

# One Bank, One UniCredit *Glossary*



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Welcome to  
**UniCredit**

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# Glossary (1/7)

## Business

**CBK**

Commercial Banking

**CEE**

Central Eastern Europe includes: Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bosnia and Herz., Serbia, Russia, Romania, Bulgaria, Turkey (at equity), Baltics (Latvia, Lithuania, Estonia) only for Leasing

**Center /  
Corporate Center**

pls refer to "Group Corporate Center" definition

**CIB**

Corporate & Investment Banking

**Client-driven  
revenues**

CIB revenues excluding Treasury

**CMIB**

Capital Markets & Investment Banking

**CQS**

"Cessione Quinto Stipendio" (salary backed loans)

**CRM**

Customer Relationship Management



# Glossary (2/7)

## Business

### Digital clients

Total online active users

### DCM

Debt Capital Markets

### ECM

Equity Capital Markets

### EGM

Extraordinary General Meeting

### GBS

Global Banking Services

### GOP

Gross Operating Profit calculate as difference between total revenues and operating expenses

### GTB

Global Transaction Banking

### Group Corporate Center

Corresponding to the divisional database section: "Global Corporate Center" including Corporate Center, GBS and elisions

### HNWI

High Net Worth Individuals



# Glossary (3/7)

## Business

### Joint CIB- Comm Banking Revenues

Includes revenues on GTB, ECM, DCM, M&A, Markets products from Commercial Banking clients and structured financing products from Corporate clients

### Mittelstand Corporates

Small and medium sized companies

### OCR

Optical Character Recognition

### Remote transactions

Includes cash withdrawals, cash deposits and transfers

### Run the bank costs

IT Running costs include all the IT costs sustained to keep the bank running: application maintenance, infrastructure management (hardware, base software, network, storage), internal and external staff costs dedicated to such activities

### Share of Wallet

Percentage of Loans UniCredit S.p.A. grants to its customer base vs total loans granted by the Banking System to the same customer base

### TFA

Total Financial Assets

### WE

Western Europe includes: Italy, Germany and Austria



# Glossary (4/7)

## CFO

**ABB**

Accelerated Book Building

**CET1 Ratio**

Common Equity Tier 1 ratio fully loaded throughout the document unless otherwise stated

**Cost/income**

Ratio between operating expenses and total revenues

**G-SIFI**

A globally systemically important financial institution (G-SIFI) is a bank, insurance company, or other financial institution whose failure might trigger a financial crisis

**LCR**

Liquidity Coverage Ratio (amount of liquidity available for a bank to meet its short term liquidity needs)

**Leverage ratio**

The leverage ratio is defined as Tier 1 capital divided by a non-risk-based measure (exposure) of an institution's on- and off-balance sheet items

**MDA**

Maximum Distributable Amount

**Net cost savings**

Overall cost savings including the offsetting of increases generated by wage drifts and inflation, therefore equal to net benefit visible in P&L



# Glossary (5/7)

## CFO

### NSFR

Net Stable Funding Ratio (the NSFR is defined as the amount of available stable funding relative to the amount of required stable funding)

### RACE

Risk Adjusted Capital Efficiency, calculated as  $(\text{Revenues} - \text{managerial expected loss}) / \text{RWA}$

### Regulatory Capital Buffer

Mandatory capital that financial institutions are required to hold in addition to other minimum capital requirements

### Restated figures

Restatement for new Group perimeter: variations related to disposals of Immo Holding, Ukraine, 30% Fineco, Pekao and Pioneer

### RoAC

RoAC: Return on Allocated Capital (Annualized net profit / Allocated Capital). Allocated Capital based on RWA equivalent figures calculated with a CET1 ratio target of 12.5% for all the plan horizon, including deductions for shortfall and securitizations.

### RoTE

Return on Tangible Equity (Annualized Net income / Average Tangible Equity)



# Glossary (6/7)

## Risk

### Adjusted figures

Figures including one-off LLP on restated perimeter

### Bad Loans

Exposures to borrowers in a state of insolvency or in an essentially similar situation, regardless of any loss forecasts made by the bank

### CoR

Cost of Risk calculated as LLP of the period analyzed / Average loans volume in the period analyzed

### Default rate

Gross Inflow to NPE in current year / Stock of performing portfolio on previous year

### De-risking

De-risking refers to the phenomenon of financial institutions terminating or restricting business relationships with clients or categories of clients to avoid, rather than manage, risk

### Dividend pay-out ratio

Percentage of net profit paid as dividend to shareholders

### EL

Expected Loss

### Group Core

Group excluding Non Core

### LLP

Loan Loss Provisions





# Glossary (7/7)

## Risk

### Non Core

In 2013 UniCredit ring-fenced the so-called "Non-Core" portfolio in Italy with a target to reduce clients exposure considered as not strategic; selected assets in Italy to be managed with a risk mitigation approach

### NPE

Non-Performing Exposures shall be classified in the following risk classes: Bad Loans ("Sofferenze"), Unlikely to Pay ("Inadempienze Probabili") and Past Due ("Esposizioni scadute e/o sconfinanti deteriorate")

### Past Due

Problematic exposures that, at the reporting date, are more than 90 days past due on any material obligation

### RWA

Risk Weighted Assets

### UTP

Unlikely To Pay: the classification in this category is the result of the judgment of the bank about the unlikelihood, without recourse to actions such as realizing collaterals, that the obligor will pay in full (principal and / or interest) its credit obligations

