

## Lion Re: Generali returns to the ILS market sponsoring a Catastrophe Bond with unique ESG features

- Generali returns to the Insurance-linked Securities (ILS) market with a Catastrophe Bond issuance comprising two classes of notes for a total of €200 million covering windstorms in Europe and earthquakes in Italy
- The transaction is unique and distinctive in terms of ESG criteria, embedding Generali's innovative Green, Social and Sustainability ILS Framework

Trieste – Generali has entered into collateralised multi-year reinsurance agreements with Lion Re DAC, a multi-arrangement special purpose vehicle domiciled in Ireland, providing cover for the Group's losses from windstorms in Europe and earthquakes in Italy over a four-year period.

Lion Re DAC, in turn, has issued its series 2025-1 notes (the "Series 2025-1 Notes"), comprising two classes with an overall size of € 200 million to fund its obligations under the reinsurance agreements. The Series 2025-1 Notes have been placed with capital markets investors in a Rule 144A offering.

More specifically, Lion Re DAC has issued:

- € 125 million of class A notes under the Series 2025-1 Notes (the "Class A Notes") providing combined coverage for windstorms in Europe and earthquakes in Italy
- € 75 million of class B notes under the Series 2025-1 Notes (the "Class B Notes") providing coverage only for earthquakes in Italy.

Capital markets investor demand enabled Generali to secure reinsurance protection under the Lion Re DAC issuance. The Class A Notes were priced at a premium (i.e. Initial Risk Interest Spread) of 5.50% per annum, while the Class B Notes were priced at 6.00% per annum. These premiums will be paid by Lion Re DAC to the investors as part of the interest on the Series 2025-1 Notes.

According to the terms of the offer, all or a portion of the interest amount and the principal payable in respect of the Series 2025-1 Notes will be reduced in case of losses sustained by Generali Group due to earthquakes in Italy or windstorms in Europe exceeding a predefined threshold for each event.

This transaction is the second Generali-sponsored catastrophe ILS instrument embedding unique ESG criteria in line with the updated Generali Green, Social and Sustainability ILS Framework. The transaction underlines once more the commitment of the Group to promoting capital markets solutions that embed ESG. The main structuring features in terms of sustainability are:

- i. an amount equivalent to the freed-up capital resulting from the transaction will be allocated by Generali to Eligible Projects (green and social assets or products) with a dedicated reporting;
- ii. the proceeds of the issuance of the Series 2025-1 Notes from Lion Re DAC will be invested into AAA rated green notes issued by the European Bank for Reconstruction and Development (EBRD) to finance Green Transition Projects.

In addition, the selection of the main service providers of Lion Re DAC took into consideration their commitment to a sustainable framework in performing their activities.

Lion Re DAC, as multi-arrangement special purpose vehicle, allows even further flexibility with regard to the sponsorship of multiple catastrophe bond issuances over time within a specific framework (i.e. shelf programme).

Aon Securities and GC Securities, a division of MMC Securities LLC, acted as Joint Structuring Agents and Joint Bookrunners for the transaction.

**Marco Sesana, Generali Group General Manager**, said: *“Our new catastrophe bond reaffirms Generali’s strong relationship with ILS investors, which started in 2014 with the issuance of our first catastrophe bond. ILS capital is completely integrated and complementary to our traditional reinsurance strategy. This first transaction, under the newly shelf programme, reflects the continued trust in the quality of our portfolio and our disciplined approach to risk management. Furthermore, it is fully aligned to our Lifetime Partner 2027 strategy, advancing our sustainability value proposition, thanks to the ESG structure at the core of this issuance.”*

**Cristiano Borean, Generali Group CFO**, said: *“Generali’s well-established presence in the ILS capital market is once again confirmed by this fourth successful catastrophe bond issuance, with a further enhancement in terms of structural efficiency, optimisation and flexibility, thanks to the ILS shelf programme. As a responsible insurer and investor, this issuance with its unique and distinctive ESG features, once again demonstrates our sustainability-rooted excellence by integrating ESG principles into alternative risk transfer solutions, while also effectively embedding ILS instruments into our capital management strategy.”*

#### NOTES TO EDITORS

Rule 144A offerings are offerings of securities conducted on a private placement basis for the purposes of the U.S. Securities Act of 1933 (as amended, the “Securities Act”), which limits initial distribution and secondary sales of the securities to entities that are Qualified Institutional Buyers as defined in Rule 144A under the Securities Act. The offering of securities in a Rule 144A offering does not require registration of the issuer or the securities with the U.S. Securities Exchange Commission.

Catastrophe bond transactions provide sponsoring insurers and reinsurers with protection against catastrophe risks through the release to the sponsor of all or portion of the principal amount upon the occurrence of pre-defined events (namely triggers). Triggers can be determined in different ways: an indemnity trigger provides for payment once the sponsor’s losses generated by a specific catastrophe risk (typically natural perils) are higher than a certain specified amount provided for in the terms of the transaction.

#### NO OFFER

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#### NO DUTY TO UPDATE

Generali assumes no obligation to update any information contained herein.

#### THE GENERALI GROUP

Generali is one of the largest integrated insurance and asset management groups worldwide. Established in 1831, it is present in over 50 countries in the world, with a total premium income of € 95.2 billion and € 863 billion AUM in 2024. With around 87,000 employees serving 71 million customers, the Group has a leading position in Europe and a growing presence in Asia and Latin America. At the heart of Generali’s strategy is its Lifetime Partner commitment to customers, achieved through innovative and personalised solutions, best-in-class customer experience and its digitalised global distribution capabilities. The Group has fully embedded sustainability into all strategic choices, with the aim to create value for all stakeholders while building a fairer and more resilient society.