Climate Change 2015 Information Request
UniCredit

Module: Introduction

Page: Introduction

CC0.1
Introduction
Please give a general description and introduction to your organization.

UniCredit is a leading European commercial bank with an international network spanning 50 markets, over 8,500 branches and more than 147,000 employees. The Group operates in 17 European countries.

UniCredit benefits from a strong European identity, extensive international presence and broad customer base. Our strategic position in Western and Eastern Europe gives the group one of the region's highest market shares.

The Group operates in the following countries: Austria, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Germany, Italy, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey, Ukraine and Hungary.

Data for 2014 has been collected involving 51 legal entities (a full-time equivalent of more than 99,500) operating in Italy, Germany, Austria and in Central and Eastern Europe (CEE) countries. The CEE countries included are: Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Romania, Russia, Serbia, Slovakia, Slovenia and Hungary.

CC0.2
Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Wed 01 Jan 2014 - Wed 31 Dec 2014

CC0.3
Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country

CC0.4
Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

EUR(€)

CC0.6
Modules
As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.
If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Further Information

Module: Management

Page: CC1. Governance

CC1.1
Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a
Please identify the position of the individual or name of the committee with this responsibility

The Executive Management Committee (EMC), chaired by the CEO, is a managerial committee appointed by the Board that ensures the effective steering, coordination and control of Group business, as well as an effective alignment of the parent company with the different businesses and geographies regarding strategic topics, which include environmental issues concerning the Group. The EMC thereby presides over, and is directly responsible for, climate change.

In 2014, UniCredit reinforced its internal governance by establishing the Group Environmental and Social Council (GESC) and by strengthening our Environmental Commitment, which is functional to the work of the EMC to which it reports. The GESC oversees the effective implementation of UniCredit's environment related initiatives and commitments which derive from UniCredit's strategy to reduce its environmental direct and indirect impacts, with a specific focus on climate change. It also proposes annual objectives, targets and related activities, which are then submitted to the EMC for final approval. The GESC is chaired by the Head of Group Identity & Communication and includes representatives from key business divisions (e.g., CIB and CEE), competence lines (e.g., CRO and COO) and key country representatives. Depending on the specific agenda, additional functions may be invited to participate.

The activities of the GESC are consistent with our Environmental Commitment and the UniCredit Environmental Policy, which support a precautionary approach to environmental challenges by undertaking initiatives that promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technology.

CC1.2
Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a
Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Chief Operating Officer (COO)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator	Top managers are always rewarded for sustainability goals achievement; climate change is a specific KPI within this context.
Energy managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target	Top managers are always rewarded for sustainability goals achievement; climate change is a specific KPI within this context.
Environment/Sustainability managers	Monetary reward	Emissions reduction project Behaviour change related indicator	Top managers are always rewarded for sustainability goals achievement; climate change is a specific KPI within this context.
Facility managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target	Top managers are always rewarded for sustainability goals achievement; climate change is a specific KPI within this context.

Further Information

Page: CC2. Strategy

CC2.1
Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a
Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Risk management procedures apply to all the countries where our Group operates. Furthermore, opportunities management (outside of risk area) are also implemented Group wide, by considering the specifics of local countries and the various organizational areas.	> 6 years	Company level risks are overseen by the Group Risk Management (GRM) department. Our Environmental Commitment document disclosed on our website describes UniCredit approach with respect to identifying and managing environmental risks and take advantage of environmental opportunities.

CC2.1b
Please describe how your risk and opportunity identification processes are applied at both company and asset level

Environmental impacts are managed at both the operational level and within UiCredit's financing and investment procedures according to strategic pillars: i) operations management, including managing potential negative contributions to the environment that our operations may incur; ii) a multifaceted risk management approach addressing environmental and social risks associated with our financial products and services; iii) opportunities management, including developing and promoting products and services that are both environment-friendly and capable of generating sustainable long-term value for our Group and the communities where we operate; iv) coordinated monitoring and transparency of our environmental performance through our various tracking system, including via our EMS (over 4,400 EMAS registered sites; ISO 14001 certifications held in Austria, Czech and Slovakia, and in Germany).

Accordingly, climate change risks and opportunities are identified and managed via specific governance rules and structures that assign guidance, support and control roles, which involve strategic and operating committees at Group level, as well as within other key business divisions and functions. The EMC steers the strategy concerning the key areas, while the Group Environmental and Social Council (GESC) oversees its implementation. Key functions within the EMC and GESC include COO, CIB, CEE Division, Group Risk Management (GRM) among others.

Additionally, the Group Operational and Reputational Risks Committee (GORRIC) ensures consistency across business functions and legal entities for operational and environmental reputational risk policies regarding environmentally sensitive sectors, methodologies and practices, while The Group Transactional Credit Committee (GTCC) evaluates potential environmental and reputational risks inherent in transactions as defined by our internal Global Rules. Both GORRIC and GTCC are chaired by the Group Chief Risk Officer.

CC2.1c
How do you prioritize the risks and opportunities identified?

The prioritising of climate change risks and opportunities in UniCredit is embedded in the definition and review of our Environmental strategy . In particular, in 2014 UniCredit launched a specific project sponsored by the EMC, involving a synergic team of more than 15 functions across our divisions and countries with different stakes in terms of environmental risks and opportunities (e.g. CIB, CRO, Procurement, Cost Management, Organization, Planning, etc). The core team was organised in 4 workstreams (1-Efficient operations: company footprint management; 2-Climate related business opportunities; 3- Environmental risk assessment; 4-Environmental Governance). The following key activities were conducted during the project (>6months period) :
1. Desk Analysis & evaluation of UniCredit external perception
2. Benchmarking & evaluation of peers external perception (including through the commissioning of specific external benchmarking);
3. Gap identification and required actions/investments to reduce them;
4. Definition of strategy/commitment and action plan.
The current positioning/strategy was approved by the project Steering Committee and consequently in March 2015 by the EMC. The Commitment/strategy aims to define a reliable approach for UniCredit leveraging the identification and management of environmental risks and by taking advantage of environmental opportunities.

CC2.2
Is climate change integrated into your business strategy?

Yes

CC2.2a
Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

At UniCredit environmental impacts, including climate change, are managed via specific governance rules and structures. The EMC (Executive Management Committee) appointed by the Board approves the strategy, receives regular updates about Group positions and performance on environmental topics; the Group Environmental and Social Council (GESC) oversees the implementation of UniCredit's environment-related initiatives and commitments. It also proposes the Group environmental strategy, annual objectives and targets as well as the related activities submitted to the EMC for approval. At the beginning of each year, the GESC Chairman presents to the EMC: the Group position on environmental and social topics; the key transformation program for the coming year. The Group Sustainability (GS) function promotes policies, projects and initiatives that aim to incorporate the analysis of social and environmental impacts associated within business activities, coordinates the Environmental Sustainability Program, the holding company Environmental Management System and the relevant procedure for the certification. Additionally, GS manages relationships on sustainability topics with key external stakeholders such as Socially Responsible Investors (SRI) and local and international non-governmental organizations. UniCredit plays an active role in major relevant international and local environmental initiatives, taking part (mainly through Group Sustainability) in working groups focused on the development of methodologies to integrate environmental protection considerations into financial products and services. These include the UNEP FI, the Natural Capital Declaration, the Equator Principles, the UNPRI, amongst others.
The key pillars of our strategy and main outcomes (including recent achievements in 2014) include:
i) Governance: the reinforcement of our governance by creating the Group Environmental and Social Council (GESC); UniCredit believes that a strong governance as a key element to supporting the implementation, monitoring and constant improvement of our strategies and policies pertaining to environmental topics. Within the EMS implemented by UniCredit S.p.A., the holding of the Group, which covers 64% of the practices included in the perimeter of our GHG inventory, a detailed action plan has been established in order to improve both direct and indirect impacts.
ii) Operations Management: since energy consumption is one of the main sources of environmental impacts arising from banking activities, UniCredit, to ensure energy efficiency, has set ambitious targets to reduce operational emissions by 30 percent by 2020 compared to 2008. By the end of 2014 we reached -29% in total GHG emissions vs our base year. Moreover in 2014, we reduced our consumption of electricity by 7 percent at the Group level.
iii) Risk Management: through the Group General Principles for Credit Activities and other special policies and practices, UniCredit assesses and manages not only traditional economic and financial impacts, but also non-financial impacts including environmental and climate change related impacts. In 2014, to broaden our understanding of the impacts of our work, we:
a) conducted a review of UniCredit's mining sector policy; b) developed a new coal-fired power generation sector policy; c) extended the Equator Principles to applicable project transactions in line with the latest framework, screening 17 projects for various impacts including climate change; d) held training sessions involving external experts; e) augmented our models to assess environmental impacts and externalities related to our lending portfolio by covering emissions-intensive-industries such as those monitored under the EU Emission Trading System (EU ETS).
iv) Environmental opportunities: We use our financial expertise to support customers across various business lines and develop projects and technologies that help reduce environmental impacts and mitigate climate change. These include:
a) providing financial support for wind, solar and other renewable projects; at the end of 2014, our Group's portfolio in this sector amounted to a total loans exposure of more than €9.2 billion, a roughly five percent increase from our 2013 portfolio
b) promoting new models of sustainable energy development through financial support and innovative technologies via technology partners like Officinae Verdi (OV). OV has facilitated / managed operations in Italy and Europe with investments of about €93.4 million in energy efficiency and greentech. OV manages roughly 465 renewable energy plants with an approximate portfolio value of €927 million, for about 273 MWp, producing energy at the rate of 336 GWh/year and reducing CO2 emissions for about 205,000 tons/year
c) facilitating corporate access to credit (e.g., through agreements with multilateral banks or government-subsidized lenders, such as EIB and KFW); As at 2014, within our CEE Division more than 15 agreements have been signed with various partners, including the EIB and the EBRD, for a total value of more than €370 million
d) developing other environmental and climate friendly financial instruments in its pioneering role bringing
Green Bonds to market. In 2014 UniCredit reinforced its commitment to this important new market segment by joining the "Green Bond Principles" and becoming a partner in the "Climate Bonds Initiative. Moreover, In 2014, UniCredit acted as lead manager and book runner in support of three out of the five utility companies that entered the green bond market with benchmark-sized transactions. Other products we have developed include retails cards- in 2014, we recorded an increase of more than 65% in WWF cards issued, while the program's biodiversity conservation projects were supported by roughly €380,000 raised through the more than 52,300 WWF banking cards in circulation. Since its inception, the program has contributed almost €1 million to the WWF Italy Oasis system.

UniCredit plays an active role in major relevant international and local environmental initiatives, taking part in working groups focused on the development of methodologies to integrate environmental protection considerations into financial products and services.

CC2.2c
Does your company use an internal price of carbon?

No, but we anticipate doing so in the next 2 years

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

CC2.3a
On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	In 2012, the Energy Efficiency Directive (2012/27/EU) was adopted to help fill the policy gap without which it was expected that the EU would have missed its 2020 energy efficiency targets. UniCredit is member of the Energy Efficiency Financial Institutions Group (EEFIG), established as a permanent working group by the European Commission, in late 2013, as a result of the dialogue between Directorate-General for Energy (DG Energy) and United Nations Environment Programme Finance Initiative (UNEP FI), as both institutions were engaging with financial institutions to determine how to overcome the well documented challenges inherent to obtaining long-term financing for energy efficiency. EEFIG resulted from the joining of these forces to engage with the sector's stakeholders and financial institutions to create an open dialogue and work platform with the European Commission; and with UNEP FI helping to convene meetings and bring in a variety of active and interested players, among its members and beyond, as per its mission statement of "changing finance, financing change". Founders believe that the creation of EEFIG represents the first time such a dialogue and work platform has been established between the Commission and the financial sector on the topic of energy efficiency finance.	1) The full benefits of energy efficient refurbishments of buildings must be captured and well-articulated, with evidence, and as a priority, to key financial decision makers (public authorities, buildings owners and managers and for householders). 2) Processes and standards for energy performance certificates, energy codes and their enforcement need to be strengthened and improved. 3) Making it easy to get the right data to the right decision makers. 4) Standards should be developed for each element in the energy efficiency investment process. 5) Priority and appropriate use of EU Structural and Investment Funds (ESIF) and ETS revenues through public-private financial instruments will boost investment volumes and help accelerate the engagement of private sector finance through scaled risk-sharing
Mandatory carbon reporting	Support	The Group Holding, UniCredit S.p.A., has established a partnership with the Italian Ministry of the Environment for the implementation of a pilot project for measuring the carbon footprint (based on Carbon Life Cycle Assessment methodology) associated with specific banking products.	The project falls within the European strategy for the reduction of GHG emissions and the national program for the promotion of low carbon solutions and more sustainable consumption and production business models.
Mandatory carbon reporting	Support	UniCredit is supporting UNEP FI in the dissemination of its report on Environmental Risk and Financial Stability. By engaging with regulators in many countries UNEP FI is aiming at promoting the use of Pillar 2 and 3 of the Basel Accord to take into account systemic risks driven by environmental issues.	A formal legislative solution is not a specific goal. The target is to open a discussion with regulators to use the existing framework to also address climate change driven risks.

CC2.3b
Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c
Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Association for Environmental Management and Sustainability in Financial Institutions (VfU).	Consistent	The VfU is a financial sector association focusing on sustainability issues of which climate change is a core component. The association works to develop and implement innovative and sustainable solutions for financial service providers with the aim of promoting the contribution of finance to sustainable development. As stakeholders of sustainability issues in the German financial sector, the VfU is involved in political dialogue aimed at favouring a sustainable economy. As a think tank, the VfU brings focus to the incorporation of sustainability issues in business and management processes, and the growth of sustainable financial services.	UniCredit is a member of VfU and is present on the Board. It also takes an active role in the VfU's climate change working group. As a voting member, we apply our experience and expertise in steering annual strategy and special issues. Our involvement in the association has been particularly focused on the issue of climate change, a core topic at VfU's annual Round Table over the last 10 years. UniCredit is also co-founder and active member of the special VFU-Working Group "Finanzforum Klimawandel".
B.A.U.M (German Association for Environmental Management)	Consistent	B.A.U.M is Europe's largest environmental initiative in the business sector. Its objective is to raise awareness and assist businesses, communities, and organisations with regards to sustainable business practices and preventative environmental protection, with regards to which climate change constitutes a significant component.	UniCredit is part of B.A.U.M's supervisory Board and applies its expertise to engage in the transfer of knowhow amongst members and support the association's activities. Additionally, we are an active member of the Sustainability Leadership Forum (SLF), which is organised and headed by B.A.U.M. in cooperation with Leuphana University .

CC2.3d
Do you publicly disclose a list of all the research organizations that you fund?

Yes

CC2.3e
Do you fund any research organizations to produce or disseminate public work on climate change?

Yes

CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

WWF and Unicredit have designed together the Environmental Sustainability Program (ESP) through which we have developed a three pronged environmental strategy based on a GHG internal emission reduction program, environmental policies and awareness building initiatives. The program addresses the most challenging issue for the financial sector, which is related to the capacity of weighing the carbon footprint of its investment and lending portfolio.

We also contribute to WWF research on climate change. Climate change is at the forefront of UniCredit's strategy, which is why the Group is also developing an ad hoc methodology to understand how a 2° compliant world would impact its credit risk assessment of the investments in its key clients. For the same reason, UniCredit is also member of the Green Economy Observatory, which aims at developing main green economy topics, through research and in depth analysis, facilitating dialogue among public institutions and businesses. Furthermore, UniCredit is also member of UNEP FI with an active role in the Climate Change Advisory Group.

CC2.3g

Please provide details of the other engagement activities that you undertake

UniCredit also supports the activities of the Stati Generali della Green Economy (SGGE), a strategic-planning multi stakeholder open process. The SGGE aims at promoting an economic shift of the Italian system towards the green economy to give way to sustainable and durable economic opportunities in Italy. UniCredit, as a member of the Global Compact Network Italia Environment working group, is contributing to the promotion of the use of the Natural capital concept. By lending its expertise in the calculation of externalities and its role within the Natural Capital Declaration, UniCredit is helping the SGGE to promote a general framework to ultimately be used to advocate for mandatory accounting and legal recognition of the Natural Capital.
Within its engagement activity, UniCredit has contributed to the implementation of Italian legislation in accordance with the EU energy efficiency directive. Indeed, as member of the Italian bankers' association ABI, UniCredit joined a dedicated working group on energy efficiency, bringing its expertise and experience in conducting energy audits under its Environmental Management System, with the aim of valorizing voluntary instruments of environmental management in complying with the legislation.

CC2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Through shared positions with institutional relations management and through a structured decision making process on climate related issues, which involves internal operational, management and sustainability functions with a direct or indirect role in the Group strategy. This process has the objective to ensure that there is an internal alignment with the Group strategy and its implementation activities. Since 2014 UniCredit has also structured this and other processes within a stronger governance framework, including the activity of its Group Environmental and Social Council (GESC) which reports to the EMC.

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

Further Information

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 1+2	100%	30%	2008	491448	2020	In 2013 we had to partially correct our GHG emission baseline (2008) due to a delay in billing over the previous five years from our natural gas supplier in Italy. In 2014, following further thorough verification in terms of both absolute cost and timeframe, we further refined and corrected our baseline. Accordingly, our result in 2014 brings our trend back into alignment with our overall long term trend.

CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	50%	96.6%	We have almost achieved our 30% emissions abatement target for 2020 some 6 years ahead of time. Thus, we will most likely review our objectives following the results of the upcoming 2015 United Nations Climate Change Conference to be held in Paris later this year (2015).

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a
Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

There are 3 types of products/services which UniCredit provides to its customers that enable avoidance of GHG emissions, directly or indirectly. These are:

1.) Financing of Renewable Energy power plants.
UniCredit's renewable energy portfolio has been growing in recent years, with its exposure reaching a record €9.2 billion by the end of 2014. Our portfolio in renewable energy financing provides funding for photovoltaic installations, small wind turbines and biogas generators. UniCredit is also the current owner of Bard Offshore 1 (Ocean Breeze Energy), a 400-megawatt offshore wind park situated in the German North Sea.
i. Avoided emissions from renewable energy sources would normally represent third party scope 2 emissions.
ii. Emissions reductions are afforded by the generation of electricity deriving from renewable sources in substitution of electricity consumption from the national grid. Emission factors for renewable sources, excluding potential leakages or life cycle emissions, are generally accounted for with no emissions which would generate automatic emission reduction considering that UniCredit Group operates in countries where the national emission factor is above 0.
iii. Estimated amount of emissions avoided: 4.677.319,87 metric tCO2 emissions in 2014.
iv. Estimation methodology: Through internal analysis and data collected by dedicated internal business functions, we have been able to quantify the emissions associated with 92% of our Renewable Energy (RE) portfolio (only solar and wind power plants).
To calculate the amount of emissions generated by our RE portfolio, we have considered:
- The amount of capacity installed (MW)
- The amount of electricity generated considering an average 15% load factor for PV plants and 30% for wind power plants (MWH)
- A European average for the grid emission based on the emission factors integrated in our GHG inventory accounting
We have consequently accounted the amount of emissions generated through our RE portfolio above as the amount of emissions avoided by the customers included in this analysis.
v. We are not considering to generate CER nor ERUs under the CDM.

2.) Officinae Verdi (OV) JV in collaboration with WWF. This is an ESCO operating in Italy which promotes distributed generation and energy efficiency by offering green technology solutions that meet the energy needs of both households and businesses alike, helping them to reduce their CO2 emissions.
i. Avoided emissions from renewable energy sources would normally represent third party scope 2 emissions.
ii. Emissions reductions are afforded by the generation of electricity deriving from renewable sources in substitution of electricity consumption from the national grid. Emission factors for renewable sources, excluding potential leakages or life cycle emissions, are generally accounted for with no emissions which would generate an automatic emission reduction considering that UniCredit Group operates in Italy where the national emission factor is above 0.
iii. Estimated amount of emissions avoided: approximately 205,000 metric tCO2 emissions were avoided in 2014 in relation to OVs renewable energy plant portfolio.
iv. Estimation methodology: conversion factors El. En 0,5546 tCO2/MWh Source ISPRA 2015, and from energy efficiency measure for Conad del tirreno, about 100tCO2 per point of sale

3.) Firma Mia, an innovative product applied within our retail banking that enables customers to avoid the use of paper contracts thanks to the use of a graphometric signature mechanism for all main contractual agreements with the bank and for the management of bank accounts.
i. Avoided emissions represent third party scope 3 emissions
ii. Estimated amount of emissions avoided: 600 t of Co2 per annum.
iii. We have been able to quantify the amount of paper saved thanks to a continuos monitoring activity throughout the project implementation. To account for the related emissions we have applied the emission factor used for paper usage (ref. Bilan Carbon) to assess the volumes of CO2 emissions saved.

CC3.3
Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a
Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	3	
To be implemented*	2	4579
Implementation commenced*	0	0
Implemented*	63	980
Not to be implemented	0	

CC3.3b
For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Processes	We have applied a new generation cooling system process design in one of our data centers in Northern Italy. This was achieved by lowering chillers load and running them in parallel.	232	Scope 2	Voluntary	101908	0	<1 year	<1 year	This initiative has not been assigned a dedicated budget. It is a new process design.
Energy efficiency: Processes	Our second data center in Northern Italy has been installed with new, more efficient, absorption chillers.	468	Scope 2	Voluntary	205153	600000	1-3 years	6-10 years	The life cycle of new appliances are estimated as long as 15 years, however

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
									depreciation time is 10 years.
Energy efficiency: Building services	We have carried out replacements of thermal units in 56 sites as part of our energy efficiency effort.	246	Scope 1	Voluntary	127203	642950	4-10 years	6-10 years	The investment reported is net of tax relief.
Energy efficiency: Building fabric	As part of our ongoing objective to curb energy dispersion, 4 sites have been fitted with new windows affording greater thermal stability.	32	Scope 1	Voluntary	16627	64853	1-3 years	6-10 years	The investment reported is net of tax relief.
Energy efficiency: Building fabric	We carried out a retrofitting project in one of our retail premises with the purpose of improving localized energy efficiency.	2	Scope 1 Scope 2	Voluntary	1502	13557	4-10 years	6-10 years	The investment reported is net of tax relief.

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	UniCredit abides by all relevant legislation. Since 2014, at UniCredit SpA, the holding company, the Environmental Management System, registered according the EMAS regulation and spanning more than 4,400 sites, serves as supervisory body on behalf of Group Compliance in order to meet the following requirements: a) defining and updating an inventory detailing all applicable environmental legislation and regulation b) Carrying out an assessment of UniCredit S.p.A's environmental risk exposure in relation to applicable environmental legislation and regulation requirements c) regularly monitoring and auditing its sites in conformity with relevant regulation, and subsequently ensuring any necessary mitigating actions are carried out by the relevant reference departments/persons.
Dedicated budget for energy efficiency	Enhancing energy efficiency in operations, facility management and processes is UniCredit's favorite approach. It allows cost savings and performance improvement. Organization and facility management are allocated dedicated budget for energy efficiency, including for energy audits of which over 90 were carried out in Italy, Germany and Austria in 2014.
Dedicated budget for low carbon product R&D	A substantial budget has been allocated for the implementation, monitoring and maintenance of the process innovation project 'Firma Mia'.
Employee engagement	UniCredit operates several Environmental Management Systems across its legal entities. All the Italian sites of UniCredit S.p.A are registered under the EMAS regulation, while in Austria (UniCredit Bank Austria AG) and in Czech Republic and Slovakia (UniCredit Bank Czech Republic and Slovakia a.s.) all the sites are certified ISO14001. A number of sites in Germany (UniCredit Bank AG) are also ISO14001 certified. Within this framework employee awareness is a key priority, achieved through dedicated sections within internal communication tools, including the promotion of energy saving tips, and given broad dissemination through environmental news commentaries.
Financial optimization calculations	Energy efficiency measures undertaken are assessed from both an environmental and financial point of view, in order to validate the investments at source (calculation of ROI and payback time are provided to support the decision making process). A remote control system is implemented, where multi-meters have been located in a sample of branches to measure and monitor electricity consumptions.

Further Information

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document
In voluntary communications	Complete	Please see pp. 72-77 of the UniCredit 2014 Integrated Report, including pp. 70-71 of the 2014 Integrated Report Supplement. Please note that for ease of reference, a single pdf has been supplied. However, the Report and Supplement have their own individual page references. Please refer to the aforementioned page numbers visible on the document, not the screen page number which appears when viewing the document on screen).	https://www.cdp.net/sites/2015/94/19794/Climate Change 2015/Shared Documents/Attachments/CC4.1/UniCredit_2014 Integrated Report_and_Supplement_ENG.pdf
In voluntary communications	Complete	All pages are applicable (Italian version of UniCredit S.p.A. EMAS certified EMS 2015 Environmental Statement – data refers to 2014.	https://www.cdp.net/sites/2015/94/19794/Climate Change 2015/Shared Documents/Attachments/CC4.1/UniCredit_ DA UniCredit spa 15.pdf

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
International agreements	The roadmap to COP 21 in Paris may lead to regulatory developments that can have deep implications on risk assessment, notably for carbon intensive industries. If a global binding agreement is achieved or if, besides the type of agreement, a tone is set for the implementation of carbon restrictions, UniCredit should react and evaluate the possible economic scenario, carbon constraint driven. Also, the review of the IFC performance standards and the update of the Equator Principles will imply modifications to UniCredit's internal procedures and methodologies of evaluating environmental and social assessment of project finance arrangements (corporate loans, short-term 'bridge' loans and financing). In particular, the new version of the Equator Principles will require financial institutions to carry out a	Reduction/disruption in production capacity	1 to 3 years	Indirect (Client)	Very likely	Medium-high	We consider the financial impact on our customers should there be reporting obligations or market constraints. We consider, for instance, the risk embedded for the oil and gas sector in a 2° compliant regulatory framework, (i.e. stranded assets).	In order to be aware of risks and opportunities in climate change, Group Sustainability keeps the Group abreast of all the major sustainability issues that could have an impact on the Society, including climate change. With this objective Group Sustainability UniCredit is collaborating with the GHG Protocol and UNEP FI and other financial institutions for the development process of a guidance to help financial intermediaries quantify the emissions from their lending and investments portfolios. Within this project, a dedicated workstream has been launched to assess carbon asset risk in lending and investment portfolios. This guidance will serve as a supplement to the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.	Costs for supporting UniCredit Group Sustainability and other business functions involved in bringing forward all initiatives is already embedded in the team's budget as part of the core business management costs. These costs, in addition to the expenses for additional activities (such as the analysis of the development of technologies and the evaluation of new regulatory markets) accounts, annually, for approximately €880,000.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	more in depth and costly analyses for projects that emit over 100,000 tonnes of carbon dioxide equivalent annually.								
Cap and trade schemes	Directive 2009/29/EC implementing and expanding the EU ETS sets out new rules for the third period of the scheme (2013-2020) and establishes a further reduction of emissions by 21% in 2020 compared to 2005. More broadly, the EU seems to move towards a tightening so as to sustain carbon prices.	Other: Market risk	3 to 6 years	Direct	Likely	Low-medium	The new EU ETS could have a great effect on our clients as permit caps are being reduced and new business sectors will be included. The potential impact and related risk is price volatility, net position and changes on a daily basis. We would need to adapt to new market needs and demand in terms of financial products and services. A more comprehensive interaction with the business and compliance functions will be required thus increasing operational costs.	We have a risk management tool which is related to other commodity prices, and relative spreads. Besides, there is an ongoing involvement with UNEP FI in order to monitor the evolution of the international agreement on carbon constraint related to financed emissions. Carbon credit prices are studied and future scenarios are analyzed and shared with our stakeholders. In particular, we are analyzing the development of regulations and national and international legislation that will govern this market with the support of different business functions including Group Sustainability, Public Affairs, Research and Development, Strategic Planning, while our Carbon Solutions team follows markets dynamics and provides liquidity to the markets, while serving customers' needs. Also, since 2008 UniCredit accounts for its emissions and has set reduction targets that would mitigate financial implications if the banking sector became concerned by cap and trade schemes. The Group has reached a 29% emissions reduction and	Costs are embedded in Group Sustainability and Risk management annual budget.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								aims at achieving a 30% reduction by 2020.	
Carbon taxes	UniCredit is exposed to carbon risks through the financing of carbon intensive sectors like coal mining, cement companies, utilities, oil and gas and other carbon intensive industries. A carbon tax will increase the likelihood of a switch towards renewables which would leave some of our customers behind. These risks lie mainly with the ability of the sectors affected and of the bank to cope with new operational costs and taxes in order to guarantee a sufficient level of compliance but also the possibility to remain competitive in the market. Our clients' difficulties in these terms could cascade on us, financially, whether they won't be able to abide by their contractual agreements, or from a reputational point of view, if bad publicity results explicitly related to us.	Other: Market risk	>6 years	Indirect (Client)	More likely than not	Medium-high	A tighter regulation on energy efficiency and carbon taxes will have an indirect impact, in terms of a limited financial capacity of our customers to respond to increased costs of fuel and other commodities subject to these regulations. The financial implications of these impacts have not been quantified yet. Should the affected company not be able to pass through tax costs, the P&L will be directly affected. In case of total or partial pass through, there still remains the risk of decrease in demand, affecting the revenue side of the P&L.	In order to mitigate indirect risks deriving from our business operations in this area, country-level lending activities and policies relating to all of our business lines are also included in the scope of the holding company EMS. A coal policy that aims to provide standards and guidelines that address the risks associated with financing coal fi red power industry has been passed. This policy is the result of an extensive, in-depth analysis across 10 key countries within our network: in 2013 we in fact engaged internal and external stakeholders on issues including local energy strategies, the impact of emissions, and country-specific technological and regulatory developments. Among the management methods to address this risk we also include our engagement with UNEP FI and the development of a carbon model aimed at calculating the externalities of our coal and utilities portfolio in relation to climate change, ecosystems, biodiversity and human health.	Management costs in this area include the registration, management and maintenance costs for the Group's holding EMS The budget allocated to these activities accounts for approximately €400,000.
Uncertainty surrounding new regulation	Given the wide range of sectors within our financed portfolio, there is a risk that some of our activities could be restricted due to evolving governmental laws and regulations,	Inability to do business	1 to 3 years	Indirect (Client)	More likely than not	Medium	There are two potential financial implications for many of our clients: from a financing perspective, the credit default risk if the bank finances a corporate	i.To mitigate this risk: - we are currently trying to understand and anticipate the evolving general environmental regulations applicable to our clients and also the clients'	The costs associated with our activities to manage this risk are integrated into UniCredit's operating expenditures within the involved business functions .

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	including laws on climate change. This could result in lower revenues from the firm's commodities activities and require the firm to face additional operational costs to comply with the new regulation. For instance, the hydrocarbon extractive sector and those with carbon-based power generating infrastructure assets could be severely affected by international regulation that prevents exploitation of carbon reserves. Also, if the supply chain of some of our customers, and nonetheless, our supply chain fails to meet new regulatory requirements, this could result in lower cash flows than expected and reducing growth prospects, having an impact on our business operations and ultimately on our customers. Finally the feed in tariff regime has been highly volatile in recent years in some countries making a fuzzy picture of customers projected revenues over time.						client non complaint with environmental regulation; from an investing perspective, the devaluation of the asset under management of companies in our portfolio because of environmental penalties. The main portion of our portfolio at risk: Renewable Energy (€ 9.2 bln at end 2014), energy and carbon intensive commodities.	capability to comply, adapt and take advantage of them, underweighting the countries where we see high risk of uncertainty. ii. We have adopted the Equator Principles for our Project Finance activity in 2008. The policies set mandatory requirements and evaluation criteria for the Group's financing and investment in these sectors. The introduction of these criteria helps to highlight all the risks related to certain transactions, ensuring that only responsible projects are selected.	
Fuel/energy taxes and regulations	If the EU introduces a fuel and energy tax as some have predicted, the taxation on fuels, like coal with a heavier impact in terms of CO2 emissions, will have a direct impact also on UniCredit's Real Estate costs and will require additional	Increased operational cost	>6 years	Indirect (Client)	More likely than not	Medium-high	A tighter regulation on energy efficiency and carbon taxes will have an indirect impact, in terms of a limited financial capacity of our customers to respond to increased costs of fuel and other commodities subject to these	In order to mitigate indirect risks deriving from our business operations in this area, country-level lending activities and policies relating to all of our business lines are also included in the scope of the holding company EMS. A coal policy	Management costs in this area include the registration, management and maintenance costs for the Group's holding EMS. The approximate budget allocated to these activities accounts for approximately €400,000

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	measures in terms of energy efficiency in order to optimize consumptions. The financial risk is directly related to the increase of energy prices due to the introduction of carbon taxes and regulations globally. Furthermore, fuel and energy taxes will be a source of increased credit risks, either in case the affected companies are able to pass on to final user or not.						regulations. The financial implications of these impacts have not been quantified yet. Should the affected company not be able to pass through tax costs, the P&L will be directly affected. In case of total of partial pass through, still remains the risk of decrease in demand, affecting the revenue side of the P&L	that aims to provide standards and guidelines that address the risks associated with financing coal fi red power industry has been passed. This policy is the result of an extensive, in-depth analysis across 10 key countries within our network: in 2013 we in fact engaged internal and external stakeholders on issues including local energy strategies, the impact of emissions, and country-specific technological and regulatory developments. Among the management methods to address this risk we also include our engagement with UNEP FI and the development of a carbon model aimed at calculating the externalities of our coal and utilities portfolio in relation to climate change, ecosystems, biodiversity and human health.	
Renewable energy regulation	The decrease of incentives on renewable energies can trigger financial risks mainly related to market significant changes that would result in reduced profits arising from the funding allocated to this area, and the increased risk associated, and a decrease in business opportunities.	Other: Market risk	1 to 3 years	Indirect (Client)	More likely than not	Medium-high	The financial implications could arise from the decrease in the investors´ interest in this kind of investment projects. The decrease of the incentives to renewable energies has already had a direct impact on our business and will have a direct impact as well on the future finance strategy of the Bank. Nevertheless, at least in some of the region where we operate, the grid parity should prevent interest to be reduced.	Current sectorial perspectives are studied by our Strategic Risk Department which provides credit risk officers with preferred allocation based on global trends. The firm is managing this risk also by ensuring that our financing activities are diversified across a range of sectors and industries in order to dissolve the potential impact on the firm's overall business performance. In addition, through our ESCO Officinae Verdi we provide	The costs associated with our activities to manage this risk are integrated into UniCredit's operational costs within the various lines of business involved.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								environmental energy services to retail and corporate clients. UniCredit risk assessment process benefits of the contribution of several sector analysts.	

CC5.1b

Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	Extreme weather events can result in physical risks that refer to both direct and indirect impacts. Direct risks are related to extreme adverse weather events due to climate change. Floodings and storms have become increasingly common in all regions, including Europe. In this case our main exposure is related to: IT services, facilities, staff health and productivity. In relation to IT services, considering the worse scenarios, extreme events could lead to disruptions of our business operations. In case of damages to facilities and on staff, damages could have an impact in terms of non-productive periods and potentially also to employees health (e.g. severe heat waves). Indirect impacts of these type of changes are on the other hand linked to superior credit risks that are likely	Reduction/disruption in production capacity	Unknown	Direct	More likely than not	High	High extreme weather events could lead to an interruption of our operations and substantial direct losses. This risk is material for our facilities (data centers, owned buildings and subsidiaries buildings), data and employees. Damages could require specific interventions and result in increased operational costs (e.g. relocation of employees, renovation and reconstruction of facilities) and insurance costs (insurance premiums).	In order to mitigate the risks related to the direct impacts of physical change related to Climate Change, UniCredit has implemented a Business Continuity Plan (BCP) which entails risk management procedures to guarantee the security of our IT system in case of severe damage to the Group Facilities or data loss. Through this plan the bank has located multiple locations of its servers and selected the areas based on the vulnerability of the sites. This plan largely covers most operational risks, including those related to extreme weather events. No management procedure has been instead adopted to manage risks related to indirect impacts on our clients operations.	The costs associated with our activities to manage this risk are integrated into UniCredit's operational costs within the various lines of business, especially those related to the BCP's implementation activities and maintenance.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	to occur for clients exposed to these threats, such as the agricultural or tourism sector.								

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	The risk can be related to both direct and indirect impacts. Direct risks refer to the risks of not being able to meet its commitments in relation to climate change or other environmental disclosed targets, or else in comparison with its peers. Indirect risks are instead related to our lending, project and investment activities. As climate-related issues will have a growing impact on our stakeholders, we believe that we have to reduce our exposure to reputational risk. In this context, a distinction is made between operational risks, i.e. risks resulting directly from business activities, and reputational risks with potential effects on brand value (for example financing of environmentally critical objects activities).	Reduced demand for goods/services	1 to 3 years	Direct	Likely	High	Financial implications could derive from direct risks (e.g. loss of credibility) and indirect risks (i.e. actions undertaken by our customers, e.g. from climate sensitive sectors, cola fired power generation sector, mining sector, nuclear and others such as oil sands, hydraulic fracturing, deforestation. Financial implications could derive from: 1. costs for the development of a recovery plan. 2. loss of business opportunities with clients affected by climate reputational constraints	Our Group Operational & Reputational Risk Committee met 11 times in 2014 to discuss and approve new policies (including environmental related policies such as coal, nuclear, etc), methodologies and practices for monitoring and controlling our reputational risk portfolio across divisions, business units and legal entities. In addition to various efforts to anticipate and prevent reputational risk, in 2014, we continued our Industry Reputational Risk Analysis projects on which we reported last year. In particular in 2014 UniCredit further reinforced its capacity to identify and analyze financial sector reputational risk events by drawing extensively from external sources of information, prioritizing and integrating identified events into an internal data set. This provided Group functions specific expertise and knowledge of stakeholder perceptions and an understanding of the potential impact of these perceptions for UniCredit. The resulting reports will also, for the sake of completeness, integrate data on internal events. For 2015, we aim to standardize the process, updating this data set and regularly	In this context we include costs related to the budget assigned to Group Sustainability for carrying out all activities that eventually will result in maintaining high reputation with all key stakeholders and monitoring international standards, including those undertaken by GORRIC. The approximate budget allocated to these initiatives accounts for approximately €350.000.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								sharing the information internally. This process will raise the level of reputational risk awareness within our Group and help us achieve our objective to be the premier bank for risk culture in every country where we operate.	
Uncertainty in market signals	Due to the physical and regulatory risks related to climate change, financial markets could be as well affected when some of its key actors would suffer from any of these events. UniCredit is aware of the risk associated to a unexpected decline of the market (market risk) due to carbon-related decisions. This might occur because of inaccurate asset allocation, increased volatility and consequently the risk, thus causing a deterioration in lending portfolio. We consider also the interest rate level to be subject to changes in the global macroeconomic conditions due to climate change consequences, more in relation to adaptation interventions than mitigation as these lead to increase the GDP portion dedicated to investments. In this case the affected sectors are expected to increase investments in assets and capital equipment rather than consumer goods.	Reduced stock price (market valuation)	Unknown	Indirect (Client)	Very likely	Medium-high	In the long term Climate change could have a radical impact on economic growth and the operating environment of businesses globally. Even if financial risk and market instability is an endemic risk to the investment sector, this type of risk could result in a continuous loss of business for UniCredit as the potential damage to some sectors would have a direct impact on their financial availability, due to damages on productivity, lack of compliance with new regulations or disrupted reputation.	UniCredit has been allocating resources to the R & D department for analyzing sector trends and specific market perspectives. These analyses will enable the Group to identify the sector more at risk considering the most relevant market priorities. The outcomes of these scoping studies are generally shared with GRM in order to integrate its results in a more strategic approach that seeks to prevent, or at least foresee, radical market changes. With this view Group Sustainability has conducted an internal analysis of the financial implications for oil and gas stranded assets as a consequence of the hidden costs of potential future carbon taxes. (Ref. Carbon Tracker Unburnable Carbon (2012)).	Costs for pursuing and identifying these opportunities are mostly covered by the allocated budgets of the business lines involved. New funds shall be devoted to retrieve additional information on new technologies. In these context we include the costs incurred for participating in UNEP FI activities .

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
International agreements	Changes in the international regulation will most probably lead to new regulatory constraints for many sectors but also to new business opportunities. Facing more demanding targets the need to develop innovative financial products and services will arise. In particular if a post-Kyoto agreement will be released, in Paris in 2015, a strong financial support will be required for both those carbon constrained sectors and for the more promising sectors that shall be incentivized for pursuing the new emission reduction targets, especially in developing country. The launched Green Climate Fund might generate a market growth and set a mandate for a new global agreement to be finalized in 2015. In 2011 (COP 17 – Durban SA), 286 Institutional Investors, representing US$ 20trn called for investments, pointing to a substantial financing opportunity for banks. Market growth is expected to be fastest in	New products/business services	1 to 3 years	Indirect (Client)	More likely than not	High	Whether changes in the international regulation will occur there will be a business case for developing new products and services in order to support the market, especially the most vulnerable or constrained sectors that will be required to meet the newly agreed targets. We shall be able to identify and support those sectors, especially those that could on the other hand benefit from sector specific incentives, such as those offered by the Green Climate Fund.	UniCredit has been able to track some of these opportunities through our project finance department and through our Research and Development department. Officinae Verdi is our ESCO, joint ventured with Fondazione WWF Italia, which provides environmental energy services to retail and corporate clients. Our Group has also developed environmental and climate friendly financial instruments in its pioneering role bringing Green Bonds to market. These bonds enable companies to raise capital and solicit investments in projects with environmental benefits, such as greenhouse gas emission reduction or climate change adaptation projects. They are a viable alternative to conventional loans and project finance. In 2014, we reinforced our commitment to this important new market segment by joining the Green Bond Principles and becoming a partner in the Climate Bonds Initiative. Our team of Green Bonds specialists provides insight into these investments, covering the needs of our clients. In 2014, UniCredit acted as lead manager and book runner in support of three out of the five	Costs for pursuing and identifying these opportunities are mostly covered by the allocated budgets of the business lines involved. New funds shall be devoted to retrieve additional information on new technologies. In these context we include the costs incurred for participating to UNEP FI activities .

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	emerging economies where the financial aid of the Fund will be diverted. The trigger relates to the fact that funded projects shall be catalyzed from enterprises world wide, hence also for the EU market for companies eligible to access the Fund.							utility companies that entered the green bond market with benchmark-sized transactions.	
Carbon taxes	If carbon taxes were to be passed across the countries where we lead business, this change will probably trigger the need for low carbon products and this will inevitably have an impact on the market and on UniCredit potential to both provide low carbon products and to support its clients, through new products and advisory services, in order to meet these needs and targets and also to provide new investment opportunities.	Investment opportunities	1 to 3 years	Indirect (Client)	Likely	High	Cap and trade schemes and carbon taxes offer UniCredit the opportunity to create new products and services for providing its clients with specific financial investments or customized advisory services for capitalizing on low carbon products, clean tech or carbon projects at the national and international level. Also we expect our €9.2 bn RES lending portfolio plus our RES equity to improve performance over time if carbon taxes are applied.	Our project finance and Research and Development team has allocated resources for identifying new markets and innovative products. We are currently addressing the impacts on our portfolio of potential changes, meanwhile investing in technology compliant with a decarbonized scenario.	In this context we consider the costs for pursuing R&D sector analysis to evaluate future scenarios and startup of pilot projects, costs of project finance investigations, which are already embedded in the budget allocated to these functions for bringing forward business as usual activities.
Cap and trade schemes	UniCredit dedicated desk on carbon trading will inevitably be affected by the future evolution of the EU ETS: following the carbon prices new investment and trading scenarios will need to be set. Current CER price levels do not leave much room for a widening of the spread but the new auctions system will weigh on the prices of allowances on the	Increased demand for existing products/services	1 to 3 years	Direct	Very likely	Medium	Cap and trade schemes and carbon taxes offer UniCredit the opportunity to create new products and services for providing its clients with specific financial investments or customized advisory services for capitalizing on low carbon products, clean tech or carbon projects at the national and international level. Also we expect our €9.2 bn RES lending portfolio plus our RES equity to	Our project finance and Research and Development team has allocated resources for identifying new markets and innovative products. We are currently addressing the impacts on our portfolio of potential changes, meanwhile investing in technology compliant with a decarbonized scenario.	In this context we consider the costs for pursuing R&D sector analysis to evaluate future scenarios and startup of pilot projects, costs of project finance investigations, which are already embedded in the budget allocated to these functions for bringing forward business as usual activities.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	market. Uncertainty about possible further restrictions on CERs and ERUs will probably lead most installation operators to use as many external credits as the quota allows for meeting compliance purposes. The use of a higher amount of CERs and ERUs for compliance will probably add more downside pressure to allowance prices.						improve performance over time if carbon taxes are applied.		
Renewable energy regulation	Following changes to the RES regulation, new market opportunities could arise, especially if the EU regulation related to our regional objectives in terms of emission reductions and intensity of RES within the energy mix will set a new and more structured scenario in order to meet these goals. In any case the market has shown how the sector in slowly increasing its share in the utilities market, both in Europe and in developing countries where many renewable sources still need to be exploited.	Increased demand for existing products/services	1 to 3 years	Direct	More likely than not	Medium	Cap and trade scheme and carbon taxes offer UniCredit the opportunity to create new products and services for providing its clients with specific financial investments or customized advisory services for capitalizing on low carbon products, clean tech or carbon projects at the national and international level. Also we expect our 9.2 bn € RES lending portfolio plus our RES equity to improve performance over time if carbon taxes are applied.	Our project finance and Research and Development team has allocated resources for identifying new markets and innovative products. We are currently addressing the impacts on our portfolio of potential changes, meanwhile investing in technology compliant with a decarbonized scenario. In addition UniCredit opportunities identification process benefits of the contribution of several sector analysts.	In this context we consider the costs for pursuing R&D sector analysis to evaluate future scenarios and startup of pilot projects, costs of project finance investigations, which are already embedded in the budget allocated to these functions for bringing forward business as usual activities.

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other physical climate opportunities	Climate related event could create demand for specific financial products or	Increased demand for existing products/services	3 to 6 years	Direct	Likely	Medium	Financial implications are quantified considering: - investments in mitigation	Most key opportunities are identified in conjunctions with the R&D department,	Cost of management In this scenario we consider : the costs embedded in

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	services to be offered by UniCredit's clients in order to support them in facing extreme weather events consequences, preventing the occurrence of asset disruption and advise them on how to mitigate and manage these risks.						projects at the national and international level, especially the Group or its customers will be eligible to dedicated climate funds such as the Green Climate Fund; - adaptation programs for supporting private and public sector in preventing or repairing to the effects of climate change; - investing in new insurance products or upgrading existing one could present also a new business opportunity for the bank.	marketing and corporate investment banking but also independently by Group Sustainability, thanks to the continuous efforts to engage all relevant stakeholders within the overall sustainability strategy. Specific initiatives in relation to climate change have been undertaken with regard, even if not directly related, to the bank's direct impacts or core business (forestation and park reconstruction project of UniCredit Bulbank).	the management of the R & D and other departments involved; costs for participating in events and international working groups during the reference year.

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	The climate change momentum is rising and there is an increasing interest from the sides of many stakeholders from the private, public and non-governmental sector. In particular the investors community has shown strong interest in climate related investments and a stronger pressure is also raised by our clients, especially when confronting with the services provided by other financial organizations in relation to climate change. Also the community and clients awareness on the possibilities related to climate change has increased together with their expectation for an active role of the private sector leaders.	Investment opportunities	1 to 3 years	Direct	Very likely	Medium-high	Showing consistent commitment towards our own emission reduction targets and engaging with our customers on climate sensitive issues and in external partnerships and conferences has proved to pay back on our brand and reputation, which today is worth $5,405 million (Brand finance 2015).	We have seized opportunities for brand enhancement through: communicating to all our stakeholders our commitment on Climate Change; offering credible and attractive climate-related banking products and services; taking market opportunities such as investing in renewable energy products/projects or in energy efficiency projects; investing in products for financing local CO2 emissions reduction projects and supporting sustainable development in less developed countries.	In this context we can consider: the costs are embedded in the management of all initiatives undertaken by Group Sustainability to manage stakeholder relations on these topics and preserve stakeholders engagement in the long term; the costs for implementing and maintaining our EMS and all related initiatives; the costs embedded in the business lines devoted to energy efficiency/renewable projects and carbon projects.
	Following the market dynamism	Increased demand for	Unknown	Direct	Virtually certain	Medium-high	Showing consistent	We have seized opportunities for	In this context we can consider: the

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	in relation to the induced demand for renewable energies and the cost savings opportunities also in terms of energy efficiency, also the demand for dedicated loans has increased in the recent years. Moreover, clients attention towards the environmental behavior of companies has increased, including for the banking industry. Thanks to internet many of our clients are interested in verifying the conformity between the information we provide and the actual operational processes. Also when accessing the financial markets there is a growing interest,especially from the side of the investors in sustainable products which have undergone ESG selection criteria.	existing products/services					commitment towards our own emission reduction targets and engaging with our customers on climate sensitive issues and in external partnerships and conferences has proved to pay back on our brand and reputation, which today is worth $5,405 million (Brand finance 2015).	brand enhancement through: communicating to all our stakeholders our commitment on Climate Change; offering credible and attractive climate-related banking products and services; taking market opportunities such as investing in renewable energy products/projects or in energy efficiency projects; investing in products for financing local CO2 emissions reduction projects and supporting sustainable development in less developed countries.	costs are embedded in the management of all initiatives undertaken by Group Sustainability to manage stakeholder relations on these topics and preserve stakeholders engagement in the long term; the costs for implementing and maintaining our EMS and all related initiatives; the costs embedded in the business lines devoted to energy efficiency/renewable projects and carbon projects.

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1
Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Jan 2008 - Wed 31 Dec 2008	99479
Scope 2	Tue 01 Jan 2008 - Wed 31 Dec 2008	391969

CC7.2
Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
ISO 14064-1
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

CC7.2a
If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3
Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)

CC7.4
Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
			Please find attached the excel sheet with all the emission factors used

Further Information

Please find attached the excel spreadsheet requested in the question CC7.4. Please note that it is absolutely CONFIDENTIAL. The file contains the most updated emission factors applied to our GHG Inventory.

Attachments

https://www.cdp.net/sites/2015/94/19794/Climate Change 2015/Shared Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/CONFIDENTIAL_UniCredit GHG_Inventory_Year_2014_Emission Factors.xls

Page: CC8. Emissions Data - (1 Jan 2014 - 31 Dec 2014)

CC8.1
Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2
Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

67459

CC8.3
Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

280975

CC8.4
Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a
Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
Geograohies	Emissions are not relevant	Emissions are not relevant	Due to the relevant uncertainty of data and data collection processes, we do not include Azerbaijan or Ukraine in our reporting perimeter. These countries in any case represent a negligible portion of Group emissions.
Geograohies	Emissions are relevant but not yet calculated	Emissions are relevant but not yet calculated	Due to the availability of certain data sources, we do not include Poland in our GHG emissions reporting perimeter. We are working towards improving the local data collection process in order to permit more comprehensive emissions reporting in the future.
Greenhouse gases	Emissions are not relevant	Emissions are not relevant	We do not include greenhouse gases other than CO2 due to the fact that for all of our activities we consider CO2e which captures the equivalent of greenhouse gases generated by all of our emission sources.
Refrigenerents	Emissions are not relevant	Emissions are not relevant	Due to the absence of significant data, we do not include refrigerants gases in our GHG Inventory.

CC8.5
Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 5% but less than or equal to 10%	Data Gaps Assumptions Metering/ Measurement Constraints	Some data has been estimated because of delays in billing. Other data is sometimes not available and we need to apply internal simulation models based on average temperatures for example. The banking industry has a huge network of branches in different countries and very often landlords cannot comply with our internal management requirements. Large buildings under direct control provide the maximum degree of accuracy in data collection but some inferences are needed for the whole network. Furthermore, UniCredit does not always have access to meters as data is provided directly by landlords and consequently have to be considered with a minor degree of uncertainty.
Scope 2	More than 5% but less than or equal to 10%	Data Gaps Assumptions Metering/ Measurement Constraints	Some data has been estimated because of delays in billing. Other data is sometimes not available and we need to apply internal simulation models based on average temperatures for example. The banking industry has a huge network of branches in different countries and very often landlords cannot comply with our internal management requirements. Large buildings under direct control provide the maximum degree of accuracy in data collection but some inferences are needed for the whole network. Furtthermore, UniCredit does not always have access to meters as data is provided directly by landlords and consequently have to be considered with a minor degree of uncertainty

CC8.6
Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/94/19794/Climate Change 2015/Shared Documents/Attachments/CC8.6a/UniCredit_2014 Integrated Report_and_Supplement_ENG.pdf	Please see Deloitte's Independent Auditor's statement at pp. 86 and 87 of the UniCredit 2014 Integrated Report attached (the page number of the Auditor statement is not written, but the relevant pages appear immediately after pp 85). Also, please see page 2 of the UniCredit 2014 Integrated Report which contains details to which Deloitte's statement is directly linked.	ISAE3000	100

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/94/19794/Climate Change 2015/Shared Documents/Attachments/CC8.7a/UniCredit_2014 Integrated Report_and_Supplement_ENG.pdf	Please see Deloitte's Independent Auditor's statement at pp. 86 and 87 of the UniCredit 2014 Integrated Report attached (the page number of the Auditor statement is not written, but the relevant pages appear immediately after pp 85). Also, please see page 2 of the UniCredit 2014 Integrated Report which contains details to which Deloitte's statement is directly linked.	ISAE3000	100

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Year on year change in emissions (Scope 1 and 2)	UniCredit emission figures, including change in Scope 1, 2 and 3 against the base year of our GHG reporting and the related progress against our emission reduction target (Scopes 1 and 2), have been verified by Deloitte as the accredited external third party, as reported in the UniCredit 2014 Integrated Report assurance statement, which includes GHG emission figures.
Year on year change in emissions (Scope 3)	UniCredit emission figures, including change in Scope 1, 2 and 3 against the base year of our GHG reporting and the related progress against our emission reduction target (Scopes 1 and 2), have been verified by Deloitte as the accredited external third party, as reported in the UniCredit 2014 Integrated Report assurance statement, which includes GHG emission figures.
Progress against emission reduction target	UniCredit emission figures, including change in Scope 1, 2 and 3 against the base year of our GHG reporting and the related progress against our emission reduction target (Scopes 1 and 2), have been verified by Deloitte as the accredited external third party, as reported in the UniCredit 2014 Integrated Report assurance statement, which includes GHG emission figures.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Austria	3052
Bosnia and Herzegovina	318
Bulgaria	697
Croatia	2617

Country/Region	Scope 1 metric tonnes CO2e
Czech Republic	933
Germany	14516
Hungary	1706
Italy	40134
Romania	1501
Russia	671
Serbia	37
Slovakia	1251
Slovenia	26

CC9.2
Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By activity

CC9.2d
Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Direct energy consumption	45883
Road travels	21576

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC10.1
Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a
Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Austria	24946	100850	67450
Bosnia and Herzegovina	7083	7272	
Bulgaria	9625	21974	
Croatia	6286	18968	
Czech Republic	5846	12642	
Germany	78741	184641	115290
Hungary	3158	9917	
Italy	122090	302454	295127
Romania	7462	18350	
Russia	11500	36477	
Serbia	2931	4208	
Slovakia	908	4365	
Slovenia	400	1216	

CC10.2
Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By activity

CC10.2c
Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Business operations	239073
Data centers	41901

Further Information

Page: CC11. Energy

CC11.1
What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	211263
Electricity	584858
Heat	138475
Steam	0
Cooling	0

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	201823
Crude oil	9440

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
Other	484847	Within our accounting perimeter some legal entities in Austria, Germany and Italy purchase low carbon electricity and in some of our facilities renewable energy is self produced.

Further Information

Despite almost the entire amount of electricity consumed by some of the legal entities (Italy, Austria and Germany) in our perimeter is generated from renewable energy sources, and despite all of our renewable energy purchases have been certified by an external 3rd party, UniCredit has decided to calculate its emissions by using national emission factors as these values already incorporate the amount of renewable energy produced nationally. We have consequently decided not to subtract the emissions avoided from the purchase and generation of MWH 484,847of low carbon electricity reported in CC11.4. (Of this figure the amount of 6,980 MWH is self-generated renewable energy and is not in anycase included in our inventory).

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	7.60	Decrease	Last year's (2014) decrease was mainly related to our emission reduction activities, both ongoing initiatives (such as our City Plans and Firma Mia projects), and newly implemented emission reduction projects such as the improvements made to our data centers.
Divestment			
Acquisitions			
Mergers			
Change in output	1.40	Decrease	In 2013 we had to partially correct our GHG emission baseline (2008) due to a delay in billing over the previous five years from our natural gas supplier in Italy. In 2014, following further thorough verification in terms of both absolute cost and timeframe, we further refined and corrected our baseline. Accordingly, our emissions result in 2014 brings our trend back into alignment with our overall long term trend.
Change in methodology			
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.019839728	metric tonnes CO2e	unit total revenue	51.76	Increase	As of this year, i.e. CDP 2015 Response, for ease of accountancy purposes data is based on operating income, whereas until last year we didn't take into account interest costs. Thus, the denominator used last year was significantly higher than the one applied this year.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
3.501	metric tonnes CO2e	FTE employee	8.51	Decrease	This intensity figure has reduced due to the effect of our improved energy consumption performance related to our reduction activities, both ongoing initiatives (such as our City Plans and Firma Mia projects), and newly implemented emission reduction projects such as the improvements made to our data centers. The decrease is partially offset by an increase in the denominator due to a revision of the relevant 2013 FTEs (100,056 in 2013 as revised this year, compared to 98,500 applied in last year's CDP response. We further note that in 2013 we had to partially correct our GHG emission baseline (2008) due to a delay in billing over the previous five years from our natural gas supplier in Italy. In 2014, following further thorough verification in terms of both absolute cost and timeframe, we further refined and corrected our baseline. Accordingly, our emissions result in 2014 brings our trend back into alignment with our overall long term trend.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
7.05	metric tonnes CO2e	Other: Group Shareholder equity (mln €)		Decrease	This intensity figure has reduced due to the combined effect of our improved energy consumption performance related to our reduction activities, both ongoing initiatives (such as our City Plans and Firma Mia projects), and newly implemented emission reduction projects such as the improvements made to our data centers, and also due to a slight increase in UniCredit group shareholder equity (from 48641 € mln in 2013 to 49390 € mln in 2014). We note that in 2013 we had to partially correct our GHG emission baseline (2008) due to a delay in billing over the previous five years from our natural gas supplier in Italy. In 2014, following further thorough verification in terms of both absolute cost and timeframe, we further refined and corrected our baseline. Accordingly, our emissions result in 2014 brings our trend back into alignment with our overall long term trend.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit Purchase	Wind	Düzova 30 MW Wind Power Project, Turkey	Gold Standard	27770	27770	Yes	Voluntary Offsetting
Credit Purchase	Wind	Senbük 15 MW Wind Power Project, Turkey	Gold Standard	4512	4512	Yes	Voluntary Offsetting
Credit Purchase	Wind	Akres 43.75 MW Wind Power Project, Turkey	Gold Standard	2543	2543	Yes	Voluntary Offsetting

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	1760	Emissions arising from paper consumption (emission factor from Bilan Carbone).	0.00%	As a financial institution, paper consumption is the main resource used within our operational activities. We therefore choose to monitor our annual consumption and related emissions.
Capital goods	Not relevant, explanation provided				We have evaluated that such goods do not constitute a relevant source of emissions for inclusion in our GHG inventory
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				These sources are not applicable to the financial sector in which UniCredit operates. All of our relevant fuel and energy activities are included in our Scope 1 and 2 emissions.
Upstream transportation and distribution	Not relevant, explanation provided				This source is not applicable to the financial sector in which UniCredit operates. It is therefore not included in our GHG Inventory.
Waste generated in operations	Relevant, calculated	37	Emissions arising from waste management, categorized by type. Only paper, plastic and glass are considered within the scope of our GHG Inventory.	0.00%	Emissions from waste management are constantly monitored and reported annually within our GHG Inventory.
Business travel	Relevant, calculated	11358	Emissions arising from air and rail travel. Air travel data has been categorized in long (>1600 km), medium (>500 km - <1600 km) and short (<500 km) distance.	0.00%	Road travel is excluded as emissions arising from our road vehicles a included in our Scope 1 emissions
Employee commuting	Relevant, not yet calculated				While relevant, this source has not yet been included in our GHG Inventory due to the insufficient reliability of data currently collectable. We are currently analyzing potential improvements to make to our data collection process.
Upstream leased assets	Relevant, not yet calculated				UniCredit makes use of leased cars. However, due to the limits of the current data collection process which does not allow us to distinguish between data for owned and leased cars, we currently include emissions arising from our leased cars in our Scope 1 data.
Downstream transportation and distribution	Not relevant, explanation provided				This source is not applicable to the financial sector, in which UniCredit operates. It is therefore not included in our GHG Inventory.
Processing of sold products	Not relevant, explanation provided				This source is not applicable to UniCredit as financial products do not undergo processing. It is therefore not included in our GHG Inventory.
Use of sold products	Not relevant, explanation provided				We have assessed this source of emissions as not relevant for the financial sector, in which UniCredit operates. In fact, in 2012, UniCredit S.p,A, the holding of the Group, signed an agreement with the Italian Ministry for the Environment concerning the Italian Environmental Footprint Program, which involves a number of companies in different sectors. As part of the joint activities outlined in this agreement, an ad-hoc carbon management team, made up of UniCredit staff and specialists from the Ministry was created in order to develop a methodology to determine the carbon footprint of a financial product such as a bank account. The result of the analysis undertaken shows that emissions arising from this source (product) is insignificant.
End of life treatment of sold products	Not relevant, explanation provided				We consider this source as not relevant considering that financial products rarely derive from resources requiring particular waste management processes or other kinds of end of life treatment. It is therefore not included in our GHG Inventory.
Downstream leased assets	Not relevant, explanation provided				This does not represent a relevant source of emissions for our GHG Inventory and is thus not included.
Franchises	Not relevant, explanation provided				This does not represent a relevant source of emissions for our GHG Inventory and is thus not included.
Investments	Relevant, calculated	30200000	A combination of life cycle assessment (LCA) data, Scope 3 GHG reporting data, and company financials. To avoid multiple counting, we apply phase emissions at point of potential regulation: Oil: Refining Gas: Distribution Automotive/Aerospace: Final assembler1. The analysis applies to a subset	50.00%	Emissions associated with our investment portfolio are considered a proxy of the organization responsibility on emission generated by investees. Even if not clear how this will transform into financial risk.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			of UniCredit's portfolio: general financing, leasing, factoring, bonds and equity for at risk sectors in Italy: pulp and paper, oil and gas, iron and steel, energy, building, automotive, aluminium, aerospace. The approach used is the GHG Protocol Scope 3 GHG (for Category 15).		
Other (upstream)					
Other (downstream)					

CC14.2
Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

CC14.2a
Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/94/19794/Climate Change 2015/Shared Documents/Attachments/CC14.2a/UniCredit_2014 Integrated Report_and_Supplement_ENG.pdf	Please see Deloitte's Independent Auditor's statement at pp. 86 and 87 of the UniCredit 2014 Integrated Report attached (the page number of the Auditor statement is not written, but the relevant pages appear immediately after pp 85. Also, please see page 2 of the UniCredit 2014 Integrated Report which contains details to which Deloitte's statement is directly linked.	ISAE3000	100

CC14.3
Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a
Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services	Emissions reduction activities	3.50	Decrease	Paper consumption decreased within our reporting perimeter, mainly due to specific local initiatives such as: the implementation of Firma Mia in Italy, an innovative project to reduce paper in drafting contracts; a switch to 75g/m2 copy paper instead of 80g/m2 within our German operations, and thanks to employee awareness raising campaigns.
Business travel	Change in output	1.15	Increase	We recorded a marginal increase, mainly due to an increment in air travel and slight change in the distribution of air trip lengths. Short distance journeys decreased, while medium and long distance increased. This is in line with the development of cross border projects within our international operating perimeter which require business travel.
Waste generated in operations	Emissions reduction activities	4.12	Decrease	The decrease in paper consumption arising from specific local initiatives such as a switch to 75g/m2 copy paper instead of 80g/m2 in Germany, combined with employee awareness raising campaigns, has also afforded a reduction in paper waste.

CC14.4
Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, other partners in the value chain

CC14.4a
Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

We regard employees as part of our value chain with regards to their commuting choices. As part of its space optimization initiative, City Plans, which has the objective of reducing the space occupied by its offices by some 700,000 square meters by 2018, and in line with its energy consumption reduction drive, UniCredit has chosen to further capitalise on the resource rationalisation potential deriving from rethinking the workspace. We have in fact incorporated into our City Plans complementary measures which make a connection between a more efficient use of space, our emissions abatement efforts, and fostering the possibility for our employees to become active players in addressing climate change by reducing their individual carbon footprint thanks to the availability of work patterns and solutions which allow them to lessen the impact of their commuting habits to and from the workplace. Indeed, our Smart Working project is a workspace model addressing different activities and needs of employees, supported by technology for working on the go. The innovative solutions foreseen include the possibility for employees to opt to work one day a week directly from home or from one of our 'City Hubs', thereby allowing them to cut transport time and distance, partially or all together, versus travelling to the location of their regular workplace. Furthermore, the option of working from a City Hub not only affords a reduction in distance/time travelled, but often also permits for a change in commuting means to more environmentally sound solutions, such as from a single occupancy car journey to a public transport tram journey. The voluntary initiative thus encourages employees to make more conscientious choices about individual commuting needs in terms of resource consumption and related environmental impact. The initiative is currently in expansion, with monitoring underway covering the number of participants, days worked in 'remote mode', and the savings on average commuting distances and means. Feedback is also being collected from participants. According to our calculations, by 2018 with a potential involvement of 4,000 plus employees in the city of Milan, the initiative could bring about an estimated saving in commuter travel of 2.5 million km a year, and some 500 fewer cars in circulation. Considering the reach of our City Plans initiative across our international operating perimeter, the possible evolution of the project has the potential to yield significant results in engaging employees on their contribution to the issue of climate change.

Further Information

Module: Sign Off

Page: CC15. Sign Off

CC15.1
Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Giorgio Capurri	Group Sustainability ENvironmental Specialist	Environment/Sustainability manager

Further Information

CDP: [W][-,-][AQ][Pu][E2]