

Metrics & Targets continued

Key levers for transition

The decarbonisation of the steel industry to Net Zero requires joint efforts from all stakeholders including regulators, producers, and final customers – which is why **industry-backed initiatives are key to the adoption of a unified standard.**

At UniCredit, we believe this is a key step to help the Steel industry transition into a greener future, as we continue to support our clients in their ambitions and engage in strategic industry discussions around the development of concrete investment projects.

In recognition of the importance of collaboration between the financial world and the steel industry, we are taking part in the **Steel Climate-Aligned Finance Working Group** facilitated by RMI's Center for Climate-Aligned Finance. This working group seeks to support decarbonisation in an industry responsible for over 7% of global CO₂ emissions.

» Enabling greener steel

Steel is the world's most important engineering and construction material, used in almost every aspect of our lives – from the cars we drive and the buildings we work in, to the homes in which we live and the kitchen appliances we use every day.

But steel is also responsible for over 7% of global CO₂ emissions and the industry is considered as one of the hard-to-abate sectors. The greenest steel globally will be produced by H2 Green Steel in Sweden, from 2026 onwards. This greenfield project will become the first hydrogen-based flat steel mill and is designed to abate up to 95% of CO₂ emissions in comparison with traditional blast furnace steel making. UniCredit has been involved early in the financing process as a 'Pathfinder Bank' to coordinate the lenders' technical and environmental and social due diligence. As one of the leading lenders, we are also engaged as Bookrunner and Mandated Lead Arranger.

