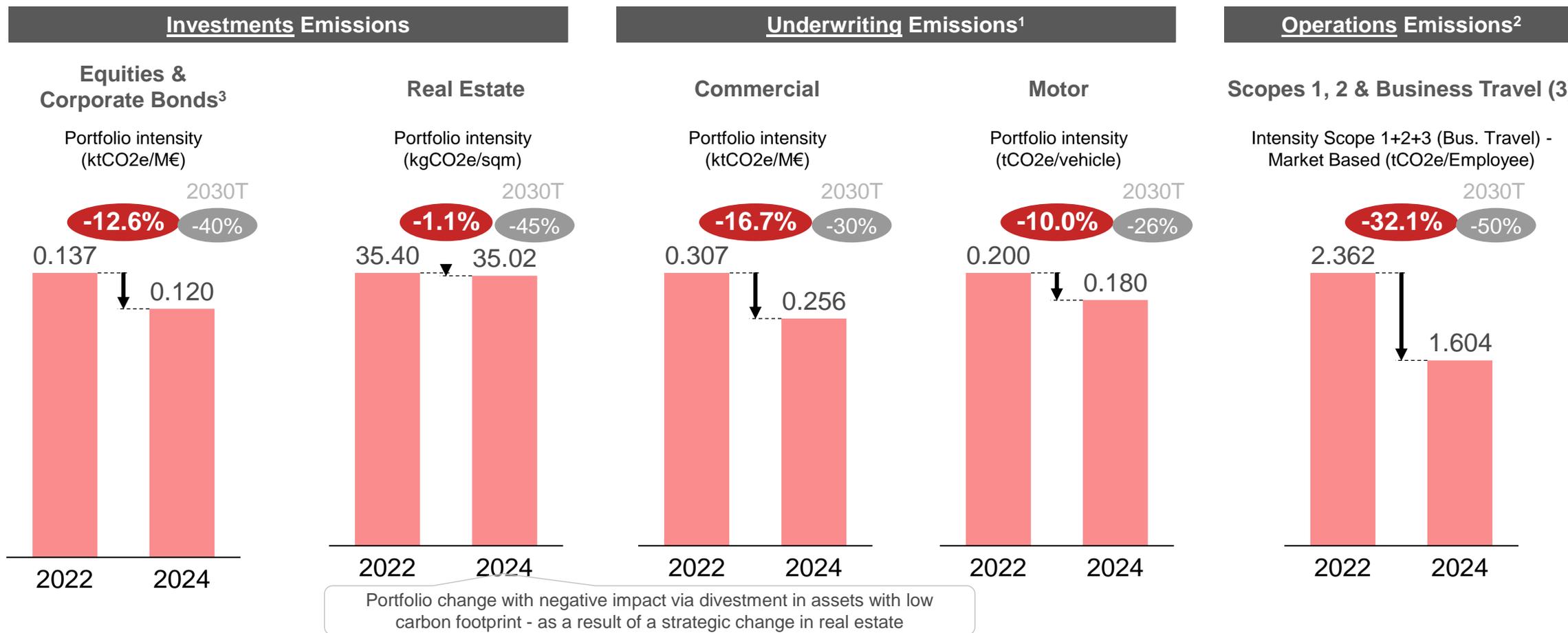
1. Assuming same portfolio composition

2. Only applicable to underwriting portfolio of Portuguese operation

3. Operations interim target only applicable to scope 1, 2 & Business Travel (scope 3) in Portugal (excl. Luz Saúde)



# The evolution of our carbon footprint is in line with the defined plan



Source: company information

1. Only applicable to underwriting portfolio of Portuguese operation

2. Emissions from operations in Portugal (excl. Luz Saúde)

3. Emissions from Fidelidade, Fidelidade Assistência, Fidelidade Re, Multicare, Tenax and Via Directa, which in 2022 accounted for 91% of Assets under Management in these classes and for 82% in 2024



# The responsible investments policy defines exclusions on new investments, limits on legacy portfolio and positive screenings



## Investment Management Principles

- **Long-term** approach
- Consider **all ESG factors**, particularly those having material financial impacts
- Reduce **exposure to issuers whose behaviors are not aligned** with the Group’s principles and strategy
- Identify **ESG risk factors** and incorporate them **into its general risk management** and monitoring process
- Consider that sustainable investment is **an ongoing journey**



## Investment Process – Financial Assets

 Exclusions	 Positive Screening	 Engagement
<ul style="list-style-type: none"> <li>• No new investments in <b>controversial industries</b> (tobacco and weapons)</li> <li>• No new investments in companies with &gt;25% of its <b>revenues towards gambling</b></li> <li>• Legacy portfolio: <b>reduce exposure to weapons, gambling and tobacco</b> (getting to 0% within 3 years)</li> <li>• Reduce <b>exposure to fossil fuels and coal</b> to no more than 5% within 3 years</li> <li>• No investments in companies with high and/or <b>severe controversies</b></li> <li>• Do <b>not comply with UN Global Compact</b> principles</li> </ul>	<ul style="list-style-type: none"> <li>• &gt;60% of assets with ESG rating</li> <li>• Minimum weighted avg. <b>ESG rating of low risk</b> (from Sustainability)</li> <li>• Companies with involvement in industries or sectors referred to in “Exclusions” are either excluded or strictly monitored</li> </ul>	<p>Fidelidade aims to broaden the scope of shareholder voting and <b>deepen the interaction on ESG matter</b>. Main topics to address:</p> <ul style="list-style-type: none"> <li>• Net Zero commitments</li> <li>• Legislation</li> <li>• International Standards (UN Global compact, SDGs, etc.)</li> </ul>

**4.**



## **Allocation & Impact Report**



# Fidelidade issued a green bond in May 2024, aiming to invest in green projects and lower its carbon footprint...

Debt Issuance		Main goals	Funding Strategy
Debt Instrument	Restricted Tier I (RT1)	<p>Finance Fidelidade Group's initiatives to <b>lower its carbon footprint</b> and <b>increase its investment in green projects</b></p> <p>To play an <b>active role in the transition to a lower-carbon economy</b>, in pursuit of its <b>net zero targets</b></p>	<p> <b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Green bonds have high demand, leading to a decrease of interest rates</li> <li>• Green bonds improve the issuer's reputation</li> </ul> <p> <b>Constraints</b></p> <ul style="list-style-type: none"> <li>• No major constraints identified</li> </ul>
Issue Date	29 May 2024		
Initial Coupon	7.75%		
Amounts	 500M€		



# ... currently, the use of proceeds is focused on green buildings

Debt Issuance		Eligibility Criteria	Use of Proceeds
<b>Debt Instrument</b>	Restricted Tier I (RT1)	<ul style="list-style-type: none"> <li>✓ <b>Green Buildings:</b> financing related to the construction and/or acquisition of certified <b>energy-efficient buildings</b> (minimum LEED Gold)</li> <li>✓ <b>Green Buildings:</b> include buildings for Fidelidade Group's own operations as well as assets in its investment portfolio</li> <hr/> <li>✓ <b>Environmentally Sustainable Management of Living Natural Resources and Land Use:</b> Financing related to the acquisition, maintenance and sustainable management of natural resources such as land, forests, etc.</li> </ul>	<b>The Medelan</b> <ul style="list-style-type: none"> <li> Office &amp; Retail real estate asset</li> <li> Milan, Italy</li> <li> LEED Platinum</li> </ul> <div style="display: flex; align-items: center; justify-content: flex-end;">  <span style="margin: 0 10px;"><b>601€</b></span> <span style="color: green; font-size: 24px;">✓</span> </div>
<b>Issue Date</b>	29 May 2024		
<b>Initial Coupon</b>	7.75%		
<b>Amounts</b>	 <b>500M€</b>		
			<b>Forestry Fund</b> Not considered at the moment

Annual evaluation regarding the eligibility of the Use of Proceeds and external verification provided by external entity



# Impact Report – The Medelan Project

Project	Certification Standards	Category	Energy Reduction (MWh)	CO2 avoided (t CO2e/year)	Brief description
<b>Medelan</b>	WELL Silver, LEED Platinum, Wiredscore Silver	Green Buildings	2,489	602	Landmark mixed-use asset, combining premium retail + modern spaces in Milan city center

## The Medellan



Office & Retail real estate asset



Milan, Italy



LEED Platinum

The Medellan



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