Financing Sustainable Projects
Key Needs and Challenges

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September 17th 2025

Empowering
Communities to Progress. | UniCredit

Agenda

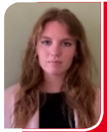
1. ESG Advisory at UniCredit
2. Impact of Sustainability on corporate strategies
3. Sustainable finance sector trends
4. Take-aways and Q&A Session

Leading the ESG change in EMEA

Massimo Catizone
Global Head of ESG Advisory

25 years of experience in originating, structuring and executing innovative financing transactions and delivering cutting edge solutions across asset classes

Doina Bertholdt
Associate Director



Francesca Cassinis
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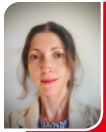

Maria Paola Confuorto
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Michael Gerstner
Director

Mirko Haen
Associate Director

Stefano Isolica
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Director

Stephan Mussong
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Onur Uzunoglu
Associate Director

UniCredit ESG Advisory geographical footprint

Advisory hub
Coverage office
CE&EE
ESG Ambassadors

Unlocking de-risking and value creation potential

ESG Advisory team

ESG dimensions affect a firm strategic decisions. Our independence, expertise, ingenuity and integrity makes us the ideal partner for firms making difficult decisions around sustainability

Stakeholders / Shareholders Engagement & Activism

Supporting clients in **enhancing** their **social acceptance** and **adopting defense protocols** that respond to attacks from minority shareholders or other stakeholders

Access to Private & Public Capital

Delivering **corporate governance** solutions, optimal **board composition** and integrating sustainability in the **equity story.** Also supporting clients in **sustainable finance transactions**

ESG Rating Advisory

Assisting **clients in navigating the complexities of ESG ratings** with tailor-made solutions, including provider selection and rating process steering

M&A Advisory

Supporting clients in **integrating ESG considerations** into **M&A and other transformative transactions**

Supply Chain Advisory

Providing **solutions** aimed at **decarbonizing** and **reconfiguring supply chains** & **products** to enable the transition from linear to **circular business models**

Equator Principles (EP) & Climate impact guidance

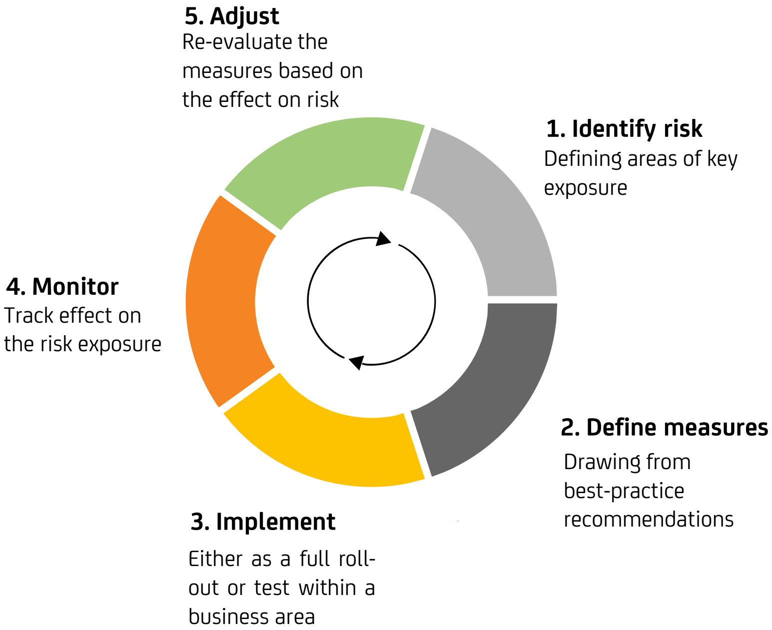
Supporting sustainable projects while **mitigating risks** through **EP application** & advising on **measurable sustainability commitments**, including **GHG emissions** and other critical environmental and social KPIs

Evolving global risk landscape

Most severe global risks

	2 years		10 years
1st	Misinformation & disinformation	1st	Extreme weather events
2nd	Extreme weather events	2nd	Biodiversity loss & ecosystem collapse
3rd	State-based armed conflict	3rd	Critical change to Earth systems
4th	Societal polarization	4th	Natural resource shortages
5th	Cyber espionage and warfare	5th	Misinformation and disinformation

- **Business risks are undergoing a transformation**. While Companies continue to face a broad variety of challenges, **climate-driven risks are gaining prominence**
- The WEF's annual risk report found that for a **10-year outlook all risk categories** are expected to **intensify in severity**. However, **environmental risks** are accelerating at a notably **faster pace than others**—highlighting the urgent need for strategic attention and action



Source: World Economic Forum Global Risks Report 2025

UniCredit’s Approach to Assessing Customer Transition Risks

Step 1: C&E Risk Questionnaire

Climate & Environmental Risk Questionnaire

- CO_2-Emissions, Energy-efficiency and water consumption
- ESG-targets (especially on decarbonization) and climate-friendly products
- ESG-Risks (e.g. climate-change, mandatory investments due to higher minimum requirements)
- ESG-Ratings
- EU- Taxonomy, Green investments

Step 2: Scoring & Weighting

Questions are categorized into three dimensions and translated into the Climate & Environmental Assessment Matrix

Each question is assigned a score that is weighted relative to the industry

Climate & Environmental Impacts

- Greenhouse gas emissions
- Water consumption, energy usage, etc.

Climate- and environmental targets

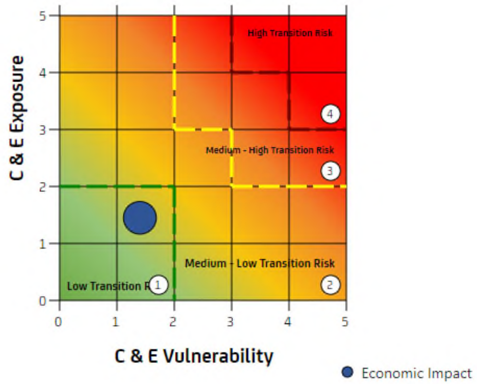
- GHG reduction targets
- transition-related investments

Economic Impacts

- Market share or sales losses due to transition risks
- increased CAPEX from transition

Step 3: Resukt & Scorecard

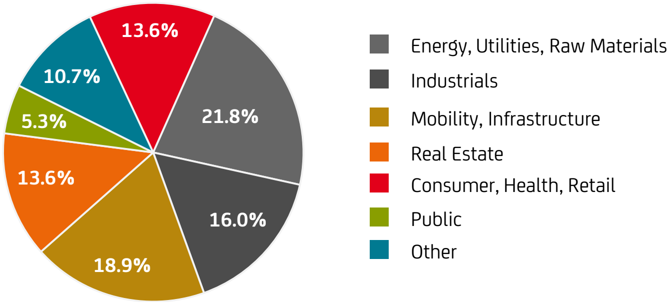
Positioning in the matrix is based on weighted scores from each questionnaire element



The completed C&E Risk Questionnaire becomes part of the required credit documentation once certain criteria are met. Based on the results, a Transition Risk Score is determined. This score leads to a strategy recommendation, which is marked with a traffic light color and influences the potential product offering in financing.

Sustainable finance sector trends

UniCredit's sustainable financing sector split



by number of UniCredit ESG advisory transactions

Comments on sector split

- **Capital Intensity & Transition Needs**: Sectors like energy and infrastructure require large-scale investments to meet climate goals, making them natural candidates for sustainable financing.
- **Regulatory Drivers:** EU regulations (e.g. Taxonomy, CSRD, Fit-for-55) push certain sectors - especially industrials and real estate - toward ESG compliance, increasing financing demand.
- **Market Readiness & ESG Maturity:** Some sectors have more advanced ESG strategies and are better positioned to access green financing instruments.
- **Strategic Focus by UniCredit:** The bank prioritizes sectors with high sustainability impact and robust project pipelines, influencing the allocation of financing.

Future impact areas

Green transactions

- We believe that the currently stable market, with issuances of EUR 373bn in Bonds & Loans in H1 of 2025 is showing room for growth
- Green financing presents a strategic opportunity for firms, as the EU requires approximately €1.2 trillion annually in green investments to meet its 2030 climate targets
- By structuring financing as green transactions, firms can benefit from improved margins, regulatory alignment, and enhanced market perception

Biodiversity

- The World Risk Report 2025 classifies biodiversity loss as the 2nd largest long-term risk, as large numbers of companies are highly dependent on at least one ecosystem service
- Governments are trying to address this financing gap by mobilizing both private and public financing

Nuclear Energy

- As the European Union classifies nuclear energy as a clean transitional energy source, the sector is gaining significant momentum. Nuclear power is poised to serve as a stabilizing backbone during the energy transition by ensuring reliable and continuous energy supply
- Over 30 countries, including many EU members, have committed to tripling global nuclear capacity by 2050. The EU projects 150 GW of nuclear capacity by then, up from 98 GW today

Why biodiversity matters

Biodiversity is essential for supporting healthy ecosystems that provide fundamental services and resilience against climate change and natural disasters

Regulatory Framework		Enhance stability		Provides Opportunities	
Compliance with EU Environmental Standards	Biodiversity conservation is a reporting obligation under EU law. Exporters benefit from alignment with EU sustainability frameworks	**Supply Chain Resilience**	Diverse ecosystems help stabilize agricultural yields and reduce vulnerability to pests, diseases, and climate shocks. This is proving to be critical for exporters of food, wood, and natural products.	**Innovation & Biotech Potential**	There is a wide variety of species (plants, animals, microorganisms, etc) unique to Slovenia. The biodiversity offers unique opportunities for biotech, pharmaceuticals, and cosmetics - sectors with growing export potential.
Reputation & ESG Performance	Biodiversity stewardship enhances corporate ESG ratings, investor confidence, and stakeholder trust - especially relevant for exporters seeking international partnerships	**Natural Risk Buffering**	Healthy ecosystems reduce exposure to natural risks. For Slovenian exporters in agriculture, forestry & tourism, this equals lower operational disruptions and insurance costs, enhancing long-term business continuity and resilience.	**Brand Differentiation & Market Access**	Slovenia's rich biodiversity supports sustainable agriculture, forestry, and tourism - sectors that benefit from eco-certifications and access to premium markets (e.g. organic labels).

ESG in IPOs

Management of environmental impacts and transition strategy
- » Carbon footprint, water, waste, chemicals, resources consumption

Circularity
- » Product design, material sourcing

Environmental management along the supply chain
- » Monitoring, control and remediation programs on environmental standards

Human Capital
- » Protection of employees' rights, Health&Safety, Diversity & Inclusion

Social management along the supply chain
- » Monitoring, control and remediation programs on social standards

Corporate Governance
- » management and supervisory boards composition & functioning, ESG risk management and control, Disclosure

Stakeholders Governance

Management of stakeholder relations

Relevant » for

The drivers of a successful IPO

Equity story
- A solid sustainability equity story is an effective tool to showcase how the firm is leveraging on ESG dimensions to generate value, consolidate and gain market share

Business valuation
- The analysis of the factors that can directly impact financial performance i.e. increased operational efficiency stemming from efficient use of energy or reduced waste management costs may lead to reduced cost of sales and increased margins
- A firm specific assessment has to be conducted in order to determine the financial impact of a firm sustainability practices or lack thereof

Investors
- ESG related regulation is increasingly affecting investors decisions
- ESG is a differentiating and exclusion factor (i.e. both a selection and negative screening driver)
- A solid sustainability strategy is a magnet for attracting strategic investors with a long-term investment horizon capable of bringing know how and boosting strategic synergies

ESG is a differentiating factor

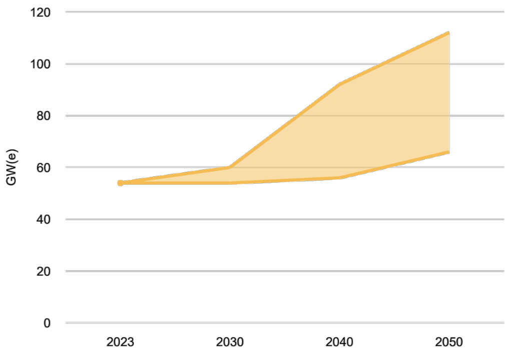
The different dimensions of sustainability are an essential component of a firm's equity story, valuation and increasingly act as a magnet or as a deterrent for strategic investors. Therefore, the sustainability profile of a firm greatly affects the likelihood of success of its IPO.

Why nuclear energy and why now - European nuclear market trends

Market trend

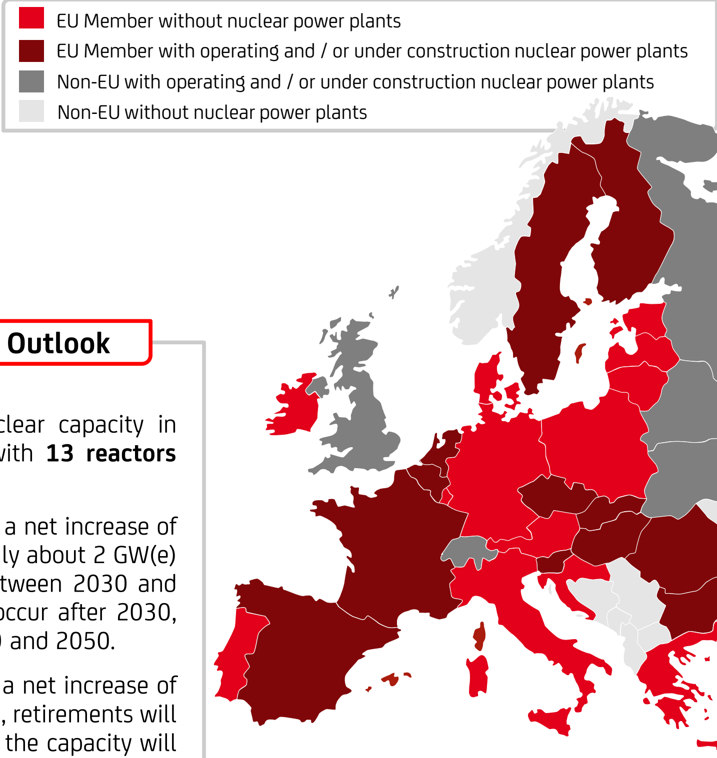
- Nuclear power market size expected to reach USD **45.21bln** by 2032 (vs 35.49bln in 2024), growing at a **CAGR of 3.1%**
- Total electricity production expected to increase by about 20% by 2030
- COP28 goal to **triple nuclear capacity** by 2050
- IAEA projections: high-case scenario will increase by **two and a half times more global nuclear capacity** in **2050**, a **quarter** from **Small Modular Reactors** (SMRs).
- SMRs market size expected to reach USD **13.4bln** by 2032, growing at a **CAGR of 8.7%**

Nuclear Electrical Generating Capacity



Eastern Europe Outlook

- **Eastern Europe** has the biggest drive for nuclear capacity in decades, with investment up to EUR 130bln with **13 reactors planned** and 6 proposed in 7 different countries.
- In the **high case**, it is assumed that there will be a net increase of almost **60 GW**(e) for this region by 2050, with only about 2 GW(e) retired by 2030 and about 27 GW(e) retired between 2030 and 2050. Most of the capacity additions will also occur after 2030, with almost 80 GW(e) of additions between 2030 and 2050.
- In the **low case**, it is assumed that there will be a net increase of about **12 GW**(e) for this region by 2050. By 2030, retirements will equal additions. From 2030 onwards, about half the capacity will be retired and almost 40 GW(e) will be added.



Sources: International Atomic Energy Agency; World Nuclear Association; Bloomberg; Wood Mackenzie

Sustainable finance sector trends

Nuclear in Slovenia - Policies vs. Financing Framework

Political environment | **policy-finance misalignment** | **Slovenian Sovereign Sustainability Bond Frameworks**

I "National Energy and Climate Plan" explicitly consideres Nuclear energy[1)]

II "Climate Strategy 2050" A climate-resilient society based on sustainable development, circular economy, and renewable/nuclear energy[2)]

III Prime Minister Golob announced a broad political consensus on the long-term role of nuclear energy[3)]

In Slovenia's evolving energy policy landscape, **nuclear power has been formally recognized as a sustainable** and **strategic energy source** essential for the country's transition from fossil-based generation to a low-carbon and renewable-dominated energy system.
Together, these policy instruments position nuclear energy not only as a transitional technology but as a long-term contributor to Slovenia's sustainable development, climate resilience, and energy independence.

Nuclear energy is now **firmly embedded** in **Slovenia's national strategy** as a key enabler of a resilient, low-emission energy future and should be actively promoted by the Slovenian government as a sustainable, EU Taxonomy-compliant use of proceeds within sovereign financing frameworks to ensure policy-finance alignment and unlock climate-aligned investment.

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Slovenia's national strategies do support nuclear energy as a key component of its climate and energy transition. However, the Sustainability Bond Frameworks still exclude nuclear from eligible financing, creating a **policy-finance misalignment**.

Both the 2021 and 2023 **"Slovenian Sovereign Sustainability Bond Frameworks" explicitly exclude nuclear power generation** from eligible expenditures.
Nuclear is listed under "Exclusion Criteria" alongside fossil fuels, weapons, tobacco, gaming, and palm oil industries.
This exclusion applies to all types of bonds issued under the framework

Nuclear energy cannot be financed under the current Slovenian Sovereign Sustainability Bond Framework.
The exclusion is categorical and policy-based, not just technical or taxonomy-related.

(1) https://www.gov.si/en/news/2020-02-27-the-government-adopts-the-integrated-national-energy-and-climate-plan-of-the-republic-of-slovenia/
(2) New step towards Slovenia's climate neutrality | GOV.SI
(3) Important consensus reached on the role of nuclear energy in energy policy and the activities for Nuclear Power Plant 2 | GOV.SI

Take-aways

Climate Strategy as a Driver of Resilience, Value, and Competitive Advantage

Sustainability: A Strategic Imperative

- Climate change is a tangible reality - manifested through floods, landslides, droughts, and other extreme events
- Climate change happens regardless of political discourse or regulatory cycles.
- These phenomena directly impact asset values, revenue generation capabilities, and long-term business viability.

Risk Alignment and Value Creation

- Lenders and equity investors increasingly demand transparency and assurance that climate-related risks are appropriately assessed and aligned with their risk appetite
- Effective sustainability management is no longer optional - it is a prerequisite for:
  - Value creation
  - Business de-risking
  - Strategic positioning consolidation

UniCredit's Commitment

- UniCredit is committed to partnering with clients who are ready to navigate the complexities of climate change and unlock the opportunities embedded in a strategic climate transition. We support businesses in:
  - Identifying and mitigating climate risks
  - Integrating sustainability into core strategy
  - Monetizing transition opportunities
- Let's shape a resilient and future-proof business together.

Q&A

Contacts

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