



KEY STRATEGIC ACTIONS ACROSS 4 BUILDING BLOCKS



Partnering with our Clients for a just and fair transition

Partnering with our Clients for a just and fair transition is implemented in three main strategic actions:

- **products & services for transition** Deep-dive
- **dedicated ESG Advisory model**
- **ESG Ecosystems.**

In order to even better focus our actions we are developing strong partnerships both at global and local level and we are constantly looking into innovation within the ESG area

DEEP-DIVE

PRODUCTS & SERVICES FOR TRANSITION: SUSTAINABLE FUTURE FINANCING

In 2022 UniCredit launched an innovative loan programme called **Finanziamento Futuro Sostenibile** (Sustainable Future Financing) in Italy. It is designed to **support companies engaged in improving their sustainability profile**, in line with the action plan launched by the bank in support of PNRR (Italy's Recovery and Resilience Plan) promoting the country's recovery by leveraging a return to consumption and an acceleration of digital and ecological transformation.

At the time of disbursement, the bank directly recognises a reduction in the rate compared to the standard conditions for these operations, with subsequent verification of the achievement of at least **two ESG improvement objectives**, set at the time the loan is agreed.

UniCredit establishes **three categories of objectives related to Sustainable Future Financing**:

- environmental protection
- improvement of social responsibilities in the community
- ethical business management.

The bank monitors the performance of the results achieved by the company, which are disclosed through self-certification or dedicated statement in the notes to the client company's financial statements.

As of December 2022, 273 transactions have been carried out amounting to €553m. Among the many operations, it is worth highlighting €50m loan to support **Unoenergy S.p.A.**, an Italian energy and gas generator and distributor. The loan will support the company in a broader business development plan, aimed at increasing alternative energy sources through the installation of photovoltaic systems and the creation and management of energy communities, involving the use of low-cost shared energy.



UniCredit supports our ongoing commitment to putting quality and service at the heart of all that we do, and, even and especially in these trying times, this allows us to continue to create value for our customers, people and communities.

Fabio De Martini
Unoenergy S.p.A.'s CEO



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Supporting Communities and Society

At UniCredit, we strive to support Communities and Society and aim at empowering them to progress through three levers, implemented in our Social Strategy: **Deep-dive**

- **social finance**
- **social contribution**^A
- **support to our employees**^B

DEEP-DIVE

UNICREDIT SOCIAL STRATEGY

THE CONTEXT: THE SOCIAL CHALLENGES

We are aware that our countries face different social challenges, with their social priorities reflected in EU programmes.

EU social taxonomy represents a first attempt to define a full framework which we may take into account to build our social offer

OUR ROLE: EMPOWERING COMMUNITIES TO PROGRESS

Empowering communities to progress entails the enhancement of our approach to social factors by leveraging the solid position and strong synergies already built with Social Impact Banking and UniCredit Foundation. Our PRB^B financial inclusion and health commitment is proof of our wish to invest in our social approach

WHERE DO WE WANT TO GET TO: OUR FIVE STRATEGIC GOALS



CUSTOMERS



Foster financial inclusion and health of **vulnerable people**



Support **corporates** to become more socially-oriented and inclusive organizations



Ensure communities sustainable progress, with focus on **Youth and Education**



Protect categories at higher risk of being **negatively affected by the transition**



Ensure positive work conditions for **employees**

HOW WE DO IT: THE THREE LEVERS OF OUR SOCIAL ACTION



SOCIAL FINANCE:

- Support **our countries** to better focus on **own challenges** and adapt offer considering local specificities
- **Enhance dedicated funding** (e.g. Sustainable Bonds) to better target vulnerable categories
- Progressively incorporate social elements in **our risk management framework**
- Enlarge our product offer with **innovative solutions** (e.g. investments, insurance, cooperation with fintechs)
- Approach more structurally **public-private partnerships**

SOCIAL CONTRIBUTION:

- Increase our contribution, focusing more on specific projects related to **youth, education and just transition**
- Reinforce key role of the **UniCredit Foundation** to build our distinctiveness in support to Youth and Education

SUPPORT TO OUR EMPLOYEES:^C

- Grant flexibility, well-being and focus people caring
- Enhance our commitment to Diversity, Equity and Inclusion

^A Refer to the Social and Relationship Capital chapter for more information.

^B Principles for Responsible Banking.

^C Refer to the Human Capital chapter for more information.



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Steering our behaviour with clear commitments

In light of the external context developments and considering our Purpose and Values, we aim at steering our behaviour through two levers:

- **enhancing our sector policies framework**
- **undertaking strategic commitments.** Deep-dive

Our policies framework guides our approach towards controversial sectors relevant to UniCredit that are susceptible to special environmental and social risks.

The policies are regularly reviewed in order to keep the framework up-to-date: the Free-Tobacco Finance Pledge was signed at the beginning of 2022. We are assessing all the levers we can implement to reach the Net Zero goal on our own emissions and financed emissions^A

DEEP-DIVE

OUR COMMITMENT TO BIODIVERSITY AND CIRCULAR ECONOMY



UniCredit is the first Italian bank among 15 financial institutions to sign up to the **Finance for Biodiversity Pledge**.

The Pledge members jointly call for and commit to **taking ambitious action on biodiversity to reverse nature loss in this decade**.

UniCredit is joining the FFB Foundation as a collaborating member with the aim to facilitate collective action needed to accomplish the Foundation's mission of supporting a call to action.



UniCredit has also become a **Member of the Ellen MacArthur Foundation international charity network** in support of our efforts to **accelerate the circular economy transition across our countries**.

The Foundation is committed to creating a global circular economy driven by design to eliminate waste and pollution, circulate products and materials and regenerate nature.

These **new commitments** are fully in **line with our Net Zero pledge** and **overall ESG strategy** and with **our Purpose of empowering communities to progress** as we actively engage to ensure a more sustainable and equitable future for all.



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Enriching our Risk & Lending approach^A

We are **expanding our monitoring of environmental risks**, looking also at the outcomes of the 2022 European Central Bank Thematic Review on climate-related and environmental risks. Moreover, we are setting up the basis for progressively incorporating **social elements into the risk management framework**

^A Refer to the Risk Management chapter for more information.