

» Green bond for leading auto manufacturer

In May 2023, Mercedes-Benz Group brought a dual-tranche €2bn green bond to the market – the first EUR green bond issued since April 2021.

UniCredit acted as Bookrunner, Technical Lead, Billing and Delivery Manager of the deal.



New Net Zero target on Steel

Following the definition of the first set of sectoral targets for Oil & Gas, Power Generation and Automotive – which were published in January 2023 – **we have now defined our interim target for the Steel sector** to meet our 2050 Net Zero ambition.

UniCredit is one of the founding members of the **Sustainable STEEL Principles** which were launched in 2022. These principles established a level playing field for green projects by encouraging transparent reporting and providing a clear goal setting methodology for the Steel sector. The Fixed System Boundary coupled with a methodology that addresses both primary and secondary production provides the most comprehensive reporting guide to date.

Following the Sustainable STEEL Principles⁹ methodology, the **baseline was calculated** by identifying all **relevant crude steel producing clients**¹⁰ and computing the **exposure weighted emission intensity** and the **alignment score of the Bank's lending portfolio**, taking into consideration the split between primary and secondary steel production. The baseline was calculated for **the on-balance sheet lending exposure** as of **31 December 2022**, in line with PCAF methodology¹¹, which is consistent with the approach used for the other sectors.

We selected the more ambitious trajectory referenced in the Sustainable STEEL Principles methodology – International Energy Agency (IEA) Net Zero 1.5 2050 Scenario – as the reference benchmark for the definition of the 2030 intermediate target.

GHG emissions data quality was evaluated according to the PCAF scoring methodology.

9. www.steelprinciples.org

10. Value chain includes steel makers' activities related to crude steel manufacture and basic steel processing, steel sales and steel products' production and other business controlled by steel groups. In-scope counterparties producing less than 250 kt/y of crude steel were also included in the reporting, but with negligible impact (less than 0.1% of total exposure).

11. www.carbonaccountingfinancials.com/standard