



UniCredit announces new ESG targets as part of a long-term commitment to sustainability: Do the right thing!

Entire UniCredit team involved in presenting >1.200 new ideas on how to protect our climate (E)

Reduced direct environmental impact by cutting greenhouse gas emissions (halved since 2008 / committed to reaching 80% reduction); all our electricity consumption will come from renewable energy sources (E)

Adhered to the highest standards of policies and principles with external monitoring and recognition (E)

Partnering with our customers in the shift to a low carbon economy: confirmed coal exit timeframe and increase of renewable energy sector exposure by 25% as well as growing energy efficiency loans to customers; aim to achieve T5 league table position in EMEA combined Green Bonds & ESG-linked loans (E)

Committed €1bn to supporting projects with a positive social impact (S)

Leading European banking sector Diversity and Inclusion industry initiative (G)

Entire UniCredit team involved in presenting >1.200 new ideas on how to protect our climate

The entire UniCredit team joined this year's Global Week of Climate Action. Employees across the Group worked together on September 20, coming up with over 1.200 ideas on how to protect our climate, proposals ranging from recycling and waste to mobility, further raising awareness, energy efficiency, pollution prevention and eating habits. UniCredit has appointed a Millennial Board¹, overseeing the comprehensive review and implementation of these initiatives. The Board is fully supported by the Group's management team.

Jean Pierre Mustier, UniCredit Group CEO, commented: "Sustainability is part of our Group's DNA and a key component of our business model. UniCredit is committed to protecting our natural capital, including the environment. Every company has to do more than 'business as usual' – it is now the time to act and make an impact. Building a sustainable future is an important challenge for both people and businesses. The measures announced today, as part of our wider sustainability strategy, make sure that we always: Do the right thing!"

Reduced direct environmental impact by cutting greenhouse gas emissions (halved since 2008 / committed to reaching 80% reduction); all our electricity consumption will come from renewable energy sources

UniCredit is minimising their direct environmental impact through specific energy choices. Since 2008, the Group has halved their greenhouse gas emissions, committing to reaching a 60% reduction by 2020 and 80% by 2030. UniCredit has also committed that all the electricity consumption in their buildings in Italy, Germany and Austria will come from renewable energy sources by 2023. This figure is already 78% in 2018.

In terms of plastic-free, UniCredit is distributing re-usable metal drinking bottles across the Group. Plastic bottles have been removed from break areas and plastic items from canteens. All single-use plastic will be removed from all UniCredit buildings by 2023.

UniCredit is also reducing the use of paper. In 2018, ~60% of copy paper had an environmental label. The Group is using technology to further limit the use of paper, such as the Paperless Branch Programme in Italy, which led to the scanning and digital storage of ~9 million documents last year.

Adhered to the highest standards of policies and principles with external monitoring and recognition

Beyond internal actions, UniCredit has signed up to key institutional and international agreements with external monitoring requirements: the Task Force on Climate-Related Financial Disclosures (TCFD), Principles for Responsible Banking (PRB) and OECD Business for Inclusive Growth Coalition (B4IG).

UniCredit's commitment to ESG topics has been recognised with the confirmation of the Group as a constituent of the FTSE4Good Index Series. In particular, FTSE Russell assigned an ESG rating to UniCredit equal to 5.0 (the top score on its ESG rating scale). This positions UniCredit in the 99th percentile, among Diversified Banks peers.

Similarly, Standard Ethics, an independent sustainability rating company, identified UniCredit as the only bank in Italy with an EE+ rating, strong compliance and the ability to manage reputational risks linked to the United Nations, OECD and EU agenda on sustainability and corporate governance. They commended UniCredit for a fast and convincing implementation of the sustainability model, with a good integrated report.

¹ The UniCredit Millennial Board consists of employees ranging from 22-32 years of age, working to challenge pre-conceived patterns and raise awareness on the views of new generations (on banking topics), proposing innovative ideas and solutions.

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UniCredit is partnering with clients in the shift to a low carbon economy. Through the Paris Agreement on Capital Transition Assessment (PACTA), international banks are developing a methodology to assess their lending portfolios.

UniCredit has committed to fully exit thermal coal mining projects by 2023. A new coal policy prohibits new projects in thermal coal mining and coal fired power generation and imposes strict commitments in terms of reducing reliance on coal for corporate financing customers. A new Oil and Gas (O&G) policy covers the Arctic area and other non-conventional O&G, prohibiting the financing of new projects in Arctic oil and offshore Arctic gas as well as in shale O&G and related fracking, tar sands oil and deep sea mining O&G. Corporate financing for clients active in these areas will only be allowed if their share of revenues from non-supported activities is under 25%.

UniCredit has committed to increase its exposure to the renewable energy sector by 25% by 2023 (to >€9bn) as well as increasing energy efficiency loans to customers, by 34% for WEU SMEs, by 25% for WEU individuals and CEE new origination to >6% of total loans.

UniCredit aims for a T5 league table position in EMEA combined Green Bonds & ESG-linked loans by 2023, also through a new Sustainable Finance Advisory Team, which combines sustainability expertise with capital markets execution to deepen client dialogue on ESG topics and facilitate their access to Europe's green financing market.

Committed €1bn to supporting projects with a positive social impact

Social Impact Banking has successfully disbursed >100 million euros in support of social and micro companies and entrepreneurs in Italy. It is now being rolled out in 11 additional markets. UniCredit has committed to approving 1bn of total financing by 2023. The initiative also provides financial education: in 2018, ~26.000 students were supported in 270 schools and ~2 million hours of financial training were provided by UniGens².

Art4Future is reallocating wealth in mostly stored artworks through the sale of selected pieces³ to support Social Impact Banking, buying the same number of artworks from emerging artists and supporting other socially relevant initiatives. UniCredit also promotes culture by partnering with associations including the Filarmonica della Scala and Arena di Verona in Italy, the Bavarian State Opera in Germany and the Musikverein in Austria.

Among other projects promoting positive social impacts, the UniCredit Foundation contributed >3.2 million euros in 2018 for social needs, including study and research. For example, the Gift-matching Programme doubles annual colleague donations and 1 million meals are provided to the World Food Programme. During natural disasters, UniCredit suspends private mortgage repayments and provides subsidised loans to impacted communities.

Leading European banking sector Diversity and Inclusion industry initiative

As well as supporting industry actions to measure carbon footprints, companies in all industries looking to succeed must focus on diversity and inclusion. These bring higher team member engagement and motivation and enhanced risk mitigation and management, which bring more sustainable organisations and profitability. Creating a positive and inclusive workplace is key to innovation and growth, also by strengthening the company's reputation, helping them to attract and retain key talents. UniCredit will work with different associations to launch a Diversity and Inclusion initiative for the European banking sector, to set and monitor specific objectives so that banks increase the proportion of women and minorities: including different perspectives helps improve processes and behaviours.

This is fully in line with the two core values of UniCredit: Ethics and respect, further supported by the creation of a Chief Ethics Officer, within the Group Institutional Affairs and Sustainability function. UniCredit is working with all its team members and the industry to make sure that banks always: Do the right thing!

ENDS

Notes to editors

About UniCredit

UniCredit is a simple successful pan-European Commercial Bank, with a fully plugged in CIB, delivering a unique Western, Central and Eastern European network to its extensive client franchise. UniCredit offers both local and international expertise to its clients, providing them with unparalleled access to leading banks in its 14 core markets through its European banking network: Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Serbia, Slovakia, Slovenia and Turkey. Leveraging on an international network of representative offices and branches, UniCredit serves clients in another 18 countries worldwide.

For more information on UniCredit's sustainability: <https://www.unicreditgroup.eu/en/a-sustainable-bank.html>

² A network of retired UniCredit employees

³ Approximately 314 works will be sold in global sales across 2019 and 2020, which we are looking to replace with works of young and emerging artists. The total works currently owned by UniCredit are around 60.000.