Setting the benchmark for excellence

2024 Annual Report and Accounts

Empowering Communities to Progress.

UniCredit

Corporate information

Board of Directors, Audit Committee and External Auditors as at 31 December 2024

Board of Directors
Chairman Pietro Carlo Padoan
Deputy Vice Chair Elena Carletti
CEO Andrea Orcel
Directors Paola Bergamaschi, Paola Camagni, Vincenzo Cariello, Antonio Domingues, Julie B. Galbo, Jeffrey Alan Hedberg, Beatriz Lara Bartolomé, Maria Pierdicchi, Marco Rigotti, Francesca Tondi, Gabriele Villa

Secretary of the Board of Directors
Paola Di Leonardo (*)

Audit Committee
Chairman Marco Rigotti
Members Paola Camagni, Julie B. Galbo, Gabriele Villa

Manager charged with preparing the financial reports
Bonifacio Di Francescantonio

Sustainability Reporting Manager
Giuseppe Zammarchi (**)

External Auditors
KPMG S.p.A.

The following conventional symbols have been used in the tables:
- a dash (-) indicates that the item/figure is non-existent;
- "n.m." when the figures do not reach the minimum considered significant or are not meaningful.

Any discrepancy between data disclosed in this report are solely due to the effect of rounding.

This document, PDF format, does not fulfil the obligations deriving from Directive 2004/109/EC (the "Transparency Directive") and Delegated Regulation (EU) 2019/815 (the "ESEF Regulation" – European Single Electronic Format) for which a dedicated XHTML format has been prepared.

Notes
(*) The Board of Directors of 28 January 2025 appointed Ms. Paola Di Leonardo as Secretary of the Board replacing Mr. Alessandro Paladini.
(**) The Board of Directors of 10 February 2025 appointed Mr. Giuseppe Zammarchi as Sustainability Reporting Manager.

UniCredit has chosen not to print official copies of this report, leading by example in our efforts to protect the environment.

Please view the digital versions of the report below, available at the following links:

Read more: unicreditgroup.eu/en/investors/financial-reporting.html

Read more: financialreports.unicredit.eu

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Brunswick Creative and UniCredit S.p.A.
February 2025

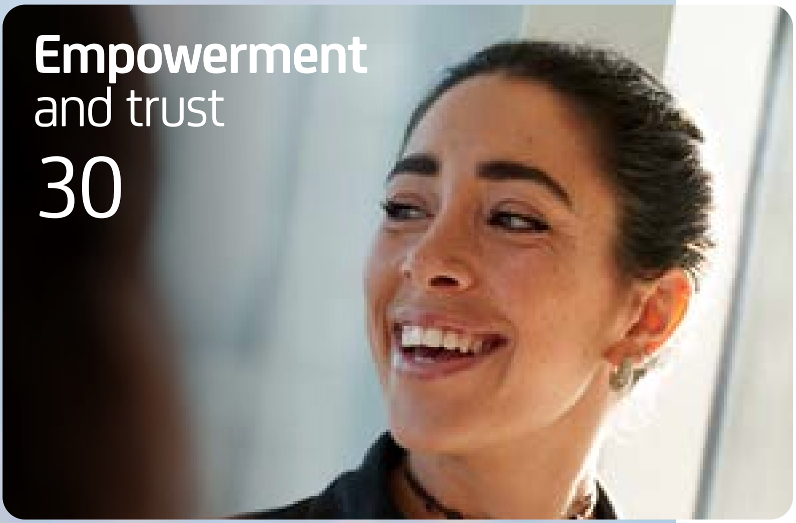
Excellence at UniCredit

UniCredit is a pan-European Bank with a unique service offering in **Italy, Germany, Austria, and Central and Eastern Europe**. Our Purpose is to Empower Communities to Progress, delivering the best-in-class solutions and services for all stakeholders, unlocking the potential for our clients and our people across Europe.

For additional information **visit our Reporting microsite**

Delivering Excellence

We believe that by delivering the very best for our stakeholders, we are unlocking the potential that exists across Europe, for our clients, our people and our communities. We are setting a new benchmark for banking through our three strategic focus areas:



Contents

UniCredit: a pan-European network empowering thirteen banks, leveraging Group synergies

Confirming our value proposition

UniCredit is well-rooted in local communities and has a leadership position in the Countries and Regions where we have a presence, especially in terms of profitability and efficiency. Local banks manage their day-to-day operations, cascade and execute the Group Strategy. The Group sets the overarching direction and harmonises scalable activities, bringing everything under a common denominator.

Offering our clients a gateway to Europe

Our core operations are located in Italy, Germany, Austria and Central and Eastern European Countries, all served by three high-quality product factories: Corporate, Individual and Group Payment Solutions. Our approach allows us to be as close as possible to our clients while also using the scale of the entire Group for developing and delivering the best products across our markets.

Placing clients at the centre

We provide top-tier products and solutions, strategic advice and innovation to over one million SMEs and corporates, as well as 14 million affluent, private and other retail clients.

Our best in class in-house solutions, complemented with the top industry expertise of our partners, and powered by reliable digital and data capabilities, create significant value for our clients, firmly positioned at the centre of all we do.

13
Leading banks

>75,000
Talented colleagues[2]

4
Coverage Regions

3
Product factories

15m
Clients worldwide

1,000+
Employee Networks active members[3]

Italy - Quality earnings powerhouse
Consistently delivering high profitability and growth

Germany – Resilient anchor
High-quality growth and best year ever as a result of successful transformation

Ranking based on Net Profit FY2024 for Italy and Germany and 9M24 for CE&EE, as per FY2024 results market presentation methodology. Austria based on total assets at bank level as per last available disclosure.

1. Central Eastern Europe (CEE) includes the Czech Republic, Hungary, Slovakia, Slovenia, Bosnia and Herzegovina, Bulgaria, Croatia, Romania and Serbia.
2. Headcount as at 31 December 2024.
3. Diversity traits represented: LGBTQIA+, Gender, STEM, Disability, Cultural Diversity, Generations, Caregiving

Group scale, local reach

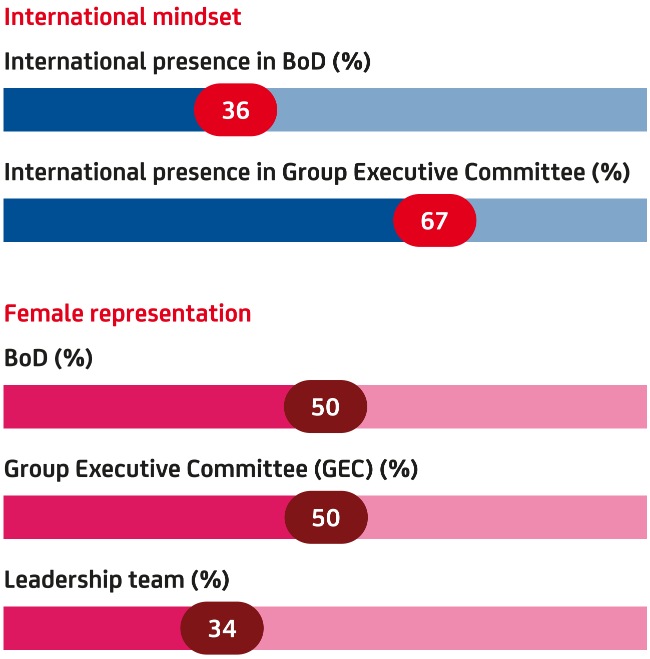
Empowered banks unified as one Group, in the continuous pursuit of excellence

Austria - Resilient anchor
Operational and capital excellence champion, delivering best results ever, moving forward with transformation

CEE - Growth Engine
Leading franchise in the region consistently delivering excellent performance and growth in individual markets

Nurturing our diverse talent base

UniCredit recognises that it is essential that we unlock the potential of our over 75,000 people, businesses, and communities across Europe. We have long recognised that an equitable, inclusive and diverse workforce is vital to our business and creates a more fair, inclusive and positive working environment. We believe that when Diversity, Equity and Inclusion (DE&I) work in harmony, great things happen.



Our business model is centred on delivering sustainable growth, built on strong foundations across **13 leading and empowered banks** with local coverage close to the clients, leveraging a common denominator: the **strength of three product factories** with an ecosystem of strategic partners, a centralised and efficient **Group Procurement**, all continuously streamlined and simplified through our **Digital & Operations**.

Enhancing our product offering: three global product factories

While clients access our services through local banks, our comprehensive offering to meet their needs is created by our three global product factories – **Corporate, Individual and Payment Solutions**. Each of these factories delivers best-in-class solutions, developed internally or through our dynamic ecosystem of trusted partners.

Corporate Solutions

Empowering corporates to progress

We have an extensive corporate client base and we provide them with seamless access to value-added services through three product lines – Advisory & Financing, Client Risk Management, Trade & Correspondent Banking. Combining deep local expertise and a strong cross-border presence, we support our clients with the broader array of products and services that they require, facilitating their growth ambitions.

Individual Solutions

Advising clients to achieve their investment and insurance objectives

Clients benefit from a large and attractive range of products for Retail, Wealth Management and Private Banking across all our markets.

By combining our in-house capabilities with external top industry expertise, we provide them with greater choice and access to our global solutions and platforms. We have launched and we are progressing with our in-house brand (**onemarkets**) and are seamlessly integrating Insurance into our offering, with a unique client base for cross-selling.

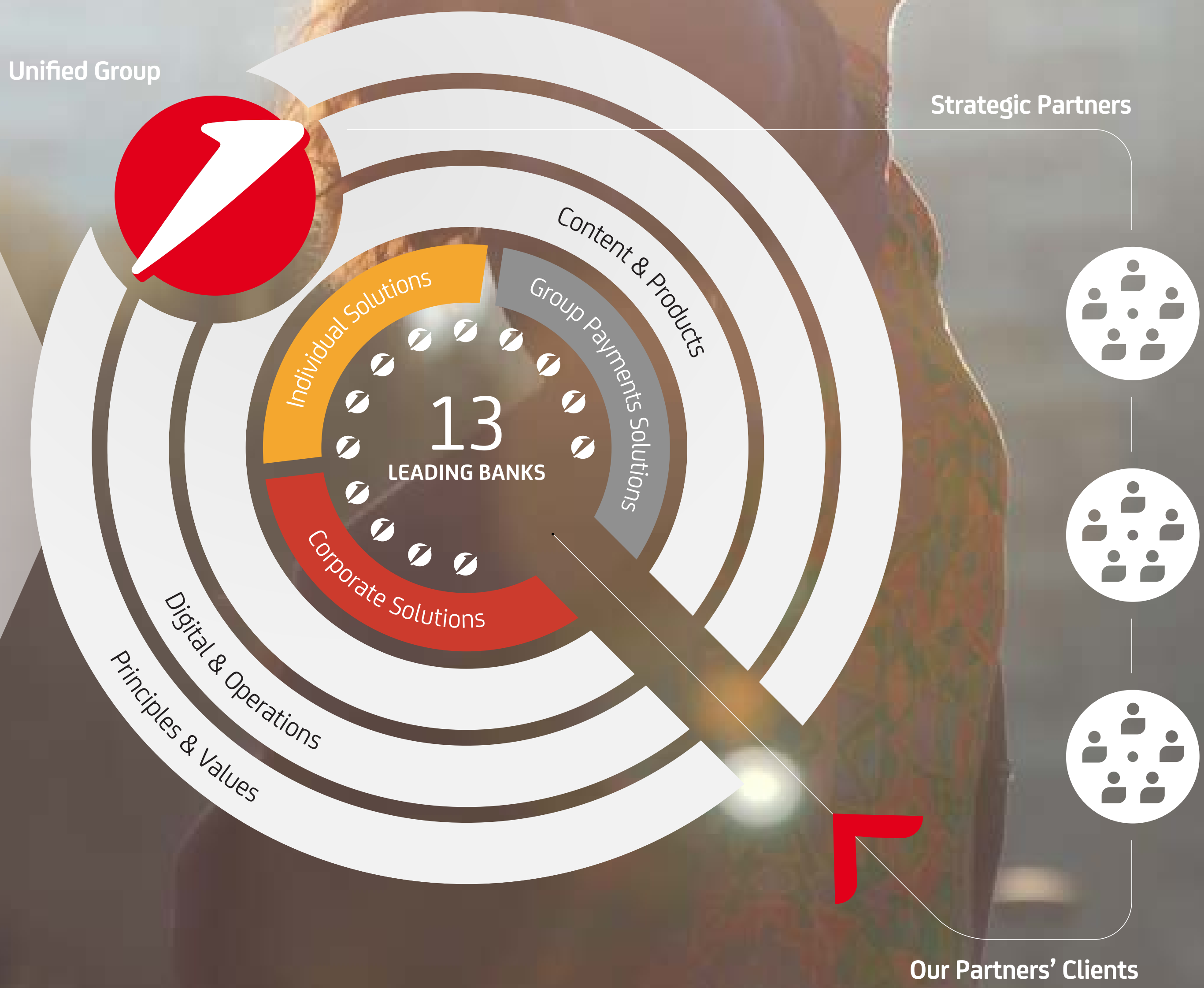
Payments Solutions

Every European client's first choice for payments

Our unique pan-European footprint, cross-border positioning, payments expertise and advanced data and technology support our Vision of becoming the first choice for payments in Europe. In 2024 we formed a multi-market partnership with Mastercard, while our new Group Payments Solutions factory expanded our international offering and nearly doubled the number of corporates accessing our digital portal since 2021.

How we create value

Read more on **page 14**



The strongest performance in our bank's history

2024 record results crowning 16 consecutive quarters of quality profitable growth. All our geographies and product factories demonstrated superior execution and beat all the targets set in 2021. This performance balances excelling in the short-term and preparing for the future and is a testament to the dependability of UniCredit and its people.

Financial highlights

TOP-LINE GROWTH

€24.8bn

Gross Revenue
+4.3% FY/FY
+4.0% Net Revenue

OPERATIONAL EFFICIENCY

37.9%

Cost-to-income ratio
-1.8pp FY/FY
€9.4bn costs, -0.6% FY/FY

GOP

€15.4bn

Gross Operating Profit
+7.5% FY/FY

CAPITAL EFFICIENCY

8.7%

Net-revenue-to-RWA ratio
+0.8pp FY/FY

ASSET QUALITY

15bps

CoR
+2bps FY/FY

ORGANIC CAPITAL GENERATION[1]

444bps

€12.6bn

BEST-IN-CLASS PROFITABILITY, RoTE

17.7%

RoTE 20.9% based on 13% CET1r

FY24 INCREASED DISTRIBUTIONS[2]

€9bn

>€26bn total distributions FY21-24

RECORD BOTTOM LINE

€9.7bn

Stated Net Profit
+2.2% FY/FY
€9.3bn Net Profit
€10.3bn underlying[3]

1. Before considering the impact of strategic investments.
2. Of the cash dividend (€3.73bn), €1.44bn already paid as interim. Of the SBB (€5.27bn), €1.7bn already completed, the balance to be completed pending supervisory and shareholder approvals at AGM and expected to be commenced post completion of BPM offer.
3. Net Profit net of integration costs and RusChemAlliance (RCA) full coverage.

Sustainability highlights

Thanks to our strong ESG foundations, in 2024 we continued to make progress on our ESG KPIs.

Environment

Sustainable financial instruments and Net Zero commitments.

Read more on **page 83**

We advanced our sustainable financial instruments, reaching a total of €26.9 billion in cumulative green lending since January 2022.

11
Green Bonds issued

€6.5bn
Total amount of financing from Green Bonds

Social

Social financing for initiatives in our communities.

Read more on **page 84**

Since 2022, we have provided €13.2 billion in social financing via micro-credit, impact financing and lending to disadvantaged areas.

€78.1m
FY24 contribution to communities

c.15,000
Hours dedicated to volunteering by our colleagues

Governance

ESG-aligned remuneration and solid DE&I framework.

Read more on **page 85**

CEO and top management remuneration saw a 20% weighting of long-term performance related to ESG business, DE&I priorities, and climate risk. Furthermore a relevant link to Group's Values and Culture - "**Winning. The Right Way. Together**" goal – is also part of the short-term scorecard.

+1,500
Colleagues across the Group part of Culture Network

365
Initiatives mapped in the context of our well-being framework

Delivering our Vision of excellence

Dear Shareholders,

It is a pleasure to write to you as the Chairman of the UniCredit Board.

In 2025, we look ahead to a horizon that promises a great deal of change. At the same time, we are still under the long shadow of the many changes in the macroeconomic environment that have rocked the world since we first put out our strategic plan, UniCredit Unlocked, into action.

Global growth has been stifled by multiple wars compounding an already fraught macroeconomic environment post-pandemic. Globalisation is fracturing increasingly under this pressure.

While there is optimism among the investor community about America's economy, recent political developments and their implications for how we address macro issues like climate change contribute to the pervasive feeling of uncertainty.

In short, the clouds over Europe and the world have not cleared, and we are not sure when they will. Dynamism, innovation, and resilience are not only key to businesses enduring in these circumstances, they are also essential for continuing to support the communities that rely on these businesses.

UniCredit continues to prove itself as an exemplary European business; the type our continent needs, according to Mario Draghi and Enrico Letta's reports on the state of European competitiveness and the Single Market. UniCredit is a dynamic business embracing innovation and keeping clients at the centre of everything we do, unlocking value while ensuring that our communities are supported.

"UniCredit continues to prove itself as an exemplary European business; the type our continent needs."

We have a proven model for resilience and delivery under macroeconomic pressure, as is clear from our results of the last four years. After 16 consecutive quarters of quality growth, we are preparing to move into a new era where we use this momentum to achieve even greater success for the clients and communities we serve.

The businesses we support are key to the prosperity of our communities, because they contribute to the competitiveness of those communities and our bloc as a whole.

By deepening the markets we serve in Europe, while also leveraging on the creation of continental banks, we – as a banking group – can play an all-important role as the driving force of our continent's competitiveness, serving companies to the best of our ability and efficiently serving retails, so they can channel their savings into the economy.

We have the leverage in our pan-European banking network, the Strategy, the energy, and the ambition, to help our continent steer a course out of these years of stagnation and stalling and into a new era of prosperity. We can help our bloc become a true rival to the likes of the US.

Our strong position is supported by our adoption of a new governance system. Operating under the mandate of a new Board of Directors, we will continuously improve our processes in the same spirit of always striving to do better and deliver our best that has defined UniCredit's industrial Strategy since the launch of our transformation.

Under the leadership of our CEO, Andrea Orcel, who is working with the Board and our strong management team to deliver this transformation successfully, we will unlock new growth organically and, where they arise, seize opportunities for inorganic growth that will support our trajectory.

We will build the strength of our international profile, having already built ourselves a strong foundation with two core markets in Italy and Germany, demonstrating the value of our status as a pan-European bank.

Though the economic picture is not what we would want it to be for Europe, we have built our resilience as an institution to be able to navigate what comes and, most importantly, remain firmly by our clients to help them achieve success. In this sense, the prospects for us are positive.

We are ready to take the necessary steps to strengthen our position – through technological innovation, for example – and deliver sustainable results, so the clients and communities we serve can navigate a course through these difficult times. Our service to them remains at the centre of everything we do.

Our greatest asset in achieving this will be our people's continuous commitment to our strategic Vision, our Purpose, and our Culture. It is their dedication that has brought us this far, and this is reflected in our most recent results. I wish to congratulate and thank all of them for their hard work. Their continued dedication will empower us to push the bar even further.

There are great things for us on the horizon, if we seize this opportunity now.

Thank you,

Pietro Carlo Padoan
Chairman UniCredit S.p.A.

Leading the way in European banking

"When we launched UniCredit Unlocked we were stepping into a new era for the Bank. I believe that we are doing it again and in doing so we will improve even further."

Dear Stakeholders,

Since launching UniCredit Unlocked in 2021, our winning Strategy set to achieve our Vision – to be the Bank for Europe's Future – has also propelled us to become one of Europe's best performing banks and one that sets ambitions and a path for others to follow.

UniCredit's 2021-2024 transformation has been nothing short of exceptional, achieved while also consistently delivering outstanding financial results quarter after quarter, setting a new benchmark for banking.

We unified, refocused, and galvanised all our people around one single Vision, Strategy, and Culture. We restored trust and empowerment in our 13 banks and our people: all coming together as ONE Group.

We simplified and streamlined our organisation, processes, and ways of working, transforming our efficiency while also investing in our people, digital and data, product factories, and distribution channels to offer more to our clients.

We have lived by our Values and focused on our fundamental Purpose: to Empower Communities to Progress.

We continued to honor our ESG commitments with notable social investments, such as our €2.6 billion "UniCredit for CEE" initiative and our new Edu-Fund platform, supporting programmes addressing educational deprivation in our communities.

Together, this has firmly set out our proven blueprint for banking not only in terms of financial achievements but also in terms of how we should support the communities in which we operate and always attempt doing what is right, driving necessary change. This is, we hope, the ambition and path we have set for our sector.

Record-breaking results

Our 2024 results were the very best in UniCredit's long history. The most recent quarter marks our 16th consecutive quarter of profitable growth.

€24.2bn
Net Revenue
+4% FY/FY

17.7%
RoTE
Target: 10%

513%
Total Shareholder Return
Beginning 2021-2024
4x greater than
our European peers

>€26bn
Total distributions
FY21-FY24
Target: €16bn

€12.6bn
Organic capital generation
In 2024

Our RoTE reached 17.7% notwithstanding the substantial excess capital we still carry, and is best-in-class when adjusted for such excess capital. Our stated Net Profit reached €9.7 billion (€10.3 billion underlying). Our organic capital generation of 444bps – equal to €12.6 billion – has allowed us to accrue €9.0 billion to be distributed, while maintaining a CET1 ratio of c.15.9% with c.€6.5 billion of excess capital vs our CET1 ratio target.

Our Net Revenue reached €24.2 billion – up to 4% year on year – further reinforcing the quality of our top line as NII profitability remained best-in-class and our fees, driven by our rebuilt market-leading product factories, reached a top tier 33% of total revenues.

Our operational and capital efficiency also improved further with a CIR <38% and a Net Revenue/RWA ratio of 8.7% respectively.

We continued to build our lines of defence to protect and propel our future taking extraordinary charges of €1.3 billion.

Over the last four years, we delivered Total Shareholder Return of 513%, outperforming our European peers[1] by four times, with total cumulative distributions of over €26 billion, more than 1.5 times our market cap at the beginning of the period. Our EPS and DPS growth (CAGR) of 48% and 64% respectively speaks for itself. **We are the most shareholder-friendly bank in Europe**.

Into a new era

The last four years have laid a firm foundation for our next phase of quality growth. We have prepared ourselves to take the essential next step. We will redouble our commitment to unlock more value from our Bank and go beyond the benchmarks we have set. In summary, we are now moving to the second phase of UniCredit Unlocked: **Acceleration**.

It will be our attractive geographical presence, client and business mix, protected by our unmatched lines of defence and leveraged upon by our team that will allow us to further positively differentiate ourselves from our peers and set a seven-year track record of superior performance through the cycle.

We are both excited about the opportunity we have in front of us and confident we will achieve it.

1. Considering core EU peers with market cap above €30 billion as of 31/12/2024, i.e. BBVA, BNP, Crédit Agricole S.A., Deutsche Bank, ING, Intesa Sanpaolo, Santander.

Our approach is showing the need to reform our single market so it functions as it should, empowering our European communities instead of stifling them.

We are showing the leadership Europe needs on this issue, to support our bloc's structural growth and bring an end to years of economic stagnation.

The power behind our model for banking is the people of UniCredit, united as ONE by a Vision, a Strategy, and a Culture we all believe in, who have made it a success. I am both grateful for their efforts and honored to lead them.

When we launched UniCredit Unlocked we were stepping into a new era for the Bank. I believe that we are doing it again and in doing so we will improve even further. I believe that, together, we can Unlock our Acceleration!

Yours,

Andrea Orcel
Chief Executive Officer UniCredit S.p.A.

A unique investment proposition

Delivering unrivalled shareholder value, while laying future foundations

Structural advantages

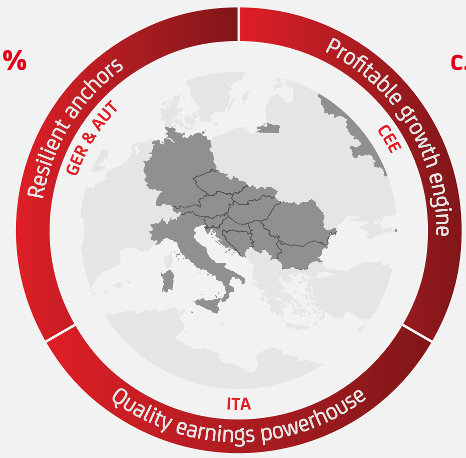
Attractive geographic mix

2024-2027 KPIs

Share of 2024 Net Profit[1] Share of 2027 Net Profit[1]

33%
c.35%

22%
c.25%



45%
c.40%

Quality client mix

15m
Clients across Europe
(+3.5m Alpha Bank)

60%
SMEs, Private and Affluent, % of Revenue[2]

Superior business mix

#1
NII RoAC[3]

Towards 40%
Fee-to-revenue ratio

Proven execution

Leading financial results

12/12
Financial targets exceeded[5]

Leader
In operating and capital efficiency and profitability[6]

Marked transformation

One
Vision, Strategy and Culture

Fully redesigned
and streamlined organisation

New sustainable run rate

5x
Net Profit since 2021[7]

3x
RoTE since 2021[7]

1. Share of Net Profit computed as sum of Italy, Germany and Austria and CEE (excl. Russia); excl GCC.
2. SMEs including Micro Business.
3. Peer group: BBVA, BNP Paribas, Commerzbank, Credit Agricole S.A., Deutsche Bank, ING, Intesa San Paolo, Santander, Société Générale.
4. Fees including Net insurance results and excluding Vodeno and Aion.
5. UniCredit Unlocked 2024 targets.

With structural advantages – such as the unique geographic footprint, high quality client base and a superior business mix – we are uniquely positioned for success. **Our proven execution** delivers leading financial results and a sustainable run rate: we drive clear alpha initiatives, ensuring **outstanding returns and future growth**. A unique investment proposition, still accessible at an attractive valuation.

Strategically fortified

Clear alpha initiatives

+€1.4bn
Fees 2024-2027[4]

High
Efficiency

Solid lines of defence

€1.7bn
Overlay Stock

€3.6bn
Integration costs, FY21–FY24

Long-term approach

Growth
From several strategic investments (e.g. **onemarkets**, Vodeno)

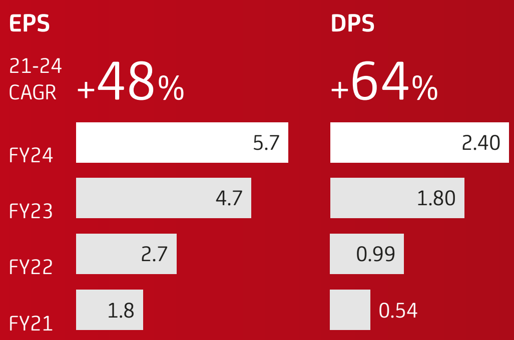
c.€2.5bn
Incremental IT investments, 2025–2027

Outstanding returns

Sustainable organic value generation

c.€10bn
Net Profit target in 2027

Strong
EPS and DPS growth



Top-tier distribution policy

#1
Distribution yield[8] as of FY24

50%
Dividend payout ratio from FY25

>FY24
Expected yearly distributions[9] FY25-27

Strategic flexibility

c.€6.5bn
Excess Capital[10]

M&A
Executed only if accretive

6. #1 among peer group FY24 Cost/Income, Net Revenue/RWA and RoTE@13%.
7. FY24 vs FY21; Stated Net Profit.
8. Total distribution as announced FY24 on average market cap 2024 for peer group as per footnote 3.
9. Subject to inorganic opportunities and delivery of financial ambitions
10. vs target CET1r 12.5-13%.

UniCredit Unlocked has proven to be a successful Group Strategy that plays to our strengths. We are evolving that Strategy to Unlock Acceleration in 2025 and beyond.

Our Vision is to be the Bank for Europe's Future

United around a clear Vision

The Bank
for Europe's future

Powered by Culture, Principles and Values

Integrity, Ownership, Caring

Read more on **page 18**

Inspired by a shared Purpose

Empowering
Communities to Progress

Read more on **page 20**

Proud of the success of our Strategy

Industrial Transformation,
Financial Progress

Read more on **page 22**

Committed to Sustainability

Leading by example,
supporting client transition,
championing social impact

Read more on **page 66**

Our Culture, Principles and Values

Our Group has created a new benchmark for banking, keeping our clients at the centre and unlocking the potential of our people

Our **Culture** is key to our success in unifying and inspiring our people, driving them to work as a team and **achieve excellence in the right way**. Our Culture network is fuelled by passion and enthusiasm, spreading positive cultural change throughout UniCredit.

Collectively, we are building the **Bank for Europe's future**, as one team of people acting as true partners to our clients. A better bank, creating better outcomes: strongly grounded in the right Principles and **Values**; and delivering sustainable, quality growth and value.

Values

Integrity

- We act in the best interest of our customers
- We are honest, straightforward, and transparent
- We do the right thing – even when no one is watching.

Ownership

- We deliver on our promises and take accountability for our actions and commitments
- We are empowered to make decisions and learn from failure. We speak up – to express an idea, an opinion, or when we see something wrong.

Caring

- We care about our customers, communities and each other
- We are eager to help one another and for our people to thrive
- We treat each other with respect and value our differences.

Our **Values** are the foundation of our identity – what we pass down to our people and what our people share and enact through their actions. They are at the heart of our decision-making, **ensuring we deliver for our clients honestly, straightforwardly and transparently**. We're committed to helping our customers, communities and each other by treating everyone with respect and valuing our differences.

In 2024, we updated our **Employer Value Proposition** to help our team bring our Values to life and ensure everyone at UniCredit is motivated to actively contribute to Unlocking a Better Tomorrow. Through a single voice, we are building a common narrative across the Group and increasing the awareness and attractiveness of our employer brand.

March | Group

New EVP:
Unlock a Better Tomorrow

In March 2024, we launched a new Employer Value Proposition (EVP) – Unlock a Better Tomorrow – to fit our Strategy and Purpose.

We want our existing and future employees to unlock their fullest potential at UniCredit – attracting and retaining individuals who embody our Values of Integrity, Ownership and Caring.

Our ambitions and commitments include guaranteeing equal opportunities for all colleagues, supporting our people's personal growth and well-being, nurturing a positive and inclusive working environment, and leveraging our unique international footprint. By encouraging and inspiring everyone at UniCredit, we will drive innovation and create better solutions for all our clients, helping us to achieve business success.

Our EVP is built on four pillars:

> **Accelerators of ambition** – we are focused on keeping our clients at the centre and unlocking the potential of our people as individuals and as professionals. We are a better bank, delivering better outcomes for our stakeholders. Collectively, we are building the bank for Europe's future.

> **Champions of diversity** – we are fostering an inclusive environment that has no ceiling, with no limit to how high and far our team can go. As a Group, we provide a diverse and dynamic international experience that only a pan-European bank such as UniCredit has to offer.

> **Challenge seekers and changemakers** – in our team we have talented, dedicated and open-minded individuals who challenge the status quo. They deliver digital innovation that inspires; they push boundaries and strive to set a new benchmark for banking. There is no telling what we might do next.

> **Drivers of sustainable change – Sustainability is in our DNA**. We are rebuilding our communities and economies for the better and keeping ESG at the forefront of everything we do. We care about creating a cleaner, greener future for our people, our communities and Europe's next generation.

To recognise and celebrate the contributions and achievements of our people as champions of our EVP, we've launched the UniCredit Storytellers initiative. This advocacy programme features our colleagues as the voice of our Bank, showcasing their UniCredit journeys and giving a glimpse into life at UniCredit. Browse the stories here to find out more.

For additional information **visit Careers – UniCredit**

Our Purpose

Empowering Communities to Progress while ensuring long-term, sustainable growth and delivering value to all our stakeholders

By operating with the right Principles and Purpose, we have the power to do tremendous good – for our clients and communities, our people, our shareholders and investors.

As the foundation of a principle-driven organisation, we actively engage with and extensively listen to all our stakeholders equally.

UniCredit is committed to maintaining high standards of integrity, transparency, professionalism and co-operation in managing our relations with regulators – EU authorities – and in performing advocacy activities.

We actively communicate and engage with national, European and international regulators to improve the EU sustainable finance framework and facilitate the transition to a low-carbon economy.

Offering our contributions to discussions held by EU institutions and actively participating to the development of a sustainable financial framework is central to developing a sustainable economic framework for all our stakeholders.

Our stakeholders

Our clients

Our clients are at the heart of everything we do. We build everything around their needs, providing choice and discretion through best-in class products and innovative solutions.

Our teams deliver exceptional service and personalised support, building strong relationships and consistently exceeding expectations. Through our service model, we leverage a range of distribution channels – physical and remote branches, call-centres, internet and mobile – accessible to our clients any time, anywhere.

>12k
Front-line hires since 2021, Group-wide

c.85%
Branches refurbished in Italy

26
Net promoter score, +4 increase vs. 2023

Our people

Our people are our greatest asset. We actively listen to them and are committed to fostering an environment where they feel valued, trusted, empowered and accountable, so they can focus on value-added, client-facing activities and achieve excellence.

With our common Vision and a clear Culture, our teams are unified and inspired to drive our business forward, aligning individual aspirations with organisational goals. We invest in professional growth through training, and a clear career path that recognises and rewards performance.

With a shared belief in our Mission, we take pride in who we are and in the collective impact we can make.

20k
People involved in Culture Day in 2024, including CEO and Top management

c.33
Hours of training courses per employee per annum

1%
Gender pay gap on comparable roles, from c.4%; €100m pledged to further reduce our GPG

Our shareholders

As a unique pan-European champion, we leverage Group synergies to provide superior capital generation and distributions. Our UniCredit Unlocked Strategy has been consistently delivering unmatched value while protecting assets and investing to secure sustainable, quality growth and remuneration.

We maintain open and transparent communication with our investors through regular updates, financial disclosures and proactive engagement. Through annual general meetings, investor calls and roadshows, we provide platforms for dialogue, addressing queries and fostering mutual understanding.

We also actively engage with investors on ESG topics, highlighting our sustainable initiatives and aligning our practices with investor interests in responsible growth.

308
Institutions met during 2024

€9bn
2024 distributions

>€26bn
2021-2024 cumulative distributions

Our Strategy

Driving industrial transformation, investing for the future

UniCredit Unlocked is our unique **Strategy** tailored to our inherent strengths and flexible enough to adapt to a changing environment.

Over the past few years, we were committed to **Unlocking trapped potential** and laying the foundations of **a fully transformed UniCredit**.

Today, we have one Group with one Vision, Culture and Strategy and clear direction to harmonise and leverage scale and scope – best-in-class product factories, converging technology and operations. We also have a network of 13 local banks empowered to manage their own operations locally within a streamlined organisation capable to deliver operations locally within a streamlined organisation capable of delivery.

Unlocked Potential

Laying the foundations of a fully transformed UniCredit: 2021 to 2024

Empowerment and trust

13 Banks empowered by clear Principles and Values, cascading Group Strategy.

Investing, trusting and empowering our people with clear Principles and Values.

Read more on **page 30**

Simplification and streamlining

Leaner and **delayered** organisation, with decisions closer to the clients where it matters.

Simplified and **harmonised processes**.

Read more on **page 38**

Leveraging common strengths

One Vision, One Culture, One Strategy.

Product factories, **procurement** and **technology** under common denominator **leveraging scale and scope**.

Read more on **page 46**

The **financial results** achieved to date are a testament of scale and progress made with the holistic top-to-bottom industrial transformation. We are not only delivering excellent results, but more importantly we are producing the right kind of results.

Results that show the discipline with which we are focusing on **quality profitable growth, operational and capital efficiency**, building lines of defence and continuing to invest in the business for the future.

Quality Growth

Focusing on capital-light growth and quality lending, while maintaining discipline in origination.

Operational Excellence

Simplification and streamlining to target efficiencies and optimisation, while continuing to invest in the future.

Capital Excellence

Considered capital allocation and active portfolio management to ensure sustainable, best-in-class organic capital generation.

Unlocking Acceleration

2025 and beyond: Ushering in a new era of sustainable growth

The same, evolving Strategy

Building on our structural strengths with new alpha initiatives to widen our competitive gap.

Having laid the foundations and released our full potential, we're entering the next phase, where we'll evolve, not change, our Strategy.

UniCredit Unlocked will maintain the same unifying Vision, Culture and inspiring Purpose, while the focus of the Strategy will be on **Unlocking Acceleration** to unleash our full potential and widen the competitive gap further to herald a new era of sustainable growth.

In the rest of this report, we dive deeper into our progress against our UniCredit Unlocked Strategy.

Read more on **page 63**

Together, every change we make, every month of the year, throughout all our businesses across all our geographies, contributes to delivering excellence and reaching our ambitions

Review all our milestones on **our Reporting microsite**

January

Employee daycare opened by HypoVereinsbank
Office in Munich supports our work-life balance

UniCredit named Top Employer in Europe for the eighth year

Bank iD launched in the Czech Republic
Smoothing organisations' access to online services

February

Customers rate Bulbank Online #1 in internet banking

Launch of EmpoweringU
UniCredit's first holistic approach to employee well-being

UniCredit included as an Equileap Top 100 gender equality company
Ranked #2 in Italy for the third year in a row

America's Cup 2024
UniCredit becomes the event's Global Partner, exclusive Global Banking Partner, and is named partner of the UniCredit Youth America's Cup

Strategy
Finance
Clients
People & Culture
ESG
Digital & Data
UniCredit Foundation

March

UniCredit launches My Advisory
Making our expertise easier to access for wealth management and private banking clients

Women's financial advisory month
Leveraging on dedicated products and services to help women plan their finances

New Employer Value Proposition
Unlocking a Better Tomorrow; for colleagues, clients and communities

April

UniCredit offers contactless services in the Czech Republic and Slovakia

250
Contactless ATMs

UniCredit's strategic support for German startups with GetYourGuide
Continuing to set industry benchmarks by fostering growth in the tech sector

Focusing on women in digital
A series of initiatives to empower female employees' growth

Pre-approved loans for small-sized clients
Advisors provide exclusive service for smaller businesses

UniCredit supports Education Academy project in Austria
Free facility CAPE 10 helps children and young people to learn

1Q24 Group Results
Record results, significant value ahead

UniCredit's online branch buddy
becomes new official banking partner of the Davis Cup 2024

May

June

Statement on Natural Capital and Biodiversity
UniCredit's first comprehensive framework to link biodiversity and climate

UniCredit in Germany hosts the third edition of our Culture Day

Basket Bond ESG: from UniCredit and CDP
Two new rounds for Italian programme funding

>€143m
funding

Strategy
Finance
Clients
People & Culture
ESG
Digital & Data
UniCredit Foundation

UniCredit supports Europe's largest liability management operation
TIM NetCo/KRR deal worth €5.5 billion

UniCredit starts process of acquiring Vodeno and Aion Bank

2Q24 & 1H24 Group Results
Record quarter and first half results; profitable growth and superior distribution trajectory continue

Net Zero targets set on Shipping and Commercial Real Estate sectors in addition to Steel sector disclosed in January

SmartBizz app now live
Accelerating loan approvals for small businesses

July

UCF Edu-Fund Platform launched
Helping to lift young people out of educational deprivation

August

Zaba's AI virtual assistant enhanced
Saving clients' and bankers' time

Launch of UniCredit for CEE
Helping micro and small enterprises to grow

UniCredit acquires around 9% equity stake in Commerzbank AG

~9%

Equity stake

Digital Strategy moves to Phase II

Tech and talent transformation accelerates

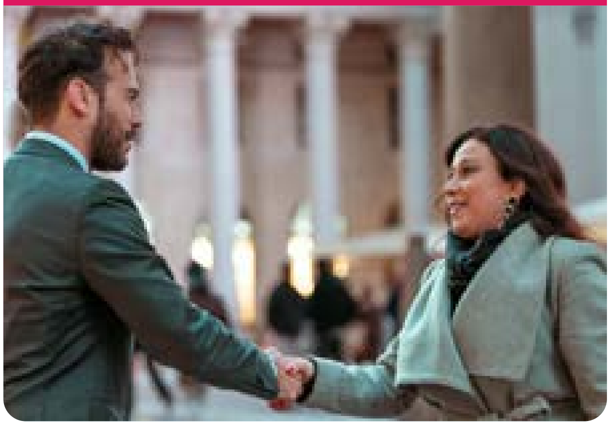
Digital Days reloaded

Showcasing our Digital team to the Group

12,000

Online connections

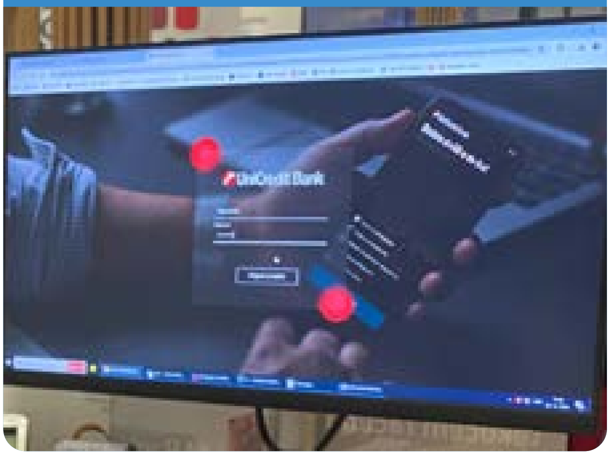
Expansion of our onemarkets Fund



September

Launch of UNA App

Simplifying business processes for employees and customers



October

UniCredit's €15 million social impact loan

Provided to Nuova Assistenza Soc. Coop. Sociale ONLUS

Leading the way for digital corporate banking in Germany

€5 billion plafond

Supporting Italian businesses that reduce energy consumption with "Transizione 5.0"

Strategy
Finance
Clients
People & Culture
ESG
Digital & Data
UniCredit Foundation

Second annual ESG Day tackles pressing concerns
A challenged future: choosing the path ahead

€8.3 million
Financing Agroloop Kft with innovative greenfield investment

4Q24 & FY24 Group Results
Unlocking Acceleration: Record results crowning 16 consecutive quarters of quality growth

Talento Diffuso project extended
Enhancing employee talent in Italy

November

3Q24 & 9M24 Group Results
Record third-quarter and nine-month results, ushering in a new era of sustainable quality growth

UniCredit Bulbank to use 75% green energy
Contract signed with photovoltaic power plant

UniCredit secures majority stake in Alpha Bank Romania

Over €1 million to support education in Serbia
Investing in initiatives to help transform the education system, from 2023 to 2026

December

FT names UniCredit Global Bank of the Year
Won the award for the second time

Empowerment and trust

A winning mentality grounded in clear Principles and Values and a shared Culture of Empowerment and trust. Fostering bottom up ideas and an environment where people are proud to own and drive growth and success.

Our progress this year

2024 was another year of extensive listening to our people and joint work across all levels to spread and reinforce the Culture and Values that define us.

We made significant investments in education, professional development, and continuous learning, nurturing our talent for long-term success.

Today, as a transformed bank, our people feel connected, valued, embrace a can-do attitude, and view mistakes as opportunities to learn, all in the relentless pursuit of excellence.

This progress has contributed to our recognition as Global Bank of the Year for the second consecutive year by The Banker.

Read more on **page 32**

16
Culture roadshows
With 20k colleagues involved, including CEO and Leadership Team

c. 600
Colleagues in Italy participating in reskilling plan
Moved from central functions to commercial branches, as a blueprint to be extended to the overall Group

€30m
To UniCredit Foundation
Strengthening our focus on Youth and Education

25k
Participants in UniCredit University
in Italy in 2024, with 50 hours of active learning per capita

>16k
Hirings in business divisions,
since 2021, 9k of which young talents, transforming the organisation

Group

Empowering teams to lead

A new major training programme for our people in Italy has introduced new collaborative ways of working at UniCredit, empowering decision-making for our credit teams.

Implemented in June 2022, after a year of preparatory activities, our Empowerment Italy – Credit Delegations project is a significant example of how UniCredit has transformed. It has helped employees to better support our new business model, as they have gained awareness and accountability. It has also aligned our risk and business functions, encouraged greater collaboration and enabled both functions to jointly take ownership of the Italian credit portfolio, guaranteeing a strong risk presidium.

Supported by a comprehensive preparatory training programme, the project Empowerment Italy – Credit Delegations project has:

- Enhanced customer proximity
- Rebuilt and empowered our first line of defence
- Refocused and evolved our second line of defence of risk management
- Clarified the roles between first and second line of defence, strengthening our controls framework.

>2,000

People trained in Italy by FY23 to take c.90% credit decisions vs +5% in FY21 (based on volumes)

70

Hours training per person, over 356 classrooms and 80 teachers

December Italy

Unlocking the talents of all our people

Everyone has intrinsic abilities and skills that can help us to succeed. That's the idea behind Talento Diffuso.

Talento Diffuso stemmed from a listening campaign piloted in 2023. We engaged with 28,000 colleagues to discover what motivated them and what inherent talents they wanted to develop. We then committed to building a personalised training path that helps them grow, express these skills and unlock their true potential, professionally and personally.

More than 12,000 colleagues across UniCredit Italy, including Retail, Corporate and Private Banking as well as Central Functions, Competence lines, Wealth Management and Large Corporates, have joined the initiative since its launch in 2023.

Almost 2,200 colleagues have completed a blended learning path with online courses and an on-site "Talent Development Lab" resulting in individual development plans; another 4,000 colleagues from Network Italy and Central Functions, Wealth Management, Large Corporates will be involved in 2025 in experiential workshops dedicated to personal efficacy and enhancement of their own talents.

"I have learned to pay attention to the talents of my colleagues. The talent of each person allows us to create value: that's the true essence of Talento Diffuso."

Elisabetta Zavagli
Operational Manager, Private Area Lombardia East

"The Talento Diffuso programme definitely helped me become more conscious about our work, providing me better understanding of what will be in the focus of our Bank in the future."

Fabio Maltese
Private Banker

"Joining Talento Diffuso means I have increased the awareness of my talents, and I manage my daily work life much more effectively."

Francesco Lerza
Manager, Corporate Area Napoli

January Germany

Employee daycare opens in Munich

HypoVereinsbank is supporting colleagues' work-life balance by opening a daycare centre in Munich.

Bavaria's shortage of childcare places makes it challenging for colleagues to balance their work and family life. The bank's innovative daycare centre, operated with Dussmann KulturKindergarten GmbH, bridges the gap by providing childcare spots for 36 children aged three months to three years.

Housed in a distinctive circular building with a rooftop garden, the centre is a protected, inspiring and traffic-free environment where children can play and relax.

The new centre is part of a broader offering that supports a sustainable, family-friendly corporate culture, such as flexible care options for elderly or dependent relatives and children, and a Parents4Parents network for parents to connect and exchange ideas.

November | Serbia

Over €1 million to support education in Serbia

UniCredit Bank and the UniCredit Foundation in Serbia have invested over €1 million in an educational initiative to help schools and teachers transform the country's education system and unlock the potential of young people, in the period from 2023 to 2026.

The RePower project builds on partnerships established with Junior Achievement Serbia, the Nordeus Foundation and Teach For All, alongside the Faculty of Philosophy at the University of Belgrade. The aim is to strengthen local communities and provide teachers with the tools they need to build more inclusive school environments, reflecting the enduring commitment of the UniCredit Foundation to the development of young people.

In just one year, 11,629 students and around 300 teachers from 190 secondary schools took part in programmes including a Business Challenge, Student Company, Financial Literacy and Business Ethics, as well as a Special Challenge competition.

We plan to reach more than 10,000 students in the underdeveloped regions of Serbia by 2026, via a network of 100 dedicated and innovative teachers who will focus on concrete actions in their communities.

"Investing in education is an investment in the future of our community. It is not only socially responsible, but also a smart business decision. One of UniCredit's key priorities is education, and we actively cooperate with many institutions in order to ensure that educational programmes reflect the state's strategic goals. We believe that in this way we are creating a synergy that will benefit our country."

Nikola Vuletić
President of the Management Board of UniCredit Bank

July | Group

Bold move to lift young people out of educational deprivation

The UniCredit Foundation advanced its mission to Empower Europe's Next Generation by launching the UCF Edu-Fund Platform with a total commitment of €14 million.

The initiative seeks to foster quality education and promote regional growth by engaging community stakeholders, contributing to a more equitable future. It supports multidimensional projects focused on the academic challenges young people face in countries where we operate. Examples include preventing school dropouts, addressing inadequate educators' skills, encouraging university education and improving employability for students aged 11 to 19.

The initiative is open all year round. Its funding pool offers three streams of funding opportunities, ranging from €100,000 to over €1 million, to non-profits across Austria, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Germany, Hungary, Italy, Romania, Serbia, Slovakia, and Slovenia.

The entities must have a comprehensive background in fostering quality education, regional development, and an inclusive response to their communities' educational needs.

March Italy

Women's financial advisory month helps bridge the financial gender gap

UniCredit firmly believes that investing in financial education for women generates long-term benefits and boosts the sustainable development of communities and social inclusion.

We used International Women's Day (IWD) on 8 March to launch a month-long series of initiatives in Italy aimed at bridging the gender gap and raising women's financial literacy levels.

An IWD open day for women in over 100 branches of the bank throughout Italy kicked off our women's financial advisory month. Over 30,000 customers were invited to complete a wealth questionnaire to determine their personal requirements around financial planning, wealth management and insurance.

"Effective financial management is a key lever in empowering women and enhancing their independence. Mastering money management is crucial, as it can significantly impact their ability to make autonomous decisions and foster both personal and professional development.

Marianna Plafoni
Head of Retail at UniCredit in Italy

A woman's goals and financial needs change throughout her life, and her investment strategy can adapt to reflect this.

Our wealth questionnaire helps us provide our female clients with the tools and information they need for a profitable and flexible investment strategy over time, via a transparent approach to consciously manage their assets and provide long-term oversight of their finances.

May Austria

UniCredit supports Education Academy project in Austria

Together with the UniCredit Foundation (UCF), UniCredit Bank Austria now provides long-term financial support for an outstanding education project in Vienna's most culturally and linguistically diverse district.

The bank supports two projects by the CAPE 10 social and health facility in Favoriten – an Education Academy and a Hobby Lobby education initiative. Its €600,000 contribution is part of our drive to promote equal educational opportunities for children and young people.

"

UniCredit Bank Austria is making a sustainable financial contribution to this outstanding project. The CAPE 10 initiative is paving the way for young people to complete school. With the Education Academy, it offers students in Vienna a low-threshold free learning and education programme as an important supplement to the regular curriculum. The aim is to provide equal educational opportunities for all children and young people in a culturally and linguistically diverse district.

Ivan Vlaho
UniCredit Bank Austria CEO

Simplification and streamlining

A new way of working in a leaner and more efficient organisation, with decisions closer to the clients. Simplifying and harmonising processes to deliver a seamless experience and focus our people on what creates value.

Our progress this year

At UniCredit, we continuously rethink our organisation, questioning every process, operation and capability to ensure we are focused on what truly adds value for both our clients and the Bank.

2024 was a year of significant achievements – we accelerated our simplification and streamlined initiatives, reducing layers between us and our clients and creating a leaner organisational structure for faster and more efficient delivery.

We reviewed numerous key processes also leveraging technology and AI to automate and reduce complexity, improving our ways of working while enhancing the most impactful steps, driving greater efficiency and value.

Read more on **page 40**

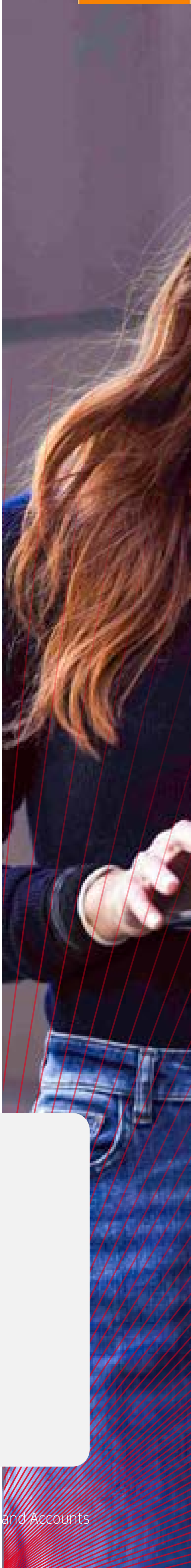
c.-35%
Reduction in organisational structures
c.-50% in Holding

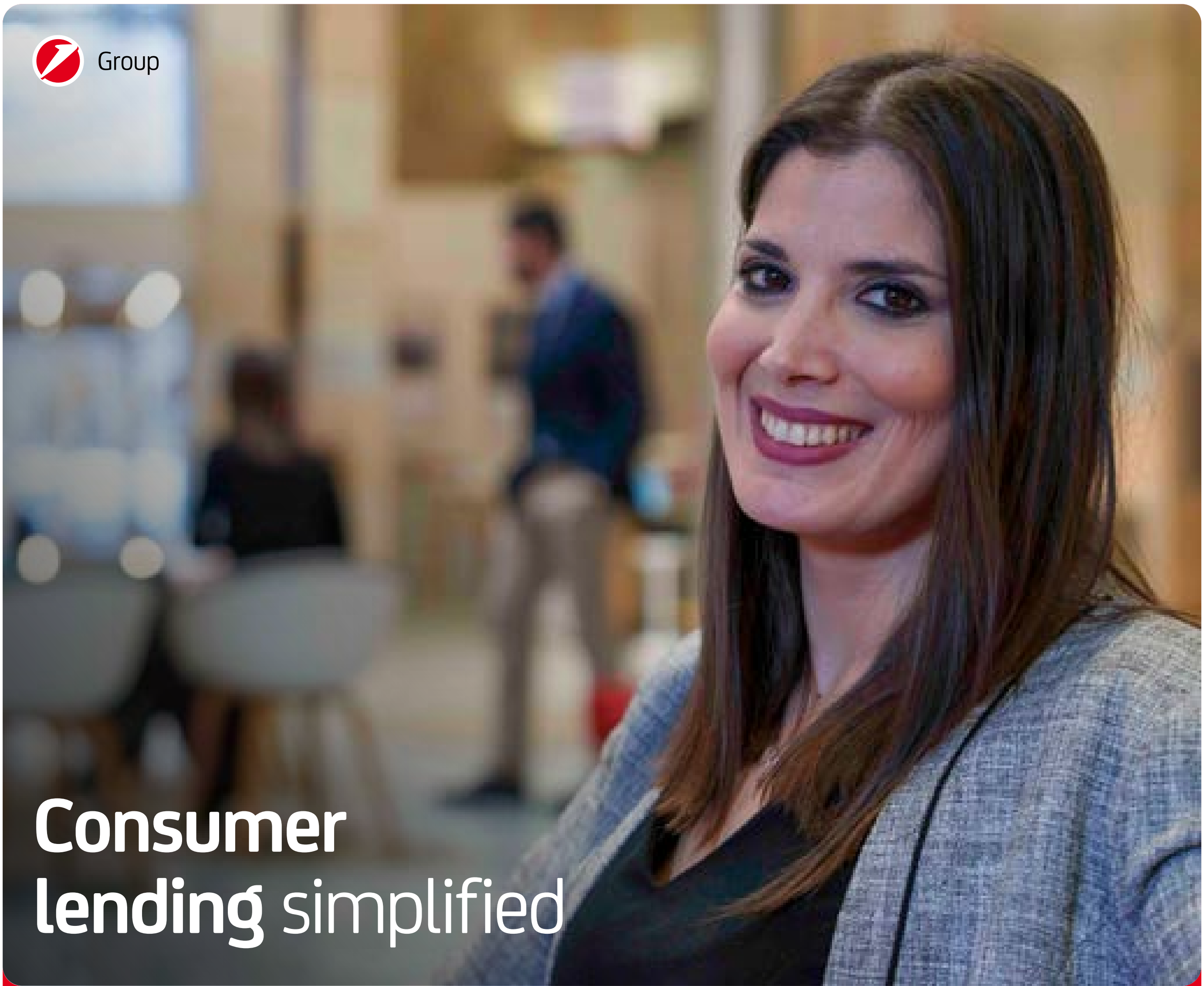
2k
Simplification proposals
c.50% in implementation across 10 countries

106
AI use cases

-5
Fewer layers to the client
(4 from 9)

>530
Apps decommissioned





Giving our clients a streamlined and more efficient experience

UniCredit has moved from a top-heavy, centralised organisation to a leaner, faster and more effective structure, with a significant reduction in organisational complexity.

This transformation is down to our focus on simplification. We do it by applying a "blank sheet approach" to everything we do – across all countries and functions. We question every process from scratch, ensuring that we focus on what truly adds value.

In Italy, we've successfully applied this approach and redesigned consumer lending process, and in doing so we created a Group benchmark and a common new way of working.

Today, 95% of consumer loans in Italy are processed in this new, efficient and faster way. Clients are experiencing a faster experience with quicker loan approval – from over 24 hours to just 25 minutes – in a redesigned and a seamless journey, consistent across all channels.

Our people are reducing their task load to focus on higher-value and client-facing activities. Our business is benefiting from lower operating costs and high scalability across segments and countries, and our shareholders are enjoying the benefits of our improved performance.

September | Bosnia and Herzegovina

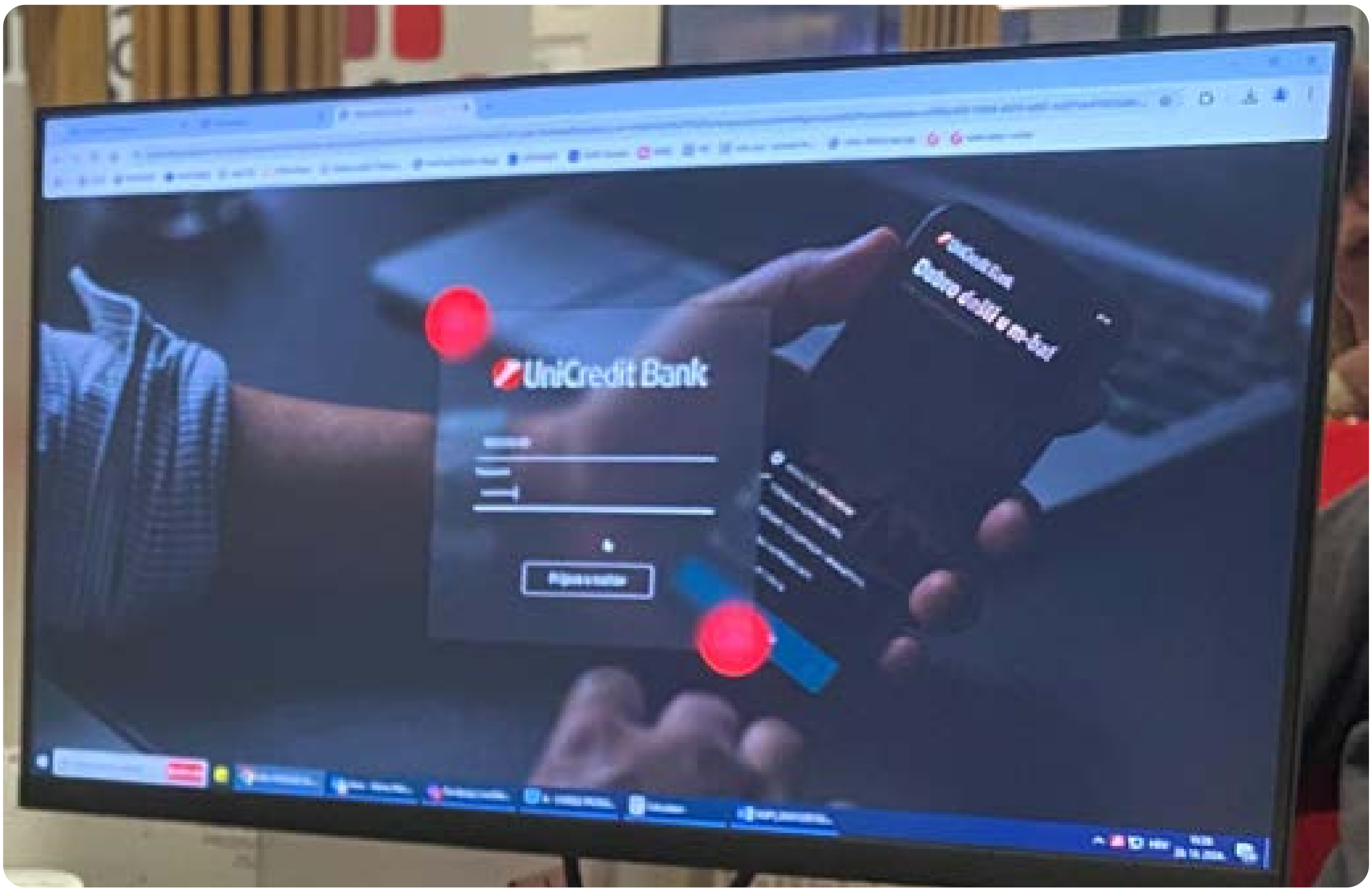
New UNA App improves business processes for customers and colleagues

UniCredit has launched its new UNA App in Bosnia and Herzegovina, simplifying everyday business processes and providing a faster service for customers.

Our customers enjoy 1.6 times faster interactions with the system, thanks to a user-friendly interface and streamlined features. We estimate that some business process tasks in the new application will run 40% faster, helping colleagues focus on delivering better experiences for clients.

Built using a microservice architecture, the new UNA App benefits from greater flexibility, scalability and easier maintenance, as well as robust security measures. Updates and new features are delivered more quickly.

This project is being developed in collaboration with colleagues from UniCredit in Mostar and Banja Luka, highlighting the power of cross-team co-operation and the shared commitment to excellence found across our network in Bosnia and Herzegovina.



October | Germany

Leading the way for digital corporate banking in Germany

HypoVereinsbank (HVB) was awarded third place in the FINANCE magazine 2024 Banks Survey of the best corporate banks in Germany, repeating our success in 2023's survey.

The FINANCE Banks Survey is one of the key indicators of performance and customer orientation in German corporate banking and gives a comprehensive insight into the developments and trends in the industry.

HVB came first in the "Digitalisation of Corporate Customer Business" category, recognising the successful implementation of our digital transformation strategy and the value to corporate clients of our strategic investments in digital solutions. This underlines the growing need for broad digital platform solutions in corporate banking.

In the last three years, we have reduced over 1,000 individual processes and achieved significant efficiency gains, including reducing the time between application and disbursement of consumer loans by 30%.

We also achieved a productivity gain of over 10% in mortgage loan applications thanks to process automation and simplification. In wealth management, we managed to reduce processing times by more than 30%. Additionally, we worked intensively on our product catalogue, adapting and simplifying it according to our customers' needs.

HVB is popular with German SMEs: more than half of the survey's SME respondents placed HVB in top place. We were second in the "Most Common House Banks" category, with particularly strong support from companies with a turnover of less than €250 million, two-thirds of whom list HVB as their principal bank.

HVB also came second in the "Best Service Level" and "Advice on Sustainable Financing/ESG" categories.

Since 2023 we have organised 111 events at our Innovation Hub, with participation from over 12,517 people across all divisions. With the Regional Innovation Days, we addressed topics ranging from AI and digital platforms to security, leadership, and entrepreneurship. 33% of the sessions were co-organised with external partners, contributing to the promotion of digital innovation and knowledge sharing. Additionally, our Democracy Hub Campaign hosted five events focused on democracy and our Bank's engagement, with participation from over 1,180 people.

For the coming year, HVB has set itself the goal of defending our leading position in digitalisation and further improving our overall position.

"These pleasing rankings are a great confirmation that we are on the right track with our Strategy. They underline the importance of continuous change and our ability to adapt. They motivate us to constantly improve and offer our customers the best possible service.

Martin Brinckmann
Head of Small and Medium Corporates

July | Italy

UniCredit supports Europe's largest liability management operation

UniCredit has played a pivotal role in structuring the finance for the transfer of TIM Group's NetCo business to Kohlberg Kravis Roberts & Co. LP (KKR) – including a huge liability management operation that allows TIM to compete more effectively in its key Italian markets.

Earlier, in April, we supported TIM in the closure of the sale of NetCo, acting as bookrunner, mandated lead arranger, documentation bank and facility agent for a financing term loan of €1.5 billion with an 18-month maturity.

We also acted as joint lead manager for one of the largest liability management operations ever carried out in Italy, and the largest carried out in Europe for a corporate issuer. This was for a €5.5 billion equivalent "par-to-par" exchange to enable a significant portion of TIM bonds to be contributed to NetCo.

The operation allows TIM to adopt a new business model that will enable the Group to compete more effectively in the Consumer and Enterprise markets in Italy, thanks to a greater focus on industrial and commercial components and a solid financial structure.

August | Croatia

Enhanced Zaba AI saves time for clients and colleagues

Zagrebačka banka (Zaba)'s virtual assistant – Mia – was introduced in October 2023 to shorten waiting times for clients and free up time for contact centre agents to provide a better service. A year later, Mia is handling over 20% of all calls.

Almost 70% of Zaba's clients bank digitally, with 95% of all transactions carried out online. Mia is a key feature of the bank's digital service, filtering calls and answering the most frequently asked questions around card and online payments as well as general information about our services.

The introduction of Mia resulted in agents handling 22.3% fewer calls, making them available to deal promptly with more complex client enquiries.

Mia's accuracy is paramount: the answers given are always consistent and verified, and customer feedback is helping to develop and improve the service. We are working with leaders in AI technology to further increase functionality and ensure Mia remains the leading virtual assistant in the Croatian banking sector.

~70%
Zagrebačka banka (Zaba) clients bank digitally

>20%
Calls handled by Mia after a year of operation

22.3%
Reduction in calls handled by agents since Mia's introduction

Pre-approved loans for small-sized clients

Small companies are the backbone of many economies, so we must create innovative banking initiatives to support their growth.

In Slovenia, we launched an exclusive pre-approved loan service for smaller clients. UniCredit Bank Slovenija selects companies with a solid strategy, clear vision and an excellent credit rating. The bank's advisors then offer them pre-approved credit when opening and using a transaction account with a small business package.

Using targeted communications and repeated contact, the bank has retained its existing customers and attracted new ones, increasing business volumes by meeting individual customer needs.

January | Czech Republic and Slovakia

Launch of Bank iD brings seamless online verification to Czech clients

UniCredit Bank is giving clients in the Czech Republic an easier way to interact with key public and private services, from submitting tax returns to getting a prescription. Bank iD is a new app allowing people to verify their identity using the same credentials across a range of applications.

Bank iD is a secure mobile identity checker that integrates with the online portals of many government services, authorities, health and insurance providers and private companies.

It allows customers to verify their identity via our smart banking app using their normal UniCredit pin code, fingerprint or Face ID, and then log into a third-party service in the usual way.

To activate Bank iD, UniCredit clients just need an active online bank account, smart key activation and the latest version of our banking app.

A range of useful public and private sector services can be accessed with Bank iD:

- submitting tax returns
- checking the validity of personal documents
- accessing the vehicle registry
- viewing property records
- accessing the Citizen Portal
- checking pension details
- obtaining e-prescriptions
- applying for housing or family subsidies
- changing health insurance provider
- registering with a doctor
- signing contracts with mobile operators or energy suppliers
- signing rental agreements
- signing employment contracts or work-related document
- signing enrolment agreements for studies.

Bank iD continues to integrate with other services and is becoming one of the most popular methods of online identification – a clear example of UniCredit providing simple solutions for clients and supporting the broader needs of the communities in which we operate.

Leveraging common strengths

One Group with a common Vision, Strategy and Culture. Leveraging scale and scope of best-in-class product factories, common Procurement, Digital and Operations serving all, fully empowered, local banks.

Our progress this year

While our banks manage day-to-day operations, the Group provides overarching direction and harmonises scalable activities.

In 2024, we continued investing in our product factories, reinforcing talent, and making significant progress in our solution offerings. We selectively partnered with top industry leaders to complement our in-house capabilities and deliver best-in-class solutions.

All our product factories marked significant growth this year, demonstrating the potential of our Group; combining high-quality products from the centre with the distribution power of our network in the countries.

Additionally, our centralised procurement and converging digital and operational efforts protect long-term priorities and serve the entire Group, offering solutions with quality and speed that individual banks would likely find difficult to achieve on their own.

Read more on **page 48**

€14.5bn

onemarkets funds

#44 funds in 10 countries

Payments

Built a Group global factory and strengthened key partnerships

1 Group Procurement

Taking back control and safeguarding our long-term interests

>100 vendors discontinued

Insurance

Setting the foundation for internalisation of Life Insurance and partnership with Alpha Life in Greece

>91%

FX and commodities trades executed E2E digitally

October Group

Expansion of our **onemarkets Fund portfolio and launch in Greece**

A new approach to investment solutions, putting our clients firmly at the centre of all we do.

We've continued to develop our asset management strategy, bringing innovation to our regions as we expand our **onemarkets** Fund portfolio, which provides clients with access to a growing selection of actively managed funds.

The **onemarkets** Fund portfolio offers a comprehensive fund proposition in terms of asset classes, geographies and investment themes to respond to the investment strategies of all our clients.

Through the **onemarkets** Funds, UniCredit offers an exclusive selection of bespoke investment opportunities, managed by a team of experts, under a framework that ensures quality and specific risk-return profiles.

The platform offers 44 funds distributed in 10 countries and €14.5 billion AUM, with a growing selection of actively managed options. It's a best-in-class investment solution, developed in-house with UniCredit's Investment Strategy and Product Management teams across countries, and through partnering with experienced asset managers.

In October, it was launched in Greece, empowering local Alpha Bank clients with sophisticated actively managed investment products, while leveraging UniCredit's scale.

"The onemarkets Fund portfolio opens a window to international investment opportunities for our clients and gives them the option of investing in mutual funds managed by asset managers. It offers innovative products and strategies covering all investment profiles, leveraging UniCredit's expertise combined with the extensive experience and strong performance of Alpha Bank's Asset Management teams."

Vassilios Psaltis
Alpha Bank CEO

In addition, our partnership with Azimut means that Nova, a second fully-fledged funds business, is at the heart of our open platform to support the continuous launch of new funds in Italy. Part of the **onemarkets** funds, 13 Nova funds are available with €3.3 billion AUM*.

*data accurate as of 31 December 2024.

June Group

buddy named **Davis Cup 2024 Official Banking Partner**

The International Tennis Federation's appointment of buddy, UniCredit's new online branch, as the new official banking partner of the famous Davis Cup has served up opportunities to present the new digital and remote service model to customers.

buddy is a complementary, not an alternative, service model to the physical one. Customers can choose where, how, and when to be served, with the same service level.

In September, UniCredit presented buddy to customers in Bologna during the group-stage Davis Cup finals, which also took place in Manchester, Valencia and Zhuhai. We also stayed close to customers in Bologna when the final eight teams played in November.

Several other initiatives since buddy's launch, such as Roma 2024 European Athletics Championships and local projects related to universities, have underlined the focus on innovation, and commitment to stay close to our territories.

"With buddy as Official Banking Partner of the Davis Cup we confirm our commitment to promote sport as a powerful means of inclusion and personal growth, encouraging the development of the communities and territories in which we operate."

Annalisa Areni
Head of Client Strategies at UniCredit in Italy

February Group

UniCredit gets on board the **America's Cup**

The famous America's Cup set sail with UniCredit on board for the first time as its Global Partner and Global Banking Partner, reflecting our belief in teamwork and relentlessly pursuing success. UniCredit also sponsored the inaugural UniCredit Youth America's Cup Regatta, enabling us to support young people's sailing talent and promote sustainable development.

Our overall sponsorship served as a platform to engage and inspire existing and future client relationships. We reserved spaces for clients on a dedicated boat to watch the races. 20 UniCredit structures included a stand where we welcomed 50,000 visitors and a photo booth that racked up 10,000 360° video experiences.

We didn't miss the opportunity to engage with colleagues, including 70 who exemplified teamwork in the project team. We offered free hospitality passes for the AC37 Preliminary Regatta in Vilanova i la Geltrú, near Barcelona, so our people could experience the event first-hand.

We also had a stand at the Race Village at the Louis Vuitton 37th America's Cup and Puig Women's Cup, with engaging activities for colleagues.

"We are proud to be partnering with an event that showcases talent and prioritises environmental and sustainable practices. This is fully aligned with UniCredit's Strategy."

Andrea Orcel
UniCredit Group CEO

July

Group

UniCredit advances its technology with **Vodeno and Aion Bank acquisition**

UniCredit has entered into a binding agreement to acquire the entire share capital of Belgium's Aion Bank and its digital partner Poland's Vodeno for around €370 million. The acquisition will amplify our digital capabilities with next-generation, scalable and flexible cloud-based banking technology, without depending on third-party core banking providers.

The companies include banking-as-a-service products via Vodeno's cloud platform and 200 engineers, developers, and data scientists who can help us innovate and develop a seamless offering for clients. It will allow UniCredit to embed financial solutions directly into the customer journeys of fintechs, retailers, e-commerce marketplaces, banks and technology providers, and to pursue new, targeted client segments and European market expansion.

"Aion and Vodeno represents a strategic investment for our Group, unlocking the full potential of entering new markets thanks to a highly flexible and scalable business model, fully in line with UniCredit growth goals and ambitions. A&V will contribute to generate further excess cash and capital in the medium term and enhancing our Group profitability and value for our shareholders and stakeholders."

Fiona Melrose
Head of Group Strategy & ESG at UniCredit

November Romania

UniCredit acquires majority share in Alpha Bank Romania

UniCredit has acquired a 90.1% stake in Alpha Bank, creating the third largest banking group by assets in Romania.

This is the start of a gradual integration of Alpha Bank Romania into UniCredit Group, which will be completed with the merger through absorption of Alpha Bank Romania S.A. within UniCredit Bank S.A., estimated to take place in the second part of 2025.

The merger will bring together two complementary banks, both with longstanding relationships and expertise in the Romanian market. The corporate and retail experience of UniCredit Romania and Alpha Bank Romania will strengthen the position of the resulting bank.

"This is a decisive step in our strategic partnership with Alpha, allowing us to further enhance our presence in the country for the benefit of clients and our wider stakeholders. The resulting bank will be well positioned for growth opportunities in the Romanian market, as well as for the development of the potential of all employees in Romania and across the wider Group"

Andrea Orcel
CEO of UniCredit

"Together with UniCredit, we are building a leading bank in the Romanian market – reflecting Alpha Bank's longstanding presence in the country – while actively collaborating across multiple areas to deliver top-tier services to Greek companies expanding into Europe and to European groups looking to invest in Greece."

Vassilios Psaltis
CEO of Alpha Services and Holdings

"We are happy to collaborate with the Alpha Bank Romania team. During this transition period, we are ensuring business development, quality service to our customers and the best possible work environment for employees."

Mihaela Lupu
CEO of UniCredit Bank Romania

"I am confident that today's step towards a merger lays the groundwork for one of the most important, dynamic and customer-focused banking institutions in Romania. This institution resulted will stand as a modern, leading force in the industry – one that not only meets but anticipates the evolving needs of our customers and all stakeholders in an increasingly competitive and fast-changing business landscape."

Sergiu Oprescu
Executive President of Alpha Bank Romania

October Italy

UniCredit provides **€15 million social impact loan**

In line with our ESG Strategy, UniCredit has provided a social impact loan of €15 million over eight years to Nuova Assistenza, a cooperative working in the socio-health, welfare and educational sectors in Italy.

The loan is to support the construction of new long-term care facilities (RSAs) in Tuscany and Sardinia and the acquisition of a number of facilities already managed by the organisation. This will enable Nuova Assistenza to increase the number of beds it offers by over 300 – with 144 in the new facilities and 177 in the facilities already managed by the organisation.

The investment is backed by SACE's Garanzia Futuro and is subsidised due to the social impact generated, in terms of the wellbeing of guests, the reduction of waiting lists and respite afforded to caregivers.

November Group

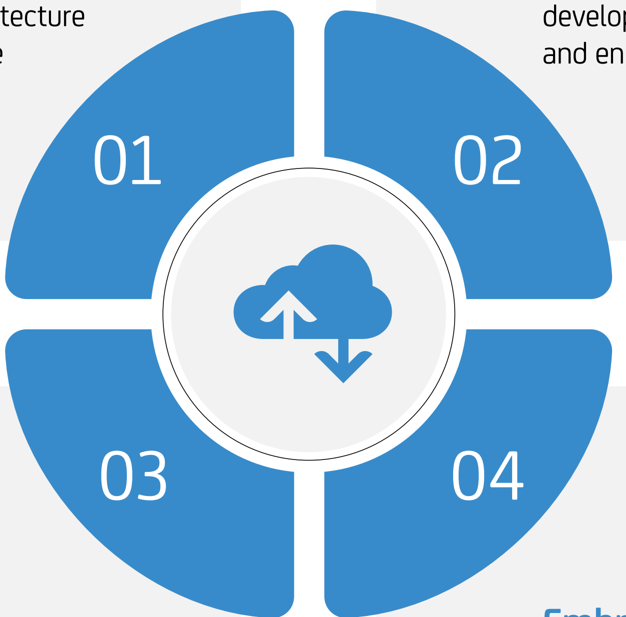
Digital unlocked: Our updated Digital Strategy

Our determined efforts to accelerate transformation through simplification and centralisation have paid off. We are now taking back control of our technology and talent, building an operating model based on end-to-end ownership of our core technology, products and processes.

Progressive transformation

With our technology and talent in-house, we can accelerate our evolution and reach our potential as a top-tier digital and data-driven bank.

Four strategic areas comprise the next phase:



Transitioning our infrastructure

Modernising our infrastructure to make it more resilient and suited to our evolving needs, with a standardised architecture for managing Group-wide applications and data.

Elevating our application landscape

Upgrading our application landscape with a cloud-first approach to accelerate development, foster synergies, and enhance infrastructure.

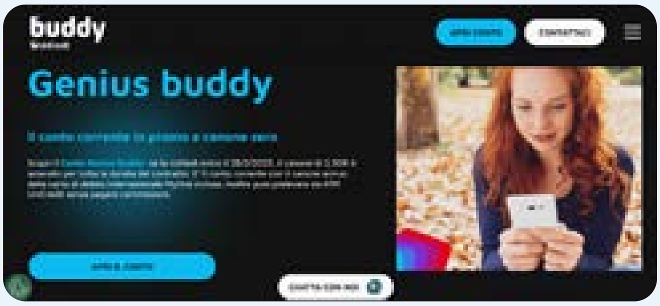
Enhancing our way of working

Streamlining our organisation and investing in our people to improve efficiency, foster growth and drive innovation.

Embracing Data and AI

Becoming a data-driven bank leveraging AI and analytics to boost profitability and create a better, more tailored customer experience.

Key achievements



Digital onboarding on buddy and all channels

The optimised flow minimises steps and user inputs, making it faster than ever to become a UniCredit customer. This onboarding process has now also been extended to cards and new current account products for UniCredit and buddy.

Rolling out GenAI solutions with UniAsk

A new way for colleagues to search the Bank's knowledge base of regulatory, policy and product information using a generative-AI-powered chatbot.

Expansion of our Global Bank Insurance platform

Providing customers with a more flexible, modern and paperless experience that can bundle together banking and insurance products.

Implementation of AI for previously manual processes

An average of 5,000 cheques a day are now processed using AI.

Developing AI tools to classify M&A clients

Assessing their status as likely buyers or sellers, and finding matches between compatible companies.

Looking ahead

Potential catalysts to accelerate our Digital machine:

A significant deal with a cloud service provider, bringing major benefits of scale and accelerating our transition to the cloud.

A single integration platform across the Group.

A single vendor strategy across the Group.

A single AI platform across the Group.

Driving positive impact:

- **Supporting the Bank's industrial plan** by enabling the digitalisation of our factories, franchise and governance functions
- **Fulfilling the latest regulatory requirements** and future-proofing our business
- **Empowering the workforce of the future** by bringing technology expertise into the Bank and reducing reliance on third parties
- **Delivering a single, consistent and ubiquitous technology ecosystem** to harmonise our user experience across channels
- **Optimising run and change processes** – driving greater efficiency in the daily running of our Digital machine while streamlining and standardising development of new products and services
- **Improving the monitoring of our digital ecosystem** through automated KPI measurements, capacity planning and project tracking, as well as improved governance around third parties.

April Germany

UniCredit's Strategic Support for **German Start-Ups**

UniCredit's ability to leverage its collective strengths across markets is exemplified by its success in **Germany**, where **HypoVereinsbank (HVB)** has positioned itself as a key partner for the country's most promising start-ups. Through a dedicated Tech Team and deep expertise in digital business models, HVB has played a crucial role in **fostering innovation** and supporting high-growth companies from inception to global expansion.

A prime example of this approach is the collaboration with **GetYourGuide**, a global online marketplace to book travel experiences and tours, and one of Germany's most successful start-ups. Since its early stages, UniCredit has been instrumental in the company's growth, acting as the sole private placement agent for its secondary equity private placement. The transaction, led by a new institutional investor, was oversubscribed despite challenging market conditions, underscoring GetYourGuide's strong trajectory.

This partnership reflects UniCredit's broader strategy to **empower tech-driven businesses**, particularly in future-oriented fields such as AI, technology, and resilient digital infrastructure. By offering **tailored financial solutions** – including convertible bonds, green financing, and international expansion support – we ensure that companies like GetYourGuide can continue scaling successfully.

Looking ahead to 2025, we remain committed to fostering growth in the tech sector. The expansion of the German Tech Team with two additional key hires will further enhance its ability to support clients with specialised expertise. By leveraging its European network and deep local market knowledge, **we continue to set industry benchmarks** in strategic guidance and financial solutions, reinforcing Germany's role as a **model of excellence** within the Group.

August Group

Launch of UniCredit for CEE boosts competitiveness for micro and small enterprises

The launch of UniCredit for Central and Eastern Europe has brought €2 billion of tailored financing to help micro and small enterprises become more competitive, including third sector organisations.

UniCredit for CEE brings concrete financial, accounts management and advisory solutions to small businesses across the CEE region, helping them grow and transition to more sustainable business practices.

Finance

60 different finance solutions were made available during 2024, including targeted programmes in specific markets to support innovation, digitalisation, competitiveness and sustainability. Local programmes for certain economic sectors such as agriculture, tourism or exporters were also made available.

In four markets, subsidised credit facilities for microbusinesses will support new companies with financing solutions, including digital payments and financial education.

Accounts management

In some markets and under certain conditions, fee-free periods are offered to third sector organisations and newly onboarded clients.

Advisory

We support micro, small and SME clients as they transition towards more sustainable business models. 13 ESG financing programmes help clients invest in sustainable practices and green technologies.

March Italy

My Advisory: the brand-new advisory service **dedicated to private banking and wealth management clients in Italy**

UniCredit has launched a new advisory service for high net worth clients, combining advanced portfolio analysis methodologies with the expertise of UniCredit's investment strategy experts.

My Advisory leverages on a newly developed platform designed to help Bankers identify clients' needs and share tailored investment proposals with them, supported by advanced portfolio and risk analysis.

With its multichannel approach, My Advisory combines traditional and digital channels, ensuring clients can count on the personal attention of their Banker, while monitoring their financial assets remotely.

Furthermore, the new platform allows clients to receive complete and detailed reporting, both periodic and on-demand, allowing them to monitor the performance of investments in a timely, simple and intuitive way.

The result is a service that stands out for its quality, customised reporting and tailor-made investment advisory.

A transformed bank delivering three years of outstanding results

Three years of cultural, industrial and financial transformation have elevated UniCredit to the position of the **leading pan-European bank**. UniCredit has consistently delivered **outstanding financial results quarter after quarter**, whilst setting a new benchmark for banking.

We have successfully completed the first phase of UniCredit Unlocked as a transformed bank that delivered sixteen consecutive quarters of profitable growth, **crowning our best year ever** and with all regions contributing.

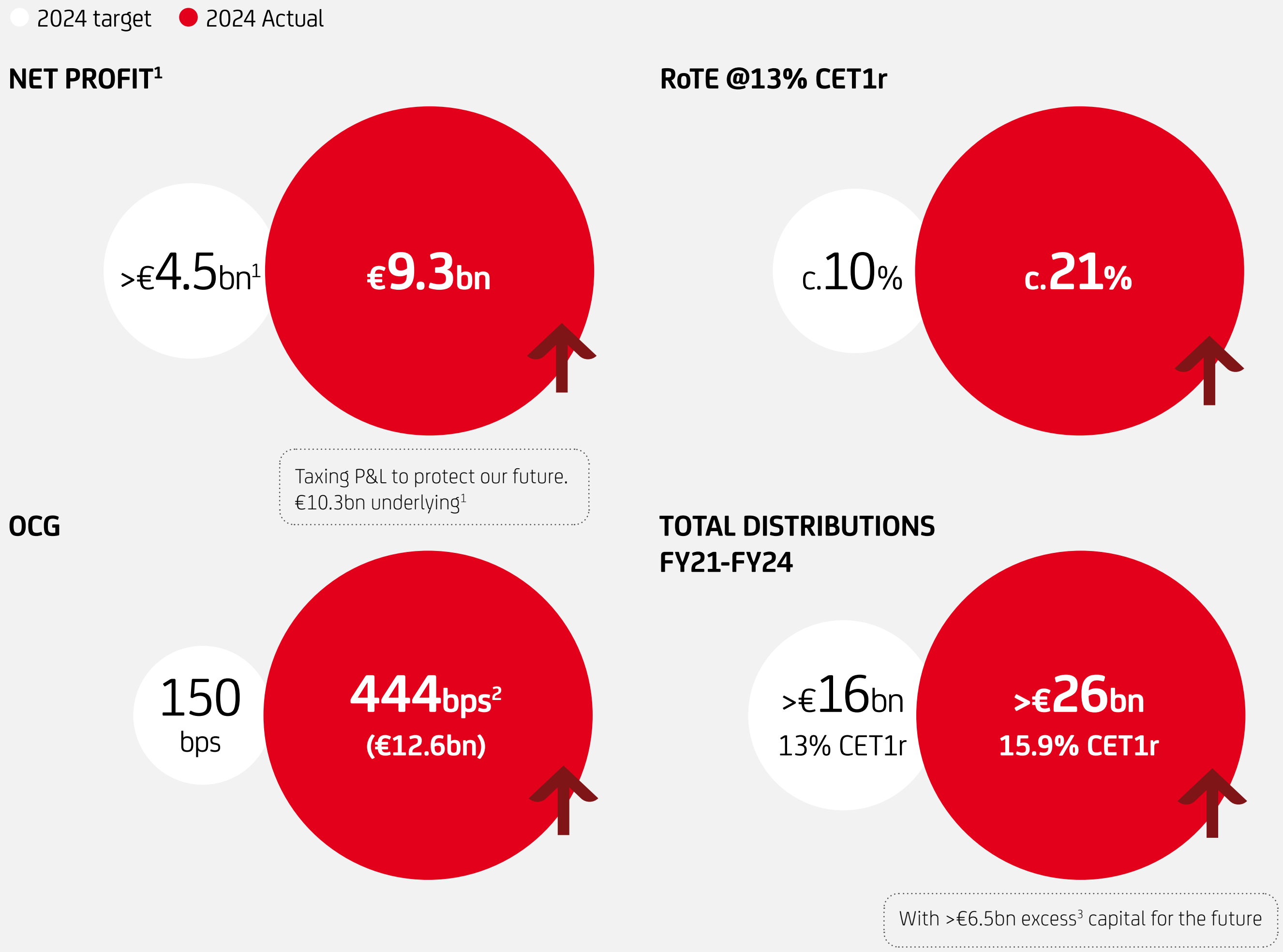
We beat our Unlocked targets set in 2021, reaching a new sustainable run rate

		2024 Target	2024 Actual	
Quality Growth	Gross Revenue	c.€19bn	€24.8bn	↑
	Net Revenue CAGR FY21-FY24	+2%	+14%	↑
	Fee growth CAGR FY21-FY24	+4%	+6%	↑
	Net NPEr	c.1.8%	1.4%	↑
Operational Excellence	Cost-to-income ratio	c.50%	37.9%	↑
	Total Costs	€9.4bn	€9.4bn (Notwithstanding higher-than-expected inflation)	✓
Capital Excellence	Net-revenue-to-RWA ratio	5.3%	8.7%	↑
	CET1r	12.5-13%	15.9%	↑

Read more about our Strategy on **pages 16-23**

↑ Exceeded target

Strongly exceeding profitability and distribution ambitions



Our strong **quality revenue growth** was achieved with discipline. Our best-in-the-industry NII ROAC increased from 4% to 19%, with fees increasing at a 6% CAGR, well ahead of our peers, to 33% of total revenues. The impact of our investments in our factories has just started to show.

Despite high levels of inflation in the countries where we operate, we reduced costs by around €1.7 billion, while reinvesting c.€1.4 billion to strengthen our Group – a testament of our continuous focus on **operational excellence**. As a result, our cost-to-income ratio reached 37.9% notwithstanding our complexity, beating our peers by a significant margin.

We also demonstrated outstanding **capital efficiency**, beating all targets on net revenue to RWA and CET1r. This supported €26 billion of distributions – 65% more than the original €16 billion target – while building excess capital of €6.5 billion (taking €3.6 billion of integration costs and €700 million of additional overlays).

Our 2024 Net Profit is now more than double what we planned in 2021.

This excess capital will enable us to further boost our distributions going forward or provide us with strategic flexibility.

Our RoTE at 17.7% is also significantly ahead of the c.10% UniCredit Unlocked target despite our excess capital.

This performance maintains a balance between achieving excellence in the short-term and establishing a solid foundation for the future. It is proof of the consistency of UniCredit and its people.

Distribution subject to supervisory, Board of Directors and shareholder approvals.

1. Net Profit underlying refers to Net Profit adjusted for integration costs and RCA case. The €4.5bn Unlocked target was referred to «Net Profit after AT1 and cashes coupons», i.e. c.€5.0bn before AT1 and cashes coupons, comparable with the actual FY24 Net Profit at €9.3bn (before AT1 and CASHES coupons).
2. Before considering the impact of strategic investments.
3. vs target CET1r at 12.5-13%.

Surpassing our peers across all relevant metrics

UniCredit remains a leader in the industry across all KPIs, beating peers by a significant margin. We delivered **the highest** total shareholder return which is four times our European peers[1], **the best** share price performance and **the most generous** distributions, whilst building our excess capital.

We are **beginning the next phase of our journey from a position of significant strength** able to offset the normalisation of the macro environment.

From Laggard... to Leader

FY24 vs FY21 (Ranking)

#1 from #9
Net-revenue-to-RWA ratio

#1 from #8
RoTE @13%

#1 from #5
Cost-to-income ratio

#1 from #4
Total Distributions[2]

Outstanding value generation

FY24 vs FY20 (compared to EU peers)

4x
TSR

c.2x
Total Distribution growth among the peer group[3]

>5x
Share price

Uniquely positioned to deliver true differential value, especially within a more challenging macro environment

While we are realistic with respect to the challenges from a macro environment that will normalise, we believe that we are best placed to deliver the differential value and growth necessary to offset it.

Prepared for **shifting macro...**

> NII normalisation
> Uncertain European growth outlook
> CoR normalisation
> Inflationary Costs pressure
> Digital Evolution
> Russia compression.

UniCredit is strategically positioned in regions with higher-than-average economic growth, where the banking sector is expanding at an accelerated pace. This provides us with a compelling advantage over our peers to further build on the foundations we've established over past three years and to continue to grow.

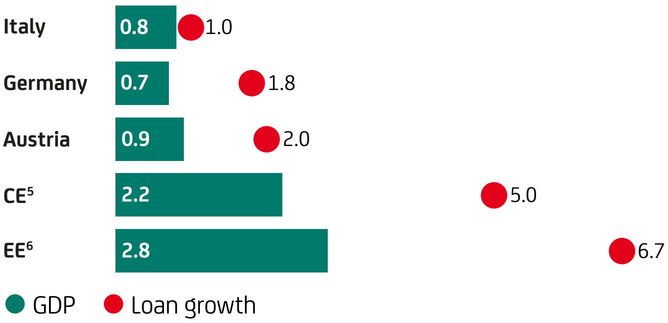
GDP growth (2022-24)[4]

GDP growth across our geographic footprint is expected to be approximately 30 basis points higher than the eurozone average.

1. Peers include BBVA, BNP, Crédit Agricole S.A., Commerzbank, Deutsche Bank, ING, Intesa Sanpaolo, Santander, Société Générale.
2. Actual disclosed distributions accrued to FY24.
3. Considering core EU peers with market cap above €30bn as of 31/12/2024, i.e. BBVA, BNP, Crédit Agricole S.A., Deutsche Bank, ING, Intesa Sanpaolo, Santander.
4. GDP actual up to 9M24; 4Q24 Bloomberg data; FY25 UC scenario, Loans actual up to 2023; 2024 and 2025 UC scenario.

Loan growth vs. GDP3 (2025) %[4]

In many of our markets, loan growth is projected to exceed GDP growth, serving as a powerful catalyst for continued top-line expansion.



5. Excluding Austria
6. Excluding Russia

Furthermore, we have built unique lines of defence including €1.7 billion of overlays to insulate us from the cost of risk cycle. We have also front-loaded non-operating items and extraordinary charges equal to €1.3 billion in 2024 alone which should also trend to zero.

Together with the strength of our transformed Group and our alpha initiatives in flight, these lines of defence will de-risk the achievement of our Net Profit ambitions.

Unlocking Acceleration in 2025 and beyond

The first phase of UniCredit Unlocked was focused to **unlock trapped potential** – UniCredit has surpassed our own ambitions set at the end of 2021, resetting the bar higher each year. We have moved from laggard to leader in our sector, and are now poised to enter the next chapter of growth.

As we look ahead, we are evolving our Strategy to **Unlock Acceleration** of our performance while completing our transformation. Leveraging our lines of defence, we will build on our **structural strengths** and accelerate our quality growth trajectory through **clear managerial initiatives**.

The same, evolving Strategy

UniCredit Unlocked

Win. The Right Way. Together.

Unlocked Potential
2021 to 2024

Laying the foundations to release our trapped potential.

Read more on **pages 22-23**

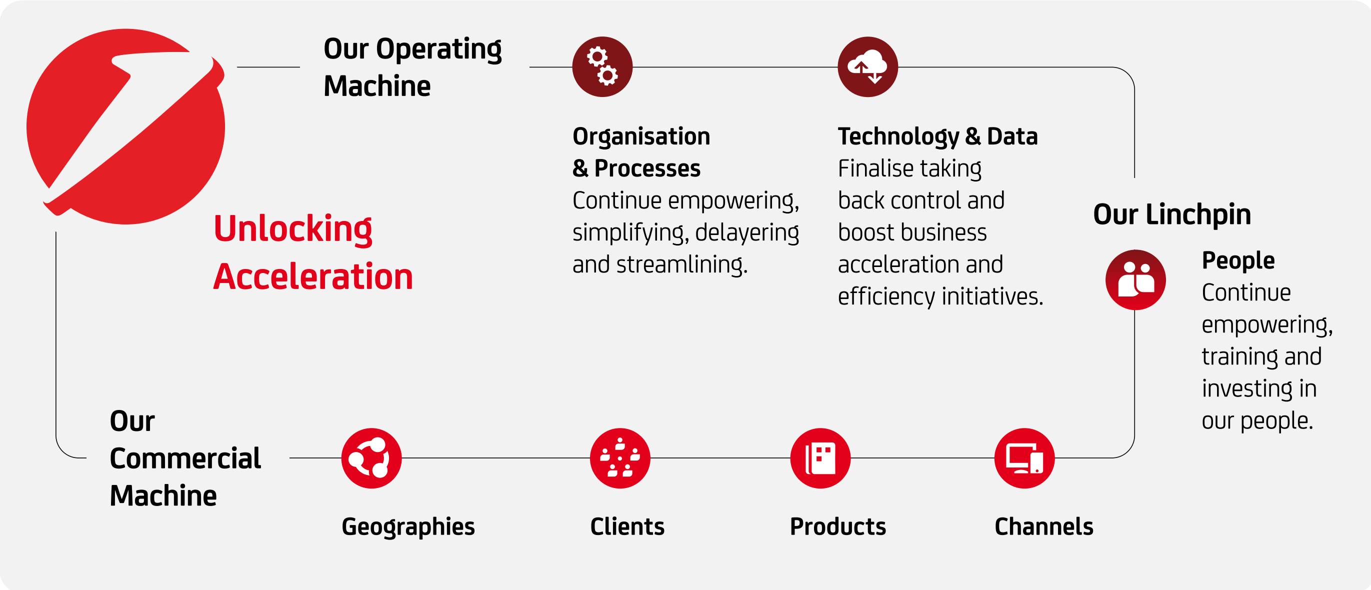
Unlocking Acceleration
2025 and beyond

Building on our structural strengths with new alpha initiatives to widen our competitive gap.

Strategic Review | Financial Review | ESG Review | Consolidated Report | Company Report | Other

A new roadmap to navigate as the leading pan-European Bank

We are optimally positioned to execute on this acceleration phase and solidify our position as a leading pan-European bank and a benchmark for the sector. We have strong competitive edge thanks to our unique structural advantages and will build on these through alpha initiatives and investments in our business.



Leveraging our structural advantages

Leveraging our structural strengths		...with a clear roadmap...	...to become the Bank that...
Attractive **Geographic Footprint**	**Profitable and diversified franchise** Italy – Quality Earnings Powerhouse Germany and Austria – Resilient Anchors CEE – Profitable Growth Engine	Direct capital allocation and investments to higher growth opportunities	Clients **recognise** and **trust** us as the leading pan-European bank, firmly embedded in our communities
Quality **Client Mix**	**High quality base** **c.60%** of revenues in most profitable segments (SMEs[1], Private, Wealth and Affluent)	Increase focus on targeted client segments	Offers clients a **superior** experience with people and banks that **care** and **understand** their needs
Superior **Business Mix**	**NII RoAC at 16% in 2027** **Fee-to-revenue ratio[2] towards 40%** With above market fee growth driven by **product factories** and superior lending **products**	Enhance product offering and how we grow in high-value segments	Offers clients **best-in-class** products for all their business and individual needs
	Connecting clients with superior integrated distribution **channels** offering them choice and flexibility	Move towards an omnichannel offering	Offers clients the flexibility to access **when, where** and **how** they want

1. Including Microbusiness in SMEs.
2. Fees including insurance results.

Alpha initiatives

Alongside our structural strengths, our targeted alpha initiatives will drive our quality growth over the next three years.

This exciting organic growth, together with the results of our transformation, will allow us to absorb expected future headwinds in full, and significantly grow without diluting profitability.

Our exciting story: the emergence of our true differential value

We aim to achieve c.€10 billion of Net Profit by 2027, and to distribute in each of the next three years[1] more than in FY24: of which cash dividends at 50% of Net Profit.

This is supported by a greater than 17% RoTE, an average organic capital generation broadly in line with Net Profit, and the return of our excess capital[2].

We continue to target strong EPS and DPS growth.

This will result in six years of improving performance and growth at an increasing margin over our cost of equity, which, coupled with an outsized yield, should also lead to a significant re-rating of our stock.

We are excited about the challenge and determined to meet it.

1. Subject to inorganic opportunities and delivery of financial ambitions.
2. vs target CET12 12.5-13%.

Our ESG Strategy

Our ESG Foundations

At UniCredit we are committed to embedding Sustainability in everything we do

We lead by example, which is why ESG (Environmental, Social and Governance) is at the heart of our strategic framework. Our Purpose is to Empower Communities to Progress, guided by three Principles:

- Holding ourselves to the highest possible standards to do the right thing by our clients and our communities
- Being fully committed to playing our part in supporting our clients in a just and fair transition
- Respecting and balancing the perspectives and priorities of all our stakeholders throughout our business and decision-making.

1

Strengthening our ESG business proposition

Read more on **page 68**

5

Promoting ESG awareness across our organisation and beyond

Read more on **page 78**

Over recent years, **we have built strong ESG foundations by:**

2

Advancing a distinctive social approach with tangible results

Read more on **page 70**

3

Ensuring a just and fair transition through clear commitments

Read more on **page 72**

4

Guaranteeing accountability and transparency, along with a robust risk framework

Read more on **page 76**

1 Our strengthened ESG business proposition

Enhanced ESG business functions:

- Dedicated ESG Advisory team, complemented by industry specialists
- Local ESG teams providing technical support across the Group.

Enriched ESG client offerings:

- ESG-focused products
- ESG factors integrated into the credit process.

A **supporting** ESG ecosystem of strategic partners:

- Open-es to assess clients' ESG maturity and develop tailored plans
- Regional partnerships in specific sectors (e.g., real estate).

Read more about our **ESG Strategy**

Our ESG offer

Open-es

In March 2023, we partnered with Open-es to better support our clients in measuring and improving their ESG performance.

Open-es unites entrepreneurs, financial institutions and associations through an innovative digital platform.

22
Partners

29,000
Companies

Launched in 2021 and involving more than 29,000 companies and 22 partners, Open-es is an **inclusive and collaborative ecosystem** committed to achieving ESG targets and implementing innovative solutions. In this alliance, our role as a **value-chain leader partner** is to facilitate the **sustainable development of the Italian corporate sector** with initiatives and solutions aimed at companies of every size.

Our ESG offer

Supporting Italian companies with "Finanziamento Futuro Sostenibile Plus"

We want to **support companies committed to improving their sustainability profile** through dedicated financing tied to tailored Sustainability objectives – based on a company's Sustainability and transition strategy.

In Italy, thanks to our partner, **Cerved Rating Agency**, our new product, Finanziamento Futuro Sostenibile Plus, also offers a free and fast ESG assessment through the Open-es platform.

Financing the transition with "Transizione 5.0"

UniCredit has allocated a **new €5 billion plafond to support companies taking part in "Transizione 5.0"**, a public initiative offering tax credit for energy efficiency projects.

This allocation is part of the third edition of "UniCredit for Italy", our broader programme supporting families, individuals and businesses since 2022. With this new plafond, the total amount made available to Italian companies in 2024 has reached €15 billion, for a total value of €35 billion earmarked for individuals and businesses since 2022.

€15bn
Increased funding available to the Italian production system

2 A **distinctive social approach**

Social finance

We have a suitable, accessible, fair, and equitable (SAFE) financial offer:

- We developed new **social products**, **tailored to local needs**, including Futuro Sostenibile Sociale, UniCredit per l'Italia and UniCredit for CEE, and **two new current accounts**, Imprendo Sociale and Imprendo Sociale Più, for non-profit organisations
- We signed **partnerships** in the social sector.

Direct social contribution

We support communities through social projects and donations:

- We contribute to **youth and financial education**, through initiatives such as the Banking Academy in Italy and UniCredit Foundation programmes (Teach for All, Junior Achievement) across the Group
- We promote **volunteering initiatives**, encouraging our employees to directly support their communities.

Support to employees

We promote flexibility, well-being and people care, enhancing Diversity, Equity and Inclusion (DE&I):

- **We foster** a culture of continuous learning through initiatives such as Culture Bootcamps, mentoring programmes, reskilling opportunities, and well-being workshops
- **We cultivate** an inclusive and diverse workplace through employee networks, bias-free processes and equal opportunities
- **We prioritise** employee well-being and quality of life through initiatives such as "Ask for Help" resources, flexible working arrangements, mental health awareness activities, prevention programmes, and local welfare benefits.

Caring for our people

Holistic well-being approach

Our commitment to well-being is embedded in our Caring culture and ESG framework.

In February 2024, we introduced a Group holistic approach to support our colleagues across all stages of their lives, integrating **mental, physical, social, career, and financial well-being** into daily practices.

We mapped 365 well-being initiatives across the Group – one for each day of the year. We gave access to **dedicated courses and an interactive guide with practical tips and suggestions**, empowering each of us to take charge of our own well-being journey.

Additionally, we trained c.40 internal well-being trainers and delivered well-being workshops across the Group.

Recognising our efforts, UniCredit has been awarded **Diversity and Inclusion Initiative of the Year EMEA 2024** in the influential magazine Environmental Finance's annual Sustainable Company Awards for its "**Group holistic well-being approach**".

365
Well-being initiatives

c.40
Internal well-being trainers

3 Clear commitments to support a just and fair transition

In 2019:
Signed the UNEP FI Principles for Responsible Banking (PRB), which support banks in aligning their business strategy with society's goals and promote financial inclusion.

2019

2021

In 2021:
Became a member of the Net Zero Banking Alliance, with a clear commitment to reduce emissions of our lending portfolio.

In 2022:
Signed the Sustainable Steel Principles, a climate-aligned finance agreement for the steel industry.

2022

In 2022:
Joined Finance for Biodiversity Pledge (FfBP) Foundation, the only international pledge dedicated to financial institutions, calling on global leaders to protect and restore biodiversity through their finance activities.

2024

In 2022:
Became a member of the Ellen MacArthur Foundation, an international charity that supports the acceleration of the circular economy across our countries.

May

Group

Launch of our **Statement on Natural Capital and Biodiversity**

In May 2024, we published our Statement on Natural Capital and Biodiversity. This new statement represents UniCredit's first comprehensive Natural Capital Framework, in which biodiversity and climate issues are interconnected.

Alongside our Net Zero targets and Transition Plan, our Natural Capital Framework also considers the circular economy as a key lever for change. We have already addressed nature-related issues, including adopting the Equator Principles and publishing policies on sensitive sectors alongside commitments on human rights.

Our first step for our Natural Capital Framework was to evaluate sources, methodologies and frameworks to effectively address key challenges related to biodiversity and nature, in coherence with the Kunming-Montreal Global Biodiversity Framework.

We then developed a sector-level heatmap of our loan portfolio, to assess which sectors are most exposed to nature-related risks by gauging their impact on nature.

Finally, we have set up a specific training programme to build awareness around the emergent topics of biodiversity and nature, which will be available to all employees in 2025.

We engage with the circular transition by integrating circular economy considerations into our business operations, alongside climate-related initiatives. We were the first Italian bank to have signed up to the Finance for Biodiversity Pledge (FfBP), calling for and committing to taking ambitious action on biodiversity to reverse nature loss in this decade through collaboration, engagement and assessing our own biodiversity impact.

In addition, we are a member of the Working Group on Nature within the United Nations Environment Programme Finance Initiative (UNEP FI), related to Principles for Responsible Banking (PRB). We are the only Italian bank to have contributed, together with 34 international banks, to the publication of the 'PRB Nature Target Setting Guidance', which aims to help the banking sector align with the Kunming-Montreal Global Biodiversity Framework and halt biodiversity loss.

November Hungary

UniCredit supports investment in **sustainable animal feed production**

UniCredit has provided a development loan of €8.3 million to Agroloop, a Hungarian business that produces animal feed components using insect farm technology.

Part of an investment signed with the European Investment Fund's InvestEU Sustainability guarantee, the innovative greenfield finance totals €28 million and includes a bank guarantee of €1.5 million.

Agroloop is one of the SMEs supported by UniCredit Bank Hungary as part of our UniCredit for Enterprises service. The funds will be used to develop Agroloop's technology and expand production at the region's most significant insect farming and processing facility on the outskirts of Budapest. Approximately 60 tonnes of feedstock is processed here daily.

Agroloop's approach to sustainable animal feed production is a sustainable, circular model, using food industry by-products in the form of organic waste from the bottom of the feed value chain. It creates high value-added, premium quality feed protein, feed oil and soil improver compost that minimises emissions and has a reduced environmental impact.

The process uses black soldier fly larvae to recycle feed-grade food industry by-products with minimal water and soil use. It can use 30% of the world's food production, which would otherwise go to waste, and is pioneering sustainable animal feed production in the Hungarian market.

Our commitment to Net Zero

Promoting sustainable steel in Germany

UniCredit acted as Mandated Lead Arranger and lender of the SACE-covered green loan financing for steel producer Salzgitter Group.

> The transaction contributed to the financing of its **€2.3 billion decarbonisation project SALCOS®**, to convert its blast furnace steel production to DRI and electric arc furnaces powered by green electricity and green hydrogen.

> Once completed in 2033, SALCOS® will enable a **95% abatement of Salzgitter Group's CO_2 emissions in steel manufacturing**, reducing Germany's aggregate CO_2 emissions by around 1%.

> The financing facility was among the **first ECA-covered Corporate Green Loans in the steel sector** worldwide and the first in Germany.

Fostering energy-efficient real estate in Italy

UniCredit has financed a number of projects in the commercial real estate sector.

One of these involves **Coima Group** and is related to P39, a real estate office and residential complex located in Milan. It applies the **most effective sustainable building practices with constant focus on energy saving**, allowing the building to meet the Nearly Zero Energy Building standard.

Full accountability and transparency, along with a robust risk framework

We set a **comprehensive policy framework** to manage environmental and social risks in controversial sectors, such as Coal, Oil & Gas, Human Rights and others.

We keep integrating **climate and environmental factors** into **our risk management processes and procedures**.

We continue to enhance our **ESG Product Guidelines** ensuring homogeneous classification and reporting of our ESG financial offer, to prevent greenwashing and social washing risks.

We provide disclosure on our ESG activities, through **reports in line with sector guidelines and recommendations**.

November | Bulgaria

UniCredit Bulbank uses **75% green energy**

UniCredit Bulbank has signed a new three-year contract to accelerate its renewable energy use and significantly reduce its carbon footprint.

It will now purchase electricity from a photovoltaic power plant, so around 75% of the bank's total energy consumption will be from green energy generation.

Bulbank will purchase green energy monthly, with an annual supply of 7,000 MWh. The origin of the energy purchased will be guaranteed in the form of certificates from the Sustainable Energy Development Agency (AUER).

The new agreement encompasses all of the bank's locations across Bulgaria, except for some leased premises where electricity is invoiced by the landlord.

This partnership aligns with UniCredit Group's goals. We were the first bank in Italy to commit to a corporate power purchase agreement (PPA) with a green energy producer. UniCredit Bulbank is a pioneer within the CEE region, following Italy in signing a corporate PPA and reflecting the Group's commitment to Sustainability and green energy solutions.

Other Sustainability initiatives from UniCredit Bulbank include:

- Installing photovoltaic panels on the roof of Sveta Nedelya. In the first seven months of operation, they produced 23 MWh of electricity.
- Replacing its fleet with hybrid cars. Since the beginning of 2024, 26 more hybrid cars have been delivered, and 40% of its fleet is now made up of electric and hybrid cars.
- Installing additional charging stations in the Central Office garages. Up to eight cars can now be charged simultaneously.

5 Promoting ESG awareness

Our flagship initiative is our ESG Day. At this popular and eagerly-awaited event – involving employees and clients – we brainstormed on key ESG-related issues and potential solutions, as well as developing concrete actions.

We considered topics such as:

- **How do we resolve relevant trade-offs?**
- **How can we prioritise social issues in our approach?**
- **How can we better support our ESG-focused clients?**

Success story

ESG Day 2024 tackles pressing challenges head-on

UniCredit's second ESG Day emphasised the urgency of addressing critical social and environmental challenges and **the need for collective action and behavioural change** to create a sustainable future, for a just and fair transition.

ESG Day 2024, centred around the theme "A challenged future: choosing the path ahead", **putting clients at the centre** and designing a customer journey to define concrete actions to solve trade-offs and open points.

It included a **live event** at the UniCredit Tower Hall in Milan with corporate clients and strategic partners. In parallel, local side events in various countries included colleagues and external guests joining the main event via live streaming, into four languages of the Group countries (Italian, Bulgarian, Hungarian and German) and broadcasted in English. We also broadcasted externally on LinkedIn and Facebook.

13,243

Total number of participants vs first edition
+9%

Success story

Panels and key takeaways

A zero-sum game?
Solving Sustainability trade-offs

- Manage conflicting interests as part of the transition, with balancing act between environmental, social and biodiversity issues
- No silver bullet for this difficult situation; firms will have to take a nuanced approach, drive gradual progress with clear governance
- Be realistic about what is being sacrificed for what.

The social dilemma:
how climate change and technology are reshaping society

- Recognition of the "S" component as a fundamental lever for a just and fair transition
- Eco-anxiety can be channelled into concrete community actions to build resilience. Companies must define clear ecological values reflecting those of their workers.
- AI is an amplification of thinking to find solution to the social and environmental challenges.

The way forward:
from responsibility to response-ability

- Importance of fostering more sustainable ways of doing business
- Examples included service providers tracking consumer behaviour and offering rewards, same approach could be applied to investors, with creditors who contribute to a company's Sustainability goals earning a better return.

The crucial nexus between climate and nature

Following the second panel, the Head of Biodiversity and Natural Capital at Iberdrola and Convener of the Nature Positive Initiative discussed the connection between **climate and nature**.

Key takeaways from the double interview were that the world agreed at COP15 to halt and reverse nature loss, putting nature onto international agendas. **The financial sector's wider presence signals increasing attention.**

Moving ESG discussions forward

The Group ESG team, with support from UniCredit Group Investment Strategy and Group Stakeholder Engagement launched a white paper on the need to tackle issues faced by society and the environment. "A challenged future: choosing the path ahead" provides context and insights into key topics, including the effects of the green transition on society and how financial institutions and corporate clients can play their part.

407

Number of downloads

Everyone has a part to play in saving our planet – clients, colleagues, competitors, governments and other influential bodies and organisations. We change our behaviour if we stand up together and make a concerted effort.

Read more about our ESG Day 2024, **here**

Our progress to date

In 2024 we fully achieved our ESG targets across products

From ESG volumes to ESG penetration

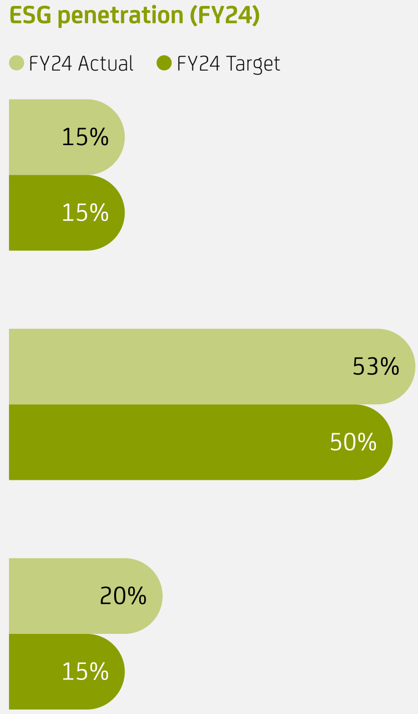
Focus on ESG share over total business for a more transparent view on UniCredit's ESG performance.

Three indicators netting out overall market effects unrelated to ESG.

ESG lending[1]
Good performance on environmental lending with €26.9bn, while outperforming on social lending with €13.2bn since January 2022.

ESG Investment Products[2]
Positive year with improved ESG penetration rate at 53% (c.€106bn stock) at FY24 vs 48% at December 2023.

Sustainable Bonds[3]
Good performance with €32.9bn issuance since January 2022 with focus on Corporates and Financial Institutions in alignment with Group Strategy.



Environment

Sustainable financial instruments and Net Zero commitments.

Read more on page 83

Social

Social financing for initiatives in our communities.

Read more on page 84

Governance

ESG-aligned remuneration, solid DE&I framework.

Read more on page 85

1. KPI calculated as ESG new production Including Environmental, Social and sustainability-linked lending, divided by MLT loans new production in given year.
2. Based on Art. 8 and 9 SFDR regulation.
3. LT Credit. KPI calculated as ESG all regions' bonds, including Sustainability-linked bonds, divided by all regions' bonds for given year.

Environment

We advanced our sustainable financial instruments, reaching a total of €26.9 billion in cumulative green lending since January 2022

11
Green Bonds issued

€6.5bn
Total amount of financing from Green Bonds

2030
New targets set for key carbon-intensive sectors

We issued 11 Green Bonds, totalling €6.5 billion in financing:

Senior Green Bonds

3 (Jun 21, €1bn; Nov 22, €1bn; Nov 23, €0.75bn)

Green Mortgage Covered Bonds

2 (May 22, €0.5bn; Sep 22, €0.5bn)

3 (May 22, €0.5bn; Feb 23, €0.75bn; Jan 24, €0.75bn)

2 (Sep 21, €0.06bn; Sep 23, €0.047bn)

1 (Jun 23, €0.5bn)

In 2024, we continued to turn our Net Zero commitment into action:

We disclosed our first Transition Plan, which outlines the implementation of key enablers to embed Net Zero into our organisation for the three priority sectors.

We set new 2030 targets for key carbon-intensive sectors (Steel, Shipping, Commercial Real Estate), and defined an emissions baseline for Residential Real Estate.

We extended our Net Zero Transition Plan deliverables (e.g., client clustering, supporting tools) to the new sectors for which the targets have been disclosed.

Read more on Net Zero in **E1 Climate change** in our **Sustainability Statements**

Social

Since 2022, we have provided €13.2 billion in social financing via micro-credit, impact financing and lending to disadvantaged areas

€35bn
UniCredit per l'Italia, including +€5bn credit "Piano Transizione 5.0"[1]

€155m
Issued in our own social bond

€78.1m
Social contribution[2]

€30m
Enhanced funding to UniCredit Foundation

c.15,000
hours dedicated to volunteering by our colleagues

>700,000
Financial education beneficiaries reached

Our efforts included local initiatives to support communities such as UniCredit per l'Italia, adding up to €35 billion (including additional €5 billion to support corporates with "Piano Transizione 5.0")[1].

We also joined the Venice Sustainability Foundation to promote local Sustainability and issued a €155 million social bond to support communities.

In 2024, our social contribution[2] rose to €78.1 million (€60 million in 2023), of which in 2024, €30 million was allocated to UniCredit Foundation (€20 million in 2023). Around 50% of our social contribution is dedicated to youth and education.

Since 2022 we have invested in financial education and ESG awareness initiatives, reaching over 700,000 financial education beneficiaries across our countries, focusing on priority targets such as the young, women and vulnerable individuals. In 2024, we launched our **Skills for Transition** programme to deliver training to young people and businesses that are expected to be the most affected by climate change.

1. As of 31 December 2024.
2. Gross monetary amount paid in support of communities and projects, including Sponsorship & Donation.

Governance

CEO and top management remuneration saw a **20% weighting of long-term performance related to ESG business**, DE&I and climate risk priorities. Furthermore, a relevant link to Group's Values and Culture – "Winning. The Right Way. Together" goal – is also part of the short-term scorecard."[1]

+1,500
Colleagues across the Group part of Culture Network

+1,000
Active members in our Employee Networks

In 2024:

- **7** Culture Roadshows were held reaching **3,000** colleagues across the Group's Countries
- c.20,000 colleagues joined Annual Culture Day Group-wide
- In the context of our well-being framework:
  - **365** initiatives mapped across the Group
  - **c.40** internal trainers trained to deliver dedicated workshops
  - Dedicated courses and an interactive guide with practical tips and suggestions are available to every employee in our Group
- Raised ESG awareness through dedicated training sessions and our second ESG Day
- Over 1,000 active members in our Employee Networks, focused on various diversity traits across the Group
- Significant share of women in our governing bodies and leadership teams (as of 4Q24):
  - 50% Board of Directors
  - 50% Group Executive Committee
  - 34% Leadership Team
- Strong international presence (as of 4Q24 36% BoD, 67% GEC, 38% Leadership Team).

1. 20% of our CEO's short-term scorecard.

Strengthening internal processes and collaboration for our CSRD aligned reporting

Transitioning to Corporate Sustainability Reporting Directive (CSRD) compliant reporting required a significant enhancement of our internal systems, processes, and capabilities. In 2023, a joint ESG and CFO working group analysed requirements and created a 2024 adaptation plan.

We invested in enhanced data collection, analysis, and reporting, leveraging automation for efficiency and risk reduction. Extensive cross-functional collaboration, including senior management oversight, ensured accurate identification and reporting of key Sustainability topics. Close alignment with local legal entities across our operating countries guaranteed consistent compliance.

This commitment underscores our dedication to Sustainability, transparency, and accountability, establishing a strong foundation for continuous improvement.

Going forward: evolving our ESG Strategy

UniCredit's evolving **ESG Strategy** supports our Purpose of Empowering Communities to Progress

It is based on strong fundamentals and a set of interrelated elements to deliver value. Guided by our Principles, we implement key enablers required to support strategic levers, which in turn allow us to achieve the ESG goals underlying our ambition. This interconnected framework ensures alignment and cohesion across all ESG initiatives, maximising our impact.

Read more on each element of our ESG Strategy, in section "**SBM-1 Strategy, business model and value chain**" **of our Sustainability Statements**

Our Principles-based approach, aligns with our Group Values and guides our actions, enabling us to embed Sustainability in everything we do. It also allows us to continuously adapt our ESG Strategy to a changing external environment, address regulatory expectations, rising geopolitical tensions and evolving customer needs.

In this context, **we have evolved our ESG strategic framework** to ensure it includes all key enablers and levers needed to effectively support our communities. The key changes are:

Goals

- Updated ESG business targets with a focus on ESG penetration for transparent performance tracking
- Integrated Net Zero emissions targets into ESG goals.

Levers

- Broadened social focus to address new challenges like an ageing population.

Read more in the dedicated section **Strengthening Our Social Focus**

- Elevated Net Zero from commitment to action to support clients' transition
- Expanded focus beyond climate to assess nature-related risks and opportunities
- Prioritised transparency to inform stakeholders and mitigate green and social washing risk.

Enablers

- Enhanced client offerings with ESG-related products to support their transition
- Lean governance to embed Sustainability efficiently across roles
- Dedicated ESG risk framework to bolster strategic levers
- Leveraged organisational Culture to engage employees in ESG implementation.

Our ESG penetration targets

We updated our ESG penetration targets on total business volumes for 2025-2027

15%	15%	50%
ESG lending	**Sustainable bonds**	**ESG investment products**[1]

1. Based on Art. 8 and 9 SFDR regulation.

Ambition

Leading by example
Fulfilling our Purpose of Empowering Communities to Progress.

Goals

Evolving in step with regulation and market forces
ESG penetration targets allowing for a more transparent and meaningful view on our ESG performance while also aligning our lending portfolio with Net Zero emissions by 2050.

Levers

Championing Social
Backing our communities, our people and our wider society.

Enhanced Client Support
Leveraging Net Zero Strategy and Transition Plan.

Beyond Climate
Weighing and evaluating natural capital risks and opportunities.

Evidencing Accountability
Providing transparency in disclosure and impact assessment.

Enablers

Enriched Client Offering
Expanding and diversifying our ESG business portfolio.

Lean Governance
Clear ESG roles and responsibilities, embedding agency and ownership.

Robust Framework
Effective and enhanced monitoring of our ESG risk and lending portfolio.

Empowered Culture
Common Vision, Strategy, and Principles to Win. The Right Way. Together.

Our Principles guide our ESG Strategy, in line with our Group Values.

Strengthening our Social Focus

We are adapting our social strategy to reinforce our efforts on youth, education and on a just and fair transition, while exploring new emerging social topics like health – an increasingly important issue in the context of an aging population

The evolving strategy includes fulfilling our social role through social finance with projects supporting youth and balancing environmental and social risks.

We are also exploring how we can best support our communities in addressing emerging social challenges, such as health. We continue to support our communities through social contributions, focusing on education, financial inclusion, and expanding our **Skills for Transition** programme. We will support our people by fostering a learning culture, building an inclusive and diverse workplace and ensuring well-being and quality of life.

Read more about our Skills for Transition programme **here**

Double Materiality Analysis

Our strategic approach

Every year, we conduct a materiality analysis to identify key stakeholder issues, including business impacts, risks, and opportunities (IROs) across ESG matters

In 2024, we performed our first Double Materiality Analysis (DMA), considering both impact and financial materiality to gain a comprehensive ESG perspective.

01

Double materiality process

As part of the EU Corporate Sustainability Reporting Directive (CSRD), our double materiality process integrates into UniCredit Group's due diligence system.

> Impact materiality assesses a business's potential or actual impacts on people and the environment, considering severity and likelihood
> Financial materiality evaluates risks and opportunities affecting economic performance.

02

Methodology

For our 2024 DMA, we:

> Engaged internal and external stakeholders to identify material topics
> Assessed materiality through top management and Group Risk Management
> Informed the Board and finalised key issues

Read more about our **methodology in section ESRS 2 General information of our Sustainability Statements**

03

2024 results and progress

Our DMA identified material impacts, risks, and opportunities, strengthening financial oversight. The Group Executive Committee plays an active role, and findings will guide policy and target improvements.

Read more about our **List of Material IROs in section SBM-3** – Material impacts, risks and opportunities and their interaction with Strategy and business model of our Sustainability Statements.

04

Way forward

We are refining our governance framework to align with CSRD requirements, ensuring Sustainability is fully integrated into strategic oversight.

About our **Sustainability Statements**

This year, we present our Sustainability Statements, which we have prepared in alignment with the new Corporate Sustainability Reporting Directive (CSRD)

The CSRD introduces a new era of Sustainability reporting, emphasising greater transparency, standardisation and accountability in how organisations report on their environmental, social and governance (ESG) performance and impacts.

In previous years, we used the Global Reporting Initiative (GRI) standards to disclose our material topics in our Integrated Report. In 2024, we have made significant efforts to ensure our Sustainability Statements comply fully with CSRD requirements, in particular their emphasis on double materiality. We have undertaken an extensive double materiality assessment to identify the most pressing ESG issues relevant to our business and stakeholders. This process included aligning with the European Sustainability Reporting Standards (ESRS), which serve as the foundational framework for the CSRD.

Additionally, we have incorporated quantitative performance metrics, detailed qualitative narratives and forward-looking commitments, enabling readers to gain a deeper appreciation of our progress, challenges and ambitions.

As a result of this new section, **UniCredit will no longer publish a separate Integrated Report**.

While meeting CSRD requirements is a regulatory necessity, we view this as a broader opportunity to drive value creation for all stakeholders, build trust, enhance our reputation and strengthen our position as a responsible and forward-thinking organisation. Furthermore, the CSRD framework provides us with a roadmap to assess and mitigate risks related to critical ESG challenges, ensuring that we remain resilient and competitive in an evolving global landscape.

Read more on the actions, impacts and aspirations set out in these Statements as we advance toward a more sustainable tomorrow.

Setting the benchmark for excellence

See our microsite for more information on how we have progressed against our UniCredit Unlocked plan across our key focus areas

Preliminary notes

UniCredit prepares a single document called "Annual report and accounts" replacing the two documents relating to the UniCredit group consolidated financial statements and the UniCredit S.p.A. company financial statements.
The integration of the contents of the two financial statements documents into a single one leads to the elimination of duplications of the qualitative information presented in both files and, in order to facilitate the reading, the adoption of a system of cross-references between the chapters dedicated to the consolidated financial statements and the company ones; pursuant to these references the contents of the each referenced paragraph is entirely reported in the paragraph containing the reference.
The chapter "Incorporations of qualitative information by reference" reports the list of the references.

General aspects

The UniCredit group's Consolidated financial statements and UniCredit S.p.A. financial statements as at 31 December 2023 were drafted in accordance with the IAS/IFRS international accounting standards, in compliance with the instructions of Banca d'Italia with the Circular 262 of 22 December 2005 (and subsequent amendments). These instructions define binding requirements for the related fulfilling methods as well as regarding the minimal contents of the Notes to the accounts.
In accordance with the (EU) directive 2022/2464, Corporate Sustainability Reporting Directive (CSRD), starting from 31 December 2024 the Sustainability statements are part of the Consolidated report on operations.

The Consolidated financial statements are made up of the Balance sheet, the Income statement, the Statement of Other comprehensive income, the Statement of changes in Shareholders' Equity, the Cash flow statement, the Notes to the accounts, as well as the Report on operations, the economic results achieved, the Group's financial situation and Annexes.

A section dedicated to Corporate Governance is also included within the document.

The Consolidated financial statements include:
- the Consolidated financial statements certification;
- the Sustainability statements certification;
- the Auditor's Report on the Consolidated financial statements;
- the Auditor's Report on Sustainability statements.

UniCredit S.p.A. financial statements are made up of the Balance sheet, the Income statement, the Statement of other comprehensive income, the Statement of changes in Shareholder's Equity, the Cash flow statement, the Notes to the accounts as well as the Report on operation, the economic results achieved, the Bank's financial situation and Annexes.

UniCredit S.p.A. financial statements include:
- the Annual financial statements certification;
- the Report of the Audit Committee[1];
- the Auditor's Report on the Separate financial statements.

UniCredit's group website also contains the press releases concerning the main events of the period and the market presentation of Group results.

1 Starting from 12 April 2024, UniCredit has adopted the one-tier corporate governance system based on the existence of a Board of Directors, which is in charge of the strategic supervision and management of the Company, and of an Audit Committee, established within the Board itself, performing specific control functions, both appointed by the Shareholders' Meeting.

Consolidated Report and Accounts 2024
of UniCredit Group S.p.A.

Setting the benchmark for excellence

Consolidated report and accounts 2024 of UniCredit Group

Setting the benchmark for excellence

See our microsite for more information on how we have progressed against our UniCredit Unlocked plan across our key focus areas

Introduction and Group highlights

Introduction to the Consolidated report on operations of UniCredit group

The Consolidated report on operations illustrates the performance of UniCredit group and the related amounts and results. It includes financial information such as Group highlights, Reclassified Consolidated accounts and their Quarterly figures, Summary results by business segment, Group and UniCredit share historical data series as well as comments on "Group results".

To further illustrate the results of the period, the Consolidated report on operations includes Reclassified Consolidated accounts prepared using the same criteria of previous quarterly reports.

The information included in this report is supported, in order to provide further information about the performance achieved by the Group, by some Alternative Performance Indicators (API) such as: Cost/Income ratio, Economic Value Added (EVA), Return On Tangible Equity (RoTE), Net bad loans to customers/Loans to customers, Net non-performing loans to customers/Loans to customers, Absorbed capital, Return On Allocated Capital (ROAC), Return On Assets (ROA), Cost of risk.
Although some of this information, including certain APIs, is neither extracted nor directly reconciled with the Consolidated financial statements, in the Consolidated report on operations, the Annexes and the Glossary provide explanatory descriptions of the contents and, in case, the calculation methods used, in accordance with European Securities and Markets Authority Guidelines (ESMA/2015/1415) of 5 October 2015.
In particular in the Annex 1 is included the reconciliation between the reclassified accounts and the mandatory reporting schedule, as required by Consob Notice No.6064293 of 28 July 2006.

The amounts related to year 2023 Reclassified consolidated income statement and to Profitability ratios differ from the ones published at that time. For further details refer to "Reconciliation principles followed for the Reclassified consolidated income statement".

For information on relations and transactions with related-party, it shall be referred to the Notes to the consolidated accounts, Part H - Related-party transactions.
For a complete description of risks and uncertainties that the Group has to face in the current market situation, it shall be referred to the specific paragraph of this Consolidated report on operations and to the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies and paragraph "Risks and uncertainty relating to the use of estimates", Part A - Accounting policies, A.1 - General, Section 2 - General preparation criteria

Group highlights, alternative performance indicators and other measures

Income statement figures

(€ million)

	YEAR		
	2024	2023	% CHANGE
Revenue	24,844	23,826	+ 4.3%
of which:			
- Net interest	*14,358*	*14,005*	*+ 2.5%*
- Dividends	*470*	*459*	*+ 2.4%*
- Fees	*8,139*	*7,565*	*+ 7.6%*
Operating costs	(9,405)	(9,460)	- 0.6%
Gross operating profit (loss)	15,439	14,366	+ 7.5%
Loan Loss Provisions (LLPs)	(641)	(560)	+ 14.4%
Net operating profit (loss)	14,798	13,806	+ 7.2%
Profit (Loss) before tax	12,860	11,451	+ 12.3%
Group stated net profit (loss)	9,719	9,507	+ 2.2%

The figures in this table refer to the Reclassified consolidated income statement.

Introduction and Group highlights

Balance sheet figures

(€ million)

	AMOUNTS AS AT		
	31.12.2024	31.12.2023	% CHANGE
Total assets	784,004	784,974	- 0.1%
Financial assets held for trading	55,083	57,274	- 3.8%
Loans to customers	418,378	429,452	- 2.6%
Financial liabilities held for trading	31,349	38,022	- 17.6%
Deposits from customers and debt securities issued	590,213	585,561	+ 0.8%
of which:			-
- deposits from customers	*499,505*	*495,716*	*+ 0.8%*
- debt securities issued	*90,709*	*89,845*	*+ 1.0%*
Group shareholders' equity	62,441	64,079	- 2.6%

The figures in the table above refer to the reclassified consolidated balance sheet.

Profitability ratios

	YEAR		
	2024	2023	CHANGE
EPS (€)	5.841	5.105	0.736
Cost/Income ratio	37.9%	39.7%	- 1.8%
EVA (€ million)	4,800	4,157	643
RoTE	17.7%	16.6%	+ 1.1%
ROA	1.2%	1.2%	+ 0.0%

Notes:
EPS: Earnings Per Share. For further details refer to the Notes to the consolidated accounts, Part C - Consolidated income statement - Section 25 Earning per shares.

Risk ratios

	AS AT		
	31.12.2024	31.12.2023	% CHANGE
Net bad loans to customers/Loans to customers	0.23%	0.18%	0.05%
Net non-performing loans to customers/Loans to customers	1.44%	1.44%	0.01%

For the amounts, refer to the table “Loans to customers - Asset quality” reported in the paragraph “Net write-downs on loans and provisions for guarantees and commitments” of this Consolidated report on operations of the UniCredit group.

Introduction and Group highlights

Staff and Branches

	AS AT 31.12.2024	AS AT 31.12.2023	CHANGE
Number of employees	69,722	70,752	-1,030
Number of branches	3,039	3,082	-43
of which:			
- Italy	*1,943*	*1,950*	*-7*
- Other countries	*1,096*	*1,132*	*-36*

Notes:
Number of employees counted for the rate of presence (FTEs - Full Time Equivalent).
Number of branches includes only Retail branches.

Group transitional capital ratios

DESCRIPTION	AS AT 31.12.2024	AS AT 31.12.2023	CHANGE
Total Own Funds (€ million)	56,554	59,472	(2,918)
Total RWEA (€ million)	277,093	284,548	(7,454)
Common Equity Tier 1 Capital ratio	**15.96%**	**16.14%**	**-0.18%**
Total Capital ratio	**20.41%**	**20.90%**	**-0.49%**

Notes:
Transitional own funds and capital ratios including all transitional adjustments according to the yearly applicable percentages.
Furthermore, starting from 30 June 2020, UniCredit group has decided to apply the IFRS9 transitional approach as reported in article 473a of the Regulation (UE) No.873/2020 that amends the Regulation (EU) No.575/2013 and Regulation (EU) No.876/2019. Therefore the values here reported reflect the impact of the transitional arrangements provisioned in such Regulation.

For further details refer to the paragraph "Capital and value management - Capital ratios" of this Consolidated report on operations.

Ratings

	SHORT-TERM DEBT	MEDIUM AND LONG-TERM	OUTLOOK	STANDALONE RATING
Fitch Ratings	F2	BBB+	positive	bbb+
Moody's Investors Service	P-2	Baa1	stable	baa3
Standard & Poor's	A-2	BBB	stable	bbb+

Ratings updated as at 31 January 2025.

Reclassified consolidated accounts

Changes occurred in the scope of consolidation

During 2024, with reference to the consolidation perimeter, the following changes were recorded:
- the number of fully consolidated companies, including those ones classified as non-current assets and asset disposal groups based on the accounting principle IFRS5, decreases overall for 13 (4 in and 17 out) changing from 325, as at 31 December 2023, to 312 as at 31 December 2024;
- the number of companies consolidated by using the equity method, including those ones classified as non-current assets and asset disposal groups, presents a decrease of 3 (3 out) changing from 27, as at 31 December 2023, to 24 as at 31 December 2024.

For additional information, reference is made in Notes to the consolidated accounts, Part A - Accounting Policies, A.1 - General, Section 3 - Consolidation scope and methods and in Part B - Consolidated balance sheet - Assets, Section 7 - Equity investments - Item 70.

Non-current assets and disposal groups classified as held for sale

As at 31 December 2024, the main assets which, based on the application of IFRS5 accounting standard, were reclassified as non-current assets and asset disposal groups, regard the following individual assets and liabilities held for sale and groups of assets held for sale and associated liabilities which do not satisfy IFRS5 requirements for the classification as discontinued operations:
- the associated company Risanamento S.p.A. and the controlled companies Weicker S.A.R.L. and Monnet 8 - 10 S.A R.L.;
- the loans included in some sale's initiatives of portfolios;
- the real estate properties held by certain companies in the Group.

For additional information, reference is made in Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, Section 12 - Non-current assets and disposal groups classified as held for sale - Item 120 (Assets) and Item 70 (Liabilities).

Reconciliation principles followed for the reclassified consolidated balance sheet

The main reclassifications, whose amounts are provided analytically in the tables enclosed with this report, involve:
- the inclusion in “Loans to banks” of item “Financial assets at amortised cost: a) loans and advances to banks”, net of debt securities reclassified in “Other financial assets”, and of loans related to item “Financial assets at fair value through profit or loss: c) other financial assets mandatorily at fair value”;
- the inclusion in “Loans to customers” of item “Financial assets at amortised cost: b) Loans and advances to customers”, net of debt securities and of IFRS16 leasing assets reclassified in “Other financial assets”, and of loans related to item “Financial assets at fair value through profit or loss: c) other financial assets mandatorily at fair value”;
- the aggregation as “Other financial assets” of items (i) “Financial assets at fair value through profit or loss: b) financial assets designated at fair value and c) other financial assets mandatorily at fair value”, net of loans reclassified in “Loans to banks and to customers”, of (ii) “Financial assets at fair value through other comprehensive income”, of (iii) “Equity investments”, besides reclassifications of (iv) debt securities from item “Financial assets at amortised cost: a) loans and advances to banks and b) loans and advances to customers” and of (v) IFRS16 leasing assets from item “Financial assets at amortised cost: a) loans and advances to banks and b) loans and advances to customers”;
- the inclusion in “Other financial liabilities” of leasing liabilities pursuant to accounting standard IFRS16 relating to item “Financial liabilities at amortised cost: a) deposits from banks and b) deposits from customers”;
- grouping under “Hedging instruments”, both assets and liabilities, of items “Hedging derivatives” and “Changes in fair value of portfolio hedged items” in the assets and “Value adjustment of hedged financial liabilities” in the liabilities;
- the inclusion of items “Provision for employee severance pay” and “Provisions for risks and charges” under “Other liabilities”.

Reclassified consolidated accounts

Reclassified consolidated balance sheet

(€ million)

ASSETS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023	CHANGE AMOUNT	CHANGE %
Cash and cash balances	41,442	61,000	- 19,558	- 32.1%
Financial assets held for trading	55,083	57,274	- 2,191	- 3.8%
Loans to banks	50,678	39,434	+ 11,244	+ 28.5%
Loans to customers	418,378	429,452	- 11,074	- 2.6%
Other financial assets	183,118	162,953	+ 20,165	+ 12.4%
Hedging instruments	(351)	(1,340)	+ 989	- 73.8%
Property, plant and equipment	8,794	8,628	+ 166	+ 1.9%
Goodwill	38	-	+ 38	-
Other intangible assets	2,191	2,272	- 81	- 3.6%
Tax assets	10,273	11,818	- 1,545	- 13.1%
Non-current assets and disposal groups classified as held for sale	394	370	+ 24	+ 6.6%
Other assets	13,966	13,112	+ 854	+ 6.5%
Total assets	**784,004**	**784,974**	**- 970**	**- 0.1%**

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023	CHANGE AMOUNT	CHANGE %
Deposits from banks	67,903	71,042	- 3,139	- 4.4%
Deposits from customers	499,505	495,716	+ 3,788	+ 0.8%
Debt securities issued	90,709	89,845	+ 864	+ 1.0%
Financial liabilities held for trading	31,349	38,022	- 6,673	- 17.6%
Other financial liabilities	15,228	13,751	+ 1,477	+ 10.7%
Hedging instruments	(8,134)	(10,573)	+ 2,439	- 23.1%
Tax liabilities	1,708	1,483	+ 226	+ 15.2%
Liabilities included in disposal groups classified as held for sale	0	(0)	+ 0	n.m.
Other liabilities	22,895	21,445	+ 1,451	+ 6.8%
Minorities	400	164	+ 235	n.m.
Group shareholders' equity	62,441	64,079	- 1,637	- 2.6%
of which:				
- capital and reserves	*52,722*	*54,572*	*- 1,850*	*- 3.4%*
- Group stated net profit (loss)	*9,719*	*9,507*	*+ 212*	*+ 2.2%*
Total liabilities and shareholders' equity	**784,004**	**784,974**	**- 970**	**- 0.1%**

Reclassified consolidated accounts

Reclassified consolidated balance sheet - Quarterly figures

(€ million)

	AMOUNTS AS AT				AMOUNTS AS AT			
ASSETS	**31.12.2024**	**30.09.2024**	**30.06.2024**	**31.03.2024**	**31.12.2023**	**30.09.2023**	**30.06.2023**	**31.03.2023**
Cash and cash balances	41,442	38,425	50,029	65,433	61,000	87,357	76,069	126,377
Financial assets held for trading	55,083	58,286	55,674	55,472	57,274	62,938	66,942	62,293
Loans to banks	50,678	61,221	54,447	53,205	39,434	54,309	66,895	71,905
Loans to customers	418,378	430,941	433,997	434,834	429,452	436,512	450,846	453,754
Other financial assets	183,118	180,569	171,620	167,130	162,953	152,793	150,468	148,239
Hedging instruments	(351)	(946)	(2,387)	(1,425)	(1,340)	(3,711)	(3,334)	(3,679)
Property, plant and equipment	8,794	8,818	8,958	9,151	8,628	8,849	8,936	9,095
Goodwill	38	-	(0)	-	-	(0)	(0)	(0)
Other intangible assets	2,191	2,157	2,194	2,210	2,272	2,230	2,255	2,300
Tax assets	10,273	9,929	10,470	11,068	11,818	11,337	12,003	12,560
Non-current assets and disposal groups classified as held for sale	394	471	610	356	370	1,198	1,410	1,126
Other assets	13,966	13,638	13,313	13,145	13,112	11,832	11,016	11,357
Total assets	**784,004**	**803,509**	**798,925**	**810,578**	**784,974**	**825,644**	**843,506**	**895,327**

(€ million)

	AMOUNTS AS AT				AMOUNTS AS AT			
LIABILITIES AND SHAREHOLDERS' EQUITY	**31.12.2024**	**30.09.2024**	**30.06.2024**	**31.03.2024**	**31.12.2023**	**30.09.2023**	**30.06.2023**	**31.03.2023**
Deposits from banks	67,903	86,971	82,916	87,099	71,042	96,928	97,781	148,933
Deposits from customers	499,505	493,506	499,492	502,120	495,716	510,626	514,138	522,514
Debt securities issued	90,709	90,116	91,656	90,942	89,845	92,551	92,987	88,980
Financial liabilities held for trading	31,349	36,185	36,858	38,277	38,022	44,162	50,769	50,061
Other financial liabilities	15,228	15,480	15,039	14,332	13,751	13,005	12,983	12,705
Hedging instruments	(8,134)	(8,711)	(13,114)	(11,782)	(10,573)	(17,316)	(17,343)	(17,240)
Tax liabilities	1,708	2,050	1,778	1,748	1,483	1,698	1,773	1,804
Liabilities included in disposal groups classified as held for sale	0	0	0	-	(0)	500	524	490
Other liabilities	22,895	24,055	22,128	22,250	21,445	20,608	27,865	23,276
Minorities	400	166	158	172	164	157	148	163
Group shareholders' equity	62,441	63,691	62,013	65,420	64,079	62,726	61,881	63,641
of which:								
- capital and reserves	*52,722*	*55,941*	*56,777*	*62,862*	*54,572*	*56,030*	*57,507*	*61,577*
- Group stated net profit (loss)	*9,719*	*7,750*	*5,236*	*2,558*	*9,507*	*6,696*	*4,374*	*2,064*
Total liabilities and shareholders' equity	**784,004**	**803,509**	**798,925**	**810,578**	**784,974**	**825,644**	**843,506**	**895,327**

Reclassified consolidated accounts

Reconciliation principles followed for the reclassified consolidated income statement

The main reclassifications, whose amounts are provided analytically in the tables enclosed with this report, involve:

- the inclusion in the "Net interest" of (i) the interest component of the DBO (Defined Benefit Obligation), TFR (Trattamento di Fine Rapporto) and Jubilee deriving from "Staff costs", (ii) the costs of issued Credit Linked notes guaranteeing the performance of Loan portfolios from item "Net fees and commissions" (iii) interest component on derivatives related to the economical hedging on banking book positions from item "Net gains (losses) on trading";
- the inclusion in "Dividends" of "Profit (Loss) of equity investments valued at equity";
- the inclusion in the "Fees" (i) of the structuring and mandate fees on certificates and the connected derivatives, issued or placed by the Group and (ii) of Mark-up fees on client hedging activities;
- the inclusion among "Trading income" (i) of the net gains (losses) on trading, (ii) of the net gains (losses) on hedge accounting, (iii) of the net gains/losses on other financial assets/liabilities at fair value through profit or loss, (iv) of the gains/losses on disposal or repurchase of financial assets at fair value through other comprehensive income, (v) of gains/losses on disposal and repurchase of financial assets at amortised cost represented by debt securities, (vi) of gains/losses on disposal and repurchase of financial liabilities at amortised cost, (vii) of the interest income and expenses deriving from Trading Book instruments, (viii) of the gain/losses on commodities held with a trading intent from "Other operating expenses/income", (ix) dividends from held for trading equity instruments and (x) dividends on equity investments, shares and equity instruments mandatorily at fair value;
- the inclusion in the "Other expenses/income" of (i) "Other operating expenses/income", excluding recovery of expenses not related to credit card distribution agreement, (ii) result of industrial companies, (iii) gains/losses on disposal and repurchase of financial assets at amortised cost represented by performing loans, (iv) net value adjustments/write-backs of tangible in operating lease assets;
- the inclusion in the "Non HR costs" (i) of tax recovery reclassified from "Other operating expenses/income" (ii) the costs for net value adjustments on leasehold improvements from "Other operating expenses/income" and (iii) the component of discount associated with the accrual of the right to require specific services recognized in the context of agreements for credit card distribution and payment services from "Net fees and commissions";
- the presentation under its own item of "Recovery of expenses" different than the tax recovery and not related to credit card distribution agreement from "Other operating expenses/income";
- in "Loan Loss Provisions", the inclusion (i) of net losses/recoveries on financial assets at amortised cost and at fair value through other comprehensive income net of debt securities, (ii) of the gains (losses) on disposal and repurchase of financial assets at amortised cost net of debt securities and of performing loans, (iii) of the net provisions for risks and charges related to commitments and financial guarantees given, (iv) of credit recovery expenses for the variable portion of the outsourced NPE recovery costs not recovered from the clients and charged to the bank based on the recovered volumes, reclassified from item "Other administrative expenses";
- the inclusion in the "Other charges and provisions" of contributions to the resolution funds (SRF), the deposit guarantee schemes (DGS), the Bank Levy, the life insurance Guarantee Fund and the Guarantee fees for DTA reclassified from item "Other administrative expenses";
- the inclusion in the "Integration costs" of impact relating to the reorganization operations of "Other expenses/income", "HR costs", "Non HR costs", "Amortisations and depreciations" and "Other charges and provisions";
- the inclusion in "Net income from investments" of (i) net losses/recoveries on financial assets at amortised cost and at fair value through other comprehensive income - debt securities, (ii) gains (losses) on tangible and intangible assets measured at fair value, (iii) gains (losses) of equity investments and on disposal on investments, including impacts from evaluation arising from IFRS5 non-current assets and disposal groups related to equity investment consolidated line by line and at net equity method not presented to item "Profit (Loss) after tax from discontinued operations", (iv) net Result on Financial Assets mandatorily at fair value related to debt securities referred to non-performing loans (included securitizations), (v) inventories assets (IAS2) obtained from recovery procedures of NPE and (vi) impairment/write backs of rights of use of land and buildings used in the business.

Figures of Reclassified consolidated income statement relating to 2023 have been restated, starting from March 2024, with the effects of the:

- extension of shift from Trading Income to Fees of the client hedging mark-up for some additional derivatives non-linear product: Equity derivatives, FX derivatives and prepaid forward carbon trades;
- shift from Non HR Costs to Loan Loss Provisions of Credit recovery expenses for the variable portion of the outsourced NPE recovery costs not recovered from the clients and charged to the bank based on the recovered volumes;
- shift from Other charges and provision to Other expenses/income of amounts related to asset management distribution agreements.

Figures of Reclassified consolidated income statement have been restated starting from June 2024, with reference to 2023 and first quarter 2024, for the reclassification of "Tax Recovery" from Recovery of expenses to Non HR Costs.

Reclassified consolidated accounts

Reclassified consolidated income statement

(€ million)

	YEAR		CHANGE		
	2024	2023	P&L	%	% AT CONSTANT FX(*) RATES
Net interest	14,358	14,005	+ 353	+ 2.5%	+ 3.5%
Dividends	470	459	+ 11	+ 2.4%	+ 2.4%
Fees	8,139	7,565	+ 573	+ 7.6%	+ 8.2%
Trading income	1,739	1,743	- 4	- 0.2%	+ 3.1%
Other expenses/income	139	54	+ 84	n.m.	n.m.
Revenue	**24,844**	**23,826**	**+ 1,018**	**+ 4.3%**	**+ 5.3%**
HR costs	(5,853)	(5,861)	+ 8	- 0.1%	+ 0.2%
Non HR costs	(2,596)	(2,603)	+ 7	- 0.3%	+ 0.3%
Recovery of expenses	106	81	+ 24	+ 29.7%	+ 29.8%
Amortisations and depreciations	(1,062)	(1,078)	+ 16	- 1.5%	- 0.9%
Operating costs	**(9,405)**	**(9,460)**	**+ 55**	**- 0.6%**	**- 0.1%**
GROSS OPERATING PROFIT (LOSS)	**15,439**	**14,366**	**+ 1,073**	**+ 7.5%**	**+ 8.8%**
Loan Loss Provisions (LLPs)	(641)	(560)	- 81	+ 14.4%	+ 5.3%
NET OPERATING PROFIT (LOSS)	**14,798**	**13,806**	**+ 992**	**+ 7.2%**	**+ 9.0%**
Other charges and provisions	(1,069)	(1,023)	- 45	+ 4.4%	+ 18.7%
of which: systemic charges	*(515)*	*(955)*	*+ 440*	*- 46.1%*	*- 45.7%*
Integration costs	(841)	(1,060)	+ 219	- 20.7%	- 19.6%
Net income from investments	(29)	(272)	+ 243	- 89.4%	- 94.9%
PROFIT (LOSS) BEFORE TAX	**12,860**	**11,451**	**+ 1,409**	**+ 12.3%**	**+ 13.1%**
Income taxes	(3,085)	(1,914)	- 1,172	+ 61.2%	+ 61.2%
Profit (Loss) of discontinued operations	-	-	-	-	n.m.
NET PROFIT (LOSS) FOR THE PERIOD	**9,775**	**9,537**	**+ 237**	+ 2.5%	+ 3.4%
Minorities	(55)	(27)	- 29	n.m.	n.m.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**9,719**	**9,510**	**+ 209**	**+ 2.2%**	**+ 3.2%**
Purchase Price Allocation (PPA)	-	(4)	+ 4	- 100.0%	- 100.0%
Goodwill impairment	-	-	-	-	n.m.
GROUP STATED NET PROFIT (LOSS)	**9,719**	**9,507**	**+ 212**	**+ 2.2%**	**+ 3.2%**

Note:
(*) Foreign Exchange.

Reclassified consolidated accounts

Reclassified consolidated income statement - Quarterly figures

(€ million)

	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net interest	3,652	3,564	3,565	3,578	3,610	3,600	3,497	3,298
Dividends	93	151	118	108	93	113	129	124
Fees	1,975	1,943	2,120	2,100	1,814	1,790	1,928	2,033
Trading income	270	441	470	558	339	478	462	463
Other expenses/income	13	43	56	27	105	(14)	(48)	11
Revenue	**6,002**	**6,142**	**6,328**	**6,371**	**5,962**	**5,967**	**5,967**	**5,930**
HR costs	(1,572)	(1,427)	(1,424)	(1,429)	(1,576)	(1,437)	(1,426)	(1,422)
Non HR costs	(694)	(622)	(649)	(632)	(695)	(637)	(641)	(631)
Recovery of expenses	28	19	36	23	30	20	16	16
Amortisations and depreciations	(272)	(261)	(260)	(268)	(237)	(270)	(286)	(284)
Operating costs	**(2,510)**	**(2,292)**	**(2,298)**	**(2,306)**	**(2,478)**	**(2,324)**	**(2,337)**	**(2,322)**
GROSS OPERATING PROFIT (LOSS)	**3,492**	**3,851**	**4,031**	**4,065**	**3,484**	**3,643**	**3,630**	**3,608**
Loan Loss Provisions (LLPs)	(357)	(165)	(15)	(103)	(311)	(139)	(12)	(98)
NET OPERATING PROFIT (LOSS)	**3,135**	**3,686**	**4,016**	**3,962**	**3,173**	**3,505**	**3,619**	**3,510**
Other charges and provisions	(385)	(109)	(228)	(346)	99	(285)	(92)	(745)
of which: systemic charges	*(40)*	*(70)*	*(45)*	*(360)*	*(35)*	*(232)*	*(48)*	*(640)*
Integration costs	(753)	(34)	(35)	(18)	(788)	(41)	(214)	(17)
Net income from investments	13	(19)	(24)	1	(134)	(11)	(109)	(17)
PROFIT (LOSS) BEFORE TAX	**2,010**	**3,523**	**3,728**	**3,599**	**2,349**	**3,168**	**3,204**	**2,731**
Income taxes	(7)	(1,003)	(1,043)	(1,033)	468	(837)	(883)	(661)
Profit (Loss) of discontinued operations	-	-	-	-	-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD	**2,003**	**2,520**	**2,685**	**2,566**	**2,817**	**2,331**	**2,320**	**2,070**
Minorities	(34)	(7)	(7)	(8)	(6)	(9)	(6)	(6)
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**1,969**	**2,513**	**2,679**	**2,558**	**2,810**	**2,322**	**2,314**	**2,064**
Purchase Price Allocation (PPA)	-	-	-	-	-	(0)	(4)	-
Goodwill impairment	-	-	-	-	-	-	-	-
GROUP STATED NET PROFIT (LOSS)	**1,969**	**2,513**	**2,679**	**2,558**	**2,810**	**2,322**	**2,310**	**2,064**

Reclassified consolidated accounts

Reclassified consolidated income statement - Comparison of Q4 2024/2023

(€ million)

	Q4		CHANGE		
	2024	2023	P&L	%	% AT CONSTANT FX(*) RATES
Net interest	3,652	3,610	+ 41	+ 1.1%	+ 2.0%
Dividends	93	93	- 1	- 0.8%	- 0.8%
Fees	1,975	1,814	+ 161	+ 8.9%	+ 9.7%
Trading income	270	339	- 69	- 20.5%	- 15.3%
Other expenses/income	13	105	- 92	- 87.6%	- 87.1%
Revenue	**6,002**	**5,962**	**+ 40**	**+ 0.7%**	**+ 1.8%**
HR costs	(1,572)	(1,576)	+ 3	- 0.2%	+ 0.1%
Non HR costs	(694)	(695)	+ 1	- 0.2%	+ 0.4%
Recovery of expenses	28	30	- 1	- 4.8%	- 4.8%
Amortisations and depreciations	(272)	(237)	- 35	+ 14.7%	+ 15.2%
Operating costs	**(2,510)**	**(2,478)**	**- 32**	**+ 1.3%**	**+ 1.7%**
GROSS OPERATING PROFIT (LOSS)	**3,492**	**3,484**	**+ 8**	**+ 0.2%**	**+ 1.9%**
Loan Loss Provisions (LLPs)	(357)	(311)	- 46	+ 14.8%	+ 6.5%
NET OPERATING PROFIT (LOSS)	**3,135**	**3,173**	**- 38**	**- 1.2%**	**+ 1.4%**
Other charges and provisions	(385)	99	- 484	n.m.	n.m.
of which: systemic charges	*(40)*	*(35)*	*- 5*	*+ 14.6%*	*+ 15.8%*
Integration costs	(753)	(788)	+ 36	- 4.5%	- 2.9%
Net income from investments	13	(134)	+ 147	n.m.	n.m.
PROFIT (LOSS) BEFORE TAX	**2,010**	**2,349**	**- 339**	**- 14.4%**	**- 15.4%**
Income taxes	(7)	468	- 475	n.m.	n.m.
Profit (Loss) of discontinued operations	-	-	-	-	n.m.
NET PROFIT (LOSS) FOR THE PERIOD	**2,003**	**2,817**	**- 814**	- 28.9%	- 29.2%
Minorities	(34)	(6)	- 27	n.m.	n.m.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**1,969**	**2,810**	**- 841**	**- 29.9%**	**- 30.2%**
Purchase Price Allocation (PPA)	-	-	-	-	n.m.
Goodwill impairment	-	-	-	-	n.m.
GROUP STATED NET PROFIT (LOSS)	**1,969**	**2,810**	**- 841**	**- 29.9%**	**- 30.2%**

Note:
(*) Foreign Exchange.

Summary results by business segments

Key figures by business segment

	ITALY	GERMANY	CENTRAL EUROPE	EASTERN EUROPE	RUSSIA	GROUP CORPORATE CENTRE(*)	CONSOLIDATED GROUP TOTAL
Income statement							
Revenue							
2024	11,354	5,462	4,320	2,872	1,292	(456)	**24,844**
2023	*10,904*	*5,417*	*4,261*	*2,591*	*1,185*	*(532)*	***23,826***
Operating costs							
2024	(3,914)	(2,220)	(1,604)	(905)	(226)	(537)	**(9,405)**
2023	*(3,917)*	*(2,400)*	*(1,622)*	*(850)*	*(226)*	*(446)*	***(9,460)***
GROSS OPERATING PROFIT (LOSS)							
2024	7,440	3,242	2,716	1,967	1,067	(993)	**15,439**
2023	*6,987*	*3,017*	*2,639*	*1,741*	*959*	*(978)*	***14,366***
PROFIT (LOSS) BEFORE TAX							
2024	6,173	2,787	2,449	1,834	719	(1,102)	**12,860**
2023	*5,612*	*2,119*	*2,230*	*1,713*	*888*	*(1,110)*	***11,451***
Balance sheet							
CUSTOMERS LOANS(**)							
as at 31 December 2024	144,590	125,773	91,988	40,614	1,192	162	**404,319**
as at 31 December 2023	*152,120*	*125,107*	*95,367*	*33,570*	*3,152*	*162*	***409,478***
CUSTOMERS DEPOS(**)							
as at 31 December 2024	183,922	138,266	96,899	53,338	3,480	(5)	**475,900**
as at 31 December 2023	*188,434*	*138,192*	*93,450*	*47,104*	*7,208*	*(5)*	***474,383***
TOTAL RWEA							
as at 31 December 2024	101,083	64,989	58,559	34,710	10,819	6,933	**277,093**
as at 31 December 2023	*108,073*	*69,473*	*60,492*	*28,743*	*14,283*	*3,484*	***284,548***
EVA							
2024	2,606	869	918	889	(206)	(276)	**4,800**
2023	*2,208*	*698*	*861*	*896*	*108*	*(614)*	***4,157***
Cost/income ratio							
2024	34.5%	40.6%	37.1%	31.5%	17.5%	n.m.	**37.9%**
2023	*35.9%*	*44.3%*	*38.1%*	*32.8%*	*19.0%*	n.m.	***39.7%***
Employees							
as at 31 December 2024	26,902	8,983	9,844	14,641	2,590	6,762	**69,722**
as at 31 December 2023	*27,528*	*9,819*	*10,191*	*13,019*	*3,153*	*7,041*	***70,752***

Notes:
(*) The item "Group Corporate Centre" comprehend Corporate Centre Global Functions, inter-segment adjustments and consolidation adjustments not attributable to individual segments.
(**) The Customer loans and the Customers depos are net of repos, intercompany transactions.

The amounts related to year 2023 differ from the ones published at that time. For further details refer to “Reconciliation principles followed for the Reclassified consolidated income statement”.
Figures as of 2023 were recast, where necessary, on a like-to-like basis to consider changes in scope of business segment and methodological rules.
With reference to perimeters of business sectors refer to paragraph “Organisational structure” - Notes to the consolidated accounts, Part L - Segment reporting.

Group and UniCredit share historical data series

Group figures 2014 - 2024

	IAS/IFRS										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Reclassified income statement (€ million)											
Revenue	24,844	23,843	20,343	17,954	17,140	18,839	19,723	19,619	18,801	22,405	22,513
Operating costs	(9,405)	(9,471)	(9,560)	(9,797)	(9,805)	(9,929)	(10,698)	(11,350)	(12,453)	(13,618)	(13,838)
Gross operating profit (loss)	15,439	14,372	10,782	8,158	7,335	8,910	9,025	8,268	6,348	8,787	8,675
Profit (Loss) before tax	12,860	11,451	7,289	1,236	(1,546)	3,065	3,619	4,148	(10,978)	2,671	4,091
Net profit (loss) for the period	9,775	9,537	6,473	1,570	(1,842)	3,559	4,112	5,790	(11,061)	2,239	2,669
Group stated net profit (loss)	9,719	9,507	6,458	1,540	(2,785)	3,373	3,892	5,473	(11,790)	1,694	2,008
Reclassified balance sheet (€ million)											
Total assets	784,004	784,974	857,773	916,671	931,456	855,647	831,469	836,790	859,533	860,433	844,217
Loans to customers	418,378	429,452	455,781	437,544	450,550	482,574	471,839	447,727	444,607	473,999	470,569
of which: bad exposures	*944*	*753*	*601*	*1,121*	*1,645*	*2,956*	*5,787*	*9,499*	*10,945*	*19,924*	*19,701*
Deposits from customers and debt securities issued	590,213	585,561	594,300	596,402	600,964	566,871	560,141	561,498	567,855	584,268	560,688
Group shareholders' equity	62,441	64,079	63,339	61,628	59,507	61,416	55,841	59,331	39,336	50,087	49,390
Profitability ratios (%)											
Gross operating profit (loss)/Total assets	1.97	1.83	1.26	0.89	0.79	1.04	1.09	0.99	0.74	1.02	1.03
Cost/Income ratio	37.9	39.7	47.0	54.6	57.2	52.7	54.2	57.9	66.2	60.8	61.5

The figures here reported refer to the information published in the reference year.

Group and UniCredit share historical data series

Share information

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Share price (€)											
- maximum	42.840	25.565	15.850	13.576	14.174	13.494	18.212	18.350	25.733	32.824	34.427
- minimum	24.850	13.446	8.021	7.420	6.213	9.190	9.596	12.160	8.785	24.605	25.583
- average	35.166	20.463	11.087	10.088	8.650	11.193	14.635	15.801	13.820	29.509	30.015
- end of period	38.525	24.565	13.272	13.544	7.648	13.020	9.894	15.580	13.701	25.733	26.735
Number of outstanding shares (million)											
- at period end	1,551	1,712	1,935	2,211	2,237	2,233	2,230	2,226	6,180	5,970	5,866
- shares cum dividend	1,542	1,703	1,926	2,201	2,228	2,224	2,220	2,216	6,084	5,873	5,769
of which: savings shares	-	-	-	-	-	-	-	*0.25*	*2.52*	*2.48*	*2.45*
- average	1,631	1,838	2,079	2,231	2,236	2,233	2,229	1,957	6,110	5,927	5,837
Dividend											
- total dividends (€ million)	-	3,015	1,875	1,170	268	-	601	726	-	706	697
- dividend per ordinary share	-	1.803	0.987	0.538	0.120	-	0.270	0.320	-	0.120	0.120
- dividend per savings share	-	-	-	-	-	-	-	-	-	0.120	1.065

Notes:

Due to extraordinary corporate operations involving the detachment of rights, splitting or grouping of shares, demerger operations as well as distributions of extraordinary dividends, share prices might systematically change being no longer comparable with each other. The historical series of share prices have been therefore adjusted to restore price continuity.

The number of shares, existing at the end of the reference period, is net of treasury shares and included No.9,675,640 of shares held under a contract of usufruct signed with Mediobanca S.p.A. supporting the issuance of convertible securities denominated "Cashes". The shares held under a contract of usufruct are excluded from the shares cum dividend highlighted at the row "shares cum dividend".

With reference to the dividend amount for the year 2024, subject to approval by the Shareholders' Meeting scheduled for 27 March 2025, refer to the paragraph "Capital and value management - Capital ratios" of this Consolidated report on operations.

It's reported below detailed information concerning shares capital changes and dividends pay-out paid during the year 2024.

On 16 January 2024, the cancellation of No.72,239,501 treasury shares was carried out without reducing the share capital pursuant to the resolutions adopted by the Shareholders' Meeting of 31 March and 27 October 2023. The cancellation refers to the total number of treasury shares held in the portfolio at the end of the 2023 financial year resulting from the purchases made to complete the 2022 Buy-Back Program (No.14,059,665) and from the purchases made under the "First Tranche of the 2023 Buy-Back Program" from the start date of the program (30 October 2023) to the end of the financial year (No.58,179,836).

On 16 February 2024, the capital increase of 90 million resolved by the Board of Directors on 4 February 2024 was carried out with the free issue of No.7,227,514 ordinary shares for the execution of the Group's incentive plans.

On 7 March 2024, the "First Tranche of the 2023 Buy-Back Program" launched on 30 October 2023 was completed with the total purchase of No.95,995,258 treasury shares for a total value of €2,500 million equal to the total authorized disbursement. On 26 March 2024, the cancellation of the additional No.37,815,422 treasury shares purchased in the current financial year to complete the program was ordered.

On 12 April 2024, the Company's Shareholders' Meeting authorized the share buyback program as part of the distributions to shareholders: a first distribution for a maximum disbursement of €3,085 million to be realized also in several tranches during the 2024 financial year relating to the residual part of the overall payout for the 2023 financial year (the "2023 SBB Residual") and a second distribution as an advance on the expected distributions for the 2024 financial year ("2024 SBB Advance") which was defined on the basis of the Company's results for the first half of 2024. The new remuneration policy defined by the Board of Directors on the occasion of the approval of the 2023 financial year results and disclosed to the market on 5 February 2024 also provides for the distribution of an interim cash dividend which was paid on 20 November 2024 and whose amount was defined by the Board of Directors on 23 October 2024.

On 24 April 2024, the cash dividend approved by the Shareholders' Meeting of 12 April 2024 was paid for a total amount of €3,015 million from the allocation of the 2023 financial year profit, equal to a unit dividend of €1.8029 for each outstanding share entitled on the dividend date.

On 9 May 2024, the execution of the "Second Tranche of the Buy-Back Program 2023" was started for a maximum disbursement of €1,585 million as part of the amount of the "SBB Residual 2023" approved by the Shareholders' Meeting of 12 April 2024 for a total of €3,085 million and fully authorized by the ECB. The second tranche of the share purchase program was completed on 20 June 2024 with the purchase of a total of No.44,859,171 treasury shares, equal to 2.67% of the share capital and for a total value equal to the maximum authorized disbursement (€1,585 million). The purchased shares were cancelled without reduction of the share capital on 26 June 2024 in implementation of the resolution adopted by the Shareholders' Meeting of 12 April 2024.
On 24 June 2024, the third and final tranche of the share buyback program (the Third Tranche of the 2023 Buy-Back Program) was launched for a maximum disbursement of €1,500 million, equal to the residual amount of the total payout of €3,085 million approved for the 2023 financial year ("SBB Residual 2023").

Group and UniCredit share historical data series

The third tranche of the share buyback program was completed on 19 August 2024 with the purchase of a total of No.42,242,975 own shares, equal to 2.58% of the share capital and for a total value equal to the maximum authorized disbursement (€1,500 million). The purchased shares were cancelled on 18 December 2024 without reduction of the share capital in implementation of the resolution adopted by the Shareholders' Meeting of 12 April 2024.

On 16 September 2024, the execution of the first part of the advance of the Buy-Back Program 2024 (the SBB advance 2024) was started for a maximum disbursement of €1,700 million approved by the Shareholders' Meeting of 12 April 2024 and fully authorised by the ECB on 13 September 2024.
The first part of the advance of the Buy-Back Program 2024 was completed on 14 November 2024 with the overall purchase of No.43,313,675 treasury shares, equal to 2.65% of the share capital for a total value equal to the maximum authorized disbursement (€1,700 million).

The treasury shares in the portfolio at the end of the 2024 financial year have been entirely cancelled.

On 5 November 2024, the Board of Directors, based on the financial situation as at 30 June 2024, resolved to distribute to shareholders an account dividend to be paid on the results of the 2024 financial year for a total of €1,440 million, equal to a unit dividend of €0.9261 entitled as of 4 November 2024.
The account dividend was paid on 20 November 2024 for a value of €1,366 million, a portion of the shareholders did not choose the advance option for a value of €62 million, while the shares that the Company repurchased after 4 November and held in the portfolio at the record date are not entitled to the account dividends, the value of which, equal to €12 million, has been allocated to the statutory reserve.

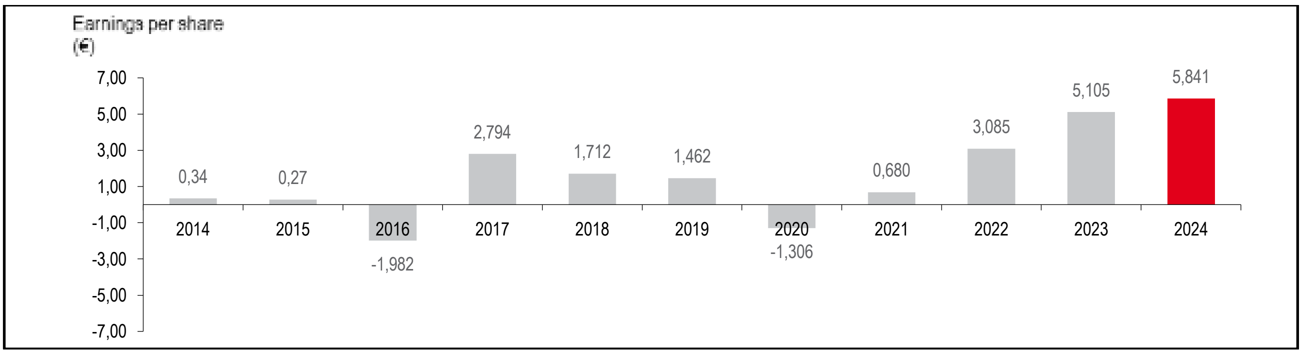
Earnings ratios

	IAS/IFRS										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Shareholders' equity (€ million)	62,441	64,079	63,339	61,628	59,507	61,416	55,841	59,331	39,336	50,087	49,390
Net profit (loss) attributable to the Group (€ million)	9,719	9,507	6,458	1,540	(2,785)	3,373	3,892	5,473	(11,790)	1,694	2,008
Shareholders' equity per share (€)	40.25	37.42	32.73	27.87	26.60	27.50	25.04	26.65	6.36	8.39	8.42
Price/Book value	0.96	0.66	0.41	0.49	0.29	0.47	0.40	0.58	0.43	0.61	0.63
Earnings per share (€)	5.841	5.105	3.085	0.680	(1.306)	1.462	1.712	2.794	(1.982)	0.27	0.34
Payout ratio (%)	-	31.7	29.0	76.0	-	-	15.4	13.3	-	41.7	34.7
Dividend yield on average price per ordinary share (%)	-	8.81	8.90	5.33	1.39	-	1.84	2.03	-	2.04	2.00

Notes:
For further details on Earnings per share (EPS) refer to Part C - Section 25 Earnings per share.

The amounts shown in the table are "historical figures" published in different periods and they should be read taking into account the context of the period at which they refer to.

The net profit for the period used to calculate EPS is reduced for the following amounts related to the cash-out, charged to equity, related to the usufruct contract signed with Mediobanca S.p.A. on UniCredit shares for supporting the issuance of convertible securities denominated “Cashes”: €35 million for 2014, €100 million for 2015, €128 million for 2016, €32 million for 2017, €93 million for 2018, €124 million for 2019, €122 million for 2020 and €30 million for 2021, related to the last payment referred to 2019 results, €74 million for 2022, referred to 2021 results, €175 million for 2023, referred to 2022 results, and €247 million for 2024, referred to 2023 results.



Group results

Macroeconomic situation, banking and financial markets

International situation

Global economic activity remained subdued in 2024, expanding at pace like that of the previous year. However, broad stabilization in GDP growth reflected differences in economic performance across regions: firmer – than - expected GDP growth in the US barely offsetting disappointing growth in some Asian and European economies. The return of inflation to near central-bank targets led major central banks in advanced economies to begin cutting policy rates and moving toward a neutral stance in June. In the second half of the year, amid a context of weakening demand, this reduction in interest rates supported orderly normalization of labor markets.

The Chinese economy continued to disappoint last year as the country's transition from a closed state-planned economy toward a more open and market - driven one remains uncomplete. The supply - side performed well thanks to industrial policies aimed at channeling economic resources into new sectors and away from the real estate sector. However, consumer confidence remained at rock bottom, primarily because Chinese households' wealth tends to be tied to the value of homes, which has depreciated in recent years. As a result, China's share of global exports remained above pre Covid-19 levels in 2024, but a substantial amount of production capacity stood idle due to domestic demand weakness. To address these challenges, starting from September, Chinese authorities enacted a multi-tiered stimulus package to stoke demand. It included monetary and fiscal easing measures as well as housing and stock-market support measures. However, evidence indicates that, as the prices of homes and some goods have been falling, the expectation of lower prices induced consumers to delay purchases, thereby limiting the impact of the measures announced, at least up to December.

In Japan, GDP contracted mildly last year owing to temporary supply disruptions that weighed on output in the first half of 2024. In the second half of the year, a recovery in semiconductor-related product markets and the resumption of automobile shipments, following certification test issues, supported a pickup in exports. The Bank of Japan ended negative interest rates in March and raised its short-term-rate to 0.25% in July as a result of its views that Japan was on track to sustainably meet the central bank's 2% inflation target.
In the UK, economic growth remained subdued in 2024, with some recovery in the first half of the year, followed by stagnation in the second half. The first half was marked partly by a recovery from a mild recession in second half of 2023 and partly by a reflection of a fillip from pre-election tax cuts from the then-ruling Conservative party. The Labor party won a majority in the 4 July 2024 general election and decided to raise taxes (mostly on businesses) by GBP 40 billion in its Autumn Budget. This affected business confidence, employment, and economic activity.

Economic activity in the eurozone remained trapped in a low-growth environment, as private consumption remained subdued despite positive growth in real wages, while private investment spending continued to struggle amid weak demand, reduced profitability and still-tight financing conditions. Uncertainty surrounding geopolitical risk, such as that stemming from Russia's war against Ukraine and conflict in the Middle East; trade tariffs and economic policy further contributed to dampening investment, as firms feared disruption to global trade and energy-price increases. Starting in September, PMIs revealed fresh signs of economic weakness amid a slowdown in services activity from an already-subdued pace and a stronger contraction in manufacturing due to weak domestic and global demand and the lagged impact from the transmission of higher interest rates.
On another note, the impact of weaker growth on labor markets remained contained. This probably reflected companies' higher reluctance to let staff go than in the previous cycles amid unfavorable demographic trends.

A decline in prices for energy, goods and food, which was amplified by base effects, contributed to reducing inflationary pressure in the eurozone, bringing, albeit temporarily, headline CPI inflation below 2% in September. Disinflationary pressure reflected weaker demand amid tighter monetary policy, repaired supply chains in global manufacturing and a moderation of demand-supply mismatches in contact-intensive sectors. Underlying inflation also eased, although stickiness in service-price inflation prevented a major decline - the core rate declined to 2.7% in December. With the pace of disinflation gaining traction, the European Central Bank (ECB) started to cut its policy rate in June, bringing it to 3% by December, 100bp below its peak for this cycle.

The recalibration of the terms and conditions of the third series of Targeted Long-Term Refinancing Operations (TLTRO III) maintained pressure on banks to repay outstanding loans, contributing to the draining of excess liquidity from the system. In the second half of 2024, the Eurosystem no longer reinvested all the principal payments from maturing securities purchased under the pandemic emergency purchase program (PEPP), targeting a reduction of the PEPP portfolio by €7.5 billion per month on average. The ECB's Governing Council discontinued reinvestments under the PEPP at the end of 2024.

Group results

In the US, economic growth last year was more resilient than previously anticipated but moderated towards the end of year. This moderation reflected a softening of the labor market, the rundown of household savings buffers, subdued consumer confidence, increasing delinquency rates on consumer credit and still-tight credit conditions. Progress on disinflation quickened, with both headline and core consumer inflation easing, moving towards 3%. Starting in September, the Fed cut its reference interest rate by a cumulative 100bp, bringing the federal funds rate to 4.25-4.50% by December. At the Fed's December meeting, the central bank announced it would keep reducing the size of its balance sheet by allowing its asset holdings to mature up to monthly caps of $25 billion for USTs and $35 billion for mortgage-backed securities.

Banking and financial markets

Lending to the private sector in the eurozone gradually picked up from low levels during 2024 and increased by 2.0% yoy in December, compared to its broad stabilization towards the end of 2023. Financing conditions remained tight over the year but gradually improved, supporting the first signs of a recovery in loan demand, despite subdued economic growth and high geopolitical uncertainty. According to the European Central Bank's bank lending survey, eurozone banks reported a modest net increase in loan demand from firms in the fourth quarter 2024, while net demand for housing loans rebounded strongly.

In 2024, growth in loans to the private sector remained weak in the main reference countries of UniCredit group (Austria, Germany and Italy), and particularly so in in Italy, where lending to non-financial corporations was stuck in negative territory (it contracted by around 2.0% on an annual basis). Loan demand was still hampered by weak fixed investment. Loans to households showed a gradual recovery, which had broadly stabilised by the end of 2024, after declining by more than 1% yoy in December 2023. In Germany, loans to the private sector showed modest expansion, decelerating after they showed 1% yoy growth at the end of 2023, against a backdrop in which the German economy contracted once again in 2024 and in which there was a significant decline in fixed investment. In Austria, corporate loans continued to grow, albeit at a slower pace compared to 2023, while loans to households contracted for most of the year at a pace of about 1.0% yoy, compared to almost -2% at the end of 2023.

With respect to bank funding at a system level, growth in deposits from households and non-financial corporations in the euro area recovered from their slowdown observed in 2023. The increase in deposits was also supported by a recovery in overnight deposits. This was also the case in Italy, where the growth rate of deposits from households stopped slowing (compared to 2023), benefiting from improvement in real disposable income and savings. In Germany, the stock of deposits from both households and non-financial corporations continued to grow at a decent pace, also driven by a recovery in overnight deposits.

Cuts to the reference rates by the ECB have been gradually transmitted into bank interest rates in the three reference countries of UniCredit group. Interest rates applied to bank loans to non-financial corporations moved below 5% in Germany and Italy, one percentage point below their peak a year earlier and their lowest level since April 2023, while they declined to slightly above 4% in Austria. Interest rates applied to loans for house purchases also moved along a downward trend, declining well below 4% in all the reference countries of the Group. Given broad stabilisation in the interest rates applied to bank deposits, the bank spreads (i.e. the difference between the average interest rate applied to loans and the average rate applied to deposits) showed a moderate decline over the course of 2024.

During 2024, market movements reflected a constructive approach by investors, supported by expectations of interest-rate cuts by central banks. Strong market performance especially characterized the second part of the year despite intensification of geopolitical risks (the latter was also related to the worsening of the conflict in the Middle East) and expectations regarding the outcome of US elections in November, which was overall positively welcomed by financial markets. Generally positive results were observed in the bond segment, despite high volatility in medium- and long-term returns. Credit spreads remained low, and stock markets performed well. The Italian stock market and the German stock market achieved double-digit gains, respectively up by 19% and 13%, compared to December 2023, while the Austrian stock market showed improvement of around 6%.

Group results

CEE countries

Economic growth in all EU - CEE[2] and the Western Balkans picked-up in most countries in 2024, following the significant slowdown in 2023. In EU - CEE, growth is estimated at 1.8% in 2024, after 0.7% 2023, with some differentiation across countries. We estimate growth was stronger in Croatia, Slovakia, Poland and Bulgaria, with rates ranging between 2.0% and 3.5%, and weaker in the other countries, with rates ranging from 0.0% and 1.5%. The most open economies such as Czechia and Hungary experienced the lowest growth rates, below 1%, as they were more affected by weak external demand. In the Western Balkans, Serbia experienced the highest growth in the region, 3.9%, thanks to the strength in domestic demand, while in Bosnia and Herzegovina it is estimated at 2.3%.

The overall improvement in economic growth in 2024 in EU - CEE and the Western Balkans was in most cases mainly driven by the recovery in private consumption, which was supported by higher real wage growth, thanks to disinflation and increases in nominal wages. Wages increases reflected still tight labour markets and, in various countries, significant increases in public sector salaries. Public investment was supported by EU funds, while private investment was negatively affected by weak external demand and uncertainty. Persisting weak external demand weighed on exports performance, which affected in particular the manufacturing sector. In Russia growth is estimated at 3.7%.

We expect growth to pick to 2% - 3% in most CEE countries in 2025. Growth will likely be mainly driven by domestic demand. Consumption will be supported by still-tight labor markets. Public investment will be an important driver of growth, also thanks to the pickup in EU Recovery and Resilience Facility (RRF) utilization, as well as the acceleration in the absorption of 2021-27 budget funds, which play an important role in CEE. External demand will likely remain sluggish. There is limited fiscal space to offset external weakness, as governments face fiscal adjustment needs due to the high fiscal deficits in the region.

Inflation continued to slow in 2024 but, with the exception of Serbia, it remained above the target range in all countries. Disinflation stalled during the summer as the supportive impact of food prices started to fade. The domestic demand-driven component of inflation has even edged higher in some countries, especially in those that run loose fiscal balances. The CEE region also experienced the global phenomenon of the growing gap between decelerating core goods price inflation and still elevated service price inflation. In CEE, this phenomenon has been also driven by the convergence process of services prices towards EU levels. Moderate disinflation will likely bring the headline figure inside the target range in CEE countries in 2025.

Most CEE central banks reduced the policy rate in 2024. The largest reduction took place in Hungary, where the rate was cut from 10.75% to 6.50% during 2024, and Czechia, where the reduction was from 6.75% to 4.00%. Less pronounced cuts took place in in Serbia (from 6.50% to 5.75%) and Romania (from 7.00% to 6.50%). In Russia, the central bank increased the policy rate from 16.00% to 21.00%. Disinflation is slowing, but there is still room for cautious rate cuts in 2025.

2 Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Slovakia and Slovenia.

Group results

Main results and performance for the period

Introduction

The results achieved in the 2024 financial year demonstrate once again that the guidelines dictated by the UniCredit Unlocked Strategic Plan represent the right strategy for the Group because they have made it possible to achieve strengthened, constant and sustainable profitability by leveraging the ability to adapt and flexibility in a changing external environment.
The Group's strategy is and remains entirely customer-centric; the lean and flexible internal organization with simplified processes, the offer of best-in-class products and services that leverage the size of the Group, the use of new and reliable digital technologies supported by new investments allow to better serve customers through fully integrated channels.
Profitability in 2024 is supported by resilient net interest income net of loan loss provisions, solid fee generation and the high operating and capital efficiencies achieved. The commercial focus on business segments and products with a better combination of risk and return, the geographical diversification that characterizes the Group's activities, the continuous and careful management of pass-through as well as the discipline in the lending policies and prudence in the management of credit assets characterize the quality of the net interest margin; the growth recorded in the various categories of commissions reflects the investments made in the last 3 years in the Group's product factories as well as the commercial acceleration of the network, supported by the new initiatives undertaken.

In 2024, the Group recorded a stated net profit of €9,719 million, up by €212 million (2.2% at current exchange rates, 3.2% at constant exchange rates) compared to €9,507 million in 2023.

Group net profit[3] for the current year amounted to €9,314 million, up €700 million from €8,614 million in the previous year (8.1% at current exchange rates, 9.1% at constant exchange rates). The figure includes a positive result of €577 million attributable to Russia[4], which in 2023 had recorded a net profit of €666 million.

Operating income

In 2024, the Group continued to grow in revenues, amounting to €24,844 million, up 4.3% compared to 2023 (5.3% at constant exchange rates) mainly thanks to the positive contribution of net interest income and commissions.
The Group's net interest income amounted to €14,358 million, up 2.5% (€353 million) compared to the previous year (3.5% at constant exchange rates); this performance was positively impacted by the selective commercial development activity, the careful management of the beta on deposits[5] as well as the market rate environment, which on an annual basis is still favourable (despite the decline recorded in the second half of the year, the average 3-month Euribor of 2024 is 14 basis points higher than that of 2023). In detail, the commercial initiatives implemented to improve the risk/return ratio of credit assets have led to a further increase in the average rate on loans to customers; the cost of deposits from customers has also progressively increased but to a lesser extent than the rate on loans. Compared to 2023, the greater weight of term deposits determined by the growing propensity of customers towards these more profitable forms of funding contributed to the increase in the average rate on deposits. However, this dynamic was contained through the careful repricing policy on deposits made possible thanks also to the Bank's solid liquidity position, the granularity of the stock of outstanding deposits, as well as the prevalence of sight components.
Overall, these dynamics favoured a further widening of credit spreads which, together with higher interest on securities in the portfolio, supported the Group's net interest income.

The Group's loans to customers decreased by €11.1 billion, or 2.6% (2.4% at constant exchange rates), from €429.5 billion at 31 December 2023 to €418.4 billion at 31 December 2024. This performance was affected by the repurchase agreement component, recording a decrease of €5.9 billion, while other customer loans decreased by €5.2 billion, or 1.3% (1.1% at constant exchange rates), reaching €404.3 billion. In detail, Italy loans recorded a decrease of 5.0% or 7.5 billion; the decrease in stock is mainly linked to the general reduction in customer demand for credit resulting from the increase in interest rates together with the progressive maturity of mortgages issued under Covid guarantee schemes, partially offset by commercial development actions on the sEva positive customers. Germany recorded a positive change of €0.7 billion (0.5%) while Austria recorded a contraction of €3.4 billion or 5.3% with the *Large Corporate* segment leading the decline. In the other Central Europe countries, loans to customers remained substantially stable (€0.0 billion) compared to 31 December of last year (0.0% at current exchange rates, corresponding to a growth of 2.7% at constant exchange rates, with the Czech Republic recording growth of 3.9% at constant exchange rates). Finally, the contribution of Eastern Europe was positive, with annual growth in loans net of repurchase agreements of €7.0 billion (21.0% at current exchange rates or 21.0% at constant exchange rates); this growth was explained for €3.1 billion[6] by the acquisition of Alpha Bank Romania S.A. which took place in the fourth quarter of the year and can be seen in Romania (up by €4.3 billion) as well as by the positive contribution of Bulgaria, Serbia and Croatia.

3 Group net profit (loss) net of DTAs write-up or cancellations on losses carried forward deriving from the update of sustainability tests.
4 Russia includes AO UniCredit Bank with other local legal entities and cross-border exposures accounted for in UniCredit S.p.A.
5 The Beta on deposits is the percentage of the short-term interbank rate returned to customers and is expressed as the ratio between the cost of deposits and the 3-month Euribor or equivalent market rate depending on the geographical
6 For further information on the transaction, please refer to the Notes to the Consolidated Financial Statements, Part G - Combinations concerning companies or business units.

Group results

Russia, with a loan portfolio of €1.2 billion as at 31 December 2024, recorded a year-on-year contraction of €2.0 billion, reflecting the Group's strategies.
The Group customer deposits stood at €499.5 billion at 31 December 2024, up €3.8 billion compared to last year; excluding the repurchase agreement, up by €2.3 billion, the positive change was €1.5 billion (equal to an increase of 0.3% at current exchange rates and 0.5% at constant exchange rates). In terms of geographies, Italy recorded a decrease of 2.4% or €4.5 billion compared to the 2023 financial year; this deviation is explained by the *Retail* and *Small and Medium Enterprises* segments and mainly reflects the Bank's attention to pricing, the greater diversification of savings by customers with a rotation towards other forms of assets under management and, in the *Retail* segment, the placements of government bonds carried out. In Germany, the stock of deposits was almost unchanged on an annual basis (0.1%, equal to an increase of €0.1 billion), while Austria recorded a positive change of €1.0 billion (1.6%); the other Central Europe countries recorded an increase of 7.3% or €2.5 billion (equivalent to an increase of 10.5% at constant exchange rates) with the Czech Republic increasing by €2.5 billion (equal to an increase of 11.1% at current exchange rates or 13.1% at constant exchange rates) supported by the *Corporate* segment. Eastern Europe increased by 13.2% (13.2% at constant exchange rates) equal to €6.2 billion, of which €3.6 billion from the acquisition of Alpha Bank Romania S.A.; all the countries of the division contributed positively to growth, driven by Bulgaria (up by €0.8 billion, equal to an increase of 6.4% at current and constant exchange rates) and Serbia (up by €0.7 billion, equal to 20.3% at current exchange rates and 20.1% at constant exchange rates). Finally, Russia recorded a decrease of 51.7%, equal to €3.7 billion at current exchange rates (42.5% measured at constant exchange rates).

Dividends and other income on Group equity investments (which include the profits of companies valued at equity) as at 31 December 2024 amounted to €470 million, up €11 million or 2.4% (2.4% at constant exchange rates) compared to 31 December 2023. The 2024 figure is mainly explained by the profits of the following companies valued at equity: Bank Fuer Tirol Und Vorarlberg Aktiengesellschaft (€100 million), Oberbank AG (€80 million), UniCredit Allianz Vita S.p.A. (€78 million), Bks Bank AG (€51 million), Cnp UniCredit Vita S.p.A. (€33 million), Oesterreichische Kontrollbank Aktiengesellschaft (€31 million), UniCredit Allianz Assicurazioni S.p.A. (€19 million).

The Group's commissions in 2024 amounted to €8,139 million, up €573 million or up 7.6% (8.2% at constant exchange rates) compared to 2023; this performance benefited primarily from the greater commercial boost on asset management products, investment funds first and foremost, the increase in commissions on loans and the growth recorded on payment systems and cards, which more than offset the higher costs associated with securitisation transactions in line with the Group's strategic choices and the lower contribution of commissions on current accounts, penalised in the year-on-year comparison by the repricing manoeuvres resulting from the changed market interest rate scenario.
In detail, commissions on investment services recorded sustained growth compared to 2023 of €363 million, up 17.9%, (18.0% at constant exchange rates) driven primarily by higher investment fund placements thanks to positive commercial momentum and a more favorable macroeconomic environment, as well as fund management fees, which also progressed compared to the previous year.
Commissions on insurance products increased by 5.4%, to €45 million compared to 2023, mainly supported by the property and casualty insurance as well as the positive result of loan protection insurance.
The financing and advisory component grew by €90 million, equal to a change of 5.3% compared to 2023 (5.5% at constant exchange rates); this trend was characterised by an increase in commissions on loans only partially offset by lower commissions on capital markets operations.
Commissions on payments and current accounts increased by €49 million (2.0% compared to 2023, equal to a positive change of 2.8% at constant exchange rates) despite the decrease in commissions on current accounts for the reasons mentioned above; this is thanks to the progress of fees from cards and payment services which show a marked increase on an annual basis.
Commission expenses related to securitisation operations (mainly in Italy) increased by €30 million compared to 31 December 2023, in line with the Group's strategic choices.
Finally, commissions on hedging products for customers amounted to €690 million, up €56 million year-on-year, equal to 8.9% at current exchange rates and 12.2% at constant exchange rates. This performance was positively affected by the result of Russia foreign exchange business. Overall, the Group continued to support its customers in protecting the results of their businesses.

The Group's trading profit as at 31 December 2024 was substantially stable compared to the previous year, down by €4 million, equal to 0.2% at current exchange rates, or up 3.1% at constant exchange rates, from €1,743 million in 2023 to €1,739 million in the current year. This trend was positively impacted by the increase in profits from foreign exchange hedging activities in Russia, offset by the decrease in Italy mainly explained by lower profits from the sale of securities.

Finally, in 2024 the Group other expenses and income were positive for €139 million, compared to the balance of €54 million in the same period of 2023; the figure for the 2024 financial year includes, among other things, the positive effects of new commercial agreements.

Group results

Revenue

(€ million)

	YEAR		%	2024	% CHANGE
	2024	2023	CHANGE	Q4	ON Q3 2024
Net interest	14,358	14,005	+ 2.5%	3,652	+ 2.5%
Dividends	470	459	+ 2.4%	93	- 38.5%
Fees	8,139	7,565	+ 7.6%	1,975	+ 1.7%
Trading income	1,739	1,743	- 0.2%	270	- 38.9%
Other expenses/income	139	54	n.m.	13	- 70.1%
Revenue	**24,844**	**23,826**	**+ 4.3%**	**6,002**	**- 2.3%**

Operating costs

The Group operating costs amounted to €9,405 million in 2024 down 0.6% (0.1% at constant exchange rates), equal to €55 million compared to the previous year, confirming the Group's proven track record in pursuing operating efficiency. This result was achieved thanks to the constant discipline and rigor adopted in the management of expenses, the targeted cost reductions as well as the significant investments and integration costs previously recorded; all this has allowed the Group to mitigate the impact of inflation, salary increases mainly linked to collective agreements in Italy, Austria and Germany as well as the higher costs deriving from Alpha Bank Romania S.A. which has had an impact of €24 million.

In detail, HR costs in the twelve months of 2024 amounted to €5,853 million, down €8 million, or 0.1%, compared to the previous year, equal to an increase of 0.2% at constant exchange rates. This result was mainly achieved thanks to the positive effects generated by the continuing trend of staff reductions, which made it possible to offset the higher costs associated with salary increases. In detail, the number of employees recorded, compared to 2023, a decrease of 1.5% equal to 1,030 units with average FTEs down by 3,348 units; this dynamic was impacted, among other things, by the acquisition of Alpha Bank Romania S.A. in the fourth quarter of 2024 with the contribution of approximately 1,900 FTEs within the Group perimeter.

NHR costs in the current period amounted to €2,596 million, down 0.3% compared to 2023 (€7 million); the annual trend was significantly impacted by the actions to rationalise buildings aimed at freeing up space, lower energy costs as well as the structural efficiency actions of the cost base implemented; in fact, these made it possible to significantly counteract inflation-related increases as well as the higher expenses for *Information & Technology* mainly related to new projects.

Expense recoveries in 2024 amounted to €106 million, up from €81 million in 2023 (29.7%) mainly due to higher recoveries of administrative expenses incurred on behalf of customers as well as higher recoveries from third parties related to commercial agreements.

Finally, in 2024, depreciation, amortization and write-downs amounted to €1,062 million, down €16 million, or 1.5%, compared to €1,078 million in the same period of 2023. It should be noted that these amounts are mostly made up of depreciation. The annual trend was mainly impacted by the rationalization of real estate, especially in the headquarters, which more than offset the growth in depreciation and amortization on *Information & Technology* linked to new investments.

Operating costs

(€ million)

	YEAR		%	2024	% CHANGE
	2024	2023	CHANGE	Q4	ON Q3 2024
HR costs	(5,853)	(5,861)	- 0.1%	(1,572)	+ 10.2%
Non HR costs	(2,596)	(2,603)	- 0.3%	(694)	+ 11.5%
Recovery of expenses	106	81	+ 29.7%	28	+ 50.6%
Amortisations and depreciations	(1,062)	(1,078)	- 1.5%	(272)	+ 4.2%
Operating costs	**(9,405)**	**(9,460)**	**- 0.6%**	**(2,510)**	**+ 9.5%**

Thanks to sustained revenue growth (up 4.3%) and cost containment (down 0.6%), the Group gross operating income of €15,439 million is up 7.5% compared to the previous year (8.8% at constant exchange rates).

The *Group's* cost income ratio*,* benefiting from this dynamic, fell to 37.9%, down 1.8 percentage points compared to 2023.

Group results

Net write-downs on loans and provisions for guarantees and commitments

The Group provisions for loan losses amounted to €641 million as at 31 December 2024, compared to €560 million as at 31 December 2023. Excluding Russia segment, provisions amounted to €785 million, compared to €552 million in 2023.

The amount of provisions as at 31 December 2024 was determined by the combined effect of the following events: (i) write-downs related to flows to defaults of €1,334 million (ii) write-backs related to outflow from default to performing of €278 million (iii) write-backs related to other portfolio dynamics of €415 million, including provisions related to the update of the macroeconomic scenarios for IFRS9 purposes.

The amount of provisions related to other portfolio dynamics includes:
- Write-backs of €8 million arising from the update of the macroeconomic scenarios for IFRS9 purposes, which was carried out in the second and fourth quarters as part of the ordinary process of adjusting provisions for credit losses to the most recent macroeconomic projections;
- Write-backs of €126 million arising from the new Transfer Logic approach implemented in the first half of the year;
- Write-backs of €20 million arising from the update of selling scenario to adjust disposal probabilities on a specific portfolio;
- Write-downs of €106 million arising from the inclusion of climate risk in the calculation of loan loss provisions

The Group cost of risk in 2024 was 15 basis points, slightly increasing compared to 13 basis points of 2023. Excluding Russia segment, the cost of risk stood at 18 basis points, higher than 13 basis points of 2023.
More specifically, the Italy division records a cost of risk of 29 basis points, higher than the 22 basis points of 2023 mainly due to higher write-downs for flows to default. Germany recorded a cost of risk of 21 basis points, higher than the 14 basis points in 2023 due to higher write-downs for flows to default; Central Europe recorded a cost of risk of 4 basis points, in line with 2023 result; Eastern Europe recorded a negative cost of risk of -6 basis points, compared to the -22 basis points of 2023 mainly due to the lower write-backs in the non-performing portfolio.

The Group's gross non-performing loans as at 31 December 2024 amount to €11.2 billion, down compared to the amount as at 31 December 2023. The ratio of gross non-performing loans to total loans moved from 2.66% in December 2023 to 2.61% in December 2024, thanks to the reduction of non-performing loans and despite the decrease of performing loans at the denominator.
The Group's gross non-performing loan coverage ratio as at 31 December 2024 is equal to 45.9%, reducing in comparison with the value as at 31 December 2023.
Gross bad loans as at 31 December 2024 amount at €3.1 billion, representing the 28% of total gross impaired loans, with a coverage ratio of 69.3%.

Loans to customers - Asset quality

(€ million)

	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE	TOTAL NON-PERFORMING	PERFORMING	TOTAL LOANS
As at 31.12.2024						
Gross exposure	3,077	7,275	806	**11,158**	416,387	**427,545**
as a percentage of total loans	*0.72%*	*1.70%*	*0.19%*	***2.61%***	*97.39%*	
Writedowns	2,133	2,724	262	**5,118**	4,049	**9,167**
as a percentage of gross value	*69.33%*	*37.44%*	*32.47%*	***45.87%***	*0.97%*	
Carrying value	944	4,552	544	**6,040**	412,339	**418,378**
as a percentage of total loans	*0.23%*	*1.09%*	*0.13%*	***1.44%***	*98.56%*	
As at 31.12.2023						
Gross exposure	2,894	7,842	958	**11,693**	427,955	**439,648**
as a percentage of total loans	*0.66%*	*1.78%*	*0.22%*	***2.66%***	*97.34%*	
Writedowns	2,141	3,110	272	**5,523**	4,673	**10,196**
as a percentage of gross value	*73.97%*	*39.67%*	*28.35%*	***47.23%***	*1.09%*	
Carrying value	753	4,731	686	**6,171**	423,282	**429,452**
as a percentage of total loans	*0.18%*	*1.10%*	*0.16%*	***1.44%***	*98.56%*	

Note:
Total loans to customers exclude the receivables arising from subleases recognised due to the application of IFRS16.

Group results

From net operating profit to profit before tax

The improvement in gross operating income (equal to €15,439 million in 2024 compared to €14,366 million in 2023) and the low level of provisions for credit losses (equal to €641 million, up €81 million) produced a Group net operating profit of €14,798 million, up €992 million compared to the previous year, up 7.2% (9.0% at constant exchange rates).

The Group's other charges and provisions amounted to -€1,069 million, up from -€1,023 million in 2023.
The item includes net provisions for legal proceedings and estimated liabilities of various kinds of -€554 million in 2024, compared to -€68 million in 2023. The figure for the current year includes, among other things, provisions relating to a lawsuit relating to claims for payment of a guarantee, filed by a Russian energy company in a court in St. Petersburg. The same item also includes systemic charges, which amounted to -€515 million, down €440 million from -€955 million in 2023, mainly due to the termination of the contribution to the Single Resolution Fund (SRF) for Group banks operating in European Union countries this year following the achievement of the target level system-wide.

Group integration costs in 2024 amounted to -€841 million, compared to -€1,060 million in 2023; the 2024 figure mainly consists of provisions for staff leavers as part of the update of the Group's strategic plan; these provisions are concentrated in Italy and, secondly, in Germany and Austria.

The Group's net investment income in 2024 amounted to -€29 million, compared to -€272 million registered in the same period of the previous year. The negative result for 2023 had been mainly impacted by the update of the valuation of the real estate portfolio measured at fair value, by the figure related to Russia, which had recorded a loss of -€31 million, mainly due to the effects of the sale of RN Bank by the associate company Barn BV (-€37 million), as well as by the result of the valuation of the investee company CNP UniCredit Vita, which had resulted in a loss of -€61 million.

As a result of the items described above, the Group pre-tax profit of €12,860 million was recorded in the current year, €1,409 million higher than the €11,451 million recorded last year, representing a growth of 12.3% (13.1% at constant exchange rates).

Profit (loss) before tax by business segment

(€ million)

					PROFIT (LOSS) BEFORE TAX YEAR	
	REVENUE	OPERATING COSTS	LOAN LOSS PROVISIONS (LLPs)	NET OPERATING PROFIT	2024	2023
Italy	11,354	(3,914)	(501)	6,939	6,173	5,612
Germany	5,462	(2,220)	(273)	2,969	2,787	2,119
Central Europe	4,320	(1,604)	(33)	2,683	2,449	2,230
Eastern Europe	2,872	(905)	22	1,989	1,834	1,713
Russia	1,292	(226)	144	1,211	719	888
Group Corporate Centre	(456)	(537)	0	(993)	(1,102)	(1,110)
Group Total	**24,844**	**(9,405)**	**(641)**	**14,798**	**12,860**	**11,451**

Group results

Profit (Loss) attributable to the Group

In 2024, the Group income tax item amounted to -€3,085 million, up by €1,172 million compared to -€1,914 million in 2023. The increase reflects the higher economic result for the period as well as the lower recognition of new deferred tax assets on tax losses carried forward.
In detail, the figure for the current year was positively impacted by €405 million relating to the recognition of new deferred tax assets on residual tax losses carried forward as a result of the update of the sustainability test of the Italian Tax Perimeter and UniCredit S.p.A. on the basis of the forecasts resulting from the 2025 budget, approved by the Board of Directors (BoD) at its meeting of 12 December 2024, and the projections for 2026-2027, presented to the Board of Directors at the same meeting.
Similarly, taxes for the previous year had a positive impact of €893 million relating to the recognition of new deferred tax assets on tax losses incurred in Italy.

Profit after tax from discontinued operations in 2024 amounted to €0 million, unchanged compared to the previous year.
The net result for the period of 2024 amounted to €9,775 million, up €237 million from €9,537 million in 2023.
The result attributable to minority interests, conventionally shown with a negative sign, was -€55 million compared to -€27 million in the previous year. The higher amount is mainly attributable to UniCredit Bank S.A. and is due to the increase in the minority stake for 9.90% as part of the price for the acquisition of Alpha Bank Romania S.A. by UniCredit S.p.A.
The Purchase Price Allocation was €0 million compared to -€4 million in the previous year.
The 2024 financial year was not impacted by goodwill adjustments, in line with the previous year.
As a result, in 2024 the Group stated net profit was €9,719 million, up €212 million compared to €9,507 million in 2023.

Group stated net profit (loss)

(€ million)

	YEAR				
	2024	2023	% CHANGE	2024 Q4	% CHANGE ON Q3 2024
Revenue	**24,844**	**23,826**	**+ 4.3%**	**6,002**	**- 2.3%**
Operating costs	(9,405)	(9,460)	- 0.6%	(2,510)	+ 9.5%
GROSS OPERATING PROFIT (LOSS)	**15,439**	**14,366**	**+ 7.5%**	**3,492**	**- 9.3%**
Loan loss provisions (LLPs)	(641)	(560)	+ 14.4%	(357)	n.m.
NET OPERATING PROFIT (LOSS)	**14,798**	**13,806**	**+ 7.2%**	**3,135**	**- 14.9%**
Other charges and provisions	(1,069)	(1,023)	+ 4.4%	(385)	n.m.
Integration costs	(841)	(1,060)	- 20.7%	(753)	n.m.
Net income from investments	(29)	(272)	- 89.4%	13	n.m.
PROFIT (LOSS) BEFORE TAX	**12,860**	**11,451**	**+ 12.3%**	**2,010**	**- 42.9%**
Income taxes	(3,085)	(1,914)	+ 61.2%	(7)	- 99.3%
Profit (loss) of discontinued operations	-	-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD	**9,775**	**9,537**	**+ 2.5%**	**2,003**	**- 20.5%**
Minorities	(55)	(27)	n.m.	(34)	n.m.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**9,719**	**9,510**	**+ 2.2%**	**1,969**	**- 21.6%**
Purchase Price Allocation (PPA)	-	(4)	- 100.0%	-	n.m.
Goodwill impairment	-	-	-	-	-
GROUP STATED NET PROFIT (LOSS)	**9,719**	**9,507**	**+ 2.2%**	**1,969**	**- 21.6%**

Group results

Capital and value management

Principles of value creation and capital allocation

In order to create value for the shareholders, the Group's strategic guidelines aim at optimising the composition of the business portfolio.
This goal is pursued through a process of capital allocation to each business line in relation to its specific risk profile and ability to generate sustainable earnings measured as EVA (Economic Value Added), a performance indicator correlated to TSR (Total Shareholder Return). The capital allocated to business segments is quantified applying internal capitalization targets to Risk Weighted Exposure Amounts (RWEA).

The development of Group operations with a view to value creation requires a process of allocating and managing capital governed by different phases in the process of planning and control, articulated as:
- formulation of the proposed risk propensity and capitalisation targets;
- analysis of the risks associated with the value drivers and resulting allocation of capital to the different businesses of the Group;
- assignment of risk adjusted performance targets;
- analysis of the impact on the Group's value and of the creation of value for shareholders;
- drafting and proposal of the financial plan, capital plan and dividend policy.

The Group dynamically manages its capital base by monitoring regulatory capital ratios, anticipating the appropriate changes necessary to achieve its defined targets, and optimising the composition of its assets and equity. Planning and monitoring refer, on the one hand, to the total Own Funds (Common Equity Tier 1, Additional Tier 1 and Tier 2 Capital), Leverage Ratio, and Minimum requirement for eligible liabilities (MREL) and, on the other hand, to the Risk Weighted Exposure Amounts (RWEA) and Total Exposures. The RWEA, for credit portfolios managed using the internal models, do not only depend on the nominal value of the assets but also on the relevant credit parameters. Besides volume dynamics, it is also crucial to monitor and forecast the change in the asset quality of the portfolio in view of the macroeconomic scenario (the so-called pro-cyclical effect).

Following the financial crisis that unfolded in 2007-2008, the European Union implemented a substantial reform of the financial services regulatory framework to enhance the resilience of its financial institutions. This reform was largely based on international standards agreed in 2010 by the Basel Committee on Banking Supervision, known as the Basel 3 framework. Among its many measures, the reform package included the adoption of Regulation (EU) 575/2013 of the European Parliament and of the Council and Directive 2013/36/EU of the European Parliament and of the Council, which strengthened the prudential requirements for credit institutions and investment firms.
These rules have been modified by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (so-called CRR2), amending Regulation (EU) 575/2013 and by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (so-called CRDV), amending Directive 2013/36/EU.

Group results

Capital ratios

Group transitional Own Funds and capital ratios

DESCRIPTION	AS AT 31.12.2024	AS AT 31.12.2023
Common Equity Tier 1 Capital (€ million)	44,221	45,913
Tier 1 Capital (€ million)	49,176	50,756
Total Own Funds (€ million)	56,554	59,472
Total RWEA (€ million)	277,093	284,548
Common Equity Tier 1 Capital ratio	**15.96%**	**16.14%**
Tier 1 Capital ratio	**17.75%**	**17.84%**
Total Capital ratio	**20.41%**	**20.90%**

Notes:
Transitional own funds and capital ratios including all transitional adjustments according to the yearly applicable percentages.
Furthermore, starting from 30 June 2020, UniCredit group has decided to apply the IFRS9 transitional approach as reported in article 473a of the Regulation (UE) 873/2020 that amends the Regulation (EU) 575/2013 and Regulation (EU) 876/2019. Therefore, the values here reported reflect the impact of the transitional arrangements provisioned in such Regulation.

For further information refer to the Notes to the consolidated accounts, Part F - Consolidated shareholders' equity, Section 2 - Own funds and banking regulatory ratios.

Capital strengthening

During 2024 UniCredit S.p.A. carried out the following transactions on the instruments Additional Tier 1 (so-called "Non-Cumulative Temporary Write-Down Deeply Subordinated Fixed Rate Resettable Notes") accounted for in the item "Capital Instruments" of Equity Instruments:

- On 19 April 2024 Unicredit S.p.A. exercised at first call date its option to fully redeem in whole the Additional Tier 1 instruments issued in 2014 in accordance with the terms and conditions of the securities; the called notes for a total of $1,250 million (gross of charges) have been redeemed at par together with accrued and unpaid interest.
- On 9 September 2024, Unicredit S.p.A. placed an issue of equity instruments Additional Tier 1 for a total amount of €1,000 (gross of charges), targeted to institutional investors, contributing to strengthen its regulatory capital. The securities are perpetual (with maturity linked to the corporate duration of UniCredit S.p.A.) and may be called by the Issuer on any calendar day in the six-month period starting on 3 December 2031 and ending on 3 June 2032 and thereafter on any interest payment date, subject to Regulatory approval. Notes pay fixed rate coupons of 6.5% per annum up to June 2032 on a semi-annual basis; if not called, coupon will be reset every 5 years to the aggregate of the then 5-Years Mid-Swap rate plus 421.2 basis points, calculated on an annual basis and then converted to a semi-annual rate in accordance with market conventions. In line with the regulatory requirements, the coupon payments are fully discretionary.

For details on the changes in capital and dividends paid during the year, both in cash and through share buyback programs, please refer to the chapter "History of the Group and UniCredit share" of this Consolidated Report on Operations.

Shareholders' equity attributable to the Group

The Shareholders' equity of the Group, including the result for the year equal to €9,719 million, amounts to €62,441 million as at 31 December 2024, compared to €64,079 million as at 31 December 2023.

The following table shows the main changes occurred in 2024.

Group results

Shareholders' equity attributable to the Group

(€ million)

Shareholders' equity as at 31 December 2023	**64,079**
Dividends and other allocations	(4,485)
Equity instruments	(163)
Share buyback	(5,871)
Change in reserve related coupon on AT1 instruments	(196)
Charges related to transaction denominated "Cashes"	(247)
Changes in reserve for the unsustainable amount of Deferred Tax Assets relating to tax losses carried forward linked to shareholders' equity items	113
Change in the valuation reserve relating to the financial assets and liabilities at fair value	133
Change in the valuation reserve relating to cash flow hedges	100
Change in the valuation reserve relating to exchange differences	(570)
Change in the valuation reserve relating to the actuarial gains/losses on defined benefit plans	(161)
Other changes	(10)
Profit (loss) for the year	9,719
Shareholders' equity as at 31 December 2024	**62,441**

Notes:
The change in equity instruments is comprehensive of refunds for -€898 million (gross of transaction costs for -€10 million and including exchange differences for €-248 million) and new issuings for +€993 million.
The change in the valuation reserve relating to exchange differences is mainly due to the impact of Russian Ruble for -€458 million, Hungarian Forint for -€87 million and Czech Crown for -€63 million.

For further information, refer to section Consolidated accounts - Statement of changes in the consolidated shareholders' equity.

Reconciliation parent company UniCredit S.p.A. - Consolidated accounts

The following table reconciles the Parent Company's shareholders' equity and Net profit to the corresponding consolidated figures.

Reconciliation of parent company UniCredit S.p.A. to Consolidated accounts

(€ million)

	SHAREHOLDERS' EQUITY	*of which: NET PROFIT*
Balance as at 31 December 2024 of parent company UniCredit S.p.A.	**57,729**	***8,106***
Consolidated contribution:	4,736	*7,701*
- fully consolidated subsidiaries	*2,179*	*7,218*
- investments valued at equity method	*2,557*	*483*
Reverse of ordinary dividends approved in the period:	-	*(5,459)*
- fully consolidated subsidiaries	-	*(5,302)*
- investments valued at equity method	-	*(157)*
Other consolidation adjustments	376	*(574)*
Balance as at 31 December 2024 (minorities included)	**62,841**	***9,774***
of which Group	*62,441*	*9,719*
of which minorities	*400*	*55*

Group results

Contribution of the sector of activity to the results of the Group

For the description of the organizational structure, refer to Notes to consolidated account, Part L - Segment reporting.

Italy

Income statement, key ratios and indicators

(€ million)

ITALY	YEAR 2024	YEAR 2023	% CHANGE	2024 Q4	% CHANGE ON Q3 2024
Revenue	11,354	10,904	+ 4.1%	2,750	- 1.3%
Operating costs	(3,914)	(3,917)	- 0.1%	(990)	+ 3.6%
Loan loss provisions (LLPs)	(501)	(403)	+ 24.2%	(137)	+ 16.1%
NET OPERATING PROFIT (LOSS)	6,939	6,584	+ 5.4%	1,623	- 5.3%
PROFIT (LOSS) BEFORE TAX	6,173	5,612	+ 10.0%	1,165	- 29.1%
Customers loans (net Repos and IC)	144,590	152,120	- 5.0%	144,590	- 1.0%
Customers depos (net Repos and IC)	183,922	188,434	- 2.4%	183,922	+ 1.5%
Total RWEA Eop	101,083	108,073	- 6.5%	101,083	- 1.5%
EVA (€ million)	2,606	2,208	+ 18.0%	460	- 38.2%
Absorbed Capital (€ million)	13,602	14,975	- 9.2%	13,360	- 0.9%
ROAC	+ 30.8%	+ 25.4%	+ 5.4 p.p.	+ 25.5%	- 8.3 p.p.
Cost/Income	34.5%	35.9%	- 1.4 p.p.	36.0%	1.7 p.p.
Cost of Risk	29 bps	22 bps	7 bps	34 bps	6 bps
Full Time Equivalent (eop)	26,902	27,528	- 2.3%	26,902	- 0.8%

Germany

Income statement, key ratios and indicators

(€ million)

GERMANY	YEAR 2024	YEAR 2023	% CHANGE	2024 Q4	% CHANGE ON Q3 2024
Revenue	5,462	5,417	+ 0.8%	1,235	- 9.2%
Operating costs	(2,220)	(2,400)	- 7.5%	(553)	+ 1.6%
Loan loss provisions (LLPs)	(273)	(183)	+ 49.3%	(86)	+ 64.7%
NET OPERATING PROFIT (LOSS)	2,969	2,835	+ 4.8%	597	- 22.0%
PROFIT (LOSS) BEFORE TAX	2,787	2,119	+ 31.5%	461	- 39.2%
Customers loans (net Repos and IC)	125,773	125,107	+ 0.5%	125,773	+ 0.3%
Customers depos (net Repos and IC)	138,266	138,192	+ 0.1%	138,266	+ 6.3%
Total RWEA Eop	64,989	69,473	- 6.5%	64,989	+ 1.0%
EVA (€ million)	869	698	+ 24.4%	73	- 72.5%
Absorbed Capital (€ million)	8,705	9,695	- 10.2%	8,409	- 2.0%
ROAC	+ 19.6%	+ 16.0%	+ 3.6 p.p.	+ 13.2%	- 8.9 p.p.
Cost/Income	40.6%	44.3%	- 3.7 p.p.	44.7%	4.8 p.p.
Cost of Risk	21 bps	14 bps	7 bps	27 bps	11 bps
Full Time Equivalent (eop)	8,983	9,819	- 8.5%	8,983	- 4.8%

Group results

Central Europe

Income statement, key ratios and indicators

(€ million)

CENTRAL EUROPE	YEAR 2024	YEAR 2023	% CHANGE	2024 Q4	% CHANGE ON Q3 2024
Revenue	4,320	4,261	+ 1.4%	1,053	- 3.1%
Operating costs	(1,604)	(1,622)	- 1.1%	(410)	+ 3.3%
Loan loss provisions (LLPs)	(33)	(41)	- 19.7%	(58)	n.m.
NET OPERATING PROFIT (LOSS)	2,683	2,598	+ 3.3%	585	- 15.1%
PROFIT (LOSS) BEFORE TAX	2,449	2,230	+ 9.8%	526	- 18.0%
Customers loans (net Repos and IC)	91,988	95,367	- 3.5%	91,988	- 1.4%
Customers depos (net Repos and IC)	96,899	93,450	+ 3.7%	96,899	+ 4.3%
Total RWEA Eop	58,559	60,492	- 3.2%	58,559	- 0.1%
EVA (€ million)	918	861	+ 6.6%	162	- 31.8%
Absorbed Capital (€ million)	7,656	7,873	- 2.8%	7,592	- 0.2%
ROAC	+ 22.9%	+ 21.0%	+ 1.9 p.p.	+ 19.5%	- 4.0 p.p.
Cost/Income	37.1%	38.1%	- 0.9 p.p.	39.0%	2.4 p.p.
Cost of Risk	4 bps	4 bps	- 1 bps	25 bps	25 bps
Full Time Equivalent (eop)	9,844	10,191	- 3.4%	9,844	- 0.9%

Eastern Europe

Income statement, key ratios and indicators

(€ million)

EASTERN EUROPE	YEAR 2024	YEAR 2023	% CHANGE	2024 Q4	% CHANGE ON Q3 2024
Revenue	2,872	2,591	+ 10.8%	755	+ 6.5%
Operating costs	(905)	(850)	+ 6.5%	(264)	+ 22.4%
Loan loss provisions (LLPs)	22	72	- 69.0%	(67)	n.m.
NET OPERATING PROFIT (LOSS)	1,989	1,813	+ 9.7%	425	- 12.0%
PROFIT (LOSS) BEFORE TAX	1,834	1,713	+ 7.1%	334	- 29.0%
Customers loans (net Repos and IC)	40,614	33,570	+ 21.0%	40,614	+ 11.1%
Customers depos (net Repos and IC)	53,338	47,104	+ 13.2%	53,338	+ 9.5%
Total RWEA Eop	34,710	28,743	+ 20.8%	34,710	+ 12.2%
EVA (€ million)	889	896	- 0.8%	91	- 62.0%
Absorbed Capital (€ million)	3,830	3,540	+ 8.2%	4,080	+ 3.6%
ROAC	+ 35.2%	+ 36.9%	- 1.8 p.p.	+ 21.1%	- 15.4 p.p.
Cost/Income	31.5%	32.8%	- 1.3 p.p.	34.9%	4.5 p.p.
Cost of Risk	- 6 bps	- 22 bps	16 bps	70 bps	57 bps
Full Time Equivalent (eop)	14,641	13,019	+ 12.5%	14,641	+ 14.5%

Group results

Russia

Income statement, key ratios and indicators

(€ million)

RUSSIA	YEAR 2024	YEAR 2023	% CHANGE	2024 Q4	% CHANGE ON Q3 2024
Revenue	1,292	1,185	+ 9.1%	329	- 14.2%
Operating costs	(226)	(226)	- 0.0%	(57)	+ 0.1%
Loan loss provisions (LLPs)	144	(8)	n.m.	(9)	n.m.
NET OPERATING PROFIT (LOSS)	1,211	952	+ 27.2%	263	- 23.5%
PROFIT (LOSS) BEFORE TAX	719	888	- 19.0%	(32)	n.m.
Customers loans (net Repos and IC)	1,192	3,152	- 62.2%	1,192	- 34.5%
Customers depos (net Repos and IC)	3,480	7,208	- 51.7%	3,480	- 26.8%
Total RWEA Eop	10,819	14,283	- 24.2%	10,819	- 11.7%
EVA (€ million)	(206)	108	n.m.	(191)	n.m.
Absorbed Capital (€ million)	1,716	1,922	- 10.7%	1,499	- 13.4%
ROAC	+ 6.0%	+ 21.8%	- 15.8 p.p.	- 32.8%	- 59.7 p.p.
Cost/Income	17.5%	19.0%	- 1.6 p.p.	17.2%	2.5 p.p.
Cost of Risk	- 612 bps	16 bps	- 628 bps	246 bps	551 bps
Full Time Equivalent (eop)	2,590	3,153	- 17.9%	2,590	- 12.4%

Sustainability statements

Sustainability statements

ESRS 2 - General information

Basis for preparation

BP-1 - General basis for preparation of sustainability statement

The sustainability statements have been prepared on a **consolidated basis**. This report is the first one prepared in compliance with ESRS standards, replacing the previous Integrated Report, which was drafted in accordance with GRI standards.

The **perimeter** adopted for the consolidated sustainability statements is the **same as for the financial statements**. All legal entities consolidated line-by-line in the consolidated financial statements have been included in the sustainability perimeter.
The details of the subsidiaries in the Sustainability Statements' perimeter are included in the Notes to the consolidated accounts, Part A - Accounting policies, Section 3 - Consolidation scope and methods, paragraph 1. Investment in subsidiaries.
Furthermore, we carried out an analysis on all the controlled companies and the final result is that they are not material from a sustainability point of view and therefore they are not consolidated (for further details reference is made to the Notes to the consolidated accounts, Part A - Accounting policies, Section 3 - Consolidation scope and methods).

According to art.7 par.1 of the Legislative Decree 125/2024, the **following subsidiaries are exempted** from the preparation of their individual or consolidated sustainability reporting under art.3 and 4 of the Decree, as they are included in the consolidated sustainability statements of the parent company: UniCredit Bank DD, UniCredit Bulbank AD, UniCredit Bank Hungary Zrt, AO UniCredit Bank, UniCredit Bank Serbia Jsc, UniCredit Banka Slovenija DD.

The following subsidiaries, even if included in the consolidated sustainability statements of UniCredit S.p.A., shall prepare and publish their own reporting on a sub-consolidated basis, as they are large entities with more than 500 employees and with financial instruments listed on European Union-regulated markets: Zagrebacka Banka DD, UniCredit Bank Czech Republic and Slovakia AS, UniCredit Bank SA, UniCredit Bank Austria AG and UniCredit Bank GmbH. Despite the fact that local transposition of the EU Directive was not approved before end of 2024, UniCredit Bank Austria AG and UniCredit Bank GmbH decided to publish their sustainability reporting covering the full perimeter of their operations also for 2024.

UniCredit group's Sustainability Statements **cover both upstream and downstream value chain** segments.
On one hand, the upstream value chain segment mainly covers tier 1 suppliers and business partners (reference is made to "BP-2 Disclosures in relation to specific circumstances" for reasonable effort specification). In particular, UniCredit group assesses its sustainability impacts, risks and opportunities, focusing on responsible sourcing, environmental impacts and social practices. This includes the GHG emissions associated with purchased goods and services (for example categories 1, 2 and 7- Scope 3) and promoting sustainable procurement practices.
On the other side, the downstream value chain segment mainly covers direct clients, investees and business partners.
The disclosure of information about the value chain as at 31 December 2024 includes quantitative metrics related to Scope 3 GHG emissions and qualitative information about material impacts, risks and opportunities (reference is made to the "List of Material IROs" in section "SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model" and to "IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities") and PATs (policies, actions, targets).

UniCredit group has **not omitted any specific information** related to relevant topics, such as intellectual property, know-how or the results of innovation.

BP-2 - Disclosures in relation to specific circumstances

For UniCredit group, the **time horizons** are classified as:
- Short term: <1 year
- Medium-term: >1-5 years
- Long-term: 5-10 years or more.

These definitions prove to be coherent and concretely implemented across multiple levels and more details are available under the sections that cover ESG (Environmental, Social and Governance) strategy, risk management and governance.

The definition of medium and long-term horizons is **aligned with financial reports**, ensuring consistency in the communication. It is also aligned with our business model, industry standards, and ESG-related risks and opportunities. In particular, the defined time horizons are linked to our strategic goals, such as climate targets (e.g., net-zero emissions by 2050) and transition plans in response to regulatory changes.

Moreover, decision-making procedures are affected by the identified time-horizons, particularly around lending practices, investment strategies, and risk assessments. These definitions align with stakeholders' expectations: for instance, investors, regulators and other key parties have been engaged to confirm time horizons, which also align with initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD).

As indicated before, topical standards require to include **value chain quantitative data** only for some metrics. Such metrics for the Group include Scope 3 GHG emissions from each significant Scope 3 category (reference is made to the paragraph "E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions"). These emissions typically require data directly provided from clients, suppliers, business partners and other counterparties involved with specific business relationships with the Group. According to the standard, when primary information related to the value chain, after making reasonable efforts cannot be collected, such information shall be estimated, using proxies, sector data and other information from indirect sources.

The following **factors** contributed to UniCredit decision on using **estimated data**:
- the size of the Group involves a large number of actors for multiple different services offered, and mapping all actors and business relationships (direct and indirect) is a very complex exercise;
- sector-specific standards with specific references to data and information on the value chain for financial institutions are still not available;
- the availability of efficient tools to access and share value-chain information is limited;
- the Group has a large number of counterparties, including not only large international companies but also SMEs, which may not have the necessary resources to easily and quickly provide the information of interest to the reporting;
- the information on the value chain could not have the qualitative characteristics required by the standard due to the possible lack of technical readiness of the actor in the value chain.

UniCredit decided to use estimation processes based on proxies and sector data to estimate the value chain quantitative metrics (scope 3 GHG emissions) and to consider only first-tier counterparties in mapping its value chain.

In particular, the information subject to the **estimation process includes scope 3 emissions** (both financed and own emissions).
Financed emissions have been estimated for Non-Financial Corporations and Households counterparties while excluding data and information on (i) financial institutions, (ii) other financial corporations and (iii) government and administrative corporations, considering that no reliable data are available for the first year sustainability reporting. Reference is made to the paragraph "E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions" for more detailed information on methodologies.

Given the complexity of measuring sustainability impacts across the bank's entire value chain, UniCredit employed a range of techniques to ensure that the reporting aligns with **recognised standards** while providing transparency about the limitations and estimations involved.
The preparation of value chain metrics follows globally recognised frameworks, ensuring consistency and comparability across reporting periods.

The primary frameworks used included:
- **Greenhouse Gas (GHG) Protocol** for calculating Scope 3 emissions, covering both upstream and downstream activities;
- **Partnership for Carbon Accounting Financials (PCAF)** for estimating Scope 3 emissions related to loans and investments in the financial portfolio.

These methodologies provide structured approaches for collecting, estimating, and reporting data where direct measurements are not available.

In the absence of primary data from stakeholders, UniCredit relies on estimation techniques that involve assumptions based on the best available information. These techniques include:
Emissions factors: for Scope 3 GHG emissions, as indicated by PCAF and the GHG Protocol, emissions factors from recognised sources are applied to financial data (e.g. loan amount, expenses, etc.) to estimate carbon emissions. Reference is made to the paragraph "E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions";
Proxy data: when client-specific data is missing, proxies are used. For example, carbon intensity averages from similar industries are applied to estimate emissions;
Scenario analysis: UniCredit uses scenario analysis based on future regulatory and environmental changes to estimate potential impacts for metrics such as climate-related risks. The scenarios used are baseline, delayed transition, and energy disorder (reference is made to Part E of the Notes to consolidated accounts).

When quantitative metrics, including upstream and downstream value chain information, cannot be measured directly and can only be estimated, measurement uncertainty may arise. The use of **reasonable assumptions and estimates, including scenario analysis, proxies and sector data**, is an essential part of preparing sustainability-related information and does not undermine its usefulness, provided that the assumptions and estimates are accurately described and explained. Reference is made to the paragraph "E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions".

Sustainability statements

While UniCredit strives to use the most accurate data, such as primary data provided directly by clients or suppliers, some metrics rely on estimates derived from indirect sources, for example, data derived from industry averages or secondary sources and proxy data or assumptions based on broader sectoral information.
Potential estimates are based on the **best available information**. Data and assumptions in preparing the sustainability statements are **consistent with** the corresponding financial data and **assumptions used in the Group consolidated financial statements**.
Information related to the use of estimation and the connected level of accuracy are clearly stated in the reporting and the metrics are **subject to specific controls to ensure accuracy**.

To improve the accuracy of value chain metrics, UniCredit engages with clients and suppliers and, where not possible, with external information providers, to encourage more direct reporting and refine the estimation processes over time. Additionally, UniCredit regularly reviews and updates the methodologies used, **in line with the latest standards and market developments**.
By applying these estimation techniques and methodologies, UniCredit ensures that the sustainability metrics provide a meaningful representation of the bank's impact across the value chain, supporting the commitment to transparent and responsible reporting.

Changes in preparation and presentation of sustainability information, resulting comparisons of information with prior periods, as well as disclosures of prior period material errors and corrections cannot be presented for reporting periods before the first year of application of ESRS.

These Sustainability Statements do not include additional disclosures stemming from applicable legislations, except for the disclosures pursuant to Article 8 of Regulation (EU) 2020/852 of the European Parliament (reference is made to Disclosure pursuant to Article 8 of Regulation 2020/852 -EU Taxonomy Regulation). The only requirements incorporated by reference in the Sustainability Statements are the IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities, in particular on Climate topics. Reference is made to the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, section 2 Climate and Enrvironmental risks.

Governance

GOV-1 - The role of the administrative, management and supervisory bodies

Information about members

Governance model
UniCredit is an Italian company with shares listed on the Milan, Frankfurt and Warsaw regulated markets adopting the one-tier management and control system. As a bank, parent company of the UniCredit banking group, it carries out, pursuant to the provisions of Section 61 of the Italian Legislative Decree 385, dated 1 September 1993, in addition to banking activities, governance and coordination ones, as well as control functions vis-à-vis the subsidiary banking, financial and instrumental companies within the banking Group itself.

The overall corporate governance framework of UniCredit has been defined in compliance with current Italian and European provisions, as well as the recommendations of the Italian Corporate Governance Code approved by the Italian Corporate Governance Committee, made up of ABI, Ania, Assogestioni, Assonime, Confindustria and Borsa Italiana S.p.A.

Moreover, UniCredit is subject to the provisions contained in the Supervisory Regulations issued by the Banca d'Italia and, specifically with regards to corporate governance issues, to the regulations on banks' corporate governance (Circular 285/2013).

As an issuer of shares also listed on the Frankfurt and Warsaw regulated markets, UniCredit also fulfils the legal and regulatory obligations related to listings on said markets, as well as the provisions on corporate governance contained in the Polish Corporate Governance Code issued by the Warsaw Stock Exchange.

Corporate bodies composition
Starting from 12 April 2024, UniCredit has adopted the one-tier corporate governance system based on the existence of a Board of Directors, which is in charge of the strategic supervision and management of the Company, and of an Audit Committee, established within the Board itself, performing specific control functions, both appointed by the Shareholders' Meeting.

Legal accounting supervision is entrusted by the Shareholders' Meeting to an external audit firm, upon proposal of the Audit Committee, in compliance with applicable provisions.

Pursuant to the Articles of Association, the Board of Directors of UniCredit is composed of between a minimum of 9 and a maximum of 19 members, of whom at least 3 Directors and, in any case, no more than 5, make up the Audit Committee.

Sustainability statements

In addition to the Audit Committee, in compliance with the applicable laws and regulations, other Board Committees are provided for supporting the Board of Directors, vested with research, advisory and proposal-making powers, and diversified by sector of competence. In line with the provisions of the Board and Board Committees Regulation of UniCredit, the Committees consist of at least 3 and no more than 5 Directors. The members of each Committee, and among them the Chair, are appointed and dismissed by the Board of Directors.

The Articles of Association also provide for the Board of Directors to appoint within its members a Chief Executive Officer, who is given not only the specific powers needed to run the Company, but also the general task of ensuring the execution of the Board resolutions.

At the approval date of this document, the Board of Directors is made up of 14 Directors, of whom 1 is an executive and 13 are non-executive Directors (with a quota equal to 93%). The Chief Executive Officer, also covering the role of General Manager, is the only UniCredit Director with management powers.

The Audit Committee, established within the Board of Directors, is made up of 4 non-executive Directors, one of whom is Chair. All the members of the Audit Committee are independent pursuant to the applicable provisions and the Articles of Association and their term in office is the same as that of the Board of Directors to whom they were elected. The Chair of the Audit Committee is appointed by the Shareholders' Meeting among the Directors elected by minorities.

Also in line with the provisions of the Italian Corporate Governance Code, the Board of Directors has established the following other five committees: the Governance and Sustainability Committee, the Risk Committee, the Nomination Committee, the Remuneration Committee and the Related-Parties Committee. Their duties are carried out in accordance with the rules set by the Board.

With reference to the composition of the above Board Committees, the Board of Directors, appointed by the Shareholders' Meeting held on 12 April 2024, set respectively:
- at 4 the number of the members of the Governance and Sustainability Committee and of the Risk Committee, and
- at 3 the number of the members of the Nomination Committee, the Remuneration Committee and the Related-Parties Committee.

Both the Italian legislation and the UniCredit Articles of Association, by which the Company's corporate bodies are defined, do not foresee the representation of employees and other workers within the corporate bodies.

Members of the Board of Directors, including the members of the Audit Committee, are appointed by the Shareholders' Meeting on the basis of a slate voting mechanism (*voto di lista*). This voting system features lists of competing candidates to ensure the election of minority shareholders' representatives.

Such an appointing process guarantees that they are gender-balanced in compliance with current regulations and provisions.

In line with the applicable regulations and the provisions of the Italian Corporate Governance Code, the Board of Directors establishes its qualitative and quantitative composition deemed to be optimal for the effective fulfilment of the duties entrusted to it by law, by the provisions of the Supervisory Authority and by the UniCredit Articles of Association. The Board of Directors also establishes the requirements that its members shall meet, in addition to those envisaged under current provisions.

Prior to the appointment of its members, the Board of Directors informs shareholders on the composition deemed to be optimal (the theoretical profile) in order that the expertise required may be taken into consideration in the choice of candidates. However, shareholders may carry out their own assessment on the best composition of the corporate bodies and file candidacies consistent with that assessment, providing reasons for any difference vis-à-vis the analyses carried out by the Board of Directors.

The outcomes of the check on the matching between the qualitative and quantitative composition deemed to be optimal and the one resulting from the appointment process done by each corporate body as per current regulatory provisions are disclosed to shareholders in due time before the first Shareholders' Meeting called for the approval of the financial statements following their renewal.
In particular, in the run-up to the Board of Directors renewal for the 2024-2026 financial years, the outgoing Board made available to shareholders a theoretical profile in which specific recommendations were formulated to ensure a balanced composition of knowledge, skills and technical experience that also allows them to understand the activities and main risks to which the UniCredit group is exposed to.

Sustainability statements

Regarding professional experience requirements, subject to compliance with existing regulations, the Board also selected some areas of competence, with the recommendation that they are all represented at Board level, as the presence of a diverse range of skills and experience ensures that all professional profiles are represented, encourages dialogue and helps achieving the efficient functioning of the Board.

Among such competences, to ensure that the Board of Directors can properly supervise any risk that may affect the sustainability of the Bank's business in a medium-long term perspective, including relevant impacts and opportunities, the Board selected as areas of competence respectively:
- sustainability (ESG), to be intended as experiences gained in contexts characterised by a strong attention to ESG issues, including ESG risks, as substantial elements of the long-term strategy of the company's business, acquired over an appropriate number of years (at least three years dating back not more than 10 years) in top-executive roles (Chief Executive Officer, General Manager, and CEO/GM -1 level) in companies operating in different sectors. Alternatively, experience acquired in the public-institutional sector or in the consulting sector is relevant only if strictly related to sustainability issues;
- legal, regulatory, AML and compliance, achieved through an appropriate number of years (at least three years dating back not more than 10 years) as a lawyer/attorney or in top executive roles (Chief Executive Officer, General Manager, and CEO/GM -1 level) in relevant functions in a financial services institution. Experience gained in the public sector or in the advisory sector/academia is relevant only if acquired in specific subjects related to regulatory and legal frameworks in connection with banking and financial fields.

With reference to professional expertise gained in the areas of competence envisaged by the theoretical profile, all core areas of competence are represented, and the experience possessed by all the Directors, including the members of the Audit Committee, is in line with the requirements of the theoretical profile.

Furthermore, also training on sustainability related topics plays an important role in ensuring the effectiveness of the ESG Strategy and the oversight of related matters.

With regard to induction initiatives and recurring training, at UniCredit a permanent induction programme is active for the Board members, based on three-year cycles connected to the Board's mandate, with the aim of ensuring ad hoc training on a continuous basis by taking into account both individual and collective needs.

The induction programme and recurrent training respectively include sessions aimed at fostering the integration of new Directors and training to preserve over time the expertise needed for the proper fulfilment of their duties.

In addition, individual training plans will be activated, should they be deemed necessary, to strengthen specific individuals' technical knowledge and expertise and to increase the level of diversity and the collective experience of the Board of Directors.

In 2024, a dedicated session was held for the Board of Directors on ESG matters (our approach, key regulatory priorities, path to Net Zero).

Sustainability statements

The table below shows, for each Director in office at the approval date of this document, the relevant skills and expertise in line with the provisions of the theoretical profile. The skills and expertise embedded in the UniCredit Board of Directors are suitable for managing impacts, risks and opportunities related to ESG matters.

Theoretical and practical experience of the Board of Directors' members

		INTERNATIONAL EXPERIENCE	FINANCIAL AND INTERNATIONAL MARKETS	BANKING GOVERNANCE	BANKING BUSINESS	LEGAL, REGULATORY, AML, COMPLIANCE	STRATEGIC PLANNING	RISK AND CONTROL	ACCOUNTING AND AUDIT	SUSTAINABILITY (ESG)	DIGITAL & TECHNOLOGY
Pietro Carlo Padoan	- Chair of the Board - Chair of the Governance and Sustainability Committee	X	X	X	X	X	X			X	
Elena Carletti	- Deputy Vice Chair - Chair of the Risk Committee and member of the Governance and Sustainability Committee	X	X	X	X	X		X	X	X	
Andrea Orcel	- CEO	X	X	X	X	X	X	X	X	X	X
Paola Bergamaschi	- Director - Member of the Risk Committee and of the Remuneration Committee	X	X	X	X	X	X	X	X		X
Paola Camagni	- Director and member of the Audit Committee	X	X			X		X	X	X	
Vincenzo Cariello	- Director - Member of the Governance and Sustainability Committee and the Related-Parties Committee	X	X	X	X	X	X	X	X	X	
António Domingues	- Director - Chair of the Remuneration Committee and member of the Nomination Committee	X	X	X	X	X	X	X	X	X	X
Julie Birgitte Galbo	- Director and member of the Audit Committee	X	X	X	X	X	X	X	X		
Jeffrey Alan Hedberg	- Director - Chair of the Nomination Committee and member of the Governance and Sustainability Committee	X	X			X	X			X	X
Beatriz Lara Bartolomé	- Director - Member of the Nomination Committee	X			X		X	X		X	X
Maria Pierdicchi	- Director - Chair of the Related-Parties Committee and member of the Remuneration Committee	X	X	X	X	X	X	X	X	X	
Marco Rigotti	- Director and Chair of the Audit Committee - Member of the Risk Committee	X	X	X	X	X	X	X	X	X	
Francesca Tondi	- Director - Member of the Risk Committee and of Related-Parties Committee	X	X	X	X	X	X	X	X	X	X
Gabriele Villa	- Director and member of the Audit Committee			X	X	X		X	X		

Sustainability statements

Diversity

The composition of the Board of Directors, including the members of the Audit Committee, as resulting from the appointing process, qualitatively and quantitatively corresponds to the theoretical profile and meets the suitable requirements established by current provisions. The Directors' personal qualities and the diversity requirements (including age, geographical mix and gender diversity) comply with the principles of the theoretical profile.

Specifically, with regard to the collective composition of the Board at the approval date of this document:
- it presents an adequate diversity in terms of gender (with a quota equal to 50% of women, exceeding the minimum threshold of 40% envisaged by applicable provisions, and a ratio of female to male equal to 1), age (79% of the Directors are in the 50-65 years age range and 21% are over 65 years old) and geographical mix (36% of them come from countries other than Italy);
- 93% of the Directors meet the independence requirements provided by the Legislative Decree 58/1998 and the Italian Civil Code, the Ministry of Economy and Finance Decree 169/2020, as well as the Italian Corporate Governance Code;
- 93% of the Directors have international experience and skills in legal, regulatory, AML and compliance;
- 86% of the Directors have skills in financial and international markets, in banking business as well as in risk and control;
- 79% of Directors have skills in banking governance, strategic planning and accounting and audit, as well as expertise in sustainability (ESG);
- 43% of the Directors have skills in digital and technology.

With reference to the Audit Committee composition:
- 3 members are enrolled with the Legal Auditors Register and have practiced legal auditing of accounts according to the applicable provisions;
- all members meet the independence requirements provided by the Legislative Decree 58/1998 and the Italian Civil Code, the Ministry of Economy and Finance Decree No.169/2020, as well as the Italian Corporate Governance Code (with a quota equal to 100%);
- its composition presents an adequate diversity in terms of gender (with a quota equal to 50% of women and a ratio of female to male equal to 1), and geographical mix (25% of its members come from countries other than Italy);
- all members have skills in legal, regulatory, AML and compliance, in risk and control as well as in accounting and audit (with a quota equal to 100%). Furthermore, 50% have skills in sustainability (ESG).

With regard to the composition of the Governance and Sustainability, Risk, Nomination, Remuneration and Related-Parties Committees:
- all members meet the independence requirements provided by the Legislative Decree 58/1998 and the Italian Civil Code, the Ministry of Economy and Finance Decree No.169/2020, as well as the Italian Corporate Governance Code (with a quota equal to 100%);
- their members have the necessary knowledge, skills and experience to perform the roles, duties and tasks assigned to them; in particular, at least one member of the Risk Committee and of the Remuneration Committee have appropriate experience (i) in finance and risk assessment and management and (ii) in finance or remuneration policies, respectively.

In particular, as per diversity in terms of gender, age and geographical mix at the approval date of this document:
- in the Governance and Sustainability Committee the quota of women is equal to 25% of its members with a ratio of female to male equal to 0.33; 75% of its members are in the 50-65 years age range and 25% are over 65 years old; 25% come from countries other than Italy;
- in the Risk Committee the quota of women is equal to 75% of its members, with a ratio of female to male equal to 3; 100% of its members are in the 50-65 years age range; 25% come from countries other than Italy;
- in the Remuneration Committee the quota of women is equal to 67% of its members, with a ratio of female to male equal to 2; 33% of its members are in the 50-65 years age range and 67% are over 65 years old; 67% come from countries other than Italy;
- in the Nomination Committee the quota of women is equal to 33% of its members, with a ratio of female to male equal to 0.5; 67% of its members are in the 50-65 years age range and 33% are over 65 years old; 100% come from countries other than Italy;
- in the Related-Parties Committee the quota of women is equal to 67% of its members, with a ratio of female to male equal to 2; 67% of its members are in the 50-65 years age range and 33% are over 65 years old; 100% come from Italy.

Sustainability statements

Responsibilities of the bodies charged with strategic supervision, management and controlling functions

The UniCredit bodies charged with strategic supervision, management and controlling functions are responsible for overseeing impacts, risks and opportunities, according to their respective areas of competence.

The UniCredit Board of Directors (i) defines the overall strategy of the Bank and the Group, of which the Group's ESG Strategy and its associated KPIs are an important pillar, and oversees its implementation over time, and (ii) establishes policies to govern the risks to which the Group may be exposed, risk targets and tolerance thresholds, as well as reviewing them periodically in order to ensure that they remain effective over time, and monitoring that risk management and control processes tangibly work, in compliance with applicable legal and regulatory provisions.
The Board approves the Group Risk Appetite Framework (RAF), which establishes the desired risk profile vis-à-vis its short and long-term strategic objectives and business plan, ensuring that the way the RAF has been implemented complies with approved risk objectives and tolerance thresholds, periodically evaluating the adequacy and efficacy of the RAF and compatibility between actual and target risks. For monitoring purposes, dedicated Climate Risk KPIs have been included in the Risk Appetite Framework, enabling the Bank to oversee the evolution of transition and physical risks it is exposed to.

The Audit Committee assesses the suitability of periodic financial and non-financial information to correctly represent the Company's strategy and its sustainability, also with reference to the ESG factors.

The Risk Committee supports the Board of Directors in risk management related matters, performing all the activities instrumental and necessary for the Board to make a correct and effective determination of the Risk Appetite Framework and of the risk management policies. In particular, the Risk Committee supports the Board (i) in defining and approving the risk management strategic guidelines, framework and policies, including those regarding climate and environmental risks, non-compliance risk, and risk data quality; and (ii) in verifying that risk strategies, management policies and the RAF are correctly implemented.

The Governance and Sustainability Committee provides advice and support to the Board on matters related to corporate governance and in fulfilling its responsibilities, while pursuing sustainable success as an integral component of the Group's business strategy and long-term performance. In particular, it supports the Board on sustainability and ESG-related matters (with the exception of all risk-related ESG components, such as climate and environmental risks, which fall under the remit of the Risk Committee). To this purpose, the Committee, upon the evaluation of its Chair and the Chief Executive Officer, carries out preliminary activities, analyses and submits proposals regarding the sustainability and ESG framework, policies and guidelines.

Notwithstanding the Board of Directors' responsibilities, the Chief Executive Officer, also leveraging on the Company's competent functions:
- identifies the Company's risks submitting them to the Board. To that end, the Chief Executive Officer must have in-depth knowledge about all corporate risks and, as part of an integrated management-oriented approach, their reciprocal relationships, taking into account how external circumstances (including macroeconomic risks) evolve;
- identifies the strategies regarding the overall steering of the Bank and of the Group to be submitted to the Board;
- ensures the implementation of the strategic guidelines, the RAF and the risk management policies defined by the Board also by planning, managing and monitoring the internal controls and risks management system;
- establishes the internal information flows necessary to ensure that the corporate bodies have the information necessary to fully understand and govern risk factors and verify compliance with the RAF.

In addition to the expertise in sustainability-related matters already embedded in the Board of Directors, both the Board and its Committees in performing their duties have access to the financial resources necessary to guarantee their operational independence and, within the limitations of the relevant budget, may consult external experts.

The responsibilities of the Board of Directors and its Committees are described and formalised in the Board and Board Committees Regulation, adopted by the Board of Directors according to applicable laws and the Company's Articles of Association. The responsibilities of the Chief Executive Officer are described and formalised in the UniCredit Organisational Book, adopted by the Company in accordance with the applicable provisions.

According to national provisions, also of a regulatory nature, the roles and responsibilities assigned to the bodies charged respectively with supervisory strategic functions and with management (executive) functions within the internal control system could not be delegated. Within the internal control systems, specific controls and monitoring activities are carried out specifically in relation to the assessment of impacts, risks and opportunities, in order to ensure the consistency with the requirements of the European Sustainability Reporting Standards on double materiality.

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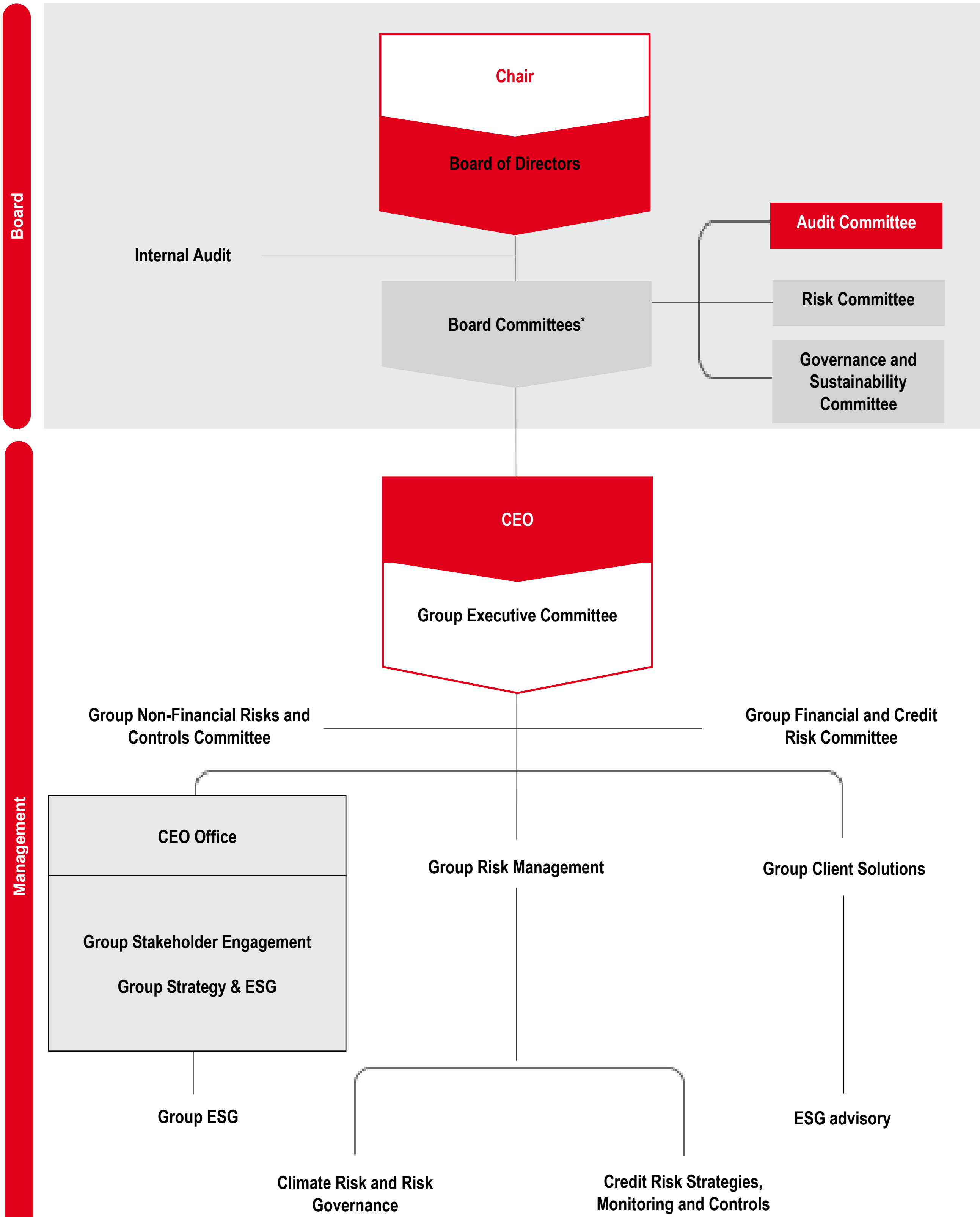
Role of management in business conduct

At UniCredit, the Board of Directors plays a crucial role in shaping and overseeing the company's business conduct. In particular, the Board approves the Group Code of Conduct, which entails principles that all employees and partnering third parties must comply with to ensure high standards of professional conduct and integrity related to their activity in, or on behalf of, UniCredit.
The Code of Conduct has been written in line with UniCredit Group values, integrity, ownership and caring, that drive our purpose to deliver exceptional performance and have a positive impact on our customers, shareholders, communities and our people. At UniCredit, our mindset is to "win in the right way and together", putting our values at the heart of our decision-making and everything we do.

UniCredit's business conduct is also driven by top management through the implementation of a yearly "Tone from the top" programme. The programme emphasises the promotion of compliance and risk awareness across the bank. Each year, top managers select a set of topics based on risk drivers which are sponsored and cascaded throughout the Group population.
In 2024 following topics were presented and cascaded: Conduct - Unfair Commercial Practices, Financial Sanctions, ESG - Sensitive sectors, AML - Confidential & Inside Information, Data Protection and Digital Risk.

Information on impact, risks and opportunities reflected in board mandates and other related policies

Roles and responsibilities of the management bodies in exercising oversight of the process to manage material impacts, risks and opportunities



* The full suite of Board Committees includes also the Remuneration Committee, the Nomination Committee, and the Related-Parties Committee.

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The **Group Executive Committee** (GEC) is the Group's most senior executive committee and is chaired by the CEO. Its mission includes establishing the banks' comprehensive ESG strategy, including the formulation of initiatives related to ESG topics, setting targets and guidelines at the Group level. It also ensures the efficient steering, coordination and control of the Group's business, as well as the alignment between the parent company and the various businesses and geographies regarding strategic topics such as ESG issues, including the development of strategies and initiatives related to climate change, and setting relevant targets and guidelines at the Group level. Furthermore, the GEC acts as risk council of the Group with overall responsibility for risk management and control. In dedicated Risk sessions, which have approval as well as consulting and proposal powers, the GEC supports the CEO in coordinating and monitoring all categories of risks and in steering ESG-related matters, thereby ensuring a dedicated focus on Climate and Environmental risks, among others. This year the GEC was involved to assess the Double Materiality Assessment to collect their perspectives on Impacts, Risks and Opportunities. The members performed the evaluation of impacts and opportunities and reviewed the evaluation of risk performed by Group Risk Management.

The Group Executive Committee is also responsible for target setting in ESG matters. Specifically, **GEC members contribute to targets** based on the expertise of their respective functions in the context of specific processes [multiyear plan, annual budget, …]. Once defined, these targets are submitted to the Board (e.g., net zero targets). Subsequently, the relevant function takes responsibility for monitoring and overseeing the progress toward achieving the target and provide regular update to top management and the Board.

The Chief Executive Officer is supported by dedicated managerial committees and specialized functions, below described, to ensure the implementation of the Group's strategy while effectively assessing and managing ESG-related impacts, opportunities and risks, including climate-related risks in accordance with the approved RAF.

The **Group Non-Financial Risks and Controls Committee (GNFRC)** is the risk managerial committee that supports the CEO in steering and monitoring non-financial risks. For example, it approves governance policies and guidelines for the management of reputational risk regarding sensitive sectors.

The **Group Financial and Credit Risk Committee (GFRC)** supports the CEO in the steering, coordination and control of the credit and financial risks (including Climate & Environmental risks) at Group level, defining strategies, policies, operational limits and methodologies for Credit risk, Market risks and Financial risks.

The **Group Strategy & ESG** and **Group Stakeholder Engagement** (with the **Group CEO Staff**) functions work together as a **CEO Office**, handling all important initiatives for the CEO. These initiatives include strategy development, M&A, the integration of ESG criteria into our business operations, stakeholder management and dealing with regulatory affairs.

The **Group ESG** function, part of Group Strategy & ESG, steers the definition and implementation of the Group's ESG strategy. It ensures the ESG framework is consistent with the Group's principles and Purpose and with relevant international standards and practices. The function is tasked with, inter alia, developing the social agenda and related proposition, monitoring and disclosing the Group's ESG impacts and results, and with overseeing the adoption of relevant policies and standards.

The **Group Risk Management** function supports the CEO in defining the Group Risk Appetite proposal, to be shared with the Group Executive Committee and Risk Committee, and submitted for approval to the Board of Directors.
This process occurs in coordination and in alignment with the yearly budget plan. The function ensures the overall climate risk framework definition at Group level and supports local implementation. Within the various risk areas, dedicated employees and functions have been devoted to the integration of climate topics within risk management activities and the effective dissemination of the relative knowledge. Such functions include **Climate Risk and Risk Governance** which oversees climate-related and environmental risks, acting central steering and coordination role to ensure alignment with ECB guidelines on climate and related implementation plans, and **Climate & Environmental Credit Analysis** team which manages the integration of climate and environmental factors within the credit risk cycle. Furthermore, Group Risk Management functions issue, for relevant ESG topics, credit risk opinions to support the Group Transactional Committee sessions in the discussion and approval (based on the delegated powers) of credit transactions.
The Group Risk function has defined specific guidelines to embed Climate and Environmental considerations within the Corporate origination/annual credit review process with the aim to complement the creditworthiness assessment with climate aspects, identifying then the proper strategy to be applied and, therefore, relevant categories of banking products and services that the Business can offer to clients. Although the main driver for the strategy identification is the Transition Risk score attributed to the counterparty, there are other information (i.e., outcome of reputational risk assessment, Net zero trajectory, counterparty's physical risk) to be taken into consideration since they may have impacts in terms of strategy to be adopted. The entire process is mainly governed by the Relationship Manager (RM) in proponent business function and follows the standard approval path.

On the business opportunity side, **ESG Advisory**, part of Group Client Solutions, is a **multi-disciplinary solutions team** focused on enabling clients to **create long-term stakeholder value** by integrating sustainability into their strategic decisions, including by:
- providing independent first-class advisory services aimed at building resilience and adaptability to climate change while exploiting transition opportunities;
- assessing the impact of applicable regulations, sustainable finance market principles and practices, market trends and stakeholders' expectations on clients' business models;
- steering the company's strategy communications with investors, advising on ESG Ratings and reporting;
- identifying the most suitable solutions based on the defined strategic positioning.

Furthermore, ESG matters are embedded across our Group through **dedicated teams and experts** in several Group functions which manage ESG topics in line with their areas of competency. Examples include, ESG offices supporting business divisions in the main Group geographies, the Risk & ESG Solutions within the Group Digital Solutions department and Group Real Estate Portfolio & Transactions also developing the Group strategy related to ESG for Group Real Estate. Other functions, e.g. Compliance, have resources dedicated to ESG-related topics.

In addition to the expertise in sustainability-related matters already embedded in the Board of Directors, both the Board and its Committees in performing their duties have access to the financial resources necessary to guarantee their operational independence and, within the limitations of the relevant budget, may consult external experts.

GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The year 2024 marks the company's first experience in performing a double materiality analysis fully aligned with the requirements of the CSRD framework. As a result, the processes for determining the frequency and methodologies for the supervision of material IROs (Impact and Risk Opportunities) by the Board and its Committees are still under development. During this initial phase, the focus has been on setting the foundation for effective oversight, and the Board has already been actively involved. Specifically, in November 2024, the Board was informed about the outcomes of the double materiality analysis, including the identification of material IROs.

Moving forward, the company acknowledges the need to strengthen and institutionalize the supervision of material IROs, ensuring that both the Board and the relevant Committees dedicate greater attention to these aspects. The intention is to implement a more structured and frequent review process that aligns with the company's long-term commitment to embedding double materiality principles into its governance and decision-making framework.

UniCredit's Bodies work together to ensure that stakeholder engagement and UniCredit group's strategy are fully integrated into the Bank's goals. As already stated, this year represents the company's first application of a double materiality analysis in accordance with the CSRD framework. Given the novelty of this process, the company is still in the process of defining the frequency and mechanisms through which material IROs (Impact and Risk Opportunities) will be monitored and supervised by the administrative, management, and supervisory bodies. At this stage, significant progress has been made, as the Top Management was actively involved in the double materiality assessment conducted this year, including the identification of key material IROs. Specifically, beyond evaluating impacts and opportunities, Top Management played a decisive role in the risk assessment. Following an additional qualitative review conducted by internal experts, both climate risk (E1) and cybersecurity risks (S4) were deemed material, reflecting the Bank's dedicated attention and in line with strong external attention and expectations.

Looking ahead, the company is committed to refining and formalizing its approach to governance in this area. A higher degree of engagement is anticipated, with material IROs receiving more frequent and systematic attention from the administrative, management, and supervisory bodies. This evolving process reflects the company's dedication to aligning its governance structures with the principles and expectations set forth by the CSRD, ensuring that sustainability and material impacts are fully integrated into strategic oversight practices.

The list of material impacts, risks and opportunities addressed by administrative, management and supervisory bodies or their relevant committees is available in chapter SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model.

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GOV-3 Integration of sustainability-related performance in incentive schemes

The principles of sustainable conduct and performance define the key pillars of the **Group Remuneration Policy**, which ensures competitiveness and effectiveness of remuneration, transparency and internal equity. Its framework is designed to ensure the consistency of the remuneration elements and systems while also conforming to our Group's long-term strategies and principles of sound risk management.

The **Group Incentive System 2025** has been confirmed as a Sustainable Performance Plan, based on both short-term and long-term performance conditions, to support the Group's strategic direction by fostering a strong link between remuneration, risk and sustainable profitability.

Through the Incentive System, UniCredit seeks to retain and motivate each beneficiary by providing incentives that aim to reward contributions to the long-term growth, profitability and financial success of the Group - with a focus on reputation and overall sustainability which contributes to the achievement of business goals over time.

The Incentive System aims to provide an appropriate balance of variable compensation elements, align the interests of employees, shareholders and other stakeholders, strengthen the Group's position as a leading European bank and achieve effective compensation practices in compliance with the regulatory environment.

In addition, the Incentive System aims to align top and senior management interests with long-term value creation for shareholders, share price and Group performance and to sustain a sound and prudent approach to risk management, combining annual goals with additional long-term conditions to steer the performance management measurement toward sustainable results over time. The System also has the characteristics to be considered a "retention" tool for retaining key players and achieving strategic priorities.

The 2025 variable remuneration framework continues to be based on a "bonus pool" approach ensuring an overall performance assessment both at Group/Division/Country level and at the individual level. This is fully in line with regulatory requirements and consistent with risk appetite and compliance standards.

The incentive plan ("Sustainable Performance Plan") has been structured to best support the delivery of the Strategic Plan on a yearly basis while ensuring that results delivered are sustainable over time via long-term performance conditions, considering the significant transformational effort of the Strategic Plan.

The key design principles of the incentive system remain unchanged, as follows:
- rolling structure: to allow for a yearly verification of the adequacy of the compensation arrangements;
- double-assessment of performance: combined system that requires the reconfirmation of short-term performance (2025) over the long-term (2026-2028) to guarantee the sustainability of the results in the context of a transformation of the operating model;
- shareholders' alignment: pay out 100% in shares for the CEO, Group Executive Committee (GEC) members and Group Chief Audit Executive (CAE), and primarily in shares for the other executives, with a long deferral period (total plan duration eight years);
- Pay for performance: providing clear performance conditions anchored to UniCredit Strategic Plan pillars, with ambitious targets and rigorous pay-for-performance correlation to ensure meritocracy and fairness. The scorecards are based on a combination of financial targets and non-financial goals, supported by a structured goal-setting framework based on the "KPI Bluebook", a catalogue of certified KPIs set by relevant group key functions and specific goal-setting guidelines in line with regulatory provisions.

The Group Remuneration Policy and the Group Incentive System as proposed by the **Remuneration Committee** are submitted for approval to the Board of Directors and, subsequently, to shareholders at the Annual General Meeting. They have been developed to support the achievement of our strategic plan, in which the Group's ESG strategy plays a crucial role[7].

Following a proposal of the Remuneration Committee, which was subsequently approved by the Board of Directors, we formulated comprehensive scorecards for the CEO and top management that include a core set of our ESG targets to foster the alignment of management with the Group's current and future ESG ambitions. The inclusion of these KPIs is also intended to promote the alignment of management's interests with those of shareholders.
The overall 2025 variable remuneration for the CEO and the other Executives with Strategic Responsibilities will depend on the degree of achievement of the short-term performance scorecard.

7 Refer to the Group Remuneration Policy and Report available in the Governance section of our website (www.unicreditgroup.eu) for more information.

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With reference to 2025 and in line with the 2025 Group Remuneration Policy provisions, the CEO will receive a variable remuneration, determined by the Board of Directors on the basis of % targets achievement of the KPIs embedded in the CEO's 2025 scorecard, composed by a financial section (80% overall weight where all KPIs were equally weighted) and a non-financial section (20% overall weight)[8].
For the CEO and selected individuals belonging to the GEC and their first reporting line, **60% of the bonus will be deferred and subject to additional long-term performance conditions**, defined at Group level and covering the three years following the 2025 annual performance (i.e. from 2026 to 2028).
Among the long-term performance conditions, Sustainability (non-financial section of the scorecard), including climate-related KPIs, is weighted to account for 20% of the overall long-term scorecard.

As part of the additional long-term performance conditions, the sustainability goal primarily aims to support clients in their green and social transition while also embedding sustainability and diversity, equity and inclusion (DE&I) priorities into the UniCredit culture. This goal includes a specific focus on climate risk through Net Zero commitments.

The above-mentioned goal is subject to a qualitative assessment based on specific evidence derived from both current and future ESG and DE&I strategies[9].

The current strategy envisages:
- **ESG business penetration**: support our clients in their sustainability journey offering ESG related products and services to ensure a fair share of ESG business over total (lending new production, sustainable bonds, stock of AuM[10]), starting from 2025 ESG targets[11] and successive updates as per ESG strategy;
- **DE&I priorities:** progress towards gender parity at all levels in line with best market practices; ensure equal pay for equal work; expand DE&I efforts and foster corporate Culture and Well-being through dedicated initiatives;
- **"Net Zero" commitments**: progress vs. Net Zero 2030 targets disclosed to the market, related to Oil & Gas, Power Generation, Automotive, and Commercial Real Estate on which yearly Tier 1 RAF targets are defined and monitored.

To align the Group's management structure and reinforce management's commitment to our ESG strategy, these objectives are cascaded to the CEO's reporting line and extended to the organisational levels below.

In particular, the long-term sustainability goal is assigned to the entire Group Material Risk Takers (GMRT) population (i.e. those categories of employees whose professional activities have a material impact on an institution's risk profile) belonging to business functions up to the level of Group Executive Committee -1.

All other GMRT scorecards for assessing short-term performance include at least one ESG goal. These goals can be selected from a cluster of ESG KPIs included in the KPI Bluebook, a catalogue of performance indicators reviewed annually by the relevant key functions within the Group. ESG Strategy and Net Zero are among the ESG KPIs defined in the Bluebook.

The CEO is the only Executive Director who sits on the Board of Directors.
All other Board members are non-executive directors and are not beneficiaries of incentive plans utilizing stock options or, more generally, any incentive plan that uses financial instruments. The remuneration for members of the administrative and auditing bodies of UniCredit is represented only by a fixed component, determined on the basis of the importance of the position held and the time required for the performance of the assigned tasks.

The approach to compensation for UniCredit's top managers, as detailed in the Group Remuneration Policy, is connected to performance and market awareness and aligns with UniCredit's business strategy and shareholders' interests.

The Group Remuneration Policy provides more details on the compensation of top management and members of UniCredit's administrative and auditing bodies.

8 For further details refer to the Group Remuneration Policy and Report.
9 Refer to the 2024 Group Remuneration Policy and Report available in the Governance section of our website (www.unicreditgroup.eu) for more information.
10 Subject to current regulations on ESG Investment Products
11 Defined according to ESG strategy. The current strategy foresees: Defined according to ESG strategy. Current ESG strategy foresees: Percentage of ESG lending new production (including Environmental, Social and Sustainability linked lending) on overall medium/long term lending new production: group 2025-27 target set at 15% (yearly % to be achieved); percentage of Sustainable bonds (for corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit) on all bonds (For corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit): group 2025-27 target set at 15% (yearly % to be achieved); percentage of ESG assets under management stock (subject to current regulations on ESG Investment Products) on Total of assets under management stock: group 2025-27 target set at 50% (yearly % to be achieved).

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GOV-4 - Statement on due diligence

UniCredit's due diligence process is not a standalone, formalised procedure but is fully integrated within its strategic and business model framework. This embedded approach ensures that due diligence is part of the Bank's ongoing operations, specifically in identifying and managing negative impacts. According to the 2024 double materiality assessment, the Bank compiled a list of both positive and negative impacts to focus on and, following the steps of double materiality, subjected this list to thorough assessment by top management and external stakeholders to determine relevance and materiality. The assessment results were then communicated to the Board of Directors.

As identified in the table "List of material IROs" (reference is made to "SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model") the material negative impacts are associated with climate change, circular economy, and consumers and end-users topics. In particular, the environmental-related impacts refer to the generation of GHG emissions and the employment of high resource inflows and waste production; the social-related impact refers to potential breaches and loss of customers' data. The management of impacts is addressed by UniCredit and embedded in its strategy and business model.

Furthermore, for each matter, the Bank has developed specific policies, actions, targets, and metrics (described in the dedicated sections) to effectively monitor and manage these negative impacts over time.

GOV-5 - Risk management and internal controls over sustainability reporting

The **internal control system for sustainability reporting** has been defined and implemented to ensure the **integrity, completeness, reliability and accuracy** of sustainability data and information subject to external disclosure, and to comply with the requirements provided by law.
At this purpose, in accordance with the provisions of Section 154-bis of Italian Legislative Decree 58/1998, par. 5 ter, the delegated control bodies and the manager charged with preparing the company's financial documents (or another manager specifically competent in sustainability reporting) shall confirm, in a proper attestation, that the sustainability reporting included in the management report has been drawn up in compliance with the reporting standards applied pursuant to Directive 2013/24/EU of the European Parliament and of the Council of 26 June 2013, the Legislative Decree adopted in accordance with Article 13 of Law 15 of 21 February 2024 and the specifications adopted in accordance with Article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.
For the abovementioned attestation, with reference to 2024 financial year, a Sustainability Reporting Manager has been designated in UniCredit S.p.A. by the Board of Directors, after receiving the mandatory opinion of the Audit Committee.

The internal control system framework for sustainability matters has been designed by mirroring the existing framework for financial reporting adopted by the Parent Company and aligning it with the characteristics of ESG reporting. This approach includes the application of a common methodological framework, based on:
- using a consistent, centrally-developed internal control system **model inspired by internationally-acknowledged methodological standard** issued by Committee of Sponsoring Organization of Treadway Commission (CoSO) and updated on March 2023 by introducing the "Internal Control over sustainability reporting", that recalls the "Internal Control-Integrated Framework" referring to the financial reporting;
- **updating and broadcasting** within the Group on the basis of centrally-established parameters.

The pillars of the abovementioned model and Company framework, implemented with regard to sustainability reporting, consist of:
- **Entity Level Controls,** which are normally structural elements of the control system; specifically, in such context, they are referred to the alignment of governance policies with ESG topics;
- **Process-level controls**, including the description of the organizational model (roles, processes and controls) to produce sustainability reporting and control testing in performing operational activities to obtain the evidence for assessing the effectiveness of internal controls environment over sustainability reporting.

Operational implementation of the adopted model envisages:
- the identification, for the Parent Company and subsidiaries involved, of processes (i.e., perimeter of Group Entities in scope for the reporting, value chain analysis, double materiality assessment, data information collection and output disclosure, reconciliation of ESG information between financial and sustainability disclosures) that have a significant impact on sustainability reporting through the risk and control assessment in terms of completeness, relevance, faithful representation also including the accuracy of the estimation results, verifiability, understandability and comparability;
- the detection for such processes of the controls and the owners in charge of first-level controls at individual companies, formalised in procedure narratives that also include the risk and control matrix and any proposed remediation action. Owners are required first and foremost to ensure assessment of the effectiveness of controls, pointing out any possible action necessary to reduce levels of associated risk.

Therefore, every procedure and control is documented, assessed, tested and validated, and individual managerial responsibility is defined for carrying out the activities involved.

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Risk assessments and internal controls regarding the sustainability reporting process have therefore been integrated into relevant internal functions and processes with periodic reporting to administrative, management and supervisory bodies; specifically, at the Holding level, the Sustainability Reporting Manager provides:

- to the Board of Director meeting, where consolidated annual financial statements are presented, the report on the internal control system on Sustainability Reporting, including the description of findings and any remediation action, and the text of the attestation to be signed to ensure compliance with the requirements laid down in the regulations;
- to the Audit Committee, the report and the update on the internal control system on Sustainability Reporting also including the description of findings and the status of any identified remediation action.

For the Group subsidiaries, a flow of internal certifications is required for the internal controls system following the approach adopted by the Parent Company. This entails:

- giving the governing bodies of companies responsibility for certifying adequacy and the effective application of procedures and controls linked to Sustainability Reporting to the Parent Company and for attesting that such reporting has been drawn up in line with the instructions received by the Parent Company compliant to the law requirements;
- setting roles within the companies involved and assigning them responsibility for systematically reporting to their respective governing bodies on the status of the internal controls system on Sustainability Reporting, along with any improvement action plan.

Strategy

SBM-1 - Strategy, business model and value chain

Products, services, sectors and markets

UniCredit is a **pan-European Commercial Bank**. We serve circa 15 million clients with 13 leading banks in 4 European regions: **Italy, Germany, Central and Eastern Europe**.

UniCredit is the partner of choice for our clients' increasingly sophisticated demands in financing, advisory, investments and insurance. We deliver tailored solutions in advisory, financing, risk management, trade and working capital for our corporate clients; a rich offering of investment and protection products for individuals; payments solutions supporting corporates, financial institutions, and individual customers in all their payments and liquidity management needs.

UniCredit total headcount of 75,265 employees is divided as follows: Italy 35,317, Germany 9,995, Central Europe 10,218, Eastern Europe 19,668, Others 80.

UniCredit is not operating in any of the sectors listed in ESRS2 SBM-1 Strategy, business model and value chain, par. 40(d) (fossil fuels, chemical productions, controversial weapons, cultivation and production of tobacco), consequently there are no revenues related to such activities.

Sustainability-related goals in terms of products, services, customers and markets

ESG principles are embedded in all we do and at UniCredit we are committed to deliver our ESG framework in line with our stakeholders' expectations:

- We put our Clients back at the centre, providing them a best in class product offering;
- We value and empower our People, strengthening their competences and fostering diversity and inclusion;
- We remunerate our Shareholders, delivering sustainable quality growth across all regions and offering attractive opportunities for our investors, while preserving capital strength and propelling the future.

We offer a wide range of products and services to meet our client needs in Italy, Germany, Central and Eastern Europe.

Our ESG proposition for corporates consists of:

- **ESG financing products**: use of proceeds, sustainability linked, off-the-shelf products, including:
  - Green finance solutions for investment in renewable sources and energy efficiency activities to support corporates in their decarbonization path;
  - Social finance solutions to support specific sectors (education, health, social infrastructures) or SME in disadvantaged areas;
- Dedicated **ESG advisory**, supporting our clients with strategic and tactical advice (e.g. investor engagement, transition plans, ESG structuring and coordination, origination of sustainable bonds);
- **Strategic partnerships on ESG** (e.g., Open-es to assess ESG clients' maturity and define a sustainable development path);
- Specific **clients' risk management solutions**, such as derivatives or commodities supporting our clients **to navigate the transition**.

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Our ESG proposition for individuals includes:
- **ESG Financing products**, such as:
  - Environmental finance solutions to support house renovation activities and energy efficiency interventions (also based on national and supranational guarantees programmes);
  - Social finance solutions: such as inclusive finance solutions for vulnerable categories (e.g. Mortgage for Young Families);
- Dedicated **ESG catalogue for assets under management**.

Our product offering supports the achievement of our ESG penetration targets across total business volumes for 2025-2027: 15% for ESG lending[12], 15% for sustainable bonds[13], and 50% for ESG investment products[14].

Strategy that relates to sustainability matters, value chain and business model

UniCredit ESG strategy supports, above all, the fulfillment of the Group **purpose of empowering communities to progress**. A principles-based approach guides our actions, enabling us to embed sustainability in everything we do while constantly adapting our strategy to the mutable external context.

Our **ESG strategy** is based on a set of **interrelated elements** that build upon each other: guided by our principles, we work to implement the key enablers, which support selected strategic levers that, in turn, allow us to achieve the **goals** underlying our **ESG ambition**. This interconnected framework ensures alignment and cohesion across all ESG initiatives, maximizing our impact.
Our Principles: As mentioned, our ESG strategy is rooted in the guiding principles aligned with our Group Values. These principles drive everything we do, ensuring that sustainability is embedded in all aspects of our operations:
- We hold ourselves to the highest possible standards, ensuring that we always do the right thing for our clients and communities;
- We are fully committed to playing our part in supporting our clients through a just and fair transition to a sustainable future;
- We respect and balance the perspectives and priorities of all our stakeholders, ensuring these are reflected in our business and decision-making processes.

These principles form the foundation of our approach to Environmental, Social, and Governance (ESG) initiatives, supporting the fulfillment of our ambition to lead by example in **Empowering Communities to Progress.**

Goals: We are constantly evolving our approach to ESG target-setting, driven by regulatory changes and market forces. This has led us to set ESG penetration targets to create a transparent and meaningful view of our ESG performance. Furthermore, we work to align our lending portfolio with our net-zero targets, as part of our commitment to supporting the global transition to a sustainable future.

Strategic levers:
- **Championing Social**: We place a strong emphasis on backing our communities, people, and society, striving to create lasting social value through initiatives that support and uplift those around us.
- **Enhanced Client Support**: Through our Net Zero Strategy and Transition Plan, we offer clients the tools and resources to achieve their own sustainability goals, enabling them to transition to a low-carbon economy.
- **Beyond Climate**: We go beyond climate by assessing natural capital risks and opportunities-recognizing the critical need to protect the environment and manage natural resources responsibly, while exploring sustainable opportunities.
- **Evidencing Accountability**: Transparency is at the heart of our strategy. We provide clear disclosures and conduct impact assessments to measure and demonstrate the outcomes of our ESG actions, reinforcing our commitment to accountability.

Enablers:
- **Enriched Client Offering**: We are expanding and diversifying our offer of ESG products, services and advisory enhancing our ability to provide comprehensive and tailored solutions to clients, helping them meet their sustainability objectives in a dynamic business environment and achieve their just and far transition.
- **Lean Governance**: We ensure clear ESG roles and responsibilities, embedding agency and ownership at all levels of the organization. By empowering teams to take initiative, we foster a culture of accountability and effective decision-making in driving ESG outcomes.
- **Robust Risk Framework**: Our ESG efforts are underpinned by a robust risk framework that allows for effective monitoring of ESG risks and the lending portfolio. This ensures we remain proactive in managing risk while meeting our sustainability targets.
- **Empowered Culture**: We are united by a common vision, strategy, and principles to Win. The Right Way. Together. By fostering an empowered culture, we ensure that every team member is aligned with our ESG goals and committed to making a positive impact.

12 Percentage defined as Environmental, Social and Sustainability linked lending new production on overall medium/long term lending new production (yearly % to be achieved)
13 Percentage of Sustainable bonds (for corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit) on all bonds (for corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit). Yearly % to be achieved
14 Percentage of ESG assets under management stock (subject to current regulations on ESG Investment Products) on Total of assets under management stock (yearly % to be achieved)

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Our integrated and **sustainable business model** is based on local excellence, inspired by our principles and values. We are organised across four regions supported by central structures, with three product factories and a lean competence centre embedding digital and data.
While clients access our services through local banks, our comprehensive offering to meet their needs is created by our three global product factories, Corporate, Individual and Payment Solutions. These factories each deliver best-in-class solutions, developed internally or through our dynamic ecosystem of trusted partners.

Corporate solutions
We have an extensive corporate client base and we provide them with seamless access to value-added services through three product lines – Advisory & Financing, Client Risk Management, Trade & Correspondent Banking. Combining deep local expertise and a strong cross-border presence, we support our clients with the broader array of products and services that they require, facilitating their growth ambitions.

Individual solutions
Clients benefit from a large and attractive range of products for Retail, Wealth Management and Private Banking across all our markets.
By combining our in-house capabilities with external top industry expertise, we provide them with greater choice and access to our global solutions and platforms. We have launched and we are progressing with our in-house brand (onemarkets) and are seamlessly integrating Insurance into our offering, with a unique client base for cross-selling.

Payment solutions
Our unique pan-European footprint, cross-border positioning, payments expertise and advanced data technology supports our Vision of becoming the first choice for payments in Europe. In 2024 we formed a multi-market partnership with Mastercard, while our new Group Payments solutions factory expanded our international offering and nearly doubled the number of corporates accessing our digital portal since 2021.

Our model puts the client at the centre of all that we do and leverages our five capitals (financial, human, social and relationship, intellectual and natural capital) as inputs to create sustainable value.

Understanding how the company's capitals, strategic pillars and business model are interconnected and interact is essential for the correct development of our value-creation process over time. This means being able to detect changes in the external environment, including evolving stakeholder concerns, in order to find internal responses to address expectations, generate value and make the organisation more resilient. We take into account the constant evolution of the market context in which we operate (including key macroeconomic, industry and regulatory trends) and the changing needs of our stakeholders. We use our knowledge of the external context to manage risks and capture opportunities effectively, while maximising the value we create through the successful execution of our strategy.

In this process, listening to stakeholders is of the utmost importance. Intercepting their needs and expectations can orient us towards making the right decisions regarding our offer of responsible lending products, savings, payment and investment products, thus enabling individuals to improve their quality of life and financial stability. We also provide funding to small, medium and large businesses and contribute to financing transition plans and the development of key sectors, contributing to economic growth, job creation and innovation in the countries where we operate.

The core of our business is to support customers and stakeholders in managing social and environmental challenges and financing their investments for a sustainable future. We believe that working towards the delivery of our purpose of empowering communities to progress will give us the financial strength to achieve our ambition to be the bank for Europe's future.

UniCredit's value chain can be divided into two main segments: upstream and downstream. These represent different stages of activities and relationships that contribute to the bank's value-creation process (reference is made to "BP-2 Disclosures in relation to specific circumstances" for reasonable effort specification).

UniCredit's **upstream value chain** consists of the inputs and activities that enable the bank to provide its products and services. It includes:
- Capital providers such as customer deposits, interbank loans, or funding from capital markets. These funds are the primary input for lending and investment operations;
- Suppliers, such as technology providers, for core functions like transaction processing, Customer Relationship Management (CRM), risk management, and compliance; data providers, because banks rely on third-party data providers for credit assessments, market insights, and customer profiling to make informed decisions about lending, investments, and risk management;
- Regulators and compliance entities: banks must operate within strict regulatory frameworks. Inputs from regulatory bodies (e.g. central banks, financial authorities) shape how banks manage risks, capital adequacy, and liquidity.

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UniCredit's **downstream value chain** encompasses the distribution and delivery of the Bank's services to end users. It includes:

- Retail customers: individuals who use the bank's products such as savings accounts, loans, mortgages, and credit cards;
- Corporate clients: businesses and institutions that use services like corporate banking, loans, treasury management, and advisory;
- Wealth management and investment services: high-net-worth individuals and institutional clients seeking portfolio management, investment advisory, and other asset management services;
- Business partners: UniCredit collaborates with fintechs, payment processors, and other service providers to deliver better financial solutions to customers as well as asset management and insurance companies.

UniCredit acts as an intermediary in the value chain, linking capital providers (depositors, markets) with borrowers and investors. It also acts as a service provider to businesses and individuals by offering financial solutions that help manage money, investments, and risks. The bank's position in the value chain is unique because it facilitates the flow of capital, manages risk, and supports economic activity.

UniCredit creates value through a well-coordinated value chain, where upstream inputs enable efficient operations and risk management, while downstream relationships drive revenue through customer acquisition, loyalty, and service innovation. The bank's position as an intermediary and service provider allows it to balance risk, efficiency, and customer needs, ensuring long-term profitability and market competitiveness.

SBM-2 - Interests and views of stakeholders

General

By remaining steadfast to our commitment and taking decisive actions, we strive to understand our stakeholders' expectations. They contribute to much more than financial success, providing our clients with support during the transition, enhancing corporate citizenship and, in line with our role as a bank, integrating social purpose into everyday business and offers.

We believe that close relationships with our main stakeholders create long-term value and support individual and collective growth. Listening to the full range of our stakeholders is central to how we work. We continually seek their feedback to strengthen stakeholder relationships and improve how we meet their needs.

We encourage our stakeholders to share their views and concerns and work hard to respond quickly and accurately. Gathering and analysing stakeholder feedback not only provides us with valuable insights into their needs, but it also helps us manage the risks and opportunities we face and underpins our drive to achieve long-term sustainability.

Our **key stakeholders** include clients, colleagues, investors/shareholders, regulators, and communities. We leverage a broad range of stakeholder engagement tools, more specifically:

- **Clients**: client satisfaction and brand reputation assessments, mystery shopping, instant feedback and focus group/seminars;
- **Colleagues**: Group Intranet Portal, department online communities; internal clients' perceptions of headquarters services;
- **Investors/shareholders** quarterly webcasts and conference calls to present results, one-on-one and group meetings, calls, hareholders' meeting;
- **Regulators**: one-on-one and group meetings, calls;
- **Communities**: surveys; social media.

We developed several major initiatives aimed at ensuring we put our stakeholders at the centre of our thinking and processes. For example, for our client engagement, our strategic plan uses the Net Promoter Score (NPS) as a key performance indicator. NPS is fundamental to understanding the degree of clients' recommendation and experience of our banking services and this guides our interventions. Starting with key client journeys and touchpoints, the NPS is regularly measured, monitored, analysed and discussed and any written feedback from clients on specific areas is examined.

With regulators, we continued our proactive communication and engagement at national, European and international levels in order to enhance the EU sustainable finance framework, increase its usability and facilitate the transition to a low-carbon economy. We have offered our contributions to the discussions held by EU institutions (EC, EP, EBA and ECB), both on a standalone basis and jointly with banking trade associations, and also contributed to the development of a sustainable financial framework that can meet the needs of all stakeholders.

For investor engagement, we hold dedicated meetings with ESG investors and ESG rating agencies to increase disclosure, increase understanding of our ESG approach and improve the Group's positioning. The proactive management of ESG rating agencies has been achieved through comprehensive and regular disclosure tracking of the progress of ESG strategies.

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Finally, we have also strengthened our **engagement with NGOs and society at large**. During the year, we continuously engaged with them to receive their feedback to update our sector policies, share our targets on official commitments before disclosure (for example, Net Zero), participate in and contribute to banking surveys and engagement questionnaires, interact on relevant reports and roundtables and involve them in our stakeholder engagement initiatives (in particular the ESG Day).

The **materiality analysis remains a fundamental tool for listening to our stakeholders**, supporting our business strategy, and helping value creation over the long term. It takes a dynamic and forward-looking view of ESG topics, allowing us to take regular action on emerging risks and relevant issues.

This process helps us to identify and address the issues that are most material to stakeholders, including emerging risks. Every year, we carry out our materiality analysis by taking into consideration a variety of sources to ensure that we are encompassing all the material topics in the banking industry for our stakeholders. We assess sustainability impacts, risks, and opportunities (IRO) across the environmental, social, and governance matters deemed to be material from a double materiality perspective: impact materiality and financial materiality.

Moreover, starting in 2023, another fundamental tool in our Stakeholder Engagement process is the **ESG Day**. At its core, the event is an opportunity to stimulate stakeholder dialogue while continuing to raise awareness of climate change, social inequalities, biodiversity and the circular economy, as well as our own role in fostering the necessary change in mindset. Attendees included colleagues, clients and partners, alongside a host of renowned experts who dived into a series of engaging discussions covering the full spectrum of ESG topics.

Acknowledging stakeholders' expectations and efficiently managing risks and opportunities attached to them is essential when it comes to developing **strategies to increase the positive impact and minimise negative impact** - key to long-term value creation.

Our **goal is to understand the views and interests of stakeholders** and to align them with our strategic approach. At the core of the approach lies a commitment to promote the respect of human rights, as outlined in our **Human Rights Commitment**. This commitment extends to all individuals impacted by our business, including employees, customers, suppliers, and local communities.

Stakeholder engagement has always been a valuable activity for us, as it represents a key step in the definition of our ESG strategy. While defining our UniCredit Unlocked strategy, we interviewed our key stakeholder groups to obtain their opinions on UniCredit group's ESG ambitions: from internal stakeholders, such as employees and business heads, to external stakeholders, such as institutional investors, corporate clients, civil society NGOs, and green NGOs.
For instance, our key stakeholders focused on themes such as climate risk, circular economy, ESG training, transition plans, financial education, and strong governance. In accordance with what our stakeholders are focused on, we developed a dedicated service model for our corporate clients with ESG products, integrating innovative schemes; we set up **Net Zero commitments**; we broadened our ESG-related training programmes for all employees (according to working areas, roles and responsibilities); we support vulnerable clients pursuing a positive impact on society; we created a strong link between ESG strategy, goals and commitments, actions and disclosure.

With a uniquely pan-European footprint, we deliver overall best-in-class performance while respecting our **ESG framework**. In that framework, we are identifying and valuing the latest trends our stakeholders care about: climate change and environmental-related risks for our consumers; nature commitments beyond carbon and science-based targets for corporate clients; impact on the environment and society (inside-out perspective) as well as power generation topics for our investors; EBA Pillar III and the GAR for regulators.

Taking a strategic approach, we carefully gather and analyse the views and concerns shared by our stakeholders and promptly address their observations. Indeed, the creation of long-lasting value depends not only on an awareness of our own business impact but also on clear insights into our stakeholders' needs.

In particular, the importance of stakeholders has been cemented during their engagement in the **Double Materiality Assessment** process.

Our senior management is informed about the relevant outcomes of our stakeholder involvement activities. In particular during the double materiality assessment, top management carefully considered the feedback and insights provided by relevant external stakeholders concerning the IROs. By incorporating diverse viewpoints, our management ensured a more comprehensive understanding of what could be deemed material and relevant for the bank's long-term strategy and sustainability efforts.
Through the outcome of stakeholder engagement for the double materiality assessment, the Board of Directors gains insights into stakeholders' views and interests. Specifically, the **Board of Directors is annually informed about the results of the double materiality assessment** and final list of material IROs, including the view of the external stakeholders and whether and how their indications are incorporated within the identification and assessments of material IROs.

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SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

Embedding sustainability in all that we do is one of the five strategic imperatives of UniCredit Unlocked strategy. This plan builds on our strong foundations to unlock the potential of our Group, paving the way for the future of our Bank and of all our stakeholders, while ensuring that we always lead by example and fulfil our purpose of empowering communities to progress.

Our strong corporate governance underpins the integration of ESG factors in our strategy, business and operations. We will constantly work on raising awareness on ESG topics across the organisation and cascading knowledge to drive change.

Environmental topics:
UniCredit's approach to natural capital is based on tangible actions that generate direct and indirect impacts. We are committed to limiting negatives and generating positive impacts to preserve natural capital for the benefit of the communities in which we operate and ourselves.
Our strategic approach is based on the double materiality concept which considers both an inside-out and an outside-in perspective.

Inside-out perspective: manage the direct and indirect impacts that our operations and lending have on the environment:
- **Indirect impacts** - accompany our clients on their green transition journey by:
  - assessing and monitoring our portfolio exposure towards most climate-related sectors;
  - identifying and evaluating the impacts on climate;
  - adopting a sector policy framework;
  - defining the journey towards Net Zero on portfolio emissions.
- **Direct impacts** - reduce our environmental footprint by:
  - steering our behaviour towards Net Zero on our own emissions;
  - procuring electricity from renewable sources;
  - improving energy and space efficiency;
  - fostering the efficient use of resources.

Outside-in perspective - prepare to measure the business consequences of climate stress and the associated socio-economic transition and take advantage of emerging opportunities by:
- executing our Group strategy;
- correctly managing climate and environmental risks, in line with the agreed Risk Appetite Framework (RAF) and the ECB climate stress test requirement.

UniCredit's strategy incorporates identifying and understanding climate and environmental risks (C&E) and opportunities that the Bank may encounter. C&E factors are related to the quality and functioning of the natural environment and its systems (Natural Capital) and include factors such as climate change, biodiversity, energy consumption, pollution and waste management.

Climate Change:
Climate change is one of the biggest challenges that the world faces, impacting every person on the planet through weather events such as extreme heat, forest fires, severe rainfall and flooding.
Acknowledging the growing importance of Climate & Environmental topics and in continuous dialogue with the competent authorities, UniCredit group is progressively and continuously developing the internal modelling capabilities with the aim to properly manage new risk that may arise from climate change.

Impairment provisions recognized in 2024 financial reporting were estimated considering a full coverage of C&E risk type (transition, physical), all credit risk parameters (PD, LGD), asset class (corporate, retail secured) and Legal Entities. Future adjustments in impairment provisions will be driven by updates in scenario assumptions (e.g. Transition policies) and portfolio composition.
For more details in relation to the inclusion of climate risk in provisioning Expected Credit Loss (ECL), reference is made to the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies.

In this context, the financial system has an important role in the Net Zero journey, with more than $80 billion in climate finance commitments agreed in COP28.
At UniCredit, we are committed to playing our part. We are striving to reduce our direct and indirect environmental impacts while supporting Europe's green transition. In this context, we committed to Net Zero in October 2021 when we joined the Net Zero Banking Alliance (NZBA), targeting Net Zero on our own emissions by 2030 and on financed emissions by 2050.

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For further information, reference is made to “E1-4 Targets related to climate change mitigation and adaptation”, as well as to “SBM-1 Strategy, business model and value chain”.
In addition to our path towards NetZero, UniCredit group integrated climate risk into risk framework measuring short (1 year, i.e., 2025), medium (2 to 5 years, i.e., 2030) long term (up to 2050) impacts through an annual materiality analysis aimed at assessing the relevance of climate related risk drivers with respect to the various risk families considered and their potential impact for the Group, using scenario Analysis. Furthermore, an analysis of the capital resilience against climate risk drivers is performed within ICAAP, envisaging the full coverage of risk types and the integration of forward-looking elements. The resulting estimates show that the Bank’s resilience is ensured in the short-,medium- and long-term horizons. For further details on the materiality analysis, reference is made to the “Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 Climate and environmental risks”.

Within the bank’s risk management function, the management of C&E risks have become increasingly significant and strategically important and has been undergoing a substantial transformation in recent years, e.g. in the beyond-climate topic a recent progress in the analysis of the nature-related assessment has been achieved, by defining impact on natural capital and dependency from ecosystem services.

UniCredit adopts policies and procedures relating to direct and indirect engagement with new or existing counterparties taking into account their strategies to mitigate and reduce environmental risks. Over the last few years, we have introduced **sector-specific policies** that commit us to stopping financing controversial carbon-intensive activities, such as energy production from thermal coal and the most impactful oil and gas operations.

Alongside safeguarding our portfolios and assets from climate-related risks, we actively engage and support corporate clients in transitioning to a lower-carbon business model, fully exploiting green business opportunities. We aim to help our clients achieve a just transition, ensuring fairness throughout the process. In fact, we are aware and conscious that our positive impacts can affect people's quality of life. Our ESG Advisory Team is a multi-disciplinary solutions team focused on enabling clients to create long-term stakeholder value by integrating sustainability into their strategic decisions and **assessing the impact of sustainable finance market principles and practices**, as well as applicable regulations.

Moreover, we have established well-defined objectives to contain our environmental footprint due to the material negative impacts related to the generation of both direct and indirect emissions, which affect both the environment and people. **Our objectives** include procuring electricity from renewable sources, improving the energy and water efficiency of our premises and data centres, adopting circular economy solutions in resource management, promoting sustainable mobility solutions, and sourcing responsibly.

Beyond climate-related topics:
Nature-related assessment is at an early stage for the whole banking industry, with significant limitations in terms of data availability across drivers and sectors, lack of commonly agreed metrics and methodologies (e.g., scenarios). In this context, in 2024 the Bank has defined an assessment to identify which industries are most exposed to nature-related risks in terms of **impact on natural capital** and **dependency from ecosystem services.**

For the **assessment on impact** the Bank has enhanced the 2023 analysis, by computing 18 granular KPIs (at industry or at counterparty level) for the identification of **4 Environmental Factors being Biodiversity, Pollution, Water usage, Waste management.** The analysis leverages on recognized and recommended **global sources** (e.g. Exiobase, Globio, Natura 2000, Encore) and on banking industry initiative **guidance** (e.g., TNFD, Nature Target Setting Guidance)

In 2024 the Bank has integrated the Nature-related assessment with a new analysis to identify the dependency level from ecosystem services. The analysis leverages mainly on ENCORE[15] tool and Ecosystem services that represent the link between nature and economic activities and the benefit that nature provides to enable or facilitate business production processes.

To have a comprehensive overview on the Nature-related assessment, the outcomes of Impact and Dependency analysis have been aggregated at industry level to create a portfolio heatmap.

Moreover, as described in E1, to determine the extent to which the Bank’s credit counterparties are exposed to Climate and Environmental risks, the C&E questionnaire is used and includes qualitative and quantitative current and forward-looking key indicators (including also on beyond climate factors). With regards to the nature-related factors the Group will evaluate to selectively adjust the C&E Questionnaire to include a more comprehensive assessment of the clients’ nature-related factors

Concerning **water resources**, UniCredit contributes to raising awareness of water consumption and withdrawals: the Bank can promote more responsible water consumption and withdrawals by its clients, reducing overall water use. It also encourages a deeper understanding of water as a scarce resource, promoting sustainable practices and positively impacting public health.

15 ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): opensource tool suggested by regulators as a standard to assess corporates dependency from ecosystem services.

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Regarding **biodiversity**, we have signed, and are the first Italian Bank to do so, the Finance for Biodiversity Pledge (FfBP) and are members of the permanent working group on Nature in the United Nations Environment Programme Finance Initiative (UNEP FI). Through our membership of the FfBP Foundation, we contributed to the publication of the paper “Unlocking the biodiversity-climate nexus”.

This paper outlines the synergies and trade-offs between climate and nature of a sample of investment/lending solutions that are key to solving the nature and climate crises we face. The paper also presents recommendations on how to deal with the biodiversity and climate nexus. It is written by financial institutions for financial institutions, including banks, insurers, asset managers and asset owners. Within the UNEP FI Biodiversity Working Group, we have also contributed, alongside 34 international banks, to the publication of the Principles for Responsible Banking “Nature Guidance for Banks”. This aims to help the banking industry align with the Kunming-Montreal Global Biodiversity Framework (GBF)8 and address nature and biodiversity loss.

Regarding the **circular economy**, UniCredit’s negative impact is generated by the value chain and refers to resource inflows and resource use degrading local environments, negatively impacting the quality of life due to issues such as waste accumulation, noise, and exacerbating social and economic inequalities. In addition, considering the possible effect on the environment, the high resource inflow leads to over-extraction of materials (e.g. water, minerals, and fossil fuels, etc.) accelerating the depletion of finite natural resources. For this reason, UniCredit has also become a member of the Ellen MacArthur Foundation international charity network in support of our efforts to accelerate the circular economy transition across our countries. The Foundation is committed to creating a global circular economy driven by design to eliminate waste and pollution, circulate products and materials and regenerate nature.

Moreover, in an effort to prevent and mitigate various potential negative environmental impacts, alongside energy efficiency, we have introduced measures to optimise the use of limited natural resources and to foster a circular economy.
We have started monitoring Water Usage Effectiveness (WUE), the ratio between the use of water in data centre systems (e.g. water loops, adiabatic towers, humidification), and the energy consumption of IT equipment. We have also launched several projects aimed at reusing and rethinking our redundant furniture.
Through these actions, UniCredit contributes to increasing clients’ awareness of their waste generation habits, leading to more sustainable choices.

Own workforce:
Our people are our greatest asset and constitute a fundamental element of our ESG Strategy and business model. They compose the internal and external staff categories, including non-employes (leased workers and contractors).

We empower our people to progress throughout their professional lives by:
- listening to their needs and promoting their rights;
- investing in a skill-based organisation and designing training and development plans;
- promoting diversity, equity, inclusion and welfare offers.

The relationship between our people and our strategy creates a virtuous cycle: positive impacts on our workforce stem from these three pillars of the people strategy, while contributing to the continuous refinement and improvement of the strategy itself. This connection between people and positive impacts experienced also paves the way for new opportunities to be pursued: UniCredit has the opportunity to become an employer of choice while improving its employees’ productivity, through the promotion of positive impacts on people.

We are creating an engaging and positive work environment to build employee awareness and set the tone for our culture across all our geographies. We are committed to building a workplace of equal opportunities and a positive environment.

Caring for our people is vital for unlocking our fullest potential. By providing the right support and resources, we nourish our collective wellbeing and build a truly positive, inclusive, and collaborative workplace where everyone is empowered to succeed.

To pursue our **Diversity, Equity and Inclusion (DE&I)** commitment and address our people’s needs, we have tailored global and local initiatives available in every country where our Group is present, offering support and the right knowledge equipment.

At UniCredit, Diversity, Equity and Inclusion (DE&I) is a business imperative.
A dedicated **DE&I strategy** is fully integrated in our ESG framework and business agenda, and in place in all the 13 countries where we operate. It aims to ensure a more cohesive approach to developing a positive work environment focused on productivity, personal and professional well-being, and the continuous engagement of our people.
Our solid DE&I governance is empowered by:
- shared workplace policies, principles and best practices;
- a passionate DE&I network across the Group to create synergies and business opportunities.

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Maintaining proactive and regular dialogue with our workforce strengthens UniCredit's spirit of collaboration and helps us unlock value creation. We have a proud track record of consistent engagement with our people at both national and international levels across the Group, which has enabled us to manage the many market challenges we have faced over the years.

At the heart of our drive to maintain effective and mutually beneficial industrial relations is our unwavering commitment to respecting local laws and the terms and conditions of collective agreements, including employees' rights to exercise freedom of association and collective bargaining. We continually monitor our engagement processes and outcomes Group-wide, sharing best practices to strengthen social dialogue across all Group countries.

Nationally, employees' interests can be represented by trade unions, works councils or other representatives in line with the applicable labour laws and local industrial relations systems. At an international level, employees are represented by the European Works Council (EWC). Since it was first established in 2007, the EWC has ensured that our workforce has the right to information and consultation on trans-national Group topics that could significantly affect employees' interests.

Through the double materiality assessment, UniCredit has identified only material positive impacts and opportunities related to its own workforce, without references to specific categories of workers. In addition, no material impacts have arisen from our transition plan (Ref. to the table below "List of material IROs").

For more information on own workforce, reference is made to the paragraph "S1-Own workforce".

Workers in the value chain:
UniCredit conducts its operations in accordance with the Universal Declaration of Human Rights: as stated in our Human Rights Commitment, "We are aware that every economic and business activity can potentially generate both positive and negative impacts on human rights". Therefore, we are constantly working to establish a reliable and inclusive approach that enables our Group to spread positive human rights impacts, with respect to both internal workers and workers in our value chain, including our clients' workforce.

To this extent, listening to the full range of our stakeholders is central to how we work. We encourage them to share their views and concerns and work hard to respond quickly and accurately, in order to align their perceptions with our activities and strategy.

We have strengthened our support for human rights in the following key ways:
- Engaging and supporting stakeholders through participation in international working groups and forums;
- Compliance with section 54 of the UK's Modern Slavery Act 2015.

For more information on workers in the value chain, reference is made to the paragraph "S2 Workers in the value chain".

Affected communities and consumers and end users:
The financial industry plays a vital role in improving our economies and societies. We are willing to contribute to unlocking the potential of people, businesses and communities throughout Europe: our people constantly work together with the shared purpose of empowering communities to progress, central to all our actions.
UniCredit is closely tied to their local communities and clients in two respects: on one side, through our business activities, we can have an impact on people, acting as drivers of growth to enable individuals, groups and communities to reach their potential; on the other side, understanding the perceptions and concerns of communities and clients is crucial to implement and adapt our business activities to their needs, while reaching new opportunities.

The categories of people mainly impacted by our business mainly refer to communities along our value chain and clients that benefit from our solutions:
- Low-income people;
- People at risk of social and financial exclusion;
- Young and students;
- People with disabilities;
- Microentrepreneurs and start-ups;
- Vulnerable people (e.g. women and the elderly);
- NGOs and social organisations.

Our goal is to grow by offering development opportunities to communities, clients and the local area and by building financial and social inclusion through our offering, corporate citizenship and philanthropic initiatives. We offer a broad range of customised solutions to enable individuals and businesses to gain ready access to financial products and services. At the same time, we are strongly committed to helping people and businesses improve their financial skills, enabling them to make responsible choices.

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In December 2021, we signed the Commitment on Financial Inclusion and Health under the Principles for Responsible Banking (PRB), participating in the UNEP FI working group for setting common indicators to measure financial health and financial inclusion.

In this context, we have set **new targets for 2025** related to the group of clients we have identified as the most relevant strategic target, namely young people.

Our customised solutions offer is addressed to low-income and vulnerable individuals and families, young people, people with disabilities and microcredit. Moreover, we continue to carry out several financial education and awareness initiatives across our countries, focusing on priority target beneficiaries such as the young, women and vulnerable individuals, while also using new communication channels such as social networks and web platforms.

Regarding the privacy, we are committed to improving our approach to data security and cybersecurity, reinforcing our capabilities to prevent, detect and respond to increased cyber threats, while focusing on three key areas: strengthening governance and oversight, increasing employees' and customers' risk awareness and enhancing threat identification and management. Through the measures and safeguards implemented, risks related to customers data are mitigated, and we expect data breaches and cybersecurity attacks to be potential negative impacts related to individual cases, rather than systemic impacts.

For responsible marketing practices, UniCredit follows the Code of Marketing Communication.
Self-Regulation (www.iap.it) disseminated by the Istituto dell'Autodisciplina Pubblicitaria (IAP) ensures subscribers follow transparent and honest advertising practices.

UniCredit is also a member of the Utenti Pubblicità Associati (UPA), which supports the IAP. All UniCredit entities follow the regulations disseminated by these bodies, particularly when local codes do not provide guidance on topics covered by the UPA.
All advertising and communication activities at UniCredit are internally ruled by our Group Marketing & Communication department, which is responsible for assuring the effective application of the IAP code as well as coordinating with the Group Legal and Group Compliance departments in their own areas of competence. With regard to advertising investment products, all texts are submitted to the Commissione Nazionale per le Società e la Borsa (CONSOB) in Italy so they can be evaluated for regulatory compliance and consistency with the principles of truth and transparency.

For more information on local communities and clients reference is made to the paragraphs “S3 Affected communities” and “S4 Consumers and end users”.

Business conduct:
We believe that working every single day towards the delivery of our purpose will give us the financial strength to achieve our ambition to be the bank for Europe's future.
By acting as the engine of social progress, we are building a culture that puts our values at the heart of our decision-making and everything we do.

Our profound journey of cultural transformation continues at pace and has been marked by many achievements. We have further demonstrated our commitment by empowering a significant number of our employees to reflect on what our values mean as an identity, and to explore how that translates into improving the way we serve our clients and communities.

Having initiated our cultural transformation in 2022, we are now executing our comprehensive plan to bring our values to life and shape our behaviour to enable cultural change.

A specific global policy sets out the Group's approach to whistleblowing. The policy governs reports of unacceptable conduct by employees within the group to promote a corporate culture based on ethical behaviour and good corporate governance.
The policy is intended to:
- create a corporate environment where employees feel free to report any unacceptable conduct;
- define adequate communication channels for the receipt, analysis and use of the reports.

The management of this process is designed to ensure the greatest possible protection and confidentiality of the identity of the whistleblower and the accused individual, and to prevent any possible retaliatory or discriminatory behaviour in response to the report.

Our suppliers are required to comply with the standards of the International Labour Organization and our **Environmental Policy**.

UniCredit has a zero-tolerance approach towards acts of corruption. The Bank's approach to anti-bribery and corruption is laid out in the dedicated Global Rules, which set minimum standards of anti-corruption compliance throughout the Group. Each Legal Entity is responsible for the development and implementation of an effective Local Anti-Corruption Programme.

Moreover, Italian Group Legal Entities have also implemented an Organisational and Management Model (hereinafter the Model) pursuant to Italian Legislative Decree 231/01 (Administrative liability of Legal Entities, companies, and associations hereby L.D. 231/01) that foresees specific protocols aimed at avoiding bribery and corruption issues.

The Code of Conduct (CoC), reviewed in 2022, contains a specific section dedicated to bribery and corruption risks, and provides behaviour rules and tips on how to manage and prevent such risks.

Material impacts, risks and opportunities (IROs) resulting from materiality assessment:
Regarding the impacts considered to be material (See Table below), UniCredit considered its own operations and upstream and downstream value chain. Particularly, UniCredit took into account the geographical areas, primarily in Central and Eastern Europe, where it operates and provides loans and financing to companies. In the identification of lists of IROs, UniCredit has also outlined the typical distribution channels it uses to deliver loans and financing, including direct interactions through its legal entities network and digital banking services, which ensure that the Bank could effectively meet the financing demands of different businesses, offering a consistent and diversified service experience.

The Double Materiality Assessment was performed in 2024 according to the new framework set up by the European Standards ESRS.
The 2024 material topics have been enhanced and evolved, as have the material-related IROs been identified, although no entity-specific IROs have been identified for 2024 reporting period.

List of Material IROs

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
E1 Climate Change	Climate change mitigation (own operations/value chain) Climate change adaptation (own operations/value chain) Energy (own operations)	N/A	Fostering awareness and commitments related to climate change and accelerating the green transition through the support towards energy efficiency initiatives and renewable sources financial projects across counterparties for the next years.	IMPACT	Actual	Positive	Value chain	Across	Medium-term
			Generation of direct and indirect energy GHG emissions (Scope 1 and 2).	IMPACT	Actual	Negative	Own operations		Short-term
			Generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the downstream value chain (Scope 3 - Only 15 category).	IMPACT	Actual	Negative	Value chain	Downstream (clients)	Short-term
			Generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the upstream and downstream value chain (Scope 3 - All categories except financed).	IMPACT	Actual	Negative	Both	Across	Short-term
			Investments in the implementation of green/environmental projects	OPPORTUNITY			Both	Downstream (Clients)	Medium-term
			Creation of new products and services to support clients in their transition journey towards their decarbonization targets	OPPORTUNITY			Both	Downstream (Clients)	Medium-term
			Invest in/finance green tech (start-ups) and also access new markets (e.g., carbon emissions trading)	OPPORTUNITY			Both	Across	Medium-term
			Physical Risk Credit risk: impact on credit risk portfolio due to deterioration of the counterparty's creditworthiness due to damage, caused by acute and chronic events, to the counterparty's plants and production sites and decrease in the recoverable amount/market values of collateral due to damage, caused by acute and chronic events	RISK			Own operations		Medium-term
E3 Water and marine resources	Water	Water consumption Water withdrawals	Fostering awareness and commitments related to water consumption, withdrawal by UniCredit clients.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
E4 Biodiversity and ecosystems	Direct impact drivers of biodiversity loss Impacts on the extent and condition of ecosystems	Climate change Land-use change, fresh water-use change and sea-use change Example: Land degradation	Creation and promotion of innovative financial products/services focused on green and sustainable investments, thereby contributing to the protection of natural capital, biodiversity and conservation of land use	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
E5 Resource use and circular economy	Resources inflows, including resource use Resources outflows related to products and services Waste	N/A	Contribution to high inflow and use of resources, and to high waste by sectors such as construction, power generation, manufacture, and waste-intensive sectors in which Unicredit clients operate.	IMPACT	Actual	Negative	Value chain	Downstream (clients)	Short-term
			Fostering awareness and commitments related to waste production and waste management from UniCredit clients.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term

Strategic Review
Financial Review
ESG Review
Consolidated Report
Company Report
Other

Continued: List of Material IROs

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
S1 Own workforce	Working conditions	Work-life balance	Promotion of employee well-being through the implementation of dedicated well-being activities and benefits within a healthy and stimulating working environment.	IMPACT	Actual	Positive	Own operations		Medium-term
			Becoming an employer of choice with widespread diversity, a culture of inclusion and concrete work-life balance solutions which encompass a new, flexible approach	OPPORTUNITY			Own operations		Short-term
	Equal treatment and opportunities for all	Employment and inclusion of persons with disabilities Measures against violence and harassment in the workplace Gender equality and equal pay for work of equal value Diversity							Short-term
	Working conditions	Secure employment Adequate wages Social dialogue Freedom of association, the existence of work councils and the information, consultation and participation rights of workers Collective bargaining, including rate of workers covered by collective agreement	Positive contribution to the objectives of ensuring equal opportunities, secure employment, generation of quality employment, the payment of adequate wages also through the promotion of social dialogue, collective bargaining agreements and workers' associations.	IMPACT	Actual	Positive	Own operations		Medium-term
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value							Medium-term
		Training and skills development	Improved workers' skills through training and professional development activities, general and technical programmes, also linked to personalised growth and evaluation objectives (e.g. career development plans).	IMPACT	Actual	Positive	Own operations		Medium-term
			Improvement of employees' productivity through the implementation of efficient training programs, anticipating future trends	OPPORTUNITY			Own operations		Short-term
			Ensure a guarantee transparent performance review systems and professional growth plans for the Group's entire population, allowing all employees to work to the best of their abilities	OPPORTUNITY			Own operations		Short-term
		Employment and inclusion of persons with disabilities	Contribution to the development of young talents through partnerships with national and international Universities, collaborations with communities in the IT and tech sector, often with a focus on women and creation of networks on several diversity traits.	IMPACT	Actual	Positive	Own operations		Medium-term
		Diversity							Medium-term
			Respect for diversity and promotion of an inclusive corporate climate through anti-discrimination activities and corporate initiatives.	IMPACT	Actual	Positive	Own operations		Medium-term
		Measures against violence and harassment in the workplace		IMPACT	Actual	Positive	Own operations		Medium-term
	Other work-related rights	Privacy	Increase in digital skills, knowledge and opportunities of employees.	IMPACT	Actual	Positive	Own operations		Medium-term

Sustainability statements

Continued: List of Material IROs

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
S2 Workers in the value chain	Other work-related rights	Child labour Forced labour	Awareness and dissemination of the culture of ethics and human rights (child and forced labour) by business partners and other stakeholders increases responsibility and fair practices across value chains.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
S3 Affected communities	Communities' economic, social and cultural rights	Adequate housing Adequate food	Contributions to various social causes with positive socioeconomic impacts such as education, health, and community development programmes.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
		Security-related impacts	Improving access to credit and disseminating financial culture in the communities, with a focus on supporting younger and more vulnerable and/or low-income groups through dedicated products and services in order to enhance economic development and investor confidence.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
		Adequate housing Adequate food Security-related impacts	Strategic community partnerships, collaborations with local organisations, industry and professionals' associations and community groups to create sustainable and impactful programmes.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
			Improvement of relationships / consolidation of positioning within territories and communities of reference through the promotion of initiatives of financial inclusion targeting vulnerable groups.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
			Establish and promote employee volunteering programmes that contribute to the well-being and development of local communities and support associations and projects in the area.	OPPORTUNITY			Value chain	Downstream (Clients)	Short-term
	Communities' civil and political rights	Freedom of expression	Increase in market share through the expansion of product offerings with positive social impact, such as those related to the third sector.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
			Opportunities for the Bank to gain an improved image among competitors and attract socially conscious investors, if it is able to anticipate and react to political and societal changes.	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term

Continued: List of Material IROs

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
S4 Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy	Creation of a long-term relationship with customers through a strong and safe ICT systems	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
		Privacy	Breach and loss of customer data and poor cybersecurity management.	IMPACT	Potential	Negative	Value chain	Downstream (Clients)	Medium-term
		Privacy	Operational risk: Risk of operating losses due to unauthorized access to customer data (data Breach) with the purpose of obtaining a personal advantage and due to cyber attacks	RISK			Own operations		
		Privacy	Reputational risk: failure to meet the consumers and end-user' needs and/or to guarantee the customers' data integrity that may lead to negative impacts	RISK			Own operations		
		Privacy Freedom of expression Access to (quality) information	Ensure the UniCredit transformation of the distribution and production model, making it more sustainable through greater digitalisation, the creation of new technologies, the access to information, the adoption of cloud solutions, the use of AI.	IMPACT	Potential	Positive	Value chain	Downstream (clients)	Medium-term
		Privacy Freedom of expression	Expansion of market shares and improvement of retention thanks to the implementation of solutions, products and digital / innovative services	OPPORTUNITY			Value chain	Downstream (Clients)	Medium-term
		Privacy Access to (quality) information	Enhance client loyalty and retention through the optimization of corporate assets in terms of privacy and data security and quality information	OPPORTUNITY			Value chain	Downstream (Clients)	Short-term
		Freedom of expression Access to (quality) information	Informed decisions to customers through transparent, neutral and fair advice, also providing the possibility to express their feedbacks.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term
	Social inclusion of consumers and/or end-users	Responsible marketing practices	Enhancement of relationships with clients and shareholders through clear and transparent communication	OPPORTUNITY	Actual		Value chain	Downstream (clients)	Short-term
		Non-discrimination Access to products and services	Increased and improved customer satisfaction and end-users experience by meeting their expectations.	IMPACT	Actual	Positive	Value chain	Downstream (clients)	Medium-term

Continued: List of Material IROs

ESRS TOPIC	SUB-TOPIC	SUB-SUB-TOPIC	IROS	TYPE OF IROS	TYPE OF IMPACT	POSITIVE/NEGATIVE	OWN OPERATIONS/VALUE CHAIN	VALUE CHAIN LOCATION	TIME-HORIZON
G1 Business conduct	Corporate culture	N/A	Contribution to the creation of an environment of fair competition, encouraging businesses to compete based on innovation and efficiency rather than aggressive tax practices and reducting national tax evasion.	IMPACT	Actual	Positive	Value chain	Upstream	Medium-term
			Maximum generation of value and its distribution to shareholders/stakeholders	IMPACT	Actual	Positive	Both	Across	Medium-term
	Protection of whistle-blowers	N/A	Awareness and dissemination of the culture of ethics, by management, employees, business partners and other stakeholders in own operations.	IMPACT	Actual	Positive	Own operations		Medium-term
	Management of relationships with suppliers including payment practices	N/A	Ensure solid relationships with its suppliers and respect of agreed terms	IMPACT	Actual	Positive	Value chain	Upstream	Medium-term
			Improvement in the quality of products and services purchased through a more sustainable supply chain and certified products (incorporating minimum environmental criteria)	OPPORTUNITY	Actual		Both	Upstream	Medium-term
	Corruption and bribery	Prevention and detection including training Incidents	Prevent the possible events of corruption and/or bribery through the training activities involving employees, top management and other relevant stakeholder	IMPACT	Actual	Positive	Value chain	Upstream	
			Operational Risk: The risk of money laundering, sanctions violations, bribery and corruption, and KYC failure	RISK			Both	Across	Medium-term
			Enhancement of reputation through investing in the development of innovative tools to manage, monitor and prevent corruption and bribery	OPPORTUNITY			Both	Both	Medium-term

Impact, risk and opportunity management

IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

The process to identify impacts, risks and opportunities was based on a top-down approach: UniCredit Holding identified a list of material IROs which has been shared with Legal Entities, and compared to their list, in order to guarantee coherence along the entire Group. The process was carried out following a logic that prioritized UniCredit group's primary activity, namely the banking sector. While all entities included in the Sustainability Statement perimeter were included in the analysis, the focus has remained on the fact that the core business is banking.

The UniCredit group's double materiality assessment started with an initial phase of **understanding the context** in which UniCredit group operates. In particular, UniCredit group carried out both **internal and external analyses**, identifying dependencies, resources, geographic presence, and mapping affected stakeholders. In this phase, external stakeholders were actively engaged through the various channels and engagement methods (questionnaires, workshops, forums, interviews, surveys etc.), and their perceptions view considered throughout the process.

In parallel with the context analysis, UniCredit group screened the list of matters on ESRS 1 - AR 16, reconciling topics, sub-topics and sub-sub-topics with the outcomes emerging from the first phase. Then, each impact of the **long-list** was associated with the location of **occurrence** (own operations and/or value chain), the **time-horizon** (short-, medium-, or long-term), the **strategic actors** involved (e.g., employees, customers, shareholders etc.).

In assessing impacts, both actual and potential, UniCredit group considered **gross impacts** (i.e., before any mitigating actions); this is done to provide users of the sustainability information with information that allows for the distinction between the gross impact and the management of the impacts (i.e., policies, actions and targets). In addition, impacts were assessed without taking into account other impacts; hence, positive impacts on the environment and people cannot be netted against negative impacts.

Also, when evaluating negative impacts, UniCredit group considered its embedded approach on due diligence and its outcomes. For more information on due diligence reference is made to GOV-4 Statement on due diligence.

Sustainability statements

The process took into account the most relevant **stakeholders throughout the entire value chain**, carefully considering factors such as UCI's exposure towards the stakeholder and the specific industry in which they operate. By doing so, it has been possible to gain a comprehensive understanding of the sectors that are most exposed to potential risks, ensuring that all critical elements are thoroughly evaluated in order to provide a clear picture of the vulnerabilities present across different industries. Reference is made to the paragraph BP-1 of these Statements.

As indicated above, the process to identify impacts has included the association of each impact to its location of occurrence: UniCredit group's operations or along its value chain (upstream and/or upstream). In particular, UniCredit group's impacts can affect its own activities, its upstream value chain, its downstream value chain or both its activities and value chain. Also, relevant UniCredit group's actors have been associated to each segment of the entire value chain: employees are the main actors of IROs correlated to UniCredit group's own operations; suppliers and business partners are the main actors of IROs correlated to the upstream value chain; clients and financial assets are the main actors of IROs correlated to downstream value chain.

This aspect has been submitted to both internal and external stakeholders directly involved in the identification and assessment of the IROs.
Internal stakeholders involved included:
- ESG and Group Financial & Regulatory Reporting Management, in providing on the ground perspective into the determination of the materiality;
- Group ESG, Group Financial & Regulatory Reporting and other relevant internal functions (i.e., Risk Management, Compliance, etc.), in identifying and assessing the impacts, risks and opportunities;
- Senior management (GEC Members): responsible for final sign-off and oversight of materiality assessment;
- Board of Directors: responsible for the final approval of the double materiality assessment.

External stakeholders were engaged to provide feedback on the impacts, risks and opportunities, and to corroborate the organization's determination of materiality. In particular, UniCredit group identifies two different categories: affected stakeholders, and users.

Affected stakeholders are individuals or groups whose interests are affected or could be affected, positively or negatively, by UniCredit group's activities and its direct and indirect business relationships across its value chain; while users are primary users of general-purpose financial reporting (existing and potential investors, lenders and other creditors, including asset managers, credit institutions, etc.), and other users of sustainability statements, including the client's business partners, trade unions and social partners, civil society and non-governmental organisations, governments, analysts and academics experts, etc.

Affected stakeholders include employees, clients, communities, consumers, suppliers and specific users; while users include investors, academic experts, NGOs, ESG raters, regulators, industry associations, media, and Government Agencies.

A representative sample of the aforementioned stakeholders were actively involved in the process of identifying the IROs. Among the affected stakeholders, employees were engaged through interviews, while clients were engaged through both interviews and specific surveys. Among the users, investors and NGOs were engaged through interviews and specific surveys; academic experts were engaged through specific surveys. Regulators and ESG raters were engaged through an ESG desktop analysis.

The process for identifying impacts is centered on a numerical assessment of two dimensions: "severity" and "likelihood". For positive impacts, the severity is evaluated on the scale and the scope of the impact. The scale refers to the seriousness of the impact on people or the environment; the scope measures the reach or the extent of the impact. For negative impacts, in addition to scale and scope, a third criterion is added in assessing the severity: the irremediable character, which assesses how difficult or impossible it is to reverse the impact. In line with the ESRS framework, severity is viewed through a holistic lens, considering all three criteria altogether. If an impact is intense (high scale), affects a broad population (large scope), and is difficult to reverse (high irremediability), it would be considered highly severe. Conversely, if an impact is less intense, localised and remediable, it would be rated as less severe.

The second dimension evaluated along with severity is likelihood, which refers to the probability or chance that a particular impact will occur. Each impact has been numerically assessed on a score from 1 to 4, through the product of the two dimensions of severity and likelihood, evaluated on a qualitative scale. In addition, in case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood through a multiplier which will achieve a higher score and a higher relevance in the final list.

Considering the results obtained from management assessment, UniCredit group has considered a threshold in order to define the materiality of each impact. In particular, the selected threshold ensures that only the most relevant impacts are addressed, focusing efforts on areas with substantial effects on people and the environment. Furthermore, this threshold of the impact materiality is consistent with UniCredit group's strategic objectives: it ensures that the identified material impacts are related to the topics representing the Bank's mission and values, enhancing coherence between ESG targets and overall business strategy. Also, setting this threshold ensures UniCredit group concentrates its resources and investments on addressing the most critical issues that emerge from double materiality analysis, reflecting impacts resulting as key elements of the Group's strategy, critical solutions and projects to be put in place.

Finally, impact scores have been reconducted at the sustainability matter level using the maximum score of impacts.

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This numerical assessment process has helped UniCredit group to prioritise and address the most significant sustainability impacts in its reporting and management practices, in line with the ESRS standards.

The process employed by UniCredit group to identify risks and opportunities has followed the same steps of impacts' identification described above.

Following the identification of impacts, risks and opportunities, **impacts and opportunities have been analysed and confirmed by UniCredit group's Top Management** (which mainly includes GEC Members); while risks have been reviewed by Group Risk Management in order to guarantee applicability and coherence with UniCredit group's reality and its Risk Inventory.

Parallel to the impact materiality process, the process for assessing risks and opportunities is centered on a numerical evaluation of two dimensions: magnitude and likelihood. However, UniCredit group's financial materiality has followed a dual assessment process, as risks and opportunities have been valued and prioritised in a different way.

Firstly, **risks have been assessed by Group Risk Management**; while opportunities have been assessed by UniCredit Group's Top Management. In parallel with UniCredit group's internal stakeholders, external stakeholders (investors, academics, clients, corporate and private, and NGOs) have provided their views and perspectives on risks and opportunities through a questionnaire.

In the assessment of financial materiality, UniCredit group has evaluated the magnitude of the risks and opportunities, and their likelihood, considering that both risks and opportunities could have financial effects on the Bank's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium and long-term and may be applicable to both own operations and/or value chain. When a quantification of the financial effects is available, the financial materiality considers the time horizon in which this quantification is the highest.

During the identification phase, UniCredit group considered the **dependencies** that its impacts have on resources and business relationships. In particular, UniCredit group identified whether a specific impact is strictly correlated with natural resources (e.g., water or air) or with relationships with relevant actors (e.g., employees, customers or other counterparties). Such analysis has constituted the starting point for the identification of connections of negative and positive impacts with risks and opportunities.

On one hand, through the examination of the consequences of negative impacts, UniCredit group was able to anticipate risks that might emerge, allowing for more informed decision-making and preventive measures. On the other hand, by examining the positive impacts, UniCredit group was able to uncover new possibilities and opportunities for growth.

UniCredit group has assessed the **financial materiality** of risks and opportunities adopting a numerical assessment (a score from 1 to 4) to evaluate the magnitude and the likelihood of each risk and opportunity.

- Regarding risks: The **risk assessment is performed according to a gross approach** and it is generally based on empirical evidence. GRM (Group Risk Management) have adopted a quantitative approach for E1 (Climate Change), while for E2-E4 and S and G topics, a qualitative assessment has been performed considering quantitative evidence as a starting point based on UniCredit group Risk framework, portfolio analysis (market/credit risk related to E2-E4) or historical loss data (operational risk related to ESG issues), considering the highest available exposure level as the materiality threshold.
- Related to opportunities: The **opportunities have been assessed on a qualitative parameter** (which could have a brand reputational and/or competitiveness effect) and a quantitative parameter related to the financial effect of the net profit that may produce.

A numerical assessment (on a score from 1 to 4) of the likelihood for the risks and opportunities to occur, linked to the sustainability topic.

In addition, considering the results obtained from management assessment, a threshold has been considered in order to define the materiality of each risk and opportunity. This threshold allows for a balance between sensitivity (ability to detect relevant low values) and specificity (avoiding including values too close to zero that could be considered not relevant).

For risks, the threshold defining the materiality of each risk driver has been selected in order to properly consider and prioritise:
- the unlikely risks which could have a very high magnitude in terms of financial effects (magnitude equal to 4);
- the already existing risks, even if their magnitude is low (likelihood equal to 4);
- the risks which are likely and which could imply low-to-medium financial effects.

For opportunities, the threshold has been selected consistently with the general view of stakeholders and with the thresholds already applied for risks.

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Sustainability-related risks have been prioritised relative to other types of risks considering their relevance for all the stakeholders participating to the internal risk identification process and the results of the risks financial materiality assessment. As such, the process to identify, assess and manage sustainability-related risks has been fully embedded into overall risk management process and used to evaluate overall risk profile and risk management processes. The integration considers the Risk Appetite, the ICAAP, the credit and market risk strategies, the impact on liquidity, credit risk models and provisioning and, on non-financial risk side, controversial sectors policies, business continuity assessments, reputational assessments, as well as future litigation liabilities evaluations.

The integration of opportunities into the management process is a key focus for UniCredit, particularly as these opportunities have been identified as material during the double materiality assessment. Specifically, the material opportunities relate to the innovation of products and services within the ESG domain, reflecting UniCredit's commitment to sustainability-driven growth.

These opportunities are strategically embedded into UniCredit's portfolio of strategic offerings, particularly in the area of financing solutions. By aligning material ESG opportunities with the development and delivery of innovative financial products and services, the company ensures that its strategic offerings not only address emerging market demands but also support broader environmental and social goals. This approach underscores UniCredit's dedication to leveraging ESG innovation as a driver of long-term value creation for both stakeholders and society at large.

In the **decision-making process**, the Top Management has followed a structured and control-focused approach to ensure the robustness of the analysis and its alignment with the Standards. This has involved verifying the consistency between the topics identified during the contextual analysis and the list of potentially relevant IROs for the Group.

The completeness of the list was also scrutinized, ensuring that all relevant stakeholders along the value chain were properly included. Special attention was given to the Double Materiality Assessment phase, where the completeness, accuracy, and consistency of the IROs were cross-checked, including comparisons with previous years when applicable. Furthermore, the process involved reviewing the accuracy and coherence of the disclosures in the Sustainability Statement, confirming their compliance with the ESRS 2 requirements and the topical standards concerning material sustainability matters (for managerial upgrade information reference is made to "GOV2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies").

Then, feedback from all Legal Entities regarding the Double Materiality Analysis was evaluated to ensure a complete and consistent assessment, providing a thorough foundation for the Group's sustainability reporting.
Finally, the list of material IROs was presented to the Board of Directors.

UniCredit group has used different **input parameters for the identification, assessment, and management phases of material IROs**.
Related to IROs identification, UniCredit group took into consideration (for internal analysis) various elements, such as the Bank's business strategy, activities, market trends and client solutions. The analysis was based on Annual and Statutory Reports, UniCredit group's website, previous Integrated Reports, and the Bank's ESG policies and other documents such as Group Inventory Risk. It also considered ESG ratings and indices (e.g. FTSE4Good, Dow Jones Sustainability Indices, etc.), European regulations and media opinions.

External analysis was based on various dimensions: Datamaran, which monitors over 100 ESG topics by analysing financial and sustainability reports of peers, mandatory and voluntary regulations for the financial sector, and social media news on ESG issues; a benchmark analysis has been conducted by reviewing annual and sustainability reports of peer banks; frameworks and reports (the Principles for Responsible Banking, the World Economic Forum's Global Risks Report 2024, the S&P Yearbook 2023, the UNEP FI Impact Radar, and the OECD Guidelines for Multinational Enterprises).

In addition to internal and external analysis, stakeholders were actively engaged through the various channels and engagement methods that UniCredit group employs, ensuring the consideration of their perceptions throughout the process.
During the IROs assessment phase, UniCredit group used ICAAP framework, management control, strategic planning, business model, and the available budget to ensure a comprehensive evaluation.

The process conducted in 2024 builds on last year's analysis and marks the first year of the CSRD-aligned double materiality process that is more complex and detailed, especially in relation to financial materiality following ESRS standards requirements. Hence, the two years are not comparable, as they are based on different principles and approaches.

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Climate Change:
UniCredit acknowledges that its activities and business generate greenhouse gas (GHG) emissions, both directly through its own energy consumption (Scope 1 and 2) and indirectly across its upstream and downstream activities (Scope 3). However, the Bank is also actively contributing to the green transition by fostering awareness and commitments related to climate change. Through financial support for energy efficiency initiatives and renewable energy projects, UniCredit aims to mitigate its environmental impact and drive sustainable progress in the years to come. For instance, building on positive impacts, UniCredit has identified key opportunities to further support the green transition. These include investing in and financing green and environmental projects, developing new products and services to help clients achieve their decarbonization targets, and supporting green technology start-ups. Additionally, the bank sees potential in expanding into new markets, such as carbon emissions trading, reinforcing its commitment to sustainable innovation and environmental responsibility.

Reference is made to Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 Climate and environmental risks. For the disclosure on how climate scenarios used are compatible with critical climate-related assumptions made in financial statements, reference is made to the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, Paragraph 2.6 - Other risks (Climate and environmental risks).

Pollution; Water and Marine resources; Biodiversity and ecosystems; Resource use and circular economy:
Beyond climate, UniCredit has conducted a thorough screening of its operations and site locations to assess actual and potential impacts, risks and opportunities related to other environmental factors: pollution, water consumption, biodiversity and waste management. While the core business activities of the Bank are not inherently highly emitting in terms of pollution, water use, or waste generation, UniCredit remains committed to monitoring its environmental impact.

The screening process considered various factors, including pollution derived from employee **travel** using vehicles, potential improper **water management** (both in terms of consumption and withdrawal), the use of resources and **raw materials**, **waste** generation, and potential ecosystem contamination or **biodiversity** loss. The latter was particularly relevant for the Group's limited activities in sectors such as construction and agriculture, which are, by definition, dependent on ecosystems, although they represent a small portion of UniCredit's operations. Nevertheless, the Group does not own sites located in or near biodiversity-sensitive areas and therefore it is not necessary to implement biodiversity mitigation measures.

Building on the identified impacts, the analysis also revealed opportunities, such as potential economic savings through initiatives and projects focused on efficient resource and raw material use, recycling, reuse and dematerialisation, as well as consistent monitoring of water consumption and compliance with water regulations. Overall, the screening concluded that the environmental impact of the Group's operations on these non-climate-related factors is not significant, and no significant risks were identified, neither in relation to biodiversity-related transition, physical or systemic risks.

In addition to UniCredit's own operations, the Bank has conducted a screening of its business activities, based on the development of a sector-level heatmap of the loan portfolio, aimed at evaluating which sectors are most exposed to nature-related risks by analysing their impacts and dependencies on nature. Reference is made to paragraphs “E3 - Water and marine resources”, “E4 - Biodiversity and ecosystems”, “E5 - Resource use and circular economy”.

Negative impacts were identified, including the financing of polluting sectors, water-intensive industries and sectors contributing to significant inflows and consumption of resources, as well as high waste generation and biodiversity loss. These negative impacts are all non-material except for the standard E5 - Circular Economy.
Nevertheless, through UniCredit's effort and commitment, positive impacts have also been identified, particularly in the willingness to promote heightened awareness of these environmental aspects among financed clients. This proactive engagement underscores the Group's dedication to fostering sustainable practices across its client base.

Building on these impacts, business opportunities have been recognised, including the creation and promotion of innovative financial products and services centered on green and sustainable investments. Such initiatives not only support the Group's strategic objectives but also contribute to the protection and preservation of natural capital.
On the other hand, risks have also been identified, primarily related to the possibility of counterparties financed by or invested in by the Group failing to comply with environmental laws and regulations, and to a potential decline in the creditworthiness of counterparties operating in environmentally sensitive sectors, which could pose financial challenges to the Bank. These risks resulted non-material.

An integral part of the process for identifying IROs related to environmental factors was the organisation of the ESG Day. This event provided a valuable opportunity to foster dialogue among stakeholders on environmental topics, consulting them and gathering their views and perceptions. Once identified, the IROs were further evaluated by external stakeholders, including NGOs, academics, investors, and clients, to collect their feedback and insights, ensuring a comprehensive and inclusive assessment process.

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The double materiality assessment highlighted that **all environmental topics are material, except for pollution**.

Business Conduct:
To identify impacts related to business conduct matters, UniCredit has conducted an in-depth analysis of its internal structure, policies, and business model. The process specifically considered factors such as internal corporate culture, the approach to combating corruption and bribery, supplier relationships and payment practices, as well as adherence to whistleblowing procedures. The analysis incorporated relevant criteria, including the location and activity of the operations, the sectoral context, and the structure of transactions, ensuring a comprehensive approach to assessing business conduct matters.

From this analysis, several opportunities were identified, including the enhancement of reputation through investments in the development of innovative tools to manage, monitor and prevent corruption and bribery. Additionally, opportunities were recognized in improving the quality of products and services purchased by fostering a more sustainable supply chain and prioritising certified products that meet minimum environmental criteria. However, the assessment also identified risks such as the potential for fraud, money laundering, sanctions violations, bribery and corruption and failures in Know Your Customer (KYC) compliance.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement

IRO-2 List of disclosure requirements complied with

Through the DMA process, key topics, sub-topics and sub-sub topics were identified, and based on these (sub-) sub-topics, material aspects were determined for each IRO. Specific information and detailed Data Points (DPs) to report were then selected and disclosed accordingly. Therefore, only the DPs related to material PATs (policies, actions, and targets) and metrics associated with the identified (sub-)sub-topics are reported.
The following sections (ESG) reflect the double materiality results through the material information that UniCredit group will be disclose in the Sustainability Statement 2024.

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			E1-3 Actions and resources in relation to climate change policies	251
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			E1-6 Gross Scopes 1, 2, 3 and total GHG emissions	266
			E1-7 GHG Removals and GHG mitigation projects financed through carbon credits	270
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			E3-3 Targets related to water and marine resources	272
		Water - water withdrawal	ESRS 2 IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	165
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			ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	155
			ESR2 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	165
			E4-2 Policies related to biodiversity and ecosystems	272
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			ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	155
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	ESRS E5 Resource use and circular economy	Resources inflows, including resource use	ESRS 2 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	165
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		Other work-related rights - Forced labour	ESRS 2 SBM-2 Interests and views of stakeholders	153
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		Protection of whistle blowers	ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	137
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		Corruption and bribery	ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	137
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IRO-2 - All the datapoints deriving from other EU legislation

IRO-2 Par. 56 - DPs that derive from other EU legislation

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	MATERIAL/NOT MATERIAL	PARAGRAPH
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)		
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)		
ESRS 2 GOV-4 Statement on due diligence paragraph 30 ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i		
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii		
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii		
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv		
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	material	
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	material	
ESRS E1-4 GHG emission reduction targets paragraph 34	material	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	material	
ESRS E1-5 Energy consumption and mix paragraph 37	material	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	material	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	material	
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	material	
ESRS E1-7 GHG removals and carbon credits paragraph 56	material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	material	subject to phase in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).	material	subject to phase in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	material	subject to phase in
ESRS E1-9 Degree of exposure of the portfolio climate-relate to opportunities paragraph 69	material	subject to phase in
ESRS E2-4 Amount of each pollutant listed in Annex E-PRT II of the Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	not material	
ESRS E3-1 Water and marine resources paragraph 9	material (only water)	
ESRS E3-1 Dedicated policy paragraph 13	material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	not material	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	not material	
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	not material	
ESRS 2 - IRO 1 - E4 paragraph 16 (a) i	material	
ESRS 2 - IRO 1 - E4 paragraph 16 (b)	material	
ESRS 2 - IRO 1 - E4 paragraph 16 (c)	material	
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	not material	
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c) ESRS E4-2 Policies to address deforestation paragraph 24 (d)	not material	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	not material	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	not material	
ESRS 2 - SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	not material	
ESRS 2 - SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	not material	
ESRS S1-1 Human rights policy commitments paragraph 20	material	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	material	

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continued: IRO-2 Par. 56 - DPs that derive from other EU legislation

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	MATERIAL/NOT MATERIAL	PARAGRAPH
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	not material	
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	not material	
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	not material	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	not material	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	not material	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	material	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	material	
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	material	
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	material	
ESRS 2 - SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	material	
ESRS S2-1 Human rights policy commitments paragraph 17	material	
ESRS S2-1 Policies related to value chain workers paragraph 18	material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	material	
ESRS S3-1 Human rights policy commitments paragraph 16	material	
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	material	
ESRS S3-4 Human rights issues and incidents paragraph 36	material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	material	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	material	
ESRS S4-4 Human rights issues and incidents paragraph 35	material	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	material	
ESRS G1-1 Protection whistle-blower of paragraph 10 (d)	material	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	material	
ESRS G1-4 Standards anti-corruption of and anti-bribery paragraph 24 (b)	material	

Minimum disclosure requirement on policies and actions

MDR-P - Policies adopted to manage material sustainability matters

UniCredit's policies represent the tangible expression of our commitment to ESG principles. Specifically, the topics and sub-topics identified as material through our double materiality assessment are comprehensively addressed within the policies outlined below. Further details on material IROs covered by each policy are declined under each topic-specific section.

Smart office workplace global policy:

The global policy smart office workplace and its guidelines define internal principles, rules and guidelines for the planning and occupancy of the Group's larger offices, to enable efficient and sustainable long-term real estate investments and to provide a state-of-the-art workplace environment in line with the Group's culture while respecting workplace ergonomics for the well-being of employees. The policy also aims to support the Group's commitment to reduce operational CO2 emissions and to become Net-Zero compliant: it will have an impact on energy consumption and related emissions of headquarters buildings impacted by space-optimisation projects, since it defines space efficiency KPIs and provides guidelines on energy efficiency measures.

This policy is applicable in all regions and to all legal entities for head offices and larger corporate offices (generally for 100 headcount or more), and it should be evaluated, adopted, and reviewed at the following trigger events: office opening/lease extension/relocation decision, major refurbishment or need for adoption to significant changes in the size of the workforce. Overall, the adoption of this document is subject to monitoring by Group Real Estate with the support of the real estate department or the reference point of the Group legal entities.

Civil nuclear:

The sector regulation on civil nuclear establishes standards and guidelines that address the risks associated with the Civil Nuclear sector. Specifically, it defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aiming at assessing the specific situation and characteristics of each civil nuclear-related subject or activity.

The specific provisions of civil nuclear sector regulation apply to all subjects, defined as prospective or active corporate customers who operate as owners or operators of Nuclear Power Plants (NPP) and operators of non-commercial civil nuclear activities (i.e. civil nuclear energy research for improving safety standards). The provisions also apply to any specific purposes/transaction financing or supports, irrespective of the subject, when related to:

- engineering, construction, maintenance, expansion, upgrading, refurbishment and decommissioning of the NPP and ancillary services, key components, infrastructure and equipment for auxiliary systems, facilities for the receipt and interim storage of fuel and safeguard systems subject to safety requirements;
- nuclear waste processing activities;
- civil non-commercial nuclear activities (i.e. fusion nuclear energy research for improving the safety standards of the nuclear energy sector or for developing advanced technologies (e.g. ITER Project) outside the military field, or research and development in the medical sector).

Guidelines for sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Coal sector:

The sector regulation on coal establishes standards and guidelines that address the risks associated with the Coal sector. This regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aimed at assessing the specific situation and characteristics of each coal-related subject or activity.

The specific provisions of coal regulation apply to all subjects, defined as potential or active customers, belonging to corporate or corporate key clients or large corporates, and operating in the Coal-Fired Power Generation area (CFPPs), as owners, operators, subcontractors or suppliers of key components/infrastructures, coal traders and energy traders of coal-generated electricity or in the thermal coal mining area, as owners, operators, subcontractors, suppliers of key components/infrastructures, coal traders/sellers and distributors of coal.

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Moreover, the provisions apply to activities related to:
- for CFPPs: design, building (as well as expansion and/or upgrading), maintenance, ordinary operations and distribution (if regarding electricity directly produced from CFPPs);
- for thermal coal mines: design, building (as well as expansion and/or upgrading), maintenance, ordinary operations and distribution (thermal coal sale or trading of the commodity);
- for key infrastructures (e.g.: distribution network directly connected to the plant, railway network connected to the mine): design, building (as well as expansion and/or upgrading), maintenance and ordinary operations.

UniCredit group understands the increasing adverse effects that CFPPs, as well as the thermal coal mining sector, have on the climate system and is aware of its responsibility towards society and future generations in terms of environmental preservation (resources/ecosystem quality), as well as human health and pollution. This regulation aims therefore at assessing the potential environmental, social and reputational impacts of the Group's involvement in coal sector projects/transactions and, through the implementation of appropriate management and mitigation measures on the Group clients or counterparts' side, to limit associated risks for UniCredit. Through this regulation, the Group wants to support and accelerate the coal sector energy transition and the related improvement of its environmental/social footprint.

Guidelines of sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Defence/Weapons:
The sector regulation on Defence establishes standards and guidelines that address the risks associated with the defence sector. Specifically, this regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aimed at assessing the specific situation and characteristics of each defence-related subject or activity.

The specific provisions of Defence regulation apply to all the subjects, defined as potential or effective corporate customers belonging to the following categories:
- all the companies operating in the defence sector, as designers, producers, traders, distributors or suppliers of weapons, their components, their infrastructures, and their services;
- all companies whose activity of export of military goods is submitted to specific authorisation from the local authorities;
- all companies whose business is related to dual use products.

The provisions also apply to activities related to design, manufacturing, testing, trading, export, maintenance, ordinary operations related to the weapons or other products destinated to the Defence (military goods), their key components, or to the related key infrastructures, and key services requested for their effective and efficient operations.

UniCredit understands the increasing adverse impacts that defence-related activities, controversial and nuclear ones, have on environment, health, and humanitarian principles violation. The Group is aware of its responsibilities towards society and has a position against the financing of such weapons, while acknowledging that certain types of weapons are necessary for the effective pursuit of morally sound and internationally accepted goals, such as peacekeeping and national self-defence.

Guidelines of sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Mining sector policy:
The sector regulation on Mining establishes standards and guidelines that address the risks associated with the mining sector. This regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aimed at assessing the specific situation and characteristics of each mining-related subject or activity.

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The specific provisions of mining regulations apply to all the subjects who operate in the mining area for minerals and raw materials which include (but are not limited to) base metals, precious metals, ferrous and non-ferrous metals, coal, uranium, asbestos, gemstones, salts, and industrial or agricultural minerals, as owners, operators, subsidiaries, subcontractors or suppliers of key components. The provisions also apply to all the activities related to:

- prospecting, exploration and mining production of mineral raw materials, which include (but not limited to) base metals, precious metals, ferrous and non-ferrous metals, coal, uranium, asbestos, gemstones, salts, and industrial or agricultural minerals;
- development, construction, and operation of facilities to mine, process, and transport mineral raw materials, as well as supporting infrastructure;
- all the decommissioning, closure, rehabilitation, and post-closure monitoring activities associated with mines.

This regulation aims to assess the potential environmental and social impacts originating from financing mining sector-related activities and to limit associated risks to the Group's reputation through the implementation of appropriate management and mitigation measures.

Guidelines of sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Oil & Gas sector:
The sector regulation on Oil & Gas establishes standards and guidelines that address the risks associated with the oil and gas sector. This regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aimed at assessing the specific situation and characteristics of each oil and gas-related subject or activity.

The specific provisions of oil and gas regulation apply to all the subjects, defined as potential or active customers belonging to Corporate or Corporate Key Clients or Large Corporates business division, when applicable and active in the oil and gas upstream and midstream sectors, as owners, operators, subcontractors or suppliers of key components/infrastructures/services (e.g. EPC contractors). The provisions also apply to all the activities (design, building, as well as expansion and/or upgrading, maintenance and ordinary operations) related to upstream and midstream segments of the oil and gas sector.

UniCredit group understands the increasing adverse impacts that oil and gas-related activities, unconventional and Arctic risks have on the climate system and is aware of its responsibilities towards society and future generations in terms of environmental preservation (resources/ecosystem quality), as well as human health and pollution. This regulation aims therefore to assess the potential environmental, social and reputational impacts of the Group's involvement in the oil and gas sector projects/transactions and, through the implementation of appropriate management and mitigation measures on Group clients or counterparties, to limit associated risks for UniCredit. The Group wants to support and accelerate the oil and gas sector energy transition and the related improvement of its environmental/social footprint.

Guidelines of sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Tobacco sector commitment:
UniCredit's public Commitment on Tobacco outlines the position of our Group towards the tobacco sector and our initiatives to play an active role in addressing global environmental and social priorities. UniCredit committed to exit the industry by the end of 2025: this refers to our exposure to manufacturers and producers of tobacco products (distributors of tobacco products and producers of packaging for tobacco products are not in scope) in all countries where we operate.

2022 represented a one-year phase-in period to start our customer engagement: we explained the above reasons to our clients and introduced the application of our commitment. In this period, UniCredit did not acquire new customers in the tobacco sector and at the same time did not allow any tobacco-related project financing. From 2026, we will phase out relationships with all manufacturers and producers of tobacco products.

UniCredit has signed the Tobacco Free Finance Pledge with the aim to have an active role in addressing global environmental and social priorities, as outlined in the Sustainable Development Goals (SDGs), including SDG 3 - Health and Well-Being and SDG 17 - Partnerships for the Goals, and recognised by the World Health Organization Framework Convention on Tobacco Control. Together with the other institutions who joined the Pledge, we aim to raise awareness among financial institutions of the essential role the finance sector must play to assist effective tobacco control and to encourage the transition towards tobacco-free finance policies.

The Commitment applies to all UniCredit business lines, and it was approved by the CEO. The process for monitoring it is the same for all the sectors where UniCredit operates and it is detailed in the Group Reputational Risk Management Global Policy.

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Water infrastructure (Large dams)
The sector regulation on Water Infrastructure establishes standards and guidelines that address the risks associated to the Water Infrastructure sector. Specifically, this regulation defines criteria for identifying subjects and activities in scope; and the process, roles, and responsibilities for performing the Reputational and ESG Risk Assessment, aimed at assessing the specific situation and characteristics of each water infrastructure-related subject or activity.

The specific provisions of Water Infrastructures (Large dams) apply to prospective or active corporate customers who operate as owners or operators of large dams, and to any specific purposes/transaction financing or supports, irrespective of the subject, when related to engineering, construction, maintenance, expansion, upgrading, refurbishment, and decommissioning works of large dams and related infrastructure (e.g. hydropower plant), ancillary services, key components and equipment.

UniCredit is aware of the importance of the water industry and related activities which, if not managed in a responsible way, can have adverse impacts on the biodiversity, environment and on involved communities. The sector relevance is even more important in the current context, where climate change remains one of the biggest threats facing the planet, and for the relevant contribution to the Net-Zero targets achievement to which UniCredit is strongly committed. Therefore, large dams and hydropower plants could play a key role in the energy transition path.

Guidelines of sensitive sectors policies are approved by Group Non-Financial Risks and Controls Committee, and they apply to UniCredit S.p.A. and to the Group legal entities according to the Operational Risk Oversight model. A summary of the policy is available on our website.

Statement of natural capital and biodiversity:
The statement illustrates UniCredit's commitment towards natural capital and biodiversity preservation. It represents our first comprehensive Natural Capital framework in which biodiversity and climate issues are interrelated: we are committed to protecting natural capital by delivering sustainable financing solutions to clients and reducing the environmental impacts of our direct operations. Avoid operations in areas protected for biodiversity conservation purpose as well as combat deforestation and forest degradation are fundamental principles for the Group.

The Statement has been developed considering the point of view of stakeholders such as regulators, investors, civil society, NGOs, and it is based on the following internationally recognized standards and initiatives:
- Equator Principles;
- International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability;
- World Bank Group Environmental, Health and Safety (EHS) Guidelines;
- Finance for Biodiversity Pledge (FfBP).

The document represents a positioning paper on the topics of natural capital and biodiversity, and it is published on our institutional website.

ESG product guidelines:
The ESG product guidelines, applicable since end 2022, aim at establishing a consistent and comprehensive methodology for the classification and reporting of UniCredit's ESG offering and at preventing the related risks of green washing and social washing.

The ESG product guidelines are based on external regulations:
- EU Taxonomy (Regulation 2020/852) and available Delegated Acts;
- International Capital Market Association (ICMA): Green Bond Principles 2021, Sustainability Bond Guidelines 2021, Social Bond Principles 2023, Sustainability Linked Bond Principles 2024, Climate Transition Finance Handbook 2023;
- Guidelines ISDA 2021 on Sustainability-Linked Derivatives;
- Loan Market Association (LMA): Green Loan Principles 2023, Social Loan Principles 2023, Sustainability Linked Loan;
- Platform on Sustainable Finance: Transition Finance report 2022;
- EU Transition Finance Recommendation, 2023;
- EU Sustainable Finance Disclosure Regulation 2019/2088 (SFDR);
- Directive 2014/65/EU - MiFID 2;
- European Securities and Markets Authority (ESMA): Guidelines on funds' names using ESG or sustainability-related terms 2024.

The perimeter of application covers all Group's legal entities and business lines: lending products, bonds, investment, hedging, capital market, transactional and insurance products. The ESG Product Guidelines are approved by Group Non-Financial Risks and Controls Committee at Group Level, and each legal entity is responsible for the policy implementation at local level. Specifically, each legal entity is made responsible to set up specific processes for the verification of the ESG features of deals and products.

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Moreover, the central ESG function supports the legal entities in structuring deals compliant with market standards and guidelines, performing ex-post checks on a periodical basis on new deals (social/green/transitional/ESG linked).
The policy is meant for internal use and an abstract is also available on the institutional website.

Human rights commitment:
The human rights commitment outlines UniCredit's dedication to upholding human rights across its key stakeholder groups, including employees, customers, suppliers, and communities. This document summarizes the roles and responsibilities as well as the principles, rules, procedures and systems adopted by UniCredit to comply with generally accepted international and local standards and regulations for preventing, managing and, where possible, reducing human rights impacts.
Grounded in international standards and conventions, this commitment contributes to equal opportunities, secure and quality employment, and the promotion of adequate wages, supported by social dialogue and collective bargaining. It also enhances employee well-being through dedicated activities and fosters skill development through training and professional growth programmes. Opportunities include positioning UniCredit as an employer of choice, improving employee performance with forward-thinking training, and ensuring transparent performance reviews and career development plans.

UniCredit’s human rights commitment leverages on and respects:
- the Universal Declaration of Human Rights;
- the International Covenant on Civil and Political Rights;
- the International Covenant on Economic, Social and Cultural Rights;
- the International Labour Organization's (ILO) Fundamental Human Rights conventions (29, 87, 98, 100, 105, 111, 138 and 182);
- the UN Guiding Principles on Business and Human Rights;
- the OECD Guidelines for Multinational Enterprises;
- the UN Global Compact principles;
- the UN Principles for Responsible Investment;
- the International Finance Corporation (IFC) Performance Standards;
- the World Bank Group Environmental, Health and Safety (EHS) Guidelines;
- the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking;
- the Equator Principles (EP);
- the Women's Empowerment Principles;
- the UN Declaration on the Rights of Indigenous Peoples;
- the Declaration on Human Rights Defenders.

The Commitment applies to all UniCredit group, while sole legal entities may develop local specific human rights best practices which can be disseminated across our Group, with a view to promoting continuous improvement.
The current version of the Human Rights Commitment was approved by the Group Non Financial Risk Committee chaired by the Group CEO in June 2024. The monitoring of the effectiveness of the human rights commitment leverages on existing processes detailed in other Group's policies and managed by the related functions (for example, the Group Reputational Risk Management Global Policy, the Whistleblowing Global Policy, the Global Policy against harassment, sexual misconduct, bullying and retaliation).
The Commitment is communicated to all employees through various internal initiatives that include, among others, internal communication and news on local intranets. The Commitment is also published on the Group website. In addition, the relevant internal and external stakeholders will be informed about the Human Rights Commitment to collect their feedback and thus consider their expectations in reviewing our improvement plan.

Diversity, equity and inclusion global policy:
The objective of the Diversity, Equity and Inclusion Global Policy is to set out the principles by which UniCredit enhances inclusion throughout the whole organisation, aiming to ensure that our policies, procedures, and behaviours promote diversity, equity and inclusion and create an environment where individual differences are valued.

The diversity, equity and inclusion global policy positively impacts UniCredit by fostering equal opportunities, securing employment, and enhancing employee well-being through dedicated benefits and a healthy work environment. The policy also ensures respect for diversity, advancing an inclusive corporate climate through initiatives that actively prevent discrimination. Key opportunities include becoming an employer of choice by cultivating a flexible, inclusive culture and improving employee performance through forward-looking training programmes.

This policy is aligned with all applicable international, national, and local laws and regulations, and it applies to behaviours internally and externally in all legal entities and to all employees of the Group. All UniCredit employees play an active role and are responsible for its application while specific functions play key roles in the process, as outlined.
Although the Group cannot control the conduct of Third Parties, it does not condone behaviours not aligned with the principles of this Policy and will adopt any appropriate consequence management.

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UniCredit will measure and communicate progress towards Group diversity, equity and inclusion strategy through the disclosure of relevant data, commitments and initiatives leveraging the Sustainability Statements and the Annual diversity, equity and inclusion report, available both internally and externally.

Group remuneration policy:
The Group remuneration policy defines the principles and standards which UniCredit applies in designing, implementing and monitoring the Group compensation practices, plans and systems. The policy aligns with UniCredit's long-term strategy and commitment to sustainability by ensuring compensation is linked to risk-adjusted performance and discourages excessive risk-taking, including in the context of sustainability risks. This policy positively impacts the promotion of equal opportunities, quality employment, and fair compensation, further reinforced through social dialogue and collective bargaining. Opportunities arising from this policy include strengthening UniCredit's position as an employer of choice, promoting diversity, fostering an inclusive culture, and offering flexible work-life balance solutions that meet evolving employee needs.

The principles of the Group remuneration policy are valid across the entire organisation and shall be reflected in the remuneration practices applying to employee categories across businesses, including staff belonging to external distribution networks, considering their remuneration peculiarities. In compliance with the Group remuneration policy and local regulation, legal entities, countries, and divisions apply the compensation framework for all employees. Furthermore, the elements of the policy are fully applied across the entire Material Risk Taker population, with local adaptations based on specific regulations and/or business specifics, consistent with the overall Group approach.

On an annual basis, the Group remuneration policy, as proposed by the Remuneration Committee, is defined by the Board of Directors, and then presented to the shareholders' Annual General Meeting for approval, in line with regulatory requirements.

People & Culture policy framework:
This People & Culture Framework is meant as a central reference to all People & Culture Global Rules, plans, programmes, processes of UniCredit S.p.A. and of its Group's Legal Entities and Foreign Branches; a new, updated version will be soon available. It provides a framework to ensure that People & Culture management is performed consistently across the Group and to create the conditions for which all persons can have the needed professional skills for the exercise of the responsibilities attributed to them. The People & Culture Policy Framework establishes a unified approach to managing human resources across UniCredit group, ensuring consistency in practices, processes, and programmes. It aims to equip all employees with the necessary skills and competencies to fulfil their responsibilities effectively, aligning with the Company's strategic goals. This internal framework also ensures compliance with regulatory requirements, promoting a culture of professionalism and accountability across the organisation.

Recruiting process:
The recruiting process regulation aims to establish a structured framework for UniCredit group's recruitment and selection processes, promoting transparency and consistency across all hiring practices. It ensures compliance with relevant labour laws and regulations[16] while aligning with the Company's core values and Code of Conduct. By fostering a fair and unbiased recruitment process, the regulation guarantees that all candidates are treated with respect and given equal opportunity based on their skills and qualifications, thereby upholding the integrity and ethical standards of UniCredit group.

The recruiting process regulation is intended for internal use, and Group People & Culture functions and line managers are responsible for its implementation.

Training and education guidelines:
The Training and Education Guidelines are meant as a central reference to all People & Culture Global Rules, plans, programmes and processes of UniCredit S.p.A. and they will be soon extended to Group's legal entities. It provides a framework aligned with external regulation requirements set out in Banca d'Italia's clarification notes to Circular 285[17], with the objective to ensure that People & Culture management is performed consistently across the company and to create the conditions for which all persons can have the needed professional skills for the exercise of the responsibilities attributed to them.
The policy is published in our dedicated intranet. Actors involved in the review/sharing/validation process have been actively and promptly involved in the setting of the policy.

16 Including CONSOB Regulation, n.17221 March 2010, See Title V, Chapter 5 of the Banca d'Italia Circular of 27 December 2006, 263 "New prudential supervisory provisions for the Bank" (the "Regulations on Banca d'Italia") and pursuant to the art.136 of Legislative Decree of 1 September 1993, 385 "Consolidated Law on banking and credit" (the "Legislative Decree 385/1993").
17 Circular 285 of 19 December 2013, First part, Title IV, Chapter 3, 4 and 5.

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Global policy against harassment, sexual misconduct, bullying and retaliation:
The policy, aligned with the Universal Declaration of Human Rights and the Group's values, outlines UniCredit's commitment to fostering a respectful and professional workplace free from harassment, sexual misconduct, bullying, and retaliation. The aim of this policy is the prevention, detection, enforcement, and ongoing monitoring of harassment, bullying, sexual misconduct and retaliation, including by providing support for individuals who report (both employees and third parties) and protecting them from retaliation. The Policy upholds equal treatment and dignity for all, ensuring a safe work environment where any behaviour undermining these principles is not tolerated, while emphasising the need for employees to be mindful of how their actions may be perceived.

The policy, published on our website, applies to behaviours internally and externally in all Group legal entities and to all employees of the Group, and it has positive impacts for the workplace by promoting specific initiatives for diversity and fostering an inclusive working environment. It increases opportunities for UniCredit to be seen as an attractive employer, confirming diversity and inclusion as central principles.

Statement on Modern Slavery Act and human trafficking:
UniCredit statement demonstrates its commitment on promoting the respect for human rights, and it must be read in conjunction with human rights commitment. Specifically, the statement describes the measures taken by UniCredit to mitigate the risk of slavery and human trafficking, within our businesses or our supply chain, in accordance with section 54 of the United Kingdom's Modern Slavery Act 2015, the International Labour Organization's (ILO) Fundamental Human Rights Conventions, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the UN Guiding Principles on Business and Human Rights, the UNEP FI Principles for Responsible Banking.

UniCredit has been publishing this statement every year since 2016 covering the following contents: Group's commitment to international norms; internal policies to ensure employees act with integrity; measures to ensure business and supply chains are slavery and human trafficking free; trainings available to employees to raise awareness on human rights. In UniCredit, suppliers and contractors must meet certain minimum requirements and are subject to appropriate review and assessment, both prior to being engaged and on an ongoing basis.

The last statement has been approved by the Board of Directors and signed by the CEO in June 2024, and it applies to those Group companies (UniCredit S.p.A., UniCredit Bank AG) that are required to have a modern slavery statement.

Group privacy policy:
UniCredit global privacy policy aims at assuring a homogeneous approach at Group level among all Legal Entities for the protection of personal data of individuals, both employees and clients[18]. Group guidelines and principles are intended for internal use as they represent the framework adopted for compliance with (EU) General Data Protection Regulation 2016/679 and local regulations and that, through advisory to business, monitoring and education, aims at making our Group a reliable counterpart for our customers and stakeholders in assuring utmost commitment in protecting their personal data. Specifically, it is the Data Controller, through its delegated functions according to their scope of responsibility, who is accountable to comply with privacy/data protection requirements supported by Data Protection Officer advice.

Customer Protection rules:
The Customer Protection rules relating to the offer of banking products and services define principles and standards for managing the obligations arising from the regulatory requirements set forth in the external sectorial regulations. Specifically, the regulatory requirements refer to:
- Consumer Credit Directive - Directive 2008/48/EC;
- Mortgage Credit Directive - Directive 2014/17/EU;
- Payment Accounts Directive - Directive 2014/92/EU;
- Payment Services Directive "PSD2" - Directive 2015/2366/EU only for the part relating to banking transparency requirements;
- Deposit Guarantee Schemes Directive - Directive 2014/49/ EU;
- Guidelines on product oversight and governance arrangements for retail banking products, EBA-GL-2015.

The relevant Policy and related internal regulations are approved by the Group Compliance Officer, and apply to all Group companies which offer banking products and services in the scope of the external regulations mentioned above, of any technical form, to any target customers (consumers, businesses, etc.), and by any means of offering (at the physical branch/on-site, at a distance - e.g. online, app, by phone, off-site). As for any other internal rules in the bank, the implementation is monitored through intranet tools and processes.

18 In particular, individuals, individual companies, self-employers and individuals connected to corporates e.g. legal representatives.

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Code of conduct:
The code of conduct is available on our website. In line with corporate culture and values (Caring, Ownership, Integrity), the code of conduct entails principles which all employees and partnering third parties of UniCredit must comply with, to ensure high standards of professional conduct and integrity related to their activity in, or on behalf of UniCredit. This code provides general principles of conduct about key compliance risk (i.e., client interest protection, antitrust, market integrity, anti-money laundering and counter-terrorist financing, financial sanctions, anti-bribery and anti-corruption, data protection), which are periodically monitored by respective functions.

The Code of Conduct is approved by the Board of Directors and applies to all UniCredit's legal entities. The Board of Directors of UniCredit, the Chief Executive Officer, as well as the rest of the top management of UniCredit and the Group legal entities are responsible for creating a general culture of risk management in the organization and ensuring the oversight of the desired conduct. In this regard, they play an active role to enforce the behavioural standards described in this policy[19].

Group tax strategy policy:
UniCredit Group complies, in form and substance, with all domestic, international or supranational tax laws, regulations and practices, and cooperates with full transparency with the Tax Authorities of all jurisdictions where it operates. In particular, the goal of UniCredit group is to pay all taxes due and promptly implement all obligations required by applicable tax laws; and at the same time, maintain the Group's global tax efficiency, avoiding double taxation.

The UniCredit group also seeks to establish good and cooperative relationships and dialogue with the Tax Authorities in the various countries in which it conducts business. UniCredit S.p.A. in fact, has joined the Italian Tax Cooperative Compliance Regime since 2016.

In addition, given the complexity of tax law, to ensure the achievement of such objectives, the UniCredit group has adopted a comprehensive monitoring system to verify that its tax obligations are complied with on time and in full.

The tax strategy policy is approved by the Board of Directors, and it is brought to the attention of all the companies in the UniCredit group, also through its availability on Group intranet and internet website. The policy is subject to periodic review by UniCredit's internal experts on tax and compliance. In particular, the Tax Function is in charge of the tax strategy policy implementation and update.

Whistleblowing procedure:
The principal object of the Whistleblowing procedure is to guarantee the protection of the whistleblowers who report misconduct referred or impacted on the working environment, and to ensure the absence of retaliation, in line with the European Whistleblowing Directive 1937/2019.

The purpose of this rule is to promote a corporate environment where employees and third parties are encouraged to report unacceptable conduct (through the defined adequate communication channels) within the Group as a valuable contribution to self-correction and excellence. Unacceptable Conduct refers to any action and/or omission in a work-related context or impacting it, that is or could be harmful to or jeopardise the Group and/or its Employees, including conduct that is:
- illegal, unfair or unethical;
- a breach of laws and regulations, including but not limited to European Union laws; or
- a failure to comply with internal rules.

The Group respects, and all the employees and the third parties are required to respect, all applicable international, national, and local laws and regulations. There may be countries where the Group's standards and requirements may exceed the requirements of that jurisdiction. Also, this policy, approved by the CEO, should be read in conjunction with the global policy code of conduct and the global policy against harassment, sexual misconduct, bullying and retaliation, as implemented in each legal entity. The policy is available on our website.

Global policy on anti-bribery and anti-corruption:
The Group has adopted a regulation which demonstrates adherence to the values of integrity, transparency and accountability and promotes a culture of respect for which corruption is never acceptable. The global policy anti-bribery and anti-corruption aims to:
- articulate UniCredit group's commitment to prohibiting bribery and corruption;
- define principles for identifying and preventing potential bribery and corruption;
- communicate anti-bribery and anti-corruption principles both to internal and external stakeholders;
- provide a framework for a Group-wide anti-corruption programme.

The Policy also covers external regulation requirements: UK Bribery Act, Foreign Corrupt Practices Act, SAPIN II, and OECD Convention on combating bribery of foreign public officials in international business transactions.

19 UniCredit S.p.A. has established additional rules of conduct in the Code of Ethics 231/2001 as an integral part of the Organization and Management Model pursuant to the Legislative Decree 231/2001 ("Model"). Each Legal Entity falling within the Group's L.D. 231/2001 perimeter has adopted its own Model and its own Code of Ethics 231/2001 within the Model pursuant to the Legislative Decree 231/2001.

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The Policy, available on the website, was approved by the CEO, and it is addressed to all UniCredit group legal entities and applies to all members of strategic, control and executive bodies, employees, tied agents (e.g., financial advisors) and temporary employees of UniCredit, and across all Group business activities, and shall be applied in compliance with legal requirements and regulations locally in force. In case local legal requirements are more restrictive than the principles of this policy, the more restrictive requirements of local laws in force are to be adopted by the respective UniCredit group legal entities.

Anti-fraud policy:
The objective of the anti-fraud policy is to ensure that the internal and external fraud risks are adequately identified, understood, and assessed. Specifically, the purpose of this document is to define the fraud management system that each legal entity of the Group is requested to implement, in order to establish a proactive environment to effectively deal with the present fraud risks with the aim of protecting its assets; and the main roles and responsibilities of the functions involved in the fraud governance process.

This policy also covers requirements from the European directive (EU) 2015/2366 and it is directly applicable to UniCredit S.p.A. and addressed to all the legal entities of the Group. Group Security is responsible for its implementation.

Supplier qualification process:
Aligned with International Labour Organization's (ILO) Fundamental Human Rights Conventions and the UN Global Compact principles, the supplier qualification process defines the criteria and methods of third-party screening prior to the involvement of the supplier in a possible sourcing action for the purchase of goods/services as part of the activities managed by Procurement. The qualification of suppliers allows to:
- identify adequate suppliers based on compliance, sustainability and economic-financial criteria in line with the Group's policies and guidelines;
- manage risks associated with third parties (e.g. corruption risk, reputational risks, economic risks, etc.) by excluding suppliers who have not succeeded in the qualification process;
- promote, to suppliers, ethical principles and policies in sustainability;
- arrange from time to time a list of successful suppliers in the qualification process that can be used for sourcing activities managed by Procurement structures.

The supplier qualification process is performed when the negotiation and purchase of goods/services are carried out centrally by Group Procurement, which is the responsible function: not all Group purchases are handled by Procurement, as there are purchase categories and/or thresholds managed outside of Procurement.

The screening on suppliers is based on risk scores provided by external risk info-providers and on other specific controls acted by Procurement and/or Compliance to verify mainly anti-corruption aspects and negative news. When risk scores are unavailable from info-providers the supplier evaluation is based, by exception, on supplier’s questionnaires, which also take into consideration environmental and social aspects. The supplier qualification must be periodically reviewed. In any case, a monitoring functionality, able to notify risk-related incidents or changing in the risk scores, is in place.

Expenditure regulation:
This global policy has the purpose to define principles and minimum requirements necessary to manage expenditures and investments, from demand to pay.

This policy applies to all disbursements incurred to perform activities in all legal entities of the Group, classified in expenditures and investments according to the following:
- expenditures are all disbursements linked to the procurement of goods and services that have economic impact on P&L;
- investments are related to the procurement of goods and services that are long-term and have a multi-year utility.

The functions involved in the process disciplined by such policy are:
- Group Cost Management, in charge of steering the expenditure approval process at Group level, monitoring the evolution of Group and UniCredit S.p.A. NHR costs, managing the ICT demand process at Group level and the activities related to Group Projects & Expenses Committee (PEC);
- Group Procurement, in charge of managing centrally the purchases of goods and services for the Group in order to achieve cost optimization.

Environmental information

Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)

Introduction

The following tables display the disclosure obligations under Article 8 of the Disclosures Delegated Act supplementing the EU Taxonomy Regulation (2020/852), which requires financial companies to report Taxonomy eligibility and alignment's key performance indicators (KPIs), starting for calendar year 2023. The disclosure is intended to provide transparency on sustainability and facilitate the transition towards a low-carbon economy. In particular, the Article 8 of the Regulation requires undertakings covered by the Non-Financial Reporting Directive (NFRD) 2014/95/EU to publish information on how and to what extent their economic activities qualify as environmentally sustainable under the Taxonomy Regulation. The result is presented through the green asset ratio (GAR), that is the exposures to activities that are Taxonomy aligned (numerator) divided by total covered assets (denominator).

As of today, for the GAR calculation, actual data disclosed by counterparties are necessary to assess banks' Taxonomy-related KPIs for financial and non-financial undertakings. This means that undertakings that are not covered by mandatory non-financial disclosure are excluded, and the data gap is reflected on the bank's ratio.

This year, the GAR Turnover-based is 1.36% with total GAR assets equal to €547 billion, compared to year-end 2023 where the GAR was 1.16% with total GAR assets equal to €551 billion. The GAR is mainly explained by exposures contributing to the climate change mitigation objective.

Our calculation approach

In accordance with the templates provided by Regulation, for the calculation of the GAR KPIs, we have differentiated the portfolio by assets and applied different calculation approaches, where required. We have only included undertakings subject to NFRD with mandatory disclosures, excluding exposures to central governments, central banks, and supranational issuers. Information related to the use of proceeds is not published within the framework of the Article 8 Taxonomy templates. Therefore, the sole counterparty KPIs are taken into account to define eligibility and alignment. Furthermore, as required by the Regulation, the T-1 templates have been published but it should be noted that the comparison is not significant as the perimeter of the 2024 disclosure has been changed compared to that of last year. In details, below a description of the applied approach.

- **Financial Corporations, Non-Financial Corporations, and Financial Guarantees**: the Taxonomy KPIs consist of the weighted average of financing activities and the proportion of Taxonomy-aligned economic activities of the counterparty. The collection of reports disclosed by our counterparties, according to the NFRD, was done with the support of an external provider.
  - When identifying NFRD counterparties, we have included all corporations which by themselves or indirectly fulfil criteria of the mandatory NFRD requirements. Moreover, when a counterparty has contributed to the parent's reported KPIs, we have included the value for the counterparty by using the KPIs of the parent company.
  - We encountered cases where a counterparty, in its NFRD disclosure, did not report the breakdown of its Taxonomy KPIs among CCM and CCA. In that case, for our disclosure, we have decided to include the KPIs in the TOTAL columns ('TOTAL CCM + CCA + WTR + CE + PPC + BIO'[20]). Therefore, the values in the total columns might be greater than the sum of the single components.

- **Loan collateralised to households**: we focused on the "Acquisition" perimeter under Delegated Regulation 2021/2139; (excluding the "Renovation" perimeter under Delegated Regulation 2021/2139, and "Motor vehicles" due to a lack of specific information related to the identification of "green loans").
  - For this portfolio, we identified the share of "green loans" by applying the criteria of the aforementioned Regulation - that is, we consider the best performance buildings with punctual Energy Performance Certificate (EPC) and Primary Energy Demand (PED) data for Eligibility KPIs.

20 Climate change mitigation, Climate change adaptation, Water and marine resources, Circular economy, Pollution, Biodiversity.

- For the analysis of Alignment KPIs, we have considered the assets built before 31 December 2020 with a documented EPC = A. We only consider documented EPC (adequate/actual documentation), therefore using a conservative approach. Furthermore, for Italian counterparties only, we have applied the Top-15% approach for assets built before 31 December 2020. For assets built after 31 December 2020, we have applied the NZEB[21] approach. We have collected data for NZEB and Top-15% per region through an external data provider.
- The calculation approach also integrates the analysis of physical risks in the Do Not Significant Harm (DNSH) assessment, which is aligned with the thresholds and climate data used for the Pillar 3 Template 5 disclosure - "Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk (Group)". We have not included adaptation plans or other types of mitigating actions, therefore applying a conservative approach.

- **Motor vehicles to households**: for eligible exposures, we considered loans granted to fund the purchase of motor vehicles. For aligned exposures, we have only considered loans to purchase low-emission vehicles.

- **Asset Under Management (AuM)**: the reporting perimeter of the AuM KPIs is based on the volumes of collective investment funds which the Group reports in the Group Full Year Results Market Presentation and other external communications. The numerator is calculated as a weighted average of the proportion of Taxonomy-aligned economic activities at an aggregated portfolio level, over total investments. The collection of the portfolio aggregated KPIs, which are the results of calculations performed on underlying holdings' actual KPIs available to the market, was collected through an external provider.
  - The total value of AuM includes all types of asset class funds, while the 'of which' only includes debt and equity respectively as classified by our external data provider (e.g. commodities are not classified). This means that the total value of AuM might be greater than the sum of the 'of which debts' and 'of which equity' single components.

- **New Business:** the flow has been calculated as a delta stock approach at transaction level, between T (31 December 2024) and T-1 (31 December 2023), identifying only new transactions originated during this period.

- **Additional disclosure on Nuclear and Gas related activities**: we have disclosed the eligibility, non-eligibility, and alignment of nuclear energy and fossil gas related activities in accordance with Article 8(6), (7) and (8) of the amended Disclosures Delegated Act as of 1 January 2023. The nuclear energy and fossil gas-related activities' KPIs have been computed by using the most recently available data and key performance indicators of our non-financial corporations' counterparties, therefore only considering undertakings subject to NFRD.

21 Nearly Zero Energy Building

Sustainability statements

Annex VI - Template for the KPIs of credit institutions

0 Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

(€ million)

MAIN KPI	TOTAL ENVIRONMENTALLY SUSTAINABLE ASSETS	KPI TURNOVER BASED	KPI CAPEX BASED	COVERAGE OVER TOTAL ASSETS	% OF ASSETS EXCLUDED FROM THE NUMERATOR OF THE GAR (ARTICLE 7 (2) AND (3) AND SECTION 1.1.2. OF ANNEX V)	% OF ASSETS EXCLUDED FROM THE DENOMINATOR OF THE GAR (ARTICLE 7 (1)) AND SECTION 1.2.4 OF ANNEX V)
Green Assets Ratio (GAR) stock	7,432	1.36%	1.91%	68.99%	56.10%	31.01%

ADDITIONAL KPI	TOTAL ENVIRONMENTALLY SUSTAINABLE ASSETS	KPI TURNOVER BASED	KPI CAPEX BASED	COVERAGE OVER TOTAL ASSETS	% OF ASSETS EXCLUDED FROM THE NUMERATOR OF THE GAR (ARTICLE 7 (2) AND (3) AND SECTION 1.1.2. OF ANNEX V)	% OF ASSETS EXCLUDED FROM THE DENOMINATOR OF THE GAR (ARTICLE 7 (1)) AND SECTION 1.2.4 OF ANNEX V)
GAR flow	2,208	2.19%	3.42%	26.94%	-	-
Trading book	-	-	-	-	-	-
Financial Guarantees	291	5.81%	10.73%	-	-	-
Assets Under Management	3,225	9.22%	14.12%	-	-	-
Fees and commissions income	-	-	-	-	-	-

Sustainability statements

1 Assets for the calculation of GAR - Turnover based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2024													
			CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		TOTAL GROSS CARRYING AMOUNT	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	157,089	110,535	7,238	-	3,223	2,002	165	61	-	19	106	36	-	-
2	**Financial undertaking**	**36,802**	**8,161**	**1,155**	**-**	**39**	**260**	**86**	**4**	**-**	**0**	**5**	**-**	**-**	**-**
3	Credit institutions	23,860	5,882	412	-	29	23	9	3	-	-	0	-	-	-
4	Loans and advances	14,098	3,326	215	-	21	10	7	3	-	-	-	-	-	-
5	Debt securities, including UoP	6,586	1,771	146	-	5	7	2	0	-	-	0	-	-	-
6	Equity instruments	3,176	785	52	-	2	7	-	-	-	-	0	-	-	-
7	Other Financial corporation	12,942	2,279	743	-	10	237	77	1	-	0	4	-	-	-
8	*Of which: investment firms*	*1*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	1	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*423*	*81*	*14*	-	*0*	*0*	*2*	*0*	-	-	*0*	-	-	-
13	Loans and advances	186	49	5	-	0	0	0	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	238	32	8	-	0	0	2	0	-	-	0	-	-	-
16	*Of which: insurance undertakings*	*2,252*	-	*52*	-	*1*	*10*	-	*0*	-	*0*	-	-	-	-
17	Loans and advances	161	-	3	-	0	1	-	0	-	0	-	-	-	-
18	Debt securities, including UoP	12	-	0	-	0	0	-	-	-	-	-	-	-	-
19	Equity instruments	2,078	-	49	-	1	10	-	0	-	0	-	-	-	-
20	**Non-Financial undertakings**	**22,752**	**7,695**	**3,278**	**-**	**379**	**1,742**	**79**	**57**	**-**	**19**	**102**	**36**	**-**	**-**
21	Loans and advances	20,398	7,196	2,971	-	354	1,607	67	47	-	9	101	36	-	-
22	Debt securities, including UoP	2,301	466	292	-	26	120	12	10	-	10	1	0	-	-
23	Equity instruments	53	32	15	-	-	15	0	0	-	0	-	-	-	-
24	**Households**	**97,477**	**94,634**	**2,804**	**-**	**2,804**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*94,820*	*92,040*	*2,791*	-	*2,791*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*2,247*	*2,195*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*406*	*395*	*14*	-	*14*	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**58**	**46**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	10	2	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	49	43	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - Turnover based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2024																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	372	92	-	-	174	2	-	-	141	-	-	-	111,980	7,432	-	3,240	2,021
2	**Financial undertaking**	**31**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**2**	**-**	**-**	**-**	**8,741**	**1,159**	**-**	**39**	**260**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	5,937	415	-	29	23
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	3,334	217	-	21	10
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	1,818	146	-	5	7
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	786	52	-	2	7
7	Other Financial corporation	31	-	-	-	1	-	-	-	2	-	-	-	2,804	744	-	10	237
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*1*	-	-	-	*0*	-	-	-	*0*	-	-	-	*85*	*14*	-	*0*	*0*
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	50	5	-	0	0
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	1	-	-	-	0	-	-	-	0	-	-	-	35	8	-	0	0
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	*379*	*52*	-	*1*	*10*
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	25	3	-	0	1
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	2	0	-	0	0
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	351	49	-	1	10
20	**Non-Financial undertakings**	**341**	**92**	**-**	**-**	**173**	**2**	**-**	**-**	**140**	**-**	**-**	**-**	**8,560**	**3,468**	**-**	**396**	**1,760**
21	Loans and advances	325	80	-	-	111	2	-	-	140	-	-	-	7,971	3,137	-	370	1,616
22	Debt securities, including UoP	16	12	-	-	62	0	-	-	0	-	-	-	557	317	-	26	130
23	Equity instruments	0	-	-	-	-	-	-	-	-	-	-	-	32	15	-	-	15
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**94,634**	**2,804**	**-**	**2,804**	**-**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*92,040*	*2,791*	-	*2,791*	-
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*2,195*	-	-	-	-
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*395*	*14*	-	*14*	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**46**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	43	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - Turnover based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2024													
		TOTAL GROSS CARRYING AMOUNT	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
			OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	314	58	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	390,108	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-Financial undertaking**	298,015	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	174,211	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	172,603	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	*46,292*	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	1,351	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	257	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	16,641	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	16,626	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	15	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	1,351	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**On demand interbank loans**	6,874	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Cash and cash-related assets**	3,853	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	80,013	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Total GAR assets**	547,511	110,593	7,238	-	3,223	2,002	165	61	-	19	106	36	-	-
49	**Assets not covered for GAR calculation**	246,082	-	-	-	-	-	-	-	-	-	-	-	-	-
50	**Central governments and supranational issuers**	138,736	-	-	-	-	-	-	-	-	-	-	-	-	-
51	**Central banks exposure**	52,263	-	-	-	-	-	-	-	-	-	-	-	-	-
52	**Trading book**	55,083	-	-	-	-	-	-	-	-	-	-	-	-	-
53	**Total assets**	793,593	110,593	7,238	-	3,223	2,002	165	61	-	19	106	36	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations														
54	Financial guarantees	5,009	546	285	-	30	104	7	5	-	5	2	1	-	-
55	Assets under management	34,987	7,728	3,128	-	403	1,553	417	97	-	38	62	-	-	-
56	*of which: debt securities*	*10,123*	*2,665*	*849*	-	*163*	*336*	*120*	*36*	-	*11*	*13*	-	-	-
57	*of which: equity instruments*	*6,637*	*996*	*566*	-	*26*	*374*	*82*	*5*	-	*5*	*14*	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - Turnover based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2024																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	60	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-Financial undertaking**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**On demand interbank loans**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Cash and cash-related assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Total GAR assets**	**372**	**92**	-	-	**174**	**2**	-	-	**141**	-	-	-	**112,040**	**7,432**	-	**3,240**	**2,021**
49	**Assets not covered for GAR calculation**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	**Central governments and supranational issuers**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	**Central banks exposure**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	**Trading book**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	**Total assets**	**372**	**92**	-	-	**174**	**2**	-	-	**141**	-	-	-	**112,040**	**7,432**	-	**3,240**	**2,021**
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																	
54	Financial guarantees	35	0	-	-	0	0	-	-	2	-	-	-	1,134	291	-	30	109
55	Assets under management	629	-	-	-	496	-	-	-	54	-	-	-	9,386	3,225	-	403	1,591
56	*of which: debt securities*	*118*	-	-	-	*31*	-	-	-	*12*	-	-	-	*2,958*	*884*	-	*163*	*347*
57	*of which: equity instruments*	*189*	-	-	-	*225*	-	-	-	*12*	-	-	-	*1,519*	*571*	-	*26*	*378*

Sustainability statements

1 Assets for the calculation of GAR - Turnover based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2023													
		TOTAL GROSS CARRYING AMOUNT	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
			OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	171,208	99,377	5,811	-	3,617	1,358	32	32	-	-	-	-	-	-
2	**Financial undertaking**	**37,835**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	Credit institutions	21,098	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	13,175	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	7,462	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	462	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Financial corporation	16,737	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*Of which: investment firms*	*201*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	0	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	201	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*422*	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	5	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	417	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	*591*	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	170	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	56	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	364	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Non-Financial undertakings**	**33,523**	**8,674**	**2,491**	**-**	**297**	**1,358**	**32**	**32**	**-**	**-**	**-**	**-**	**-**	**-**
21	Loans and advances	30,851	8,279	2,332	-	290	1,300	32	32	-	-	-	-	-	-
22	Debt securities, including UoP	2,538	389	158	-	8	57	-	-	-	-	-	-	-	-
23	Equity instruments	134	6	2	-	-	0	0	-	-	-	-	-	-	-
24	**Households**	**91,851**	**90,609**	**3,317**	**-**	**3,317**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*90,971*	*89,728*	*3,317*	-	*3,317*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*231*	*231*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*649*	*649*	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**7,999**	**94**	**3**	**-**	**3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	14	3	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	7,985	91	3	-	3	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - Turnover based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2023																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	105,499	6,377	-	3,617	1,358
2	**Financial undertaking**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,868**	**-**	**-**	**-**	**-**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	4,662	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	3,030	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	1,529	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	103	-	-	-	-
7	Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	-	207	-	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	*0*	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	*1*	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	*94*	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	18	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	11	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	66	-	-	-	-
20	**Non-Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9,928**	**3,058**	**-**	**297**	**1,358**
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	9,400	2,794	-	290	1,300
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	522	262	-	8	57
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	6	2	-	-	0
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**90,609**	**3,317**	**-**	**3,317**	**-**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*89,728*	*3,317*	-	*3,317*	-
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*231*	-	-	-	-
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*649*	-	-	-	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**94**	**3**	**-**	**3**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	91	3	-	3	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - Turnover based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2023													
		TOTAL GROSS CARRYING AMOUNT	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
			OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	384	363	19	-	19	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-Financial undertaking**	291,099	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	191,765	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	190,119	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	*50,235*	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	1,395	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	251	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	5,201	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	5,198	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	2	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	1	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	1,925	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**On demand interbank loans**	6,996	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Cash and cash-related assets**	3,477	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	76,240	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Total GAR assets**	551,328	99,740	5,830	-	3,636	1,358	32	32	-	-	-	-	-	-
49	**Assets not covered for GAR calculation**	244,641	-	-	-	-	-	-	-	-	-	-	-	-	-
50	**Central governments and supranational issuers**	119,861	-	-	-	-	-	-	-	-	-	-	-	-	-
51	**Central banks exposure**	67,506	-	-	-	-	-	-	-	-	-	-	-	-	-
52	**Trading book**	57,274	-	-	-	-	-	-	-	-	-	-	-	-	-
53	**Total assets**	795,969	-	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations														
54	Financial guarantees	1,658	199	92	-	2	51	1	1	-	-	-	-	-	-
55	Assets under management	9,650	1,036	342	-	2	249	0	0	-	-	-	-	-	-
56	*of which: debt securities*	*272*	*39*	*7*	-	*0*	*4*	-	-	-	-	-	-	-	-
57	*of which: equity instruments*	*9,377*	*997*	*335*	-	*2*	*245*	*0*	*0*	-	-	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - Turnover based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2023																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	363	19	-	19	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-Financial undertaking**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**On demand interbank loans**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Cash and cash-related assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Total GAR assets**	-	-	-	-	-	-	-	-	-	-	-	-	105,862	6,396	-	3,636	1,358
49	**Assets not covered for GAR calculation**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	**Central governments and supranational issuers**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	**Central banks exposure**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	**Trading book**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	**Total assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																	
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	221	95	-	3	57
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	1,389	342	-	2	249
56	*of which: debt securities*	-	-	-	-	-	-	-	-	-	-	-	-	*40*	*7*	-	*0*	*4*
57	*of which: equity instruments*	-	-	-	-	-	-	-	-	-	-	-	-	*1,348*	*335*	-	*2*	*245*

1 Assets for the calculation of GAR - CapEx based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2024													
		TOTAL GROSS CARRYING AMOUNT	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
			OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	157,089	113,132	10,062	-	3,316	3,329	505	169	-	73	147	83	-	-
2	**Financial undertaking**	**36,802**	**8,529**	**1,656**	**-**	**85**	**377**	**221**	**6**	**-**	**0**	**5**	**-**	**-**	**-**
3	Credit institutions	23,860	5,859	442	-	32	37	7	1	-	0	0	-	-	-
4	Loans and advances	14,098	3,289	235	-	20	17	5	1	-	-	-	-	-	-
5	Debt securities, including UoP	6,586	1,778	150	-	5	14	2	0	-	0	0	-	-	-
6	Equity instruments	3,176	793	57	-	6	5	-	-	-	-	0	-	-	-
7	Other Financial corporation	12,942	2,669	1,214	-	53	340	214	5	-	0	4	-	-	-
8	*Of which: investment firms*	*1*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	1	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*423*	*87*	*20*	-	*1*	*1*	*6*	*0*	-	-	*0*	-	-	-
13	Loans and advances	186	49	6	-	0	0	-	0	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	238	38	14	-	1	0	6	0	-	-	0	-	-	-
16	*Of which: insurance undertakings*	*2,252*	-	*70*	-	*2*	*16*	-	*2*	-	-	-	-	-	-
17	Loans and advances	161	-	4	-	0	1	-	0	-	-	-	-	-	-
18	Debt securities, including UoP	12	-	0	-	0	0	-	-	-	-	-	-	-	-
19	Equity instruments	2,078	-	66	-	2	16	-	2	-	-	-	-	-	-
20	**Non-Financial undertakings**	**22,752**	**9,915**	**5,601**	**-**	**427**	**2,951**	**283**	**163**	**-**	**73**	**143**	**83**	**-**	**-**
21	Loans and advances	20,398	9,056	4,926	-	359	2,688	233	121	-	34	139	81	-	-
22	Debt securities, including UoP	2,301	821	659	-	68	247	50	41	-	39	4	2	-	-
23	Equity instruments	53	38	16	-	0	16	0	0	-	-	-	-	-	-
24	**Households**	**97,477**	**94,642**	**2,804**	**-**	**2,804**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*94,820*	*92,048*	*2,791*	-	*2,791*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*2,247*	*2,195*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*406*	*395*	*14*	-	*14*	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**58**	**46**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	10	2	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	49	43	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - CapEx based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2024																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	323	41	-	-	106	6	-	-	152	101	-	-	114,794	10,461	-	3,316	3,402
2	**Financial undertaking**	**23**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**2**	**-**	**-**	**-**	**9,193**	**1,662**	**-**	**85**	**378**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	5,917	444	-	32	37
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	3,294	236	-	20	17
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	1,830	150	-	5	14
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	793	57	-	6	5
7	Other Financial corporation	23	-	-	-	1	-	-	-	2	-	-	-	3,276	1,218	-	53	340
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*1*	-	-	-	*0*	-	-	-	*0*	-	-	-	*94*	*20*	-	*1*	*1*
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	50	6	-	0	0
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	1	-	-	-	0	-	-	-	0	-	-	-	45	14	-	1	0
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	*338*	*72*	-	*2*	*16*
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	20	4	-	0	1
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	2	0	-	0	0
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	316	68	-	2	16
20	**Non-Financial undertakings**	**301**	**41**	**-**	**-**	**105**	**6**	**-**	**-**	**151**	**101**	**-**	**-**	**10,914**	**5,995**	**-**	**427**	**3,025**
21	Loans and advances	286	41	-	-	82	5	-	-	101	51	-	-	9,912	5,226	-	359	2,723
22	Debt securities, including UoP	14	0	-	-	24	0	-	-	50	50	-	-	963	753	-	68	286
23	Equity instruments	1	-	-	-	-	-	-	-	-	-	-	-	38	16	-	0	16
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**94,642**	**2,804**	**-**	**2,804**	**-**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*92,048*	*2,791*	-	*2,791*	-
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*2,195*	-	-	-	-
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*395*	*14*	-	*14*	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**46**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	43	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - CapEx based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2024													
			CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		TOTAL GROSS CARRYING AMOUNT	OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**314**	**60**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**390,108**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
33	**Financial and Non-Financial undertaking**	**298,015**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	174,211	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	172,603	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	*46,292*	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	*-*	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	1,351	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	257	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	16,641	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	16,626	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	15	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	**1,351**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
45	**On demand interbank loans**	**6,874**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
46	**Cash and cash-related assets**	**3,853**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**80,013**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
48	**Total GAR assets**	**547,511**	**113,191**	**10,062**	**-**	**3,316**	**3,329**	**505**	**169**	**-**	**73**	**147**	**83**	**-**	**-**
49	**Assets not covered for GAR calculation**	**246,082**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
50	**Central governments and supranational issuers**	**138,736**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
51	**Central banks exposure**	**52,263**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
52	**Trading book**	**55,083**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
53	**Total assets**	**793,593**	**113,191**	**10,062**	**-**	**3,316**	**3,329**	**505**	**169**	**-**	**73**	**147**	**83**	**-**	**-**
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations														
54	Financial guarantees	5,009	784	509	-	53	206	22	24	-	18	5	3	-	-
55	Assets under management	34,987	9,534	4,761	-	463	2,181	548	179	-	72	117	-	-	-
56	*of which: debt securities*	*10,123*	*2,977*	*1,254*	-	*174*	*508*	*140*	*68*	-	*22*	*25*	-	-	-
57	*of which: equity instruments*	*6,637*	*1,527*	*896*	-	*43*	*499*	*110*	*17*	-	*14*	*25*	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - CapEx based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2024																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	60	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-Financial undertaking**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**On demand interbank loans**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Cash and cash-related assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Total GAR assets**	**323**	**41**	-	-	**106**	**6**	-	-	**152**	**101**	-	-	**114,854**	**10,461**	-	**3,316**	**3,402**
49	**Assets not covered for GAR calculation**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	**Central governments and supranational issuers**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	**Central banks exposure**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	**Trading book**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	**Total assets**	**323**	**41**	-	-	**106**	**6**	-	-	**152**	**101**	-	-	**114,854**	**10,461**	-	**3,316**	**3,402**
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																	
54	Financial guarantees	19	0	-	-	1	0	-	-	0	-	-	-	1,333	537	-	53	223
55	Assets under management	471	-	-	-	469	-	-	-	14	-	-	-	11,153	4,939	-	463	2,253
56	*of which: debt securities*	*102*	-	-	-	*22*	-	-	-	*5*	-	-	-	*3,271*	*1,321*	-	*174*	*529*
57	*of which: equity instruments*	*126*	-	-	-	*221*	-	-	-	*2*	-	-	-	*2,010*	*913*	-	*43*	*513*

Sustainability statements

1 Assets for the calculation of GAR - CapEx based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2023													
		TOTAL GROSS CARRYING AMOUNT	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
			OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	171,208	102,895	8,819	-	3,532	2,601	120	88	-	0	-	-	-	-
2	**Financial undertaking**	**37,835**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	Credit institutions	21,098	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	13,175	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	7,462	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	462	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Financial corporation	16,737	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*Of which: investment firms*	*201*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	0	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	201	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*422*	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	5	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	417	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	*591*	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	170	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	56	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	364	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Non-Financial undertakings**	**33,523**	**12,192**	**5,499**	**-**	**212**	**2,601**	**120**	**88**	**-**	**0**	**-**	**-**	**-**	**-**
21	Loans and advances	30,851	11,341	4,956	-	203	2,486	118	86	-	0	-	-	-	-
22	Debt securities, including UoP	2,538	779	490	-	9	116	-	-	-	-	-	-	-	-
23	Equity instruments	134	73	53	-	-	0	2	2	-	-	-	-	-	-
24	**Households**	**91,851**	**90,609**	**3,317**	**-**	**3,317**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*90,971*	*89,728*	*3,317*	-	*3,317*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*231*	*231*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*649*	*649*	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**7,999**	**94**	**3**	**-**	**3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	14	3	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	7,985	91	3	-	3	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - CapEx based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2023																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	108,084	9,806	-	3,532	2,601
2	**Financial undertaking**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,994**	**-**	**-**	**-**	**-**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	2,814	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	2,016	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	746	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	52	-	-	-	-
7	Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	-	180	-	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	*1*	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	*93*	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	18	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	10	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	65	-	-	-	-
20	**Non-Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,387**	**6,486**	**-**	**212**	**2,601**
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	13,242	5,770	-	203	2,486
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	1,069	661	-	9	116
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	75	55	-	-	0
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**90,609**	**3,317**	**-**	**3,317**	**-**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*89,728*	*3,317*	-	*3,317*	-
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*231*	-	-	-	-
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*649*	-	-	-	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**94**	**3**	**-**	**3**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	91	3	-	3	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - CapEx based

(€ million)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
		31.12.2023													
		TOTAL GROSS CARRYING AMOUNT	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
			OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)					OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)		
					OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	384	363	19	-	19	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-Financial undertaking**	291,099	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	191,765	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	190,119	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	*50,235*	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	1,395	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	251	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	5,201	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	5,198	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	2	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	1	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	1,925	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**On demand interbank loans**	6,996	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Cash and cash-related assets**	3,477	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	76,240	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Total GAR assets**	551,328	103,258	8,837	-	3,551	2,601	120	88	-	0	-	-	-	-
49	**Assets not covered for GAR calculation**	244,641	-	-	-	-	-	-	-	-	-	-	-	-	-
50	**Central governments and supranational issuers**	119,861	-	-	-	-	-	-	-	-	-	-	-	-	-
51	**Central banks exposure**	67,506	-	-	-	-	-	-	-	-	-	-	-	-	-
52	**Trading book**	57,274	-	-	-	-	-	-	-	-	-	-	-	-	-
53	**Total assets**	795,969	-	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations														
54	Financial guarantees	1,658	414	246	-	2	97	1	1	-	-	-	-	-	-
55	Assets under management	9,650	1,498	759	-	7	410	16	16	-	0	-	-	-	-
56	*of which: debt securities*	*272*	*47*	*18*	-	*0*	*13*	*3*	*3*	-	-	-	-	-	-
57	*of which: equity instruments*	*9,377*	*1,450*	*740*	-	*7*	*397*	*13*	*13*	-	*0*	-	-	-	-

Sustainability statements

continued: 1 Assets for the calculation of GAR - CapEx based

(€ million)

		o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2023																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				OF WHICH TOWARDS TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)				OF WHICH ENVIRONMENTALLY SUSTAINABLE (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	363	19	-	19	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-Financial undertaking**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	*of which: loans collateralised by commercial immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	*of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	**Derivatives**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	**On demand interbank loans**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	**Cash and cash-related assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	**Total GAR assets**	-	-	-	-	-	-	-	-	-	-	-	-	108,447	9,825	-	3,551	2,601
49	**Assets not covered for GAR calculation**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	**Central governments and supranational issuers**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	**Central banks exposure**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	**Trading book**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	**Total assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																	
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	445	248	-	4	101
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	1,932	775	-	7	410
56	*of which: debt securities*	-	-	-	-	-	-	-	-	-	-	-	-	*54*	*22*	-	*0*	*13*
57	*of which: equity instruments*	-	-	-	-	-	-	-	-	-	-	-	-	*1,878*	*753*	-	*7*	*397*

2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
1	A02.10 Silviculture and other forestry activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	A02.20 Logging	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	A02.30 Gathering of wild growing non-wood products	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	A02.40 Support services to forestry	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	C16.10 Sawmilling and planing of wood	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	C16.21 Manufacture of veneer sheets and wood-based panels	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	C16.22 Manufacture of assembled parquet floors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	C16.23 Manufacture of other builders'carpentry and joinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	C16.24 Manufacture of wooden containers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	C16.29 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	C17.11 Manufacture of pulp	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	C17.12 Manufacture of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	C17.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	C17.22 Manufacture of household and sanitary goods and of toilet requisites	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	C17.23 Manufacture of paper stationery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	C17.24 Manufacture of wallpaper	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	C17.29 Manufacture of other articles of paper and paperboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	C20.11 Manufacture of industrial gases	1	0	-	-	-	-	-	-	-	-	-	-	1	0
19	C20.13 Manufacture of other inorganic basic chemicals	23	-	-	-	-	-	-	-	-	-	-	-	23	-
20	C20.14 Manufacture of other organic basic chemicals	-	-	-	-	-	-	-	-	-	-	-	-	4	-
21	C20.15 Manufacture of fertilisers and nitrogen compounds	0	0	-	-	-	-	0	0	-	-	-	-	0	0
22	C20.16 Manufacture of plastics in primary forms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	C22.11 Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	5	-	-	-	-	-	-	-	-	-	-	-	5	-
24	C22.19 Manufacture of other rubber products	0	-	-	-	-	-	-	-	-	-	-	-	0	-
25	C22.21 Manufacture of plastic plates, sheets, tubes and profiles	0	0	-	-	-	-	-	-	-	-	-	-	0	0
26	C22.22 Manufacture of plastic packing goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
27	C22.23 Manufacture of builders ware of plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	C22.29 Manufacture of other plastic products	0	0	-	-	-	-	-	-	-	-	-	-	0	0
29	C23.11 Manufacture of flat glass	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	C23.12 Shaping and processing of flat glass	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	C23.13 Manufacture of hollow glass	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	C23.14 Manufacture of glass fibres	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	C23.19 Manufacture and processing of other glass, including technical glassware	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	C23.20 Manufacture of refractory products	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	C23.31 Manufacture of ceramic tiles and flags	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	C23.32 Manufacture of bricks, tiles and construction products, in baked clay	0	0	-	-	-	-	-	-	-	-	-	-	0	0
37	C23.41 Manufacture of ceramic household and ornamental articles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	C23.42 Manufacture of ceramic sanitary fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	C23.43 Manufacture of ceramic insulators and insulating fittings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	C23.44 Manufacture of other technical ceramic products	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	C23.49 Manufacture of other ceramic products	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	C23.51 Manufacture of cement	78	5	-	-	-	-	-	-	-	-	-	-	78	5
43	C23.52 Manufacture of lime and plaster	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	C23.61 Manufacture of concrete products for construction purposes	0	0	-	-	-	-	-	-	-	-	-	-	0	0
45	C23.62 Manufacture of plaster products for construction purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	C23.63 Manufacture of ready-mixed concrete	0	0	-	-	0	-	0	-	-	-	-	-	0	0
47	C23.64 Manufacture of mortars	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	C23.65 Manufacture of fibre cement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	C23.69 Manufacture of other articles of concrete, plaster and cement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	C23.70 Cutting, shaping and finishing of stone	0	0	-	-	-	-	-	-	-	-	-	-	0	0
51	C23.91 Production of abrasive products	-	-	-	-	-	-	-	-	-	-	-	-	-	-

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
52	C23.99 Manufacture of other non-metallic mineral products n.e.c.	2	1	-	-	-	-	0	-	-	-	-	-	2	1
53	C24.10 Manufacture of basic iron and steel and of ferro-alloys	127	59	-	-	-	-	6	6	-	-	-	-	133	65
54	C24.20 Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0	0	-	-	-	-	-	-	-	-	-	-	0	0
55	C24.31 Cold drawing of bars	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	C24.32 Cold rolling of narrow strip	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	C24.33 Cold forming or folding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	C24.34 Cold drawing of wire	0	0	-	-	-	-	-	-	-	-	-	-	0	0
59	C24.42 Aluminium production	28	-	-	-	-	-	-	-	-	-	-	-	28	-
60	C24.51 Casting of iron	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	C24.52 Casting of steel	1	1	-	-	-	-	-	-	-	-	-	-	1	1
62	C24.53 Casting of light metals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
63	C25.11 Manufacture of metal structures and parts of structures	0	0	-	-	-	-	-	-	-	-	-	-	0	0
64	C25.12 Manufacture of doors and windows of metal	8	2	-	-	-	-	-	-	-	-	-	-	8	2
65	C25.21 Manufacture of central heating radiators and boilers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66	C25.29 Manufacture of other tanks, reservoirs and containers of metal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
67	C25.30 Manufacture of steam generators, except central heating hot water boilers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
68	C25.40 Manufacture of weapons and ammunition	-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	C25.50 Forging, pressing, stamping and roll-forming of metal; powder metallurgy	9	3	-	-	-	-	-	-	-	-	-	-	9	3
70	C25.61 Treatment and coating of metals	-	-	-	-	-	-	-	-	0	0	-	-	0	0
71	C25.62 Machining	0	0	-	-	-	-	-	-	-	-	-	-	0	0
72	C25.71 Manufacture of cutlery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
73	C25.72 Manufacture of locks and hinges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
74	C25.73 Manufacture of tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75	C25.91 Manufacture of steel drums and similar containers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
76	C25.92 Manufacture of light metal packaging	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
77	C25.93 Manufacture of wire products, chain and springs	0	0	-	-	-	-	-	-	-	-	-	-	0	0
78	C25.94 Manufacture of fasteners and screw machine products	-	-	-	-	-	-	-	-	-	-	-	-	-	-
79	C25.99 Manufacture of other fabricated metal products n.e.c.	0	0	-	-	-	-	-	-	-	-	-	-	0	0
80	C26.11 Manufacture of electronic components	8	8	-	-	0	-	2	-	0	-	0	-	10	8
81	C26.12 Manufacture of loaded electronic boards	35	-	-	-	35	-	35	-	35	-	35	-	175	-
82	C26.20 Manufacture of computers and peripheral equipment	-	-	-	-	-	-	0	0	-	-	-	-	0	0
83	C26.30 Manufacture of communication equipment	1	-	-	-	-	-	3	-	-	-	-	-	4	-
84	C26.40 Manufacture of consumer electronics	-	-	-	-	-	-	-	-	-	-	-	-	-	-
85	C26.51 Manufacture of instruments and appliances for measuring, testing and navigation	13	10	-	-	2	2	0	-	-	-	-	-	15	12
86	C26.52 Manufacture of watches and clocks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	C26.60 Manufacture of irradiation, electromedical and electrotherapeutic equipment	-	-	-	-	-	-	1	-	-	-	-	-	1	-
88	C26.70 Manufacture of optical instruments and photographic equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
89	C26.80 Manufacture of magnetic and optical media	-	-	-	-	-	-	-	-	-	-	-	-	-	-
90	C27.11 Manufacture of electric motors, generators and transformers	8	7	-	-	-	-	0	-	-	-	-	-	8	7
91	C27.12 Manufacture of electricity distribution and control apparatus	2	2	-	-	-	-	-	-	-	-	-	-	2	2
92	C27.20 Manufacture of batteries and accumulators	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93	C27.31 Manufacture of fibre optic cables	0	0	-	-	-	-	-	-	-	-	-	-	0	0
94	C27.32 Manufacture of other electronic and electric wires and cables	5	2	-	-	-	-	-	-	-	-	-	-	5	2
95	C27.33 Manufacture of wiring devices	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96	C27.40 Manufacture of electric lighting equipment	0	0	-	-	-	-	-	-	-	-	-	-	0	0
97	C27.51 Manufacture of electric domestic appliances	0	0	-	-	-	-	0	0	-	-	-	-	0	0
98	C27.52 Manufacture of non-electric domestic appliances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
99	C27.90 Manufacture of other electrical equipment	11	2	-	-	-	-	46	46	-	-	-	-	56	48
100	C28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0	0	-	-	-	-	0	-	-	-	-	-	0	0
101	C28.12 Manufacture of fluid power equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 2 GAR sector information - Turnover based

(€ million)

	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)	a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
			OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
102	C28.13 Manufacture of other pumps and compressors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
103	C28.14 Manufacture of other taps and valves	0	0	-	-	-	-	-	-	-	-	-	-	0	0
104	C28.15 Manufacture of bearings, gears, gearing and driving elements	1	0	-	-	-	-	-	-	-	-	-	-	1	0
105	C28.21 Manufacture of ovens, furnaces and furnace burners	-	-	-	-	-	-	-	-	-	-	-	-	-	-
106	C28.22 Manufacture of lifting and handling equipment	-	-	-	-	-	-	0	-	-	-	-	-	0	-
107	C28.23 Manufacture of office machinery and equipment (except computers and peripheral equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
108	C28.24 Manufacture of power-driven hand tools	3	-	-	-	-	-	2	-	-	-	-	-	4	-
109	C28.25 Manufacture of non-domestic cooling and ventilation equipment	16	0	-	-	-	-	0	-	-	-	-	-	16	0
110	C28.29 Manufacture of other general-purpose machinery n.e.c.	0	0	-	-	-	-	0	-	0	-	-	-	0	0
111	C28.30 Manufacture of agricultural and forestry machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
112	C28.41 Manufacture of metal forming machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
113	C28.49 Manufacture of other machine tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
114	C28.91 Manufacture of machinery for metallurgy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
115	C28.92 Manufacture of machinery for mining, quarrying and construction	0	-	-	-	-	-	0	-	-	-	-	-	0	-
116	C28.93 Manufacture of machinery for food, beverage and tobacco processing	21	2	-	-	-	-	-	-	-	-	-	-	21	2
117	C28.94 Manufacture of machinery for textile, apparel and leather production	-	-	-	-	-	-	-	-	-	-	-	-	-	-
118	C28.95 Manufacture of machinery for paper and paperboard production	22	18	-	-	-	-	5	-	-	-	-	-	26	18
119	C28.96 Manufacture of plastics and rubber machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	C28.99 Manufacture of other special-purpose machinery n.e.c.	19	1	-	-	-	-	0	-	-	-	-	-	19	1
121	C29.10 Manufacture of motor vehicles	565	99	18	18	-	-	13	-	-	-	-	-	597	117
122	C30.11 Building of ships and floating structures	58	14	-	-	-	-	-	-	-	-	-	-	58	14
123	C30.12 Building of pleasure and sporting boats	-	-	-	-	-	-	-	-	-	-	-	-	-	-
124	C30.20 Manufacture of railway locomotives and rolling stock	45	24	-	-	-	-	-	-	-	-	-	-	45	24
125	C30.91 Manufacture of motorcycles	1	0	-	-	-	-	-	-	-	-	-	-	1	0
126	C30.92 Manufacture of bicycles and invalid carriages	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)			OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
127	C30.99 Manufacture of other transport equipment n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
128	C33.12 Repair of machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129	C33.15 Repair and maintenance of ships and boats	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130	C33.17 Repair and maintenance of other transport equipment	64	39	-	-	-	-	-	-	-	-	-	-	64	39
131	D35.11 Production of electricity	408	348	0	0	23	1	23	-	23	-	23	-	500	348
132	D35.12 Transmission of electricity	187	179	-	-	0	-	0	-	0	-	0	-	188	179
133	D35.13 Distribution of electricity	35	34	0	0	0	0	0	-	-	-	-	-	36	34
134	D35.21 Manufacture of gas	9	2	-	-	-	-	-	-	-	-	-	-	9	2
135	D35.22 Distribution of gaseous fuels through mains	43	39	0	0	-	-	0	-	0	-	-	-	44	39
136	D35.30 Steam and air conditioning supply	1	1	-	-	0	0	0	-	0	-	-	-	1	1
137	E36.00 Water collection, treatment and supply	38	29	1	1	8	7	0	0	1	1	-	-	48	38
138	E37.00 Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
139	E38.11 Collection of non-hazardous waste	39	33	-	-	0	0	32	32	0	0	-	-	71	65
140	E38.21 Treatment and disposal of non-hazardous waste	30	19	0	0	1	1	1	1	2	1	-	-	35	22
141	E38.32 Recovery of sorted materials	0	0	0	0	0	0	0	-	-	-	-	-	1	1
142	E39.00 Remediation activities and other waste management services	0	0	-	-	-	-	-	-	-	-	-	-	0	0
143	F41.10 Development of building projects	25	12	0	-	0	-	0	0	-	-	-	-	25	12
144	F41.20 Construction of residential and non-residential buildings	119	29	1	0	0	-	0	0	0	0	-	-	120	30
145	F42.11 Construction of roads and motorways	10	5	0	-	0	-	0	-	-	-	-	-	11	5
146	F42.12 Construction of railways and underground railways	28	28	0	0	-	-	0	-	-	-	-	-	28	28
147	F42.13 Construction of bridges and tunnels	-	-	-	-	-	-	-	-	-	-	-	-	-	-
148	F42.21 Construction of utility projects for fluids	21	11	-	-	-	-	-	-	-	-	-	-	21	11
149	F42.22 Construction of utility projects for electricity and telecommunications	187	115	-	-	-	-	-	-	-	-	-	-	187	115
150	F42.91 Construction of water projects	4	3	0	0	0	0	0	0	0	0	-	-	5	3
151	F42.99 Construction of other civil engineering projects n.e.c.	0	-	-	-	-	-	-	-	-	-	-	-	0	-

Sustainability statements

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)			OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
152	F43.11 Demolition	-	-	-	-	-	-	-	-	-	-	-	-	-	-
153	F43.12 Site preparation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
154	F43.13 Test drilling and boring	0	-	-	-	-	-	0	-	-	-	-	-	1	-
155	F43.21 Electrical installation	1	1	0	0	0	0	0	0	0	0	-	-	1	1
156	F43.22 Plumbing, heat and air-conditioning installation	1	0	0	0	0	0	0	0	0	0	-	-	1	1
157	F43.29 Other construction installation	6	6	-	-	-	-	-	-	-	-	-	-	6	6
158	F43.31 Plastering	-	-	-	-	-	-	-	-	-	-	-	-	-	-
159	F43.32 Joinery installation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
160	F43.33 Floor and wall covering	-	-	-	-	-	-	-	-	-	-	-	-	-	-
161	F43.34 Painting and glazing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
162	F43.39 Other building completion and finishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
163	F43.91 Roofing activities	0	0	-	-	0	-	0	-	0	-	-	-	0	0
164	F43.99 Other specialised construction activities n.e.c.	0	-	-	-	-	-	0	-	-	-	-	-	1	-
165	H49.10 Passenger rail transport, interurban	66	55	-	-	-	-	0	-	-	-	-	-	66	55
166	H49.20 Freight rail transport	170	125	-	-	-	-	0	-	-	-	-	-	170	125
167	H49.31 Urban and suburban passenger land transport	35	27	-	-	-	-	0	-	-	-	-	-	35	27
168	H49.32 Taxi operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
169	H49.39 Other passenger land transport n.e.c.	0	0	-	-	-	-	-	-	-	-	-	-	0	0
170	H49.41 Freight transport by road	0	0	-	-	-	-	0	-	-	-	-	-	0	0
171	H49.50 Transport via pipeline	-	-	-	-	-	-	-	-	-	-	-	-	-	-
172	H50.10 Sea and coastal passenger water transport	-	-	-	-	-	-	-	-	-	-	-	-	-	-
173	H50.20 Sea and coastal freight water transport	3	-	-	-	-	-	-	-	-	-	-	-	3	-
174	H50.30 Inland passenger water transport	-	-	-	-	-	-	-	-	-	-	-	-	-	-
175	H50.40 Inland freight water transport	-	-	-	-	-	-	-	-	-	-	-	-	-	-
176	H52.21 Service activities incidental to land transportation	35	8	0	-	2	-	38	-	-	-	-	-	76	8

Sustainability statements

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
177	H52.22 Service activities incidental to water transportation	2	1	0	0	-	-	0	-	-	-	-	-	2	1
178	H53.10 Postal activities under universal service obligation	18	2	-	-	-	-	-	-	-	-	-	-	18	2
179	H53.20 Other postal and courier activities	25	3	-	-	-	-	-	-	-	-	-	-	25	3
180	J59.11 Motion picture, video and television programme production activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
181	J59.12 Motion picture, video and television programme post-production activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
182	J59.13 Motion picture, video and television programme distribution activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
183	J59.14 Motion picture projection activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
184	J59.20 Sound recording and music publishing activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
185	J60.10 Radio broadcasting	-	-	-	-	-	-	-	-	-	-	-	-	-	-
186	J60.20 Television programming and broadcasting activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
187	J61.10 Wired telecommunications activities	42	6	0	-	-	-	2	-	-	-	-	-	45	6
188	J61.20 Wireless telecommunications activities	2	1	-	-	-	-	1	-	-	-	-	-	3	1
189	J61.30 Satellite telecommunications activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
190	J61.90 Other telecommunications activities	32	13	-	-	-	-	3	-	-	-	-	-	35	13
191	J62.01 Computer programming activities	0	0	-	-	-	-	-	-	-	-	-	-	0	0
192	J62.02 Computer consultancy activities	6	4	-	-	0	-	0	-	0	-	0	-	7	4
193	J62.03 Computer facilities management activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
194	J62.09 Other information technology and computer service activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
195	J63.11 Data processing, hosting and related activities	0	0	0	0	-	-	0	-	-	-	-	-	1	0
196	K65.12 Non-life insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
197	K65.20 Reinsurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
198	L68.10 Buying and selling of own real estate	145	29	-	-	-	-	3	-	-	-	0	-	148	29
199	L68.20 Rental and operating of own or leased real estate	1,629	280	36	27	-	-	17	2	4	-	0	-	1,686	308
200	L68.31 Real estate agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
201	L68.32 Management of real estate on a fee or contract basis	14	14	-	-	-	-	-	-	-	-	-	-	14	14

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
202	M71.11 Architectural activities	0	-	-	-	-	-	-	-	-	-	-	-	0	-
203	M71.12 Engineering activities and related technical consultancy	1	0	-	-	-	-	-	-	-	-	-	-	1	0
204	M71.20 Technical testing and analysis	0	0	-	-	-	-	0	-	-	-	-	-	0	0
205	M72.11 Research and experimental development on biotechnology	-	-	-	-	-	-	-	-	-	-	-	-	-	-
206	M72.19 Other research and experimental development on natural sciences and engineering	6	6	-	-	-	-	-	-	-	-	-	-	6	6
207	M72.20 Research and experimental development on social sciences and humanities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
208	N77.11 Rental and leasing of cars and light motor vehicles	355	47	-	-	-	-	-	-	-	-	-	-	355	47
209	N77.12 Rental and leasing of trucks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
210	N77.21 Rental and leasing of recreational and sports goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-
211	N77.34 Rental and leasing of water transport equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
212	N77.39 Rental and leasing of other machinery, equipment and tangible goods n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
213	P85.10 Pre-primary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
214	P85.20 Primary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
215	P85.31 General secondary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
216	P85.32 Technical and vocational secondary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
217	P85.41 Post-secondary non-tertiary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
218	P85.42 Tertiary education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
219	P85.51 Sports and recreation education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
220	P85.52 Cultural education	-	-	-	-	-	-	-	-	-	-	-	-	-	-
221	P85.53 Driving school activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
222	P85.59 Other education n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
223	P85.60 Educational support activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
224	Q87.10 Residential nursing care activities	1	-	-	-	-	-	1	-	-	-	-	-	2	-
225	Q87.20 Residential care activities for mental retardation, mental health and substance abuse	-	-	-	-	-	-	-	-	-	-	-	-	-	-
226	Q87.30 Residential care activities for the elderly and disabled	0	-	-	-	-	-	0	-	-	-	-	-	0	-

Sustainability statements

continued: 2 GAR sector information - Turnover based

(€ million)

		a	b	e	f	i	j	m	n	q	r	u	v	y	z
		31.12.2024													
		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)		WATER AND MARINE RESOURCES (WTR)		CIRCULAR ECONOMY (CE)		POLLUTION (PPC)		BIODIVERSITY AND ECOSYSTEMS (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)		NON-FINANCIAL CORPORATES (SUBJECT TO NFRD)	
		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT		GROSS CARRYING AMOUNT	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCA)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (WTR)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CE)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (PPC)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (BIO)		OF WHICH ENVIRONMENTALLY SUSTAINABLE (CCM + CCA + WTR + CE + PPC + BIO)
227	Q87.90 Other residential care activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
228	R90.01 Performing arts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
229	R90.02 Support activities to performing arts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
230	R90.03 Artistic creation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
231	R90.04 Operation of arts facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
232	R91.01 Library and archives activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
233	R91.02 Museums activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
234	R91.03 Operation of historical sites and buildings and similar visitor attractions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
235	R91.04 Botanical and zoological gardens and nature reserves activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
236	S95.21 Repair of consumer electronics	-	-	-	-	-	-	-	-	-	-	-	-	-	-
237	S95.22 Repair of household appliances and home and garden equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

3 GAR KPI (stock) - Turnover based - % (compared to total covered assets in the denominator)

	% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)	a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2024												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
				OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	20.19%	1.32%	-	0.59%	0.37%	0.03%	0.01%	-	0.00%	0.02%	0.01%	-	-
2	**Financial undertakings**	**1.49%**	**0.21%**	**-**	**0.01%**	**0.05%**	**0.02%**	**0.00%**	**-**	**0.00%**	**0.00%**	**-**	**-**	**-**
3	Credit institutions	1.07%	0.08%	-	0.01%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	-
4	Loans and advances	0.61%	0.04%	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-
5	Debt securities, including UoP	0.32%	0.03%	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-
6	Equity instruments	0.14%	0.01%	-	0.00%	0.00%	-	-	-	-	0.00%	-	-	-
7	Other Financial corporation	0.42%	0.14%	-	0.00%	0.04%	0.01%	0.00%	-	0.00%	0.00%	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*0.01%*	*0.00%*	-	*0.00%*	*0.00%*	*0.00%*	-	-	-	*0.00%*	-	-	-
13	Loans and advances	0.01%	0.00%	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	0.01%	0.00%	-	0.00%	0.00%	0.00%	-	-	-	0.00%	-	-	-
16	*Of which: insurance undertakings*	-	*0.01%*	-	*0.00%*	*0.00%*	-	*0.00%*	-	-	-	-	-	-
17	Loans and advances	-	0.00%	-	0.00%	0.00%	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-
19	Equity instruments	-	0.01%	-	0.00%	0.00%	-	0.00%	-	-	-	-	-	-
20	**Non-Financial undertakings**	**1.41%**	**0.60%**	**-**	**0.07%**	**0.32%**	**0.01%**	**0.01%**	**-**	**0.00%**	**0.02%**	**0.01%**	**-**	**-**
21	Loans and advances	1.31%	0.54%	-	0.06%	0.29%	0.01%	0.01%	-	0.00%	0.02%	0.01%	-	-
22	Debt securities, including UoP	0.09%	0.05%	-	0.00%	0.02%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	-
23	Equity instruments	0.01%	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-
24	**Households**	**17.28%**	**0.51%**	**-**	**0.51%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*16.81%*	*0.51%*	-	*0.51%*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*0.40%*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*0.07%*	*0.00%*	-	*0.00%*	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	0.01%	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.01%	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	**20.20%**	**1.32%**	**-**	**0.59%**	**0.37%**	**0.03%**	**0.01%**	**-**	**0.00%**	**0.02%**	**0.01%**	**-**	**-**

continued: 3 GAR KPI stock - Turnover based - % (compared to total covered assets in the denominator)

	% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)		n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		31.12.2024																	
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	PROPORTION OF TOTAL ASSETS COVERED
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.07%	0.02%	-	-	0.03%	0.00%	-	-	0.03%	-	-	-	20.45%	1.36%	-	0.59%	0.37%	19.79%
2	**Financial undertakings**	**0.01%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**1.60%**	**0.21%**	**-**	**0.01%**	**0.05%**	**4.64%**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	1.08%	0.08%	-	0.01%	0.00%	3.01%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.61%	0.04%	-	0.00%	0.00%	1.78%
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.33%	0.03%	-	0.00%	0.00%	0.83%
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.14%	0.01%	-	0.00%	0.00%	0.40%
7	Other Financial corporation	0.01%	-	-	-	0.00%	-	-	-	0.00%	-	-	-	0.51%	0.14%	-	0.00%	0.04%	1.63%
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	0.02%	0.00%	-	0.00%	0.00%	0.05%
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	-	0.00%	0.00%	0.02%
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	0.01%	0.00%	-	0.00%	0.00%	0.03%
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.01%	-	0.00%	0.00%	0.28%
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.02%
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	-	-	0.00%	0.00%
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.06%	0.01%	-	0.00%	0.00%	0.26%
20	**Non-Financial undertakings**	**0.06%**	**0.02%**	**-**	**-**	**0.03%**	**0.00%**	**-**	**-**	**0.03%**	**-**	**-**	**-**	**1.56%**	**0.63%**	**-**	**0.07%**	**0.32%**	**2.87%**
21	Loans and advances	0.06%	0.01%	-	-	0.02%	0.00%	-	-	0.03%	-	-	-	1.46%	0.57%	-	0.07%	0.30%	2.57%
22	Debt securities, including UoP	0.00%	0.00%	-	-	0.01%	0.00%	-	-	-	-	-	-	0.10%	0.06%	-	0.00%	0.02%	0.29%
23	Equity instruments	0.00%	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	-	-	0.00%	0.01%
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17.28%**	**0.51%**	**-**	**0.51%**	**-**	**12.28%**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	16.81%	0.51%	-	0.51%	-	11.95%
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	0.40%	-	-	-	-	0.28%
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.00%	-	0.00%	-	0.05%
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01%**	**-**	**-**	**-**	**-**	**0.01%**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.01%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.04%
32	**Total GAR assets**	**0.07%**	**0.02%**	**-**	**-**	**0.03%**	**0.00%**	**-**	**-**	**0.03%**	**-**	**-**	**-**	**20.46%**	**1.36%**	**-**	**0.59%**	**0.37%**	**68.99%**

Sustainability statements

3 GAR KPI (stock) - Turnover based - % (compared to total covered assets in the denominator)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2023												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)				OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	18.03%	1.05%	-	0.66%	0.25%	0.01%	0.01%	-	-	-	-	-	-
2	**Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Non-Financial undertakings**	**1.57%**	**0.45%**	**-**	**0.05%**	**0.25%**	**0.01%**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**
21	Loans and advances	1.50%	0.42%	-	0.05%	0.24%	0.01%	0.01%	-	-	-	-	-	-
22	Debt securities, including UoP	0.07%	0.03%	-	0.00%	0.01%	-	-	-	-	-	-	-	-
23	Equity instruments	0.00%	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-
24	**Households**	**16.43%**	**0.60%**	**-**	**0.60%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*16.27%*	*0.60%*	-	*0.60%*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*0.04%*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*0.12%*	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**0.02%**	**0.00%**	**-**	**0.00%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	0.02%	0.00%	-	0.00%	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.07%	0.00%	-	0.00%	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	**18.09%**	**1.06%**	**-**	**0.66%**	**0.25%**	**0.01%**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**

Sustainability statements

continued: 3 GAR KPI stock - Turnover based - % (compared to total covered assets in the denominator)

			n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		31.12.2023																	
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL ASSETS COVERED
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				
	% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	19.14%	1.16%	-	0.66%	0.25%	21.51%
2	**Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.88%**	**-**	**-**	**-**	**-**	**4.75%**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	0.85%	-	-	-	-	2.65%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.55%	-	-	-	-	1.66%
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.28%	-	-	-	-	0.94%
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.02%	-	-	-	-	0.06%
7	Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	-	0.04%	-	-	-	-	2.10%
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0.03%*
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	*0.00%*	-	-	-	-	*0.05%*
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.05%
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	*0.02%*	-	-	-	-	*0.07%*
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.02%
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.01%
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.05%
20	**Non-Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.80%**	**0.55%**	**-**	**0.05%**	**0.25%**	**4.21%**
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	1.70%	0.51%	-	0.05%	0.24%	3.88%
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.09%	0.05%	-	0.00%	0.01%	0.32%
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	-	-	0.00%	0.02%
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16.43%**	**0.60%**	**-**	**0.60%**	**-**	**11.54%**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*16.27%*	*0.60%*	-	*0.60%*	-	*11.43%*
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.04%*	-	-	-	-	*0.03%*
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.12%*	-	-	-	-	*0.08%*
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.02%**	**0.00%**	**-**	**0.00%**	**-**	**1.00%**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.00%	-	0.00%	-	1.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.00%	-	0.00%	-	0.05%
32	**Total GAR assets**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**19.20%**	**1.16%**	**-**	**0.66%**	**0.25%**	**69.27%**

Sustainability statements

3 GAR KPI (stock) - Capex based - % (compared to total covered assets in the denominator)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2024												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
	% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	20.66%	1.84%	-	0.61%	0.61%	0.09%	0.03%	-	0.01%	0.03%	0.02%	-	-
2	**Financial undertakings**	**1.56%**	**0.30%**	**-**	**0.02%**	**0.07%**	**0.04%**	**0.00%**	**-**	**0.00%**	**0.00%**	**-**	**-**	**-**
3	Credit institutions	1.07%	0.08%	-	0.01%	0.01%	0.00%	0.00%	-	-	0.00%	-	-	-
4	Loans and advances	0.60%	0.04%	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-
5	Debt securities, including UoP	0.32%	0.03%	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-
6	Equity instruments	0.14%	0.01%	-	0.00%	0.00%	-	-	-	-	0.00%	-	-	-
7	Other Financial corporation	0.49%	0.22%	-	0.01%	0.06%	0.04%	0.00%	-	0.00%	0.00%	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*0.02%*	*0.00%*	-	*0.00%*	*0.00%*	*0.00%*	*0.00%*	-	-	*0.00%*	-	-	-
13	Loans and advances	0.01%	0.00%	-	0.00%	0.00%	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	0.01%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	-
16	*Of which: insurance undertakings*	-	*0.01%*	-	*0.00%*	*0.00%*	-	*0.00%*	-	-	-	-	-	-
17	Loans and advances	-	0.00%	-	0.00%	0.00%	-	0.00%	-	-	-	-	-	-
18	Debt securities, including UoP	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	-
19	Equity instruments	-	0.01%	-	0.00%	0.00%	-	0.00%	-	-	-	-	-	-
20	**Non-Financial undertakings**	**1.81%**	**1.02%**	**-**	**0.08%**	**0.54%**	**0.05%**	**0.03%**	**-**	**0.01%**	**0.03%**	**0.02%**	**-**	**-**
21	Loans and advances	1.65%	0.90%	-	0.07%	0.49%	0.04%	0.02%	-	0.01%	0.03%	0.01%	-	-
22	Debt securities, including UoP	0.15%	0.12%	-	0.01%	0.05%	0.01%	0.01%	-	0.01%	0.00%	0.00%	-	-
23	Equity instruments	0.01%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-
24	**Households**	**17.29%**	**0.51%**	**-**	**0.51%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*16.81%*	*0.51%*	-	*0.51%*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*0.40%*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*0.07%*	*0.00%*	-	*0.00%*	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	0.01%	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.01%	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	**20.67%**	**1.84%**	**-**	**0.61%**	**0.61%**	**0.09%**	**0.03%**	**-**	**0.01%**	**0.03%**	**0.02%**	**-**	**-**

Sustainability statements

continued: 3 GAR KPI (stock) - Capex based - % (compared to total covered assets in the denominator)

		n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2024																	
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	PROPORTION OF TOTAL ASSETS COVERED
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.06%	0.01%	-	-	0.02%	0.00%	-	-	0.03%	0.02%	-	-	20.97%	1.91%	-	0.61%	0.62%	19.79%
2	**Financial undertakings**	**0.00%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**1.68%**	**0.30%**	**-**	**0.02%**	**0.07%**	**4.64%**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	1.08%	0.08%	-	0.01%	0.01%	3.01%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.60%	0.04%	-	0.00%	0.00%	1.78%
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.33%	0.03%	-	0.00%	0.00%	0.83%
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.14%	0.01%	-	0.00%	0.00%	0.40%
7	Other Financial corporation	0.00%	-	-	-	0.00%	-	-	-	0.00%	-	-	-	0.60%	0.22%	-	0.01%	0.06%	1.63%
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0.00%*
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	*0.00%*	-	-	-	-	-	-	-	*0.00%*	-	-	-	*0.02%*	*0.00%*	-	*0.00%*	*0.00%*	*0.05%*
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	-	0.00%	0.00%	0.02%
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	0.01%	0.00%	-	0.00%	0.00%	0.03%
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	*0.06%*	*0.01%*	-	*0.00%*	*0.00%*	*0.28%*
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.02%
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	-	-	0.00%	0.00%
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.06%	0.01%	-	0.00%	0.00%	0.26%
20	**Non-Financial undertakings**	**0.05%**	**0.01%**	**-**	**-**	**0.02%**	**0.00%**	**-**	**-**	**0.03%**	**0.02%**	**-**	**-**	**1.99%**	**1.09%**	**-**	**0.08%**	**0.55%**	**2.87%**
21	Loans and advances	0.05%	0.01%	-	-	0.01%	0.00%	-	-	0.02%	0.01%	-	-	1.81%	0.95%	-	0.07%	0.50%	2.57%
22	Debt securities, including UoP	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.01%	0.01%	-	-	0.18%	0.14%	-	0.01%	0.05%	0.29%
23	Equity instruments	0.00%	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	-	0.00%	0.00%	0.01%
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17.29%**	**0.51%**	**-**	**0.51%**	**-**	**12.28%**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*16.81%*	*0.51%*	-	*0.51%*	-	*11.95%*
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.40%*	-	-	-	-	*0.28%*
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.07%*	*0.00%*	-	*0.00%*	-	*0.05%*
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01%**	**-**	**-**	**-**	**-**	**0.01%**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.01%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.04%
32	**Total GAR assets**	**0.06%**	**0.01%**	**-**	**-**	**0.02%**	**0.00%**	**-**	**-**	**0.03%**	**0.02%**	**-**	**-**	**20.98%**	**1.91%**	**-**	**0.61%**	**0.62%**	**68.99%**

Sustainability statements

3 GAR KPI (stock) - Capex based - % (compared to total covered assets in the denominator)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2023												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)				OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	18.66%	1.60%	-	0.64%	0.47%	0.02%	0.02%	-	-	-	-	-	-
2	**Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Non-Financial undertakings**	**2.21%**	**1.00%**	**-**	**0.04%**	**0.47%**	**0.02%**	**0.02%**	**-**	**-**	**-**	**-**	**-**	**-**
21	Loans and advances	2.06%	0.90%	-	0.04%	0.45%	0.02%	0.02%	-	-	-	-	-	-
22	Debt securities, including UoP	0.14%	0.09%	-	0.00%	0.02%	-	-	-	-	-	-	-	-
23	Equity instruments	0.01%	0.01%	-	-	0.00%	0.00%	0.00%	-	-	-	-	-	-
24	**Households**	**16.43%**	**0.60%**	**-**	**0.60%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*16.27%*	*0.60%*	-	*0.60%*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*0.04%*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*0.12%*	-	-	-	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**0.02%**	**0.00%**	**-**	**0.00%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	0.02%	0.00%	-	0.00%	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.07%	0.00%	-	0.00%	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	**18.73%**	**1.60%**	**-**	**0.64%**	**0.47%**	**0.02%**	**0.02%**	**-**	**-**	**-**	**-**	**-**	**-**

Sustainability statements

continued: 3 GAR KPI (stock) - Capex based - % (compared to total covered assets in the denominator)

		n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2023																	
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL ASSETS COVERED
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				
	% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	19.60%	1.78%	-	0.64%	0.47%	21.51%
2	**Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.54%**	**-**	**-**	**-**	**-**	**4.75%**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	0.51%	-	-	-	-	2.65%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.37%	-	-	-	-	1.66%
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.14%	-	-	-	-	0.94%
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.06%
7	Other Financial corporation	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	-	-	-	-	2.10%
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0.03%*
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	*0.00%*	-	-	-	-	*0.05%*
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.05%
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	*0.02%*	-	-	-	-	*0.07%*
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.02%
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.01%
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.05%
20	**Non-Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.61%**	**1.18%**	**-**	**0.04%**	**0.47%**	**4.21%**
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	2.40%	1.05%	-	0.04%	0.45%	3.88%
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.19%	0.12%	-	0.00%	0.02%	0.32%
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	-	-	0.00%	0.02%
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16.43%**	**0.60%**	**-**	**0.60%**	**-**	**11.54%**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*16.27%*	*0.60%*	-	*0.60%*	-	*11.43%*
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.04%*	-	-	-	-	*0.03%*
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.12%*	-	-	-	-	*0.08%*
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.02%**	**0.00%**	**-**	**0.00%**	**-**	**1.00%**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.00%	-	0.00%	-	1.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.00%	-	0.00%	-	0.05%
32	**Total GAR assets**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**19.67%**	**1.78%**	**-**	**0.64%**	**0.47%**	**69.27%**

Sustainability statements

4 GAR KPI flow - Turnover based - % (compared to flow of total eligible assets)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2024												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
% (COMPARED TO FLOW OF TOTAL ELIGIBLE ASSETS)				OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	13.08%	2.13%	-	0.30%	1.07%	0.08%	0.03%	-	0.02%	0.04%	0.03%	-	-
2	**Financial undertakings**	**4.89%**	**0.63%**	**-**	**0.03%**	**0.16%**	**0.04%**	**0.00%**	**-**	**0.00%**	**0.00%**	**-**	**-**	**-**
3	Credit institutions	3.72%	0.23%	-	0.02%	0.01%	0.01%	0.00%	-	-	-	-	-	-
4	Loans and advances	2.40%	0.14%	-	0.02%	0.01%	0.01%	0.00%	-	-	-	-	-	-
5	Debt securities, including UoP	0.71%	0.05%	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-
6	Equity instruments	0.61%	0.04%	-	-	-	-	-	-	-	-	-	-	-
7	Other Financial corporation	1.17%	0.40%	-	0.01%	0.15%	0.04%	0.00%	-	0.00%	0.00%	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	0.05%	0.01%	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-
13	Loans and advances	0.05%	0.01%	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	-	0.02%	-	0.00%	0.00%	-	0.00%	-	-	-	-	-	-
17	Loans and advances	-	0.00%	-	0.00%	0.00%	-	0.00%	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	0.02%	-	-	0.00%	-	-	-	-	-	-	-	-
20	**Non-Financial undertaking**	**2.55%**	**1.39%**	**-**	**0.18%**	**0.91%**	**0.03%**	**0.03%**	**-**	**0.02%**	**0.03%**	**0.03%**	**-**	**-**
21	Loans and advances	2.35%	1.26%	-	0.16%	0.87%	0.02%	0.02%	-	0.01%	0.03%	0.03%	-	-
22	Debt securities, including UoP	0.20%	0.13%	-	0.02%	0.03%	0.01%	0.01%	-	0.01%	0.00%	0.00%	-	-
23	Equity instruments	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
24	**Households**	**5.64%**	**0.10%**	**-**	**0.10%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*5.56%*	*0.10%*	-	*0.10%*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*0.05%*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*0.03%*	*0.01%*	-	*0.01%*	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**	**13.09%**	**2.13%**	**-**	**0.30%**	**1.07%**	**0.08%**	**0.03%**	**-**	**0.02%**	**0.04%**	**0.03%**	**-**	**-**

Sustainability statements

continued: 4 GAR KPI flow - Turnover based - % (compared to flow of total eligible assets)

		n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2024																	
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL NEW ASSETS COVERED
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				
% (COMPARED TO FLOW OF TOTAL ELIGIBLE ASSETS)				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.08%	0.01%	-	-	0.04%	0.00%	-	-	0.00%	-	-	-	13.45%	2.19%	-	0.30%	1.08%	26.91%
2	**Financial undertakings**	**0.01%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**5.09%**	**0.64%**	**-**	**0.03%**	**0.16%**	**15.69%**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	3.73%	0.23%	-	0.02%	0.01%	11.36%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	2.41%	0.14%	-	0.02%	0.01%	8.15%
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.71%	0.05%	-	0.00%	0.00%	1.74%
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.61%	0.04%	-	-	-	1.47%
7	Other Financial corporation	0.01%	-	-	-	0.00%	-	-	-	0.00%	-	-	-	1.36%	0.40%	-	0.01%	0.15%	4.33%
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.01%	-	0.00%	0.00%	0.14%
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.01%	-	0.00%	0.00%	0.14%
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	0.13%	0.02%	-	0.00%	0.00%	0.54%
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.00%	-	0.00%	0.00%	0.11%
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.11%	0.02%	-	-	0.00%	0.42%
20	**Non-Financial undertaking**	**0.07%**	**0.01%**	**-**	**-**	**0.04%**	**0.00%**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**2.72%**	**1.46%**	**-**	**0.18%**	**0.92%**	**6.66%**
21	Loans and advances	0.07%	0.01%	-	-	0.04%	0.00%	-	-	0.00%	-	-	-	2.51%	1.32%	-	0.16%	0.88%	6.23%
22	Debt securities, including UoP	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	-	-	-	0.21%	0.14%	-	0.02%	0.04%	0.43%
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5.64%**	**0.10%**	**-**	**0.10%**	**-**	**4.55%**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*5.56%*	*0.10%*	-	*0.10%*	-	*4.48%*
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.05%*	-	-	-	-	*0.04%*
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.03%*	*0.01%*	-	*0.01%*	-	*0.03%*
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01%**	**-**	**-**	**-**	**-**	**0.03%**
32	**Total GAR assets**	**0.08%**	**0.01%**	**-**	**-**	**0.04%**	**0.00%**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**13.46%**	**2.19%**	**-**	**0.30%**	**1.08%**	**26.94%**

Strategic Review
Financial Review
ESG Review
Consolidated Report
Company Report
Other

Sustainability statements

4 GAR KPI flow - Capex based - % (compared to flow of total eligible assets)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2024												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
% (COMPARED TO FLOW OF TOTAL ELIGIBLE ASSETS)				OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
	GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	14.22%	3.26%	-	0.24%	1.69%	0.25%	0.09%	-	0.06%	0.07%	0.05%	-	-
2	**Financial undertakings**	**5.09%**	**0.96%**	**-**	**0.04%**	**0.23%**	**0.10%**	**0.00%**	**-**	**0.00%**	**0.00%**	**-**	**-**	**-**
3	Credit institutions	3.68%	0.25%	-	0.02%	0.02%	0.01%	0.00%	-	0.00%	-	-	-	-
4	Loans and advances	2.36%	0.15%	-	0.02%	0.01%	0.00%	0.00%	-	-	-	-	-	-
5	Debt securities, including UoP	0.71%	0.06%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	-	-	-	-
6	Equity instruments	0.61%	0.04%	-	-	0.00%	-	-	-	-	-	-	-	-
7	Other Financial corporation	1.41%	0.71%	-	0.02%	0.22%	0.10%	0.00%	-	0.00%	0.00%	-	-	-
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	0.05%	0.01%	-	0.00%	0.00%	-	-	-	-	-	-	-	-
13	Loans and advances	0.05%	0.01%	-	0.00%	0.00%	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	-	0.03%	-	0.00%	0.01%	-	0.00%	-	-	-	-	-	-
17	Loans and advances	-	0.00%	-	0.00%	0.00%	-	0.00%	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	0.03%	-	0.00%	0.01%	-	0.00%	-	-	-	-	-	-
20	**Non-Financial undertaking**	**3.49%**	**2.20%**	**-**	**0.09%**	**1.46%**	**0.15%**	**0.09%**	**-**	**0.06%**	**0.07%**	**0.05%**	**-**	**-**
21	Loans and advances	3.20%	1.99%	-	0.09%	1.35%	0.11%	0.06%	-	0.03%	0.06%	0.05%	-	-
22	Debt securities, including UoP	0.29%	0.21%	-	0.00%	0.11%	0.04%	0.04%	-	0.03%	0.00%	0.00%	-	-
23	Equity instruments	0.00%	0.00%	-	0.00%	-	-	-	-	-	-	-	-	-
24	**Households**	**5.64%**	**0.10%**	**-**	**0.10%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	*Of which: loans collateralised by residential immovable property*	*5.56%*	*0.10%*	-	*0.10%*	-	-	-	-	-	-	-	-	-
26	*Of which: building renovation loans*	*0.05%*	-	-	-	-	-	-	-	-	-	-	-	-
27	*Of which: motor vehicle loans*	*0.03%*	*0.01%*	-	*0.01%*	-	-	-	-	-	-	-	-	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**	**14.23%**	**3.26%**	**-**	**0.24%**	**1.69%**	**0.25%**	**0.09%**	**-**	**0.06%**	**0.07%**	**0.05%**	**-**	**-**

Sustainability statements

continued: 4 GAR KPI flow - Capex based - % (compared to flow of total eligible assets)

		n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		31.12.2024																	
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL NEW ASSETS COVERED
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				
% (COMPARED TO FLOW OF TOTAL ELIGIBLE ASSETS)				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	GAR - Covered assets in both numerator and denominator																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.09%	0.00%	-	-	0.02%	0.00%	-	-	0.00%	-	-	-	14.79%	3.42%	-	0.24%	1.76%	26.91%
2	**Financial undertakings**	**0.01%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**5.34%**	**0.96%**	**-**	**0.04%**	**0.23%**	**15.69%**
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	3.69%	0.25%	-	0.02%	0.02%	11.36%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	2.36%	0.15%	-	0.02%	0.01%	8.15%
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	0.71%	0.06%	-	0.00%	0.00%	1.74%
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.61%	0.04%	-	-	0.00%	1.47%
7	Other Financial corporation	0.01%	-	-	-	0.00%	-	-	-	0.00%	-	-	-	1.65%	0.71%	-	0.02%	0.22%	4.33%
8	*Of which: investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*Of which: management companies*	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.01%	-	0.00%	0.00%	0.14%
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.01%	-	0.00%	0.00%	0.14%
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*Of which: insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	0.13%	0.03%	-	0.00%	0.01%	0.54%
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.00%	-	0.00%	0.00%	0.11%
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	0.12%	0.03%	-	0.00%	0.01%	0.42%
20	**Non-Financial undertaking**	**0.08%**	**0.00%**	**-**	**-**	**0.02%**	**0.00%**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**3.80%**	**2.35%**	**-**	**0.09%**	**1.52%**	**6.66%**
21	Loans and advances	0.08%	0.00%	-	-	0.02%	0.00%	-	-	0.00%	-	-	-	3.47%	2.10%	-	0.09%	1.38%	6.23%
22	Debt securities, including UoP	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	-	-	-	0.33%	0.25%	-	0.00%	0.14%	0.43%
23	Equity instruments	0.00%	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	-	0.00%	-	0.00%
24	**Households**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5.64%**	**0.10%**	**-**	**0.10%**	**-**	**4.55%**
25	*Of which: loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-	-	-	-	*5.56%*	*0.10%*	-	*0.10%*	-	*4.48%*
26	*Of which: building renovation loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.05%*	-	-	-	-	*0.04%*
27	*Of which: motor vehicle loans*	-	-	-	-	-	-	-	-	-	-	-	-	*0.03%*	*0.01%*	-	*0.01%*	-	*0.03%*
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.00%**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01%**	**-**	**-**	**-**	**-**	**0.03%**
32	**Total GAR assets**	**0.09%**	**0.00%**	**-**	**-**	**0.02%**	**0.00%**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**14.80%**	**3.42%**	**-**	**0.24%**	**1.76%**	**26.94%**

5 KPI off-balance sheet exposures stock - Turnover based - % (compared to total eligible Off-Balance-Sheet assets)

% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2024												
	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
1 Financial guarantees (FinGuar KPI)	10.89%	5.69%	-	0.61%	2.08%	0.14%	0.10%	-	0.09%	0.05%	0.01%	-	-
2 Assets under management (AuM KPI)	22.09%	8.94%	-	1.15%	4.44%	1.19%	0.28%	-	0.11%	0.18%	-	-	-

continued: 5 KPI off-balance sheet exposures stock - Turnover based - % (compared to total eligible Off-Balance-Sheet assets)

% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	31.12.2024																
	CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)			
			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
1 Financial guarantees (FinGuar KPI)	0.71%	-	-	-	0.01%	-	-	-	0.03%	-	-	-	22.64%	5.81%	-	0.61%	2.17%
2 Assets under management (AuM KPI)	1.80%	-	-	-	1.42%	-	-	-	0.15%	-	-	-	26.83%	9.22%	-	1.15%	4.55%

5 KPI off-balance sheet exposures stock - Capex based - % (compared to total eligible Off-Balance-Sheet assets)

% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	a	b	c	d	e	f	g	h	i	i	j	k	l
	31.12.2024												
	CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
	PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
1 Financial guarantees (FinGuar KPI)	15.64%	10.16%	-	1.06%	4.10%	0.44%	0.49%	-	0.36%	0.10%	-	-	-
2 Assets under management (AuM KPI)	27.25%	13.61%	-	1.32%	6.23%	1.57%	0.51%	-	0.21%	0.33%	-	-	-

Sustainability statements

continued: 5 KPI off-balance sheet exposures stock - Capex based - % (compared to total eligible Off-Balance-Sheet assets)

	% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		31.12.2024																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
1	Financial guarantees (FinGuar KPI)	0.38%	0.01%	-	-	0.01%	0.01%	-	-	-	-	-	-	26.61%	10.73%	-	1.06%	4.46%
2	Assets under management (AuM KPI)	1.35%	-	-	-	1.34%	-	-	-	0.04%	-	-	-	31.88%	14.12%	-	1.32%	6.44%

5 KPI off-balance sheet exposures flow - Turnover based - % (compared to total eligible Off-Balance-Sheet assets)

	% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2024												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
				OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
1	Financial guarantees (FinGuar KPI)	24.63%	9.55%	-	0.22%	3.91%	0.47%	0.34%	-	0.34%	0.05%	0.01%	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-

continued: 5 KPI off-balance sheet exposures flow - Turnover based - % (compared to total eligible Off-Balance-Sheet assets)

	% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		31.12.2024																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
1	Financial guarantees (FinGuar KPI)	0.90%	-	-	-	0.01%	-	-	-	-	-	-	-	26.07%	9.91%	-	0.22%	4.25%
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sustainability statements

5 KPI off-balance sheet exposures flow - Capex based - % (compared to total eligible Off-Balance-Sheet assets)

	% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	a	b	c	d	e	f	g	h	i	j	k	l	m
		31.12.2024												
		CLIMATE CHANGE MITIGATION (CCM)					CLIMATE CHANGE ADAPTATION (CCA)				WATER AND MARINE RESOURCES (WTR)			
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)			
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)					PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)		
				OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING
1	Financial guarantees (FinGuar KPI)	32.95%	18.25%	-	1.88%	10.45%	1.62%	1.59%	-	1.35%	0.11%	0.07%	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-

continued: 5 KPI off-balance sheet exposures flow - Capex based - % (compared to total eligible Off-Balance-Sheet assets)

	% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE-SHEET ASSETS)	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		31.12.2024																
		CIRCULAR ECONOMY (CE)				POLLUTION (PPC)				BIODIVERSITY AND ECOSYSTEMS (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ELIGIBLE)				
			PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)				PROPORTION OF TOTAL COVERED ASSETS FUNDING TAXONOMY RELEVANT SECTORS (TAXONOMY-ALIGNED)			
				OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH ENABLING			OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING
1	Financial guarantees (FinGuar KPI)	0.43%	0.01%	-	-	0.01%	0.01%	-	-	-	-	-	-	35.13%	19.92%	-	1.88%	11.80%
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Additional disclosure on Nuclear and Gas related activities

1 Nuclear and fossil gas related activities - Green Assets Ratio - Stock

	NUCLEAR ENERGY RELATED ACTIVITIES	YES/NO
4.26	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	YES
4.27	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies	YES
4.28	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades	YES

	FOSSIL GAS RELATED ACTIVITIES	YES/NO
4.29	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	YES
4.30	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels	YES
4.31	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	YES

2 Taxonomy-aligned economic activities (denominator) - Turnover based

(€ '000)

	ECONOMIC ACTIVITIES	AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7,338	0.00%	7,338	0.00%	-	-
4	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	298	0.00%	298	0.00%	-	-
6	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	**Taxonomy-aligned economic activities (denominator) - Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**7,290,747**	**1.33%**	**7,230,180**	**1.32%**	**60,567**	**0.01%**
8	**Taxonomy-aligned economic activities (denominator) - Total applicable KPI**	**7,298,383**	**1.34%**	**7,237,816**	**1.33%**	**60,567**	**0.01%**

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2 Taxonomy-aligned economic activities (denominator) - CapEx based

(€ '000)

	ECONOMIC ACTIVITIES	AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,481	0.00%	1,481	0.00%	-	-
3	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7,501	0.00%	7,501	0.00%	-	-
4	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	8,738	0.00%	8,738	0.00%	-	-
6	Taxonomy-aligned economic activities (denominator) - Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	**Taxonomy-aligned economic activities (denominator) - Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**10,212,628**	**1.87%**	**10,043,976**	**1.83%**	**168,652**	**0.03%**
8	**Taxonomy-aligned economic activities (denominator) - Total applicable KPI**	**10,230,348**	**1.88%**	**10,061,696**	**1.84%**	**168,652**	**0.03%**

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3 Taxonomy-aligned economic activities (numerator) - Turnover based

(€ '000)

	ECONOMIC ACTIVITIES	AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	0.00%	1	0.00%	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	23,470	0.32%	23,470	0.32%	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	298	0.00%	298	0.00%	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**7,274,614**	**99.67%**	**7,214,047**	**98.84%**	**60,567**	**0.83%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**7,298,383**	**100.00%**	**7,237,816**	**99.17%**	**60,567**	**0.83%**

3 Taxonomy-aligned economic activities (numerator) - CapEx based

(€ '000)

		AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
	ECONOMIC ACTIVITIES	AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1,596	0.02%	1,596	0.02%	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	11,931	0.12%	11,931	0.12%	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	0.00%	1	0.00%	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	8,739	0.09%	8,739	0.09%	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**10,208,081**	**99.78%**	**10,039,429**	**98.13%**	**168,652**	**1.65%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**10,230,348**	**100.00%**	**10,061,696**	**98.35%**	**168,652**	**1.65%**

4 Taxonomy-eligible but not taxonomy-aligned economic activities - Turnover based

(€ '000)

	ECONOMIC ACTIVITIES	AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	548	0.00%	548	0.00%	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	20,897	0.00%	20,897	0.00%	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	464,977	0.08%	464,977	0.08%	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3,046	0.00%	3,046	0.00%	-	-
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**102,970,074**	**18.81%**	**102,865,738**	**18.79%**	**104,336**	**0.02%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**103,459,542**	**18.97%**	**103,355,206**	**18.95%**	**104,336**	**0.02%**

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4 Taxonomy-eligible but not taxonomy-aligned economic activities - CapEx based

(€ '000)

		AMOUNT AND PROPORTION					
		TOTAL (CCM + CCA)		CLIMATE CHANGE MITIGATION (CCM)		CLIMATE CHANGE ADAPTATION (CCA)	
ECONOMIC ACTIVITIES		AMOUNT	%	AMOUNT	%	AMOUNT	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,385	0.00%	1,385	0.00%	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	11,063	0.00%	10,952	0.00%	111	0.00%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	310,508	0.06%	310,508	0.06%	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	8,351	0.00%	8,351	0.00%	-	-
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**103,134,232**	**18.84%**	**102,798,280**	**18.78%**	**335,952**	**0.06%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**103,465,539**	**18.97%**	**103,129,476**	**18.91%**	**336,063**	**0.06%**

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5 Taxonomy non-eligible economic activities

(€ '000)

		TURNOVER		CAPEX	
ECONOMIC ACTIVITIES		AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	1,149	0.00%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,996	0.00%	2,220	0.00%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	8,441	0.00%	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**435,459,723**	**79.53%**	**432,653,231**	**79.02%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**435,471,160**	**79.54%**	**432,656,600**	**79.02%**

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E1 - Climate change

Strategy

E1-1 - Transition plan for climate change mitigation

In line with the effort sustained in the previous years, in 2024 UniCredit Group adopted a Transition Plan to support the achievement of our Net Zero targets for financed and own emissions, and to convert our commitments into actions.
It was mainly shaped in line with Net Zero Banking Alliance (NZBA) requirements and the Glasgow Financial Alliance for Net Zero (GFANZ), thus responding to CSRD requirements related to E1 standard on Climate Change.

Our transition plan supports our ambition to become a Net Zero Bank by 2050 through the achievement of our 2030 Net Zero intermediate targets on financed emissions defined for six of the most carbon-intensive sectors, outlined by NZBA. The 2030 Net Zero targets have been defined in line with NZBA principles and guidance, international standards, best market practices and 1.5°C degree pathways. For more details, refer to E1-4 Targets related to climate change mitigation and adaptation section.
The targets have been set considering the Group as a whole, in line with our Group commitment to NZBA. The approach reflects our belief in the importance of collective accountability and Group-wide consistency when addressing global challenges like climate change. By adopting a centralised framework, we aim to foster coherence in our efforts, leverage synergies across business units, and maintain a unified strategic direction.
Our Group targets of Net Zero on own emissions (Scope 1 and 2 market-based) and on financed emissions (Scope 3, Category 15) are in line with the objectives of the Paris Agreement.

Specifically, UniCredit is not excluded from the EU Paris-aligned benchmarks.

Decarbonisation levers and key actions

Own emissions
While financed emissions account for the greatest share of our climate impact, the management of our operational environmental footprint is also key to becoming a Net Zero bank. Our ambition is to reach Net Zero on own emissions (Scope 1 and 2, market-based) by 2030.
Levers on our path towards Net Zero include renewable electricity sourcing, alongside space optimisation, energy efficiency measures, and heating systems transformations.
More details on actions implemented and planned are provided in the E1-3 Actions and resources in relation to climate change policies section.

Financed emissions
Financed emissions account for most of our climate impact, therefore their reduction is considered essential to becoming a Net Zero bank.
To achieve our ambition for each sector, we started working with our portfolio of clients to define how to reduce our impact. Identified levers differ from sector to sector.

Oil & Gas
With regard to the Oil & Gas sector, traditional business models are increasingly under pressure because the effects of climate change are worsening, with energy security becoming even more relevant. While the investments into clean-energy projects are increasing, tailored solutions are required based on geography, off-take industry, and infrastructure availability. For this reason, the industry's engagement will be key in the upcoming decades. A key strategic challenge for Oil & Gas companies is aligning existing skills and capital with new requirements of energy transition.

In this scenario, we believe that Oil & Gas players have several opportunities to play a meaningful role in the energy transition, therefore we are working to encourage the industry transition on multiple fronts:
- engaging with clients to educate them about transition and make them aware of the importance of clear transition plans as a pre-requisite for transition project financing;
- rebalancing our loan portfolio:
  - supporting clients investing in alternative, more sustainable fuels;
  - gradually reducing the financing of the most carbon-intensive activities;
- collaborating in sector-led initiatives and new ventures for sector technology innovation, even when solutions are not yet fully mature;

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- assisting clients in diversifying activities, helping them address sector challenges linked to the energy crisis, such as the need to provide energy security.

We consider this sector fundamental to scale-up crucial technologies such as hydrogen, hydrogen derivatives, biofuels, and carbon capture, utilization and storage (CCUS) so we are also promoting sector-based initiatives that facilitate their growth and spread.
For the past three years, UniCredit has sponsored the World Hydrogen Congress, an event which brings together thousands of experts and professionals encouraging knowledge sharing and innovation of this budding industry. Since 2021, we have also been a member of the European Clean Hydrogen Alliance, established by the European Commission to support the development of green hydrogen projects to drive the energy transition. Through this alliance, we successfully contribute to the deployment of low carbon solutions across Europe, working closely with key industry players and regulators. The alliance also enables us to stay abreast of the latest developments in the rapidly growing green hydrogen and hydrogen derivate sectors.

Financing biofuels plays a crucial role in transitioning the Oil & Gas sector, indeed it significantly contribute to reduce greenhouse gas emissions and promote a circular economy as the sector can leverage on existing infrastructure and technical expertise for its production and distribution.

Biofuels are a cornerstone of achieving the European Green Deal objectives and support the renewable energy targets by fostering energy independence. This technology also plays an active role in the decarbonisation targets of other European directives such as the Renewable Energy Directives, which highlight the importance and set quotas for advanced feedstocks when replacing fossil fuels in transport and other industries. Specifically, biofuels have a wide range of applications as they usually act as “drop-in” fuels easily substituting their fossil counterparts. For example, biomethane has the lowest carbon abatement cost compared to other renewable fuels, making it a highly efficient technology.
In line with UniCredit’s strategy to support the energy transition, we have supported a number of infrastructure funds, such as DWS, MEAG, and Igneo, in their acquisition and development of their biogas and biomethane portfolios, who aim to expand the biofuel production and target the advanced feedstocks furthering the development of the green fuel industry.

Power Generation
In the Power Generation sector our strategy is primarily focused on supporting our clients to shift from fossil fuel energy production to more sustainable sources of energy (e.g., pure renewables).
To this extent, our industry experts work with clients that want to refocus their business model and also with clients that want to further invest in renewable energy projects. Thanks to our extended network, we are also able to serve pure renewable players through project financing initiatives, especially in wind, photovoltaic and advisory activities.

Through sector-specific events, we are also involved in discussions on the best approach for the energy transition. For example, in the Czech Republic and Slovakia, UniCredit is a member of the Solar Association, the largest professional association of solar energy entrepreneurs to promote technical, legislative and economic conditions for the operation of the renewable energy sector. We are also a partner of Climate & Sustainable Leaders, a unique platform in the Czech Republic to foster sustainability and climate protection.

Automotive
The automotive sector is a pillar of the global economy and at the same time one of the major contributors to climate change. Road transport in Europe accounts for around one fifth of greenhouse gas (GHGs) emissions.
Europe, driven by its ambitious Fit for 55 legislation targets, is expected to electrify rapidly as all new cars sold in the EU will need to have zero tailpipe emissions by 2035 (Source: europa.eu). However, some European companies have scrapped their car electrification targets, citing challenges such as regulatory uncertainty, rising production costs, and increasing competition.

Our strategy for the automotive sector aims to support our clients in their transition path and achieving their own targets, helping them in seizing new market opportunities across their value chain (including EV battery manufacturing, infrastructure management, etc.) as they shift towards low-emission vehicles. We have started to actively work with a range of our clients, including some of the top car manufacturers in the market, to finance specific projects entirely dedicated to electric vehicle production, such as finance for a new dedicated factory. For example, UniCredit Bank GmbH, with other financial institutions, contributed to finance the extension of the existing Mercedes-Benz group plant in Kecskemét/Hungary. The new facilities will be solely used for the manufacturing of battery electric vehicles.
Our holistic industry approach (“In Motion”), combines the expertise of all our specialists along the total automotive value chain, from natural resources to recycling, with the support of the investments into new technology to support the sector in its transformation towards zero emission mobility.

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Steel

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

Steel contributed over 7% of global CO_2 emissions while the demand is expected to continue to increase, classifying it as one of the hard to abate sectors. At UniCredit, we believe this is a key step to help the Steel industry transition into a greener future, as we continue to support our clients in their ambitions and engage in strategic industry discussions around the development of real investment projects.
In recognition of the importance of collaboration between the financial world and the steel industry, we are a Signatory of the Sustainable Steel Principles which was the result of the collaboration of the Steel Climate-Aligned Finance Working Group facilitated by RMI's Center for Climate-Aligned Finance. The Principles helped establish a sector-specific methodology, access to robust data, and a common measurement and disclosure platform that is essential to impactful client engagement and action in the real economy.

At UniCredit, we are keen to support the decarbonisation of the full steel value chain and actively engage with clients looking to transition from the historically polluting technology to cleaner production paths which incorporate a myriad of solutions ranging from hydrogen-based technologies to green electrification of the production.

As proof of our firm commitment, UniCredit acted as Mandated Lead Arranger (MLA) and lender of the SACE covered green loan financing for Salzgitter group. The transaction contributed to the financing of its €2.3 billion decarbonisation project SALCOS® which will convert its blast furnace steel production to DRI and electric arc furnaces powered by green electricity and green hydrogen. Once completed in 2033, SALCOS® will enable a 95% abatement of Salzgitter AG's CO_2 emissions in steel manufacturing, reducing Germany's aggregate CO_2 emissions by around 1%. The financing facility was among the first ECA-covered Corporate Green Loans in the steel sector worldwide and the first in Germany.

Shipping

Industry stakeholders agree that decarbonising the Shipping sector is a significant challenge. Since shipping is a fundamentally international industry, it is important to subject it to uniform regulations among the countries. In this sense, we appreciate the steps taken by the International Maritime Organization (IMO) in its efforts to counter the effects of climate change stemming from the sector.
Through the adoption of the 2023 IMO Strategy on Reduction of GHG emissions from ships, the IMO has increased the ambition to reduce global GHG emissions and provided a framework for Member States that sets out the path to a greener industry. As stated by UNCTAD (United Nations Conference on Trade and Development), minimising uncertainty about future regulations, and improving clarity around carbon prices and fuels, is needed to spur action and investment by shipowners and other stakeholders across the maritime transport and energy production value chain (UNICTAD, Review of maritime transport 2023). At a global level, important steps need to be taken to facilitate the availability and usability of alternative fuels through dedicated and adequate production, bunkering facilities, and storage.

At UniCredit we believe that scaling up investment in new ships (including design, engines and onboard technologies) is also crucial. We will do our part by funding our clients' next generation vessels and/or financing the retrofit of their existing ships. We are continuously engaging our customers to identify with them the best financing strategy to accelerate their transition.

Commercial Real Estate

To achieve its target, UniCredit supports the corporate clients operating in Real Estate on their journey to a sustainable transition.
We aim to focus financing towards better new energy-efficient buildings, while also supporting our clients in the retrofitting of less efficient premises. In general we favour transactions with lower emissions intensity and better energy certificate labels.
We will engage with our customers and stimulate conversations, proposing dedicated products or other financing opportunities to support the achievement of their plans.
We are encouraging the collection of actual Energy Performance Certificates among our clients as this is also relevant to improve our data quality and step up our calculation methodologies for this sector.
Finally, it is important to emphasise that strong commitments from governments and other industry stakeholders will be crucial to the achievement of the decarbonisation targets.
Our target already reflects challenging public government commitments on the share of renewables within the electricity grid of the countries in scope. These commitments are therefore a key enabler for the overall sector decarbonisation and our ability to achieve the 2030 intermediate goal.

Some relevant projects have been financed in the sector. One of these involves Coima group and is related to P39, a real estate office/residential complex located in Milan. It applies the most effective sustainable building practices with constant focus on energy saving, allowing the building to meet the Nearly Zero Energy Building standard.

Moreover, as proof of our commitment in this sector, in Italy a specific product has also been designed to support corporate clients, called One4Planet Green Buildings. It is a use of proceeds, medium-long term loan, (Secured or Unsecured) for Corporate clients aiming to finance projects with the following purposed:
- construction or purchase of high energy-efficiency buildings (Energy Performance Certificate rated “A” or higher);
- renovation of buildings with an improvement in energy efficiency class;
- installation, maintenance, or repair of fittings or property finishing works with a high energy impact.

Residential Real Estate
For this segment, transitioning to net-zero buildings requires Government initiatives as well as dedicated financial tools.
Firstly, Government intervention and adequate incentive schemes will be crucial enablers for the decarbonisation path. It is essential to have coordinated policies that support an improvement in the energy consumption mix for the existing building stock (e.g., through an increase in the share of renewables within each country’s electricity supply), while at the same time providing the right incentives to increase renovation rates, especially in the poorest areas and those with more heritage buildings, and a lower net zero assets construction rate.

At UniCredit we will monitor the progress of the sector regulatory framework and incentive system and at the same time we will continue to support clients who want to reduce the carbon footprint of their homes, also designing and providing dedicated product offering.
For example, in Italy a new mortgage was released in June 2023 called “Mutuo Sostenibilità Energetica” (€83.3 million disbursed by December 2024) and new partnerships were developed with strategic providers in this sector. This product foresees dedicated conditions and an ecosystem of value-added services such as a EPC label simulation and a complete project for energy efficiency ready to be implemented, through specialised partners.

Resources to support our Transition Plan
With regard to the operational and capital expenditures (OpEx and CapEx) for supporting our commitment to Net Zero, we established a dedicated Net Zero project at Group level which was initially set up in 2022 and is led by a cross-functional team. This project brings together ESG, Finance, Risk Management, Business and Digital teams to identify and implement the key actions needed to define and support our transition strategy, involving 150 employees.
In addition, we are also leveraging the Bank’s existing ESG functions, such as ESG advisory experts, that have pivotal roles in the client engagement process. Furthermore, at a local level we benefit from dedicated expert roles. For example, we have set up a team of ESG Experts to support Relationship Managers in the origination and structuring of ESG deals for corporate clients across all Italian commercial regions.

To provide all involved UniCredit functions with relevant Net Zero information and methodologies needed to effectively implement our transition strategy, we have invested in our ICT infrastructure to enhance supporting tools and introduce new functionalities, for example:
- structuring and automatizing Net Zero data input an output flows for monitoring and reporting activities;
- introducing clients’ transition plans assessment functionalities;
- displaying Net Zero relevant data by client (including their environmental impact, cluster and recommended strategy) to our business network leveraging on existing dashboards;
- enabling business colleagues to simulate Net Zero impact at single deal and portfolio level;
- allowing the identification and segregation of deals aiming to support the transition of our clients.

We delivered dedicated Net Zero training sessions at group-level for UniCredit internal functions involved in all our operating countries during the year. Colleagues in the interested functions have been involved in six hours of training, including Net Zero fundamentals, clients’ transition plans assessment methodology, clients’ Net Zero engagement strategies together with Net Zero’s implications for the credit process, and transition finance.

It should be noted that the amount of financial resources invested in ICT infrastructures for the action plan is not material.

Alignment of our Transition Plan with the overall business strategy
In UniCredit we put clients at the centre of our Bank and our decision-making, and we are directly influenced by their needs. It is our responsibility to support them in their own just and fair transition as we progress towards our ESG targets, leveraging on the Net Zero commitment and Transition Plan as stated in our new ESG Strategic Framework and consistently with our ESG Strategy.

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As a consequence, we are working to increasingly embed Net Zero into our core banking processes, such as the financial, risk and business processes.
For instance, starting from 2023 we included Net Zero in target setting, breakdown, and cascading activities into our existing planning processes, assigning clear responsibilities within existing governance and setting-up adequate tools to systematically gather and model all data required.

As part of this effort, we also embedded Net Zero KPIs into our Risk Appetite Framework (RAF).
In addition to ensure the right organizational commitment, we have also aligned our Remuneration Policy to Net Zero objectives. We introduced Net Zero KPIs in the Sustainability section of our Top Management long-term performance conditions. For more details on our Remuneration Policy, please refer to GOV-3 Integration of sustainability-related performance in incentive schemes section.
With our Transition Plan we are continuing and even strengthening the support to our clients, accelerating their transition and providing them with effective advisory, tools and appropriate financing solutions. We are empowering clients and communities by financing renewable energy projects and energy efficiency efforts.

Our business functions are focused on supporting clients that are more advanced in their decarbonisation strategy and engaging clients still in the early stage of their transition path. Therefore, we developed a specific methodology and process based on a dedicated climate and environmental questionnaire to evaluate and cluster our clients' transition pathway. Furthermore, we introduced sector-specific policies that commit us to stop financing controversial carbon-intensive activities, such as energy production from thermal coal and the most impactful oil and gas operations (e.g. tar sands, fracking, ultra-deepwater drilling, arctic extraction, etc.) and to phase out similar financing that had been granted in the past before the policies came into effect. We continually update our policies to ensure that the most recent evolution of related risks is considered and properly managed.

Our Transition Plan was approved by the UniCredit group CEO during the Group Executive Committee meeting and finally reviewed by the Board of Directors in February 2024. The same formal process had been followed for the approval and review of Net Zero intermediate 2030 targets before disclosure to the market.

Progress in the implementation of our Transition Plan
Throughout the year, we turned our commitment into actions, cascading the Net Zero transition plan, already set up in 2023, to the whole Group and involving all the relevant functions of the Bank to deploy the actions identified. For more details, please refer to E1-4 Targets related to climate change mitigation and adaptation section.

Starting from our inaugural plan, we have updated the identified activities on the basis of our ESG Strategy, regulatory evolution and stakeholder expectations. We adapted the plan to cope with the new Net Zero sectors (i.e. Steel, Commercial and Residential Real Estate and Shipping) as we want to accompany their own transition. To this extent, we consider it crucial to keep pace in a dynamic context and properly manage all emerging needs to reach our Net Zero targets.

In 2024, we achieved good progress in our journey to Net Zero in terms of Implementation Plan, Governance and Dialogue with stakeholders.

Implementation plan
In order to operationalise our targets, we have set and are following a cross-functional implementation plan, which defines how we integrate Net Zero considerations into all our core business activities and decision-making processes and is based on the following key components:
1. Target setting to ensure we structurally embed Net Zero into our planning process and our targets at group and local level;
2. Monitoring to effectively track our progress against our targets and to identify corrective measures in case of deviations;
3. Risk management to ensure we adequately manage the different risks (reputational risk, climate and environmental risk and credit risk) linked to our clients' transition to more sustainable business models;
4. Products and services to effectively assist our clients' journeys to Net Zero;
5. Supporting tools to ensure the organisation has all the relevant information to operate in this space.

1. Target setting
The target setting process is a critical backbone to be aligned with the expectations set by NZBA. The process involved a broad cross-functional working group with an active support from our ESG, Risk Management, Finance and Business functions.

We initially established a set of intermediate 2030 targets on Oil & Gas, Power Generation and Automotive then we added new intermediate targets for Steel in January 2024, and Shipping and Commercial Real Estate in July 2024, together with the 2022 baseline for Residential Real Estate.
For more details, please refer to E1-4 Targets related to climate change mitigation and adaptation section.

To reinforce the strategic direction and orient the Group, the planning process have been adapted to incorporate the new commitments so once 2030 targets were set at Group Level, they were broken down by division and cascaded to the whole organization.

2. Monitoring
We have set up a dedicated process to track our Net Zero KPIs evolution vis-à-vis our baseline and targets. This is fundamental to the effective and timely steering of our loan portfolio and requested also by NZBA.
The Net Zero monitoring process also demands strong collaboration between all Net Zero-involved functions (Risk Management, Finance, ESG, Digital and Business) given high interdependencies for targets breakdown, targets cascading and data strategy.
It requires that we not only track the evolution of our exposure on existing clients, but also that we periodically refresh climate data for the calculation of climate impact.
Thanks to the new monitoring process we have put in place, starting from 2024 we are able to provide our business functions with dedicated periodic reports on Net Zero impact evolution, including all underlying drivers needed to steer our Net Zero portfolio.

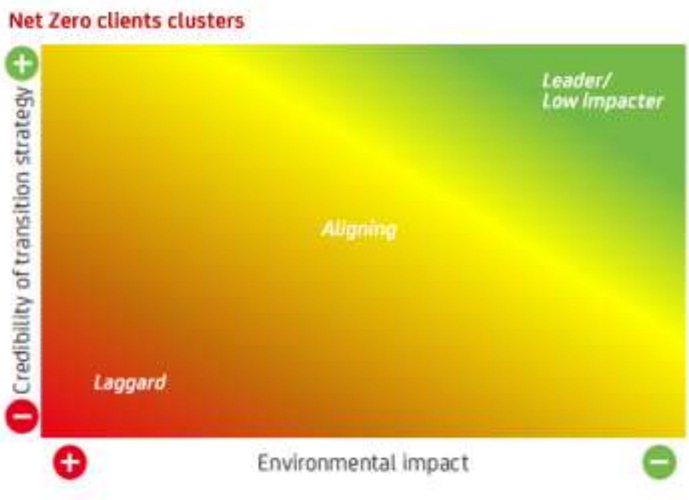
As for target setting, we are progressively extending monitoring activities to new sectors: in 2023, we started with Oil & Gas, Automotive, and Power Generation; in 2024, we included Steel and, in parallel, are working on the inclusion of data for Shipping and Commercial and Residential Real Estate for the beginning of 2025.

3. Risk management
As result of our commitment towards sustainability and Net Zero, we have begun integrating Net Zero considerations into Risk Management Framework for three priority sectors, continuing and building on previous efforts to incorporate risk climate and environment over the past few years.

Specifically we:
- updated our Oil & Gas policy by integrating Net Zero provisions as a driver for the reputational risk evaluation and assessment;
- introduced specific KPIs related to our Net Zero targets into our Risk Appetite Framework (RAF);
- released more comprehensive qualitative guidelines to incorporate Net Zero commitments in our credit risk strategies;
- defined and embedded Net Zero client strategies into the credit process.

During 2024, we reinforced our approach, evolving it and extending the above-described components of the Risk Management framework also to the new sectors.

Specifically Net Zero client strategies aimed at further tailoring our approach to the needs of different clients. First, we clustered our Net Zero clients based on their actual impact on our financed emissions and on their forward-looking transition strategy, thereby identifying transition leaders, clients aligning to transition and laggards vis-à-vis transition. The next step was to set differentiated engagement strategies by client cluster and sector, ranging from retaining/expanding our relationship with leaders to active engagement of aligning clients and gradual reduction of our support to laggards. In all cases, we regard green and transition finance as a key lever to assist our clients' transition, especially for those who are not yet leaders on the transition journey.



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To ensure our approach is based on solid ground and we actively support our clients progressing in their transition, we adopted a bespoke approach for assessing our clients' transition plans, when available, and to strategically engage with them on their decarbonisation strategy.
Based on internationally recognised frameworks and initiatives on transition planning (e.g. GFANZ, CDP, CA100+), we developed a cross-industry questionnaire, measuring qualitative and quantitative elements for evaluating the completeness of our clients' transition plans, including current and forward-looking key indicators such as historical emissions, targets, risk management, the governance and strategy in place.
Depending on the coverage of these indicators, questions and answers are converted into a qualitative score on a scale from 0% to 100% determining three possible assessments (developed transition strategy, early-stage transition strategy and absent transition strategy). In 2024 we started testing this approach with pilot cases and we plan to extend it to all our Net Zero sectors' clients. Furthermore, we also plan to rely on external experts to further strengthen our understanding of our clients' transition plans. This approach represents a fundamental part of our Net Zero engagement strategy to facilitate insightful and data-driven discussions with existing and prospective clients regarding new opportunities to finance their transition and mitigate potential risks.

4. Products and services
We are supporting many of our clients with dedicated products such as green loans (aligned to market standards such as EU Taxonomy or ICMA), green financing in partnership with public entities at local and European level (e.g. Kreditanstalt für Wiederaufbau, European Investment Fund, etc.), sustainability-linked loans and much more.
Moreover, since starting our Net Zero journey we realized that supporting our clients with dedicated transition finance is key to reaching our Net Zero ambition.
Therefore, we have established our own internal definition of transition finance based on EU Commission recommendations and included it in our ESG Product Guidelines at the end of 2023, that apply to all Group countries. They aim to define a comprehensive methodology for the homogeneous classification and reporting of UniCredit's ESG products and services, defining criteria for eligibility, and at the same time, to protect the Group against greenwashing and social-washing risks.
The guidelines also require our clients to have transition plans certified by a third party to access transition finance, so that we ensure that the required financing is dedicated to eligible transition initiatives.
Finally, to effectively identify which of our products are most effective for our clients, we will continue to leverage our dedicated ESG functions, such as the ESG advisory team, which helps business network colleagues analyse clients' ESG needs and identify the most appropriate products to support them.

5. Supporting tools
To provide all involved UniCredit functions with relevant Net Zero information and methodologies needed to effectively implement our transition strategy, we are also upgrading our supporting tools and introducing new functionalities, for example:
- introducing clients' transition plans assessment functionalities into existing tools;
- displaying Net Zero relevant data by client (including their impact, cluster and recommended strategy) to our business network leveraging on existing dashboards;
- enabling business colleagues to simulate Net Zero impact at single deal and portfolio level through dedicated tools;
- allowing the identification and segregation of deals aiming to support the transition of our clients, on the basis of our internal definition of transition finance (founded on EU Commission recommendations and included it in our ESG Product Guidelines at the end of 2023).

In addition, in March 2023 we joined the Open-es partnership, an Alliance that brings together entrepreneurial, financial and associated networks. Through Open-es we have strengthened our support for our clients in their sustainable development with a digital and innovative platform that provides them with an ESG scoring, provided by Cerved Rating Agency, and also allows to pursue clients' decarbonisation path.
All the additional tools and new functionalities described above were designed and finetuned during the last two years with the involvement of cross-functional working groups from the ESG, Risk Management, Business and Digital functions.

Governance
In order to support our commitment to Net Zero, we established a dedicated Net Zero project at Group level, which was initially set up in 2022 and is led by a cross-functional team. This project brings together ESG, Finance, Risk Management, Business and Digital teams to identify and implement the key actions needed to define and support our transition strategy.

As a key part of our Transition Plan, we are working to increasingly embed Net Zero into our core banking processes, such as the planning, risk and business processes. As part of these effort, we embedded Net Zero KPIs into our Risk Appetite Framework (RAF), as mentioned in the Risk Management section.

In terms of our clients, we are leveraging the Bank's existing ESG functions, further promoting crucial capabilities, such as ESG advisory experts, that have pivotal roles in the client engagement process.

Furthermore, at the local level, we benefit from dedicated expert roles. For example, we have set up a team of ESG Experts to support Relationship Managers in the origination and structuring of ESG deals for corporate clients across all Italian commercial regions. Also, in Germany, we have dedicated ESG training programmes such as the Sustainable Finance Experts programme, certified by an external institution, primarily aimed at client relationship managers and other specific roles.

To support our enhanced ESG governance processes and maintain our Net Zero momentum, during the year we delivered dedicated Net Zero training sessions at Group level for UniCredit internal functions involved in all our operating countries.

Our training focused on the key skills and knowledge needed for Net Zero decision-making, including basic training on Net Zero fundamentals, clients' transition plans assessment methodology, Net Zero engagement strategies and their implications for the credit process, and transition finance and its applicability for Net Zero clients. We are planning to deliver new courses in order to cover emerged learning needs derived by extending our targets and sectors.

Dialogue with stakeholders

UniCredit constantly engages with sector associations to contribute to shape the financial institutions' role in supporting the real economy transition. A constant dialogue with key external stakeholders and dynamic environment is fundamental to ensure a shared approach to reach Net Zero targets.

For example, we are taking part in NZBA working groups where we provide feedback to set clear guidelines and standards. Furthermore, we maintain an active dialogue with policymakers and regulators on Net Zero through sector associations such as the Institute of International Finance (IIF), the Association for Financial Markets in Europe (AFME) and the European Banking Federation (EBF), which provide input and feedback on the role of financial institutions in achieving climate goals, on the framework for transition finance and on transition planning.

We also strive to engage locally with industry sectors and other stakeholders in the countries where we are present. For example, UniCredit Bank Austria continued its cooperation with WWF Austria, with 2024 focus on raising awareness and screening of possibilities to integrate more sustainable products into the Bank's investment portfolio.

A relevant moment of dialogue with our stakeholders, is the celebration of our ESG Day. In 2024 UniCredit held its second recurrence "A challenged future: choosing the path ahead": the event, with more than 13,000 participants, built as a customer journey to provide concrete solutions to the clients. The session entitled "A zero-sum game? Solving sustainability trade-offs", hosting relevant energy sector' guests, highlighted the need to manage conflicting interests as part of the transition, with meaningful action, balancing environmental, social and biodiversity issues.

The event also provided a moment to formally launch the workers' stream of its "Skills for Transition program", which delivers strategic training to the workforce of companies expected to be impacted by the green transition, helping them to develop the skills they need to meet the need of a changing environment whilst generating a measurable social impact. Fully funded by UniCredit, the programme spans six UniCredit group countries: Italy, Germany, Bulgaria, the Czech Republic, Slovakia and Romania, delivering specific learning paths via a digital platform and in workers' local languages.

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Impact risk and opportunity management

For the disclosure of Climate change IROs, reference is made to Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 -Climate and environmental risks.

E1-2 - Policies related to climate change mitigation and adaptation

UniCredit's commitment to Net Zero emissions is fostered through our specific policies on climate change, which address material impacts, risks and opportunities resulted from the Double Materiality Assessment:

Impacts:
- generation of direct and indirect energy GHG emissions (Scope 1 and 2);
- generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the downstream value chain (Scope 3 - Only 15 category);
- generation of indirect GHG emissions produced in the value chain as a result of the business activities performed by actors in the upstream and downstream value chain (Scope 3 - All categories except financed);
- fostering awareness and commitments related to climate change and accelerating the green transition through the support towards energy efficiency initiatives and renewable sources financial projects across counterparties for the next years.

Risk:
- credit risk: impact on credit risk portfolio due to deterioration of the counterparty's creditworthiness due to damage, caused by acute and chronic events, to the counterparty's plants and production sites and decrease in the recoverable amount/market values of collateral due to damage, caused by acute and chronic events.

Opportunities:
- investments in the implementation of green/environmental projects;
- creation of new products and services to support clients in their transition journey towards their decarbonisation targets;
- invest in/finance green tech (start-ups) and also access new markets (e.g., carbon emissions trading).

In particular, the Smart Office Workplace policy focuses on space and energy consumption optimisation and curbing GHG emissions in the Bank's offices worldwide. Sector-specific policies (covering Civil Nuclear, Coal, Defence, Mining, Oil & Gas, Tobacco, and Water infrastructure) address climate change adaptation and mitigation strategies among UniCredit's credit portfolio: these policies aim to manage financed GHG emissions and mitigate risks associated with counterparties' financial stability, which may be affected by climate-related events that could harm their production sites and reduce the market value or recoverability of collateral. Additionally, the ESG Product Guidelines include a comprehensive methodology for classifying and reporting UniCredit's ESG offering, with a focus on financing energy efficiency, renewable energy deployment, and climate change mitigation and adaptation initiatives: this represents a possibility for UniCredit to invest in green projects while creating new ESG products.
For more details on climate-related policies, please refer to MDR-P Policies adopted to manage material sustainability matters section.

E1-3 - Actions and resources in relation to climate change policies

Decarbonisation lever types for both own emissions and financed emissions are covered in the E1-1 Transition plan for climate change mitigation section.

Progress achieved and expected actions on Net Zero targets

Own Emissions

In 2024 our Group GHG emissions arising from own operations amounted to: 24,412 tCO_2e (Scope 1); 16,702 tCO_2e (Scope 2 market-based); 100,830 tCO_2e (Scope 2 location-based); 285,848 tCO_2e (Scope 3 - excluding category 15). For the present disclosure, comparisons with historical data are not possible due to the changed reporting perimeter versus previous years. However, as in previous years, in 2024 we prioritised efforts to abate climate impacts arising from our own operations.

Indeed, we hold ourselves to the same standards that we expect from our partners and have established well-defined objectives to contain our environmental footprint, in particular the reduction of GHG emissions arising from our own operations. This includes reducing our energy consumption mainly through space optimisation measures, procuring electricity from renewable sources, improving the energy efficiency of our premises and data centres, and transforming our heating systems from fossil fuels to more sustainable sources (heating pumps or district heating).

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We were the first bank in Italy to close a corporate PPA (Power Purchase Agreement) to meet the energy demand of our data centres located in Verona, Italy. This agreement strengthens UniCredit's group-wide Green Energy Procurement strategy, serving as a best practice across our geographies.
In addition to renewable energy sourcing, we are also committed to improving space and energy efficiency in our buildings. In 2023, we introduced a new Smart Office Workplace Policy to define space efficiency KPIs and provide guidelines on energy efficiency measures and improv the quality of the built office environment with a focus on hybrid solutions, health, well-being and sustainability.

In light of the hybrid way of working we have optimized the footprint of our headquarters (HQ) by releasing selected buildings and creating newly refurbished spaces while improving the space occupancy in our premises during holiday periods.
In most of our buildings, we continue to work towards consolidating our efforts on energy efficiency by applying smart energy control systems, improving thermal insulation and implementing LED solutions.
Moreover, we have improved the algorithms that manage Heating, Ventilation, and Air Conditioning (HVAC) and lighting controls, optimising both energy consumption and workplace comfort.

The Group's guidelines for dedicated energy management measures, launched at the end of 2022 in response to the global energy crisis, allow to continuously reduce our energy consumption thanks to specific actions including heating and cooling systems working hours reduction, sustainable temperature set-points and lighting time frame reduction.

Natural gas, diesel and oil heating systems transformations (to electrical heat pump or district heating) is always considered a preferred option in case of planned maintenance replacement.

Moreover, renewable energy sourcing is a crucial step on our path towards Net Zero on own emissions. We also make use of self-produced renewable electricity at selected premises.

Our Group target is set to Net Zero on own emissions (Scope 1 and 2 market-based) by 2030. Within the premises we occupy, our efforts towards the achievement of this target consist of reducing as much as possible from our own operational consumption and procuring energy from green/renewable sources.

In 2024 a total cash-out of ca. €30 million was carried out on the abovementioned related actions on our real estate building portfolio.
Based on the multi-year plan budget a total cash-out of ca. €60 million has been budgeted for actions on our real estate building portfolio with an impact on the Net Zero own emissions target.

We will continue to act on the following levers:

- space optimization;
- energy efficiency;
- heating system transformation: in the coming years, we are planning to transform a significant number of fossil fuel heating systems into highly efficient electrical heat pumps or district heating;
- electricity and District Heating/cooling purchased from certified renewable sources;
- self-produced electricity.

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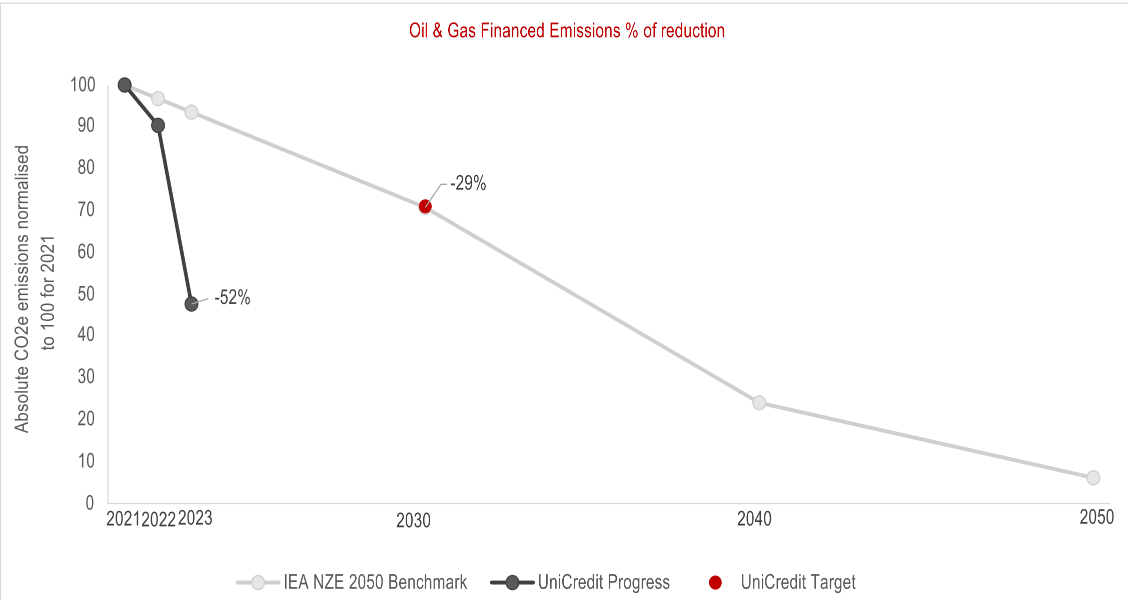
Financed emissions
Actions and progress made on financed emissions in respect to Net Zero 2030 intermediate targets are reported below for each sector and refer to 2023, in line with the latest climate data available on our clients.

Oil & Gas
During the past years, we focused on engaging clients with clear transition strategies to actively support them in their transition path; on the other hand, we kept reducing our exposure to clients not aligned with the transition and clients with high impact on sector Scope 3 emissions.
As results, in 2023 our financed emissions decreased by -47% vs 2022 and more than 50% vs the 2021 initial baseline, moving to a value of 10.2 $MtCO_2e$, below the Group 2030 target.
The reduction has been mainly driven by the deleveraging of non-strategic clients, with an acceleration in the reduction of Russian client exposure. Despite the good results achieved so far, we currently confirm our Net Zero Group target for 2030 of -29% vs 2021 baseline (i.e., 15.2 $MtCO_2e$).
A temporary increase in financed emissions could materialise in the coming years, considering the volatility of the metric (e.g., the impact of potential change in EVIC) and the Bank's intention to support the transition of our clients operating in the sector.



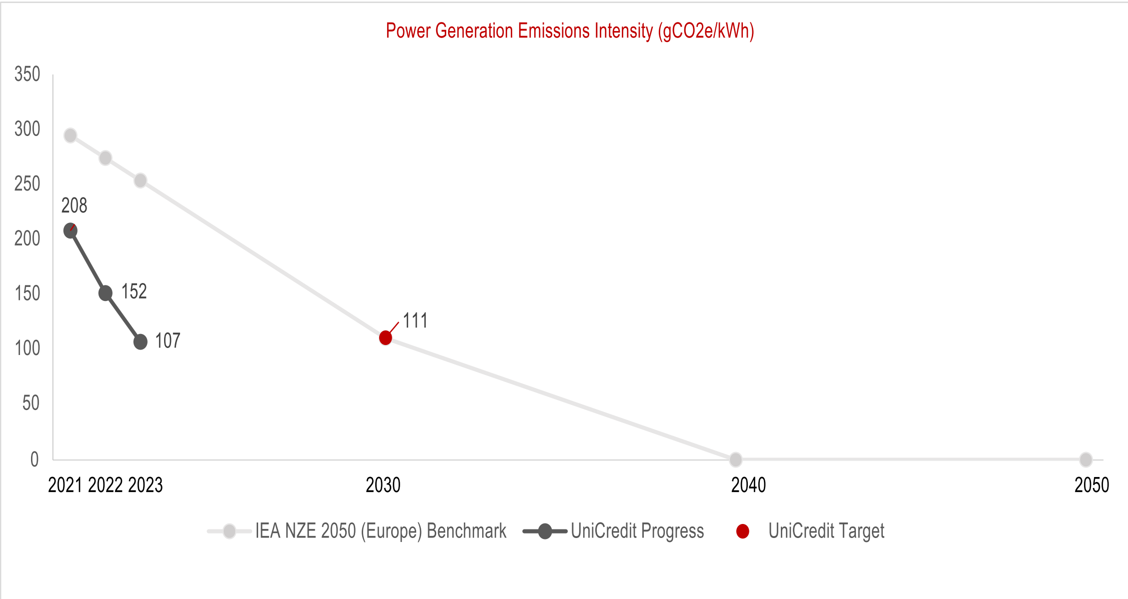
In scope on balance sheet lending YE2023:	Financed emissions baseline YE2021:	Financed emissions YE2023 vs YE2021:	Financed emissions 2030 Target vs 2021:
€4.7bn	21.4 $MtCO_2e$	- 52% (to 10.2 $MtCO_2e$)	- 29%

Notes:
IEA NZE 2050 Benchmark: Percentage reduction of the NZ IEA World scenario, including Oil & Gas only.
Financed emissions: Computed on portfolio in scope when data available (Scope 3 emissions for midstream companies not computed in line with current literature).

Power Generation

In 2023 the emissions intensity of our portfolio in the sector has further reduced compared to 2022 (-30%) moving to a value of 107 gCO_2e/kWh, already below the 2030 intermediate target, and decreasing by 49% from the initial baseline.

This positive trend was mainly achieved thanks to the increased exposure to counterparties operating in the renewables business ("pure" renewable players) and our continued support to the traditional power producers who are increasing the share of renewables in their production mix, pursuing the climate transition. In 2023 approximately €5.5 billion of our Power generation portfolio is related to lending to "pure" renewable players or green loans to traditional players to support power production from renewable sources. Although 2023 emissions intensity is already below our intermediate target for the sector, we currently confirm a target of 111 gCO_2e/kWh for 2030 expecting a possible temporary increase of physical emissions in the coming years resulting from the Bank's support of green transition of traditional power producers and countries where we operate.



In scope on balance sheet lending YE2023:	Emissions Intensity baseline YE2021:	Emissions Intensity YE2023:	Emissions Intensity 2030:
€9.8bn	208 gCO_2e/kWh	107 gCO_2e/kWh	111 gCO_2e/kWh

Notes:
IEA NZE 2050 (Europe) Benchmark: Scenario scaled down to European level (excluding Ammonia and Hydrogen).
Emissions Intensity: Computed on portfolio in scope when data available.

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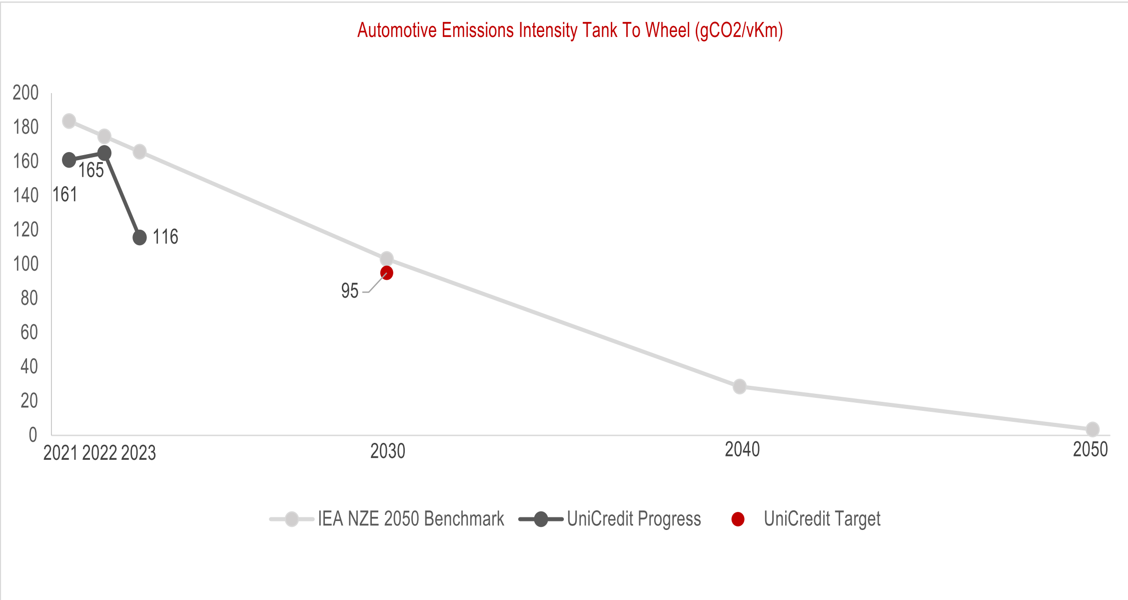
Automotive

In 2023, the emissions intensity of our loan portfolio decreased significantly compared to both 2022 and initial 2021 baseline, reaching 116 gCO_2/vkm (-30% and -28% respectively vs.2022 and 2021 baseline).
The reduction of our metric is the result of the financing of projects dedicated to the production of electric vehicles (i.e., green loans to which we attribute a value of emissions intensity equal to 0), and the improvement of emissions data of the car manufacturers in our portfolio who are progressively converting their production from vehicles with internal combustion engines to hybrid and electric vehicles.
To reach our 2030 intermediate target, we will continue to support the transition plan of our clients, as well as support new zero-emissions projects for the production of greener vehicles.



In scope on balance sheet lending YE2023:	Emissions Intensity baseline YE2021:	Emissions Intensity YE2023:	Emissions Intensity 2030 Target:
€2.0bn	161 gCO_2/vKm	116 gCO_2/vKm	95 gCO_2/vKm

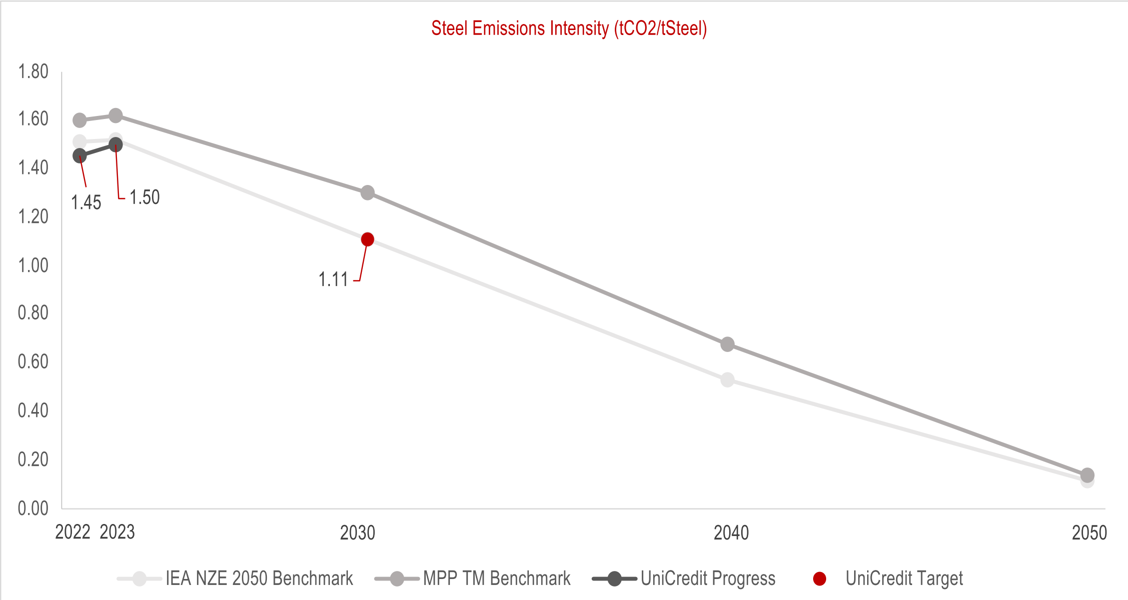
Notes:
IEA NZE 2050 Benchmark: World scenario on whole fleet.
Emissions Intensity: Computed on portfolio in scope when data available.

Steel

In 2023, the emissions intensity of our Steel loan portfolio increased slightly from 1.45 tCO_2/tSteel of 2022 to 1.50 tCO_2/ tSteel (+3%), mainly driven by a temporary increase of the exposure to specific higher-emitting clients.
However, the 2023 performance results in a negative alignment score of -0.17, which is better than the decarbonization pathway of the IEA and MPP TM benchmarks, required by the Sustainable Steel Principles.

UniCredit is actively supporting high-emitting clients that are pursuing the decarbonization of this hard to abate sector.

For the coming years, as the construction of new low-carbon steel plants progresses and in line with our strategy to support the transition of the steel industry, UniCredit expects a decrease in the metric thanks to the financing of projects related to low-carbon steel production.
We will continue to work closely with our clients to help realise their transition plan and achieve our 2030 intermediate target (i.e., 1.11 tCO_2/tSteel).



In scope on balance sheet lending YE2023:	Emissions Intensity baseline YE2022:	Emissions Intensity YE2023:	Emissions Intensity 2030 Target:
€1.9bn	1.45 tCO_2/tSteel	1.50 tCO_2/tSteel	1.11 tCO_2/tSteel

Notes:
IEA NZE 2050 Benchmark: IEA trajectory is an enhancement of IEA NZE providing split trajectory on primary and secondary markets and following a fixed boundary approach.
MPP TM Benchmark: Mission Possible Partnership Technology Moratorium.

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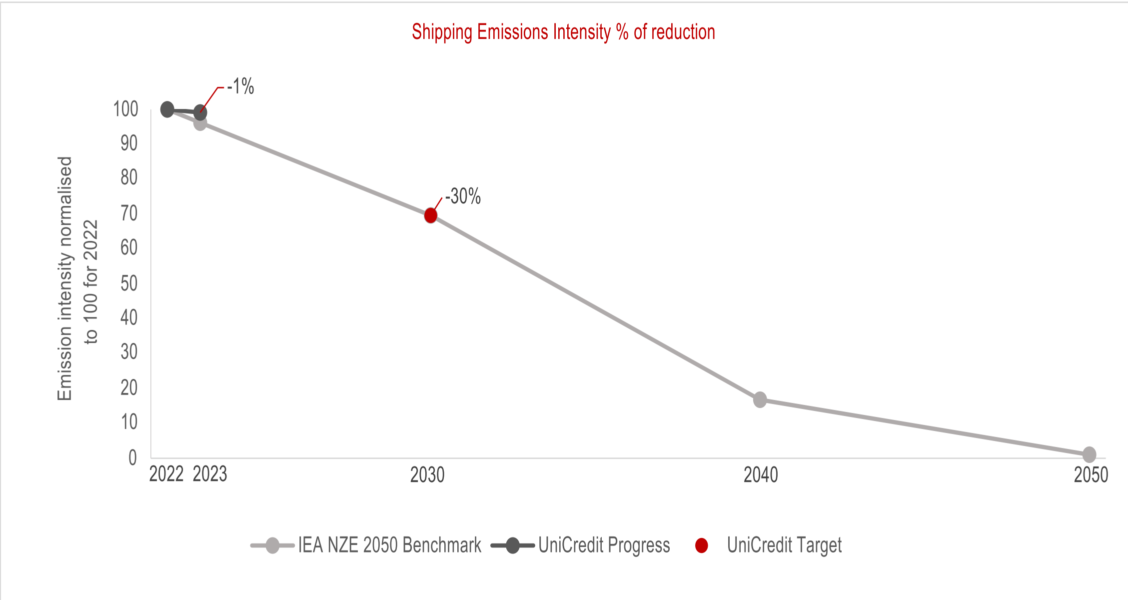
Shipping
In 2023, the emissions intensity of our loan portfolio registered a slight decrease compared to 2022 (-1%). The result is mainly driven by a rather stable performance vs. 2022 of the existing vessels in our portfolio. In line with our strategy, we want to support our clients by providing lending for the construction of most efficient vessels and/or financing the retrofit of existing ships in their fleet.
We will continue to engage our customers to better understand their mid-long terms decarbonisation strategy and to identify with them the best financing solutions to accelerate their transition.
Since investments in the shipping sector take time to deliver benefits in terms of vessel emissions intensity reduction (i.e., due to the time required to build and operate new vessels), we expect to see a positive impact on the emissions intensity metric from our recent financing from 2025 onwards and an acceleration of the reduction in the metric closer to the end of the decade.



In scope on balance sheet lending YE2023: €2.5bn	**Emissions Intensity baseline YE2022:** Passenger: 14.1 gCO_2e/GT-nm Merchant: 9.5 gCO2e/ dwt-nm	**Emissions Intensity YE2023 vs YE2022:** -1% (Passenger: 14.0 gCO_2e/GT-nm Merchant: 9.3 gCO_2e/dwt-nm)	**Emissions Intensity 2030 Target vs 2022:** -30%

Notes:
IEA NZE 2050 Benchmark: Percentage reduction target in line with benchmark.
-1%: Portfolio percentage reduction exposure-weighted at subsector level.

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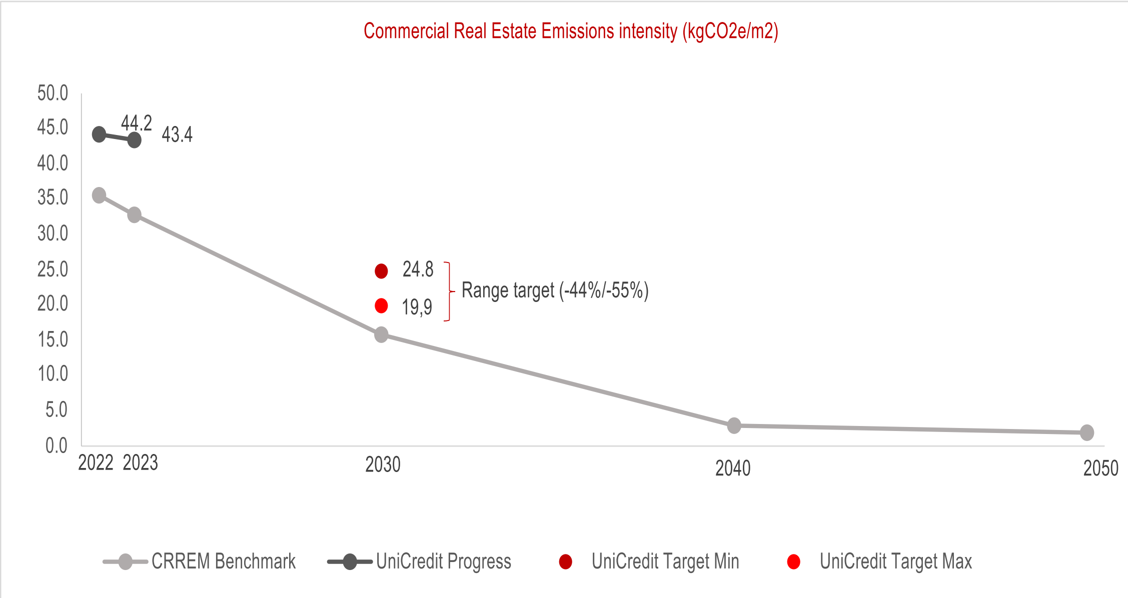
Commercial Real Estate
In 2023, the emissions intensity of our Commercial Real Estate portfolio decreased slightly moving from 44.2 to 43.4 $kgCO_2e/m2$ (-2%). The improvement was mainly driven by an increase of lending to building with better energy performance in Germany and Austria in 2023 and the progress in the decarbonisation of the electricity grid with an increase of renewables sources in Germany.
We expect to see a positive evolution of the metric also in the coming years, however an acceleration of the decarbonisation of the sector and our progress in reaching the 2030 target are closely linked to the evolution of the regulatory framework and the progress the three countries in which we operate will make in terms of electricity grid decarbonisation.



In scope on balance sheet lending YE2023:	Emissions Intensity baseline YE2022:	Emissions Intensity YE2023:	Emissions Intensity 2030 Target vs 2022:
€30.6bn	44.2 $kgCO_2e/m2$	43.4 $kgCO_2e/m2$	-44%/-55%

Residential real Estate
For the Residential Real Estate, we recently disclosed our 2022 emissions baseline on mortgages to households with the intention to monitor our progress in the sector.
Emissions intensity remained fairly stable in 2023, slightly decreasing from 36.3 to 35.8 $kgCO_2e$ /m2 (-1.4%). The positive trend was mainly driven, as for Commercial Real Estate, by an increase in lending to buildings with better energy performance in Germany and Austria and the positive effect of German decarbonisation of the electricity grid.
For the future, we confirm our intention to support clients who want to reduce the carbon footprint while reiterating the importance of government intervention and adequate incentives as enablers for the decarbonisation journey of the sector, even more than Commercial Real Estate sector, since it is related to the expenditure borne by individuals and families.

Resources allocated to perform activities
The availability of ICT and HR resources are crucial to perform the activities related to the key components of our implementation plan, as described in the E1-1 Transition plan for climate change mitigation section.
A lack or the misallocation of the identified resources could compromise the success or feasibility of the action plan.

It should be noted that financial resources allocated to action plans (CapEx), mainly related to not material ICT investments as reported in the E1-1 Transition plan for climate change mitigation section, are accounted for in the line item "100. Intangible assets".
The current financial resources mentioned in the previous paragraph, are mainly related to CapEx, which are reflected in the table "9.6 Property, plant and equipment used in the business: annual changes", Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.

Metrics and targets

E1-4 - Targets related to climate change mitigation and adaptation

With regard to the relationship with policy objectives, please refer to MDR-P – Policies adopted to manage material sustainability matters section.

Net Zero target on own emissions

We have committed to pursuing Net Zero emissions on our own operations (Scope 1 and 2, market-based) by 2030, without interim targets. Our target is compatible with limiting global warming to 1.5°C in alignment with the Paris Agreement objectives. The target applies to the Group.
As of 2024 reporting, we have revised the base year of our Net Zero target on own emissions to 2024, previously 2021.

In accordance with our strategy, which recognises that the most effective way of managing our climate impact arising from our own operations is to focus our efforts on those facilities for which we have full control, we apply a segmentation to the inventory of the premises we occupy. Thus, we distinguish those assets for which we have control and those for which we do not. Consequently, emissions from assets for which we do not have control are reported under Scope 3.

Renewable energy sourcing is a crucial step on our path towards Net Zero on our own emissions, along with space optimisation, energy efficiency, and the transformation of fossil fuel heating systems into highly efficient electrical heat pumps or district heating.
A working group was established to disclose the target and monitor our Net Zero trajectory. We have raised awareness on this fundamental goal among our employees, for example by organising dedicated workshops on Net Zero on own emissions, involving the Group Real Estate, Group Strategy and Group ESG functions. This has offered colleagues an excellent opportunity to gain knowledge and insights on how to contribute to the achievement of our Net Zero target.

Net Zero targets on financed emissions

In line with the NZBA commitment, our ambition is for Net Zero on financed emissions by 2050.
To achieve that, we disclosed targets on six sectors (i.e., Oil & Gas, Power Generation, Automotive, Steel, Shipping and Commercial Real Estate) and emissions baseline for Residential Real Estate. On Coal, phase out by 2028 strategy and related policy are already in place[22].
Following a detailed review of our financing portfolios, among the most carbon-intensive sectors identified by NZBA, we have identified three sectors where we do not have a material exposure: Aluminum, Cement and Aviation. In particular, each of them represents less than 1% of our exposure to carbon intensive sectors, with lending on-balance sheet of less than €1 billion[23]. Given their low materiality, these sectors will not be considered for the Net Zero target setting. However, we will continue to monitor them to ensure our approach remains adaptable for future adjustments, if necessary.
On Agriculture, we will continue to monitor future developments of European and local policy frameworks for the sector as well as the evolution of recognised methodologies and data availability, being the prerequisites for working to define a decarbonisation target and strategy, as outlined by the latest published NZBA guidelines.

Key design choices for setting Net Zero targets on financed emissions

The process for baseline and target definition involved a broad cross-functional working group with support from our ESG, Risk Management, Finance and Business functions. It entailed the development of a dedicated internal methodology to calculate our emissions baseline and to project its potential future trajectory, based on Net Zero reference market practices (SBTi, PCAF, IEA) and on sector guidelines (e.g. by NZBA). It also required gathering new information from external and internal data sources and using tools to model the future evolution of our financed emissions.

For the sectors in scope, the baseline and targets were defined on the emissions profile of the Bank's lending portfolio (on-balance sheet exposure). Baselines defined and disclosed for sectors in scope are confirmed and do not require any adjustment or restatement.

To define the Net Zero intermediate targets we used science-based decarbonisation scenarios, in line with NZBA guidelines. In selecting the reference scenario, we mainly considered the level of scenario ambition (i.e., whether it aligns to the Paris Agreement temperature goals and with a 1.5°C temperature target pathway), credibility of the scenario provider, possibility for geographical breakdown computation and level of detail provided for customisation.

[22] Green financing is allowed beyond 2028 only for no coal developer (no increase in coal business since September 2020) and if they have a phase out plan in line with their National Energy & Climate Plan.
[23] In parallel we constantly check that the sum of all excluded sectors for materiality reasons (e.g., Aluminum, Cement, Aviation) is not higher than the 3% of the total lending on balance of the carbon-intensive portfolio.

Sustainability statements

The Bank referred to the International Energy Agency (IEA) Net Zero 1.5°C scenarios (i.e., IEA NZ 2050 for Oil & Gas, Power Generation, Automotive, Steel, and Shipping), deriving, when needed and possible, sector-specific benchmarks and the CRREM v.2.01 scenario for Commercial Real Estate (also aligned to the 1.5°C pathway), tailored to the UniCredit portfolio and geographies in scope.
In setting Net Zero targets, UniCredit has considered the impacts it has on climate while financing specific sectors. Also, potential risks and opportunities have been taken into account in order to ensure that our targets are consistent with reality. Our Net Zero targets are aligned with our climate-related policies' objectives.

The table and specific paragraphs below provide an overview of the sector-specific approach, data and metrics for the computation of emission baseline and the definition of the Net Zero intermediate target for each sector. The metrics used were chosen in line with market practices. Progresses for each sector reported in the table are detailed in E1 - 3 Actions and resources in relation to climate change policies section.

Net Zero targets and progress on financed emissions

					RETROSPECTIVE					MILESTONES AND TARGET YEARS			
SECTOR	SCOPE	VALUE CHAIN	METRIC	SCENARIO BENCHMARK	BASE YEAR	BASELINE	2022	2023	% 2023/ 2022	2025	2030	2050	ANNUAL% TARGET/ BASE YEAR
Oil & Gas	Scope 3 Category 11	Upstream, Midstream, Downstream	Absolute Financed Emissions $MtCO_2e$	IEA NZ 2050 (World)	2021	21.4	19.3	10.2	-47%	N/A	-29%	N/A	-3%
Power Generation	Scope 1	Power Generation	Emissions Intensity gCO_2e/kWh	IEA NZ 2050 (Europe)	2021	208	152	107	-30%	N/A	111	N/A	-5%
Automotive	Scope 3 Category 11 Tank-To-Wheel	Automotive Manufacturers (Light-duty Vehicles)	Emissions Intensity gCO_2/vKm	IEA NZ 2050 (World)	2021	161	165	116	-30%	N/A	95	N/A	-5%
Steel	Fixed System Boundary - Scope 1, 2 and 3 (Category 1 and 10)	Crude steel makers	Emissions Intensity $tCO_2/tSteel$	IEA NZ 2050 (World)	2022	1.45	1.45	1.50	3%	N/A	1.11	N/A	-3%
			Alignment score			-0.69	-0.69	-0.17					
Shipping	Scope 1 and Scope 3 Category 3 - Well-To-Wake	Shipping operators	Emissions Intensity Passenger $gCO_2e/GT\text{-}nm$	IEA NZ 2050 (World)	2022	14.1	14.1	14.0	0%	N/A	-30%	N/A	-4%
			Emissions Intensity Merchant $gCO_2e/DWT\text{-}nm$			9.5	9.5	9.3	-2%	N/A		N/A	
Commercial Real Estate	Operational emissions	Real Estate operators - building owners (asset financing)	Emissions Intensity $kgCO_2e/m^2$	CRREM v.2.01	2022	44.2	44.2	43.4	-2%	N/A	-44% -55%	N/A	-6% - 7%
Residential Real Estate	Operational emissions	Homeowners (mortgages)	Emissions Intensity $kgCO_2e/m^2$	N/A	2022	36.3	36.3	35.8	-1%	N/A	N/A	N/A	N/A

Notes:
Figures rounded.
Metric: Emissions intensity is exposure weighted.
Milestones and Target Years:
- 2025: UniCredit group has defined the Net Zero intermediate targets for 2030;
- 2030: When expressed in %, the value refers to reduction vs base year;
- 2050: UniCredit is committed to Net Zero 2050 maintaining a reduction path in line with the NZ scenario for each sector;
- Annual % target/base year: Average annual emissions reduction.

Fixed System Boundary: definition according to the Sustainable Steel Principles.
Commercial Real Estate/Residential Real Estate: Corresponding to Scope 1 and 2 or Scope 3 for building owners that leased assets.
Operational emissions: Focused on Italy, Germany, Austria (excluding Leasing).

Sustainability statements

Oil & Gas

To calculate the baseline and target for Oil & Gas, the absolute financed emissions metric was used.

To ensure comprehensive emissions coverage, the end-to-end value chain was considered, including the upstream, midstream, and downstream segments of the oil and gas sector. The assessment of sector emissions focused on Scope 3 emissions, based on materiality (Scope 3 emissions account for approximately 90% of emissions in the sector).
Commodity traders were considered only above a materiality threshold of more than 2% of total portfolio financed production, and 1% of total counterparty financed production[24].

To calculate Scope 3 financed emissions, the following data inputs were used:

- counterparty-level emissions data: Scope 3 Category 11 emissions for each company are computed leveraging production data, as well as emissions factors for each technology type (e.g. oil, gas)[25];
- counterparty-level financial data: Company value and balance sheet lending is used to calculate the bank attribution factor (Exposure/Company Value). Following PCAF methodology, the company value was measured using the EVIC (Enterprise Value including Cash) with the dynamic approach. If unavailable (e.g., in the case of an unlisted company) we used the Book Value of Debt and Equity or Total Assets as a last resort.

Initial emissions baseline for Oil & Gas sector refers to year end 2021. Considering the selected design elements, the on-balance sheet lending in scope for the sector in 2021 was €7.8 billion (as of 31 December 2021).
The 2021 emissions baseline for the sector has been estimated at 21.4 $MtCO_2e$[26].

Group intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2021-2030.
To define the Net Zero target for the sector we compared our emissions baseline with the IEA Net Zero 2050 scenario (World scenario including only Oil & Gas). We decided to define our 2030 target in line with the percentage reduction 2021-2030 of the selected scenario, targeting a -29% reduction by 2030 vs. 2021 baseline (corresponding to a 15.2 $MtCO_2e$ at 2030).

Power Generation

The portfolio-weighted physical intensity of carbon emissions per unit of energy was used as a key metric to calculate the baseline and set the Net Zero target.

Carbon emissions from power generation were considered since they account for more than 90% of total emissions in the power value chain.
The focus was on Scope 1 emissions, the most material for the sector. Scope 2 and 3 emissions were not considered, given their small impact in the overall power value chain and because of limited data availability.

Counterparty-level production data, sourced from an external data provider, were used to calculate the emissions intensity. Scope 1 emissions were calculated by applying an emissions factor to the power generated by technology type. The emissions factor is computed from the IEA dataset, using total emissions and generation per technology type.

Initial emissions baseline for Power Generation sector refers to year end 2021. Considering the selected design elements, the on-balance sheet lending in scope for the sector in 2021 was €8.9 billion (as of 31 December 2021).
The 2021 emissions baseline for the sector has been estimated at 208 gCO_2e/kWh. The Bank's emissions intensity for 2021 is lower than the benchmark, reflecting the effort to finance cleaner projects and counterparties already in place at the time of baseline definition.

Group intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2021-2030.
To define the Net Zero target for the sector, we compared our emissions baseline with the IEA Net Zero 2050 scenario, scaled down to European level (excluding Ammonia and Hydrogen), because the majority of the Bank's portfolio is based in Europe.
A convergence approach has been chosen to define the 2030 target in line with the benchmark and market practices. Our 2030 Net Zero target value consequently defined equals 111 gCO2e/kWh.

Automotive

The primary metric selected for the Automotive sector is the exposure-weighted physical intensity (gCO2/vKm), on Scope 3 Category 11 Tank-to-Wheel (TTW) emissions intensity.

The analysis of the sector was focused on producers of Light Duty Vehicles, which include passenger cars and light trucks, in line with market practices and guidance, and with current data availability.

24 Diversified companies are included based on prevalence of the activity.
25 Scope 3 emissions are computed for upstream, integrated and downstream companies. They are not computed for midstream companies, in line with current literature.
26 Computed on portfolio in scope when data available.

The assessment of the portfolio's emissions profile focused on Scope 3 Category 11 Tank-to-Wheel (TTW) emissions, on which auto manufacturers have more levers for decarbonisation, such as the shift to electric vehicles and improved fuel efficiency.

The following data inputs are used to calculate the emission- intensity: counterparty-level production data (number of vehicles produced, per technology type) and counterparty-level Scope 3 Category 11 TTW emissions of new vehicles sold, calculated by applying an emissions factor (CO_2) to the production data, by technology type and manufacturer.

The initial emissions baseline for the Automotive sector refers to year-end 2021. Considering the selected design elements, on-balance sheet lending in scope for the sector in 2021 was €1.8 billion (as of 31 December 2021).
The 2021 emissions baseline for the sector has been estimated at 161 gCO_2/vKm.

Group intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2021-2030.
The IEA NZE 2050 scenario was selected as the benchmark to measure portfolio alignment and define Net Zero target. The scenario reflects an emissions intensity target inclusive of the entire existing fleet, while the Bank's baseline is calculated based on emissions intensity associated with manufacturers' new vehicle sales only, based on external data availability and market practice.

Our 2030 Net Zero target has been defined at 95gCO_2/vKm, below the value of the selected scenario at 2030 and implying a reduction of 41% compared to the 2021 baseline value.

Steel
Exposure-weighted emissions intensity in tons of CO_2 emissions per tons of produced steel (tCO_2/tSteel) is the selected metric to calculate the baseline and set our 2030 interim target. The portfolio alignment score is an additional metric that we consider and is calculated according to the definition of the Sustainable STEEL Principles.

As recommended by the Sustainable STEEL Principles Association, we defined the baseline and target for all crude steel Group producers[27] in the Bank's lending portfolio. Activities included in scope are:
- crude steel making and basic steel processing;
- steel sales and steel product production (related to crude steel making Groups).

In line with Sustainable STEEL Principles, the carbon emissions scope follows a Fixed System Boundary, which identifies a consistent boundary of activities to be reported on, regardless of whether they are executed by the steel mill itself, a supplier, or off-taker (i.e., regardless of whether they are Scope 1, 2 or 3 emissions of an individual company). This approach takes into account the steel sector's high degree of variability in emissions, particularly elements of Scope 3, depending on the ownership structure and level of vertical integration.

We have used the following inputs to calculate the Group emissions baseline and alignment score for the steel sector: production data, emissions data and scrap charge. This data was sourced from the third-party data provider selected by the Sustainable STEEL Principles Association.

The initial emissions baseline for the steel sector refers to year-end 2022. Considering the selected design elements, the on-balance sheet lending in scope for the sector was €2.2 billion, as of 31 December 2022.
The 2022 baseline emission intensity of the steel sector, as per the Fixed System Boundary (Scope 1, 2 and 3, Category 1 and 10[28]) was estimated at 1.45 tCO_2/ tSteel, which is lower than the value of the selected IEA Net Zero benchmark, equal to 1.51 tCO_2/tSteel in 2022.

Comparing our 2022 emissions intensity with 2022 benchmark values, the 2022 Bank portfolio alignment score is -0.69.

Group intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2022-2030.

We selected the IEA Net Zero 2050 scenario as the reference scenario to set the 2030 intermediate target. We used the IEA trajectory computed by the Sustainable Steel Principles Association, which is an enhancement of the IEA NZE benchmark (providing split trajectory for primary and secondary markets and following a fixed boundary approach). The benchmark has then been tailored to UniCredit portfolio scrap charge equal to 47% in 2022.

27 Steel manufacturers, that are processing crude steel purchased from third party (i.e., re-roller) are not considered; activities considered in the perimeter, following Sustainable Steel Principle, are: Crude steel making and basic steel processing and Steel sales and steel products production (related to crude steel making Groups); also exposure for Holding, Financial Service and Trading companies, if related to Steel Groups in perimeter, and other supporting business activities controlled by Steel Group.
28 Category 1. Purchased goods and services and Category 10. Processing of sold products. All emissions in the Fixed System Boundary are included, as defined by the Sustainable Steel Principles.

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We are targeting a 2030 emissions intensity of 1.11 tCO_2/tSteel in line with the 2030 value of the selected scenario, corresponding to an alignment score equal to 0 in 2030[29].

Shipping

We selected exposure-weighted emission intensity as the metric to calculate the baseline and set our 2030 interim target. As we consider both passenger ships and merchant ships in our portfolio, we used two different metrics[30] in line with the available guideline: grams of CO_2e over gross tonnes (i.e., volume) times nautical miles for passenger ships and grams of CO_2e over deadweight (i.e., carried weight) times nautical miles for merchant ships.

In line with industry guidelines and market practice, we defined the baseline and targets for shipping operators[31], including passenger as well as merchant ships. To increase portfolio coverage, we included both vessel and non-vessel financing to shipping operators in the baseline.
The assessment of sector emissions focused on Scope 1 and Scope 3 category 3 emissions i.e., Well To Wake[32] - “lifecycle emissions” (from ships’ fuel combustion and from fuel production and distribution) aligned with the 2023 International Maritime Organization Strategy on the reduction of GHG emissions from ships.

To calculate the Group emissions baseline for the sector we used emissions data and transport work data (i.e., gross tonnage for passenger ships and deadweight tonnage for merchant ships). We engaged directly with our clients to gather the necessary data to establish our Net Zero baseline. When data was not available or collected by the client, we used public databases.

Initial emissions baseline for the Shipping sector refers to year-end 2022. Overall portfolio on-balance sheet lending in scope for the sector was €3.1 billion as of 31 December 2022.
The 2022 baseline emissions intensity of the sector, as per Scope 1 and 3 Category 3, was estimated at 14.1 gCO_2e/GT-nm for the lending portfolio related to passenger ships, and 9.5 gCO_2e/DWT-nm for the portfolio related to merchant ships.

Intermediate Net Zero target has been defined for the year 2030. The period considered to achieve the Net Zero target is 2022-2030.

We selected the IEA Net Zero 2050 benchmark as the reference scenario to set the 2030 intermediate target.
By 2030, we aim to achieve a 30% reduction of the emissions intensity Scope 1 and 3 of the overall shipping portfolio from a 2022 baseline of:
- 14.1 gCO_2e/GT-nm for passenger ships;
- 9.5 gCO_2e/DWT-nm for merchant ships.

This is in line with the % reduction in the IEA NZ scenario from 2022 to 2030.

Commercial Real Estate

We selected exposure-weighted emissions intensity in kilos of CO_2e over square meters as the metric to calculate the baseline and set our 2030 interim target[33].
To support the sector’s decarbonisation, we defined a Net Zero target for our commercial real estate portfolio considering our three largest and most material geographies: Italy, Germany and Austria.

In line with current market practices, we set the baseline and target for Real Estate operators[34], which we define as clients selling or buying real estate, renting real estate or providing other real estate services for their own or leased property. We have only considered financing for the purchase or refinance of a building when the real estate asset is taken as collateral, and the client is the owner of the building[35].
The calculation of the emissions baseline and target focuses on the operational emissions[36] that are associated with the energy used during the operation of the building[37].

29 According to benchmark defined for UCG portfolio with 2022 portfolio weighted average scrap charge percentage.
30 Annual Efficiency Ratio (AER) which calculates the carbon intensity of each vessel by dividing the amount of CO_2e emissions by cargo carrying capacity and distance sailed; Gross Tonnage (GT) i.e., volume, is used to measure cargo capacity for Passenger ships whereas Deadweight Tonnage (DWT) i.e., weight, is used for merchant ships.
31 Inclusion of non-operative vessels with proxies; exclusion of military ships; inclusion of corporate small and corporate large clients and exclusion of retail small clients; exclusion of bad loans.
32 Scope 1 downstream emissions from fuel combustion and Scope 3 upstream emissions from fuel production and distribution
33 Emissions intensity available for Italy as $kgCO_2/m^2$ and for Germany and Austria as $kgCO_2e/m^2$.
34 Owners of the buildings on which emissions baseline is computed; performing the following activities: selling or buying real estate, renting real estate or providing other real estate services for clients’ own or leased property and may be done on a fee or contract basis.
35 The building could be a residential or a commercial asset, when eligible to obtain an Energy Performance Certificate (EPC).
36 Scope 1, 2 and Scope 3 Category 13 (if property Is leased).
37 E.g., including heating, hot water, cooling, ventilation, lighting systems, equipment, and lifts.

To calculate the emissions baseline for the sector, we used loan and asset information available in our internal systems and retrieved the emissions data from the Energy Performance Certificate[38] (EPC) collected from the borrowers. When the certificate was not available, we estimated the emissions from the building EPC label, collected or estimated. The level of estimated data used for baseline computation is currently high because, in some of our geographies, information has in the past not been available or mandatory by law. However, we expect to improve the availability of actual EPC information over time as the regulatory framework evolves.

The initial emissions baseline for the Commercial real estate sector refers to year-end 2022. Overall portfolio on-balance sheet lending is in scope for Italy, Germany and Austria was €31.1 billion as of 31 December 2022.

The 2022 baseline emissions intensity was estimated at 44.2 kgCO2e/m2.

The intermediate Net Zero target has been defined for the year 2030.The period considered to achieve the Net Zero target is 2022-2030.

We selected the CREEM v2.01 scenario[39] as the reference trajectory to set the 2030 intermediate target. We aim to achieve a reduction in the physical intensity of the operational emissions of 44% to 55% from the 2022 emissions baseline (corresponding to a 2030 emissions intensity range of 24.8 - 19.9 kgCO_2e/m2).
This range target, with the -55% in line with the reduction trend of the CRREM decarbonisation trajectory, is ambitious and considered market uncertainty and the regulatory developments at the same time.

Residential Real Estate
For Residential Real Estate, the Bank has not defined a Net Zero intermediate target so far, mainly due to uncertainty of regulatory framework and governments support. However, considering the relevance of the sector we decided to compute the emissions baseline and monitor its progress over time.
To support the sector's decarbonisation, we defined a Net Zero target for our residential real estate portfolio considering our three largest and most material geographies: Italy, Germany and Austria.

To calculate the emissions baseline for the sector, we selected the exposure-weighted emissions intensity in kilos of CO_2e over square metres as reference metric[40].

In line with industry guidelines and market practice, we defined the baseline for Residential real estate by considering our retail mortgages portfolio[41], which is the financing we provide to our private individual clients to purchase or refinance residential premises. The Bank analysed and computed its Group emissions baseline on its portfolio across Italy, Germany and Austria.
The emissions baseline was calculated by focusing on the operational emissions[42] that are associated with the energy used during the operation of the building[43].

To calculate the Group emissions baseline for the residential real estate sector, we leveraged loan and asset information in our systems and Energy Performance Certificate[44] (EPC) information. We used actual data to estimate emissions of the building when it was available, and proxies when it was unavailable.

Using the selected design elements, on-balance sheet lending in scope for the sector was €72.8 billion as of 31 December 2022 and the 2022 baseline emissions intensity of the residential real estate sector was estimated at 36.3 kgCO_2e/m2.
For more details, please refer to E1-6 - Gross Scope 1,2,3 and Total GHG emissions section.

The Bank will continue to support clients who want to reduce the carbon footprint of their homes and constantly monitor the ongoing evolution of the regulatory landscape.

38 EPC label estimated when not available on the stock, based on country-specific data and methodologies, also leveraging on external providers and sources (e.g., PICAF).
39 Tailored to UniCredit portfolio (i.e., Geographies in scope and type of assets).
40 Emissions intensity available for Italy as kgCO_2/m2 and for Germany and Austria as kgCO_2e/m2.
41 Exclusion of bad loans; only lending collateralised by the asset (residential or commercial) considered in the baseline estimation.
42 Scope 1, 2 and Scope 3 Category 13 (if property Is leased).
43 E.g., including heating, hot water, cooling, ventilation, lighting systems, equipment, and lifts.
44 EPC label estimated when not available on the stock, based on Country-specific data and methodologies, also leveraging on external providers and sources (e.g., PICAF).

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E1-5 - Energy consumption and mix

Energy consumption at the end of reporting year has been collected by each Group legal entity per each building included in the consolidation perimeter. Moreover, the data includes the fuel consumption of company owned or company leased cars used by Group employees.
Reported data refers to energy consumption in MWh related to own operations.

Energy consumption data is solely validated by the appointed assurance provider.

Energy consumption and mix

ENERGY CONSUMPTION AND MIX	31.12.2024
a) Total fossil energy consumption (MWh)	**166,647**
Share of fossil sources in total energy consumption (%)	**38.1%**
b) Consumption from nuclear sources (MWh)	**-**
Share of consumption from nuclear sources in total energy consumption (%)	**-**
i) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
ii) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	270,708
iii) The consumption of self-generated non-fuel renewable energy (MWh)	312
c) Total renewable energy consumption (MWh)	**271,020**
Share of renewable sources in total energy consumption (%)	**61.9%**
Total energy consumption (MWh)	**437,667**

Within UniCredit group, there are legal entities operating in sector F - Construction (1 entity) and sector L - Real Estate activities (37 entities), which are high climate impact sectors, as listed in Sections A to H and Section L of Annex I to Regulation (EC) 1893/2006 of the European Parliament and of the Council (as defined in Commission Delegated Regulation (EU) 2022/1288)[45].

of which: high climate impact sector

ENERGY CONSUMPTION AND MIX	31.12.2024
1) Fuel consumption from coal and coal products (MWh)	-
2) Fuel consumption from crude oil and petroleum products (MWh)	573
3) Fuel consumption from natural gas (MWh)	61
4) Fuel consumption from other fossil sources (MWh)	-
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	1,225
6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**1,859**
Share of fossil sources in total energy consumption (%)	**61.6%**
7) Consumption from nuclear sources (MWh)	**-**
Share of consumption from nuclear sources in total energy consumption (%)	**-**
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	1,161
10) The consumption of self-generated non-fuel renewable energy (MWh)	-
11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**1,161**
Share of renewable sources in total energy consumption (%)	**38.4%**
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**3,020**

45 In particular, the Sectors are related to the following NACE codes:
Section A - Agriculture, Forestry and Fishing;
Section B - Mining and Quarrying;
Section C – Manufacturing;
Section D - Electricity, gas, steam and air conditioning supply;
Section E - Water supply; Sewerage, Waste management and Remediation activities;
Section F – Construction;
Section G - Wholesale and Retail trade; Repair of motor vehicles and motorcycles;
Section H - Transportation and Storage;
Section L ¬ Real Estate activities.

Energy intensity per net revenue for high climate impact sectors

ENERGY INTENSITY PER NET REVENUE FOR HIGH CLIMATE IMPACT SECTORS	31.12.2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€ million)	(220.26)

Connectivity of energy intensity based on net revenue with financial reporting information

(€ million)

	31.12.2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	(14)
Net revenue (other)	24,284
Total net revenue (Financial statements)	24,270

It should be noted that, in the absence of sector specific standards still not issued, UniCredit group has defined the consolidated operating income as parameter associated to the concept of net revenues for the above tables.

E1-6 - Gross Scope 1,2,3 and Total GHG emissions

With regards to own emissions (Scope 1, 2, and 3 excluding category 15), for the present disclosure comparisons with historical data are not possible due to the changed reporting perimeter versus previous years as a result of aligning our sustainability statement perimeter with that of our financial statement, in coherence with CSRD reporting requirements. Moreover, further categories have been included in our Scope 3 own emissions accounting.

With regards to financed emissions (Scope 3, category 15), 2024 is the first reporting year, thus progress in respect to the previous year is not available and will be provided starting from the next reporting cycle. For the 2030 Net Zero sectoral targets, the progress is reported and described in the E1-3 - Actions and resources in relation to climate change policies section according to the selected metrics (absolute financed emissions or emissions intensity).

Total GHG emissions disaggregated by Scopes 1 and 2 and significant Scope 3

	31.12.2024
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions (tCO_2eq)	24,412
Scope 2 GHG emissions	
Gross location-based Scope 2 GHG emissions (tCO_2eq)	100,830
Gross market-based Scope 2 GHG emissions (tCO_2eq)	16,702
Significant scope 3 GHG emissions	
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	97,473,496
1. Purchased goods and services	175,259
1.1. Cloud computing and data center services	174,579
2. Capital goods	40,644
5. Waste generated in operations	179
6. Business travel	3,237
7. Employee commuting	10,162
8. Upstream leased assets	25,357
13. Downstream leased assets	31,011
15. Investments	97,187,648
Total GHG emissions	
Total GHG emissions (location-based) (tCO_2eq)	**97,598,738**
Total GHG emissions (market-based) (tCO_2eq)	**97,514,610**

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Total GHG emissions - by country

COUNTRY	2024
Italy	10,397
Germany	5,604
Central Europe	3,300
Eastern Europe	5,049
Others	62
Scope 1 GHG emissions (tCO_2eq)	**24,412**
Italy	50,473
Germany	24,848
Central Europe	4,195
Eastern Europe	20,534
Others	781
Scope 2 GHG emissions - location-based (tCO_2eq)	**100,830**
Italy	447
Germany	3,251
Central Europe	696
Eastern Europe	11,622
Others	687
Scope 2 GHG emissions - market-based (tCO_2eq)	**16,702**
Italy	41,647,738
Germany	28,803,329
Central Europe	17,977,958
Eastern Europe	9,041,373
Others	3,097
Significant scope 3 GHG emissions (tCO_2eq)	**97,473,496**
Total GHG emissions (location-based) (tCO_2eq)	**97,598,738**
Total GHG emissions (market-based) (tCO_2eq)	**97,514,610**

Note:
Others includes Belgium, Brazil, China, France, Greece, Hong Kong. Japan, Luxembourg, Poland, Singapore, Sweden, Spain, Switzerland, USA, United Kingdom.

GHG intensity based on net revenue

GHG INTENSITY BASED ON NET REVENUE	31.12.2024
Total GHG emissions (location-based) per net revenue (tCO_2eq/€ million)	4,021.28
Total GHG emissions (market-based) per net revenue (tCO_2eq/€ million)	4,017.82

It should be noted that the value used for the denominator in the ratios calculated in the above table is the consolidated operating income, equal to €24,270 million (refer to the Consolidated income statement).

The biogenic emissions of CO_2 from the combustion or bio-degradation of Scope 1 biomass, biofuel, biogas or other bioenergy sources consumed by the Group are equal to 0 tCO_2e.
With regards to biogenic emissions of CO_2 from the combustion or bio-degradation of Scope 2 and Scope 3 biomass, biofuel, biogas or other bioenergy sources, such sources, and thus emissions, are not relevant for the sector in which our Group operates.

We have procured electricity from renewable energy sources for a number of years. Indeed, in 2024, 91% of procured electricity consumed at our premises was from renewable energy, with additional geographies (Bulgaria and Romania) procuring such electricity for the first time in the course of the year. Contractual instruments used in the purchase of electricity, steam and heating/cooling from renewable energy include, for example, Guarantees of Origin. Furthermore, we have in place a corporate PPA (Power Purchase Agreement) to fulfil the energy demand of our data centers located in Verona, Italy.

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In relation to own emissions, significant changes affecting the comparability of 2024 data versus previous years is mainly explained by the extension of our reporting perimeter. Indeed, in converging our reporting process to the CSRD requirements, we aligned the perimeter of our sustainability statement to that of our financial statement. Moreover, further categories have been included in our Scope 3 own emissions accounting.

Scope 1 includes emissions arising from sources owned or controlled by our Group, which include direct energy consumption, road business travel and refrigerant gas leakages. Scope 2 includes indirect emissions arising from purchased electricity, steam and heating/cooling consumed by equipment or systems owned or controlled by our Group. Scope 3 includes indirect emissions occurring in our value chain arising from copy paper consumption; purchased ITC services; purchased IT equipment and furniture; employee homeworking; air and rail business travel; glass, paper, cardboard, cans and plastic waste disposal; energy consumption at upstream and downstream assets calculated considering the market-based method. Figures and information relating to the Scope 1, Scope 2 and Scope 3 classes of greenhouse gas emissions have been prepared in accordance with “The Greenhouse Gas Protocol: A Corporate, Accounting and Reporting Standard (Revised Edition, 2004)”.

The sources of emission factors applied to our GHG Inventory are reported below, divided by Scope.

Scope 1:
- DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for stationary combustion, business travel and refrigerant gas leakages.

Scope 2:
- DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for district heating;
- IEA Emission Factors (2024), www.iea.org/statistics. All rights reserved; as modified by UniCredit S.p.A., for electricity consumption, location-based method and in the market-based method where applicable;
- Association of Issuing Bodies (AIB), 2023 European Residual Mixes, V.1.0 (2024), for electricity consumption, market-based method (for European countries). AIB does not report emission factors for gases other than CO_2, thus related Scope 2 market-based emissions are expressed in tons of CO_2; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO_2 equivalent) as inferred from the relevant technical literature;
- The International Tracking Standard Foundation, (I-REC(E) Residual Mix (2023 data), for electricity consumption, market-based method (for non-European countries, excluding USA). Emission factors for gases other than CO_2 are not reported, thus related Scope 2 market-based emissions are expressed in tons of CO_2; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO_2 equivalent) as inferred from the relevant technical literature;
- 2024 Green-e® Residual Mix Emissions Rates (2022 Data), for electricity consumption, market-based method (for USA). Emission factors for gases other than CO_2 are not reported, thus related Scope 2 market-based emissions are expressed in tons of CO_2; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO_2 equivalent) as inferred from the relevant technical literature.

Scope 3 (for category 15, please refer to Reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions)**:**
- CEPI, CEPI statistics (2023), for copy paper use;
- EUROSTAT - Environmental statistics and accounts; sustainable development (Consumption-based accounting tool; 2023), for purchased ICT services, IT equipment and furniture;
- DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for business travel, waste disposal and homeworking;
- Sources of emission factors for energy consumption at upstream and downstream assets:
  - DEFRA, UK Government GHG Conversion Factors for Company Reporting (2024), for stationary combustion and district heating consumption;
  - Association of Issuing Bodies (AIB), 2023 European Residual Mixes, V.1.0 (2024), for electricity consumption market-based method (for European countries). AIB does not report emission factors for gases other than CO_2, thus related market-based emissions are expressed in tons of CO_2; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO_2 equivalent) as inferred from the relevant technical literature;
  - IEA Emission Factors (2024), www.iea.org/statistics. All rights reserved; as modified by UniCredit S.p.A. - for electricity consumption where applicable;
  - The International Tracking Standard Foundation, (I-REC(E) Residual Mix, (2023 data), for electricity consumption, market-based method (for non-European countries, excluding USA). Emission factors for gases other than CO_2 are not reported, thus related market-based emissions are expressed in tons of CO2; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO_2 equivalent) as inferred from the relevant technical literature;

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- 2024 Green-e® Residual Mix Emissions Rates (2022 Data), for electricity consumption, market-based method (for USA). Emission factors for gases other than CO_2 are not reported, thus related market-based emissions are expressed in tons of CO_2; however, the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO_2 equivalent) as inferred from the relevant technical literature.

With regards to the calculation of own emissions, currently no significant events or changes occur between the reporting dates of entities in our value chain and the date of our financial statement, since our reporting period does not differ from the reporting period of the entities in our value chain.

Scope 3 GHG emissions categories that have been excluded
Category 3, Fuel and energy-related activities not included in Scope 1 or Scope 2: this category is deemed not sufficiently relevant considering our use of energy as a financial institution.
Category 4, Upstream transportation and distribution: as a financial institution, this category is not considered sufficiently relevant to be calculated.
Category 9, Downstream Transportation and distribution: as a financial institution, this category is not considered sufficiently relevant to be calculated.
Category 10, Processing of sold products: as a financial institution, this category is not considered sufficiently relevant to be calculated.
Category 11, Use of sold products: as a financial institution, this category is not considered sufficiently relevant to be calculated.
Category 12, End-of-life treatment of sold products: as a financial institution, this category is not considered sufficiently relevant to be calculated.
Category 14, Franchises: we do not have any franchises.

Reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions
The perimeter for the calculation of categories 1, 2, 5, 8 and 13 is aligned with the perimeter of the financial statement. For categories 6 and 7, the perimeter corresponds to the legal entities that have at least one Full Time Equivalent (FTE). The methodological reference for Scope 3 accounting (for categories other than category 15) is the GHG Protocol, Technical Guidance for Calculating Scope Emissions.
Category 1, Purchased goods and services: Includes emissions arising from copy paper consumption for which the average-data method has been applied; purchased ITC services, for which the spend-based method has been applied and the relative emissions estimated based on the expenditure for purchased ITC services, as reported in our financial statement. While emissions from copy paper consumption are typically not particularly significant for our organization, this source has nonetheless been included in continuity with our GHG Inventory accounting in previous years.
Category 2, Capital goods: Includes emissions arising from IT equipment, electronics and furniture purchases, for which the spend-based method has been applied and the relative emissions estimated based on the respective expenditure for the purchased goods, as reported in our financial statement.
Category 5, Waste generated in operations: Includes emissions arising from the disposal of paper, cardboard, plastic, cans, and glass, for which the waste-type-specific method has been applied. While emissions from waste disposal are typically not particularly significant for our organization, this source has nonetheless been included in continuity with our GHG Inventory accounting in previous years.
Category 6, Business travel: Includes emissions arising from air and rail business travel, for which the distance-based method has been applied in both cases. Air travel data has been categorised in long (more than 3,700km), medium (more than 1,000km - less than 3,700km) and short (less than 1,000 km) distance.
Category 7, Employee commuting: Includes only emissions arising from homeworking for which the average-data method has been applied. Emissions are calculated based on the hours of homeworking completed by employees during the year, as registered in our HR systems. The GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions indicates that emissions arising from employees working remotely may be accounted under this category, although a specific calculation methodology is not detailed.
Category 8, Upstream leased assets: Includes emissions arising from energy consumption at upstream assets used by the Group. The asset-specific method and, where relevant, the average-data method, have been applied.
Category 13, Downstream leased assets: Includes emissions arising from energy consumption by third parties at assets owned by the Group. The asset-specific method and, where relevant, the average-data method, have been applied.
Category 15, According to Regulation 2022/2453, institutions shall disclose their total financed emissions (Scope 1, 2, 3) and provide the related estimation associated with institutions' lending and investment activities.
Financed emission have been estimated for Non-Financial Corporations and Households counterparties, with the following approach:

- **Scope 3 emissions (category 15 - financed emissions related to Non-financial corporations):** UniCredit based the calculation of scope 1, 2 and 3 of its financed emissions by gathering information on the counterparties (also with the support of an external provider). UniCredit collected and determined GHG emissions information, according to Global GHG Accounting and Reporting Standard, developed by the PCAF, in line with the following methodologies:

- reported emissions: data directly disclosed by the company in publicly available documents (Non-Financial Statements, Sustainability Reports);
- estimated emissions: data estimated using methodologies aligned with market best practices.

The estimation procedure relies on official data from public sources (Eurostat) on emission intensity, expressed in tons of CO2 per euro of added value, broken down by NACE code and European country. This coefficient is further refined by incorporating, where available, more detailed emission data for specific NACE/Ateco codes (source: ISPRA / Single Registry for the Emissions Trading System). As part of this refinement process, sectoral averages derived from reported data are also used when homogeneous and statistically significant samples are available.
The emission intensity per euro of added value is then recalibrated to obtain an intensity measure per euro of revenue. Finally, the sectoral coefficient obtained is applied to the individual company's revenue to determine the estimated emissions volume.
As per regulatory indications, the financed emissions are calculated within the scope of Exposures towards sectors that highly contribute to climate change, which in Unicredit amount to €176.9 billion, corresponding to 82.8% of total GCA of Non-Financial Corporations. The effective coverage of actual data is 16% while the remaining 84% is relying on estimated data. Exposure data cover the following asset classes: loans and advances, debt securities and equity.

- **Scope 3 emissions (category 15 - financed emissions related to households)**: they are estimated leveraging on the Net-Zero initiative on residential mortgages and cover the perimeter: only loans collateralised by a residential asset for Italy, Germany and Austria geographies are included. Leasing business and other CEE&EE legal entities are excluded. Also for this category, the PCAF methodology has been applied.
  The total exposure to residential mortgages to households on which Scope 3 category 15 emissions have been calculated is €69 billion, corresponding to 82% of total exposure of the group to residential mortgages (percentage calculated on GCA). The coverage of punctual data on physical intensity is 27% while the remaining 73% is relying on estimated data.
  UniCredit has not calculated financed emissions for its lending activities to customers in the following segments:
  - financial institutions (including credit institutions and other financial corporations), as they are considered having very low scope 1 and 2 emissions and data on Scope 3 emissions are still too volatile to be considered reliable in this moment. The total GCA of financial institutions is €144 billion (or 22.6% of the total GCA[46]);
  - sovereign institutions, due to substantial lack of emission data sources and estimation approaches. The total GCA of sovereign insititutions is €139 billion (or 21.8% of the total GCA[47]).

UniCredit will continue to work to enhance its coverage of different exposures while data and estimation approaches will become more widespread in the industry.

E1-7 - Removals and GHG mitigation projects financed through carbon credits
No data to be disclosed.

E1-8 - Internal carbon pricing
No data to be disclosed.

E3 - Water and marine resources

Impact risk and opportunity management

E3-1 - Policies related to water and marine resources
UniCredit's commitment to addressing water-related issues is steadily taking shape, although it has not yet materialized into a dedicated policy to cover the material impact resulting from the DMA, relating to Fostering awareness and commitments related to water consumption, withdrawal by UniCredit clients.

However, the Group, in its continuous monitoring of the market and stakeholder's expectations, has identified six «sensitive sectors» for which it has adopted a dedicated additional set of provisions and rules described in specific internal regulations. Within our sectoral policies, **water management** is **particularly taken into consideration, through the assessment of potential environmental impacts based on internationally recognized standards**. On top to the dedicated Water Infrastructure (Large dams) policy, for example, specific evaluations are performed to limit associated risks to the Group's reputation.

- Our Mining Industry policy aims to assess the potential environmental and social impacts of the Group's Mining Finance transactions, and, through the implementation of appropriate management and mitigation measures on the part of the Group's clients or customers, to limit associated risks to the Group's reputation. Environmental damage or degradation, including habitat and biodiversity loss and contamination of **groundwater, surface water**, sediments, soil, and air are considered.

46 The total GCA is the sum of the GCA related to non-financial corporations, households, financial institutions and sovereign institutions.
47 The total GCA is the sum of the GCA related to non-financial corporations, households, financial institutions and sovereign institutions.

- Our Oil& gas sector policy does not allow Upstream activities in **Ultra-Deep Water** (more than 1500 meters/5000 feet).
- Our Civil Nuclear policy provides guidelines and standards, which are based on those accepted by the industry and by other stakeholders and represent best practice, to address the particular challenges posed by the nuclear sector and to minimize environmental and social risks associated with the financing of nuclear energy activities, with particular attention, amongst others, to **groundwater and water**.

Also, our **ESG Product Guidelines Policy,** defined in 2022, aims at establishing a consistent and comprehensive methodology for the classification and reporting of the ESG offering as well as preventing green and social washing risk. UniCredit is willing to reach new business opportunities while contributing to the creation of positive impacts.

The Guidelines provide a classification of green loans. We consider as "Green" the loans financing economic activities, contributing substantially to one or more of the environmental objectives of the EU Taxonomy criteria:
1. Climate change mitigation;
2. Climate change adaptation;
3. **The sustainable use and protection of water and marine resources;**
4. The transition to a circular economy;
5. Pollution prevention and control;
6. The protection and restoration of biodiversity and ecosystems.

For more details on related policies, refer to the MDR-P Policies adopted to manage material sustainability matters.

The bank is also committing itself on the topic through the adherence to internationally recognised standards. Amongst others UniCredit has been committed to complying with the Equator Principles (EP) from their outset in 2003. The EP are a financial industry benchmark for determining, assessing and managing environmental and social risk in projects. For projects in Non-Designated Countries they draw upon the IFC Performance Standards on Environmental and Social Sustainability and the World Bank Group Environmental, Health and Safety Guidelines, together the World Bank Standards. **The topics water and marine resources are addressed across multiple Performance Standards, i.e. Resource Efficiency and Pollution Prevention, and Biodiversity Conservation and Sustainable Management of Living Natural Resources**.

E3-2 - Actions and resources related to water and marine resources

At UniCredit, we recognise that our activities can have both positive and negative impacts on natural resources and the environment. By taking this into account, we are able to prevent negative ones that can harm the planet and communities while also influencing the market towards the necessary transition to more sustainable practices.
Our commitment is demonstrated by our **sustainability governance whi**ch has been significantly strengthened in recent years at both steering and execution levels, underpinning the drive **to further integrate ESG criteria into the Group's overall business strategy**. In particular, we started to study, **analyse and focus environmental factors other than climate, as we recognize the interconnection impacts and dependencies with natural capital.**

UniCredit's strategy incorporates identifying and understanding climate and environmental risks (C&E) and opportunities that the Bank may encounter. C&E factors are related to the quality and functioning of the natural environment and its systems (Natural Capital) and include factors such as **climate change, biodiversity, energy consumption, water, pollution, and waste management**.

Nature-related assessment is at an early stage for the whole banking industry, with limitations in terms of data availability across drivers and sectors, lack of commonly agreed metrics and methodologies (e.g. scenarios). In this context, in 2024 the Bank has defined an assessment to identify which industries are most exposed to nature-related risks in terms of **impact on natural capital** and **dependency from ecosystems services.**

For the **assessment on impact** the Bank has enhanced the 2023 analysis, by computing 18 granular KPIs (at industry or at counterparty level) for the identification of **4 Environmental Factors being Biodiversity, Pollution, Water usage, Waste management.** The analysis leverages on recognized and recommended **global sources** (e.g. Exiobase, Globio, Natura 2000, Encore) and on banking industry initiative guidance (e.g., TNFD, Nature Target Setting Guidance).

In 2024 the Bank has integrated the Nature-related assessment with a new analysis to identify the dependency level from ecosystem services. The analysis leverages mainly on ENCORE[48] tool and Ecosystem services that represent the link between nature and economic activities and the benefit that nature provides to enable or facilitate business production processes.
To have a comprehensive overview on the Nature-related assessment, the outcomes of Impact and Dependency analysis have been aggregated at the industry level to create a portfolio heatmap.

48 ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): opensource tool suggested by regulators as a standard to assess corporates dependency from ecosystem services.

Moreover, as described in E1, to determine the extent to which the Bank's credit counterparties are exposed to Climate and Environmental risks, the C&E questionnaire is used and includes a consist of qualitative and quantitative current and forward-looking key indicators (including also on beyond climate factors). With regards to the nature-related factors the Group will evaluate to selectively adjust the C&E Questionnaire to include a more comprehensive assessment of the clients' nature-related factors.

Metrics and targets

E3-3 - Targets related to water and marine resources

The Bank has currently no target on water and marine resources because it applies the rules included in other standards of conduct as follows. As part of its commitment to the Equator Principles (EP), UniCredit applies the globally accepted World Bank Standards to applicable projects. Aside from the rules set by the IFC's Industry Sector Guidelines its General EHS Guidelines define strict requirements in terms of **wastewater, ambient water quality and water conservation**.

E4 - Biodiversity and ecosystems

Strategy

E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model

UniCredit's strategy incorporates identifying and understanding climate and environmental risks (C&E) and opportunities that the Bank may encounter. C&E factors are related to the quality and functioning of the natural environment and its systems (Natural Capital) and include factors such as climate change, **biodiversity**, energy consumption, water, pollution, and waste management.

As described in E3, in 2024 the Bank has worked on an assessment to identify which industries are most exposed to nature-related risks in terms of **impact on natural capital** and **dependency from natural factors.** The results are still at an early stage also considering lack of data availability. With the aim of evaluating an enhancement to our assessment methodology, we constantly monitor the evolution of industry practice/standards as well as the availability of reliable data at counterparty level. For further details reference is made to to E3 Water and marine resources.

In the context of our ESG Strategy, we are starting to assess potential risks and business opportunities connected to natural capital.

During 2024, we performed a specific analysis for understanding **the status of Natural Capital and Biodiversity in UC countries**. The aim is to support the identification of potential business opportunities for local Business based on key dimensions such as water, soil, air and **biodiversity specific aspects**: ecosystems and humans. This exercise supported us in taking a **view on opportunities with a nature positive approach,** that can contribute to the business and to the clients' transition. We will set up specific working groups for starting evaluation of business opportunities.

Impact risk and opportunity management

E4-2 - Policies related to biodiversity and ecosystems

UniCredit's commitment to addressing **biodiversity** related issues is steadily taking shape. Although our commitment has not yet materialized into a dedicated policy, our **ESG Product Guidelines** address the material opportunity resulted from DMA, relating to Creation and promotion of innovative financial products/services focused on green and sustainable investments, thereby contributing to the protection of **natural capital, biodiversity and conservation of land use**.

According to the **ESG Product Guidelines** we consider as "Green" the loans financing economic activities, contributing substantially to one or more of the environmental objectives of the EU Taxonomy criteria (including the objective 6 on the **protection and restoration of biodiversity and ecosystems**).

We are committed to protecting natural capital by delivering sustainable financing solutions to clients and reducing the environmental impacts of our direct operations. **Avoid operations in areas protected for biodiversity conservation purpose as well as combat deforestation and forest degradation are fundamental principles for the Group**. Our principles are formalized in our **Statement on Natural Capital and Biodiversity**, published in 2024.

Additionally, within our sectorial policies, particular attention on **habitat & biodiversity loss is taken into consideration for potential environmental impacts** based on internationally recognized standards. For example:

- Our Mining Industry policy aims to assess the potential environmental and social impacts of the Group's Mining Finance transactions, and, through the implementation of appropriate management and mitigation measures on the part of the Group's clients or customers, to limit associated risks to the Group's reputation. Environmental damage or degradation, including **habitat and biodiversity loss and contamination of groundwater, surface water, sediments, soil, and air are considered**.
- Our Oil& gas sector policy is considering the increasing adverse impacts that Oil & Gas-related activities, Unconventional and Arctic ones have on the climate system and is aware of its responsibility towards society and future generations in terms of environmental preservation (**resources/ecosystem quality**), as well as human health and pollution.
- Our Civil Nuclear policy provides guidelines and standards, which are based on those accepted by the industry and by other stakeholders and represent best practice, in order to address the particular challenges posed by the nuclear sector and to minimize environmental and social risks associated with the financing of nuclear energy activities, with particular attention, amongst others, to **habitat & biodiversity loss**.
- Our Water Infrastructures (Large dams) regulation aims to assess and limit risks to the Group's reputation with particular attention to **habitat & biodiversity loss**.

UniCredit's willingness to protect ecosystems is further evidenced in its **Commitment on rainforests**. The objective of our Commitment on Rainforest is to ensure that our activity does not favor deforestation or forest degradation, unless appropriately mitigated. We will not provide financial services to customers directly involved (and in case of specific projects also indirectly) in: illegal logging; wood registered in violation of traditional and civil rights; wood immersed in forests where high conservation values are threatened by industry; or forests converted illegally into planting or illegal use of fire. This Commitment refers to all transactions project related with a potential impact on rainforests.
In addition, the Group has signed specific commitments regarding Human Rights, the exit from Tobacco industry and from activities that favor deforestation or forest degradation.

Currently the Group does not have policies in place for agriculture practices. Nonetheless, the Group will evaluate a possible set-up of internal guidelines on these practices. Also, sustainable oceans or seas practices or policies have not been adopted.

For more details on described policies, reference is made to the "MDR-P Policies adopted to manage material sustainability matters".

E4-3 - Actions and resources related to biodiversity and ecosystems

Protecting biodiversity requires strong collaboration between financial and non-financial institutions to achieve tangible results. **UniCredit is the first Italian bank to have signed up to the Finance for Biodiversity Pledge (FfBP).** The FfBP members jointly call for and commit to taking ambitious action on biodiversity to reverse nature loss in this decade. This will be achieved through **collaboration, engagement with relevant counterparts and the assessment of our own biodiversity impact.** We have also contributed to the first climate and nature nexus paper titled 'Unlocking the biodiversity-climate nexus. This paper lays out the key pillars, linking the issues of climate change with those of the impacts on nature.' In September 2024 we contributed also to the discussion paper Finance for Nature Positive", led by the Finance for Biodiversity (FfB) Foundation and UNEP FI. This discussion paper intends to solicit feedback from the financial sector on a proposed Finance for Nature Positive working model, including definitions and associated practices.

Furthermore, we are members of the **Working Group on Nature within the United Nations Environment Programme Finance Initiative (UNEP FI**), related to Principles for Responsible Banking (PRB). We are proud to be the only Italian bank, among 34 international peers, to have contributed to the publication of the 'PRB Nature Target Setting Guidance'. Such guidance is designed for banks to set nature ambitions, particularly for PRB signatories who have identified nature as one of their most significant impact areas to fulfill their commitments towards setting PRB targets. It provides a set of model targets especially at the practice level which will be fine-tuned and improved over time as more banks gain experience with this topic. It reflects the goals and targets of the GBF (Global Biodiversity Framework), which demonstrates the global commitment by governments to take urgent and meaningful action to address nature and biodiversity loss.

Dialogue with stakeholders is fundamental. This is reason why external points of view are always taken into consideration also in setting up our guidelines and policies.
We are following and participating in discussions at European level on regulatory frameworks (e.g. on deforestation, agriculture). We are members of the **IIF Sustainable Finance Nature Expert**, a platform to address evolving nature related issues and to support advocacy efforts related to nature initiatives. In 2024 we contributed to the IIF Report on Nature-related Finance: "Responding to Nature-related Risks and Opportunities.
During 2024 we also adhered to the TNFD Forum.

Following our strengthened **engagement with NGOs and civil society at large,** we have dedicated initiatives with the most significant organizations to assess any gaps identified by them in our ESG strategic positioning and to highlight the Group's improvements in areas of sustainability, focusing on material topics such as **Biodiversity**, Net Zero and policy updates.

To make good on our commitment, in 2024 we replicated our **ESG Day**. The one-day event saw more than 13,000 participants, joined either online from all the countries or in-person at our offices in Milan. At its core, the event was an opportunity to stimulate stakeholder dialogue while continuing to raise awareness of climate change, social inequalities, biodiversity, as well as our own role in fostering the necessary change in mindset. Attendees included colleagues, clients and partners, alongside a host of renowned experts who dived into a series of engaging discussions covering the full spectrum of ESG topics (for example we had the Convener of Nature Positive Initiative in a **specific panel on biodiversity**). The session entitled: "The way forward: from responsibility to response-ability", which focused on the importance of establishing alternative models and approaches in order to foster more sustainable ways of doing business, was focused on practical steps forward in the face of the natural challenges. Examples included service providers offering rewards such as better pricing for customers that demonstrate sustainable tendencies. Similarly, this approach could be applied to investors, with creditors who contribute to a company's sustainability goals earning a better return.
A double interview with relevant international experts in nature positive and biodiversity strategy underlined the importance of COP 15 in Montreal, in which the world agreed on a plan to halt and reverse nature loss for the first time. Not only climate topics, but even Nature topics were put in the international agendas across the world. With the COP 16, the financial sector participates with a wider presence, giving the signal that the attention is increasing. It is important disclosing data to define measurement framework that can give comparability to the data and increase the awareness.

Moreover, our commitment also applies to internal stakeholders as it is fundamental for us to disseminate **awareness on biodiversity**. This is the reason why set up a specific training available to all employees starting from 2025. Biodiversity is also included in the Skills for Transition training program which provides training for the workforce of UniCredit's corporate clients, offering specific learning paths to address key skill gaps. The training courses started to be delivered in November 2024 via a digital platform in workers' local languages. More info on Skills for Transition program is available in the ESRS S3 - Affected Communities.

As stated in our **Group reputational risk management global policy**, UniCredit Group applies minimum requirements for supporting single deals. Any deals for which a Legal Entity of the Group is going to provide any financial product or service must not involve or affect any of the following:
- UNESCO World Heritage Sites;
- IUCN I-IV protected areas;
- Ramsar Convention on Wetlands;
- Critical Natural Habitat;
- Primary Tropical Moist Forests;
- Conservation Value Forests.

UniCredit group does not provide any financial support or service for activities not compliant with the UN Declaration on the Rights of Indigenous Peoples.

Environmental and social risk assessments are guided by our sustainability policies and by our Human Rights Commitment.

For transactions in Non-Designated Countries which are subject to the Equator Principles (EP), we work to ensure that potential environmental and social risks are determined, assessed and managed in line with the IFC's Performance Standards on Environmental and Social Sustainability (PS). **PS 6 refers specifically to Biodiversity Conservation and Sustainable Management of Living Natural Resources.**

UniCredit set the following ambitions:
- Since it is fundamental for us to disseminate **awareness on biodiversity**, we are working on an **Internal training** path which will be available for all the employees in 2025;
- **External training for our clients** on biodiversity through the Skills for Transition training program;
- **Business opportunities** will be evaluated to support our clients in the green transition. We will set up specific working groups to start evaluating business opportunities.

E-4-4 - Targets related to biodiversity and ecosystems
Since large-scale quantitative information on biodiversity for the financed portfolio is not yet available, the Group, by adopting the transitional provision, has not yet equipped itself with quantitative objectives for this environmental topic.

E5 - Resource use and circular economy

Impact risk and opportunity management

E5-1 - Policies related to resource use and circular economy

UniCredit considers circularity a lever to reduce impact on the environment. The commitment of UniCredit on circular economy derives from the awareness that sustainability is a core corporate responsibility and contributes to the long-term business, addressing environmental issues which need to be tackled now. Notwithstanding the commitment of the Bank towards circular economy, it has not yet materialized into a dedicated policy to cover material impacts resulted from the DMA process:

- Contribution to high inflow and use of resources, and to high waste by sectors such as construction, power generation, manufacture, and waste-intensive sectors in which UniCredit clients operate;
- Fostering awareness and commitments related to waste production and waste management from UniCredit clients.

However, UniCredit has undertaken some analyses on the sectors which are considered more controversial, based on the discussions underway in the various international working groups. The aim is to assess the drawing up of a cross-sectoral policy which addresses the interruption of the virgin resources use among the financed sectors.

Within our sectoral policies, waste management is addressed with the objective to regulate waste production and disposal in order to mitigate negative environmental impacts. For instance:

- Our Civil Nuclear policy applies to any specific transaction financing, irrespective of the subject, related to **nuclear waste** processing activities;
- Our Mining Industry policy applies to activities related to the development, construction, and operation of facilities to mine, process, and transport ore, as well as supporting infrastructure, such as **tailings and other waste management facilities.**

Circular economy is also mentioned in our ESG Product Guidelines. We consider as "Green" the loans financing economic activities, contributing substantially to one or more of the environmental objectives of the EU Taxonomy criteria (including the objective 4 "The transition to a circular economy").

For more details on the described policies, reference is made to the "MDR-P Policies adopted to manage material sustainability matters".

E5-2 - Actions and resources related to resource use and circular economy

UniCredit has carried out and promoted **awareness and commitment actions and activities** aimed at creating awareness among its clients on circularity and on waste production and management.

UniCredit's commitment on circularity is also mentioned in the **Statement on Natural Capital and Biodiversity** published in May 2024. Also, the Natural Capital Framework developed by the Bank mentions circularity as enabler to reach Net Zero targets. **Circular economy can significantly contribute to a just and fair transition for our clients** in different ways, by providing loans, advisory, creating synergies and establishing partnerships.

In December 2022 UniCredit signed a membership with the **Ellen MacArthur Foundation**, a pioneer and leader charity in circularity topics at international level. The participation to working groups organized by the charity has a double significance: on the one hand the Bank has access to a specific know-how focused on circular economy; on the other hand, the Bank established new contacts and made networking with companies belonging to other sectors, identifying specific needs and assessing how it can support them in their green transition.

In 2023 UniCredit started to take part in a working group designed and proposed by **UNEP FI**, in which also other banks take part, with the aim of drawing up a position paper on the nexus between climate and circular economy, supplemented by an operational guidance and supplements dedicated to priority sectors (Building/Construction, Textile). This guidance also includes some tangible actions that banks can implement to support its clients and promote circularity. The full set prepared by UNEP FI with the contribution of other banks was published in July 2024. In September 2024 UNEP FI launched Phase 2 of the working group which aims at making a deep dive on other sectors.

In February 2024 UniCredit organised a **webinar** entitled **"Straight ahead with circularity"**, exploring the shift from linear to circular business models in various sectors, discussing the challenges ahead and the opportunities offered by the transition. The event was also addressed to clients and experts from oil&gas, steel and fashion which took part to the webinar to discuss the circular business models implementation feasibility. Circular economy was also mentioned as crucial during our second ESG Day. For more information on our ESG Day, reference is made to section S3 - Affected Communities.

These **events** promote debated on sustainability and encourage the adoption of resilient and sustainable business models in various sectors, highlighting the correlation between circular actions, fight against climate change, natural capital preservation and promotion of healthy and inclusive economies.

UniCredit set some ambitions on various streams:
- Since it is fundamental for us to **disseminate awareness on circular economy**, we are working on an **Internal training path on circularity topics**, which will be available for all the employees starting from the beginning of 2025;
- **External training for our clients** which embrace circular business models and processes through the Skills for Transition training program via a digital platform in workers' local languages;
- **Business opportunities** will be evaluated to support our clients in the green transition. UniCredit has started to execute a first analysis on sectors considered as priority because of their energy consumption.

UniCredit's strategy incorporates identifying and understanding climate and environmental risks (C&E) and opportunities that the Bank may encounter. C&E factors are related to the quality and functioning of the natural environment and its systems (Natural Capital) and include factors such as climate change, biodiversity, energy consumption, water, pollution, and **waste management**.

As described in E3, in 2024 the Bank has worked on an assessment to identify which industries are most exposed to nature-related risks in terms of impact on **natural capital and dependency from ecosystem services**. The results are still at an early stage also considering data availability. For further details reference is made to section E3 Water and marine resources.

To prevent and mitigate various potential negative environmental impacts at our premises level, alongside energy efficiency, we have introduced measures to optimise the use of limited natural resources and to foster a circular economy. We have also launched several projects aimed at reusing and rethinking our redundant furniture. For example, in 2024 in Italy a national agreement with Croce Rossa Italiana has been signed to manage the donation of dismissed furniture when not internally reused. In Austria a furniture donation to Caritas has been completed in the occasion of new learning cafe opening in Bank Austria Campus. In Hungary the resale of unused office furniture is in place. These activities are pretty circular since they focus on reuse, which is one of the R-principles of circular economy.

E-5-3 – Targets related to resource use and circular economy
Since large-scale quantitative information on resource use and circular economy for the financed portfolio is not yet available, the Group, by adopting the transitional provision, has not yet equipped itself with quantitative objectives for this environmental topic.

Social Information

S1 - Own workforce

Impact risk and opportunity management

S1-1 - Policies related to own workforce
UniCredit's policies comprehensively address and manage material impacts and opportunities identified through the DMA process.

Impacts:
- Promotion of employee well-being through the implementation of dedicated well-being activities and benefits within a healthy and stimulating working environment.
- Positive contribution to the objectives of ensuring equal opportunities, secure employment, generation of quality employment, the payment of adequate wages also through the promotion of social dialogue, collective bargaining agreements and workers' associations.
- Improved employees' skills through training and professional development activities, general and technical programmes, also linked to personalised growth and evaluation objectives (e.g. career development plans).
- Contribution to the development of young talents through partnerships with national and international Universities, collaborations with communities in the IT and tech sector, often with a focus on women and creation of employee networks on several diversity traits.
- Respect for diversity and promotion of an inclusive work environment through anti-discrimination activities and initiatives.
- Increase in digital skills, knowledge, and opportunities of employees.

Sustainability statements

Opportunities:
- Becoming an employer of choice with widespread diversity, a culture of inclusion and concrete work-life balance solutions which encompass a flexible approach.
- Improvement of employees' productivity through the implementation of effective training programs, anticipating future trends.
- Ensure and guarantee transparent performance review systems and professional growth plans for the Group's entire population, empowering employees to thrive and unlock their potential.

Key focus area include:
- **Well-Being, Inclusion, and Respect**: Fostering a supportive, inclusive, and healthy work environment that values diversity, encourages a sense of belonging, empowers employees to thrive, and ensures dedicated channels for reporting unacceptable behaviors, maintaining a respectful and safe workplace for all.
- **Fair Opportunities**: Ensuring equal opportunities for all employees based on merit and inclusive practices, while promoting social dialogue.
- **Skill Building and Development**: Enhancing employee skills through tailored training programs, upskilling, and career development plans.

The **commitment to respect human rights** is the principle of UniCredit's approach to people's interests within and outside the organisation. The Commitment is inspired by internationally recognised declarations, conventions, standards, principles, and guidelines and ensures that human rights are guaranteed to all.

UniCredit requires its employees to contribute to creating and maintaining a work environment that is respectful, safe, and inclusive, where differences in gender identity, age, race, ethnicity, sexual orientation, ability, background, religious or ethical values system and political beliefs or any other category protected by law in the local jurisdiction are embraced and promoted.
UniCredit's commitment to creating an inclusive environment incorporates efforts that promote our employees' well-being and help them to effectively manage personal and professional challenges. We support our employees and their families across all stages of their lives, providing benefits designed to enhance their work-life balance.

This aligns with our aim to improve the working environment and create a stronger sense of inclusion and belonging, which will ensure a higher quality of life at work.
Our employees selected our Values of Integrity, Ownership and Caring as they represent our Culture.
- **Integrity** is doing the right thing.
- **Ownership** is being accountable for our actions and commitments and feeling free to speak up when something doesn't look right.
- **Caring** for one another is about respecting and valuing our differences.

As a financial services provider, UniCredit's principal asset is its highly skilled workforce. Thus, UniCredit does not use child labour or forced labour in its business practices and is in full compliance with ILO's Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the UN Guiding Principles on Business and Human Rights or, when more rigorous, with current labour laws in each country where UniCredit operates.

At UniCredit, we recognise that an equitable and diverse workforce is essential to our business, creating a fairer, more inclusive working environment. We believe that when Diversity, Equity, and Inclusion (DE&I) work in harmony, great things happen:
- people feel respected and valued for their contributions, directly enhancing productivity.
- people experience a sense of belonging, connection, and shared pride, positively impacting well-being.
- people feel free to express their views and ideas, fueling creativity and innovation.
- people sense their potential is recognised, unlocking talent and boosting performance and job satisfaction.

These foundations position us as an employer of choice by fostering a diverse workforce, an inclusive culture, and tangible work-life balance solutions. This approach drives sustainable business growth while delivering value to our clients, communities, and shareholders.

Our approach to diversity emphasises understanding, accepting, and valuing individual differences. We foster equity throughout the organisation in recruitment, development, retention and our products and services. Inclusion is rooted in respect and accessibility, ensuring a barrier-free environment where everyone has a voice and is encouraged to thrive.

In line with our 2009 **Joint Declaration on "Equal Opportunities and Non-Discrimination"**, UniCredit reaffirms its commitment to a Culture of inclusion and equal opportunity. Discrimination is not tolerated in any form: racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by Union regulation and national law.

Additionally, by signing the **Global Framework Agreement with the UNI Global Union on Human Rights and Fundamental Labour Rights**, UniCredit strengthens its commitment to combating discrimination.

UniCredit adopts a **Zero-tolerance approach** to unacceptable behaviour. Since 2019, our **Global Policy against Harassment, Sexual Misconduct, Bullying, and Retaliation** set the rules against harassment and increases awareness of inappropriate behaviours, while highlighting Whistleblowing and other channels.

By fostering a 'speak up' Culture, we ensure employees feel heard, supported and protected when reporting suspected misconduct. Our aim is to create and maintain a respectful and safe workplace where everyone can raise concerns in good faith, without fear of retaliation.

Our **DE&I Global Policy** aligns with our Culture transformation, increasing transparency and guiding us towards positive change across all diversity dimensions, while setting out the principles by which we enhance inclusion throughout the whole organisation, aiming to ensure that our policies, procedures, and behaviours promote diversity, equity and inclusion and create a workplace where individual differences are valued. The policy principles go beyond guidelines, they're ingrained in our mindset and visible in all internal and external interactions.

Our Code of Conduct underscores inclusion principles, focusing on objectivity, competence, professionalism, and equal opportunity in people-related processes while providing procedures to address discrimination, mobbing, or bullying.

As part of our **Group Remuneration Policy**, UniCredit is committed to equal pay, ensuring fair treatment in remuneration based on role, responsibility, performance, and contribution quality, regardless of gender identity, age, race, ethnicity, sexual orientation, ability, or cultural background. Our gender-neutral remuneration and incentive policies foster genuine equality, guaranteeing equal pay for equal work and equal access to opportunities for all. Achieving gender parity at all organisational levels is integral to UniCredit's DE&I approach, reflecting our belief in the transformative power of gender diversity within our organisation and society.

As part of our broader ESG commitments, UniCredit's CEO signed the "**Net Zero Gender Gap**" pledge, solidifying our commitment to gender equality and DE&I on our corporate agenda, with specific goals and frameworks for meaningful progress.

We are dedicated to challenging biases, micro-aggressions, and stereotypes, cultivating a Culture of inclusion. Our **DE&I Global Policy** applies to every stage of the employee journey, from recruitment and onboarding to learning, development, performance management, and compensation, ensuring unbiased, merit-based decisions and pay equality, irrespective of diversity traits.

- **Recruitment**: We strive for a gender-balanced, bias-free recruitment process, removing discriminatory or non-inclusive language from job descriptions to encourage diverse applicants.
- **Onboarding**: New joiners receive comprehensive support, tools and opportunities to help them fully realise their potential.
- **Learning and Development**: We provide equal learning opportunities to ensure all employees can meet business priorities. Training focuses on inclusive leadership, psychological safety, trust, recognising and addressing unconscious bias, preventing harassment, misconduct, bullying, and retaliation.
- **Performance Management**: We maintain consistent performance standards with gender-balanced and diverse succession planning and promotion pathways.
- **Compensation**: Compensation is based on merit and aligned with DE&I goals, promoting pay equality and diversity commitments across all levels.

Specifically, the **recruiting process** fosters the development of young talents through partnerships with universities and collaborations with communities in the IT and tech sectors, with an emphasis on diversity and inclusion. This approach allows UniCredit to cultivate a diverse workforce, strengthen its talent pipeline, drive innovation, and support its long-term talent acquisition goals.

For information on policies, refer to the section "MDR-P Policies adopted to manage material sustainability matters".

Fostering a safe and respectful work environment

Although the double materiality assessment has proved that UniCredit only has positive material impacts on its workforce, our Bank pledges to protect its people.

UniCredit is committed to ensuring and guaranteeing the respect of human rights, principles and values of Code of Ethics and Code of Conduct and in numerous company policies.

Sustainability statements

This commitment, aimed at avoiding potential negative impacts on the workforce, consists of specific channels for employees, identified in the Global Policy against harassment, sexual misconduct, bullying and retaliation. These channels allow us to manage and monitor the specific situations Legal and Labour function oversees.

As part of the continuous social dialogue, the Company collects reports from employees through their representatives to implement, improve and modify company processes and the working environment, where possible.

S1-2 - Process for engaging with own workers and workers' representatives about impacts

In 2021, UniCredit's group Culture and DE&I function engaged individuals, some workers representatives as detailed below across the organisation to define UniCredit's Values: Integrity, Ownership and Caring. This process involved meetings, surveys and focus groups alongside a Culture Diagnostic to assess the current state and set a direction for Culture transformation to support UniCredit's strategic industrial plan: UniCredit Unlocked.

The function also conducts internal surveys to gauge employee satisfaction following events, training sessions, and other activities, using this feedback to guide improvements to these initiatives. UniCredit uses the InMoment platform, verified for cybersecurity and privacy compliance, to gather employee insights through surveys, helping us manage potential and actual impacts on employees.

UniCredit's Group Culture and DE&I function aims to make Culture a core driver for achieving UniCredit Unlocked strategic goals. The Group has mobilised volunteer Culture Sponsors and Champions to support this transformation. As of today, there is representation across all 13 countries and every Competence Line where UniCredit operates, with 24 Culture Sponsors paired with 28 Culture Champions.

They design and execute local initiatives to inspire and accelerate Culture Transformation within their teams. The Group Culture and DE&I function engages with them regularly through various initiatives, including Culture Bootcamps, Group Culture Days, and CEO Culture Progress Meetings. The frequency of these engagements varies depending on the project, ranging from bi-monthly to quarterly. Their first point of engagement was the Culture Bootcamp, designed to equip volunteers for their roles.

Additionally, the Group Culture and DE&I function conducts on-demand surveys for feedback on key employee interactions such as training, events, and IT application experiences. Feedback is always anonymous and voluntary, with responses used to drive improvements.

For surveys designed to assess the effectiveness of training, events, or other forms of employee engagement, the Group Culture and DE&I function is responsible for survey setup, including platform management, obtaining necessary work council approvals, and reporting.
UniCredit is committed to respecting and enforcing sovereign state legislation on collective agreements, bargaining and freedom of association. As international principles may not be fully ratified in each country where our Group operates, UniCredit pledges to shape its relationships with employees and its business practices around stricter and more recent international conventions.

At UniCredit, we believe that social dialogue contributes to value creation over time by strengthening our ability to collaborate, listen and understand national and international labour needs. Our continuous commitment to improving the social dialogue throughout the Group led to the 2007 creation of an international body, the European Works Council (EWC), composed of workers' representatives of the countries where UniCredit is present.

The **UniCredit European Works Council** (UEWC) reflects UniCredit's commitment to improving constantly the social dialogue's level in every geography of the Group and ensuring that employees' rights to information and consultation are upheld consistently across the Group. The UEWC represents employees from UniCredit group companies where UniCredit holds at least 50% of the share capital in EU Member States and other European countries. It enhances the Group's European identity, fosters social cohesion, and promotes constructive dialogue between management and employees.

Key functions of the UEWC:
- **Information Sharing**: Central Management provides timely and relevant data on significant transnational matters that affect employees across multiple countries.
- **Consultation**: UEWC members engage in dialogue with Central Management on Company measures, providing their view and feedback to support UniCredit in empowering accountable and sustainable progress in the best interest of our employees, customers and communities.

The UEWC meets twice a year with Group Top Management to receive updates on UniCredit strategy and discuss major transnational topics, particularly those impacting employees. Between these plenary meetings, the Central Management engages in dialogue with the Select Committee whenever a relevant cross-border issue arises, ensuring a vital link between employees and management.

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Over the years, UniCredit has strengthened social dialogue through various Joint Declarations, covering Training, Learning, and Professional Development (2008); Equal Opportunities and Non-Discrimination (2009); Responsible Sales (2015); Work-Life Balance (2019); and Remote Work (2020). This commitment was further reinforced in 2019 by signing a Global Framework Agreement (GFA) with UNI Global Finance, the global trade union for the banking and insurance sectors.

Channels used

In Italy, the Company holds periodic meetings with workers' representatives based on legal and sector regulations, to allow the sharing of workers' concerns and needs.

UniCredit has established dedicated channels through which employees can report incidents of discriminations and harassment.
They can report:
- Through the channels outlined in the Whistleblowing procedure in force within the relevant legal entity.
- To the People and Culture department of their legal entity.
- To their direct Line Manager.
- Through any other possible channels made available by the Group legal entity.

Effectiveness of engagement

For various initiatives, such as training, events and meetings, feedback collection is a key step. The goal is to gather ideas and suggestions for continuous improvement. For example, at the executive development level, surveys assess the quality of delivered programmes to refine future editions. This process involves clustering feedback to identify actionable improvements.

UniCredit is dedicated to addressing the needs of vulnerable and marginalised groups within its workforce, including women, people with disabilities, and individuals from diverse cultural backgrounds. Employee Networks are voluntary groups of employees, with more than 1,000 active members, that come together based on shared identity or life experiences, building community engagement. Key initiatives the Group is addressing include supporting Employee Networks (e.g. Women's Networks, REaCH Networks - Race, Ethnicity and Cultural Heritage, Disability Networks, Unicorns Networks - LGBTQ+ and allies, Caregiving Network, Generations networks) to gather insights, partnering with NGOs to understand the challenges faced by these communities, implementing safe reporting channels, and using HR data analytics to track workforce diversity and pay equity.

UniCredit emphasises inclusive recruitment, accessible workplace practices, such as flexible work options and accessibility enhancements, anti-discrimination policies, and regular inclusion training. Transparent reporting on diversity metrics reinforces UniCredit's commitment to fair treatment and equal opportunity for all employees.

S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Fostering Inclusivity and Well-being at UniCredit

UniCredit is committed to creating an inclusive Culture where every employee feels a sense of belonging. To promote awareness and celebrate diversity, equity, and inclusion (DE&I), UniCredit organises Group-wide DE&I and Well-being Days, marking events such as International Women's Day, Transgender Day of Visibility, World Health Day, International Day of Family, International Day against Homophobia, Transphobia and Biphobia, World Day for Cultural Diversity, Pride Month, World Mental Health Day, International Day for Elimination of Violence against Women and International Day of Persons with Disabilities. These events reflect UniCredit's dedication to DE&I and our goal of building a truly inclusive workplace.

Concrete actions in place

UniCredit is dedicated to fostering a workplace free of barriers, where all employees have a voice and a sense of belonging. Our Diversity, Equity, and Inclusion (DE&I) Strategy is integrated across the employee lifecycle, promoting behaviours and initiatives that advance an equitable, inclusive Culture.
- **Comprehensive parental leave and family support** - Beyond legally mandated leave, UniCredit offers a Group-wide minimum standard for parental support, along with flexible work arrangements, including smart-working options. Additional welfare benefits for child-related activities underline UniCredit's support for parents throughout their careers.
- **Inclusive culture programmes** - UniCredit's DE&I guidelines promote inclusive language, recruitment practices, and gender transition support, reducing unconscious bias and celebrating diversity. DE&I-specific training, available in local languages via the PLUS online learning platform, has achieved a 70% completion rate and an average satisfaction score of 7.9 out of 10.

- **Mentorship programme** - Focused on supporting women, men and underrepresented groups, UniCredit's mentorship initiatives aim to enhance diverse leadership representation and nurture an inclusive environment for talent.

Holistic well-being approach encompasses physical, mental, social, financial, and career well-being. Resources such as the **Well-being navigator**, an interactive guide with tools and tips, digital learning pills on stress & burnout, menopause, dementia as well as a dedicated playlist on key well-being topics are available on Plus learning platform for all Group colleagues to support prioritising well-being across all life stages. Additionally, dedicated well-being workshops have been delivered across the Group countries. This comprehensive approach reinforces UniCredit's DE&I commitment and fosters a Culture of care and connection.

Building a positive work environment
Our people are our greatest asset. We are dedicated to a positive, safe, and collaborative environment, ensuring equal opportunities and supporting personal growth through a comprehensive well-being framework. Flexible working solutions, welfare offerings, and well-being initiatives across all regions meet diverse needs and promote a healthy workplace.

Our specific well-being programmes include:
- **Mental well-Being**: our "Ask for Help" helpline provides free psychological support across all countries.
- **Physical well-Being**: health and lifestyle programmes offer medical check-ups, nutrition advice, and sports initiatives.
- **Career well-Being**: initiatives such as "Talento Diffuso" in Italy support personal career growth.
- **Social well-Being**: programmes in Slovenia, such as the Family and Friends Certificate, support reintegration after leave, offer a free day for parents on the first day of school, onboarding after longer leave, free psychological support.
- **Financial well-Being**: Ladies Finance Day in Germany offers financial literacy and management workshops for women, covering retirement savings and financial independence.

Through this well-being framework, UniCredit aims to be an employer of choice, attracting and retaining talent by fostering an inclusive Culture and offering cross-country initiatives to ensure equal treatment for all employees.

EDGE certification and DE&I recognition
UniCredit is the first pan-European bank to achieve Global EDGE Certification, recognising its work in gender equity and inclusion. This certification, spanning 10 countries, positions UniCredit as a global leader in advancing DE&I. Being a champion in gender diversity, equity and inclusion is an integral part of our culture and reinforces our commitment to a clear set of principles and values as a crucial component of our continued business success. The rich diversity within our team creates the inclusive environment needed to provide best-in-class solutions to our growing client base across Europe.

EDGE certification is the leading global standard for Diversity, Equity, and Inclusion (DE&I), centred on a workplace gender and intersectional equity approach. It offers a holistic framework which organisations are measured against worldwide. To achieve this certification, UniCredit's banks underwent a rigorous third-party review of representation across the succession pipeline, pay equity, the effectiveness of policies and practices, and the inclusiveness of the organisation's culture.

Culture programmes and Champions
Major events like Group Culture Day and Culture Bootcamps have engaged thousands of employees, and over 200 local initiatives advance the Group's goal of a unified and inclusive workplace across geographies.

UniCredit has developed Group-wide initiatives to support individual and organisational growth. Key components include:
- **Employee value proposition**: Updating the UniCredit Employer Brand Promise to align with Group purpose and values.
- **Digital channels**: Promoting job opportunities through UniCredit's website, LinkedIn, and job boards.
- **Events and partnerships:** Collaborating with universities and receiving awards including Universum and Top Employer.
- **Targeted programmes**: Offering tailored internships and graduate programmes.

Learning and development
In 2022 UniCredit established its Corporate Academy, UniCredit University, initially launched in Italy before expanding across all countries and functions. This Global Learning & Development Framework provides a unified and transparent approach to training and development opportunities throughout the entire Group, in coherence with our purpose of empowering our people to progress.

The primary aim of UniCredit University is to strengthen learning as a tool for both professional and personal growth among Group employees, with a focus on supporting crucial phases of the employee lifecycle such as onboarding, upskilling, reskilling and offboarding.

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UniCredit University mission, consistently with UniCredit purpose of empowering our people to progress, is to:

- Expand training opportunities, broaden the range of programs available to all employees.
- Develop targeted training paths that strengthen role-specific competencies, thereby improving employees' knowledge and skills to better address clients evolving needs.
- Boost employee engagement by providing new opportunities for professional development.

UniCredit University is structured to provide a personalized learning offer to all employees through differentiated learning programs by targets (e.g.: executives, high potentials, newly hired, etc.), roles, responsibility levels.

Specifically for executives, UniCredit University developed a targeted offer at Group level, embedded in UniCredit strategic priorities, aimed at supporting our Group in laying the foundation for a fully transformed UniCredit and elevating trust, empowerment and ownership.
It encompasses a multi-modal development experience with initiatives that go beyond the traditional concept of formal classroom and are fully integrated into people's business challenges, including:

- Group Executive Programmes on strategic topics, such as Leadership, ESG and Digital.
- Bespoke initiatives, such as Mentoring and Coaching.
- Immersive workshop and team coaching to support the Bank transformation and foster new leadership imperatives.

UniCredit Universities, developed at country and business function level in coherence with the global framework, are delivered both leveraging on technology, with a dedicated platform hosting more than 80.000 titles that ensure consistent delivery of contents, learning experiences and approaches, and on in person training recognising the value of human interaction to disseminate and spread knowledge across peers, different generations at work and personal backgrounds.

Training contents are consistent with UniCredit strategy and designed to guarantee the sustainable growth of the Bank in the areas of leadership, digital, risk management, ESG, wellbeing, generational mix and future proof skills by role being continuously updated to meet the evolving needs of our clients. The contents are defined to offer employees a tailored and continuous learning experience that aligns with both their current role requirements and future skill needs; moreover, they are complemented by yearly mandatory training programmes that serve as an important lever to prevent and mitigate risks, ensure the organizational internal and external reputation and spread risk culture at all levels of the organization.
The learning offers provided by UniCredit University is established through a structured annual process: needs are identified by dedicated meetings with the business, analysed and translated into tailored training solutions delivered at either local and global level, also involving workforce representatives as needed to ensure a positive social dialogue and the involvement of all relevant stakeholders in the design and delivery of our employees' skills and knowledge.
Learning initiatives are designed and delivered leveraging on internal faculties and content experts that ensure the coherence to business and employees needs and that are ambassadors of UniCredit values of caring and accountability: in 2024 over 13 functional/country University catalogues were finalised with approximately 2.5 million learning hours delivered at Group level.

Our well-being programmes focus on positive impacts across physical, mental, social, career, and financial well-being, with flexible work policies to improve work-life quality. Development opportunities, inclusive leadership programmes, community engagement, and transparent communication channels build trust and collaboration, fostering a supportive and engaging work environment.

Additionally, UniCredit's recruiting process supports young talent development through partnerships with universities and the tech sector, emphasising diversity and inclusion. This strategy strengthens UniCredit's talent pipeline, supporting innovation, inclusivity, and long-term talent acquisition goals.

UniCredit is committed to building a better tomorrow for all the stakeholders by championing diversity and equality at all levels of organisation. The primary focus is to unlock the full potential of people fostering a positive and inclusive work environment. This approach ensures sustainable growth, new business opportunities, and a cohesive work environment focused on productivity, personal and professional well-being, and the continuous engagement of people. At UniCredit, we are striving to create value for everyone, everywhere. We look forward to continuing this journey together and achieving our shared goals keeping our Values of Integrity, Ownership and Caring at the centre of everything we do.

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Actions taken: effectiveness and results

UniCredit employs a robust tracking and assessment framework to evaluate the effectiveness of DE&I and learning initiatives. This includes monitoring specific metrics and KPIs, conducting regular feedback sessions, and benchmarking against industry standards. For DE&I, regular reports ensure transparency and accountability, with leadership evaluated on their progress toward DE&I goals during performance reviews. Similarly, all Learning and Development activities are systematically recorded in the Group's Learning Management System (currently MyLearning), ensuring comprehensive monitoring and evaluation. These approaches collectively foster continuous improvement, enabling to drive meaningful impact and support a Culture of inclusivity and growth.

UniCredit remains committed to drive equal pay for equal work, ensuring fair remuneration based on role, responsibilities, and contributions without discrimination across any diversity strands.

Investments in training and development for people: UniCredit University, the Group's Learning and Development Framework, offers structured leadership and functional expertise programmes for professional and personal growth. Partnerships with educational institutions support career development and continuous learning. Work-life balance solutions, including flexible working arrangements and well-being resources, further support our employees. These initiatives strengthen UniCredit's position as an employer of choice.

In 2024, at Group level, significant investments were made in training and development initiatives (€22.5 million). UniCredit remains committed to further investing in its people allocating dedicated resources to fostering a supportive, inclusive environment that enhances well-being and professional growth.

UniCredit proactively addresses workforce risks and opportunities through comprehensive policies and frameworks focused on well-being, equal opportunities, and career growth. The Human Rights Commitment, aligned with international standards, promotes fair wages, quality employment, and social dialogue, along with skill development through dedicated training programmes. Complementary policies, like the Group remuneration policy, ensure that compensation aligns with risk-adjusted performance and sustainability goals while discouraging excessive risk-taking. The diversity, equity and inclusion global policy fosters an inclusive culture, actively preventing discrimination and enhancing employee performance through innovative training. UniCredit's global policy against harassment and bullying promotes a respectful workplace, reinforcing its reputation as an employer of choice. Recruiting initiatives focus on building a diverse talent pipeline through partnerships with universities and the tech sector, ensuring long-term innovation and inclusivity. These efforts are supported by mandatory training programmes designed to uphold business conduct and safeguard the Group's reputation. The effectiveness of these actions is monitored through transparent performance reviews, career development plans, and continuous dialogue with employees, ensuring alignment with UniCredit's strategic goals.

Mandatory training at the Group level plays a critical role in preventing and mitigating business conduct risks, with implications for internal and external reputation, and legal liability of both employees and management.

UniCredit fosters career growth, inclusivity, and work-life balance through the following initiatives:
- **Skill building and development**: UniCredit provides comprehensive training programs, including mandatory and role-specific courses, to support upskilling, reskilling, and digital skills enhancement. UniCredit University, launched in 2022, offers a unified framework for learning and development, delivering tailored programs aligned with career phases like onboarding and professional growth. Accessible through a dedicated platform and in-person training, the programs focus on strategic areas such as Leadership, ESG, Digital, and Risk Management.
- **Fair opportunities and growth**: UniCredit ensures equal opportunities for all employees through merit-based and inclusive practices, while fostering a respectful work environment and promoting social dialogue.
- **DE&I and well-being**: UniCredit advances diversity, equity, and inclusion by promoting inclusive hiring practices, mentorship programs for underrepresented groups, and dedicated training initiatives. Employee networks (e.g., LGBTQIA+, gender, and cultural diversity) and regular pay equity analyses underscore the company's commitment to equity. A safe workplace is supported by the Global Policy Against Harassment, which includes dedicated channels for reporting unacceptable behaviours.

UniCredit reinforced its commitment to employee engagement with the following actions in 2024:
- two plenary Ordinary meetings with UEWC members and UCI top management (GEC level) have been held in Milan, in January and July;
- two Select Committee meetings have been organized to discuss the new Digital Organizational Model (on February) and the CSRD new EU directive (in December);
- relevant cross-border updates were shared promptly with the UEWC Select Committee, ensuring transparency and continuous engagement.

In addition, a significant number of employees, from all Competence Lines and from 13 countries, has been successfully involved in the Group culture transformation programme. Presently, we have a Culture Network comprising over 1,000 individuals who have committed to being agents of transformation. Some of these agents have participated in training sessions offered through our culture learning programs. These include the Culture Bootcamp, Culture Boostcamp, and other training initiatives for Culture Champions and Employee Networks. It should be noted that the mentioned programs are not exhaustive, as additional training opportunities have been available under the Culture Learning offer. Moreover, these agents have also attended Culture progress events and actively contributed to brainstorming and implementing culture initiatives.

Metrics and targets

S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

UniCredit is committed to fostering a culture that empowers individuals, enhances the Company's reputation, strengthens talent attraction, and promotes engagement and belonging.

Our DE&I initiatives are related to dedicated goals in areas such as:
- **Awareness and Education on DE&I**: Initiatives like the DE&I global policy and dedicated guidelines support employee understanding of biases, encouraging an inclusive mindset. Training covers inclusive language, recruitment practices, and gender transition support.
- **Behavioural and Cultural Change**: We encourage employees to embrace inclusive behaviours, fostering a diverse, equitable environment that values each colleague.

UniCredit supports a Culture of inclusion across all levels and geographies, working to be an employer of choice with a strong DE&I Culture. Employee Networks (e.g., LGBTQIA+, gender, disability, and cultural diversity) offer safe spaces, amplify diverse voices, and support communities.

UniCredit DE&I ambitions include gender parity, ensure equal pay for equal work, wider ethnic and cultural diversity, a fully accessible environment for employees and clients, and promoting DE&I across all organisational levels, including stakeholders and suppliers. Accountability is maintained through DE&I Accountable Executives and Local Managers, supported by tools like the Diversity Dashboard and regular surveys.
Progress towards DE&I targets is tracked and disclosed through transparent reporting. Regular updates are provided to the Group Executive Committee and other management bodies. Tools such as the Diversity Dashboard, Gender Pay Gap Analysis, and internal surveys provide real-time insights, ensuring UniCredit's DE&I goals remain on track with corrective actions as needed.

Progress is also acknowledged externally through recognition and awards, such as:
- Recognised as one of **Europe's Top Employers** for the ninth year in a row, as a testament to commitments to creating a better workplace for our people and to our enriched DE&I practices.
- Included in 2024 **Top 100 Globally for Gender Equality by Equileap** for the third time in a row, ranking #2 in Italy (the only Bank) and #18 in the global financial sector.
- Awarded **Diversity and Inclusion Initiative of the Year EMEA 2024** in the influential magazine Environmental Finance's annual Sustainable Company Awards for Group holistic well-being approach.
- Recognised as one of **Europe's Diversity Leaders 2025** by the Financial Times for the fourth consecutive year, among the top 40 out of 850 European companies and at the very top in Italy, improving by over 150 places.

By fostering a diverse, inclusive and supportive environment, UniCredit enhances organisational success and individual well-being, aligning with sustainable growth and stakeholder expectations.

Sustainability statements

S1-6 - Characteristics of the undertaking's employees

Information on employee head count by gender

GENDER	NUMBER OF EMPLOYEES (HEAD COUNT)	NUMBER OF EMPLOYEES (HEAD COUNT - ANNUAL AVERAGE)
Male	31,293	31,891
Female	43,971	44,032
Other	1	1
Not reported	-	-
Total employees	**75,265**	**75,923**

All figures are reported in head count as at the end of the period (31 December of the reporting year). Our HR system provides 100% coverage and uses actual data, not estimates. Moreover, the total workforce figures are the same as indicated in the Financial Statement, but with different splits requested by the Italian Regulator.
The metrics have not undergone independent assurance by an external body.

Employee head count in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees

COUNTRY	NUMBER OF EMPLOYEES (HEAD COUNT)	NUMBER OF EMPLOYEES (HEAD COUNT - ANNUAL AVERAGE)
Italy	35,317	35,707
Germany	9,995	10,461

Information on employees by contract type, broken down by gender (head count)

HEAD COUNT	FEMALE	MALE	OTHER	NOT REPORTED	TOTAL
Number of employees (head count)	43,971	31,293	1	-	**75,265**
Number of employees (head count - annual average)	44,032	31,891	1	-	**75,923**
Number of permanent employees (head count)	42,747	30,573	-	-	**73,320**
Number of permanent employees (head count - annual average)	42,800	31,145	-	-	**73,945**
Number of temporary employees (head count)	1,224	720	1	-	**1,945**
Number of temporary employees (head count - annual average)	1,232	746	1	-	**1,978**
Number of non-guaranteed hours employees (head count)	-	-	-	-	**-**
Number of non-guaranteed hours employees (head count - annual average)	-	-	-	-	**-**
Number of full-time employees (head count)	35,168	30,218	1	-	**65,387**
Number of full-time employees (head count - annual average)	34,895	30,746	1	-	**65,642**
Number of part-time employees (head count)	8,803	1,075	-	-	**9,878**
Number of part-time employees (head count - annual average)	9,137	1,145	-	-	**10,281**

Sustainability statements

Information on employees by contract type, broken down by region (head count)

HEAD COUNT	ITALY	GERMANY	AUSTRIA	BOSNIA AND HERZEGOVINA	BULGARIA	CROATIA	CZECH REPUBLIC	HUNGARY	ROMANIA
Number of employees (head count)	35,317	9,995	5,334	1,521	3,914	3,321	2,450	1,920	5,527
Number of employees (head count - annual average)	35,707	10,461	5,662	1,530	3,982	3,376	2,446	1,936	4,530
Number of permanent employees (head count)	34,964	9,732	5,080	1,381	3,713	3,308	2,278	1,920	5,302
Number of permanent employees (head count - annual average)	35,363	10,198	5,369	1,403	3,774	3,361	2,258	1,936	4,346
Number of temporary employees (head count)	353	263	254	140	201	13	172	-	225
Number of temporary employees (head count - annual average)	344	263	294	127	208	15	188	-	184
Number of non-guaranteed hours employees (head count)	-	-	-	-	-	-	-	-	-
Number of non-guaranteed hours employees (head count - annual average)	-	-	-	-	-	-	-	-	-
Number of full-time employees (head count)	30,944	7,014	3,588	1,513	3,897	3,305	2,179	1,729	5,467
Number of full-time employees (head count - annual average)	31,167	7,365	3,774	1,525	3,963	3,339	2,180	1,750	4,486
Number of part-time employees (head count)	4,373	2,981	1,746	8	17	16	271	191	60
Number of part-time employees (head count - annual average)	4,540	3,096	1,888	6	19	37	267	186	44

Continued: Information on employees by contract type, broken down by region (head count)

HEAD COUNT	RUSSIA	SERBIA	SLOVENIA	SLOVAKIA	LUXEMBOURG	USA	UNITED KINGDOM	TOTAL
Number of employees (head count)	2,979	1,390	501	1,016	79	1	-	**75,265**
Number of employees (head count - annual average)	3,287	1,380	511	1,040	77	1	-	**75,923**
Number of permanent employees (head count)	2,929	1,280	408	948	76	1	-	**73,320**
Number of permanent employees (head count - annual average)	3,212	1,282	419	951	75	1	-	**73,945**
Number of temporary employees (head count)	50	110	93	68	3	-	-	**1,945**
Number of temporary employees (head count - annual average)	76	98	92	89	3	-	-	**1,978**
Number of non-guaranteed hours employees (head count)	-	-	-	-	-	-	-	**-**
Number of non-guaranteed hours employees (head count - annual average)	-	-	-	-	-	-	-	**-**
Number of full-time employees (head count)	2,803	1,389	497	985	76	1	-	**65,387**
Number of full-time employees (head count - annual average)	3,125	1,380	508	1,008	74	1	-	**65,642**
Number of part-time employees (head count)	176	1	4	31	3	-	-	**9,878**
Number of part-time employees (head count - annual average)	163	1	3	32	4	-	-	**10,281**

Characteristics of the undertaking's Employees

NUMBER AND RATE OF EMPLOYEE TURNOVER	TOTAL
Employees who have left undertaking	(3,940)
Turnover rate	-5.1%
Number of employees previous year	76,580

Includes the employees who left voluntarily or due to dismissal, retirement, or death in service.

S1-7 - Characteristics of non-employee workers in the undertaking's own workforce

For non-employees, we will report data in terms of Head Count (HC).
The categories are as follows:
- Leased Workers: Individuals whose workforce is leased to Group Legal Entities, typically through external agencies (such as Adecco, Manpower, etc.), for a limited period. This is based on a contract between the agency and the Group Legal Entities. (NACE Code N78);
- Contractors: Individuals with temporary contracts related to a specific project or task, who have a direct contract with the company (e.g., COCOPRO contracts for Italian legal entities).

All figures are reported in HC as of the end of the period (31 December of the reporting year).

UniCredit HR system provides 100% coverage and uses actual data, not estimates, including for non-employees.

As at 31 December 2024, the number of non-employees' workers is 1,135.

The metrics have not undergone independent assurance by an external body.

S1-8 - Collective bargaining coverage and social dialogue

Collective bargaining coverage and social dialogue

	COLLECTIVE BARGAINING COVERAGE		SOCIAL DIALOGUE
COVERAGE RATE	EMPLOYEES – EEA (FOR COUNTRIES WITH >50 EMPLOYEES REPRESENTING > 10% TOTAL EMPLOYEES)	EMPLOYEES – NON-EEA (ESTIMATE FOR REGIONS WITH >50 EMPLOYEES REPRESENTING > 10% TOTAL EMPLOYEES)	WORKPLACE REPRESENTATION (EEA ONLY)(FOR COUNTRIES WITH >50 EMPLOYEES REPRESENTING > 10% TOTAL EMPLOYEES)
0-19%	Hungary	Serbia	Hungary
20-39%	-	-	-
40-59%	Germany	-	-
60-79%	Luxembourg	Bosnia	-
80-100%	Austria, Bulgaria, Croatia, Czech Republic, Italy, Romania, Slovakia, Slovenia	Russia, Usa	Austria, Bulgaria, Croatia, Czech Republic, Germany, Italy, Luxembourg, Romania, Slovakia, Slovenia

Note:
The collective bargaining agreement refers to national, sector and company level.

The above table refers to percentage of employees covered by collective bargaining agreements and social dialogue, in countries where applicable.

Maintaining proactive and regular dialogue with our workforce strengthens UniCredit's spirit of collaboration and helps us unlock value creation. We have a proud track record of consistent engagement with our people at both national and international levels across the Group, and this has enabled us to manage the many market challenges we have faced over the years. At the heart of our drive to maintain effective and mutually beneficial industrial relations is our unwavering commitment to respecting local laws and the terms and conditions of collective agreements, including employees' rights to exercise freedom of association and collective bargaining.

At the national level, workers' interests may be represented in our Group by trade unions, works councils or other representatives in line with applicable labour laws and local industrial relations systems. Workers' representation and dialogue with their union representatives is carried out in compliance with applicable local legislation and current union agreements. The Company allows workers' representatives to carry out union activities in accordance with applicable local legislation and current union agreements.
Employees can find information about the global policy channels on local intranets.
The metrics have not undergone independent assurance by an external body.

S1-9 - Diversity metrics

Gender distribution at top management level

	NUMBER OF EMPLOYEES AT TOP MANAGEMENT LEVEL	PERCENTAGE OF EMPLOYEES AT TOP MANAGEMENT LEVEL BY GENDER
Male	6	50.0%
Female	6	50.0%
Total	**12**	**100.0%**

In the Top Management figures are considered the Group Executive Committee (GEC) that is the Group's most senior executive committee and is chaired by the CEO.

Employee distribution by Age Group

NUMBER OF EMPLOYEES (HEAD COUNT) BY AGE GROUP	NUMBER OF EMPLOYEES	%
Under 30 years old	7,466	9.9%
30-50 years old	40,654	54.0%
Over 50 years old	27,145	36.1%

The age distribution of employees is determined by categorising the total headcount into three groups: employees under 30, employees between 30 and 50 and employees aged over 50. The headcount in each category is then divided by the total workforce, including both male and female employees, to ensure consistency in reporting.
The metrics have not undergone independent assurance by an external body.

S1-10 - Adequate wages

All employees receive adequate wages. Adequate wages are defined in accordance with collective agreements where such agreements exist. In countries where collective agreements are not applicable, adequate wages are defined as the prevailing minimum wage established by local regulations. The metrics have not undergone independent assurance by an external body.

S1-11 - Social protection

All employees are covered by social protection through national programmes in accordance with local laws (e.g., INPS in Italy) for major life events. The metrics have not undergone independent assurance by an external body.

S1-12 - Persons with disabilities

Employees with disabilities

NUMBER OF EMPLOYEES	TOTAL
Employees with disabilities	2,361
Total number of employees	75,265
Percentage of employees with disabilities	3.1%

A person with disabilities is an individual whose health status limits their ability to perform certain activities, such as movement, work, or social inclusion. This includes individuals officially recognised as having a disability according to the legal and regulatory standards of their country. This definition accommodates regional legal frameworks and ensures a standardised approach to identifying and reporting employees with disabilities across different jurisdictions in compliance with CSRD requirements.
The metrics have not undergone independent assurance by an external body.

S1-13 - Training and skills development metrics

Training hours are defined as the time dedicated to training and skills development, including in-presence and virtual sessions, online courses, workshops, certification programmes, educational opportunities. This measure does not encompass trainee programmes, course development, or instructors' teaching time.

Sustainability statements

To calculate training hours per employee, disaggregated by gender, we divide the total recorded training hours in the reporting period by the headcount of each gender. All employees within UniCredit are included in these headcounts, thereby meeting CSRD requirements for consistent and transparent reporting of training and professional development data.
The metrics have not undergone independent assurance by an external body.
The percentage of employees participating in performance appraisals is calculated using the total headcount from the S1-6 disclosure as the denominator. This total includes employees who are not appraisal-eligible but remain part of the workforce, thereby preventing the metric from reaching 100%. Because all individuals in excluded categories are counted as non-participants, the rate does not reflect only those who are eligible and participate in appraisals.
The number of hours for the “Other” category will not be reported due to data privacy rules.

The metrics have not undergone independent assurance by an external body.

Training and skills development indicators by gender

	TOTAL NUMBER OF EMPLOYEES	TOTAL NUMBER OF EMPLOYEES THAT PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS	PERCENTAGE OF EMPLOYEES THAT PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENTS REVIEWS
Male	31,293	29,146	93.1%
Female	43,971	39,197	89.1%
Other	1	1	100.0%
Total	**75,265**	**68,344**	**90.8%**

Average number of training hours by gender

	TOTAL NUMBER OF EMPLOYEES	TOTAL NUMBER OF TRAINING HOURS	AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE
Male	31,293	1,039,999	33
Female	43,971	1,408,958	32
Other	1	-	-
Total	**75,265**	**2,448,956**	**33**

S1-15 - Work-life balance metrics

Percentage of entitled employees that took family-related leave by gender

	NUMBER OF ENTITLED EMPLOYEES THAT TOOK FAMILY-RELATED LEAVE	PERCENTAGE OF ENTITLED EMPLOYEES THAT TOOK FAMILY-RELATED LEAVE
Male	7,161	10.1%
Female	14,397	20.3%
Total	**21,558**	**30.4%**

At UniCredit, all employees are entitled to take family related leave.
We guarantee employees the right to family related leave, as outlined in our formal employment policies, handbooks, and contractual terms. This commitment aligns with applicable labour regulations and supports our CSRD obligations by promoting a supportive and inclusive work environment.
The metrics have not undergone independent assurance by an external body.

S1-16 - Compensation metrics (pay gap and total compensation)

The gender pay gap is determined at the legal-entity level based on gross hourly pay (including variable components) for male and female employees. To derive a country-level figure, weighted averages are applied across all relevant legal entities within each country. The calculation subtracts the average gross hourly pay of female employees from that of male employees, then divides by the average gross hourly pay of male employees, and finally multiplies by 100.
The metrics have not undergone independent assurance by an external body.

Gender Pay Gap - by country

COUNTRY	GENDER PAY GAP
Italy	20.0%
Germany	29.2%
Austria	30.4%
Bosnia e Herzegovina	13.7%
Bulgaria	33.5%
Croatia	20.6%
Czech Republic	27.5%
Hungary	24.2%
Romania	27.3%
Russia	36.3%
Serbia	30.1%
Slovenia	17.9%

The total compensation ratio of the CEO to the median Group employee is 1:137 as at December 2024.

The total remuneration ratio is determined by dividing the total annual remuneration of the highest-earning employee (in this case, the CEO) by the median salary of employees within UniCredit group.

To calculate the median salary, all legal entities were requested to provide a comprehensive dataset including total pay, which consists of gross salary and variable compensation. The remuneration of the highest-earning employee was calculated considering the value of the total remuneration as stated on Consob Table n.1, including also the year's fair value, related to the remuneration in equity instruments, ensuring transparency and consistency in the calculation process.

The metrics have not undergone independent assurance by an external body.

S1-17 - Incidents, complaints and severe human rights impacts

Number of incidents of discrimination and number of complaints

	31.12.2024
Total number of incidents of discrimination	7
Total number of complaints filed through channels for people in own workforce to raise concerns	52
Total number of complaints filed to National Contact Points for OECD Multinational Enterprises	1

In the contest of global policy against harassment, sexual misconduct, bullying and retaliation and diversity, equity and inclusion global policy in 2024 in the Group, No.60 reports were received and investigated and for No.7 of these disciplinary sanctions were imposed.
It should be noted that no costs referred to work-related incidents of discrimination have been recognized during financial year 2024.
Finally, as per request of ESRS S1-17 par.104, no cases of severe human rights incidents have occurred during the year.
The metrics have not undergone independent assurance by an external body.

Sustainability statements

S2 - Workers in the value chain

Impact risk and opportunity management

S2-1 - Policies related to value chain workers

UniCredit is aware of the importance of human rights, including in its relationship with its value chain. Despite this, UniCredit's commitment to addressing value chain workers' human rights has not materialised into a dedicated policy. The respect and guarantee of human rights are addressed by the Group through its **human rights commitment,** which covers the material impact resulted from the DMA:

- Awareness and dissemination of the culture of ethics and human rights (child and forced labour) by business partners and other stakeholders increases responsibility and fair practices across value chains.

For instance, the Human Rights Commitment applies to UniCredit's clients and their workers as indirect social stakeholders. The Commitment fosters the awareness and dissemination of the culture of ethics and human rights among UniCredit's stakeholders, while increasing responsibility and fair practices across value chains.

UniCredit is aware of the importance of a tracking system to ensure that human rights performances are monitored. Potential cases of non-respect of human rights are identified and adverse human rights impacts are correctly managed and, if any exist, they are addressed. The monitoring of the effectiveness of the Human Rights Commitment leverages on existing processes linked to the policies and principles mentioned within this document and managed by the related functions. Our ESG Dashboard, for instance, allows us to monitor a set of social KPIs measuring relevant impacts also from the human rights perspective.

We have identified specific sensitive sectors for which we have adopted a monitoring cycle based on an additional set of provisions and rules described in specific internal regulations, also taking into account adverse human rights risks deriving from our intervention in those sectors.
In relation to the Principles for Responsible Banking Commitment on Financial Health and Inclusion, in our ESG Dashboard we have implemented a specific tool to collect all contributions from our different countries and consolidate it at Group level, measuring our achievements towards target.

In addition, according to our Impact Measurement Model, we assess the social dimensions impacting the human rights that are relevant in our lending activity, aiming to measure the positive impacts on individuals and the community and prevent the negative impacts.

Our Group also adopts an "outside-in" approach in order to monitor stakeholders' views on reputational risks of the banking sector. Stakeholders' views are assessed and monitored through the double materiality analysis that we run and update yearly. This approach aims at improving the Group capability to prevent, minimize and manage the reputational risks that may occur, leveraging also on the results of our periodic stakeholder engagement activities.

In addition, in 2023, UniCredit published a Statement on Modern Slavery Act and Human Trafficking, addressing trafficking in human beings, forced labour and child labour: the Statement is willing to disseminate our culture of ethics and respect for human rights.

For more details on our Statement on Modern Slavery Act and our Human Rights Commitment, reference is made to "MDR-P Policies adopted to manage material sustainability matters".

S2-2 - Processes for engaging with value chain workers about impacts

We currently do not have any specific engagement process targeting workers of our clients.

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Currently we do not have any specific channel for raising concerns dedicated to the workers of our clients.

S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

Currently we do not have any specific action targeting the workers of our clients, since they do not represent a direct stakeholder target of our activities. Therefore, we are not in the position of taking direct actions against them.

Metrics and targets

S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Currently we do not have any specific targets on the workers of our clients, since they do not represent a direct stakeholder target of our activities. Therefore, we are not in the position of taking direct actions against them.

S3 - Affected communities

Impact risk and opportunity management

S3-1 - Policies related to affected communities

UniCredit's relationship with affected communities is highlighted by existing policies which address material impacts and opportunities resulted from the DMA process:

Impacts:
- Contributions to various social causes with positive socioeconomic impacts such as education, health, and community development programmes;
- Improving access to credit and disseminating financial culture in the communities, with a focus on supporting younger and more vulnerable and/or low-income groups through dedicated products and services in order to enhance economic development and investor confidence.

Opportunities:
- Strategic community partnerships, collaborations with local organisations, industry and professionals' associations and community groups to create sustainable and impactful programmes;
- Improvement of relationships / consolidation of positioning within territories and communities of reference through the promotion of initiatives of financial inclusion targeting vulnerable groups;
- Establish and promote employee volunteering programmes that contribute to the well-being and development of local communities and support associations and projects in the area;
- Increase in market share through the expansion of product offerings with positive social impact, such as those related to the third sector;
- Opportunities for the Bank to gain an improved image among competitors and attract socially conscious investors, if it is able to anticipate and react to political and societal changes.

Reference is made to “MDR-P Policies adopted to manage material sustainability matters”.

Our **Human Rights Commitment** also applies to the affected communities, guaranteeing that the human rights of communities are respected in line with the generally accepted international instruments. As highlighted in the general section, our Commitment is aligned with internationally recognized instruments, including the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve affected communities. There have been no cases of non-compliance with reference to affected communities.

Reference is made to “ESRS 2 General information”.

UniCredit strives to make a positive contribution in the countries where we operate, going beyond business conduct based on best practices to actively contribute to the well-being and advancement of the people. This includes acknowledging and promoting the importance of human rights and related topics among communities.

Our long tradition in supporting communities is based on the strong bond between cultural and economic investment, sustainability, and social inclusion, fostering a sense of belonging and promoting shared knowledge and common dialogue, on art, music and sport. Through strategic partnerships, sponsorships, and targeted projects, we strive to make these more accessible, with a focus on involving younger generations. We also react to emergencies by putting our bank's skills and infrastructure at the service of our communities.

Through the UniCredit Foundation, UniCredit is committed to supporting education across Europe and making a genuine impact on the prospects of young people. Investing in education is a linchpin for ensuring comprehensive growth and development across society and fostering a better future for individuals and their communities.

As responsible financial habits are fundamental to stimulating real cultural change and community development, UniCredit also develops a range of financial education programmes and tools across Group countries in order to improve the personal financial management skills of our citizens.

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In line with UniCredit's values, the Foundation is also dedicated to involving Group employees in social initiatives. This involves matching their donations and supporting local communities in times of crisis or need. As formalized in our **People & Culture Framework**, UniCredit promotes employee volunteering programs that contribute to the well-being and development of local communities.

As part of its product offering, UniCredit positively affects communities through Social Financing, aiming at providing access to financial services for vulnerable categories and supporting companies to become more socially oriented.

As highlighted in the ESG Product Guidelines, Social Financing perimeter consists of four categories:
- Inclusive Financing, which aims at including those at risk of economic and social exclusion through microcredit;
- Impact Financing, which supports projects and initiatives that, in addition to generating economic returns, have objectives of positive, tangible, and measurable social impacts;
- Social Housing, which supports real estate and urban interventions that aims to help low-income people to access decent housing at affordable prices;
- Loans with high impact on society, such as loans to Not for profit organizations, loans to religious bodies, loans supporting the realization of health and social infrastructures.

For more information on the described policies, reference is made to "S2 Workers in the Value Chain".

S3-2 - Processes for engaging with affected communities about impacts

UniCredit is directly involved with the communities in delivering offer, products and services or any support provided.

We continuously involve the communities within our activities, engaging the different stakeholders with many different initiatives, and also organising specific events in order to reinforce our connections with the territories and social partners and communities. The frequency of the engagement depends on the type of initiative organised (refer below for more details).

The Stakeholder Engagement function at Group level and Territorial Relationship functions at local level have the responsibility for ensuring an effective engagement of the communities in which we operate.

Following specific events and initiatives, we always ask for feedback from the involved stakeholders in order to gather their views.

This is especially done with reference to stakeholders that could mainly be affected by impact (meaning vulnerable categories such as low income people, people at risk of social and financial exclusion, young people and students, people with disabilities, women, the elderly, etc.).
To ensure communities' sustainable progress, we leverage our social contribution, focusing on specific projects related to youth, education and a just transition. This is in line with our commitment to fostering the financial inclusion of clients and vulnerable individuals as stated in the Principles for Responsible Banking (PRB) Report.

Investing in long-term stakeholder relationships

Engaging with our stakeholders on a deep and meaningful level represents a crucial building block for a relationship based on trust.

Engaging with NGOs

We have strengthened our engagement with NGOs and civil society at large, carrying out dedicated initiatives where appropriate to assess any gaps identified in our ESG strategic positioning and highlight the Group's improvements regarding sustainability material topics, such as just and fair transition, Net Zero, biodiversity, policy updates (e.g. weapons), STEEL principles and decarbonisation. During the year, we continuously engaged with NGOs in order to:
- receive their feedback to update our sector policies;
- share our targets on official commitments before disclosure (for example, Net Zero);
- participate in and contribute to banking surveys and engagement questionnaires;
- interact on relevant reports and roundtables;
- involve them in our stakeholder engagement initiatives.

Employee volunteering initiatives

In alignment with our purpose of "Empowering our communities to progress" UniCredit encourages its employees to participate in activities to support the communities in which we operate through corporate volunteering initiatives promoted by the Group, in addition to those carried out by employees individually beyond working hours. All Group employees have a minimum of one paid day off a year to dedicate to volunteering activities.

Engaging with the community

The **ESG Day** (also disclosed in the 'Stakeholder Engagement' section).

On 14 November 2024, UniCredit held the second ESG Day: "A challenged future: choosing the path ahead". The one-day event put the focus on our clients and provided a forum to discuss challenging issues and sustainability trade-offs, with a view to defining concrete solutions. The event saw more than 13,000 participants join in either online or in person across ten different Group locations.

This year, we also incorporated a pan-European dimension, with local events taking place in many of our markets beyond Italy to reflect our clients' different ESG experiences.

The event served as a forum to review and assess the concrete solutions available to us as we seek to address a range of pressing challenges. How can we go about solving the trade-off between environmental and social concerns? How can we balance profit and sustainability? And how can we best accompany our clients as they navigate a complex transition? We probed into all of this and more through a series of panels, with expert speakers challenging the status quo without losing focus on the importance of building this path together.

Skills for Transition is a social programme, fully funded by UniCredit.

It delivers strategic training to young people, including students and those not in education, employment or training (NEETs), and companies expected to be impacted by the green transition, helping them to develop the skills they need to meet the demands of a changing environment whilst generating a measurable social impact.

The initiative sits firmly in line with UniCredit's strong commitment to promoting a just and fair transition, as well as its consistent support for education - a key driver for Europe's future. Together, these form part of the bank's stated purpose of empowering its communities to progress and underpin many of its ESG goals.

The Skills for Transition programme runs across six UniCredit group countries: Italy, Germany, Bulgaria, Czech Republic, Slovakia and Romania.

Fondazione per la Scuola Italiana

The new non-profit body, entirely financed by private companies, that aims to support the Italian school system to invest in future generations. Italian schools face several challenges such as digitization, school dropout, modernization of infrastructure and creation of new infrastructure, etc. In order to address these challenges and adequately prepare young people by providing them with technical and soft skills that will facilitate job placement, public investments need to be matched by private investments.

By participating and contributing as a founding member the Bank is consistent with the implementation of its social strategy, which has among its pillars "youth and education". Moreover, considering the social importance and capillarity of the Italian school system, the Bank is consistent with its goal of being close to the territories in which it operates and creating impact with its social initiatives.

UniCredit thus confirms its active role in promoting an innovative and inclusive school system, aiming to reduce the educational gap and increase private investments in education, essential for the growth and progress of the country.

S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns

As of today, we do not have specific channels or processes to remediate negative impacts in communities.

However, we have in place our Global Policy - Anti-retaliation with the aim of preventing, investigating and protecting employees and third parties from acts of retaliation.

Reference is made to "MDR-P Policies adopted to manage material sustainability matters".

S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

We support communities and vulnerable people, for whom we provide a wide range of financial education programmes to increase awareness of economic topics and reduce social gaps. We continuously support communities through our Social Strategy, focusing on social finance, our own social contribution to our communities, and the support we give our people.

The effectiveness of all our initiatives is tracked in different ways based on the specific intervention considered. This is mainly represented by feedback sessions, ad hoc surveys, interviews, satisfaction questionnaires, workshops, engagement events and awareness campaigns.

We are committed to building strong relationships with local communities through initiatives that run year-on-year, targeting the communities across all countries in which we operate. Following a qualitative description of these initiatives:

Sustainability statements

Community contributions
Our goal is to grow by offering development opportunities to communities, clients and the local area. We do this through our work and by building financial and social inclusion with corporate citizenship and philanthropic initiatives.

Our customised solutions offer for communities
- **Low-income and vulnerable individuals and families**:
- Discounted accounts with basic functionalities and debit cards for people with reduced personal financial management abilities and clients who have basic banking needs (transactional products such as BasisKonto, Libretto One, My Genius Green, My Genius Base).
- A dedicated product for citizens coming from Ukraine or clients of Ukrainian nationality, an ordinary current account for consumers, with economic benefits for refugees/asylum seekers.
- NEW: 'MicroCredito di Libertà' (Italy only): an agreement signed between the Minister for Equal Opportunities and the Family, ABI, Federcasse, Ente Nazionale per il Microcredito (ENM) and Caritas Italiana, to facilitate the granting of financing, in the form of social microcredit, in favour of women who are victims of gender-based violence. The project aims to emancipate these women from forms of economic subordination through guaranteed financing, at 100% of the amount disbursed, by a specially established guarantee fund with public resources from the Department of Equal Opportunities called the Guarantee Fund for Social Microcredit.
- Social microcredit financing is intended for the purchase of goods or services necessary to meet one's own basic needs or those of household members, excluding an abusive spouse or partner, and including, but not limited to, medical expenses, rental fees, expenses for retrofitting one's main home and energy upgrading, fees for access to essential public services such as transportation and energy services, expenses necessary for access to schooling and training.

- **Young people:**
- A simplified opening process for single parents, free savings account and student account with cards and student loans, guaranteed first home mortgages for young people.

- **People with disabilities**:
- Special credit offer for physically and visually impaired people (ATM accessible without using the standard touch-screen and via wheelchair, debit card with Braille, cash delivery home service) and barrier-free branches.
- Improving digital channels and accessibility, including for elderly clients.

Microcredit for micro-entrepreneurs at risk of financial exclusion
- Offer with a tailored-made service model supporting individuals at risk of financial exclusion, micro-entrepreneurs and start-ups.
- Our microcredit service model supports micro-entrepreneurs and strengthens their skills with an end-to-end process, from business plan development to support during the first period of business activity and leverages local and international partnerships.

Fostering financial inclusion
We offer a broad range of customized solutions to enable individuals and businesses to gain ready access to financial products and services. At the same time, we are strongly committed to helping improve personal financial skills, enabling people and businesses to make responsible decisions.

The numerous projects and initiatives implemented by UniCredit can be grouped in the following categories:
- **Promoting and supporting culture;**
- **UniCredit Foundation contribution;**
- **Territories initiatives for disadvantaged categories, third sector entities and employees;**
- **Financial education.**

Promoting and supporting culture

UniCredit is proud to support arts and culture as an engine of social, economic and sustainable development, with a focus on youth and education. Our collaborations are built on a shared commitment to social issues, embodying UniCredit's pan-European aim to strengthen bonds with its communities and help improve quality of life and togetherness.

The Group continued its strategic partnerships, such as with the **Filarmonica della Scala (**Ambrogino d'Oro in 2024), **Arena di Verona Foundation** and **Teatro San Carlo** in Italy, and renewed its support to other national examples of excellence, including the **Bavarian State Opera** and **Kunsthalle Munich in Germany** and the **Albertina Museum** in Austria.

This is in addition to smaller, renewed cooperations, including over a decade with the **Osservatorio Permanente Giovani-Editori**.

Unicredit Art Residency Prizes

Cariverona Foundation: Tomorrows UniCredit residency and production award

For the 19th edition of the ArtVerona modern and contemporary art fair, UniCredit and the Cariverona Foundation, with the cooperation of Urbs Picta, launched a new prize for an artistic residency in Italy or abroad, allowing the winning artist and/or collective the opportunity to understand different cultural, artistic and scientific experiences, to develop a research project focused on biodiversity and urban regeneration, and to produce an artwork (or cycle of works).

Fondazione Pistoletto: Ecosystems as Living Communities award

Supported by the UniCredit Foundation, realised in collaboration with Cittadellarte, Fondazione Pistoletto is promoting a new connective residency between two artists for research and artistic production about contemporary ecological issues, through the interdisciplinary combination of scientific, technological and humanistic research. The artistic project applications can focus on technological research, educational or pedagogical practices or sustainability and circularity in the fashion industry, to actively contribute to the sustainable transformation of society.

The UniCredit Art Collection continues to develop the **website showcasing our core** portfolio, updated regularly with new content including artworks, artist biographies, video interviews, themed online exhibitions and news on art initiatives in the Group's countries. One new feature was the output of an extremely high-quality digital recreation of the masterpiece “Il Risveglio di Venere” (the awakening of Venus) by Giovanni Luteri, known as Dosso Dossi, made viable through a project designed to perform a precise and scientific check on the artwork's state of conservation.

The website also includes a Learning Centre, where children can explore the Collection through **educational cards** designed with highly readable **Easy Reading font** to ensure inclusivity for visually impaired users, with visual markers to facilitate the memorisation of information. Our youth are also invited to explore the world of art with their **primary school teachers** via a course provided on the SOFIA platform of the Italian Ministry of Education and Merit, including the use of innovative and engaging teaching forms inspired by our collection.

The **Open Studio** project sees the public restoration of an artwork from our collection in an open and accessible space at the Lampugnano offices in Milan, raising awareness among colleagues on art conservation and sustainability, in collaboration with Cesmar 7 (Centro per lo Studio dei Materiali per il Restauro), a non-profit association. The project includes teaching moments with an in-depth analysis with major national and local restoration schools and colleagues.

Extraordinary opening - Palazzo Magnani, Bologna

In 2024, we participated in the International Museum Day and European Heritage Days by opening the Palazzo Magnani in Bologna. Over 1,000 visitors admired the palace, Carracci frescoes room and other masterpieces.

“Contemporary Museum Watching” exhibition by Alex Trusty in Bologna

We are the main sponsor of this cultural project that explores the relationship between people and art. Trusty'sphotographs present a broad narrative on society. They depict works by significant artists who have shaped history while creating a new composition using contemporary figures, settings and cultures.

UniCredit Foundation contribution

The UniCredit Foundation invests in young people to ensure equal access to opportunities for growth and development in partnership with national and international Non-Profit Organisations, and Educational Institutions. Ultimately, the aim is to give young people the chance to realise their full potential in society. UniCredit Foundation concentrates its activity in the countries of operation of the Group with a special focus on the most underserved communities.

Furthermore, UniCredit Foundation strives to support the brightest talents in the fields of economics and finance through scholarships, research grants and research awards in the countries in which the Group operates.

Sustainability statements

Finally, UCF actively fosters the engagement and participation of UniCredit people in line with the Group value of caring. Creating opportunities for employees to contribute strengthens internal cohesion, ignites a sense of belonging and responsibility, and builds meaningful connections.
UniCredit Foundation's priorities (School, Job and University) are reached via distinct channels of actions.

International partnerships
UCF is leading two multi-year international partnerships with global education network organizations to deliver sustainable outcomes across our operating countries.

The 3 years partnership with Junior Achievement is covering 10 countries (Austria, Bulgaria, Czech Republic, Germany, Hungary, Italy, Serbia, Slovenia, Slovakia and Romania) and is focused on vulnerable young (age 10-19) which will be inspired, empowered and mobilized to see new possibilities for themselves and increase their awareness about the long-term benefits of education, while being inspired to find careers they are passionate about.

With Teach For All the Foundation launched a 3 years partnership operating in 6 UniCredit countries (Italy, Germany, Austria, Slovakia, Romania and Bulgaria). The TFA program recruits and trains promising teachers who are committed to teaching in marginalized schools for at least two years. Through ongoing training and development, these teachers become strong classroom leaders and determined advocates for their students. In 2024 the Foundation supported TFA in the implementation of a community-centered approach, aimed to deepen impact and accelerate systemic transformation in schools within vulnerable areas in three target countries: Austria, Italy and Romania.

Grassroots initiatives
The Foundation is driving grassroots initiatives with an approach focused on capacity building, identifying and implementing best practices with high potential for scaling. These efforts are supported by the introduction of monitoring and impact measurement tools to track progress and ensure effectiveness, paving the way for broader expansion.
In 2024 the Foundation oversaw the implementation of 26 non-profit organizations projects selected and funded through the 2022-2023 Calls for Education.
The Calls were aimed at identifying and supporting programs combating educational disadvantage in 10 different European countries where UniCredit operates. These programs are dedicated to secondary school students (age 11-19) focusing on tackling early school leaving, encouraging university attainment, and acquiring adequate skills to enter the job market.

Edu-Fund Platform
In July 2024 UniCredit Foundation launched the Edu-Fund Platform, a year-round granting scheme to support educational interventions that, with a multidimensional approach, help address the educational challenges faced by young people across the countries where UniCredit operates. The platform, with a substantial funding pool of up to €14 million, will remain open until April '25, offering three streams of funding opportunities, ranging from €100,000 to over €1 million, to cater to a range of program scales. These streams are designed to engage a diverse array of entities committed to fostering quality education and regional development, ensuring a comprehensive and inclusive response to the educational needs of the community.

Research Educational Lab
Fostering a strong research foundation, the Lab aims to attract the attention of prestigious educational institutions at the international level. It seeks to enhance its credibility as a forward-thinking organization, driving engagement with top-tier academic and educational organizations. Initially focused on economics and finance, the lab will broaden its scope to cover a range of interdisciplinary topics.

Fostering Excellence in Academia
The Foundation strives to support the best talents in the fields of economics and finance by launching scholarships, research grants and research awards in the countries in which the Group operates.

Finally, the Foundation supports employee's social contribution trough dedicated initiatives including Gift Matching Program, Rest-Cent, Summer School & Volunteering.

Territories initiatives targeting disadvantaged categories, third-sector entities and employees
Territorial enhancement: UniCredit supports the initiatives of third-sector entities that respond to the needs of communities, enhance the territory and promote the inclusion of fragile and vulnerable subjects. Above all, we focus on local realities and projects, starting with identifying local needs and co-designing initiatives that respond to real and concrete needs. An example of this approach is the "Semi di Bene" campaign in collaboration with CSV Verona. UniCredit, through donations, also supports the initiatives of third-sector entities operating in Italy with a logic of proximity.
Description of Impact: Support the growth of third-sector entities that contribute to social causes and to the well-being and development of local communities. An example is the "Carta Etica Project" .
Through the "Carta Etica Project", UniCredit supports Third Sector organizations that respond with their projects to the needs of communities, enhance the territory and promote the inclusion of fragile and vulnerable subjects.

Sustainability statements

Thanks to this Project, for every expense made in the month with one of the Ethical credit cards issued by the Bank, and without any charge to the cardholder, UniCredit allocates an amount equal to 2 per thousand of the expense (with the (exclusion of cash withdrawals) to a Fund dedicated to supporting solidarity projects that make a difference in the lives of many people.
Since 2005, the year of activation of the "Carta Etica Project", UniCredit has allocated over €39 million to support 1,300 socially useful initiatives and projects carried out by non-purpose organizations
of profit throughout Italy. We focus on local realities and projects as well as on broader projects, carried out by companies operating at a national level. Some examples in 2023 include:

- the "Pepe" project, a solidarity initiative alongside Caritas, to fight educational poverty and offer young people a better future;
- initiatives with the Community of Sant'Egidio, in support of individuals and families in conditions of economic-social fragility and housing precariousness, who risk falling beyond the threshold of absolute poverty;
- projects with AIL, the Italian Association against Leukemia, Lymphoma and Myeloma, of which UniCredit is an Institutional Partner, to train and raise awareness among young people about health and the importance of solidarity with the program for schools "Every gift is a knot" and to expand reception and psychological support services in AIL shelters for patients and their caregivers.

Project development: supporting social projects is our strategy to provide concrete responses to the needs of communities. We support fundraising with our dedicated website (ilmiodono.it) and with campaigns of Carta Etica Funds, with donations granted to support third-sector entities projects selected with a transparent process that enhances those with, immediate and measurable social impacts.

Ecosystem activation: To create a relationship based on sharing values and social objectives, leveraging the main strengths of each partner. For example, our innovation project with Elis and AICCON, and-Cantieri ViceVersa inititiative, in order to support awareness campaigns on social issues.

Financial education
In 2024, we carried out several financial education and awareness initiatives across our countries, focusing on priority beneficiaries such as the young, women and vulnerable individuals and using new communication channels such as social networks and web platforms.

Banking Academy contribution (focus on Italy perimeter)
Education is a fundamental aspect of Italy's ESG strategy. The Banking Academy programme aims to promote social inclusion by providing training and information to young people, the elderly, women, people with disabilities, entrepreneurs, small and medium-sized enterprises, and third-sector organisations.

A profound economic and social transformation is underway, comprised of constantly evolving economic scenarios, increasing digitalisation, and weakening welfare.
For this reason, it is important to support professionals and citizens in facing this transformation through skills growth, which the Banking Academy provides.
Education is a key driver of positive social impact in communities through training and information on the following topics:

- Banking and finance;
- Sustainability and ESG;
- Entrepreneurship;
- Export management;
- Use of digital banking and financial tools;
- Economic violence.

Through the Banking Academy we create paths that lead to changes in the behaviour of citizens and professionals who benefit from the initiatives. Through our activities we activate strategic partnerships, professional networking, alliances with local communities, networks of competent volunteers, responses to local community needs and the country's production chains.

Around 600 volunteers, colleagues and former colleagues, support the aforementioned training activities of the Banking Academy. This is volunteering based on skills encouraged by the Bank's social strategy, i.e. the possibility of donating one's know-how to communities.
Thanks to them, in 2024 UniCredit won the voluntary@work award that the Terzjus foundation organizes for companies, third sector entities and non-profit organizations that promote volunteering based on skills.
Every year, the Banking Academy, in addition to coordinating the volunteers' activities, organizes events and training sessions to keep this important community alive.
The former colleagues are part of the UniGens volunteer association, created in 2017 to allow retired people to make their time, skills and passion available to support social inclusion initiatives, the development of micro-entrepreneurship and social enterprises by supporting both the Banking Academy's training projects and those specific of the association.

All this is transformed operationally into the following initiatives:

Sustainability statements

CONVERSAZIONI SUL DENARO (Money Talks - IV edition)
"Conversazioni sul denaro" (Money Talks) is the financial education path to learn how to manage money and increase awareness. It is aimed at all people interested in deepening their relationship with money, gaining financial knowledge and awareness of the impact of culture and gender bias in economic management.

The 2024 edition of the programme that involved around 44,000 beneficiaries and recorded an average of 89% acquisition of financial education knowledge, offered a structured format to create culture on how the relationship with money changes in the different stages of life and which banking products\services and financial use with greater awareness.
The innovative format offers three different moments of in-depth analysis:
- Money Talks initiatives in 4 different cities in Italy involved experts (economists, entrepreneurs, writers, philosophers, educators, psychologists, bankers) to talk about the relationship with money in the different stages of someone's life cycle, covering money management from childhood to adolescence, entry into the world of work to building one's life as an adult to money management in adulthood and old age, exploring topics such as economic planning, diversification, savings and investments, risk management and retirement planning. Each meeting offered an in-depth look at how to recognise how economic violence manifests and how financial skills are closely linked to the possibility of self-determination and advocacy;
- The new Money Lab formatlaboratories to explore locally the topics covered in the Talks, held by Banking Academy volunteers to provide mentorship opportunities in collaboration with local stakeholders;
- Five financial education video lessons on youtube channel to freely explore more technical topics explained in simple and engaging language.

The main beneficiaries of the programme are women.

ROAD TO SOCIAL CHANGE 2024 (IV edition)
This is a free training and cultural programme on integral sustainability, structured by the UniCredit Banking Academy - ESG Italy, to grow the skills of enterprises, non-profit organisations and institutions to generate a positive social impact.
The fourth edition in 2024 was organised by UniCredit Banking Academy - ESG Italy, in collaboration with AICCON, Fondazione Italiana Accenture ETS, Istud Business School, Cottino Social Impact Campus, and TechSoup.
The programme includes:
- Five live talks across Italy: inspirational meetings centred on real stories and concrete practices;
- Training: on-demand content and technical insights available on a digital platform;
- Accompaniment: a training and assessment pathway on ESG topics;
- Skills certification: issuance of an Open Badge certifying an exclusive professional role, the Social Change Manager.

The challenge of the 2024 edition is to apply integral sustainability within some of the key productive sectors driving the country's economy, including fashion and textiles, materials and ceramics, food, tourism, and cosmetics.

Special attention is given to the relationship between innovation, digitalisation, and sustainability in business organisations, focusing on the culture of sustainability (change management) to be nurtured and developed within companies.

As in previous editions, the "Social Change Manager", certified by the Cottino Social Impact Campus and IStud business school, has been developed. This role creates a unique community of change enablers trained through participation in digital talks and completing on-demand content. For those who have already obtained certification in previous editions, an exclusive section with in-depth content has been created.

In the 2024 edition we reached over 24.800 beneficiaries including enterprises, non-profit organisations, institutions, and anyone interested in deepening their understanding of integral sustainability and acquiring the tools to apply it within organisations and institutions.

STARTUP YOUR LIFE (VII edition)
The financial and entrepreneurial education programme, with ESG insights, launched nine years ago and is recognised by the Ministero Istruzione e Merito (MIM) valid as "percorsi per le competenze trasversali e l'orientamento - PCTO" (former school-work alternation).
The programme offers two PCTO courses (one in financial education and one in entrepreneurial education) and a short course in financial education that schools can use to teach Civic Education.
In 2024, Startup Your Life received another important recognition: it was included among the projects recognized by the MIM for the "Registro delle eccellenze" (Register of Excellence).
- Financial education is divided into three main phases: individual study (students acquire knowledge in finance, savings and investments to make citizens aware and capable of fully participating in the economic life of the country); individual simulation, where students playing with their avatar, have the opportunity to experiment with what they have learned; and group project work, where students put into practice some of the transversal skills envisaged by GREENCOMP, the European skills framework for sustainability (such as systemic thinking, critical thinking and the value of sustainability).

- Entrepreneurship education is divided into two phases: individual study (students acquire useful knowledge in the entrepreneurial field, a work context and active citizenship) and project work in class, where students put into practice some of the transversal skills required by ENTRECOMP, the European framework of entrepreneurial skills (such as teamwork, creativity and problem-solving).

Creating project works allows students to participate in a contest in which their works are evaluated and rewarded by Territorial and National Commissions made up of UniCredit managers. The winning classes participate in the Startup Your Life Championships, where students can discuss important topics for their future professional lives (such as digitalisation and AI, sustainability and ESG and fintech) directly with UniCredit managers.

In both paths, the students have the support of UniCredit Competences volunteers who hold lessons, meet and interact with students, integrate digital study with their knowledge and support them in implementing the project work.
Even teachers and class tutors can participate in the training courses as learners and enhance the training on their professional CV through the SOFIA platform of the Ministero Istruzione e Merito (MIM).
In the last edition, over 24,500 students from 415 schools and almost 1,750 classes were reached, with over 1,340 teachers involved.

"Startup Your Life Financial Education and Sustainability Championships":
During the course, students learn fundamental skills in the world of work and, through project work, participate in the "Startup Your Life Financial Education and Sustainability Championships".
Every year, participants can compete in the Startup Your Life Championships by nominating their project works and passing three evaluation levels:
- peer to peer: evaluation between students;
- territorial: a regional commission;
- national: a national commission.

Among the more than 1.142 Project Works created in the last edition, the 7 winners have been identified.
In this edition, the winning classes were invited to the Bank's headquarters in Milan for the final event of the Startup Your Life Championships, in which students from all over Italy, together with teachers, took part in experiential workshops organised with UniCredit managers, to collaborate with bank managers and simulate the market launch of projects carried out during the year. The students were tested on various topics, including product communication, ESG strategies, stakeholder engagement strategies, the financial sustainability of projects, innovation and startups, artificial intelligence and social communication. Next, the students prepared to present their design work by taking the Elevator Pitch challenge, where they had three minutes to convince a jury composed of managers and other students.
The day ended with the awarding of prizes: experiential workshops organised with local companies identified as champions on ESG issues.

The beneficiaries are young people, in particular secondary school students.

ITS STARTUP YOUR LIFE (II edition)
The new, innovative and free financial and entrepreneurial training programme dedicated to ITS Academy students, ITS Startup Your Life is designed to complete the ITS Academy training offer, transferring useful knowledge to students to acquire greater awareness of themselves and the world around them, addressing financial, banking, entrepreneurial issues, integral sustainability and entry into the world of work.

The programme was approved by the Ministero dell'Istruzione e Merito (MIM) and the National Association Rete ITS Italy.

The path launched this year offers:
- interactive content on a digital platform, usable from any device, 24/7;
- lessons held by UniCredit Competences volunteers (colleagues and former colleagues and members of the UniGens Association), who make their skills available to the communities in which they live and work.

Each ITS Academy can customise the path by selecting content that is accessible online and divided into four modules, through a simple and dynamic digital platform that allows students to receive certificate of participation.

The beneficiaries are young people, in particular ITS Academy students.

Sustainability statements

SAVE4YOUNG 2024 (V edition)
The financial education programme is for university students and, as of 2024, has been extended to secondary school students. It was created with the Skuola.net platform, a point of reference and digital place where the target audience spontaneously conducts in-depth research.

The goal is to support student empowerment and allow them to make sustainable economic choices. The programme was created in 2020 with an initial survey to identify knowledge gaps on basic banking and finance topics. It continues in 2024 with different methods to reach young people including:
- In-depth articles: on money management, savings, investments, planning, payments, pensions, protection and ESG topics.
- A web game: in the style of an 8-bit platform video game from the 80s created to improve users' financial literacy (there are 12 levels that can only be overcome by solving financial education questions related to the students' life cycle).
- Videos on ESG and sustainable finance topics for social channels.
- For 2024, a new survey was carried out, returning to investigate the behaviours and knowledge of male and female students on financial education topics four years after the first survey. From 2020 to today, over 190,000 students have been involved, of which 60,900 in the last year. The course stands out for its innovative approach in capturing the interest of students and for the timely monitoring of the knowledge learned by participants who have highlighted, in the last year, an average rate of improvement in financial education of 45% with even higher results, such as +91% on the topic of the payment cards.

The beneficiaries are young people, in particular university students and high school students.

IN-FORMATI 2024 (ongoing from 2011)
In-formati is the UniCredit financial education programme for individuals and SMEs, both clients and non-clients. It offers free educational courses held by volunteer colleagues of the bank, on topics related to banking, finance and entrepreneurship.

The training model is based on:
- Live courses provided locally on demand at UniCredit offices in the country and at local stakeholder offices, or online if necessary.
- A path structure customised to the needs of the stakeholder, based on the 15 courses in the catalogue.

The beneficiaries are: citizens (young people, students, workers, families, seniors), small and medium-sized enterprises, third-sector organisations.

CON ME AL CENTRO 2024 (III edition)
The 2024 edition of Con Me al Centro, the entrepreneurial and financial training course for those who want to get or get back into the game by starting a micro business.
Free training and an orientation path offered through a digital platform offer cognitive and in-depth networking tools for entrepreneurs, especially female entrepreneurs looking for the tools to start an independent business or a micro-enterprise with a strong focus on the social and environmental impacts generated.

The path is divided into five modules:
- 1. "Mi Oriento": the participants, thanks to a practical self-assessment tool, have the opportunity to recognise their aptitudes in product orientation to marketing, sales and finance, and to enhance them as a strengths;
- 2. "I learn more - the basics of business";
- 3. "I learn more - development of the company". Participants in these two modules can experiment with transforming an idea into an economic activity. They study and engage in the implementation of SWOT analysis, construct the Business Model Canvas and Business Plan of their idea and define the brand identity. They also learn how to segment the market and what strategy marketing to adopt for their project;
- 4. "I compare myself". Participants hear the experiences of entrepreneurs who have managed to transform their ideas into businesses and take advantage of the advice of professionals on the use of banking and financial instruments, corporate legal forms and tax implications and the main digital tools to support sales and marketing;
- 5. "Programme". We make the finalisation of the Business Plan available to the participants along the way, effectively creating a useful document to make the business idea concrete. This new edition of the project has been launched with the support of the University of Milan-Bicocca and AIDDA.

FINANCE4FUTURE 2024 (I edition)
Finance4Future is a digital project we developed in collaboration with the Giffoni Innovation Hub, a prestigious creative organisation that originated from the Giffoni Film Festival. Their contribution has allowed us to connect with young people in a more innovative and engaging way.
We have created 10 short, ironic, and engaging videos made by Genn Z for Gen Z.
Ten ambassadors, young talents from Italian universities selected from over 1,500 applications, interviewed over 100 students in over 10 Italian cities to understand how much they knew about financial education topics.

The topics covered range from payment tools and financial planning to more sensitive issues such as economic abuse and gender bias in money management.
The videos are directed and linked to the Banking Academy's training content to further explore the themes that emerged from the interviews.
The main beneficiary is young people born between 1997 and 2012 (Gen Z).

The Banking Academy uses different formats to reach multiple targets: on-demand content on digital platforms, inspirational talks, widespread lessons (live streaming with physical rooms connected from all over Italy), Video Pills (with formats that change according to the distribution channel), podcasts, web games, surveys and educational articles.

Many partners and local and national stakeholders are involved in the Banking Academy programmes. They create a partnership made up of regulators, sector experts, trade associations, research institutions, high schools and universities, non-profit organisations and territorial institutions.

The programme can count on Competences volunteers, both employees and former employees (UniGens), who are active in providing physical and digital live lessons. The commitment of Competence volunteers allows for intergenerational transmission of knowledge (from the elderly to the young and vice versa). It supports the alliance between generations with a common goal: building a better and more inclusive future.

Impact financing
We support enterprises and organizations that are committed to achieving a positive social impact and addressing the main social needs of our community. With this social lending we finance projects and activities that, in addition to an economic return, have the intention of generating a concrete, positive and measurable social impact on individuals and communities.

Metrics and targets

S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Since the measurement of the positive impacts on the communities generated by our activity has not yet been measured by the Bank, we currently do not have targets related to advancing positive impacts and managing material opportunities.

S4 - Consumers and end users

Impact risk and opportunity management

S4-1 - Policies related to consumers and end-user

UniCredit is aware that the financial sector plays an important role in the economy, ensuring stable markets and providing financial support to our society. Banks also have an important social function that goes far beyond lending. They act as one of the engines of social progress and help clients and communities make meaningful progress towards a more sustainable, inclusive and equitable society in the long term.
Our principles towards clients are formalized within our policies, which address impacts, risks and opportunities resulted as material during the DMA process.

Impacts:
- Ensure the UniCredit transformation of the distribution and production model, making it more sustainable through greater digitalisation, the creation of new technologies, the access to information, the adoption of cloud solutions, the use of AI.
- Breach and loss of customer data and poor cybersecurity management.
- Informed decisions to customers through transparent, neutral and fair advice, also providing the possibility to express their feedbacks.
- Increased and improved customer satisfaction and end-users experience by meeting their expectations.

Risks:
- Operational risk: Risk of operating losses due to unauthorized access to customer data (data Breach) with the purpose of obtaining a personal advantage and due to cyber attacks.
- Reputational risk: failure to meet the consumers and end-user' needs and/or to guarantee the customers' data integrity that may lead to negative impacts.

Opportunities:
- Creation of a long-term relationship with customers through a strong and safe ICT systems.
- Expansion of market shares and improvement of retention thanks to the implementation of solutions, products and digital / innovative services.

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- Enhance client loyalty and retention through the optimization of corporate assets in terms of privacy and data security and quality information.
- Enhancement of relationships with clients and shareholders through clear and transparent communication.

Our **Human Rights Commitment** also applies to our clients and we regularly update it to ensure compliance with the main international standards and norms (such as UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises). In 2024, there have been no cases of non-compliance with these rules with reference to the clients.

Reference is made to "MDR-P Policies adopted to manage material sustainability matters".

Sales and financial advice activities shall responsibly meet clients' needs, leveraging on our employees' competencies and professional conduct, our best-in-class products and services, our simplified business model driven by UniCredit's values of integrity, ownership and caring and the alignment between the incentive system and the achievement of long-term value creation and sustainable results. Our **Code of Conduct** and **Code of Ethics** formalize our commitment to guaranteeing that our clients are provided with clear, neutral and fair advice, and transparent communication, while providing the possibility to express their feedback. UniCredit has in place mechanisms (e.g., whistleblowing procedures, customers' complaint management, etc.) allowing us to collect information on stakeholders' feedback and grievances with reference to Group practices and any negative impact that we may have caused or contributed to via our own activities. We analyse processes from the client's perspective, for example, by identifying complexities that could be removed and ways we could enhance the customer experience through all channels. All the data and feedback collected are analysed to help us redesign processes and improve operations to meet client needs better. Group-wide, our complaints management system allows us to identify sources of concern and promptly resolve them to the satisfaction of our clients.
For more information on our Whistleblowing procedures, reference is made to "G1-1 Business conduct policies and corporate culture".

A tangible example of our commitment is the Joint Declaration on "Responsible Sales", signed with the European Works Council. The declaration defines the fundamental shared principles on which the conduct at the root of the Group's commercial approach must be based. These principles are oriented toward achieving sustainable strategic targets and maintaining high labour environmental standards.

UniCredit aims to meet customers' expectations by providing innovative solutions, including the development of tailored financial products and services designed for clients and the broader community, while also addressing the needs of vulnerable individuals and specific client segments, as highlighted in the ESG Product Guidelines.

UniCredit is committed to the following principles/rights relevant to all Group stakeholder categories, including clients, both individuals and enterprises, with particular attention to those presenting social and economic vulnerability:

Privacy and data protection
As formalized in our **Group Privacy Policy** and our **Customer Protection rules**, UniCredit is aware of the importance of respecting our stakeholders' privacy (e.g. the personal data and confidential information of employees and clients), including disclosing such information to third parties. Our approach to privacy and data protection is in line with the local laws and regulations governing the topic. It applies to all forms of personal data, independent of the stakeholder they refer to and/or the channel they have been received through. To mitigate risks regarding data breaches, we use appropriate administrative, technical, physical and security measures to meet legal requirements and to safeguard personal data against loss, theft and unauthorized access, use or modification. This approach permits to enhance client loyalty and retention, through the optimization of corporate assets.

Sanctions
The Group is firmly committed to complying with all applicable sanctions' regulations. In addition, the Group may decide to introduce further restrictions on business activities involving certain countries, organisations, persons, entities or goods, irrespective of whether they are the subject of a particular sanction imposed by a country or international organisation.
UniCredit recognizes that certain sectors and activities require a tailored approach to ensure that transactional and related risks are comprehensively understood and managed. For this reason, UniCredit embedded in its Reputational risk policies the principles related to international agreements, guidelines and standards (e.g. World Bank Group's Environmental, Health and Safety Guidelines, the UN Global Compact principles) considering their respect and alignment as minimum requirement for the client relationship avoiding potential social and environmental impacts. Through the implementation of appropriate management and mitigation measures UniCredit aims to limit the risks associated with transactions or projects financed for its clients and counterparts. On applying the sector policies, we have developed specific reputational risk assessment systems/tools, some that assess aspects of human rights, in order to evaluate and track clients' risks and performances.

For more details on the mentioned policies, reference is made to "MDR-P Policies adopted to manage material sustainability matters".

S4-2 - Processes for engaging with consumers and end-users about impacts

Engaging with our customers

While capturing new business opportunities and facilitating stakeholder engagement, the service we provide is measured by identifying and prioritising interventions in areas where improvement is required. Since the beginning of the Covid-19 pandemic, this activity has become even more significant. Our strategic plan uses the Net Promoter Score (NPS) as a key performance indicator. NPS is fundamental to understanding the degree of clients' recommendation and experience of our banking services and this guides our interventions. Starting with key client journeys and touchpoints, the NPS is regularly measured, monitored, analysed and discussed and any written feedback from clients on specific areas is examined.
The responsibility of this activity is both at global and local level, within the respective Functions responsible for Market research.

After years of experience and knowledge acquired through gathering insights from customers and prospects, in 2017 UniCredit defined an integrated approach with a benchmarking study which provides us with a view of customers' and prospects' perception of customer experience, brand reputation and business indicators in local markets. It allows for:

- a fair comparison between UniCredit and its competitors thanks to a random selection of customers by the research provider (no customer lists provided by the Bank) and no mention of UniCredit as survey commissioner (double-blind approach); mixed interviews of main and secondary Bank customers;
- a unique and comparable cross-country and segment view of how the Bank is perceived.

The main KPI is the Net Promoter Score (NPS), a metric used across industries to measure customer experience. It is based on the sole question, "How likely are you to recommend our Bank to …, on a scale of 0 to 10?" In the numeric scale, 0 corresponds to not at all likely and 10 to extremely likely. The score is calculated as the difference in percentage between promoters (customers who gave a 9 to 10 score) and detractors (customers who gave a 0 to 6 score). Within the Benchmarking Study, the KPI is more specifically referred to as the Strategic Net Promoter Score to clarify the goal of assessing the overall positioning on high-level topics/areas.

Design-thinking and process-mapping are important tools for improving the customer experience. In this way, we analyse processes from the client's perspective, for example, by identifying complexities that could be removed and ways we could enhance the customer experience through all channels. All the data and feedback collected are analysed to help us redesign processes and improve operations to meet client needs. Group-wide, our complaints management system allows us to identify sources of concern and promptly resolve them to the satisfaction of our clients. Our Group remains committed to strengthening consumer protection and improving awareness.

S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

UniCredit has mechanisms in place to collect information on stakeholders' feedback and grievances with reference to the Group practices and any negative impact that we may have caused or contributed to via our own activities (e.g. whistleblowing procedures allowing both employees and third parties to report their good faith concerns, clients' complaint management, complaints global policy, etc).

For further information on our grievance mechanisms, reference is made to "S4-1 Policies related to consumers and end-users".
For further information on our Human Rights Commitment, reference is made to "MDR-P Policies adopted to manage material sustainability matters".

The Whistleblowing Procedure or the Anti-Retaliation Policy applies to clients too.
Reference is made to "S4-1 Policies related to consumers and end-users".

Cybersecurity incident management activities aim to ensure the prompt detection of and adequate response to cybersecurity incidents, minimising negative impacts and contributing to ensuring the best possible levels of information confidentiality, integrity and availability. Security incidents are managed through strong detection processes and Single Points of Contact based on Security Operation Centre capabilities (24 by 7 basis in main countries). In addition, training and awareness activities are in place.

S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

An internal regulation for ICT Security Incidents is in place. It applies at the Group level and includes roles and responsibilities for ICT Security Incident management. If a security event is detected, it gets classified, communicated, escalated, resolved and duly reported. The process is directly linked to Crisis Management to make sure appropriate levels of communication and support are achieved in case of need. Following Incidents, eradication activities are defined to reduce the possibility of recurrence.

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Training and awareness described in the initiative B.1 Foster Security Culture

UniCredit is aware of the materiality of positive impacts on consumers and end-users from a digital and security perspective, and the need to prevent any potential negative impact and mitigate any risks on consumers and end-users. For this reason, we have planned and implemented numerous actions.

2024 Main Actions
Main improvements related to the Digital Risk framework came into force in January 2024:
- A straightforward definition of the digital risk oversight perimeter and the Legal Entities' responsibilities, resulting in NBO reductions;
- Enforced guidelines for the Digital Risk Indicators tracking and monitoring;
- Enhanced Digital Risk Library, including third-party risk, coherent with the digital ecosystem evolution;
- AI and Cloud Risk assessment definition and implementation;
- Overall Second Level Control enhancements to support the evolution of the risk context and Digital Strategy;
- Continuous alignment with digital risk capabilities, according to industry standards, required to digital risk staff across the Group.

Cyber risk appetite
The mission of the Function (Digital Risk) responsible for ICT and Cyber Risks evolved to be responsible for the group-wide evaluation, monitoring and supervision of digital risks to enable UniCredit to be a safe, secure and resilient digital bank. As a proactive partner to the different stakeholders, Digital Risk has to steer the risk profile.
Current risk appetite metrics allow the Board to understand and cover digital risks quickly through selected metrics. In 2024, continuous monitoring of digital risk Risk Assessment Framework (RAF) KPIs was conducted, increasing the scope to third-party risk as well.

Digital risk dashboard
The results of the executed digital second-level controls are reflected in the "Digital Risk Dashboard". This allows the Second Line of Defense to have comprehensive and structured information, and aims to provide an independent, synthetic and managerial view of the Digital Risk to which the Bank is exposed.

The "Digital Risk Dashboard" outcomes are discussed with Group Digital &Information monthly. Key results are discussed quarterly in Group Non Financial Risk Committee and Central Europe & Eastern Europe Non Financial Risk Committee. The "Digital Risk Dashboard" is fed by a variety of second level controls (risk assessment, control monitoring) on Group and Local digital processes.

Starting from the first quarter of 2024, ICT and cyber risk evaluations merged into a unified Digital Risk Dashboard (previously reported in two separate dashboards, one for ICT and one for Cyber risks) to monitor and report Group ICT and cyber risks.

Second-level control (2LCs) enhancements in 2024 covering mostly Identity and Access Management, Application Security and Disaster Recovery clusters leading to new indicators and ad hoc assessment with digital experts to address specific risks. Furthermore, 2LCs have been extended on Hardware, Software Infra and application obsolescence.

Moreover, some assessments have been reinforced:
Risk and Control Self-Assessment (RCSA) was extended to the global digital end-to-end process.
Cyber Security Risk Assessment (Cyber SRA) was integrated with an evaluation of obsolete software and improved in the front-end features to enable automation in 2LCs.

Third-party cybersecurity risk
Monitoring the implementation of the ICT Security risk control framework on third-parties across the Group, including escalation processes where needed (high/medium-high residual risk).
Risk validation for outsourcing and non-outsourcing arrangements of critical or important contracts.

Digital risk thematic review
- Enforcement of the Digital Risk scenarios to increase their effectiveness and coverage, leveraging on both the evolution of the digital threats landscape and audit outcomes (i.e. IT Disaster Recovery, Identity & Access Management), to proactively identify potential digital risks, increasing organisational preparedness and resilience.
- Anticipate, simulate, identify and prepare for potential digital risks and evaluate mitigation strategies.
- Review the current set of second-level controls on specific ICT and security clusters as part of the continuous improvement in risk monitoring.

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The new Group Digital Strategy, issued in June 2024, supports Governance Functions, specifically Strategy and ESG.
The new strategy has been issued to all directly controlled legal entities of the Group.
The Digital Strategy has been presented by the Group Digital CIO and approved by the Group Board of Directors. The new Digital Strategy targets internal ESG stakeholders to support its sustainability strategy.

The new Digital Strategy includes:

- A continuous enhancement and rollout of the ESG Global Infrastructure used for collecting, enriching, and aggregating granular ESG data, supporting the customers in their decarbonisation journey in terms of transition.
- Integration of ESG KPIs in the Credit and Pricing process of the Bank, leveraging on a set of harmonised tools across all the countries and integration of the ESG applications with the local underwriting tools and core systems services.

To support the ESG strategy and initiatives, provided with digital infrastructure and KPIs for credit and pricing processes, the new digital strategy includes the following actions:

- Sustainable lending at 360°: coverage of a wide array of ESG indicators;
- Integrated Strategic Enabling: future ESG integrations across operations;
- Supporting client-financed emission reductions in line with Net Zero targets.

In alignment with the purpose of the sustainability reporting, focusing on impacts and opportunities for consumers and users, UniCredit Digital highlights five key areas of action:

- Digital Banking Solutions leveraging innovative technologies like cloud computing, AI, UX, etc.;
- Security;
- Data and AI;
- Infrastructure;
- Digital Culture.

In each of them, the 2024 UniCredit Digital strategy was implemented or there are planned actions for the future.
Each key action is described below in terms of expected outcomes and how their implementation contributes to the achievement of policy objectives and targets, scope (i.e. upstream and/or downstream value chain, geographies, affected stakeholder groups, etc.), time horizon and, where available, status and quantitative and qualitative information regarding the progress (KPIs).

A. Digital Banking Solutions
To provide high-value digital banking services for customers such as payments, core banking and other banking digital solutions. Digitalisation, leveraging on innovative technologies such as cloud computing, artificial intelligence, analytics and advanced user-experience platforms aim to improve the “dematerialised” experience making it easier, faster, more flexible, more available and accessible (“always and everywhere”), safer and, last but not least, more sustainable for the customer.

<u>A.1) Key action: Payments - *International payment*</u>
Description: Global PayFX (GFX) is a cloud-based application that allows customers to convert payment orders from one currency to another, with the possibility to trade about 120 different currencies.
The initiative introduced two new real-time conversion products: Predict (real-time conversion of euros to another foreign currency) and Direct (real-time conversion from euros to the currency used in the beneficiary’s country) allowing different types of FX payment orders for corporate and third-party financial institutions. GFX provides real-time conversions from an account in euros or a foreign currency to a beneficiary account in one of 33 worldwide foreign currencies (such as US dollars). It also provides conversion from euros to about 90 less common currencies used worldwide. The GFX application provides conversion to all client segments (retail, corporate, private) and also to third-party financial institutions.

Scope: Italy and Germany.
Time horizon: the application went live in 2024 in Italy and is planned to go live in Germany in 2025.

<u>A.2) Key action: Payments - *AI (Artificial Intelligence) on cheques Italy controls*</u>
Description: the introduction of AI capabilities to simplify and automate the check done on cheque images.
The new AI capabilities, introduced by the project improved the efficiency of the Operations Team (back office).
The functionality has been released in waves, with the last one to be released in the second quarter of 2025.
The average volume of processed cheques is 5,000 a day, with a peak of 10,000 a day.

Scope: Italy and Germany.
Time horizon: the application went live in 2024 in Italy and is planned to go live in Germany in 2025.

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A.3) Key action: *Core Banking – Balance Sheet certifications for Auditing Firms and forced printing of paper contracts for non-digitised customers*
Description: the goal of the project was to introduce PEC (Posta Elettronica Certificata) email in the balance sheet certification process and to automatically archive emails. The automatic sending of certification via PEC emails directly to the auditing firm replaced the old channel, i.e. delivery of paper certifications through an external provider in charge of printing and sending.

Benefit for customers: the process was simplified, leading to quicker delivery times for customers. Consequently, there was greater customer satisfaction and fewer customer complaints.

Scope: Italy - Retail customers.
Time horizon: went live in May 2024.

A.4) Key action: *Core Banking – ID document acquisition*
Description: This project has enabled the digitisation of the identity document acquisition process for branches, allowing the operator to automatically upload and archive the document image during customer onboarding and/or customer data updates, avoiding the management of paper copies.

Benefit for customers:
- Improved user experience: reduced waiting times and greater precision in data collection and management;
- Improved traceability: digital documents can be easily indexed, organised, and retrieved, enhancing visibility and control over business processes;
- Security: digital systems allow documents to be encrypted and protected with controlled access, reducing the risks of data loss, theft, or damage;
- Sustainability: a reduction in the use of paper, toner, ink and transport for documents.

Scope: Italy - Retail customers.
Time horizon: went live in May 2024.

A.5) Key action: *Other Banking Digital Solutions – Bank insurance*
Description: in January 2023, a multi-year programme called the “Global Protection Platform” was launched. It will run from 2023 to 2025 and aims to renew the commercial offer of more than 20 insurance products, making them available through an omnichannel cloud digital sales experience across multiple countries.
In June 2023, the first four products were rolled out: the MyCareFuturo, MyCareFamily and GeniusCare for Italy and Privatschutz for Germany. Other products and modules will be released based on feedback and suggestions from clients.
These are the first of several new products planned, each taking advantage of the omnichannel features of our Global platform, such as bundling insurance offerings together with other banking products.

Benefit for customers: these will provide customers with a more flexible, innovative and modern sales journey.

Time horizon: 2023-2025.

A.6) Key action: *Other Banking Digital Solutions - Accounts and Onboarding solutions*
Description: within the “E2E Services” programme, digital channels for customers and employees improved significantly, having reduced the use of paper in many daily operations.

Improvements include:
- The optimisation of the Daily Transaction Limit process with 87% digital usage and 4.500 digital limit changes per month.
- The introduction of a new end-to-end process for changes of address with 48% digital usage and 4,500 digital address changes overall and 2,800 digital address changes in Remote Sales & Services per month.
- The implementation of a comprehensive end-to-end process for all relevant contact data, including Valyou and the phone number for OLB administration, with 30% digital usage for phone number changes (3,000 changes in August 2024) and 47% digital usage for email changes (4,400 changes in August 2024).
- The introduction of a data confirmation pop-up, which combines the self-KYC-check (more than 400,000 self-KYC-Checks since the Go Live), plus a data quality check (more than 500,000 confirmations and more than 40,000 data changes).
- The first stage of the account closure process has been launched, enabling a fully digital request for closures of current and savings accounts. There have already been approximately 20 digital requests per day instead of paper requests in-branch.
- The launch of the new Service Hub section on HVB.de, and online and mobile banking to enable easy digital access.

Benefit for customers and users: the improvements will enhance the digital experience for our customers and streamline processes for employees.

A.7) Key action: *Genius Care*
Description: Genius Care is a new, unique Italian product for individuals, that includes current accounts, debit cards (bio/digital), online banking and the "MyCare Famiglia" insurance module. The product is developed on the Global UCX platform, to maximise the reusability of components.

Benefit for customers and users: the initiative will simplify customers' current account catalogues from 5 to 2 package accounts and will contribute to simplify customer experience and access to insurance. It will also enable up and cross-selling actions. It will boost the switch to bio/digital cards and the digitalisation of customers, reducing paper-based processes.

Scope: Approximately 600,000 customer target baseline (330,000 existing and 259,000 new to the bank), of which 70% are sensitive to protection. Target 7.7% account conversion from traditional accounts to Genius Care accounts.

A.8) Key action: *Design Studio*
Description: the Design Studio develops innovative, customer-centric digital solutions that provide clients with a seamless interaction with the Bank and its partners. Empathy, vision and creativity are key features of the design process.

Benefit for customers and users: the Design Studio aims to significantly improve customer experience. In 2024, the Design Studio has focused on expanding its impact on the Bank's most relevant solutions, contributing to the design of approximately 50 solutions and conducting interviews and surveys with approximately 700 clients and 150 UniCredit colleagues.

Time horizon: Design Studio started in 2022 and will continue to support future projects.

B. Security

Actions to mitigate risk
The Group's Operational Risk Management framework, as foreseen within the Group Operational Risk Management Global Policy, provides a comprehensive set of principles and rules on how to achieve the Non-Financial Risk management goals - Identification, Assessment, Response, Monitoring and Reporting. Notably, the GP 04717 provides general rules to: a) identify and assess the Non-Financial Risks related to any material product, activity, process and system; b) implement a process to regularly monitor Non-Financial Risks and material exposures to losses; c) implement strategies, policies, processes and procedures to control and/or mitigate material Non-Financial risks.

The "ICT and Cyber Risk Management Framework" (i.e. the Digital Risk framework) has been established and ruled since 2022 (GOR UC_04179, former 1913), providing guidelines to assess the digital risks within the Group, based on an effective Second Level Control Framework to enable proper protection of digital assets coherently with the Group Operational Risk Management framework and with relevant best practices.

Actions aimed at managing impacts
Group Security is progressing in line with the Group Security Strategy updated in September 2023 and based on the following key actions:
- Foster Security Culture;
- Enable secure Business Transformation;
- Continue to secure Digital Foundation.

B.1) Key action: Foster Security Culture
Description: Group Security continues the development of security proficiency, considering that security threats, increasing in frequency, scale and sophistication, require increasingly strong skills and specific expertise.

As part of the UCG University Security initiative, we continue to invest in training to maintain a solid knowledge base on security topics and give our employees the tools to recognise and counter security risks. Also, increasing the security awareness of employees is key to supporting the minimisation of related risks.

In such context, a series of awareness initiatives have been deployed such as internal phishing campaign. These aim to assess our employees' susceptibility to phishing attacks and create a proactive and security-conscious culture. In 2024, we carried out eight Group-wide exercises involving around 98% of the Group population and at least two local exercises in every geography we are present in.

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We also focus on increasing our customers' risk awareness, engaging and inspiring them through social media and our range of communication channels. During the year, we raised awareness among customers, stakeholders and colleagues by developing internal and external initiatives that coincided with various relevant events. We developed initiatives to reflect World Password Day (May) and then, to an even greater extent, during European Cybersecurity Month (October). To support the latter event, we launched our annual campaign on several security threats. We carried out a series of internal communication activities for the benefit of Group colleagues in collaboration with UniCredit Digital University.
We supported the CERTFin cybersecurity awareness campaigns, together with other Italian financial institutions and banks.

Materiality Clusters impacted: Cyber Security, by contributing to the protection of corporate assets through increased awareness on security topics.

Scope: Group-wide.
Time horizon: Continuous. Awareness activities are deployed to support a continuous-improvement approach and to respond to the ever-changing threat landscape.

Status: Thirty-five training modules for our staff between 2020 and 2024 (a further three courses released in 2024) and about 300,000 hours of training delivered. A teach-in on cyber security for the board of directors.
Awareness: 2024 European Cybersecurity Month (October): we organised several events for staff. The topics ranged from the new password policy (more than 800 participants and around 60 interactions) to a data breach caused by human error.

B.2) Key action: Enable secure Business Transformation
Description: The enablement of secure Business Transformation has progressed through the ongoing extension of Secure Internet Access. A cloud proxy solution has been adopted on major legal entities and is being extended to Central and Eastern Europe Legal Entities. The solution allows for management of all user web traffic in a more scalable and sustainable way. It overcomes on-premises proxy architecture challenges due to the Company's cloud adoption and remote work strategies, which are increasing the number of concurrent connections and quantity of data that are being processed by the proxies.

Materiality Clusters impacted:
- UX, thanks to the improved end-user experience.
- Digitalisation and new technologies, through the adoption of a cloud solution able to support scalability.
- Cyber Security, through the security capabilities offered by the aforementioned solution.
- Single Sign-on and Authentication: continuing the integration of further applications in Single Sign-on, thus enhancing and harmonising the authentication processes for Legal Entities of the Group.

Scope: Group-wide.
Time horizon: 2024 and early 2025. The initiatives mentioned are planned to be completed in the next few months.

Status: Secure Internet Access: completed adoption (100%) for Trader and VDI users on centrally managed LEs; ongoing extension for Bank Users, Traders for CE&EE.
Single Sign-on and Authentication: 75% applications integrated in SSO (scope extended versus 2023).

B.3) Key action: Securing the Digital Foundation
Description: after extending the scope of information processed by our Security Operation Centre, further improvements have been implemented for our Detection and Response capabilities through the release of additional alerts and playbooks.

Materiality Clusters impacted: Cyber Security, through the aforementioned enhanced capabilities.

Scope: Group-wide.
Time horizon: 2024: the initiative was completed in 2024. Nevertheless, further detection and response-related initiatives are envisaged for the near future.

Status: Detection and Response improvement: Completed with100% alerts released in production and 100% playbooks implemented.

C. Data and Artificial Intelligence (AI)
In 2024, AI integration has enhanced our business processes and indirectly benefiting consumers, while in others, AI has delivered direct, tangible advantages to clients. Refer to our key actions for more information. The ongoing development of the AI governance framework aims to establish responsible AI principles and measures to ensure ethical AI usage. This framework is expected to be fully implemented by the end of 2025.

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C.1) Key Action: *LISTENING ENGINE*
Description: the project aims to listen to what clients want and react by supplying products and services in line with their needs.
The initiative is finalised to investigate the needs of customers and receive feedback from branches about client requirements, competitors' offerings, and our products and processes to help the bank to react quickly to emerging requests of customers.

Scope: the Listening Engine initiative currently involves Croatia, Hungary, Serbia, Italy, Germany, Austria. It aims to build:
A tool that uses generative AI to summarise information from the survey filled out by colleagues from the network about our services and products, insights on competitor conditions and suggestions for other business ideas using customers' feedback.
The tool will run weekly, generating weekly and monthly summaries that will be used as a basis for the dashboard. A dashboard in Power BI where the user can see the summary of the survey according to different topics, time (weekly/monthly of the current year) and reference country to Understand the number of surveys regarding a given topic and see their evolution.

Time horizon: Start date: June 2024. Roll out starting in September 2024 for Croatia, Hungary and Slovenia. End date: The final release was in November 2024.

C.2) Key action: *MOONSHOT*
Description: the initiative aims to improve the Mergers and Acquisitions (M&A) platform by implementing more accurate industry classifications for companies and conducting a study to predict better potential buyers and sellers engaging in M&A.

Scope: The initiative is part of a broader programme with two primary objectives:
Improve company description and classification: currently, searching for companies by type is inaccurate due to the unreliability of the NACE code registered with the Chamber of Commerce, which often misrepresents a company's sector. Moreover, the NACE code does not provide a clear description of the company's services and products.
The proposed solution is to develop a machine learning model able to analyse company descriptions, generate a more accurate sector classification and extracts relevant keywords to better capture the business activities, served markets, products, and geography presence.
A machine learning model to predict M&A by providing a buyer/seller distinction that would involve the propensity scores for M&A deals, as well as providing other computed KPIs on top (e.g. company keywords, sectors). The deliverable will be an evolved M&A model, that can be applied to UniCredit clients that is able to distinguish and match buyers and sellers' companies, through a data-driven company matching criteria.

Time horizon: Start date: September 2024. Roll out: December 2024.

Benefit for customers: General KPIs, whose estimation is under assessment with the Business, are the following:
- Reduction in manual workload;
- Processing throughout;
- Integration into workflows.

C.3) Key action: *UNIMATE*
Description: UniMate it is a RAG-based (Retrieval Augmented Generation) search system designed, developed and fully deployed by UniCredit employees leveraging OpenAI LLM (Large Language Models). It provides UniCredit employees with a modern search experience, empowered with generating answering capabilities, over the content of UniContact. UniContact is an internal knowledge base, available in many different languages, that contains information regarding a variety of topics, such as banking applications governance, general processes, technical topics, and procedures for branch users.

Scope: The initiative aims to revolutionise the way employees access corporate information through three relevant phases:
- Enhancing the search functionality in UniContact leveraging OpenAI providing relevant information while reducing the number of tickets open to request information.
- Creating a friendlier user-journey: users can use the Q&A functionality in their own language.
- Chat functionality (as a long-term goal) enables more use cases since the user can prompt customised questions.

Benefit for customers: target informative ticket reduction -30%.

Time horizon: Start date: August 2023 with a POC (Proof of Concept) Pilot on a restricted number of users: February 2024. Roll out in Lombardia region (Italy): July 2024.

C.4) Key action: *RESPONSIBLE AI GOVERNANCE FRAMEWORK*

Description: the EU has established the first-ever comprehensive legal framework on AI (AI Act), which sets the global standards for human-centric and trustworthy AI. The AI Act introduces a uniform framework for AI Systems across all EU countries, based on a forward-looking definition of AI and a risk-based approach (defining a classification system of the AI practices risk into four main categories: prohibited, high risk, lower and minimal risk).

The EU AI Act imposes a wide range of requirements on the various providers and deployers in the lifecycle of AI systems, including requirements on human oversight, data training and governance, technical documentation and transparency, record keeping, technical fairness/bias detection and robustness, transparency and cybersecurity.

UniCredit needs to adapt to it, since compliance with the AI Act is mandatory for all businesses and organisations that develop, deploy, or use AI systems. One of the key priorities for UniCredit in 2024 is to identify and mitigate the ICT AI prohibited systems (the ones that pose a clear threat to the fundamental rights and values) and to put the basis for implementing a global responsible AI framework to regulate the lifecycle of AI systems, from design to deployment and monitoring, in line with the AI ACT requirements.

Scope: the AI ACT: AI Governance Framework Design & Implementation initiative is designed to create a structured approach to managing AI within our organisation.

The Responsible AI Governance Programme will be built on the responsible AI principles (structured around five key pillars and designed to achieve specific goals, from establishing a clear governance framework to enhancing AI literacy across the organisation):

- Governance Model, Processes, and First Level Controls: is focused on creating a governance model with clear processes and 1st effective controls, so we will include here the publication of the global policy, all the process (new or already in place which must be updated/created, the AI classification and mapping).
- Risk Assessment, Second and Third Level Controls and Conformity Checks: This pillar is about implementing the risk assessment processes and layered control mechanisms, like second and third level controls.
- Third-party and Outsourcing Contracts Management: Managing third-party and outsourcing contracts is crucial to minimise exposure to external risk. We are focusing on additional new requirements for third parties, contracts updates.
- IT Tools and enablers: all the tools and enablers needed to streamline operations and enhance compliance (AI governance platform, project portfolio management, ecc.)
- AI Literacy: focus on increasing the awareness and cross-fertilisation of the AItopics.

Time horizon: 2024-2027. In 2024, the focus has been on prohibited AI to ensure compliance with the first regulatory deadline (February 2025). It also requires a hybrid approach, applying tactical solutions. We also laid down the foundations for the target AI responsible framework.

D. Infrastructure

D.1) Key action: *Wi-Fi Hardware Refresh in Main Buildings and Branches*

Description: replacement of outdated access points on the Italian Wi-Fi infrastructure:
Cisco access points of 21 main buildings will be replaced with new equipment using Huawei technology.
Cisco access points of 435 branches will be replaced with new equipment with Fortinet technology.

Scope: Italian branches and main buildings. The main positively impacted users are:

- Italian UniCredit branches: non-employees and end-users (customers) and employees.
- Main UniCredit buildings: employees-only.

Benefits: main benefits expected from the initiative are the following:

- Wi-Fi technology refreshes with the latest Wi-Fi six technologies in Italian main buildings and branches.
- Improvement of Office365 user experience and Teams calls regarding audio/video quality and stability.
- More efficient network statistics and diagnostic tools.
- Security patching is easier to manage and deploy.
- Improved end-users' satisfaction thanks to more efficient and faster services in branch and by access to Wi-Fi in-branch, where possible.

Time horizon: 2024.
Status: in September 2024, the project's progress is: 100% of branches and 67% of main buildings.

D.2) Key action: *Unified Communication Transformation*
Description: the Unified Communication Transformation project has significantly impacted our digitalisation efforts, aligning with our ESG goals.

Scope: this initiative spans across Italy, Germany, Austria, UK, Singapore, US, Poland, and Romania. The project directly impacts UniCredit employees and benefits customers who place phone calls in our branches.

Benefits for users and customers: The Unified Communication project has significantly modernised and enhanced our communication infrastructure, providing numerous distinct benefits and advantages.

Seamless Collaboration: By integrating all communication and collaboration tools into a single platform, we have streamlined workflows, enhanced productivity, and fostered a more connected work environment.
Removing Physical Phones: Except for emergency and top-management uses, the removal of physical phones has led to decommissioning outdated infrastructures.
Sustainability Impact: This project underscores our commitment to sustainability by adopting eco-friendly solutions that contribute to our ESG goals. The energy savings and reduced environmental impact are a testament to our dedication to a greener future.
Enhanced Customer Experience: The introduction of personalized Interactive Voice Response systems for our Italian branches, with specific opening hours, has increased the response rate and customer satisfaction. This innovation ensures our clients receive timely and accurate information, enhancing their overall experience.
Cost Efficiency: Consolidating communication tools has led to substantial cost savings, allowing us to allocate resources more effectively and invest in further innovations.

Time Horizon: 2022-2024.
Status: approx. 85%.

E. Digital Culture: Digital University activity

The UniCredit Digital University is a platform to enhance our in-house digital capabilities.
It offers differentiated learning opportunities, in three major streams: upskilling, knowledge sharing and reskilling.

E.1) Key action: *Upskilling Activities*
Description: learning opportunities designed for people working in the Group Digital Information Office perimeter. The paths were designed to answer the needs of each job role and improve its related skills. Special attention is dedicated to the enhancement of technical competencies and the development of soft skills.

In 2024, we leveraged hugely on e-learning platforms, i.e. self-mode learning, allowing a larger portion of colleagues to benefit from the training. These platforms offer a high degree of flexibility, allowing access to training materials per each user's needs and covering both technical and behavioural needs.
The e-learning platforms used are Coursera and O'Reilly, and our Group platform PLUS. Paths designed with experts (SMEs /line managers) to focus on topics useful for improving the daily working experience.
In addition, classrooms (virtual and/or in presence) led by internal and/or external teachers are organized to address specific learning needs and requests.

In 2024, the University also supported the organisation of 9 bootcamps (2 Python Bootcamps; 1 Green IT Bootcamp and 6 AI Bootcamps). These were very successful peer-peer events focusing on specific topics, where a restricted number of participants were invited to very interactive learning sessions.

Scope: digital perimeter (GDIO).
Benefits: the main benefits expected from the initiative are the following: increase and improve colleagues' core competencies to facilitate the UniCredit digital transformation process and support the internalisation of skills.
Time horizon: 2024. The e-learning platform model is to be replicated in 2025.

Status: at the end of December, the project's progress is:
- Colleagues involved in trainings: 2,100;
- No. of trainings completed: 4,400;
- No. of training hours completed: 33,700.

The diffusion of an online course for all Group colleagues, made in-house on "Digital Accessibility", was also boosted by the activity of the Digital University. As at the end of 2024, a total of 900+ colleagues completed that course on the internal platform PLUS, and the trend is growing also in the first weeks of January 2025, showing commitment towards the topic.

E.2) Key action: *Knowledge-sharing*
Description: Within the framework of the UniCredit Digital University we offer a variety of learning products to reach everyone across the Group, using different channels and tools to meet different needs and ambitions.
The range of formats used for sharing digital knowledge spans from our most popular product, the *Digital Pitch* (live web-streaming presentations by external or internal experts on cutting-edge technologies), to *Tune-up* (team calls by SMEs, dealing with highly technical topics, with an extended Q&A session), which was new for 2024.
There was also a two-day event, *Digital Days* held remotely and in person across the Group where well-known guests participated as speakers. All our content is published on the *Digital Knowledge Hub*, allowing Group colleagues to easily find it whenever needed. Thanks to our partnership with SDA Bocconi's DevoLab, this platform also presents academic research on forefront digital technologies.

Scope: digital perimeter (GDIO) with activities and content open to the whole Group.
Benefits: the main benefits expected from the initiative are the following: Updating and developing digital literacy across the Group.
Time horizon: 2024, also planned for 2025.

Status: the project's progress as of the end of December is:
- 9 Digital Pitches, attended by a total of 4,500+ colleagues remotely;
- 13 Tune Ups.

Digital Days: A two-day event in October:
- 11 countries participating;
- more than 12,000 connections on the live streams;
- more than 3,500 colleagues joining events in person across our countries.

E.3) Key Action: *Reskilling Activities*
Description: reskilling activities have been organized for internal staff to support professional role changes. The aim is to target positions currently covered by external staff, thus reducing costs.
Ad hoc training paths designed for some job roles in 2024: i) Technical Analyst, ii) Product Management Technical (PMT), iii) key Data Roles and iv) Delivery Lead.

Scope: digital perimeter (GDIO).
Benefits: the main benefits expected from the initiative are the following:
- To reduce reliance on external personnel;
- To allow the acquisition of core competencies in the context of digital transformation.

Time Horizon: 2024.
Status: the project's progress is: KPI - 80 colleagues reskilled by the end of the year.

Metrics and targets

S4-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Security incidents and other cyber security KPIs have been set for internal monitoring purposes. They do not represent official targets to be achieved within the ESG and Digital strategy.

The Principles for Responsible Banking (PRB) Commitment on Financial Health and Inclusion
As a signatory bank of the PRB Commitment on Financial Health and Inclusion, we have also set new targets for 2025 related to the group of clients we have identified as the most relevant strategic target, namely young people (meaning people aged 17 to 30).

In the first data collection of actual data for the selected indicators in 2023, we reviewed in detail figures and processes, also implementing specific tools and reports to collect and consolidate them. To align figures and ensure consistency across all the countries, some adjustment was required, thus resulting in a change of the official targets previously communicated. New targets are more challenging for both indicators, estimating a greater growth compared to the baseline.

Targets on financial inclusion of young people:
- CS028 indicator: Percentage of young customers with two or more active financial products from different categories, with the Bank = 12.3% (2023); 12.6% (2024); 13.0% (2025);
- CS036 indicator: Percentage of new customers that are young people per month = 36.2% (2023); 37.0% (2024); 37.7% (2025).

Those targets, increasing the financial inclusion of young clients, also positively affect the community.
Reference is made to “S3 - Affected Communities”.

Governance information

G1 - Business conduct

Impact risk and opportunity management

G1-1 - Business conduct policies and corporate culture

Business conduct policies
UniCredit’s corporate culture is built upon policies on business conduct which address material impacts, risks and opportunities resulted from the DMA process:

Impact:
- Contribution to the creation of an environment of fair competition, encouraging businesses to compete based on innovation and efficiency rather than aggressive tax practices and reducing national tax evasion.
- Maximum generation of value and its distribution to shareholders/stakeholders.
- Awareness and dissemination of the culture of ethics, by management, employees, business partners and other stakeholders in own operations.
- Ensure solid relationships with its suppliers and respect of agreed terms.
- Prevent the possible events of corruption and/or bribery through the training activities involving employees, top management and other relevant stakeholder.

Risk:
- Operational Risk: The risk of money laundering, sanctions violations, bribery and corruption, and KYC failure.

Opportunities:
- Improvement in the quality of products and services purchased through a more sustainable supply chain and certified products (incorporating minimum environmental criteria).
- Enhancement of reputation through investing in the development of innovative tools to manage, monitor and prevent corruption and bribery.

At the core of our corporate culture lies our **Human Rights Commitment** and our **Code of Conduct**[49] which serve as the foundation for all our actions and decisions. These documents are not merely formalities, they embody our commitment to integrity, transparency and respect in every aspect of our operations, including a zero-tolerance approach with respect to fraud, bribery, and corruption. We believe that adhering to these principles is essential for fostering trust among stakeholders and ensuring long-term sustainability. By promoting ethical behaviour and setting clear standards, we aim to create a workplace environment where responsibility and collaboration thrive, aspiring to the maximum generation of value and driving individual and collective success.

Our Zero-tolerance approach is also formalized through ad-hoc policies: the Anti-Fraud Policy, and the Anti-Bribery and Anti-Corruption Policy, which illustrate our principles and procedures willing to mitigate any risks of money laundering, sanctions violations, bribery and corruption, and KYC failure. UniCredit is investing in the development of tools to manage, monitor and prevent fraud, corruption and bribery, as described below.

49 UniCredit S.p.A. has established additional rules of conduct in the Code of Ethics 231/2001 as an integral part of the Organization and Management Model pursuant to the Legislative Decree 231/2001 (“Model”). Each Legal Entity falling within the Group's L.D. 231/2001 perimeter has adopted its own Model and its own Code of Ethics 231/2001 within the Model pursuant to the Legislative Decree 231/2001.

Sustainability statements

Corporate Culture

Our Culture is a crucial lever in driving the success of our UniCredit Unlocked strategic industrial plan. To chart a course for our Culture Transformation, **UniCredit's Group Culture and Diversity, Equity, and Inclusion (DE&I) function** actively involved employees from all levels of the organization in 2021 to assess our current state and outline a direction of travel. This **Culture Diagnostic** involved a comprehensive survey, interviews, and focus groups, ultimately defining our core Values: **Integrity, Ownership, and Caring**.

To date, our **foundational pillars** for the Culture Transformation program have been:

1. In 2022, the **Culture Network** was established, consisting of 24 Culture Sponsors and 28 Culture Champions representing all of UniCredit's Legal Entities and Competence Lines. These volunteers assist in designing and implementing local initiatives aimed at inspiring and accelerating the culture transformation within their teams and by involving colleagues locally, now totaling over 1,500 participants. The Group Culture and DE&I Function collaborates with them through various initiatives to support their efforts, ensuring ongoing progress and positive change within our organization.

2. **Culture learning sessions** to create strong alignment around our Values and to implement effective solutions for integrating these Values into every aspect of our professional lives. Since October 2022, we have organized over 50 workshops and training sessions across various countries and group functions, impacting more than 4,000 colleagues. In 2024, we launched our Culture Boostcamp, a training format for managers that focuses on Culture, Values, and well-being workshops. The first session was delivered in May, engaging over 50 colleagues who are now empowered to cascade this workshop further starting in 2025.

3. We organised an **Annual Culture Day and Culture Roadshows** across all entities to celebrate our culture in all regions. This year's Culture Day took place in June as a group event in Munich, which was live-streamed and viewed by 15,000 colleagues. Additionally, we hosted culture treasure hunts, which engaged over 4,500 colleagues. Our Culture Roadshow began at the end of 2022, and to date, we have visited 12 UniCredit banks, plus one virtually. Over 10,000 colleagues have participated in these events. Additionally, we hosted 15 business clients as guest speakers and welcomed 19 external experts from various fields who contributed diverse perspectives to our discussions.

4. The "**Culture Jour Fixe**" in all UniCredit branches is a regular team gathering dedicated to exchanging ideas regarding culture, both within the organization and externally. This format was introduced in 2023 and has been positively received as a group-wide initiative involving 23,000 colleagues across 3,000 branches in 13 countries. In 2025, a revised model will be implemented in the sales and central units, encompassing all divisions and organizational levels, reinforcing our commitment to fostering a dialogue around culture.

Our culture is evolving through daily interactions and by incorporating our Values into essential moments of the employee lifecycle. Our CEO's commitment and direct reports are vital to this effort. They actively participate in regular touchpoints, including the CEO's annual culture progress meeting. The Board of Directors is informed about our progress and invited to relevant events. Our culture Sponsors, Culture Champions, and Culture Network propose and implement culture transformation initiatives relevant to their local contexts.

Information on tax management

UniCredit group's approach to taxation is described in the **global policies** adopted internally and made available to employees.
Chief among them is the **UniCredit group Tax Strategy** policy, which defines the guidelines and principles of UniCredit group for the management of tax matters and associated risks (both financial and reputational), with the aim of avoiding and mitigating tax risk as much as possible, contributing to the creation of a fair competition environment.

UniCredit group is guided by the following principles in relation to the tax management of its business activities:
- foster a Culture of tax compliance and awareness of relevant tax laws and of the tax risk management throughout the Group, also including organisational units not directly working within the tax departments of the Group;
- compliance with form and substance of all relevant tax laws, regulations and practices applicable in every jurisdiction where the Group carries out its business;
- establishment of relations of mutual trust, co-operation and transparency with tax authorities in the various jurisdictions where the Group operates, including through participation in projects of co-operative compliance;
- prohibition from using aggressive tax planning and from using tax avoidance schemes grounded on the so-called Base Erosion and Profits Shifting (provided for by OECD) as well as on all regulations aimed at countering such phenomena (e.g. regulations pertaining to so-called hybrid entities or structures and, more generally, all the regulations aimed at implementing EU Directives);
- application of a tax strategy that is consistent with the general rules of the Group in its approach to risk and the Values on which it is based;
- use of professional risk management standards for all risks associated with tax and ensuring that the procedures applied each time to that end are appropriate.

Mechanisms for identifying, reporting and investigating concerns about unlawful behaviour

Another core part of our Corporate Culture is represented by the protection of whistleblowers, as highlighted in the **global policy on Whistleblowing** which promotes a corporate culture based on ethical behaviour and good corporate governance by governing reports of unacceptable conduct by employees and third parties. The policy is intended to:

- grant a corporate environment where employees and third parties feel able to report any unacceptable conduct;
- define adequate communication channels for the receipt, analysis and use of the reports.

Management of this process is designed to ensure the greatest possible protection and confidentiality of the whistleblower's identity and the accused individual and to prevent any possible retaliatory or discriminatory behavior in response to the report. Our data protection protocols ensure that information received during whistleblowing is processed lawfully, for a defined purpose, and accessed only by authorised personnel on a "need to know" basis. We ensure compliance with privacy rules both internally and externally.

UniCredit group grants the protection of the whistleblower and of the witness against any form of retaliation, including threats of retaliation and attempts of retaliation, discrimination or penalty as a result of having made the report in good faith, in line with our **global policy against harassment, sexual misconduct, bullying and retaliation.**

At the local level, UniCredit has identified Compliance as the function responsible for internal whistleblowing systems and for ensuring that the procedure is followed correctly. The procedure, which describes the management of the process and responsibilities related to the reporting of unacceptable conducts (Whistleblowing) in UniCredit S.p.A. and confirms the prohibition of retaliation, is compliant with the L.D. 24/2023 implementing the Directive (EU) 2019/1937 of the European Parliament and of the Council. The Whistleblowing procedure also enables the management and investigation of any corruption and bribery incidents detected.

UniCredit provides the following channels (some of which are available 24 hours a day) for employees and third parties to make whistleblowing reports, anonymously if desired:

- on the website, where the UniCredit SpeakUp web service allows a written report to be submitted, with the option of remaining anonymous;
- by phone - the UniCredit SpeakUp line allows a voice message report to be left, with the option of remaining anonymous;
- by email to the company whistleblowing email address;
- by letter to the dedicated postal address;
- by physical meeting.

The Group provides all employees with mandatory, up-to-date training on whistleblowing, outlining the relevant procedures to follow and potential consequences. It is committed to promoting the regular global communication, implementation and enforcement of this rule across the Group worldwide, including third parties.

Information about internal channels, process description and external channels provided by the National Competent Authority is available for third parties on the Group's institutional website and on the UniCredit commercial website as well as employees in the section dedicated to whistleblowing on the Group's intranet.

An annual report on whistleblowing process has been submitted to the Board of Directors of each legal entity of the Group.

Training on business conduct

Training and education are key elements in strengthening business conduct awareness and preventing possible events of corruption or bribery.
The Compliance function, in collaboration with People & Culture, is responsible for developing training on non-compliance risks. A target approach is applied to training courses (including mandatory ones) which are available through a common Group platform, to all employees at Group level.
Training courses are assigned to the Group employees in accordance with their role and responsibilities (including new entries) and are planned to be finalised within a set period of time (usually 60 days from the start date).
Each course is periodically updated according with new/updated regulatory requirements, internal rules as well as business needs.
In 2024, 6 Compliance mandatory trainings have been developed to reinforce Business Conduct capability, of which 5 addressed to all Group employees (Unfair Commercial Practices, Whistleblowing, Anti-Corruption, Financial Sanction classroom and online) and 1 addressed to UniCredit S.p.A.' employees (Organization and Management of Model 231/01). In addition, a training on "Confidential Information" was rolled out in 2024 for a selected population in the Parent Company perimeter.

Sustainability statements

Corruption and bribery: functions most at risk

UniCredit group has defined the areas that are most at risk of corruption/bribery as defined in the internal regulation as follows:
- dealing with public officials;
- gifts and business hospitality;
- engagement of third parties and donations/sponsorships/memberships;
- HR activities;
- merger and acquisitions activities.

G1-2 - Management of relationships with suppliers

Policy to prevent late payments, specifically to SMEs

The global policy Expenditure Regulation has the purpose to define principles and minimum requirements necessary to manage expenditures and investments, from invoice to pay, covering the risk of execution, delivery and process management of the expenditure process.
The Budget Owner, or a delegate of the Budget Owner, must get all the information necessary to verify the compliance of the invoice in relation to the goods delivered and/or the service provided.
The Budget Owner, or a delegate thereof, gives the approval to the registration of the invoice; then approves the bank transfer.
It should be noted that the standard terms establish that payments are made within 60 days from the date in which the invoice is issued (in Italy; reference is made to standard "G1-6 Payment Practices" for standard terms in the other countries in which the Group operates), unless otherwise provided in the contract. Current Group policies do not foresee a differentiated treatment on the basis of the legal status or size of the supplier.

Approach in regard to relationships with suppliers, taking account risks related to supply chain and impacts on sustainability matters

Suppliers are required to respect national and international laws and comply with the standards of the International Labour Organization and the group's Environmental Policy. Suppliers must meet certain minimum sustainability requirements and are selected in compliance with the standards of various conventions of the International Labour Organization relating to fundamental human rights including child labour, freedom of association, working conditions, health and safety.
Suppliers must also comply with the standards of our Environmental Policy. On the supplier level, the criteria are integrated into an overall supplier evaluation process.
In addition, our Group aims to increase awareness among suppliers/service providers of social, environmental and labour law issues.

Social and environmental criteria taken into account for selection of supply-side contractual partners

In UniCredit, 100% of centrally selected new suppliers are screened using socio-environmental criteria.
UniCredit has in place a supplier qualification process that aims to screen suppliers based on compliance, sustainability, and economic-financial aspects. The qualification is delivered for centralised purchases related to "in scope" categories (those managed centrally by Procurement) and amounts of over €10,000. Suppliers who successfully complete the qualification process are enrolled in the Suppliers Group Register and can be used in the purchasing processes.
In the framework of the screening, suppliers are requested to:
- Confirm that they meet the applicable legislation and comply in all their locations with the standards of the International Labor Organization.
- Confirm that the management of the company is not prosecuted for alleged corruption or Tax fraud crimes.
- Declare that they are not involved in any legal procedures for violation of environmental or labor laws.
- Commit to respecting the ten fundamental principles of the United Nations Global Compact.
- Confirm that they have an Environmental Policy which is coherent with the fundamental principles of the Environmental Policy of UniCredit group or they are in any case committed to respecting.

G1-3 - Prevention and detection of corruption and bribery

UniCredit adopts a zero-tolerance policy towards acts of corruption. The Bank's approach to fighting corruption is set out in the dedicated Group Compliance Policy, published on the UniCredit group website, and associated Group Operational Rule. The Group policy and Group operational rule are reviewed periodically.
Whenever local rules in a country of operation are stricter than those in the group policy, stricter local rules apply.
Each company is responsible for developing and implementing an effective local anti-corruption programme.

Moreover, Italian Group legal entities have also implemented the Organisational and Management Model according to Italian Legislative Decree 231/01 (Administrative liability of Legal entities, companies and associations). This model foresees specific Protocols, among other things, to address bribery and corruption issues.

Sustainability statements

The anti-bribery and anti-corruption programme include the following measures to prevent, identify, report, address and investigate concerns of possible cases of corruption and/or bribery:
- The implementation of detailed internal regulations regarding the risk areas dealing with public officials, gifts and business hospitality, engagement of third parties, donations/sponsorships/memberships, HR practices and M&A activities.
- Regarding gifts and business hospitality, among other things, implementing a tool in which gifts and business hospitality above defined thresholds have to be documented and approved by at least the line manager so that these benefits are double-checked.
- Regarding the engagement of third parties and the provisions of donations/sponsorships/membership fees, implementation of a tool that supports due diligence of third parties and beneficiaries of donations/sponsorships/memberships. This tool allowed us to create an anti-corruption register of external suppliers used by the Group and automate due diligence to combat corruption within the decentralised process.
- Independent second-level controls are carried out by a dedicated compliance function.
- On a regular basis the results of compliance risk assessments and of internal audit reviews on anti-bribery and corruption areas are reported to the internal controls committees.
- Mandatory (web-based) training.
- The appointment of a Group Anti-Corruption Officer and the set-up of a team that, among other things, provides advice regarding anti-corruption matters, implements policies, reviews individual cases and (depending on the scope and size of the case) is involved in investigations regarding possible cases of corruption. The team is part of the independent compliance department so that possible cases are investigated and evaluated promptly, objectively and independently of the chain of management involved in the matters.
- Regular reporting within the annual compliance report to the Board of Directors, and (if necessary) ad hoc reports to the top management.
- Potential acts of corruption can also be reported in accordance with the global policy on Whistleblowing.

UniCredit group publishes its anti-bribery and anti-corruption regulations via its internal regulation platform. An excerpt of the UniCredit global policy on anti-bribery and anti-corruption (ABC) is published on UniCredit's official website portal with the main guidelines.

The basis is web training that covers the ABC risk areas and must be conducted by all employees. In addition, UniCredit S.p.A. offers classroom workshops on selected topics, holds dedicated information sessions for selected units and/or directly contacts centrally concerned employees to provide more detailed information. 100% of functions-at-risk are covered by training programmes.

All new supervisory and executive board members and new members of the top management receive an inductions training which covers also ABC.

Metrics and targets

The UniCredit group has zero tolerance for acts of corruption and prohibits them in any form, whether direct or indirect. No specific targets are defined.
The Internal Control System guarantees monitoring the effectiveness of the policies and actions related to ABC matters.

G1-4 - Confirmed incidents of corruption or bribery

No incidents relating to acts of corruption or bribery within the Group, including incidents involving actors in its value chain where the Group or its employees were directly involved, were reported during 2024. Consequently, no fines for violation of anti-corruption and anti-bribery laws have been accounted for.

G1-6 - Payment practices

In the absence of specific guidelines on invoices categories to be considered, given the fact that the requirement explicitly refers to suppliers, the Group has decided to take into consideration only invoices registered in line items Other administrative expenses and Other operating expenses. It should be noted that, for some entities of the Group for which it was not possible to analyze 100% of the invoices due to considerable effort in retrieving the requested data (absence of local automatized IT infrastructures), a sampling approach was pursued. In particular, a statistical model has been used, which allowed the selection of a representative sample of the population with a confidence level conventionally set at 90%.

UniCredit group mostly pays invoices in line with the standard payment terms of the different countries in which it operates (30 days for Germany, Austria, Bosnia & Herzegovina, Czech Republic, Croatia, Hungary and Romania, 60 days for Italy, Bulgaria, Serbia and Slovenia), with an average of 19 days.
The most relevant category is ICT services, which encompasses approximately 60% of UniCredit group annual administrative expenses relevant for the analysis, followed by marketing, consulting and logistic services expenses, which contribute to approximately 22% of the analyzed administrative expenses.
The remaining 18% of the categories of the analyzed administrative expenses (including capitalised expenses), together with line item Other Operating Expenses, individually are not relevant.
It should be noted that at the date of the present document, there are no relevant pending legal proceedings associated with late payments.

Other information

Report on corporate governance and ownership structure

Within the meaning of Art.123-bis par.3 of the Legislative Decree 58 dated 24 February 1998, the "Report on corporate governance and ownership structure" is available in the "Governance" section of the UniCredit website (https://www.unicreditgroup.eu).
An explanatory chapter on the corporate governance structure is likewise included in this document ("Corporate Governance").

Report on remuneration

Pursuant to Art.123-ter of the Legislative Decree dated 24 February 1998, 58 and of Art.84-quater, of the Consob Issuers' Regulations, the "Group Remuneration Policy and Report" is available on UniCredit's website (https://www.unicreditgroup.eu).

Research and development projects

Research activities during 2024 were mainly focused on quantum, deep learning and cryptography. In detail:
- 6 Papers published or accepted or submitted for publications;
- ongoing research topics: Interpretability, Quantum, Fairness and Deep Learning;
- within Rome Technopole, UniCredit successfully coordinated 6 universities and several public and private companies in activities and developments related to human centric artificial intelligence throughout 2024. The initiative will continue to advance its mission into 2025;
- as part of this effort, UniCredit launched an initiative called the Artificial Intelligence & Analytics HUB.

Group activities development operations and other corporate transactions

Transactions and initiatives involving shareholdings

Acquisition of Alpha Bank Romania

In November 2024, UniCredit finalised the acquisition of a 90.1% stake in Alpha Bank Romania S.A. for a consideration equal to (i) 9.9% of the share capital of UniCredit Bank S.A. (UniCredit Romania) and (ii) approximately €254 million.
The transaction is part of the strategic partnership between UniCredit and Alpha Services and Holdings, announced on 23 October 2023.

Investment in Commerzbank

As of 31 December 2024, UniCredit has a stake of around 28% in the share capital of Commerzbank AG, of which 9.5% through an equity direct stake and around 18.5% through derivative instruments.
UniCredit has submitted regulatory filings for acquiring a stake in Commerzbank in excess of 10% and up to 29.9%, as communicated in September 2024.
The majority of UniCredit's economic exposure has been hedged to provide it with full flexibility and optionality to either retain its shareholding, sell its participation with a floored downside, or increase the stake further.

Investment in Vodeno and Aion Bank

On 24 July 2024, UniCredit announced that it entered into a binding agreement for the acquisition of the entire share capital of Vodeno Sp. z o.o. ("Vodeno") and Aion Bank SA/NV ("Aion Bank").
Aion Bank and Vodeno combine an innovative, scalable, and flexible cloud-based platform with banking services based on Aion's ECB licence to enable fully end-to-end Banking-as-a-Service (BaaS) for both financial and non-financial companies across Europe. The companies are able to embed financial solutions, including accounts, deposits, lending and payment propositions, directly into the customer journeys of retailers, e-Commerce marketplaces, fintechs, financial technology providers and banks.
The Vodeno Cloud Platform is a state-of-the-art, cloud-native core banking system built with smart contracts technology and API-based, integrated with the processes and procedures of a fully-fledged bank. The transaction represents one of the first moves by a bank to acquire full ownership of a new technology without any dependencies from third party core banking providers.
The combined purchase price for the 100% acquisition of the two companies is around €370 million (subject to customary price adjustments). The closing of the transaction is expected to occur in the first quarter 2025, subject to regulatory approvals.

Voluntary public exchange offer launched by UniCredit S.p.A. for all of the shares of Banco BPM S.p.A.

On 25 November 2024 UniCredit announced the decision to launch a voluntary public exchange offer in respect of all the ordinary shares of Banco BPM S.p.A. ("Banco BPM"), in a notice issued pursuant to Article 102 of the Legislative Decree 58, dated 24 February 1998, and Article 37 of CONSOB Regulation no.11971 of 14 May 1999 (the "Notice").
The offer remains subject to the receipt of the relevant regulatory authorisations and to the conditions set out in the Notice, including, among others, the approval of the proposal for the delegation concerning the share capital increase reserved to the offer by the shareholders of UniCredit at the relevant shareholders' meeting and of the offer document by Consob upon completion of the relevant review period.

Other information

The exchange ratio has been set at 0.175 newly issued shares of UniCredit for each existing share of Banco BPM, subject to adjustment in case prior to the settlement of the offer UniCredit and/or Banco BPM pay(s) a dividend to its/their shareholders, or otherwise the coupon relating to dividends declared but not yet paid by UniCredit and/or Banco BPM is detached from the relevant shares and/or Banco BPM approves or gives effect to any transaction on its share capital.

The offer concerns 1,515,182,126 Banco BPM’s Shares and its execution is expected to be completed by June 2025. Following the completion of the offer, UniCredit envisages to proceed with the activities aimed at the potential delisting of Banco BPM, also depending on the result of the offer and, subject to the prior approval by the competent internal bodies and the necessary authorizations from the competent authorities, with the commencement of the activities aimed at merging Banco BPM into the same UniCredit, even without the delisting of Banco BPM.

In the event of a positive outcome of the Offer, UniCredit will strengthen its franchise by adding a highly qualified and complementary network with strong roots in the reference territories such as that of Banco BPM. In addition, UniCredit will provide Banco BPM’s customers with direct access to an international franchise and a wide range of products and services dedicated to individuals, corporates and SMEs, offering the expertise of a strong pan-European commercial bank, with a fully integrated corporate and investment banking business and a unique network in Western and Central-Eastern Europe.

The Transaction would also envisage the achievement of efficiencies arising from economies of scale and improved operating efficiency, leveraging on the UniCredit group’s proven ability to both operate efficiently on a pan-European scale and invest in innovation and technology.

The Transaction will allow to deliver the full potential of the Banco BPM Group and of the UniCredit group in Italy and in the EU and will thus ensure the strengthening of a solid pan-European entity with the size and resources necessary to support the economy in an even more effective way and to create sustainable value for the benefit of all the stakeholders involved.

Exercise of the rights to acquire full control of CNP UniCredit Vita S.p.A. and UniCredit Allianz Vita S.p.A.

In the second half of 2024 UniCredit exercised: (i) the termination of the shareholders' agreement with CNP Assurances S.A. and the simultaneous exercise of the call option on the entire stake (51%) held by CNP Assurances S.A. in CNP UniCredit Vita S.p.A. and (ii) the termination of the shareholders' agreement with Allianz S.p.A. and the related acquisition of the entire stake (50%) held by Allianz S.p.A. in UniCredit Allianz Vita S.p.A.

The exercise of the call option on CNP UniCredit Vita S.p.A. is based on the terms of the shareholders' agreement entered in 2017, as amended from time to time. Under this agreement, the purchase price will be determined through a specific procedure based on agreed methodologies.

The exercise of the termination right from the agreement with Allianz S.p.A. and related acquisition of the Allianz S.p.A. stake in UniCredit Allianz Vita S.p.A. is based on the terms of the shareholders' agreement originally entered in 1996, last renewed in 2022. Also under this agreement, the purchase price will be determined through a specific procedure based on agreed methodologies. The process, among other, foresees the engagement of an independent expert to certify the purchase price.

Closing of each of the transactions is subject to the standard authorizations by the competent authorities and is expected in 2025.

Other information

Other information on Group activities

FINO project
In relation to the FINO Project (started in 2016 and completed in 2018), as at 31 December 2024, following the redemptions made, the Notes (Asset Backed Securities) owned by UniCredit S.p.A. amount to €44 million (€32 million recorded under item "30. Financial assets at fair value through other comprehensive income" pertaining to the Senior securities and in part to the Mezzanine securities, and €12 million recorded under item "20. Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value" in connection with the remaining Mezzanine securities and all the Junior Notes).
During the year 2024, the evaluation of the notes classified among other assets mandatorily at fair value led to a negative impact of €6 million while, for the Notes classified among financial assets at fair value through other comprehensive income, an impairment has been recognised for €14 million, both due to the change in estimation of expected cash flows of the underlying securitised loans.
The receivables related to the Deferred Subscription Price (DSP/Deferred Purchase Price-DPP), owed to UniCredit S.p.A. by third-party entities belonging to the relevant third-party investor's groups, and deriving from the securitisation transactions completed during 2017, have been fully reimbursed in 2020, according to the contractual provisions.

Prisma transaction
In relation to Prisma transaction, finalised in the fourth quarter 2019 and referring to the securitisation of a non-performing loan Residential Mortgage Portfolio of €4.1 billion gross book value originated by UniCredit S.p.A. and transferred to the securitisation vehicle Prisma SPV S.r.l., issuer of the Asset Backed Securities (named also ABS or Notes), it should be noted that as at 31 December 2024, following the redemptions made, the total amount of the Notes owned by UniCredit S.p.A. amount to €430 million (of which €430 million recorded under item "30. Financial assets at fair value through other comprehensive income" pertaining to the Senior securities and €0.1 million recorded under item "20. Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value" in connection with the Mezzanine and Junior Notes).
During the year 2024, with reference to the notes recorded among the other financial assets mandatorily at fair value, a negative impact for €1,4 million was recognised in the Income statement while, for the Notes classified among financial assets at fair value through other comprehensive income, no impairment has been recognised in the Income statement.

Relais transaction
In relation to Relais transaction, realised in the fourth quarter 2020, and referring to the securitisation of a non-performing real estate lease portfolio of €1.6 billion claim originated by UniCredit Leasing S.p.A. (UCL) and transferred to the securitisation vehicle Relais SPV S.r.l., issuer of the Asset Backed Secured Notes (Senior, Mezzanine e Junior), it should be noted that, as at 31 December 2024, following the redemptions made, the notes amount to €223 million (Senior note for €211 million held by UniCredit S.p.A. and for €11 million held by UCL recognised in item "30. Financial asset at fair value through other comprehensive income", Mezzanine and Junior notes for €1 million held by UCL and recognised under item "20. Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value").
During the year 2024, with reference to both the notes recorded among the Other financial assets mandatorily at fair value and the notes classified among Financial assets at fair value through other comprehensive income, no significant amount was recognised in the Income statement.

Olympia transaction
In relation to Olympia transaction, finalised in the fourth quarter 2021, and referring to the securitisation of a non-performing secured and unsecured loans, of €1.6 billion in terms of gross book value originated by UniCredit S.p.A. and transferred to the securitisation vehicle Olympia SPV S.r.l., issuer of the Asset Backed Securities (named also ABS or Notes), it should be noted that, as at 31 December 2024, following the redemptions made, the total amount of the Notes owned by UniCredit S.p.A. amount to €112 million (of which €111 million recorded under item "30. Financial assets at fair value through other comprehensive income" pertaining to the Senior securities and €1 million recorded under item "20. Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value" in connection with the Mezzanine and Junior Notes).
During the year 2024, with reference both to the notes recorded among the Other financial assets mandatorily at fair value and the notes classified among Financial assets at fair value through other comprehensive, no material impacts have been recognised in the Income statement.

Other information

Itaca transaction

In relation to Itaca transaction finalised in the second quarter 2022, and referring to the securitisation of a non-performing secured and unsecured loans of €0.9 billion in terms of gross book value originated by UniCredit S.p.A. and transferred to the securitisation vehicle Itaca SPV S.r.l., issuer of the Asset Backed Securities (named also ABS or Notes), it should be noted that, as at 31 December 2024, following the redemptions made, the total amount of the Notes owned by UniCredit S.p.A. amount to €31 million (of which €30 million recorded under item "30. Financial assets at fair value through other comprehensive income" pertaining to the Senior securities, and €1 million recorded under item "20. Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value" in connection with the Mezzanine and Junior Notes).
During the year 2024, with reference to both the notes recorded among the Other financial assets mandatorily at fair value and the notes classified among Financial assets at fair value through other comprehensive, no material impacts have been recognised in the Income statement.
With reference to the regulatory treatment applied, following the notification to the European Central Bank, starting from 30 June 2022, UniCredit represents the related significant risk transfer when reporting the transaction above outlined.
On 10 June 2022, the Ministry of Economy and Finance granted the GACS guarantee on the Senior notes.

Altea transaction (Panthers Project)

In relation to Altea transaction, finalised in the second quarter 2022 and referring to the securitisation of Unlikely to Pay secured and unsecured loan Portfolio of €2 billion gross book value originated by UniCredit S.p.A. and transferred to the securitisation vehicle Altea SPV S.r.l., issuer of the Asset Backed Securities (named also ABS or Note), it should be noted that, as at 31 December 2024, following the redemptions made, the total amount of the Notes owned by UniCredit S.p.A. amount to €255 million (of which Senior notes for €249 million recorded under item "40. Financial assets at amortised cost", Mezzanine and Junior notes for €6 million recorded under item "20. Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value").
During the year 2024, with reference to both the notes recorded among the Financial assets at amortised cost and to the notes recorded in Other financial assets mandatorily at fair value, no material impacts was recognised in the Income statement.
With reference to the regulatory treatment applied, following the notification to the European Central Bank, starting from 30 June 2022, UniCredit represents the related significant risk transfer when reporting the transaction above outlined.

Purchase of Aurora fund

On 2 January 2024, UniCredit S.p.A. perfected the purchase of the 100% of the quota of Fondo Aurora, a real estate fund, from Fondo Pensione UniCredit.

Placement of a Tier 2 bond

On 9 January 2024 UniCredit S.p.A. placed a €1.0 billion Tier 2 benchmark, targeted to institutional investors.
The bond, with 10.25 years maturity callable after 5.25 years, pays a fixed coupon of 5.375% until April 2029 and has an issue price of 99.847%, equivalent to a spread of 280 bps over the reference mid swap rate. If not redeemed by the issuer, the coupon will be reset based on the then applicable 5-year swap rate, increased by the initial spread.

Placement of €1 billion Senior Non-Preferred bond

On 16 January UniCredit S.p.A. issued a fix-to-floater Senior Non-Preferred Bond for €1 billion with 7 years maturity and a call after year 6, targeted to institutional investors. A fixed coupon of 4.30% is paid with an issue/re-offer price of 99.751%.
The bond will have a one-time issuer call at year 6, as to maximise regulatory efficiency. Should the issuer not call the bond after 6 years, the coupons for the subsequent periods until maturity will reset to a floating rate equal to 3-months Euribor plus the initial spread of 180 bps, paid quarterly.

Early redemption of notes for €1 billion

On 23 January 2023 UniCredit S.p.A. announced that, with reference to the notes Fixed Rate Resettable Tier 2 Subordinated Callable, ISIN XS1953271225 dated 18 February 2019 for €1 billion, in accordance with the terms and conditions for the notes, it received the European Central Bank authorisation; the option to early redeem in whole the notes was exercised on 20 February 2024.

Issue of Senior Preferred Notes for €1.25 billion

On 27 February 2024 UniCredit S.p.A. issued a fixed rate Senior Preferred Bond for €1.25 billion with 10 years maturity, targeted to institutional investors.
The initial guidance of 170 bps over the 10-year mid swap rate has been revised downwards and set at 125 bps, resulting in a fixed coupon of 4.00% paid annually, with an issue/re-offer price of 99.935%.

Share Buy-Back Programmes

On 16 January UniCredit S.p.A. cancellation of No.72,239,501 treasury shares was ordered, without reduction of the share capital, pursuant to the resolutions passed by the Shareholders' Meeting on 31 March and 27 October 2023.
The number of shares cancelled is equal to the sum of the remaining shares purchased in execution of the "2022 Buy-Back Program" and not previously cancelled and the shares purchased in execution of the "First Tranche of the 2023 Buy-Back Program" up to the date of 29 December 2023.

Other information

Last March 2024 UniCredit S.p.A. announced the completion of the "First Tranche of the Buy-Back Programme 2023", communicated to the market on 30 October 2023 and initiated on the same date, purchasing No.95,995,258 shares for a total consideration of €2,500 million.
In the same month, UniCredit ordered the cancellation of No.37,815,422 treasury shares, without reduction of the share capital.
The number of shares cancelled is equal to the remaining shares purchased in execution of the "First Tranche of the 2023 Buy-Back Program" and not previously cancelled.

Following the ECB authorisation for the execution of the remainder of the 2023 share buy-back programme, on 12 April 2024 the Shareholders' Meeting approved the share buy-back programme as part of the overall remuneration to shareholders: a first distribution, for a maximum disbursement of €3,085 million to be carried out also in several tranches during the 2024 relating to the residual part of the overall payout for the 2023 financial year (the "2023 SBB Residual") and a second distribution as an anticipation of the expected distributions for the 2024 financial year (the "2024 SBB Anticipation") defined on the base the Company's results for the half 2024. The new remuneration policy, defined by the UniCredit Board of Directors also envisages the distribution of an interim cash dividend.

On 9 May 2024 the "Second Tranche of the Buy-Back Programme 2023 was launched for a maximum amount of €1,585 million as part of the residual amount of the overall payout for the 2023 financial year equal to €3,085 million ("2023 SBB Residual") and completed on 20 June 2024 with the purchase of No.44,859,171 treasury shares for a total consideration equal to the maximum expenditure authorised. On 26 June 2024 the shares purchased were canceled without reduction of the share capital.

At the end of June 2024, the third and final tranche of the 2023 share buy-back programme for a maximum amount of €1,500 million (the "Third Tranche of the Buy-Back Programme 2023"); this is the last part of the residual amount of the overall payout for the 2023 financial year equal to €3,085 million ("2023 SBB Residual").
On 20 August 2024 UniCredit S.p.A. announced the completion, on 19 August 2024, of the share buy-back programme (the Third Tranche of the Buy-Back Programme 2023).

On 13 September 2024 UniCredit S.p.A informed having received the ECB authorization for the execution of the first tranche of the 2024 share buy-back programme for a maximum of €1.7 billion.

On 16 September it also announced the measures for the execution of the share buy-back programme related to the anticipation of the expected distributions for the 2024 financial year (the 2024 SBB Anticipation) for an amount equal to the maximum granted.
On 15 November 2024 UniCredit S.p.A. announced the completion, on 14 November 2024, of the 2024 SBB Anticipation.

For further information refer to paragraph "Group and UniCredit share historical data series" of this Consolidated report on operations.

Appointment of Chair and Chief Executive Officer of UniCredit S.p.A.

On 12 April 2024 UniCredit informed that the Board of Directors of UniCredit S.p.A. appointed Director Pietro Carlo Padoan as Chair of the Board of Directors and Director Andrea Orcel as Chief Executive Officer (CEO) with all the powers and authorisations necessary for this purpose.
It also appointed Director Elena Carletti as Deputy Vice Chair.
Moreover, the Board of Directors appointed the members of the Board Committees.

Early redemption of notes for USD 1,250 million

On 19 April 2024 UniCredit informed that, with reference to the notes Non Cumulative Temporary Write-Down deeply Subordinated Fixed Rate Resettable, ISIN XS1046224884 issued on 3 April 2014 for USD 1,250 million, in accordance with the terms and conditions of the notes, it received the European Central Bank authorisation; the option to early redeem in whole the notes was exercised on 3 June 2024.

Early redemption of notes for €1,250 million

On 3 June 2024 UniCredit announced that, with reference to Fixed to Fixed to Floating Rate Callable Senior Notes, ISIN XS2017471553 issued on 25 June 2019 for €1,250 million, in accordance with the terms and conditions for the notes, it received the Single Resolution Board authorisation; the option to early redeem in whole the notes was exercised on 25 June 2024.

Early redemption of notes for €750 million

On 3 June 2024 UniCredit announced that, with reference to Fixed to Floating Rate Callable Non-Preferred Senior Notes ISIN XS2021993212 issued on 3 July 2019 for €750 million, in accordance with the terms and conditions for the notes, it received the Single Resolution Board early redemption authorisation.
On 3 July 2024 UniCredit S.p.A. exercised the option to early redeem.

Other information

Issues of Senior Non-Preferred bonds for an amount of €2 billion

On 4 June 2024, UniCredit successfully issued dual tranche Senior Non-Preferred bonds: €1 billion with 4 years maturity, callable after 3 years, and €1 billion with 10 years maturity, targeted to institutional investors.
For the 4 years bond, the initial guidance of 120 bps over the 3-year mid swap rate has been revised downwards and set at 85 bps, resulting in a fixed coupon of 3.875% paid annually, with an issue/re-offer price of 99.822%.
For the 10 years bond, the initial guidance of 180 bps over the 10-year mid swap rate has been revised downwards and set at 145 bps, resulting in a fixed coupon of 4.20% paid annually, with an issue/re-offer price of 99.904%.

MREL requirements set by Resolution Authorities

On 17 June 2024 it has been announced that, following the communication received by the Single Resolution Board (SRB) and Banca d'Italia, the Minimum Requirements for Own Funds and Eligible Liabilities (MREL) to be applied to UniCredit S.p.A. on a consolidated basis.

Early redemption of notes for €1,250 million

On 30 August 2024 UniCredit S.p.A. announced that, with reference to the notes €1,250,000,000 Fixed Rate Resettable Tier 2 Subordinated Callable Notes ISIN XS2055089457 (the Notes), in accordance with the applicable terms and conditions, having received the European Central Bank authorisation, it would have exercised the option to early redeem in whole the Notes on 23 September 2024 (the Optional Redemption Date").

Issue of €1 billion Additional Tier 1 notes

On 9 September 2024 UniCredit S.p.A. issued Additional Tier 1 Non-Cumulative Temporary Write-Down Deeply Subordinated Fixed Rate Resettable Notes targeted to institutional investors, for a total amount of €1 billion.

Moody's upgrade of Senior Preferred outlook and affirming of the rating

On 1 August 2024 UniCredit announced that the rating agency Moody's has improved the outlook of UniCredit S.p.A.'s Senior Preferred (unsecured) debt rating from negative to stable.
At the same time, UniCredit S.p.A.'s Senior Preferred debt and long-term deposit ratings have been affirmed at Baa1.

On 2 October 2024 UniCredit S.p.A. communicated that Moody's has affirmed the Senior Preferred (unsecured) debt and long-term deposit ratings with a stable outlook.
At the same time, the rating agency stated that, in the event of UniCredit acquiring Commerzbank, it will consider the potential for UniCredit's stand-alone rating (Baseline Credit Assessment) currently at Baa3 to be upgraded to Baa2, one notch above Italy's sovereign rating. This would lead to higher ratings on senior non-preferred and junior debt as well.

On 27 November 2024 UniCredit S.p.A. also announced that the rating agency Moody's, reaffirming Senior Preferred (unsecured) debt and long-term deposit ratings with a stable outlook, specified that, should the acquisition of Banco BPM be finalized, the creditworthiness of UniCredit would remain broadly stable.
The affirmation also reflects the rating agency's assessment that the acquisition of Banco BPM would not prevent UniCredit's potential acquisition of Commerzbank AG with a possible rating improvement as illustrated above.

Early redemption of notes for €100 million

On 25 October 2024 UniCredit S.p.A. announced that, with reference to €100,000,000 6.30 per cent Fixed Rate Senior Notes due 14 November 2036 ISIN IT0005571051 (the Notes), pursuant to the Condition 19 (Issuer Call) of the relevant Final Terms and to Condition 10.5 and 15 the Terms and Conditions for the Dematerialised Notes included in the Base Prospectus dated 10 May 2023 as supplemented from time to time, it exercised the option to early redeem in whole the Notes on 14 November 2024 (the Optional Redemption Date).
The early redemption of the Notes was at par, together with accrued and unpaid interest as per Condition 13(b) (Interest Payment Date(s)) of the relevant Final Terms. Interest shall cease to accrue on the Optional Redemption Date.

Early closure of the offer period relating to €77 million of notes

On 31 October 2024 UniCredit S.p.A. announced the early closure of the offer period relating to €77,000,000 Fixed to Floating Rate Senior Notes due 14 October 2037 (ISIN IT0005617375) issued by UniCredit S.p.A.

Other information

Fitch: upgrade issuer rating to one notch above the Italian sovereign and improvement of the outlook

On 31 October 2024 UniCredit S.p.A. communicated that the rating agency Fitch Ratings has upgraded UniCredit S.p.A.'s Long-Term Issuer Default Rating (IDR) and Senior Preferred rating by one notch to 'BBB+' and improved the outlook from stable to positive. The rating is now one notch above the Italian sovereign.
The Viability Rating (i.e. standalone rating) has been upgraded to 'bbb+', while the corresponding long-term deposit, Senior Non-Preferred, Tier 2, and Additional Tier 1 ratings have each been upgraded by one notch.
The Short-Term Issuer Default Rating has been affirmed at 'F2'.

On 2 December 2024 UniCredit S.p.A. announced that the rating agency affirmed the Long-Term Issuer Default Rating (IDR) and Senior Preferred rating at 'BBB+' with a positive outlook. The rating therefore remains one notch above the Italian sovereign.
The rating action follows UniCredit's exchange offer on Banco BPM according to which Fitch Ratings expects that a potential transaction with Banco BPM would not alter the Group's credit profile to an extent that would affect its ratings.

2024 interim dividend approval

On 5 November 2024 the Board of Directors of UniCredit S.p.A. approved a resolution to distribute an interim dividend to shareholders on the 2024 results, for a total amount of 1,440,000,000 euro, equal to a "per share" amount for each of No.1,554,803,184 outstanding and having the right shares at 4 November 2024 and, therefore, also deducting the No.72,497,676 of the treasury shares in portfolio at the same date, of 92.61 euro/cent (DPS), before tax.

Issues of €1 billion Senior Preferred Bond

On 13 November 2024 UniCredit S.p.A. issued a €1 billion floating rate Senior Preferred Bond with 4 years maturity, callable after 3 years, targeted to institutional investors.

2024 EU-wide Transparency Exercise

On 2 December 2024 UniCredit has noted the announcements made by the European Banking Authority (EBA) and the European Central Bank (ECB) regarding the information of the 2024 EU-wide Transparency Exercise and fulfilment of the EBA Board of Supervisors' decision.
The EBA Board of Supervisors approved the package for the 2024 EU-wide Transparency Exercise, which since 2016 is performed on an annual basis and published along with the Risk Assessment Report (RAR).

Capital requirements set by ECB

On 11 December 2024 Following the communication received from the ECB in relation to the 2024 Supervisory Review and Evaluation Process (SREP), UniCredit' announced that its Pillar 2 Capital Requirement (P2R) remains at 200 basis points.
From 1 January 2025 UniCredit will respect the following capital requirements on a consolidated basis:
- 10.27 per cent CET1 ratio;
- 12.14 per cent Tier 1 ratio;
- 14.64 per cent Total Capital ratio.

The above capital ratios include the Combined Buffer Requirement to be met with CET1 instruments, composed by 2.50 per cent Capital Conservation Buffer (CCB), 1.50 per cent O-SII buffer, 0.44 per cent Countercyclical Capital Buffer (CCyB) and 0.20 per cent Systemic Risk Capital buffer (SyRB).

Other information

Organisational model

Significant organisational changes

During 2024, the organizational set up was reviewed in line with the simplification and strengthening of the Group's business and operating model, as follows:

- within the Italy division, through the "buddy Revolution" project: the new buddy service model strengthens the Bank' commercial offer ("on demand" Bank), widening the range of products and services offered to customers, via an off-site offering model for on-demand services through consultants and authorized agents;
- within the Central Europe & Eastern Europe division, by streamlining the set-up leveraging more on the support of central governance functions and the Group Client Solutions product lines;
- within Group Client Solutions, by reorganizing "Payments Solutions" activities (Acquiring, Issuing and payment Cards services) and centralizing from UC Bank Gmbh to UniCredit S.p.A. product development activities in the payments, trade finance and working Capital products, as well as most Client Risk Management trading activities and related operations ones, fostering a simplification of current trading framework. Moreover, the process of clients' investment strategies definition has been strengthened through the set-up of a dedicated hub responsible at Group level for market research and investment strategy definition (also integrating macroeconomic and strategic research activities) for all the customers segments. Furthermore, investment and protection products across all Countries/customer segments have bene rationalized and strengthened through: Group Insurance responsible for steering the insurance products and related offer, and Group Investment Product Solutions, focused on the steering of investment products and services development and offering, strengthening the coordination of internal Asset Management factories and partnerships. Finally, the International Network' simplification / rationalization has been carried forward;
- within the Group Digital & Information division, by reviewing the first reporting line to ensure the alignment of the organizational set-up with the new operating model, further progressing in the related simplification;
- within Group Chief Operating Office (Group COO), by creating a new Service Line - Group Products COO - to steer a robust "End to End" Product Processes governance and operating model, furthering higher harmonization and simplification. A dedicated structure within Italy division (Italy-Products COO) represents the local Products COO function with the aim to coherently design and improve processes with reference to local value chains;
- within all the governance functions of the Bank (including Group Risk Management, Group Compliance, Group Legal, Group Finance, Group People & Culture, Group Stakeholder Engagement, Group Strategy & ESG, Internal Audit) a further simplified organizational setup has been implemented.

Organisational structure

UniCredit adopts an organizational and business model which guarantees, on the one hand, the autonomy of countries/local banks on specific activities – to ensure greater proximity to customers and efficient decision-making processes – and maintains, on the other hand, a divisional structure for business/products governance, as well as global control over Digital and Operation functions.
More specifically, the current organizational structure of the Holding company can be broken down into:

- Group Finance, Group Risk Management, Group Legal, Group Compliance, Group People and Culture, the functions identified, together with Internal Audit, as Competence Lines (CL): aim at steering, coordinating and controlling, for their area of competence, the management of activities and related risks both at Group and single Legal Entities level;
- Italy, Germany, Central & Eastern Europe: business functions responsible for proposing and implementing the business strategies to maximize the risk adjusted value creation for the relevant perimeter. With reference to related customer segments/geographies, these functions are responsible for the service model definition as well as business product development in alignment with Group Client Solutions. Germany represents the synthesis point of the Group's business in the reference Country, maintaining an executive role at local level;
- Group Client Solutions: develops best-in-class products for different types of customers, serving business across countries;
- Group Digital & Information division: defines and executes "Group Technology, Digital and Data" management and transformation, driving value creation through technological and data management skills, embedded into digital solutions that optimize execution and improve customer experience;
- Group Chief Operating Office (Group COO): responsible for supporting the sustainable growth of Group business and generating value added for Countries/Group Legal Entities through the oversight of the operating machine, in line with Group strategies, by ensuring synergies, costs savings and operational excellence;
- Group Stakeholder Engagement: oversees communication activities and relations with multiple Group stakeholders, ensuring the delivery of coordinated and consistent messages (investor relations, identity and communication activities, relationships with institutional counterparties and with the European Banking Supervisory Authorities - e.g., EBA, ECB - and Banca d'Italia), preserving Group's reputation;
- Group Strategy & ESG: responsible for supporting strategic initiatives, including the integration of ESG into the Group's strategy.

The Group Strategy & ESG, Group Stakeholder Engagement and Group CEO Staff functions represent the "CEO Office" aimed at supporting CEO developing and implementing strategic initiatives.

Other information

Conversion of Deferred tax assets (DTAs) into tax credits

Referring to fiscal year 2023, UniCredit S.p.A., UniCredit Leasing S.p.A., UniCredit Factoring S.p.A. and UniCredit Bank GmbH registered a profit in their separate financial statements (respectively €11,264 million, €23 million, €77 million and €139 million), therefore, the conditions to carry out, in 2024, a new transformation of deferred tax assets, for IRES and IRAP, into tax credits were not met.

Certifications and other communications

With reference to the "Rules of Markets organised and managed by Borsa Italiana S.p.A." dated 4 January 2021 (Title 2.6 "Obligations of issuers", Art.2.6.2. "Disclosure requirements", paragraph 10) the satisfaction of conditions provided by article 15 of Consob Regulation No.20249/2017, letters a), b) and c) is hereby certified.

With reference to paragraph 8 of Art.5 - "Public information on transactions with related parties" of Consob Regulation containing provisions relating to transactions with related parties (adopted by Consob with Resolution No.17221 of 12 March 2010, as subsequently amended by Resolution No.21624 of 10 December 2020), it should be noted that:

a) according to the Global Policy "Transactions with related parties, associated persons and Corporate Officers ex Art.136 CBA[50]" adopted by the Board of Directors of UniCredit S.p.A. on 12 December 2024, and published on the website www.unicreditgroup.eu, during 2024 the Bank's Presidio Unico received no reports of transactions of greater importance ended in the period;

b) during 2024, no transactions with related parties as defined by article 2427, paragraph 22-bis of the Civil Code were conducted, under different conditions from normal market conditions and materially affecting the Group's financial and economic situation;

c) during 2024, there were no changes or developments in the individual transactions with related parties already described in the latest annual report that had a material effect on the Group's financial position or results during the reference period.

For more information on related-party transactions refer to Part H - Related-party transactions of the Notes to the consolidated accounts.

Information on risks

For a complete description of the risks and uncertainties that the Group must face under the current market conditions, refer to Part E - Information on risks and related hedging policies of the Notes to the consolidated accounts.

50 Corresponding to Italian Testo Unico Bancario.

Subsequent events and outlook

Subsequent events[51]

On 2 January 2025 UniCredit S.p.A. informed that, with reference to Fixed to Floating Rate Callable Non-Preferred Senior Notes for €1,250 million (ISIN XS2104967695), having received the Single Resolution Board authorisation, it would have exercised the option to early redeem in whole on 20 January 2025.
On the same date UniCredit S.p.A. also informed the early redemption of the Fixed to Floating Rate Callable Non-Preferred Senior Notes (ISIN XS2257999628) exercising the option in whole on 20 January 2025.

On 9 January 2025 UniCredit S.p.A. communicated the issue of a dual tranche Senior Non-Preferred bonds comprising of a €1 billion with 4.5 years maturity, callable after 3.5 years, and €1 billion with 8 years maturity, callable after 7 years, both targeted to institutional investors.

On 2 February 2025 UniCredit S.p.A. informed to hold an equity stake of circa 4.1% in the share capital of Generali, acquired through market purchases over time. The stake is a pure financial investment of the bank that significantly exceeds its return metrics and has a negligible impact on CET1. An additional circa 0.6% is held as part of ordinary services for clients and related hedge.

On 18 February 2025 UniCredit S.p.A. issued "Additional Tier 1" Non-Cumulative Temporary Write-Down Deeply Subordinated Fixed Rate Resettable Notes targeted to institutional investors, for a total amount of €1 billion. Notes pay fixed rate coupons of 5.625% per annum up to June 2033 on a semi-annual basis; if not called, coupon will be reset every 5 years.

51 Up to the date of approval by the Board of Directors' Meeting of 20 February 2025 which, on the same date, authorised the publication also in accordance with IAS10.

Subsequent events and outlook

Outlook

Global growth remains stuck in moderate gear, with limited prospects of improvement in the near term amid increasing trade tensions. The outlook for the US will be shaped by the country's economic policy mix. We think that the upward effects on GDP growth from looser fiscal policy and reduced regulation would offset the downward effects from higher tariffs and tighter immigration, leading to slightly-above-trend growth this year and next (2.2% in 2025 and 2.3% in 2026). In China, increased challenges to exports related to higher tariffs are likely to expose weakness in domestic demand given a lack of bold consumption-enhancing measures. It is expected a structural deceleration in China's economic growth, with GDP set to expand by 4.5% in 2025 and by 4.2% in 2026, from 5.0% this year.

In the Eurozone, we forecast that GDP is expected to expand by 0.9% in 2025, while the recovery is likely to gain some traction in 2026, with activity set to rise at a pace broadly in line with potential rate (at 1.2%). Economic activity will be supported by a moderate acceleration in private consumption as real wages return towards pre-pandemic levels, despite elevated economic uncertainty and a weakening labor market. Moreover, the normalization of monetary policy should support the construction sector and bring relief to capex at a time of reduced visibility regarding the outlook for external demand.

Italy is expected to grow slightly less than the Eurozone, increasing by 0.8% in 2025 and by 1.0% in 2026. We see household spending benefitting from a continued expansion in employment and real income, with its pace of growth accelerating in the coming quarters, supporting GDP growth. Foreign demand for Italian goods is likely to gradually recover, but Italy's large manufacturing sector will be particularly exposed to an increase in tariffs. Fixed-investment growth will also be hampered by a correction in construction investment due to the reduction of incentives related to building renovation, which will be partly offset by an acceleration in non-residential investment given the ongoing implementation of the national recovery and resilience plan.

Disinflation in the Eurozone is on track, and headline inflation will probably settle in line with the ECB's 2% target over the course of 2025. Therefore, given rising risks to the growth and employment outlook, the ECB's deposit rate is expected to move to 2% by the end of 2025 then remaining unchanged in 2026, as inflation will probably fluctuate around 2% if no major shock to commodity prices occurs.

Within the macroeconomic context outlined, the Group will remain focused on pursuing quality growth, characterised by a sustainable and profitable net interest margin net of loan provisions, an increasing weight of commissions on total revenues, as well as a constant focus on operational and capital efficiency; these elements together with the constant attention paid to the customer, the structural initiatives implemented and the investments made will ensure future growth, allowing the Group to face the challenges and possible risks linked with the uncertainty of the global economic scenario. The combination of these elements will create further value for all stakeholders.

Milan, 20 February 2025

THE BOARD OF DIRECTORS

CHAIRMAN
PIETRO CARLO PADOAN

CEO
ANDREA ORCEL

Governance structure

The information in this section refers to the date of 20 February 2025 (the approval date by the Board of Directors of the 2024 Report and Accounts - General Meeting Draft of UniCredit S.p.A. and of the 2024 Consolidated Report and Accounts of UniCredit group).

Introduction

The overall corporate governance framework of UniCredit, i.e., the system of rules and procedures that its corporate bodies refer to steer the principles of their behavior and fulfil their various responsibilities towards the Group's stakeholders, has been defined in compliance with current national and european provisions, as well as the recommendations contained in the Italian Corporate Governance Code (hereinafter, also the "Code").
In line with practice on major international markets, the Code identifies goals for a sound corporate governance, as well as the behaviors deemed appropriate for their achievements recommended by the Italian Corporate Governance Committee to companies listed in Italy, to be applied according to the "comply or explain" principle that requires explanation in the corporate governance report of any reasons for failure to comply with one or more recommended best practices.

Moreover, UniCredit is subject to the provisions contained in the Supervisory Regulations issued by Banca d'Italia and, specifically with regards to corporate governance issues, to regulations on banks' corporate governance (Circular 285/2013, First Part, Title IV, Chapter 1).
In compliance with the aforementioned Supervisory Regulations, as a significant bank subject to the direct prudential supervision of the European Central Bank, as well as being a listed bank, UniCredit qualifies as a bank of large size or operational complexity and consequently complies with provisions applicable to such banks.

Since 2001, UniCredit has adopted the Code, which is publicly available on the Italian Corporate Governance Committee website (https://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.en.htm).

On an annual basis, UniCredit draws up a corporate governance report for its shareholders, institutional and non-institutional investors, and the market. The report conveys appropriate information about the UniCredit corporate governance system.

Consistently with applicable legal and regulatory obligations, and in line with the provisions of the Code, in its version approved as at January 2020, the 2024 Report on corporate governance and ownership structure was drafted, in accordance with article 123/bis of the Legislative Decree 58 dated 24 February 1998 (Consolidated Law on Finance, hereinafter also TUF).

The Report on corporate governance and ownership structure, approved by the Board of Directors in its meeting held on 20 February 2025, is disclosed at the same time as the Report on Operations via the Issuer's website (https://www.unicreditgroup.eu/en/governance/our-governance-system.html). For further information on the UniCredit corporate governance system see the first of the above documents.

As an issuer of shares that are also listed on the Frankfurt and Warsaw regulated markets, UniCredit also fulfils legal and regulatory obligations related to listings on said markets, as well as the provisions on corporate governance stipulated under the Polish Corporate Governance Code issued by the Warsaw Stock Exchange.

Starting from 12 April 2024, UniCredit had adopted the one-tier corporate governance system in lieu of the traditional one. The one-tier model is based on the existence of a Board of Directors, which is in charge of the strategic supervision and management of the Company, and of an Audit Committee, established within the Board itself, performing specific control functions, both appointed by the Shareholders' Meeting. The Audit Committee also carries out the Supervisory Body's duties in accordance with the Legislative Decree 231/2001.

Legal accounting supervision is entrusted by the Shareholders' Meeting to an external audit firm, upon proposal of the Audit Committee, in compliance with applicable provisions.

In addition to the Audit Committee, in compliance with the applicable laws and regulations, other Board Committees are provided for supporting the Board of Directors, vested with research, advisory and proposal-making powers, and diversified by sector of competence.

UniCredit believes that the one-tier model is suitable for managing the business efficiently, while ensuring effective controls and thus for guaranteeing the sound and prudent management of a complex and global banking group like the UniCredit group. The one-tier model also ensures a greater effectiveness of controls through the integration of the control body within the Board.

Governance structure

Shareholders' Meeting

The ordinary Shareholders' Meeting of UniCredit is convened at least once a year within 180 days of the end of the financial year, to resolve upon the issues for which it is responsible pursuant to applicable laws and the Articles of Association. An extraordinary Shareholders' Meeting is convened, instead, whenever it is necessary to resolve upon the matters that are exclusively attributed to its jurisdiction by applicable laws.

The Agenda of the Shareholders' Meeting is established in accordance with legal requirements and to the Articles of Association by whomever exercises the power to call a Meeting.

The ordinary Shareholders' Meeting has adopted rules oriented towards ensuring the orderly and effective conduct of ordinary and extraordinary meetings.
The Regulations governing general meetings are available on the Governance/Shareholders Section of the UniCredit website.

Board of Directors

The Board of Directors of UniCredit may be composed of between a minimum of 9 and a maximum of 19 members, of whom at least 3 Directors, and, in any case, no more than 5, make up the Audit Committee. At the approval date of this document, the Board of Directors is made up of 14 Directors, of whom 1 is an executive and 13 are non-executive Directors.

Directors' term in office is 3 financial years, unless a shorter term is established at the time they are appointed and ends on the date of the Shareholders' Meeting called to approve the financial statements relating to the last year in which they are in office.

The term in office of the current Board of Directors, which was appointed by the Shareholders' Meeting of 12 April 2024, will end on the date of the Shareholders' Meeting called upon to approve the 2026 financial statements.

In accordance with applicable legal and regulatory provisions, Directors are appointed on the basis of a slate voting mechanism ("voto di lista") in compliance with composition criteria concerning, inter alia, minority and independent Directors, as well as gender balance, pursuant to the procedures specified in Clause 20 of the Articles of Association. The legitimate parties who are entitled to submit slates of candidates are the Board of Directors and shareholders, who individually, or jointly with others, represent at least 0.5% of share capital in the form of shares with voting rights at ordinary Shareholders' Meetings.

The UniCredit Articles of Association envisage that, regardless of the total number of Board members, 2 Directors, other than members of the Audit Committee, shall be appointed from the second slate receiving the highest votes, without any connection with the shareholders who, even jointly, filed, or voted for, the slate first by number of votes.

The Board establishes its qualitative and quantitative composition deemed to be optimal for the effective fulfillment of the duties and responsibilities entrusted to the body with supervisory functions by law, by the Supervisory Provisions and by the Articles of Association, according to current provisions applicable on such topics, also concerning time commitments and the limits upon the maximum number of offices that UniCredit Directors may hold.

Moreover, Directors, included the members of the Audit Committee, must take into account the provisions of Art.36 of Law Decree 201/2011 (a "ban on interlocking directorships"), which was approved as a statute under Law 214/2011, which establishes that the holder of a seat on managerial, supervisory or controlling bodies, as well as top management officers in companies or group of companies active in banking, insurance and financial markets, are forbidden from holding similar offices, or to exercise similar duties, in competing companies or groups of companies.

The function and competencies of the Board of Directors are set forth in the UniCredit Board and Board Committees Regulation, available on the Governance/Corporate Bodies Section of the UniCredit website.

Independence of Directors

In compliance with the provisions in force from time to time as well as in line with the criteria envisaged under the Italian Corporate Governance Code, the independence of non-executive Directors, included the members of the Audit Committee, shall be assessed by the Board of Directors upon their appointment, as well as during the mandate upon the occurrence of circumstances concerning their independence and, in any case, at least once a year, on the basis of information provided by the Directors themselves or however available to the Company, also considering any circumstance that affects or could affect such requirement, as well as the outcomes of the evaluation carried out by the Audit Committee (as body charged with control functions) with reference to its members.

The Nomination Committee and the Board of Directors assessed with a positive outcome the independence requirements of the Directors based on the declarations made by the concerned parties and on information available to the Company. In 2024, the Board ascertained the Directors' independence requirements during the evaluation carried out for the renewal of the Board of Directors in its meeting held on 6 May 2024, following the evaluation carried out by the body charged with control function for the perimeter under its remit.

Governance structure

With specific reference to the independence requirements laid down by the Italian Corporate Governance Code, the information contemplated therein was taken into account, including the information relating to the existence of direct or indirect relationships (credit, business/professional and employee relationships, as well as significant offices held) that Directors and their other connected subjects may have with UniCredit and Group Companies.

In order to assess the potential significance of these relationships, the Board decided to consider not only predefined economic thresholds, which, if exceeded, could "automatically" indicate that the independence was compromised, but to make an overall evaluation of both objective and subjective aspects. Therefore, the following criteria were taken into account: (i) the nature and characteristics of the relationship; (ii) the amount in absolute and relative terms of the transactions; and (iii) the subjective profile of the relationship.

More specifically, for the purposes of assessing the significance of such a relationship, the Board considered the following information, where available:

- for credit relationships, the amount in absolute value of the credit granted, its weighting in relation to the system and, where appropriate, the economic and financial situation of the borrower;
- for business/professional relationships, the nature of the transaction/relationship, the amount of the consideration and, where appropriate, the economic and financial situation of the counterparty;
- for offices held in Group companies, the total amount of any additional remuneration.

In all of the above cases, all the parties involved (Director or family member; UniCredit or Group company) and, for relationships with companies/entities, the nature of the "connection" (post held/controlling interest) with the Director or the family member were taken into account.

With reference to the Board of Directors' composition at the approval date of this document, the number of independent Directors as defined in the provisions of the Code is equal to 13.

Governance structure

Status and activities of the Directors

In the following chart the information regarding the members of the Board of Directors in office at the approval date of this document, as well as any changes that occurred during the 2024 financial year are reported.

		IN OFFICE									
POSITION	MEMBERS	SINCE	UNTIL	SLATE (M/m) (*)	EXECUTIVE	NON-EXECUTIVE	INDEPENDENT AS CODE	INDEPENDENT AS TUB	INDEPENDENT AS TUF	BOARD MEETINGS ATTENDANCE % (**)	NUMBER OF OTHER POSITIONS (***)
Chair	Padoan Pietro Carlo	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	--
Deputy Vice Chair	Carletti Elena	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	--
CEO	Orcel Andrea	04.12.2024	Approval of 2026 financial statements	M	X					100	2
Director	Bergamaschi Paola	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	93.33	1
Director	Camagni Paola	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	3
Director	Cariello Vincenzo	04.12.2024	Approval of 2026 financial statements	m		X	X	X	X	100	1
Director	Domingues António	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	2
Director	Galbo Julie Birgitte	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	3
Director	Hedberg Jeffrey Alan	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	--
Director	Lara Bartolomé Beatriz Ángela	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	2
Director	Pierdicchi Maria	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	2
Director	Rigotti Marco Giuseppe Maria	04.12.2024	Approval of 2026 financial statements	m		X	X	X	X	100	1
Director	Tondi Francesca	04.12.2024	Approval of 2026 financial statements	m		X	X	X	X	95.65	--
Director	Villa Gabriele	04.12.2024	Approval of 2026 financial statements	M		X	X	X	X	100	3
----- Directors who left during the Period -----											
Deputy Vice Chair	Andreotti Lamberto	04.15.2021	04.12.2024	M		X	X	X	X	62.50	1
Director	Marcus Johannes Chromik (1)	04.15.2021	12.11.2024	M		X	X	X	X	92.86	1
Director	Molinari Luca	04.15.2021	04.12.2024	M		X	X	X	X	87.50	1
Director	Wagner Renate	04.15.2021	04.12.2024	M		X		X	X	87.50	6
Director	Wolfgring Alexander	04.15.2021	04.12.2024	M		X			X	100	2
Quorum required for the submission of the slates for the latest appointment: 0.5%											
Number of meetings held during the financial year: 23											

Notes:

(*) M = Member elected from the slate that obtained the majority of the shareholders' votes.
m = Member elected from the slate voted by the shareholders' minority.

(**) Meetings' attendance percentage (number of meeting attended/number of meetings held during the concerned party's term of office with regard to the reference period).

(***) Number of positions of management and control held in other listed companies or large companies. A list of such companies for each Director is attached to the Report on corporate governance and ownership structure.

The CEO is the director in charge of the internal controls and risks management system.

(1) Resigned effective from 11 December 2024.

Governance structure

Audit Committee

The Audit Committee, appointed by the Shareholders' Meeting within the Board of Directors, is composed of at least 3, and, in any case, no more than 5, Directors, who serve for the term of the Board of Directors in which they were appointed. The number of members of the Audit Committee is established by the Shareholders' Meeting.

The UniCredit Articles of Association envisage that a member of the Audit Committee, or 2 members, if the Audit Committee is composed of 5 Directors, shall be appointed from minorities. The Chair of the Audit Committee is appointed by the Shareholders' Meeting among the Directors elected by the minorities.

The members of the Audit Committee must meet the requirements set forth by the applicable laws and regulations, as well as those established under the Articles of Association, and may hold positions as director or statutory auditor in other companies within the limits provided by the laws and regulations.

With reference to the meeting of the experience requirements, at least 1 of the members of the Audit Committee, or at least 2, if the Committee is composed of more than 3 members, must be enrolled with the Legal Auditors Register and must have practiced legal auditing of accounts for a period of no less than three years.

Regarding the Company's activities, the members who are not enrolled with the Legal Auditors Register must have at least three years' overall experience in the exercise, also alternatively, of the specific activities recalled in Clause 20, paragraph 2, of the Company's Articles of Association.

The Chair of the Audit Committee must be enrolled with the Legal Auditors Register and must have practiced legal auditing of accounts for a period of not less than five years or must have at least five years' overall experience in the exercise, also alternatively, of the specific activities provided under current provisions.

The ordinary Shareholders' Meeting held on 12 April 2024, set at 4 the number of the members of the Audit Committee and appointed its members, based on a slate voting mechanism, for the financial years 2024-2026, whose term runs until the date of the Shareholders' Meeting called to approve the 2026 financial statements.

In the following chart the information regarding the members of the Audit Committee in office at the approval date of this document is reported.

The table footnotes also show the composition of the Board of Statutory Auditors prior to the adoption of the one-tier model and the relevant percentages of attendance at its meetings.

Audit Committee

DIRECTORS MAKING UP THE AUDIT COMMITTEE	POSITION/STATUS	IN OFFICE SINCE	IN OFFICE UNTIL	SLATE (M/m) (*)	% (**)
Rigotti Marco Giuseppe Maria	Chair of the Audit Committee – non-executive and independent as per Code, TUB and TUF	04.12.2024	Approval of 2026 financial statements	m	100%
Camagni Paola	Member of the Audit Committee – non-executive and independent as per Code, TUB and TUF	04.12.2024	Approval of 2026 financial statements	M	100%
Galbo Julie Birgitte	Member of the Audit Committee – non-executive and independent as per Code, TUB and TUF	04.12.2024	Approval of 2026 financial statements	M	100%
Villa Gabriele	Member of the Audit Committee – non-executive and independent as per Code, TUB and TUF	04.12.2024	Approval of 2026 financial statements	M	100%
----- Members who left during the Period -----					
--					
Quorum required for the submission of the slates for the latest appointment: 0.5%					
Number of meetings held during the financial year: 27					

Notes:
(*) M = Member elected from the slate that obtained the majority of the shareholders' votes;
m = Member elected from the slate voted by the shareholders' minority.
(**) Meetings' attendance percentage (number of meetings attended/number of meetings held during the concerned party's term of office with regard to the reference period).

Board of Statutory Auditors in office as at the date of the adoption of the one-tier model and relevant meeting's attendance percentage: Mr. Marco Giuseppe Maria Rigotti (Chair, 100%); Permanent Statutory Auditors Mr. Claudio Cacciamani (100%), Ms. Benedetta Navarra (91%), Mr. Guido Paolucci (100%); Ms. Antonella Bientinesi (95%).

Governance structure

Other Committees of the Board of Directors

With the exception of the Audit Committee, which is inherent to the one-tier model adopted by the Company and is appointed by the Shareholders' Meeting, the Board of Directors, in order to better assess the topics under its remit, also in line with the provisions of the Code, has established five Committees, vested with research, advisory and proposal-making powers and competent in different areas, according to the applicable provisions: Governance and Sustainability Committee, Risk Committee, Nomination Committee, Remuneration Committee and Related-Parties Committee. Their duties are carried out in accordance with the rules set by the Board.

The Committees consist, as a rule, of 3 up to 5 members. The members of each Committee, and among them the Chair, are appointed and dismissed by the Board of Directors. The term in office of Committee members is the same as that of the Board of Directors.

The Committee members must have the necessary knowledge, skills and experience to perform the roles, duties and tasks assigned to them and ensure that any other corporate positions they hold in other companies or entities (including non-Italian ones) are compatible with their availability and commitment to serve as a Committee member.

Considering the size of the Board of Directors and the number of independent members of the Board, the Board ensured that Committees are not composed of the same group of members that forms another committee.

In particular, the Risk Committee, the Nomination Committee and the Remuneration Committee are composed of non-executives Directors and predominantly by independent Directors; the Related-Parties Committee is composed only by independent Directors within the meaning of the Italian Corporate Governance Code. Such Committees must be differentiated from each other by at least one member and, if a Director appointed by the minorities is present among Board members, that Director is a member of at least one Committee. The Chair of each Committee shall be chosen from the independent members.

The Board of Directors does not have under its remit any of the functions which are assigned to the specialist Committees on appointments, risks and remuneration in the Code. Committee functions have been allocated among the various Committees consistently with the Code's provisions. None of these Committees performs multiple functions pertaining to two or more committees as envisaged under the Code.

The Committee's tasks are coordinated by the Chair, who exercises all necessary powers for the proper functioning of the Committee. Each Committee draws up an annual plan of activities to ensure the fulfilment of its tasks. Committee meetings are convened by the Chair with a frequency adequate to the fulfilment of Committee tasks and plan of activities and whenever events or circumstances reasonably require a meeting to be called upon.

Upon invitation of Committee Chairs, or as provided for in the Board and Board Committees Regulation and upon prior information to the CEO, persons other than its members may attend Committee meetings. Attendees include without being limited to managers of the corporate functions of the Company and of the other entities belonging to the Group that are competent on the matters on the Agenda of the meeting or persons appointed in the corporate bodies of said entities.

If the Committee has availed of an external expert, then said expert can be invited by the Chair of the Committee to attend the meeting(s) when the matter in scope of his/her engagement is discussed, subject to adequate confidentiality undertakings by said expert with respect to the discussion partaken and any content related thereto (in whatever form it becomes known to him/her).

In line with the Italian Corporate Governance Code recommendation, Audit Committee member(s) can attend meetings of any other Committee.

To perform their duties, Board Committees have access to the financial resources necessary to guarantee their operational independence and, within the limitations of the budget approved by the Board of Directors, may consult external experts; in the event of specific requirements, the relevant budget may be supplemented.

The Chair of each Committee reports on the activities carried out during the Committee meetings at the first available Board meeting, as well as whenever requested to do so by the Board of Directors or by applicable laws and regulations, with the support of specific documentation. The Chair of each Committee also reports to the Board the opinions that the Committee he/she chairs provided pursuant to laws and regulations.

The Board Committees' composition, functions and competencies are set forth in the Board and Board Committees Regulation, available on the Governance/Corporate bodies Section of the UniCredit website.

Governance structure

Governance and Sustainability Committee

According to the provisions of the Board and Board Committees Regulation, the Governance and Sustainability Committee consist of four independent Directors. One of the members is the Chair of the Board of Directors, who is also the Chair of the Committee.

The composition of the Governance and Sustainability Committee at the approval date of this document is the following: Mr. Pietro Carlo Padoan (Chair), Ms. Elena Carletti, Mr. Vincenzo Cariello and Mr. Jeffrey Alan Hedberg.

All members of the Committee comply with the independence requirements provided under the Italian Legislative Decree 58/1998 and the Italian Civil Code, the Decree issued by the Ministry of Economics and Finance 169/2020, as well as the Italian Corporate Governance Code.

In 2024, the Committee held 5 meetings.

Duties

The Governance and Sustainability Committee provides advice and support to the Board of Directors on matters related to corporate governance and in fulfilling its responsibilities while pursuing a sustainable success as integral component of the Group's business strategy and long-term performance.

As to the **Governance**, the Governance and Sustainability Committee supports the Board of Directors with reference to the design and the implementation of UniCredit corporate governance system, corporate structure and Group governance models and guidelines and on special projects pertaining to the above (if any). To this purpose, the Committee:

i) oversights the consistency of the Bank's corporate governance with applicable laws, rules and regulations (in particular with the Italian Corporate Governance Code) and monitors their developments as well as international and national best practices, updating the Board of Directors where material changes thereof are detected and have repercussions on the existing Company corporate governance;
ii) reviews the Corporate Governance report to be published;
iii) submits to the Board of Directors, when appropriate or necessary, proposal for amendments to the corporate governance system, corporate structure and Group governance models and guidelines (e.g., Board and Board Committees roles, responsibilities and functioning, delegation of powers), providing the rationale for said amendments to be adopted;
iv) liaises with corresponding corporate bodies of the Group entities on corporate governance matters brought to its attention as appropriate.

As to Sustainability, the Committee supports the Board of Directors on Sustainability and ESG related matters (with the exception of all risk related ESG components, e.g. Climate and Environmental risks, which fall under the Risk Committee remit). To this purpose, the Committee upon evaluation of its Chair and the CEO, carries out preliminary activities, analyzes and submits proposal on the sustainability and ESG framework, policies and guidelines.

Risk Committee

According to the provisions of the Board and Board Committees Regulation, the Risk Committee consists of four non-executive Directors.

The composition of the Risk Committee at the approval date of this document is the following: Ms. Elena Carletti (Chair), Ms. Paola Bergamaschi, Mr. Marco Giuseppe Maria Rigotti and Ms. Francesca Tondi.

All members of the Committee comply with the independence requirements provided under the Italian Legislative Decree 58/1998 and the Italian Civil Code, the Decree issued by the Ministry of Economics and Finance 169/2020, as well as the Italian Corporate Governance Code.

The members of the Committee have the experience required under applicable provisions, covering the provided areas of competence, related to finance and risk assessment and management.

The Group Risk Officer and the Head of Internal Audit attend the Committee meetings. Upon invitation of the Committee Chair, the Chief Executive Officer, other Directors, the Manager in charge of drafting the company financial reports, as well as personnel belonging to the Company and the Group, may attend Committee meetings.

In 2024, the Committee held 13 meetings.

Governance structure

Duties

In the context of the one-tier model adopted by the Company, the Risk Committee provides advice and support to the Board of Directors on risk management related matters, according to the provisions of laws and regulations, performing all the activities instrumental and necessary for the Board to make a correct and effective determination of the "Risk Appetite Framework" and of the risk management policies.

More in detail, the Committee carries out preliminary activities, analyzes and submits proposals to support the Board of Directors including on the following topics:

- defining and approving risk management strategic guidelines, framework and policies (including the non-compliance risk, climate and environmental risks, risk data quality). Within the RAF, the Committee performs those tasks as necessary for the Board of Directors to define and approve the risk objectives (risk appetite) and the tolerance threshold (risk tolerance);
- examining the annual funding plan;
- verifying correct implementation of risk strategies, management policies and RAF, and
- defining policies and processes for evaluating corporate activities, including verification that the price and conditions of client transactions comply with the risk-related business model and strategies.

The Risk Committee also examines the risk assessments carried out and those planned by the corporate control functions on yearly basis for determining their own annual plans of activity.

Pursuant to the Italian Corporate Governance Code, the Risk Committee opines on aspects relating to the identification of the main corporate risks and supports the Board in assessments and decisions concerning the management of risks attached to prejudicial occurrences which the same Committee became aware of.

Based on the succession plans prepared by the Nomination Committee, the Risk Committee identifies and proposes to the Board of Directors the candidate suitable for the appointment as Head of the Risk Management function or assesses his/her termination. Moreover, the Chair of the Risk Committee is consulted beforehand for the identification and appointment of the Head of Group Compliance.

Without prejudice to the competences of the Remuneration Committee, the Risk Committee checks that the incentives underlying the remuneration and incentive system comply with the RAF, particularly taking into account risks, capital and liquidity.

Nomination Committee

According to the provisions of the Board and Board Committees Regulation, the Nomination Committee consists of three non-executive Directors.

The composition of the Committee at the approval date of this document is the following: Mr. Jeffrey Alan Hedberg (Chair), Mr. António Domingues and Ms. Beatriz Ángela Lara Bartolomé.

All members of the Committee comply with the independence requirements provided under the Italian Legislative Decree 58/1998 and the Italian Civil Code, the Decree issued by the Ministry of Economics and Finance 169/2020, as well as the Italian Corporate Governance Code.

In 2024, the Committee held 9 meetings.

Duties

The Nomination Committee supports the Board of Directors on matters related to its composition and to the nomination and succession planning of the Management of the Company.

The Nomination Committee:
a) submits proposals to the Board regarding the optimal qualitative and quantitative composition of the Board, and the maximum number of seats held by Directors in other companies considered compatible with effectively fulfilling these roles at UniCredit;
b) submits proposals, at least once every three years, to the Chair of the Board of Directors concerning the selection of external advisor supporting the Board in conducting the Board's self-assessment process, as well as opines and supports the Board in the self-assessment process, as directed by the Chair of the Board of Directors;
c) sets targets for the least well represented gender in corporate bodies as well as for management and staff belonging to the Group, and prepares a plan to achieve said targets.

Governance structure

The Nomination Committee provides opinions and support to the Board of Directors also regarding:
a) the assessment on the compliance of Board Directors with the requirements provided by applicable laws and the Articles of Association (including the ban on interlocking directorships laid down by applicable laws), and the assessment that they collectively and individually abide by the optimal qualitative and quantitative composition of the Board identified by the Board itself;
b) the selection of candidates for the seats of Chair, Chief Executive Officer and Director of UniCredit, in the event of co-optation, and, should the Board present its own list of candidates for the position of independent Director for approval by the UniCredit Shareholders' Meeting, taking into due account any recommendations from shareholders, as per the process approved by the Board;
c) the appointment of the Chief Executive Officer and, upon proposal of the Chief Executive Officer, of the General Manager, Deputy General Managers and other Executives with strategic responsibilities;
d) the assessment on the compliance of the General Manager, the Manager in charge of preparing the company's financial reports and the other Heads of the main corporate functions, with the requirements provided by applicable laws and the Articles of Association, if any;
e) the definition of appointment and succession plans for the Chief Executive Officer, General Manager, Deputy General Managers;
f) the definition of policies for the succession plans for the Executives with strategic responsibilities;
g) the contribution to the identification of candidates proposed to the Board for the roles of Heads of corporate control functions, in compliance with the specific policies approved by the Board, coordinating with the Risk Committee and the Audit Committee for the proposals which are under their remit;
h) the definition of the policy for the appointment of corporate officers (members of the Board of Directors, Board of Statutory Auditors and Supervisory Board) in Group companies;
i) the designation of corporate officers (members of the Board of Directors, Board of Statutory Auditors and Supervisory Board) in the main companies;
l) the performance of market scouting /assessments /hiring proposals for specific roles that fall in the remit of the Board.

Remuneration Committee

According to the provisions of the Board and Board Committees Regulation, the Remuneration Committee consists of 3 non-executive Directors.

The composition of the Remuneration Committee at the approval date of this document is the following: Mr. António Domingues (Chair), Ms. Paola Bergamaschi and Ms. Maria Pierdicchi.

All members of the Committee comply with the independence requirements provided under the Italian Legislative Decree 58/1998 and the Italian Civil Code, the Decree issued by the Ministry of Economics and Finance 169/2020, as well as the Italian Corporate Governance Code.

At least one member of the Committee has adequate knowledge and experience in finance or remuneration policies.

Upon request of the Chair, an external advisor may attend the meetings of the Remuneration Committee which is selected by it pursuant to the internal policies of the Company. The involvement and attendance of the external advisor is intended to (i) ensure that the incentives included in the compensation and incentive schemes are consistent with the Bank's risk, capital and liquidity management, and (ii) receive updates on the market trends, compensation levels and any applicable legal or regulatory developments.

Upon request of the Chair, the Group Risk Officer (or his/her delegate) is invited to attend Committee meetings where appropriate to ensure that incentive schemes are updated so as to take into account all the risks that the Bank has taken on and relevant risk policies.

The Remuneration Committee aligns with Risk Committee to ensure that the incentives underlying the remuneration and the incentive system comply with the RAF, particularly considering risks, capital, and liquidity.

When the Remuneration Committee is called upon to express its opinion on remuneration of any of its member because of his/her specific assignments, then said member whose remuneration is under discussion shall not attend meetings when the proposal for such remuneration is discussed and/or calculated.

In 2024, the Committee held 10 meetings.

Governance structure

Duties
The Remuneration Committee is established to provide opinion and support to the Board of Directors on the adoption and implementation of appropriate remuneration policies and decisions, ensuring their update also based on the results of the Company and any other circumstances.

The Remuneration Committee:
a) submits to the Board proposals on the remuneration of the Board of Directors, and on the remuneration and the performance goals associated with the variable portion of the remuneration for CEO and, upon proposal from the CEO, of the General Manager, Deputy General Managers, Heads of the corporate control functions (excluding the Head of Internal Audit, whose proposals are formulated by the Audit Committee) and/or Executives with strategic responsibilities and other personnel whose remuneration and incentive systems are decided upon by the Board;
b) monitors and oversees the criteria for remunerating the most significant employees, as identified pursuant to the relevant Banca d'Italia provisions, as well as on the outcomes of the application of such criteria.

Furthermore, the Committee issues opinions to the Board on:
- Group remuneration policy as well as the remuneration and incentive systems for CEO, General Manager, Deputy General Managers, Heads of corporate control functions, Executives with strategic responsibilities and other Group Material Risk Takers as identified according to applicable regulation;
- Group incentive schemes based on financial instruments;
- the remuneration policy for corporate officers (members of the Board of Directors, Board of Statutory Auditors and Supervisory Board) in Group companies.

Additionally, the Committee:
a) supervises the process for identifying Material Risk Takers on an on-going basis;
b) directly oversees the correct application of rules regarding the remuneration of the Heads of corporate control functions, working closely and liaising with the Audit and Risk Committees as necessary;
c) works and liaise with the other Committees, particularly the Risk Committee, to verify that the incentives included in compensation and incentive schemes are consistent with the RAF, ensuring the involvement of the corporate functions responsible for drafting and monitoring remuneration and incentive policies and practices;
d) provides appropriate feedback on its activities to the Board of Directors, Audit Committee and the Shareholders' Meeting;
e) where necessary drawing on information received from the relevant corporate functions, expresses its opinion on the achievement of the performance targets associated with incentive schemes, and on the other conditions laid down for bonus payments.

Related-Parties Committee
According to the provisions of the Board and Board Committees Regulation, the Related-Parties Committee consist of 3 Directors who are all independent within the meaning of the Italian Corporate Governance Code.

The composition of the Related-Parties Committee at the approval date of this document is the following: Ms. Maria Pierdicchi (Chair), Mr. Vincenzo Cariello and Ms. Francesca Tondi.

In 2024 the Committee held 16 meetings.

Duties
The Related-Parties Committee oversees issues concerning transactions with related parties pursuant to CONSOB Regulation 17221/2010 and with associated parties pursuant to Banca d'Italia Circular 285/2013 (Part III, Chapter 11), carrying out the specific role attributed to independent Directors by the aforementioned provisions. Furthermore, it carries out any other duties assigned to it within the Global Policy for the management of transactions with persons in conflict of interest, as applicable from time to time.

In order to enable the Related-Parties Committee to carry out its duties, the Company's competent offices ensure a constant monitoring of transactions in scope of the procedures for the identification and management of transactions with related and/or associated parties, also in view of enabling the Committee to assess cases of voluntary exemption and to propose corrective actions.

Governance structure

In the exercise of the duties assigned to it under applicable laws and regulations, the Related-Parties Committee provides the Board of Directors with:

- advance and justified opinions, also binding, on the overall adequacy of internal procedures governing the identification and management of transactions with related parties and/or associated parties undertaken by UniCredit and/or Group companies, as well as relevant amendments, pursuant to CONSOB Regulations for transactions with related parties and Banca d'Italia Regulations for transaction with associated parties;
- advance and justified opinions issued, as expressly envisaged, on any interest in completing transactions with related parties and/or associated parties undertaken by UniCredit and/or Group companies, as well as on the propriety and substantive correctness of the related conditions, in the event that the Board of Directors' decision is requested.

For each individual transaction subject to assessment, Committee members must be different from the counterparty, its associated parties and/or any entities related to it.

If a Committee member is a counterparty to the transaction under examination (or is related/associated with the counterparty), he/she must promptly inform the Chair of the Board of Directors and the Committee Chair (provided he/she is not in a conflict of interest situation), and abstain from attending Committee meetings and supporting the activities pertaining to the transaction in which the relationship exists. Having consulted with the Committee Chair (provided he/she is not in a conflict of interest situation), the Chair of the Board of Directors shall immediately take steps to temporarily replace the member who has this conflict of interest with another member from the Board of Directors who qualify as independent pursuant to the Italian Corporate Governance Code.

If the Chair of the Committee acknowledges that (i) a transaction needs to be analysed urgently or an opinion is required in the context of a negotiation process which is underway, and (ii) the majority or all members of the Related-Parties Committee are unable to meet or carry out the required activities in time to enable the accomplishment of the transaction within the timeline envisaged for that, then he/she shall promptly inform the Chair of the Board of Directors of this situation and, in any case, no later than the day after the he/shew as informed that the majority or all Committee members were not available.

Having consulted with the Chief Executive Officer and determined that the transaction cannot be delayed, the Chair of the Board of Directors immediately takes steps to identify up to three independent Directors to temporarily sit on the Related-Parties Committee and replace those who were not available so that the functioning of the Committee is not prejudiced.

In both the aforementioned cases, the replacing member(s):

- must be provided with available information on the transaction to be opined upon in due time before the Related-Parties Committee meeting in which said transaction has to be analysed;
- retain the duties inherent in the role undertaken until the specific transaction in scope of their replacement is conclusively decided by the competent bodies, and, remain(s) involved in the decisions taken by the Related-Parties Committee.

Status and activities of the other Board Committees

In the following chart the information regarding the members of the other Board Committees in office at the approval date of this document, as well as any changes that occurred during the 2024 financial year are reported, following the adoption of the one-tier management and control system.

The table footnotes also show the composition of the Board Committees prior to the adoption of the one-tier model and the relevant percentages of attendance at their meetings.

Governance structure

MEMBERS	POSITION/STATUS	GOVERNANCE AND SUSTAINABILITY COMMITTEE		RISK COMMITTEE		NOMINATION COMMITTEE		REMUNERATION COMMITTEE		RELATED-PARTIES COMMITTEE	
		(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Padoan Pietro Carlo	Chair of the Board of Directors – non-executive and independent as per Code, TUB and TUF	**C**	100%								
Carletti Elena	Deputy Vice Chair – non-executive and independent as per Code, TUB and TUF	M	100%	**C**	100%						
Orcel Andrea	Chief Executive Officer – executive										
Bergamaschi Paola	Director – non-executive and independent as per Code, TUB and TUF			M	100%			M	100%		
Camagni Paola	Director and member of the Audit Committee – non-executive and independent as per Code, TUB and TUF										
Cariello Vincenzo	Director – non-executive and independent as per Code, TUB and TUF	M	100%							M	100%
Domingues António	Director – non-executive and independent as per Code, TUB and TUF					M	100%	**C**	100%		
Galbo Julie Birgitte	Director and member of the Audit Committee – non-executive and independent as per Code, TUB and TUF										
Hedberg Jeffrey Alan	Director – non-executive and independent as per Code, TUB and TUF	M	100%			**C**	100%				
Lara Bartolomé Beatriz Ángela	Director – non-executive and independent as per Code, TUB and TUF					M	100%				
Pierdicchi Maria	Director – non-executive and independent as per Code, TUB and TUF							M	100%	**C**	100%
Rigotti Marco Giuseppe Maria	Director and Chair of the Audit Committee – non-executive and independent as per Code, TUB and TUF			M	100%						
Tondi Francesca	Director – non-executive and independent as per Code, TUB and TUF			M(1)	--					M	92.31%
Villa Gabriele	Director and member of the Audit Committee – non-executive and independent as per Code, TUB and TUF										
----- Members who left during the Period -----											
Chromik Marcus Johannes	Director – non-executive and independent as per Code, TUB and TUF			M(2)	76.92%						
Number of meetings held during the financial year		***GSC: 5***		***RiskC: 13***		***NC: 9***		***RemC:10***		***RPC:16***	

Governance structure

Notes:

(*) A "C" (Chair) or an "M" (Member) shows that the member of the Board of Directors belongs to the Committee and also indicates his/her position.
(**) Meetings' attendance percentage (number of meetings attended/number of meetings held during the concerned party's term of office with regard to the reference period).

(1) Office held since 28 January 2025.
(2) Office held until 11 December 2024.

Composition of the Committees until 12 April 2024 (traditional model) - number of meetings carried out from 1 January to 12 April 2024, and relevant attendance percentage:

- Internal Controls & Risks Committee (no 8 meetings): Ms. Elena Carletti (Chair, 100%), Mr. Pietro Carlo Padoan (100%), Ms. Francesca Tondi (100%) and Mr. Alexander Wolfgring (100%);
- Corporate Governance & Nomination Committee (no 3 meetings): Mr. Lamberto Andreotti (Chair, 100%), Ms. Maria Pierdicchi (100%) and Mr. Alexander Wolfgring (100%);
- ESG Committee (no.3 meetings): Ms. Francesca Tondi (Chair, 100%), Mr. Jeffrey Alan Hedberg (100%) and Ms. Beatriz Ángela Lara Bartolomé (100%);
- Remuneration Committee (no.6 meetings): Mr. Jeffrey Alan Hedberg (Chair, 100%), Mr. Luca Molinari (83.33%) and Ms. Renate Wagner (83.33%)
- Related-Parties Committee (no.3 meetings): Ms. Maria Pierdicchi (Chair, 100%), Mr. Vincenzo Cariello (100%) and Ms. Elena Carletti (100%).

Governance structure

Share capital

As at 31 December 2024, the fully subscribed and paid up UniCredit share capital amounted to Euro 21,367,680,521.48, divided into No.1,551,419,850 ordinary shares with no nominal value. The ordinary shares are issued in a dematerialised form and are indivisible as well as freely transferable. Each share entitles holders to the right to cast one vote at ordinary and extraordinary Shareholders' Meetings.

No other types of shares, equity instruments or convertible or exchangeable bonds have been issued.

Major Shareholders

On the basis of the communications received in accordance with Art.120 of the Consolidated Law on Finance, direct and indirect relevant equity holdings as at 31 December 2024, registered on the Shareholders Register are stated below. The shareholders listed below hold more than 3%, and do not qualify for disclosure exemptions (as provided under Art.119/*bis* of CONSOB Rule 11971/99).

DECLARANT	DIRECT SHAREHOLDER	% (up to the third decimal) OF ORDINARY CAPITAL	% (up to the third decimal) OF VOTING CAPITAL
BlackRock Group		**7.407%**	**7.407%**
	BlackRock Fund Advisors	*2.034%*	*2.034%*
	BlackRock Institutional Trust Company, National Association	*1.943%*	*1.943%*
	BlackRock Advisors (UK) Ltd	*1.178%*	*1.178%*
	BlackRock Asset Management Deutschland Ag	*0.971%*	*0.971%*
	BlackRock Investment Management (UK) Ltd	*0.479%*	*0.479%*
	BlackRock Investment Management, Llc	*0.353%*	*0.353%*
	BlackRock Advisors, Llc	*0.152%*	*0.152%*
	BlackRock Asset Management Canada Ltd	*0.103%*	*0.103%*
	BlackRock Japan Co. Ltd	*0.079%*	*0.079%*
	BlackRock Investment Management (Australia) Ltd	*0.061%*	*0.061%*
	BlackRock Financial Management, Inc.	*0.045%*	*0.045%*
	BlackRock Asset Management North Asia Ltd	*0.005%*	*0.005%*
	Aperio Group Llc	*0.002%*	*0.002%*
	Blackrock (Singapore) Ltd	*0.000%*	*0.000%*
	Blackrock International Limited	*0.000%*	*0.000%*
FMR LLC		**3.102%**	**3.102%**
	Fidelity Management & Research Company LLC	*1.851%*	*1.851%*
	LIAM LLC	*0.408%*	*0.408%*
	Strategic Advisers LLC	*0.322%*	*0.322%*
	Fidelity Institutional Asset Management Trust Company	*0.270%*	*0.270%*
	Fidelity Management Trust Company	*0.194%*	*0.194%*
	FMR Investment Management (UK)	*0.057%*	*0.057%*

Participation Rights

Eligible to attend Shareholders' Meetings are those who hold voting rights and in respect of whom the Company has received, from the broker holding the relevant securities account, the notification within the deadline set forth by applicable law (record date, seven market trading days before the Shareholders' Meeting date).

Those who hold voting rights may arrange to be represented in the Shareholders' Meeting, in compliance with the provisions of the prevailing law.

UniCredit has always encouraged its shareholders to exercise their participation and voting rights and, for that reason, some time ago it adopted the Regulations governing Shareholders' Meetings to ensure their regular conduct. Said Regulations are available on UniCredit website on the Governance/Shareholders' Meeting Section.

Group Executive Committee (GEC)

The **Group Executive Committee** (GEC) is a Managerial Committee that has been set up in order to ensure the effective steering, coordination and control of Group business, as well as an effective managerial alignment across the Group.

Andrea Orcel
Group Chief Executive Officer and Head of Italy

Marion Höllinger
Head of Germany

Gianfranco Bisagni
Group Chief Operating Officer

Teodora Petkova
Group Head of Central Europe and Eastern Europe

Richard Burton
Head of Client Solutions

Stefano Porro
Chief Financial Officer

Siobhán McDonagh
Head of Group People & Culture

Ali Khan
Group Digital & Information Officer

Fiona Melrose
Head of Group Strategy & ESG

Joanna Carss
Head of Group Stakeholder Engagement

TJ Lim
Group Risk Officer

Serenella De Candia
Group Compliance Officer

Rita Izzo
Head of Group Legal

Remo Taricani
Permanent Guest To GEC
Deputy Head Of Italy

Board of Directors

Our Board of Directors can be made from a minimum of 9 up to a maximum of 19 members, of whom at least 3 – and, in any case, no more than 5 – make up the Audit Committee.

Directors' term in office is three financial years, unless a shorter term is established at the time of their appointment, and ends on the date of the Shareholders' Meeting called for the approval of the financial statements relating to the last financial year in which they are in office.

The Board of Directors currently in office was appointed by the **ordinary Shareholders' Meeting** on April 12, 2024 for the financial years 2024 – 2026, on the basis of a proportional representation mechanism ("voto di lista"), and its terms of office ends on the date of the Shareholders' Meeting called to approve the 2026 financial statements.

As regards the actions taken in recent years to strengthen **our governance** and align it with international best practices, improving the composition and functioning of the Board of Directors has been a fundamental commitment for our Group.

Pietro Carlo Padoan
Chairman of the Board of Directors

Elena Carletti
Deputy Vice Chair

Andrea Orcel
UniCredit Group CEO and Head of Italy

Paola Bergamaschi
Director

Paola Camagni
Director

Vincenzo Cariello
Director

Antonio Domingues
Director

Julie B. Galbo
Director

Jeffrey Alan Hedberg
Director

Beatriz Lara Bartolomé
Director

Maria Pierdicchi
Director

Marco Rigotti
Director

Francesca Tondi
Director

Gabriele Villa
Director

Consolidated accounts

Consolidated balance sheet

(€ million)

ASSETS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
10. Cash and cash balances	41,442	61,000
20. Financial assets at fair value through profit or loss:	61,677	65,014
a) financial assets held for trading	55,083	57,274
b) financial assets designated at fair value	247	220
c) other financial assets mandatorily at fair value	6,347	7,520
30. Financial assets at fair value through other comprehensive income	78,019	63,097
40. Financial assets at amortised cost:	563,166	556,978
a) loans and advances to banks	66,540	53,389
b) loans and advances to customers	496,626	503,589
50. Hedging derivatives	1,351	1,925
60. Changes in fair value of portfolio hedged items (+/-)	(1,702)	(3,264)
70. Equity investments	4,393	4,025
80. Insurance assets	-	-
a) insurance contracts issued that are assets	-	-
b) reinsurance contracts held that are assets	-	-
90. Property, plant and equipment	8,794	8,628
100. Intangible assets	2,229	2,272
of which: goodwill	*38*	-
110. Tax assets:	10,273	11,818
a) current	685	1,069
b) deferred	9,588	10,749
120. Non-current assets and disposal groups classified as held for sale	394	370
130. Other assets	13,968	13,111
Total assets	**784,004**	**784,974**

Consolidated accounts

continued: Consolidated balance sheet

(€ million)

	AMOUNTS AS AT	
LIABILITIES AND SHAREHOLDERS' EQUITY	**31.12.2024**	**31.12.2023**
10. Financial liabilities at amortised cost:	659,598	658,308
a) deposits from banks	67,919	71,069
b) deposits from customers	500,970	497,394
c) debt securities in issue	90,709	89,845
20. Financial liabilities held for trading	31,349	38,022
30. Financial liabilities designated at fair value	13,746	12,047
40. Hedging derivatives	1,112	2,359
50. Value adjustment of hedged financial liabilities (+/-)	(9,247)	(12,932)
60. Tax liabilities:	1,708	1,483
a) current	1,456	1,191
b) deferred	252	292
70. Liabilities associated with assets classified as held for sale	-	-
80. Other liabilities	14,687	13,566
90. Provision for employee severance pay	294	335
100. Provisions for risks and charges:	7,916	7,543
a) commitments and guarantees given	1,043	1,284
b) post-retirement benefit obligations	3,193	3,083
c) other provisions for risks and charges	3,680	3,176
110. Insurance liabilities	-	-
a) insurance contracts issued that are liabilities	-	-
b) reinsurance contracts held that are liabilities	-	-
120. Valuation reserves	(5,422)	(4,928)
130. Redeemable shares	-	-
140. Equity instruments	4,958	4,863
150. Reserves	33,235	35,063
155. Advanced dividends (-)	(1,440)	-
160. Share premium	23	23
170. Share capital	21,368	21,278
180. Treasury shares (-)	-	(1,727)
190. Minority shareholders' equity (+/-)	400	164
200. Profit (Loss) of the year (+/-)	9,719	9,507
Total liabilities and shareholders' equity	**784,004**	**784,974**

Consolidated accounts

Consolidated income statement

(€ million)

ITEMS	YEAR 2024	YEAR 2023
10. Interest income and similar revenues	34,838	33,919
of which: interest income calculated with the effective interest method	*28,187*	*27,221*
20. Interest expenses and similar charges	(20,167)	(19,571)
30. Net interest margin	**14,671**	**14,348**
40. Fees and commissions income	8,805	8,247
50. Fees and commissions expenses	(1,763)	(1,643)
60. Net fees and commissions	**7,042**	**6,604**
70. Dividend income and similar revenues	468	305
80. Net gains (losses) on trading	2,888	2,264
90. Net gains (losses) on hedge accounting	(530)	(201)
100. Gains (Losses) on disposal and repurchase of:	17	410
a) financial assets at amortised cost	(62)	199
b) financial assets at fair value through other comprehensive income	74	145
c) financial liabilities	5	66
110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss:	(286)	(502)
a) financial assets/liabilities designated at fair value	(456)	(735)
b) other financial assets mandatorily at fair value	170	233
120. Operating income	**24,270**	**23,228**
130. Net losses/recoveries on credit impairment relating to:	(763)	(663)
a) financial assets at amortised cost	(750)	(661)
b) financial assets at fair value through other comprehensive income	(13)	(2)
140. Gains/Losses from contractual changes with no cancellations	6	(13)
150. Net profit from financial activities	**23,513**	**22,552**
160. Insurance service result	-	-
a) insurance revenues from insurance contracts issued	-	-
b) insurance service costs from insurance contracts issued	-	-
c) insurance revenues from reinsurance contracts held	-	-
d) insurance service costs from reinsurance contracts held	-	-
170. Insurance finance net revenues/costs	-	-
a) insurance finance net revenues/costs arising from insurance contracts issued	-	-
b) insurance finance net revenues/costs arising from reinsurance contracts held	-	-
180. Net profit from financial and insurance activities	**23,513**	**22,552**
190. Administrative expenses:	(10,408)	(10,902)
a) staff costs	(6,684)	(6,877)
b) other administrative expenses	(3,724)	(4,025)
200. Net provisions for risks and charges:	(278)	(17)
a) commitments and financial guarantees given	267	74
b) other net provisions	(545)	(91)
210. Net value adjustments/write-backs on property, plant and equipment	(695)	(842)
220. Net value adjustments/write-backs on intangible assets	(589)	(626)
230. Other operating expenses/income	853	972
240. Operating costs	**(11,117)**	**(11,415)**
250. Gains (Losses) of equity investments	483	460
260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(22)	(157)
270. Goodwill impairment	-	-
280. Gains (Losses) on disposals on investments	3	11
290. Profit (Loss) before tax from continuing operations	**12,860**	**11,451**
300. Tax expenses (income) of the year from continuing operations	(3,086)	(1,917)
310. Profit (Loss) after tax from continuing operations	**9,774**	**9,534**
320. Profit (Loss) after tax from discontinued operations	-	-
330. Profit (Loss) of the year	**9,774**	**9,534**
340. Minority profit (loss) of the year	(55)	(27)
350. Parent Company's profit (loss) of the year	**9,719**	**9,507**

Earnings per share (€)	5.841	5.105
Diluted earnings per share (€)	5.781	5.045

Consolidated accounts

Consolidated statement of total comprehensive income

(€ million)

ITEMS	AS AT 31.12.2024	AS AT 31.12.2023
10. Profit (Loss) for the year	**9,774**	**9,534**
Other comprehensive income after tax not reclassified to profit or loss	**66**	**(321)**
20. Equity instruments designated at fair value through other comprehensive income	255	43
30. Financial liabilities designated at fair value through profit or loss (own creditworthiness changes)	18	(31)
40. Hedge accounting of equity instruments designated at fair value through other comprehensive income	-	-
50. Property, plant and equipment	(43)	(158)
60. Intangible assets	-	-
70. Defined-benefit plans	(161)	(186)
80. Non-current assets and disposal groups classified as held for sale	(3)	(1)
90. Portion of valuation reserves from investments valued at equity method	-	12
100. Insurance finance revenue or costs arising from insurance contracts issued	-	-
Other comprehensive income after tax reclassified to profit or loss	**(581)**	**(129)**
110. Foreign investments hedging	4	(45)
120. Foreign exchange differences	(592)	(712)
130. Cash flow hedging	100	271
140. Hedging instruments (non-designated items)	-	-
150. Financial assets (different from equity instruments) at fair value through other comprehensive income	(139)	299
160. Non-current assets and disposal groups classified as held for sale	-	34
170. Part of valuation reserves from investments valued at equity method	46	24
180. Insurance finance revenue or costs arising from insurance contracts issued	-	-
190. Insurance finance revenue or costs arising from reinsurance contracts held	-	-
200. Total other comprehensive income after tax	**(515)**	**(450)**
210. Other comprehensive income (Item 10+200)	**9,259**	**9,084**
220. Minority consolidated other comprehensive income	(57)	(28)
230. Parent Company's consolidated other comprehensive income	**9,202**	**9,056**

Consolidated accounts

Statement of changes in the consolidated shareholders' equity as at 31 December 2024

(€ million)

				PREVIOUS YEAR PROFIT (LOSS) ALLOCATION		CHANGES IN THE YEAR												
							SHAREHOLDERS' EQUITY TRANSACTIONS											
	BALANCE AS AT 31.12.2023	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2024	RESERVES	DIVIDENDS AND OTHER ALLOCATIONS	CHANGES IN RESERVES	ISSUE OF NEW SHARES	PURCHASE OF TREASURY SHARES	ADVANCED DIVIDENDS	DIVIDENDS EXTRAORDINARY DISTRIBUTION	CHANGE IN EQUITY INSTRUMENTS	TREASURY SHARES DERIVATIVES	STOCK OPTIONS	CHANGES IN EQUITY INVESTMENTS	OTHER COMPREHENSIVE INCOME 2024	TOTAL SHAREHOLDERS' EQUITY AS AT 31.12.2024	GROUP SHAREHOLDERS' EQUITY AS AT 31.12.2024	MINORITY SHAREHOLDERS' EQUITY AS AT 31.12.2024
Share capital:	21,331	-	21,331	-	-	20	90	-	-	-	-	-	-	35	-	21,476	21,368	108
- ordinary shares	*21,331*	-	*21,331*	-	-	*20*	*90*	-	-	-	-	-	-	*35*	-	*21,476*	*21,368*	*108*
- other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium	50	-	50	-	-	-	-	-	-	-	-	-	-	16	-	66	23	43
Reserves:	35,124	-	35,124	6,469	-	(8,245)	(90)	-	-	-	-	-	69	127	-	33,454	33,235	219
- from profits	*25,399*	-	*25,399*	*6,469*	-	*(5,017)*	*(90)*	-	-	-	-	-	-	*127*	-	*26,888*	*26,796*	*92*
- other	*9,725*	-	*9,725*	-	-	*(3,228)*	-	-	-	-	-	-	*69*	-	-	*6,566*	*6,439*	*127*
Valuation reserves	(4,932)	-	(4,932)	-	-	-	-	-	-	-	-	-	-	-	(515)	(5,447)	(5,422)	(25)
Advanced dividends	-	-	-	-	-	-	-	-	(1,440)	-	-	-	-	-	-	(1,440)	(1,440)	-
Equity instruments	4,863	-	4,863	-	-	-	-	-	-	-	95	-	-	-	-	4,958	4,958	-
Treasury shares	(1,727)	-	(1,727)	-	-	-	7,598	(5,871)	-	-	-	-	-	-	-	-	-	-
Profit (Loss) for the year	9,534	-	9,534	(6,469)	(3,065)	-	-	-	-	-	-	-	-	-	9,774	9,774	9,719	55
Total shareholders' equity	**64,243**	**-**	**64,243**	**-**	**(3,065)**	**(8,225)**	**7,598**	**(5,871)**	**(1,440)**	**-**	**95**	**-**	**69**	**178**	**9,259**	**62,841**	**62,441**	**400**
Group shareholders' equity	64,079	-	64,079	-	(3,045)	(8,268)	7,598	(5,871)	(1,440)	-	95	-	69	22	9,202	62,441		
Minority shareholders' equity	164	-	164	-	(20)	43	-	-	-	-	-	-	-	156	57	400		

The amounts disclosed in column "Stock Options" represent the effects of the delivery of shares connected with Group Executive Incentive Plans.
The cumulated change of valuation reserves, for -€515 million, mainly stems from:

- +€133 million in financial assets and liabilities at fair value;
- +€100 million in cash-flow hedges;
- +€46 million in investments valued at net equity;
- +€29 million in non-current assets and disposal groups classified as held for sale;
- -€74 million in property, plant and equipment related to the properties used in business, ruled by IAS16 "Property, plant and equipment";
- -€161 million in defined-benefit plans related to pensions and other post-retirement benefits obligations and provision for employees severance pay;
- -€592 million in exchange differences, mainly related to effect of Russian Ruble for -€458 million, Hungarian Forint for -€88 million and Czech Crown for -€63 million.

The change in Group share capital refers to the increase for +€90 million following the resolution of the Board of Directors of 4 February 2024 of UniCredit S.p.A. executed through a withdrawal from the specifically constituted reserve, for the issue of the shares connected to the medium-term incentive plan for Group personnel.

Following the resolutions of the Shareholders' Meeting of UniCredit S.p.A. of 12 April 2024, the following events occurred:
(i) allocation of the net profit of the year 2023 to "Reserves from profits" and in particular to: (a) a specific reserve for tax on banks' extra-profits for €1,125 million[52]; (b) Reserve for social, charity and cultural initiatives for €5 million; (c) Reserve for the issue of the shares connected to the medium-term incentive plan for Group personnel for €100 million and (d) Statutory reserve for €6,989 million;
(ii) coverage of the negative reserves for a total amount of €445 million by use of: (a) the Reserve from business combinations (IFRS3) for €270 million to cover the reserve related to the payment of AT1 coupons and the Reserve deriving from payments related to the "Equity Settled Share

52 For further details reference is made to paragraph "Windfall tax Italy", Notes to the consolidated accounts, Part A - Accounting policies, Section 5 - Other matters of the Consolidated financial statements as at 31 December 2023.

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Based Payments" settled in cash; (b) the Statutory reserve for €175 million to cover the reserve emerged from the cash-out related to the usufruct contract connected to the "Cashes" financial instruments;
(iii) establishment of the specific unavailable reserve for €3,085 million for the execution of the "Second and Third Tranche of Share buy-back Programme 2023" and of €1,700 million for the execution of "2024 Share buy-back Anticipation", with withdrawal from the Statutory reserve.

The change in the item "Reserves other" includes also the payment of coupons on AT1 equity instruments for -€196 million and the allocation to reserves of the cash-out related to the usufruct contract connected to the "Cashes" financial instruments for -€247 million.

The change in the item "Advanced dividends" in amount of -€1,440 million refers to distribution of the 2024 interim dividend based on the results of the 2024 Financial Year approved by the Board of Directors on 5 November 2024.

The change in the item "Equity instruments" for +€95 million refers to:
(i) early redemption of the Additional Tier 1 instrument (ISIN XS1046224884) for -€898 million, net of the related transaction costs and excluding exchange differences, in accordance with the relevant terms and conditions of the issue of securities;
(ii) issuing of an Additional Tier 1 instruments for +€993 million (ISIN IT0005611758), net of the related transaction costs.

Moreover, the change in the item "Treasury shares" for +€1,727 million refers for:
(i) -€4,171 million to the purchase of ordinary shares, under execution of "First, Second and Third Tranche of the buy-back Programme 2023"; the "First Tranche" was completed on 7 March 2024, the "Second Tranche" was completed on 20 June 2024, while the "Third Tranche" was completed on 19 August 2024;
(ii) -€1,700 million to the purchase of ordinary shares, under execution of "2024 Share buy-back Anticipation" programme, started on 16 September 2024 and concluded on 14 November 2024;
(iii) +€7,598 million to the cancellation of the treasury shares purchased in execution of the buy-back Programme 2022 (on 16 January 2024), "First, Second and Third Tranche of the buy-back Programme 2023" and "2024 Share buy-back Anticipation" (on 26 March 2024, 26 June 2024 and 18 December 2024 respectively), by use of the established unavailable reserve (amount conventionally disclosed in the column "Issue of new shares").

The change in the item "Minority shareholders' equity" substantially refers to the purchase of 90.1% shares of Alpha Bank Romania S.A by UniCredit S.p.A. from Alpha International Holdings Single Member S.A. The payment, amongst other, is composed by 9.90% shares of ownership in UniCredit Bank S.A. (for the further details refer to Notes to the consolidated accounts, Part G - Business combinations).

For further details about the Shareholders' equity changes refer to Notes to the consolidated accounts, Part B - Consolidated balance sheet - Liabilities, Section 13.

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Statement of changes in the consolidated shareholders' equity as at 31 December 2023

(€ million)

				PREVIOUS YEAR PROFIT (LOSS) ALLOCATION		CHANGES IN THE YEAR												
							SHAREHOLDERS' EQUITY TRANSACTIONS											
	BALANCE AS AT 31.12.2022	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2023	RESERVES	DIVIDENDS AND OTHER ALLOCATIONS	CHANGES IN RESERVES	ISSUE OF NEW SHARES	PURCHASE OF TREASURY SHARES	ADVANCED DIVIDENDS	DIVIDENDS EXTRAORDINARY DISTRIBUTION	CHANGE IN EQUITY INSTRUMENTS	TREASURY SHARES DERIVATIVES	STOCK OPTIONS	CHANGES IN EQUITY INVESTMENTS	OTHER COMPREHENSIVE INCOME 2023	TOTAL SHAREHOLDERS' EQUITY AS AT 31.12.2023	GROUP SHAREHOLDERS' EQUITY AS AT 31.12.2023	MINORITY SHAREHOLDERS' EQUITY AS AT 31.12.2023
Share capital:	21,273	-	21,273	-	-	-	58	-	-	-	-	-	-	-	-	21,331	21,278	53
- ordinary shares	*21,273*	-	*21,273*	-	-	-	*58*	-	-	-	-	-	-	-	-	*21,331*	*21,278*	*53*
- other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium	2,544	-	2,544	-	-	(2,494)	-	-	-	-	-	-	-	-	-	50	23	27
Reserves:	31,726	-	31,726	4,556	-	(1,171)	(58)	-	-	-	-	-	71	-	-	35,124	35,063	61
- from profits	*23,664*	-	*23,664*	*4,556*	-	*(2,763)*	*(58)*	-	-	-	-	-	-	-	-	*25,399*	*25,464*	*(65)*
- other	*8,062*	-	*8,062*	-	-	*1,592*	-	-	-	-	-	-	*71*	-	-	*9,725*	*9,599*	*126*
Valuation reserves	(4,619)	-	(4,619)	-	-	137	-	-	-	-	-	-	-	-	(450)	(4,932)	(4,928)	(4)
Advanced dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	6,100	-	6,100	-	-	-	-	-	-	-	(1,237)	-	-	-	-	4,863	4,863	-
Treasury shares	-	-	-	-	-	-	3,031	(4,758)	-	-	-	-	-	-	-	(1,727)	(1,727)	-
Profit (Loss) for the year	6,473	-	6,473	(4,556)	(1,917)	-	-	-	-	-	-	-	-	-	9,534	9,534	9,507	27
Total shareholders' equity	**63,497**	**-**	**63,497**	**-**	**(1,917)**	**(3,528)**	**3,031**	**(4,758)**	**-**	**-**	**(1,237)**	**-**	**71**	**-**	**9,084**	**64,243**	**64,079**	**164**
Group shareholders' equity	63,339	-	63,339	-	(1,895)	(3,528)	3,031	(4,758)	-	-	(1,237)	-	71	-	9,056	64,079		
Minority shareholders' equity	158	-	158	-	(22)	-	-	-	-	-	-	-	-	-	28	164		

The amounts disclosed in column "Stock Options" represented the effects of the delivery of shares connected with Group Executive Incentive Plans.
The cumulated change in the valuation reserves, for -€313 million, mainly stemmed from:
- +€310 million in financial assets and liabilities at fair value;
- +€272 million in cash-flow hedges;
- +€194 million in investments valued at net equity;
- -€45 million in hedges of foreign investments;
- -€147 million in property, plant and equipment related to the properties used in business, ruled by IAS16 "Property, plant and equipment";
- -€187 million in defined-benefit plans related to pensions and other post-retirement benefits obligations and provision for employees severance pay;
- -€711 million in exchange differences, mainly related to effect of Russian Ruble for -€676 million.

The change in the Group share capital referred to the increase for +€58 million following the resolution of the Board of Directors of 16 February 2023 of UniCredit S.p.A., executed through the withdrawal from the specifically constituted reserve, for the issue of the shares connected to the medium-term incentive plan for Group personnel.

Following the resolutions of the Shareholders' Meeting of UniCredit S.p.A. of 31 March 2023, the following events occurred:
(i) allocation of the net profit of the year 2022 to Reserves from profits and in particular to: (a) specific Reserve for social, charity and cultural initiatives for €5 million; (b) Reserve for the issue of the shares connected to the medium-term incentive plan for Group personnel for €75 million; (c) Legal Reserve for €100 million; (d) Statutory Reserve for €1,032 million;
(ii) coverage of the negative reserves for a total amount of €376 million by use of: (a) the Share premium Reserve for €302 million, to eliminate the negative components related to the payment of AT1 coupons; (b) the Statutory Reserve for €74 million to cover the negative reserve related to the cash-out related to the usufruct contract connected to the "Cashes" financial instruments;
(iii) allocation of part of the Share Premium Reserve (€2,191 million) and part of the business combination reserve (€1,152 million) to a specific unavailable reserve (€3,343 million) dedicated to the purchases of own treasury shares for the execution of Share buy-back Programme 2022 (First and Second tranches) authorised by the ECB on 28 March 2023.

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The change in the item “Reserves other” included also the payment of coupons on AT1 equity instruments for -€250 million.

The change in the item “Equity instruments” referred to early redemption of the Additional Tier 1 instruments (ISIN XS1619015719) issued in 2017 for -€1,237 million, net of the related transaction costs, in accordance with the relevant terms and conditions of the issue of securities.

Moreover, the negative change in the item "Treasury shares" for -€1,727 million referred for:
(i) -€3,343 million to the purchase of ordinary shares, under execution of “First and Second Tranche of the buy-back Programme 2022”; the “First Tranche” was completed on 29 June 2023, while the “Second Tranche” was completed on 29 September 2023;
(ii) +€3,031 million to the partial cancellation of own shares performed on 12 September 2023, without reducing the share capital (amount conventionally disclosed in the column “Issue of new shares”);
(iii) -€1,415 million to the purchase of ordinary shares under execution of “First Tranche of the buy-back Programme 2023”, communicated to the market on 30 October 2023 and initiated on the same date, as per the authorization granted by the Shareholders' Meeting of the Company held on 27 October 2023. It should be noted that for this purpose, a specific unavailable reserve shown under the other reserves, dedicated to the purchases of own treasury shares, was established for the maximum amount authorised of €2,500 million through a withdrawal from the “Statutory Reserve”.

Finally, for the sake of completeness, the first-time adoption of IFRS17 by bancassurance associated companies had determined an effect equal to -€18 million disclosed in the column “Changes in Reserves”.

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Consolidated cash flow statement (indirect method)

(€ million)

	YEAR	
	2024	2023
A. OPERATING ACTIVITIES		
1. Operations	**21,098**	**18,169**
- profit (loss) for the year (+/-)	9,774	9,534
- gains/losses on financial assets held for trading and on other financial assets/liabilities at fair value through profit or loss (-/+)	2,438	706
- gains (losses) on hedge accounting (-/+)	530	201
- net impairment losses/writebacks on impairment for credit risk (+/-)	2,897	3,147
- net value adjustments/write-backs on property, plant and equipment and intangible assets (+/-)	1,306	1,625
- net provisions for risks and charges and other expenses/income (+/-)	(140)	(403)
- net revenues/costs arising from insurance contracts issued and reinsurance contracts held	-	-
- unpaid duties, taxes and tax credits (+/-)	2,633	1,595
- impairment/write-backs after tax on discontinued operations (+/-)	-	-
- other adjustments (+/-)	1,660	1,764
2. Liquidity generated/absorbed by financial assets	**(22,505)**	**11,801**
- financial assets held for trading	(3,555)	(5,567)
- financial assets designated at fair value	(30)	118
- other financial assets mandatorily at fair value	1,301	1,148
- financial assets at fair value through other comprehensive income	(14,620)	(7,909)
- financial assets at amortised cost	(7,671)	20,643
- other assets	2,070	3,368
3. Liquidity generated/absorbed by financial liabilities	**(5,669)**	**(71,098)**
- financial liabilities at amortised cost	(202)	(67,256)
- financial liabilities held for trading	(3,224)	(791)
- financial liabilities designated at fair value	1,434	1,004
- other liabilities	(3,677)	(4,055)
4. Liquidity generated/absorbed by Insurance contracts issued and by reinsurance contracts held	**-**	**-**
- insurance contracts issued that are liabilities/assets (+/-)	-	-
- reinsurance contracts held that are assets/liabilities (+/-)	-	-
Net liquidity generated/absorbed by operating activities	**(7,076)**	**(41,128)**
B. INVESTMENT ACTIVITIES		
1. Liquidity generated by	**457**	**472**
- sales of equity investments	6	89
- collected dividends on equity investments	167	106
- sales of property, plant and equipment	282	272
- sales of intangible assets	2	2
- sales of subsidiaries and business units	-	3
2. Liquidity absorbed by	**(1,522)**	**(1,259)**
- purchases of equity investments	(2)	(107)
- purchases of property, plant and equipment	(1,250)	(589)
- purchases of intangible assets	(490)	(563)
- purchases of subsidiaries and business units	220	-
Net liquidity generated/absorbed by investment activities	**(1,065)**	**(787)**
C. FUNDING ACTIVITIES		
- issue/purchase of treasury shares	(5,878)	(4,763)
- issue/purchase of equity instruments	(162)	(1,250)
- dividend distribution and other	(4,950)	(2,440)
- sale/purchase of minority control	-	-
Net liquidity generated/absorbed by funding activities	**(10,990)**	**(8,453)**
NET LIQUIDITY GENERATED/ABSORBED IN THE YEAR	**(19,131)**	**(50,368)**

Key:
(+) generated;
(-) absorbed.

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Reconciliation

(€ million)

ITEMS	YEAR 2024	YEAR 2023
Cash and cash balances at the beginning of the year	**61,000**	**111,776**
Net liquidity generated/absorbed in the year	(19,131)	(50,368)
Cash and cash balances: foreign exchange effect	(427)	(408)
Cash and cash balances at the end of the year	**41,442**	**61,000**

The item "Cash and cash balances" refers to the definition according to Banca d'Italia (Circular 262 of 22 December 2005 and subsequent amendments) and is mainly related to "Current accounts and Demand deposits with Central Banks" for €31 billion, mostly part held by UniCredit S.p.A. for €10 billion, UniCredit Bank GmbH for €5 billion, and UniCredit Bank Austria AG for €5 billion.
The reduction observed during the period in item "Cash and cash balances" is mainly given by liquidity absorbed by (i) increase of financial assets mainly debt securities in UniCredit S.p.A. and UniCredit Bank GmbH, (ii) decrease in financial liabilities due to redemption/repurchase of financial liabilities mainly by UniCredit S.p.A. and UniCredit Bank GmbH and (iii) funding activities for repurchase of own shares and dividends distribution in part offset by the liquidity generated by operations.
For further details on item's composition refer to Part B - Consolidated balance sheet - Assets, Section 1 - Cash and cash balances - Item 10 of the Notes to the consolidated accounts.
For further details related to the change of Funding activities refer to Part B - Consolidated balance sheet - Liabilities, Section 13 – Group shareholders 'equity of the Notes to the consolidated accounts.

The purchase of Alpha Bank Romania S.A. generated liquidity for €220 million given by the difference between the portion of the price paid in cash and the cash and cash balances owned by the company at acquisition date.

The information related to the significant restrictions are provided in Part A - Accounting Policies, A.1 - General, Section 3 - Consolidation scope and methods.

Part A - Accounting policies

A.1 - General

Section 1 - Statement of compliance with IFRS

These Consolidated financial statements have been prepared in accordance with the IFRS issued by the International Accounting Standards Board (IASB), including the interpretation documents issued by the SIC and the IFRIC, and endorsed by the European Commission up to 31 December 2024, pursuant to EU Regulation 1606/2002 which was incorporated into Italian legislation through Legislative Decree 38 of 28 February 2005 (refer also to Section 5 - Other matters).

These financial statements are an integral part of the Annual financial statements as required by Art.154-ter, par.1 of the Single Finance Act (Consolidated Law on Finance - “TUF”, Legislative Decree 58 of 24 February 1998).

In Circular 262 of 22 December 2005 (and subsequent amendments), with regard to the banks and financial institutions subject to supervision, Banca d’Italia has established the formats for the financial statements and Notes to the accounts used to prepare these Consolidated financial statements.

Part A - Accounting policies

Section 2 - General preparation criteria

As mentioned above, these "Consolidated financial statements as at 31 December 2024" have been prepared in accordance with the international accounting standards endorsed by the European Commission.

The following documents have been used to interpret and support the application of IAS/IFRS, even though they have not all been endorsed by the European Commission:
- the Conceptual Framework for Financial Reporting;
- Implementation Guidance, Basis for Conclusions, IFRICs and the documents prepared by either the IASB or the International Financial Reporting Interpretations Committee (IFRIC) supplementing the IFRS;
- Interpretative documents on the application of the IAS/IFRS in Italy prepared by the Organismo Italiano di Contabilità (the Italian Standard Setter; OIC) and Associazione Bancaria Italiana (Italian Banking Association, that is the trade association of Italian banks; ABI);
- Coordination Table between Banca d'Italia, Consob and Ivass with regard to the application of IAS/IFRS, in particular the Document 9, dated 5 January 2021, Accounting Treatment of tax credits connected with the "Cura Italia" and "Rilancio" Law Decrees purchased following the sale without recourse by the direct beneficiaries or previous buyers ("Trattamento contabile dei crediti d'imposta connessi con i Decreti Legge "Cura Italia" e "Rilancio" acquistati a seguito di cessione da parte dei beneficiari diretti o di precedenti acquirenti"); such document was subsequently updated by Banca d'Italia on 24 July 2023 with the clarification note "Credit risk - Standardised method and IRB - Clarification note" ("Rischio di credito - Metodo Standardizzato e IRB - Nota di chiarimenti");
- ESMA (European Securities and Markets Authority), European Banking Authority, European Central Bank and Consob documents on the application of specific IAS/IFRS provisions also with specific reference to the presentation of the effects arising from geopolitical tensions and their effects on the evaluation processes. In particular, it shall be made reference to the ESMA statements dated 29 October 2021,14 March 2022,13 May 2022, 28 October 2022, 25 October 2023 and 24 October 2024; and to Consob "Call for attention" dated 18 March 2022 and 19 May 2022. The content of such communications, when relevant, has been reported in "Section 5. Other matters" of Notes to the consolidated accounts, Part A - Accounting policies, A.1 General, in the context of valuation choices performed by the Group as at 31 December 2024.

The Consolidated financial statements include the Balance sheet, the Income statement, the Statement of other comprehensive income, the Statement of changes in shareholders' equity, the Cash flow statement (compiled using the "indirect method") and the Notes to the consolidated accounts, together with the Consolidated report on operations and Annexes. The schemes and Notes of the Consolidated financial statement as at 31 December 2024 are in line with Banca d'Italia templates as prescribed by Circular 262 dated 22 December 2005 (and subsequent amendments) as well as 14 March 2023 communication on impacts of Covid-19 and measures to support the economy, and they present comparative figures, as at 31 December 2023.

Figures in the Consolidated accounts and Notes to the consolidated accounts are given in millions of euros, unless otherwise specified.

Risks and uncertainty relating to the use of estimates

Under the IFRS, management must make judgments, estimates and assumptions that affect the application of accounting principles and the amounts of assets/liabilities and income and expenses reported in the accounts, as well as the disclosure concerning contingent assets and liabilities. Estimates and related assumptions are based on previous experience and on the available information framework with reference to the current and expected context and have been used to estimate the carrying values of assets and liabilities not readily available from other sources.
Estimates and assumptions are regularly reviewed. Any change resulting from these reviews is recognised in the period in which the review was carried out, provided the change only concerns that period. If the review concerns both current and future periods, it is recognised accordingly in both current and future periods.
In particular, estimated figures have been used for the recognition and measurement of some of the main items in the Consolidated financial statements as at 31 December 2024, as required by the accounting policies, statements and regulations described above.

The current market environment continues to be affected by uncertainty stemming from geopolitical tensions. In this respect, ECB macroeconomic projections updated in December 2024[53] remark that the economic outlook continues to be surrounded by uncertainty considering tensions in the Middle East, the war in Ukraine, the lingering weakness in the Chinese real estate market and the possibility that the next US Administration will turn more inward - looking. Therefore, the outlook for Gross Domestic Product (GDP) growth was slightly revised downward compared to September 2024 projections; in detail, the outlook for GDP was negatively revised mainly following data revisions on investment, expectations of weaker export growth in 2025, downward revision to the projected expansion of domestic demand in 2026.

Regarding the inflation, following a rise in late 2024, it is projected to decline and hover around ECB's 2% inflation target from second quarter 2025. Base effects in energy component are expected to be the main driver of the temporary increase in inflation at the start of the projection horizon. Based on assumptions of declining oil and gas prices, energy inflation is likely to remain negative until second quarter 2025 and stay subdued thereafter, except for an uptick in 2027 owing to the introduction of new climate change mitigation measures.

53 ECB staff macroeconomic projections for the euro area, December 2024.

Part A - Accounting policies

The outlook for headline HICP[54] inflation, compared to September 2024 projections, was revised slightly down for 2024 and 2025, mainly owing to lower oil and electricity price assumptions.
Moreover, although high uncertainty, fiscal policies are assumed to be on a consolidation path overall, despite funds from Next Generation EU (NGEU) program should support growth until its expiry in 2027.

In the context of persisting uncertainty explained above, UniCredit group defined different macro-economic scenarios, to be used for the purposes of the evaluation processes related to the 2024 Consolidated financial statements.
In particular, in addition to the "Base" scenario, which reflects the expectations considered most likely concerning macro-economic trends, an “Alternative/Recession” and a “Positive” scenario were outlined, these reflecting respectively a downward and an upward forecast of the macroeconomic parameters and consequently in the expected profitability of the business.

The paragraphs below provide a detailed description of the characteristics associated with the above scenarios.

Features of the scenarios

- Base: it is the main reference scenario, underlying the approved budget for 2025, and the projections for 2026 and 2027. Such scenario assumes, in terms of macroeconomic conditions: (i) moderate GDP growth expected for 2025 impacted by manufacturing sector; improving trend in 2026-2027 mainly underpinned by internal demand; (ii) inflation declining in 2025 and stabilizing in 2026-2027; (iii) ECB monetary policy consistent with inflation normalization; ECB Deposit Facility Rate equal to 300 bps at year end 2024, and assumed equal to 2% at year-end 2025; (iv) 3M Euribor assumed to decrease in 2025, landing to approx. 200 bps at year-end 2025 and remaining broadly stable in 2026; (v) Russia Sovereign Rating at CCC.
  In Italy and Germany, the GDP is expected to expand in 2025 but still at a low pace, consistently with weak manufacturing sector and slow recovery in global trade; improving growth expected in 2026 and 2027, benefiting from lower inflation and internal demand.
  For Central and Eastern Europe (including Austria and excluding Russia), the Real GDP is expected to increase by 1.9% in 2025 and close to about 2.4% in the following 2 years.
  For Russia, minor growth is assumed in 2025 (after two strong years), improving trend is expected in 2026 and 2027.
  With reference to the FX rates, the Base scenario assumes the Russian Ruble depreciation over time, from current levels to 149 as at year-end 2027, reflecting decreasing energy prices and gas export.
  Average Inflation (UniCredit group excluding Russia) will decrease in 2025, remaining close to 2% in 2025 - 2027; still above 2% in CE&EE.
  Uncertainties/risks in the short/medium term persist, both for inflation/rates and for growth (mainly for US elections impact).
  Furthermore, potential pressure is assumed on BTP-Bund spread (150 bps year-end 2025, 175 bps year-end 2026 - 2027), to factor-in volatility and uncertainties on Italian Sovereign debt and macro-economic developments.

- Alternative/Recession: this scenario embeds downward forecast of macroeconomic parameters and consequently in the expected profitability of the business and assumes an intensification of geopolitical tensions in the Middle East and Ukraine with negative supply. Activity starts contracting in 2025 with deepen recession in 2026. Weaker demand resulting in lower inflation vs. Base. Central Banks respond to the shocks by cutting rates more aggressively than in the Base.
  For Italy and Germany, GDP would contract in 2025-2026, turning positive in 2027 (supply chains normalization).
  For Central and Eastern Europe (including Austria and excluding Russia), the growth shock is assumed to be about -5.7% (cumulated in 2025 - 2027).
  For Russia, the growth shock is assumed to be -3.3% (cumulated in 2025 - 2027).
  Expected inflation is lower than in the Base case as disinflation forces prevail overall (stronger impact by weaker demand).
  Concerning the ECB monetary policy, Central banks cut interest rates more aggressively than in the base scenario (3M Euribor equal to 129 bps at year-end 2025, close to 1% in subsequent years).
  In addition, the pressure on BTP-Bund spread is higher compared to the Base case (223 bps for year-end 2025, 232 bps for year-end 2026), reflecting deteriorated economic conditions.

- Positive: it exhibits upward forecast of macro-economic parameters and assumes a de-escalation of geopolitical tensions and US trade policies less restrictive than expected. Such a scenario foresees an improved labour market, wage growth and a relatively stable inflation leading, therefore, to a stronger consumer spending and better economic growth. On the other side, favourable risk repricing and higher demand accelerate investment activity.
  For Italy and Germany, GDP increases constantly through the 3-year forecast period by 4.8% and 5.6% respectively on cumulative basis.
  For Central and Eastern Europe (including Austria and excluding Russia), GDP is expected to rise by 10.6% (cumulated in 2025-27).
  For Russia, GDP would increase, by 5.8% (2025-2027), at a low pace compared to the CE&EE area.

54 Harmonised Indices of Consumer Prices

Part A - Accounting policies

With reference to inflation, it is expected higher when compared to the Base scenario, due to the better economic growth leading to a higher demand.
In addition, the pressure on BTP-Bund spread is lower compared to Base case (125 bps in 2025, 150 bps in 2026 and 2027), reflecting improved economic conditions.

The table below shows the most significant macroeconomic data featuring the Base, Alternative/Recession and Positive scenarios.

INTEREST RATES, INFLATION AND YIELD ENVIRONMENT		2024	2025	2026	2027
Base Scenario 2024	Euribor 3M (EoP, bps)	271	204	202	202
	Spread BTP - Bund (EoP, bps)	116	150	175	175
	Real GDP growth y/y, %				
	Italy	0.5	0.8	1.0	1.0
	Germany	(0.2)	0.7	1.2	1.4
	CE & EE (excl. Russia)	1.2	1.9	2.4	2.4
	Russia	3.7	0.5	1.3	1.6
	Inflation average %				
	Italy	1.0	1.5	1.6	2.0
	Germany	2.3	1.5	1.7	1.8
	CE & EE (excl. Russia)	3.4	3.4	2.8	2.7
	Russia	8.4	5.8	4.3	4.1
Alternative/Recession Scenario 2024	Euribor 3M (EoP, bps)	-	129	104	102
	Spread BTP - Bund (EoP, bps)	-	223	232	222
	Real GDP growth y/y, %				
	Italy	-	(0.8)	(2.1)	0.2
	Germany	-	(1.0)	(2.0)	0.5
	CE & EE (excl. Russia)	-	0.2	(0.5)	1.5
	Russia	-	(0.2)	(1.1)	1.3
	Inflation average %				
	Italy	-	1.3	1.0	1.6
	Germany	-	1.3	0.9	1.5
	CE & EE (excl. Russia)	-	3.3	2.3	2.4
	Russia	-	5.6	3.8	3.7
Positive Scenario 2024	Euribor 3M (EoP, bps)	-	289	307	307
	Spread BTP - Bund (EoP, bps)	-	125	150	150
	Real GDP growth y/y, %				
	Italy	-	1.5	1.9	1.4
	Germany	-	1.3	2.3	2.0
	CE & EE (excl. Russia)	-	2.5	3.5	3.0
	Russia	-	1.2	2.5	2.2
	Inflation average %				
	Italy	-	1.7	1.8	2.2
	Germany	-	1.9	2.0	2.0
	CE & EE (excl. Russia)	-	3.7	3.1	2.8
	Russia	-	6.0	4.6	4.2

Part A - Accounting policies

Measurement of credit exposures

With reference to the credit exposures as at 31 December 2024, the macroeconomic scenarios used for calculation of credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default) were updated according to the Group policies, on the basis of the features highlighted above.
Starting from December 2024, while the Base scenario was kept at 60%, the weights of positive and alternative/recession scenarios were reviewed, by setting them respectively at 5% and 35% (vs 0% and 40% in the previous period).
In this regard, it shall be noted that the amount of loan loss provisions is determined by considering: (i) the classification (current and expected) of credit exposures as non-performing; (ii) the sale prices, for those non-performing exposure whose recovery is expected through sale to external counterparties; and (iii) credit parameters (Probability of Default, Loss Given Default and Exposure at Default) which, in accordance with the IFRS9, incorporate forward looking information and the expected evolution of the macro-economic scenario.
Therefore, also in this case, the measurement is affected by the mentioned degree of uncertainty on the evolution of the geopolitical tension as well as the evolution of the macroeconomic conditions.

Indeed, the evolution of these factors may require, in future financial years, the classification of additional credit exposures as non-performing, thus determining the recognition of additional loan loss provisions, also related to performing exposures, following the update in credit parameters. In addition, adjustments to the loan loss provisions might derive from the occurrence of a macroeconomic scenario different from the one estimated for the calculation of the credit risk parameters, or by the prevalence on the market of non-performing exposures of prices different from those used in the measurement.
The evolution of the real estate market, in terms of downward correction of real estate prices, might impact (i) the value of properties received as collateral requiring an adjustment to the loan loss provisions or (ii) the ability of certain counterparties operating in the real estate sector to serve their debt.
Eventually, starting from 2024 the measurement of credit exposures reflects Climate and Environmental risk by incorporating such risk in the evolution of Credit Risk parameters (Probability of Default, Loss Given Default as applicable) which have been calibrated considering different assumptions in terms of implementation of transition policies and severity on physical risk. Therefore, adverse changes in climate risks which may result in a tightening of transition policies and associated cost or in an increase severity of physical risk may require the recognition of additional loan loss provisions.

For additional information on the measurement of credit exposures refer to the paragraph “2.1 Credit risk” of the Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter.

Deferred tax assets

With reference to deferred tax assets, the measurement is significantly influenced by assumptions about future cash flows, which in turn incorporate assumptions on the evolution of the macro-economic scenario. As a result, for the measurement purposes, and with the aim to reflect the uncertainty, the Base and the Alternative scenario above outlined were considered for the estimation of future cash flows, weighting them respectively 65% and 35% (respectively at 60% and 40% in the previous period). These weights were applied in coherence with the weights applied for the measurement of credit exposures, by converging the positive scenario into the “Base”.
Moreover, considering that further to the cash flows, additional parameters are relevant in the calculation approach underlying the DTA sustainability test, the evaluation of the following parameters was reviewed taking into consideration the ESMA statements on recognition of deferred tax assets arising from the carry-forward of unused tax losses[55]: (i) volatility parameter, calculated on the historical series since 2007 of the pre-tax results of a significant sample of European Banks[56]; (ii) confidence level used in the MonteCarlo calculation.

The results of these evaluations might be subject to changes depending on the evolution of the underlying parameters, mainly Profit Before Tax, volatility parameter, and confidence level used in the MonteCarlo calculation, whose changes, which may also be driven by change in macro-economic scenario, might determine a change in the valuation.
For further information on the methodology, results and base assumptions used in deferred tax assets, refer to section “Section 11 - Tax assets and tax liabilities - Item 110 (Assets) and Item 60 (Liabilities)” of the Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.

Measurement of real estate portfolio

Always with reference to the valuation of non-financial assets, the valuation of the real estate portfolio has become relevant following the adoption, starting from 31 December 2019, of the fair value model (assets held for investment) and the revaluation model (assets used in the business). For these assets, on 31 December 2024, the fair value was determined by making recourse to external appraisals, following the Group guidelines.

55 ESMA Public Statement. Consideration on recognition of deferred tax assets arising from the carry-forward of unused tax losses, issued on 15 July 2019.
56 Data from European Central Bank (ECB) Statistical Datawarehouse.

Part A - Accounting policies

In this context, it is worth to note that, in upcoming financial years, the fair value of these assets might be different from the fair value observed as at 31 December 2024, as a result of the possible evolution of real estate market, which also depends on the evolution of the macro-economic scenario, including but not limited to the geo-political tensions as well as the evolution of the macroeconomic conditions.
For additional information on the measurement of the real estate portfolio, refer to the paragraph "Section 9 - Property, plant and equipment - Item 90" of the Notes to the consolidated accounts Part B - Consolidated balance sheet - Assets.

Russia

UniCredit group is exposed to Russia through (i) its investments in AO UniCredit Bank, its subsidiaries OOO UniCredit Garant, OOO UniCredit Leasing, and (ii) exposures toward Russian Counterparties held by non - Russian subsidiaries. Geopolitical tensions have been arising from the conflict between Russia and Ukraine, leading to sanctions and countersanctions among the parties; the Russian administration also took actions towards western investors, in terms of, e.g.: (i) temporary management by Russian entities of subsidiaries of western investors; (ii) lack of procedures for capital repatriation from Russia; (iii) limiting ability for Russian subsidiaries to distribute dividends towards western investors; (iv) ruling of Russian Courts which considered local subsidiaries of western investors jointly and severally liable in legal cases.
The evolution of such geopolitical tensions may affect, also significantly, the value of these assets and liabilities possibly determining the need to recognise additional losses.

Regarding the Russian Ruble FX rate, the ECB stopped the quotation of EUR/RUB exchange rate since 2 March 2022.
Therefore, as at 31 December 2024 and in coherence with the previous years, the Group is applying an OTC foreign exchange rate provided by Electronic Broking Service (EBS[57]). In this regard it cannot be excluded that, once the ECB will restart listing RUB/EUR FX rate, these quotes might be different from EBS quotes, thus requiring the recognition of an impact in Net Equity and in P&L.
For further information about the exposures to the Group to Russian assets and liabilities reference is made Section 5 - Other matters", Notes to the consolidated accounts, Part A - Accounting policies, A.1 General.

Other measurements

The following additional Balance sheet items might be significantly affected in their evaluation by risks and uncertainties, even if not directly connected with the slow-down of the economic activity and the associated uncertainty level of the economic recovery:
- fair value of financial instruments not listed in active markets;
- severance pay (in Italy) and other employee's benefits (including defined benefit obligation);
- provisions for risks and charges.

While evaluations have been made on the basis of information deemed to be reasonable and supportable as at 31 December 2024, they might be subject to changes not foreseeable at the moment, as a result of the evolution in the parameters used for the evaluation.
Furthermore, the following factors, in addition to those illustrated above, might influence the future results of the Group and cause outcomes materially different from those deriving from the valuations: (1) general economic and industrial conditions of the regions in which the Group operates or holds significant investments; (2) exposure to various market risks (e.g., foreign exchange risk); (3) political instability in the areas in which the Group operates or holds significant investments; (4) legislative, regulatory and tax changes, including regulatory capital and liquidity requirements, also taking into account increased regulation in response to the financial crisis; (5) adverse change in climate which may affect the value of the assets held and/or the ability of customers to serve their debts[58]. Other unknown and unforeseeable factors could determine material deviations between actual and expected results.

Statement of going concern

In their joint Document No.4 of 3 March 2010, Banca d'Italia, Consob and ISVAP made observations regarding the markets and businesses situation and requested that information essential for a better understanding of business trends and outlook be disclosed in financial reports. Also following such guideline, the present statement of going concern is released.

UniCredit Directors observed that during the 2024 the geopolitical tensions between Russian Federation and Ukraine and in the Middle East persisted. Such events determined a relevant uncertainty in the macroeconomic outlook, in terms of GDP, inflation rates and interest rates.
The Directors assessed such circumstances, and concluded, with reasonable certainty, that the Group will be able to operate profitably in the foreseeable future; as a result, in accordance with the provisions of IAS1, the Consolidated reports as at 31 December 2024 was prepared on a going concern basis.

57 EBS is a wholesale electronic trading platform used to trade on the foreign exchange market (FX) with market-making banks. It is part of CME Group (Chicago Mercantile Exchange).
58 For additional information about climate risk and how the Group affects it refer to Part E - Information on risks and related hedging policies - Climate-related and environmental risks.

Part A - Accounting policies

For releasing such statement and the connected evaluations, the main regulatory ratios were also taken into account at 31 December 2024, in terms of: (i) actual figures as at 31 December 2024 (CET1 Ratio Transitional equal to 15.96%; MREL Ratio equal to 32.73% in terms of RWEA and 10.33% in terms of Leverage Exposure; Liquidity Coverage Ratio at 144% based on monthly average on 12 months); (ii) the related buffer versus the minimum requirements at the same reference date (CET1 Ratio Transitional: excess of 559 basis points; MREL Ratio: excess of 523 basis points in terms of RWEA and 424 in terms of Leverage Exposure; Liquidity Coverage Ratio: excess of about 44 percentage points); iii) the expected evolution of the same ratios during 2025 (in particular, it is expected to stay well above the capital requirements, consistently with the UniCredit Unlocked CET1 ratio target of 12.5-13 per cent).

On 12 April 2024 the Shareholders meeting has authorised the purchase of a maximum No.200,000,000 of UniCredit S.p.A. shares, to be carried out, even in more transactions, within the earliest of: (i) the date which will fall after 18 (eighteen) months from the date of the authorisation of the shareholders' meeting; and (ii) the date of the shareholders' meeting which will be called to approve the financial statements for the year ending on 31 December 2024. The request for authorisation to purchase treasury shares was proposed by the Board of Directors as a part of the activities envisaged in the 2022 - Strategic Plan ("UniCredit Unlocked") presented to the market on 9 December 2021.
In particular, the following distributions were envisaged:
- a first distribution, for a maximum disbursement of €3,085,250,000, relating to the residual part of the overall payout for the 2023 financial year (the "2023 SBB Residual");
- a second distribution as an anticipation of the expected distributions for the 2024 financial year, for an amount to be defined by the Board of Directors of the Company in accordance with certain criteria (the "2024 SBB Anticipation").

The shares purchased pursuant to the aforementioned programmes were subject to cancellation.

The purchase programmes were subject to the prior permissions of the European Central Bank (ECB). These permissions have been granted on 11 April 2024 and on 13 September 2024, respectively for "2023 SBB Residual" and for "2024 SBB Anticipation".
The "2023 SBB Residual" buy-back programme has been executed in two tranches during 2024:
- a tranche for an amount of €1,585,250,000 denominated "Second Tranche of the Buy-Back Programme 2023", was initiated on 9 May 2024 and completed on 20 June 2024;
- the final tranche for an amount of €1,500,000,081.14, denominated "Third Tranche of the Buy-Back Programme 2023", was initiated on 21 June 2024 and completed on 19 August 2024.

The execution of "2024 SBB Anticipation" for an amount of €1,700,000,000 has been launched on 16 September 2024 and initiated on the same date, as per the authorisation granted by the Shareholders' Meeting of the Company held on 12 April 2024. On 14 November 2024 UniCredit S.p.A. announced the completion of such share buy-back programme.

For the sake of completeness, it is worth to note that on 5 November 2024 a proposal for the distribution of interim cash dividend for €1.4 billion was submitted for approval to UniCredit S.p.A. the Board of Directors, which approved on the same date such a distribution.

The measurement criteria adopted are therefore consistent with this assumption and with the principles of accrual-based accounting, the relevance and materiality of accounting information, and the prevalence of economic substance over legal form.
These criteria have not changed with respect to the previous year.

Part A - Accounting policies

Section 3 - Consolidation scope and methods

The consolidation criteria and principles used to prepare the Consolidated financial statements as at 31 December 2024 are described below.

Consolidated accounts

For the preparation of the Consolidated financial statements as at 31 December 2024 the following sources have been used:

- the parent company UniCredit S.p.A. accounts as at 31 December 2024;
- the accounts as at 31 December 2024, of the other fully consolidated subsidiaries duly reclassified and adjusted to take account of consolidation needs and, where necessary, to align them to the Group accounting principles;
- the sub-consolidated Accounts as at 31 December 2024 of Nuova Compagnia di Partecipazioni Group, including Nuova Compagnia di Partecipazioni S.p.A. (formerly Compagnia Italpetroli S.p.A.) and its direct and indirect subsidiaries.

Amounts in foreign currencies are converted at closing exchange rates in the Balance sheet, whereas the average exchange rate for the year is used for the Income statement.
The accounts and explanatory notes of the main fully consolidated subsidiaries prepared under IAS/IFRS are audited by leading audit companies.

Subsidiaries

Entities, including structured entities, over which the Group has direct or indirect control, are considered subsidiaries.

Control over an entity entails:

- the existence of power over the relevant activities;
- the exposure to the variability of returns;
- the ability to use the power exercised in order to influence the returns to which the Group is exposed.

In order to verify the existence of control, the Group considers the following factors:

- the purpose and design of the investee, in order to identify which are the entity's objectives, the activities that determine its returns and how these activities are governed;
- the power, in order to understand whether the Group has contractual rights that attribute the ability to govern the relevant activities; to this end only substantial rights that provide practical ability to govern are considered;
- the exposure held in relation to the investee, in order to assess whether the Group has relations with the investee, the returns of which are subject to changes depending on the investee's performance;
- the existence of potential (principal - agent) relationships.

If the relevant activities are governed through voting rights, the existence of control is verified considering the voting rights held, including the potential ones, and the existence of any shareholders' or other agreements which attribute the right to control the majority of the voting rights, to appoint the majority of the governing body or in any case the power to determine the entity's financial and operating policies.

Subsidiaries may also include any “structured entity” in which the voting rights are not significant for establishing control, including special purpose entities and investment funds.

In the case of structured entities, the existence of control is ascertained considering both the contractual rights that enable governance of the relevant activities of the entity (or those that contribute most to the results) and the Group's exposure to the variability of returns deriving from these activities.

The carrying amount of an equity interest in a fully consolidated entity held by the Parent Company or another Group company is eliminated against the recognition of the assets and liabilities of the investee as an offsetting entry to the corresponding portion of net equity of the subsidiary attributable to the Group.

Intragroup balances, the off-Balance sheet transactions, the income and expenses, and the gain/losses between consolidated companies are eliminated in full, according to the method of consolidation adopted.

A subsidiary’s income and expenses are included in the consolidation from the date the Parent acquires the control. On disposal of a subsidiary, its income and expenses are consolidated up to the date of the disposal, i.e. until the Parent ceases to control the subsidiary. The difference between the consideration received for the disposal of an interest held in a subsidiary and the carrying amount of its net assets at the same date is recognised (i) in the Income statement under item “280 Gains (Losses) on disposal of investments” in case the disposal determines the loss of control; (ii) in the net equity if the sale does not entail loss of control.
The portion attributable to non-controlling interests is presented in the Balance sheet under item ““190. Minority shareholders’ equity”,”, separately from the liabilities and net equity attributable to the Group. In the Income statement, the portion attributable to minorities is also presented separately under item ““340. Minority profit (loss) of the year”.

Part A - Accounting policies

With respect to companies included in the consolidation scope for the first time, the fair value of the consideration paid to obtain control of this equity interest, is measured at the acquisition date.

Joint arrangements

A joint arrangement is a contractual agreement under the terms of which two or more counterparties arrange to jointly control an entity.
Joint control is the contractually agreed sharing of control of an arrangement, which exists only when the decisions about the relevant activities require the unanimous consent of the parties sharing control.
According to the standard IFRS11 - Joint Arrangements, such agreements must be classified as Joint Operations or Joint Ventures according to the contractual rights and obligations held by the Group.
A *Joint Operation* is a joint arrangement in which the parties have rights on the assets and obligations with respect to the liabilities of the arrangement.
A *Joint Venture* is a joint arrangement in which the parties have rights on the net assets of the arrangement.

The Group has assessed the nature of the joint arrangements and has determined that its jointly controlled equity investments are of the *Joint Venture* type. These equity investments are recognised using the equity method.
Carrying amount of the Joint Ventures is tested in accordance with IAS36 as a single asset, by comparing it with the corresponding recoverable amount (i.e. higher of value in use (VIU) and fair value (FV) less cost to sell).

Associates

An associate is an entity over which the investor has significant influence and which are not subsidiaries or joint ventures. Significant influence is presumed when the investor:
- holds, directly or indirectly, at least 20%[59] of the share capital of another entity, or
- is able, also through shareholders' agreements, to exercise significant influence through:
  - representation on the governing body of the company;
  - participation in the policy-making process, including participation in decisions about dividends or other distributions;
  - the existence of significant transactions;
  - interchange of managerial personnel;
  - provision of key technical information.

It is to be pointed out that only companies which are governed through voting rights can be classified as subject to significant influence.
Investments in associates are recognised using the equity method. Carrying amount of Associates is tested in accordance with IAS36 as a single asset, by comparing it with the corresponding recoverable amount (i.e., higher of VIU and FV less cost to sell).

Equity method

The carrying value of companies measured using the equity method include the goodwill (less any impairment loss) paid to purchase them.
The investor's share of the profit and loss of the investee after the date of acquisition is recognised in the Income statement under item "250. Gains (Losses) of equity investments". Any dividends distributed reduce the carrying amount of the equity investment.
If the investor's share of an investee's losses is equal to or greater than its carrying amount, no further losses are recognised, unless the investor has incurred specific obligations or made payments on behalf of the associate.

Gains and losses on transactions with associates or joint arrangements are eliminated according to the percentage interest in the said company.

Any changes in the revaluation reserves of associates or joint arrangements, which are recorded as a contra item to changes in value of the phenomena relevant to this purpose, are reported separately in the Statement of other comprehensive income.

The following table shows the companies included in the scope of consolidation.

59 10% for listed companies.

Part A - Accounting policies

1. Investments in Subsidiaries

	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	OWNERSHIP RELATIONSHIP HOLDING %	VOTING RIGHTS % (2)
	A. LINE BY LINE METHOD								
1	**UNICREDIT SPA** Issued Capital EUR 21,367,680,521	**MILAN**	**MILAN**	**ITALY**			**HOLDING**		
2	ALLEGRO LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
3	ALLIB LEASING S.R.O. Issued Capital CZK 100,000	PRAGUE	PRAGUE	CZECH REPUBLIC	1	4	UNICREDIT LEASING CZ, A.S.	100.00	
4	ALMS LEASING GMBH. Issued Capital EUR 36,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
5	ALPHA BANK ROMANIA S.A. Issued Capital RON 983,145,034	BUCHAREST	BUCHAREST	ROMANIA	1	2	UNICREDIT SPA	90.10	
6	ALPHA RENT DOO BEOGRAD Issued Capital RSD 3,285,948,900	BELGRADE	BELGRADE	SERBIA	1	38	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
7	ANTARES IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
8	AO UNICREDIT BANK(4) Issued Capital RUB 41,787,805,174	MOSCOW	MOSCOW	RUSSIA	1	2	UNICREDIT SPA	100.00	
9	ARABELLA FINANCE DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
10	ARGENTAURUS IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH Issued Capital EUR 511,300	MUNICH	MUNICH	GERMANY	1	38	HVB PROJEKT GMBH	100.00	
11	ARNO GRUNDSTUECKSVERWALTUNGS GESELLSCHAFT M.B.H. Issued Capital EUR 36,337	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
12	ARTS CONSUMER 2023 SRL (CARTOLARIZZAZIONE: CONSUMER 2023)	VERONA	VERONA	ITALY	4	3	UNICREDIT SPA	...	(3)
13	ARTS CONSUMER SRL (CARTOLARIZZAZIONE: CONSUMER IV)	VERONA	VERONA	ITALY	4	3	UNICREDIT SPA	...	(3)
14	BA CA SECUND LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
15	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H. Issued Capital EUR 363,364	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	100.00	
16	BA GEBAEUDEVERMIETUNGSGMBH Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	2	UNICREDIT BANK AUSTRIA AG	89.00	
							PAYTRIA UNTERNEHMENSBETEILIGUNGEN GMBH	1.00	
							BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H.	10.00	
17	BA-CA ANDANTE LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
18	BA-CA LEASING DREI GARAGEN GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.80	
19	BA-CA LEASING MAR IMMOBILIEN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
20	BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H. Issued Capital EUR 127,177	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	100.00	
21	BA-CA PRESTO LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
22	BA/CA-LEASING BETEILIGUNGEN GMBH Issued Capital EUR 454,000	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	99.80	
23	BACA HYDRA LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
24	BACA KOMMUNALLEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	

Part A - Accounting policies

	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
25	BACA LEASING UND BETEILIGUNGSMANAGEMENT GMBH Issued Capital EUR 18,287	VIENNA	VIENNA	AUSTRIA	1	4	CALG IMMOBILIEN LEASING GMBH	98.80	
							UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
26	BAHBETA INGATLANHASZNOSITO KFT. Issued Capital HUF 30,000,000	BUDAPEST	BUDAPEST	HUNGARY	1	4	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
27	BAL HESTIA IMMOBILIEN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
28	BAL HORUS IMMOBILIEN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	99.80	
29	BAL HYPNOS IMMOBILIEN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	99.80	
30	BAL LETO IMMOBILIEN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
31	BAL OSIRIS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
32	BANK AUSTRIA CREDITANSTALT LEASING IMMOBILIENANLAGEN GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
33	BANK AUSTRIA LEASING ARGO IMMOBILIEN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	WOEM GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
34	BANK AUSTRIA LEASING IKARUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
35	BANK AUSTRIA LEASING MEDEA IMMOBILIEN LEASING GMBH IN LIQU. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
36	BANK AUSTRIA REAL INVEST IMMOBILIEN-KAPITALANLAGE GMBH Issued Capital EUR 5,000,000	VIENNA	VIENNA	AUSTRIA	1	4	BANK AUSTRIA REAL INVEST IMMOBILIEN-MANAGEMENT GMBH	100.00	
37	BANK AUSTRIA REAL INVEST IMMOBILIEN-MANAGEMENT GMBH Issued Capital EUR 10,900,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	94.95	
38	BANK AUSTRIA WOHNBAUBANK AG Issued Capital EUR 18,765,944	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	100.00	
39	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
40	BF NINE HOLDING GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	38	ALLEGRO LEASING GESELLSCHAFT M.B.H.	100.00	
41	BREWO GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,337	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT PEGASUS LEASING GMBH	100.00	
42	CA-LEASING OVUS S.R.O. Issued Capital CZK 100,000	PRAGUE	PRAGUE	CZECH REPUBLIC	1	4	UNICREDIT LEASING CZ, A.S.	100.00	
43	CA-ZETA REAL ESTATE DEVELOPMENT LIMITED LIABILITY COMPANY Issued Capital HUF 3,000,000	BUDAPEST	BUDAPEST	HUNGARY	1	38	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
44	CABET-HOLDING GMBH Issued Capital EUR 290,909	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	100.00	
45	CABO BETEILIGUNGSGESELLSCHAFT M.B.H. Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	CABET-HOLDING GMBH	100.00	
46	CALG 307 MOBILIEN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	100.00	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	OWNERSHIP RELATIONSHIP HOLDING %	VOTING RIGHTS % (2)
47	CALG 443 GRUNDSTUECKVERWALTUNG GMBH	VIENNA	VIENNA	AUSTRIA	1	4	CALG IMMOBILIEN LEASING GMBH	1.00	
	Issued Capital EUR 36,336						BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
48	CALG 445 GRUNDSTUECKVERWALTUNG GMBH	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.40	
	Issued Capital EUR 18,168						CALG IMMOBILIEN LEASING GMBH	99.60	
49	CALG ALPHA GRUNDSTUECKVERWALTUNG GMBH	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
	Issued Capital EUR 36,500						CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	99.80	
50	CALG ANLAGEN LEASING GMBH	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
	Issued Capital EUR 36,500						UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
51	CALG ANLAGEN LEASING GMBH, WIEN & CO. GRUNDSTUECKSVERMIETUNG UND - VERWALTUNG KG Issued Capital EUR 2,326,378	MUNICH	MUNICH	GERMANY	1	4	CALG ANLAGEN LEASING GMBH	99.90	
52	CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	VIENNA	VIENNA	AUSTRIA	1	4	CALG ANLAGEN LEASING GMBH	99.80	
	Issued Capital EUR 36,336						UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
53	CALG GAMMA GRUNDSTUECKVERWALTUNG GMBH	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
	Issued Capital EUR 36,337						CALG IMMOBILIEN LEASING GMBH	99.80	
54	CALG GRUNDSTUECKVERWALTUNG GMBH	VIENNA	VIENNA	AUSTRIA	1	4	CALG IMMOBILIEN LEASING GMBH	74.80	
	Issued Capital EUR 36,500						UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
55	CALG IMMOBILIEN LEASING GMBH	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
	Issued Capital EUR 254,355						CALG ANLAGEN LEASING GMBH	99.80	
56	CALG MINAL GRUNDSTUECKVERWALTUNG GMBH	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
	Issued Capital EUR 18,286						CALG ANLAGEN LEASING GMBH	99.80	
57	CAPITAL MORTGAGE SRL (CARTOLARIZZAZIONE: CAPITAL MORTGAGE 2007 - 1)	VERONA	VERONA	ITALY	4	3	UNICREDIT SPA	...	(3)
58	CARD COMPLETE SERVICE BANK AG Issued Capital EUR 6,000,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	50.10	
59	CASTELLANI LEASING GMBH	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	90.00	
	Issued Capital EUR 1,800,000						UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
60	CHARADE LEASING GESELLSCHAFT M.B.H.	VIENNA	VIENNA	AUSTRIA	1	4	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	
	Issued Capital EUR 36,500						UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
61	CHEFREN LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
62	CIVITAS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
	Issued Capital EUR 36,500						UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
63	COMMUNA - LEASING GRUNDSTUECKSVERWALTUNGSGESELLSCHAFT M.B.H.	VIENNA	VIENNA	AUSTRIA	1	4	REAL-LEASE GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H.	99.80	
	Issued Capital EUR 36,337						UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
64	COMPAGNIA FONDIARIA ROMANA - SOCIETA' A RESPONSABILITA' LIMITATA Issued Capital EUR 103,400	ROME	ROME	ITALY	1	37	NUOVA COMPAGNIA DI PARTECIPAZIONI SPA	100.00	
65	CONTRA LEASING-GESELLSCHAFT M.B.H.	VIENNA	VIENNA	AUSTRIA	1	4	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	
	Issued Capital EUR 36,500						JAUSERN-LEASING GESELLSCHAFT M.B.H.	25.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
66	CORDUSIO SOCIETA' FIDUCIARIA PER AZIONI Issued Capital EUR 520,000	MILAN	MILAN	ITALY	1	3	UNICREDIT SPA	100.00	
67	DIRANA LIEGENSCHAFTSVERWERTUNGSGESELLSCHAFT M.B.H. Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	38	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP		VOTING RIGHTS % (2)
							HELD BY	HOLDING %	
68	DLV IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	90.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
69	DUODEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
70	EBS FINANCE S.R.L. Issued Capital EUR 10,000	MILAN	MILAN	ITALY	1	3	UNICREDIT SPA	100.00	
71	EBS FINANCE S.R.L. (PATR.SEPARATO)	MILAN	MILAN	ITALY	4	3	UNICREDIT SPA	...	(3)
72	ELEKTRA PURCHASE NO. 28 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
73	ELEKTRA PURCHASE NO. 31 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
74	ELEKTRA PURCHASE NO. 32 S.A. - COMPARTMENT 1	LUXEMBOURG	LUXEMBOURG	LUXEMBOURG	4	4	UNICREDIT BANK GMBH	...	(3)
75	ELEKTRA PURCHASE NO. 33 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
76	ELEKTRA PURCHASE NO. 350 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
77	ELEKTRA PURCHASE NO. 36 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
78	ELEKTRA PURCHASE NO. 37 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
79	ELEKTRA PURCHASE NO. 38 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
80	ELEKTRA PURCHASE NO. 43 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
81	ELEKTRA PURCHASE NO. 46 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
82	ELEKTRA PURCHASE NO. 54 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
83	ELEKTRA PURCHASE NO. 56 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
84	ELEKTRA PURCHASE NO. 69 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
85	ELEKTRA PURCHASE NO. 71 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
86	ELEKTRA PURCHASE NO. 74 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
87	ELEKTRA PURCHASE NO. 79 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
88	ELEKTRA PURCHASE NO. 82 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
89	EUROLEASE ANUBIS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
90	EUROLEASE ISIS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
91	EUROLEASE MARDUK IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
92	EUROLEASE RA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
93	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
94	EUROPA BEFEKTETESI ALAPKEZELOE ZRT (EUROPA INVESTMENT FUND MANAGEMENT LTD.) Issued Capital HUF 100,000,000	BUDAPEST	BUDAPEST	HUNGARY	1	4	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
95	EUROPA INGATLANBEFEKTETESI ALAP (EUROPE REAL-ESTATE INVESTMENT FUND)	BUDAPEST	BUDAPEST	HUNGARY	4	4	UNICREDIT BANK HUNGARY ZRT.	...	(3)
96	F-E MORTGAGES SRL (CARTOLARIZZAZIONE: F-E MORTGAGES 2005)	VERONA	VERONA	ITALY	4	3	UNICREDIT SPA	...	(3)
97	FACTORBANK AKTIENGESELLSCHAFT Issued Capital EUR 3,000,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	100.00	
98	FINN ARSENAL LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	0.20	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.60	
99	FOLIA LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.80	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
100	FONDO AURORA	MILAN	MILAN	ITALY	4	3	UNICREDIT SPA	...	(3)
101	GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H. Issued Capital EUR 27,434	VIENNA	VIENNA	AUSTRIA	1	4	CALG IMMOBILIEN LEASING GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
102	GEBAEUDELEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	
103	GEMEINDELEASING GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H. Issued Capital EUR 18,333	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							CALG IMMOBILIEN LEASING GMBH	37.50	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	37.30	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
104	GEMMA VERWALTUNGSGESELLSCHAFT MBH & CO. VERMIETUNGS KG Issued Capital EUR 74,248,181	PULLACH	PULLACH	GERMANY	1	4	HVB PROJEKT GMBH	98.69	
105	GRUNDSTUECKSVERWALTUNG LINZ-MITTE GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
106	H.F.S. IMMOBILIENFONDS GMBH Issued Capital EUR 25,565	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP INVESTMENT SERVICES GMBH	100.00	
107	H.F.S. LEASINGFONDS DEUTSCHLAND 7 GMBH & CO. KG Issued Capital EUR 85,430,630	MUNICH	MUNICH	GERMANY	1	4	HVB IMMOBILIEN AG	99.43	
108	H.F.S. LEASINGFONDS GMBH Issued Capital EUR 26,000	GRUENWALD	GRUENWALD	GERMANY	1	38	WEALTHCAP INVESTMENT SERVICES GMBH	100.00	
109	H.F.S. LEASINGFONDS GMBH & CO. DEUTSCHLAND 10 KG	EBERSBERG	EBERSBERG	GERMANY	4	38	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	...	(3)
110	H.F.S. LEASINGFONDS GMBH & CO. DEUTSCHLAND 11 KG	EBERSBERG	EBERSBERG	GERMANY	4	38	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	...	(3)
111	H.F.S. LEASINGFONDS GMBH & CO. DEUTSCHLAND 12 KG	EBERSBERG	EBERSBERG	GERMANY	4	38	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	...	(3)
112	H.F.S. LEASINGFONDS GMBH & CO. DEUTSCHLAND 8 KG	EBERSBERG	EBERSBERG	GERMANY	4	38	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	...	(3)
113	H.F.S. LEASINGFONDS GMBH & CO. DEUTSCHLAND 9 KG	EBERSBERG	EBERSBERG	GERMANY	4	38	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	...	(3)
114	HVB IMMOBILIEN AG Issued Capital EUR 520,000	MUNICH	MUNICH	GERMANY	1	4	UNICREDIT BANK GMBH	100.00	
115	HVB PROJEKT GMBH Issued Capital EUR 25,633,778	MUNICH	MUNICH	GERMANY	1	2	HVB IMMOBILIEN AG	90.00	
							UNICREDIT BANK GMBH	10.00	
116	HVB TECTA GMBH Issued Capital EUR 1,534,000	MUNICH	MUNICH	GERMANY	1	36	UNICREDIT BANK GMBH	6.00	
							HVB IMMOBILIEN AG	94.00	
117	HVB VERWA 4 GMBH Issued Capital EUR 26,000	MUNICH	MUNICH	GERMANY	1	4	UNICREDIT BANK GMBH	100.00	
118	HVB VERWA 4.4 GMBH Issued Capital EUR 25,000	MUNICH	MUNICH	GERMANY	1	4	HVB VERWA 4 GMBH	100.00	
119	ICE CREEK POOL NO. 5 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
120	ICE CREEK POOL NO.1 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
121	IDEA FIMIT SGR FONDO SIGMA IMMOBILIARE	ROME	ROME	ITALY	4	3	UNICREDIT SPA	...	(3)
							NUOVA COMPAGNIA DI PARTECIPAZIONI SPA	...	(3)
122	INTRO LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	PROJEKT-LEASE GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H.	100.00	
123	ISB UNIVERSALE BAU GMBH IN LIQUIDATION Issued Capital EUR 6,288,890	BERLIN	BERLIN	GERMANY	1	38	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
124	JAUSERN-LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
125	KAISERWASSER BAU- UND ERRICHTUNGS GMBH UND CO OG Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	38	UNICREDIT BANK AUSTRIA AG	99.80	100.00
126	KUTRA GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,337	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	99.80	
127	LAGEV IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
128	LARGO LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	VAPE COMMUNA LEASINGGESELLSCHAFT M.B.H.	98.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
129	LEASFINANZ ALPHA ASSETVERMIETUNG GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	38	LEASFINANZ GMBH	100.00	
130	LEASFINANZ GMBH Issued Capital EUR 218,019	VIENNA	VIENNA	AUSTRIA	1	4	BACA LEASING UND BETEILIGUNGSMANAGEMENT GMBH	100.00	
131	LEGATO LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	
132	LELEV IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
133	LIPARK LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
134	LIVA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
135	M. A. V. 7., BANK AUSTRIA LEASING BAUTRAEGER GMBH & CO.OG. Issued Capital EUR 3,707	VIENNA	VIENNA	AUSTRIA	1	4	ALLEGRO LEASING GESELLSCHAFT M.B.H.	0.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	1.97	
							UNICREDIT LUNA LEASING GMBH	98.04	
136	MBC IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
137	MENUETT GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,337	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
138	MOMENTUM ALLWEATHER STRATEGIES - LONG TERM STRATEG	HAMILTON	HAMILTON	BERMUDA	4	4	UNICREDIT SPA	...	(3)
139	MOMENTUM LONG TERM VALUE FUND	HAMILTON	HAMILTON	BERMUDA	4	4	UNICREDIT SPA	...	(3)
140	MONNET 8-10 S.A R.L. * Issued Capital EUR 60,000,000	LUXEMBOURG	LUXEMBOURG	LUXEMBOURG	1	2	UNICREDIT BANK GMBH	100.00	
141	NAGE LOKALVERMIETUNGSGESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
142	NUOVA COMPAGNIA DI PARTECIPAZIONI SPA Issued Capital EUR 200,000	ROME	ROME	ITALY	1	37	UNICREDIT SPA	100.00	
143	OCT Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
144	OLG HANDELS- UND BETEILIGUNGSVERWALTUNGSGESELLSCHAFT M.B.H. Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	100.00	
145	OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT HAIDENAUPLATZ KG Issued Capital EUR 26,000	MUNICH	MUNICH	GERMANY	1	38	HVB IMMOBILIEN AG	94.00	
							UNICREDIT BANK GMBH	6.00	
146	OOO UNICREDIT GARANT(4) Issued Capital RUB 106,998,000	MOSCOW	MOSCOW	RUSSIA	1	2	OOO UNICREDIT LEASING	100.00	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
147	OOO UNICREDIT LEASING(4) Issued Capital RUB 149,160,248	MOSCOW	MOSCOW	RUSSIA	1	4	AO UNICREDIT BANK	100.00	
148	ORBIT PERFORMANCE STRATEGIES - ORBIT US CLASSE I U	HAMILTON	HAMILTON	BERMUDA	4	4	UNICREDIT SPA	...	(3)
149	OTHMARSCHEN PARK HAMBURG GMBH & CO. GEWERBEPARK KG Issued Capital EUR 51,129	MUNICH	MUNICH	GERMANY	1	38	HVB PROJEKT GMBH	10.00	
							T & P FRANKFURT DEVELOPMENT B.V.	30.00	
							T & P VASTGOED STUTTGART B.V.	60.00	
150	PADEL FINANCE 01 DAC	DUBLIN	DUBLIN	IRELAND	4	4	UNICREDIT BANK GMBH	...	(3)
151	PAI (BERMUDA) LIMITED Issued Capital USD 12,000	HAMILTON	HAMILTON	BERMUDA	1	4	UNICREDIT SPA	100.00	
152	PAI MANAGEMENT LTD Issued Capital EUR 1,032,000	DUBLIN	DUBLIN	IRELAND	1	4	UNICREDIT SPA	100.00	
153	PALAIS ROTHSCHILD VERMIETUNGS GMBH & CO OG Issued Capital EUR 2,180,185	VIENNA	VIENNA	AUSTRIA	1	2	SCHOELLERBANK AKTIENGESELLSCHAFT	100.00	
154	PAYTRIA UNTERNEHMENSBETEILIGUNGEN GMBH Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	100.00	
155	PELOPS LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,337	VIENNA	VIENNA	AUSTRIA	1	4	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
156	PENSIONSKASSE DER HYPO VEREINSBANK VVAG	MUNICH	MUNICH	GERMANY	4	38	UNICREDIT BANK GMBH	...	(3)
157	PIANA LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
158	PIRTA VERWALTUNGS GMBH Issued Capital EUR 2,067,138	VIENNA	VIENNA	AUSTRIA	1	38	UNICREDIT SPA	100.00	
159	POLLUX IMMOBILIEN GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	2	UNICREDIT BANK AUSTRIA AG	99.80	
							PAYTRIA UNTERNEHMENSBETEILIGUNGEN GMBH	0.20	
160	POSATO LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
161	PROJEKT-LEASE GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							ARNO GRUNDSTUECKSVERWALTUNGS GESELLSCHAFT M.B.H.	74.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
162	QUADEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
163	QUART Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	CALG ANLAGEN LEASING GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
164	QUINT Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
165	RANA-LIEGENSCHAFTSVERWERTUNG GMBH Issued Capital EUR 72,700	VIENNA	VIENNA	AUSTRIA	1	38	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	99.90	
166	REAL INVEST EUROPE DER BANK AUSTRIA REAL INVEST IMMOBILIEN-KAPI	VIENNA	VIENNA	AUSTRIA	4	4	UNICREDIT BANK AUSTRIA AG	...	(3)
167	REAL-LEASE GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
168	REAL-RENT LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 73,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
169	REDEUS FUND	MILAN	MILAN	ITALY	4	3	UNICREDIT SPA	...	(3)

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
170	ROLIN GRUNDSTUCKSPLANUNGS- UND -VERWALTUNGSGESELLSCHAFT MBH Issued Capital EUR 30,677	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP INVESTMENT SERVICES GMBH	100.00	
171	ROSENKAVALIER 2008 GMBH	FRANKFURT	FRANKFURT	GERMANY	4	4	UNICREDIT BANK GMBH	...	(3)
172	ROSENKAVALIER 2015 UG	FRANKFURT	FRANKFURT	GERMANY	4	4	UNICREDIT BANK GMBH	...	(3)
173	ROSENKAVALIER 2020 UG	FRANKFURT	FRANKFURT	GERMANY	4	4	UNICREDIT BANK GMBH	...	(3)
174	ROSENKAVALIER 2022 UG	FRANKFURT	FRANKFURT	GERMANY	4	4	UNICREDIT BANK GMBH	...	(3)
175	SCHOELLERBANK AKTIENGESELLSCHAFT Issued Capital EUR 20,000,000	VIENNA	VIENNA	AUSTRIA	1	2	UNICREDIT BANK AUSTRIA AG	99.99	
							PAYTRIA UNTERNEHMENSBETEILIGUNGEN GMBH	0.01	
176	SCHOELLERBANK INVEST AG Issued Capital EUR 2,543,549	SALZBURG	SALZBURG	AUSTRIA	1	4	SCHOELLERBANK AKTIENGESELLSCHAFT	100.00	
177	SECA-LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	74.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
178	SEDEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
179	SEXT Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
180	SIGMA LEASING GMBH Issued Capital EUR 18,286	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	0.40	
							CALG ANLAGEN LEASING GMBH	99.40	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
181	SPECTRUM GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	WOEM GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H.	100.00	
182	STEWE GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,337	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	75.80	
							PROJEKT-LEASE GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H.	24.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
183	STRUCTURED INVEST SOCIETE ANONYME Issued Capital EUR 125,500	LUXEMBOURG	LUXEMBOURG	LUXEMBOURG	1	4	UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	100.00	
184	T & P FRANKFURT DEVELOPMENT B.V. Issued Capital EUR 4,938,271	AMSTERDAM	AMSTERDAM	NETHERLANDS	1	38	HVB PROJEKT GMBH	100.00	
185	T & P VASTGOED STUTTGART B.V. Issued Capital EUR 10,769,773	AMSTERDAM	AMSTERDAM	NETHERLANDS	1	38	HVB PROJEKT GMBH	87.50	
186	TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. ENTWICKLUNGS- UND FINANZIERUNGSVERMITTLUNGS-KG Issued Capital EUR 920,400	MUNICH	MUNICH	GERMANY	1	38	HVB TECTA GMBH	75.00	
187	TERZ Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
188	UCLA AM WINTERHAFEN 11 IMMOBILIENLEASING GMBH & CO OG Issued Capital EUR 0	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	50.00	
							UNICREDIT PEGASUS LEASING GMBH	50.00	
189	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG Issued Capital EUR 10,000	VIENNA	VIENNA	AUSTRIA	1	4	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H.	90.00	
							BA-CA ANDANTE LEASING GMBH	10.00	
190	UCTAM RU LIMITED LIABILITY COMPANY(4) Issued Capital RUB 4,000,000	MOSCOW	MOSCOW	RUSSIA	1	38	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
191	UFFICIUM IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,337	VIENNA	VIENNA	AUSTRIA	1	4	KUTRA GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H.	5.00	
							UNICREDIT LEASING (AUSTRIA) GMBH	95.00	
192	UNICOM IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP [1]	BUSINESS SECTOR [5]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % [2]
193	UNICREDIT ACHTERHAUS LEASING GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	90.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
194	UNICREDIT AURORA LEASING GMBH Issued Capital EUR 219,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
195	UNICREDIT BANK A.D. BANJA LUKA Issued Capital BAM 97,055,000	BANJA LUKA	BANJA LUKA	BOSNIA AND HERZEGOVINA	1	2	UNICREDIT SPA	99.64	
196	UNICREDIT BANK AUSTRIA AG Issued Capital EUR 1,681,033,521	VIENNA	VIENNA	AUSTRIA	1	2	UNICREDIT SPA	100.00	
197	UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S. Issued Capital CZK 8,754,617,898	PRAGUE	PRAGUE	CZECH REPUBLIC	1	2	UNICREDIT SPA	100.00	
198	UNICREDIT BANK D.D. Issued Capital BAM 119,195,000	MOSTAR	MOSTAR	BOSNIA AND HERZEGOVINA	1	2	ZAGREBACKA BANKA D.D.	99.30	99.31
199	UNICREDIT BANK GMBH Issued Capital EUR 2,407,151,016	MUNICH	MUNICH	GERMANY	1	2	UNICREDIT SPA	100.00	
200	UNICREDIT BANK HUNGARY ZRT. Issued Capital HUF 24,118,220,000	BUDAPEST	BUDAPEST	HUNGARY	1	2	UNICREDIT SPA	100.00	
201	UNICREDIT BANK S.A. Issued Capital RON 1,177,748,253	BUCHAREST	BUCHAREST	ROMANIA	1	2	UNICREDIT SPA	88.73	
202	UNICREDIT BANK SERBIA JSC Issued Capital RSD 23,607,620,000	BELGRADE	BELGRADE	SERBIA	1	2	UNICREDIT SPA	100.00	
203	UNICREDIT BANKA SLOVENIJA D.D. Issued Capital EUR 20,383,698	LJUBLJANA	LJUBLJANA	SLOVENIA	1	2	UNICREDIT SPA	100.00	
204	UNICREDIT BPC MORTAGE SRL (COVERED BONDS)	VERONA	VERONA	ITALY	4	3	UNICREDIT SPA	...	[3]
205	UNICREDIT BPC MORTGAGE S.R.L. Issued Capital EUR 12,000	VERONA	VERONA	ITALY	1	3	UNICREDIT SPA	60.00	
206	UNICREDIT BROKER S.R.O. Issued Capital EUR 8,266	BRATISLAVA	BRATISLAVA	SLOVAKIA	1	36	UNICREDIT LEASING SLOVAKIA A.S.	100.00	
207	UNICREDIT BULBANK AD Issued Capital BGN 285,776,674	SOFIA	SOFIA	BULGARIA	1	2	UNICREDIT SPA	99.45	
208	UNICREDIT CAPITAL MARKETS LLC Issued Capital USD 100,100	NEW YORK	NEW YORK	U.S.A.	1	4	UNICREDIT U.S. FINANCE LLC	100.00	
209	UNICREDIT CENTER AM KAISERWASSER GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	38	UNICREDIT BANK AUSTRIA AG	100.00	
210	UNICREDIT CONSUMER FINANCING EAD Issued Capital BGN 2,800,000	SOFIA	SOFIA	BULGARIA	1	4	UNICREDIT BULBANK AD	100.00	
211	UNICREDIT CONSUMER FINANCING IFN S.A. Issued Capital RON 103,269,200	BUCHAREST	BUCHAREST	ROMANIA	1	4	UNICREDIT SPA	49.90	
							UNICREDIT BANK S.A.	50.10	
212	UNICREDIT DIRECT SERVICES GMBH Issued Capital EUR 767,000	MUNICH	MUNICH	GERMANY	1	2	UNICREDIT BANK GMBH	100.00	
213	UNICREDIT FACTORING CZECH REPUBLIC AND SLOVAKIA, A.S. Issued Capital CZK 222,600,000	PRAGUE	PRAGUE	CZECH REPUBLIC	1	4	UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S.	100.00	
214	UNICREDIT FACTORING SPA Issued Capital EUR 414,348,000	MILAN	MILAN	ITALY	1	3	UNICREDIT SPA	100.00	
215	UNICREDIT FLEET MANAGEMENT EOOD Issued Capital BGN 100,000	SOFIA	SOFIA	BULGARIA	1	2	UNICREDIT BULBANK AD	100.00	

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216	UNICREDIT FLEET MANAGEMENT S.R.O. Issued Capital EUR 6,639	BRATISLAVA	BRATISLAVA	SLOVAKIA	1	38	UNICREDIT LEASING SLOVAKIA A.S.	100.00	
217	UNICREDIT FLEET MANAGEMENT S.R.O. Issued Capital CZK 5,000,000	PRAGUE	PRAGUE	CZECH REPUBLIC	1	38	UNICREDIT LEASING CZ, A.S.	100.00	
218	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH Issued Capital EUR 57,000	VIENNA	VIENNA	AUSTRIA	1	4	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
219	UNICREDIT GUSTRA LEASING GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT PEGASUS LEASING GMBH	90.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
220	UNICREDIT HAMRED LEASING GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT PEGASUS LEASING GMBH	90.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
221	UNICREDIT INSURANCE BROKER EOOD Issued Capital BGN 5,000	SOFIA	SOFIA	BULGARIA	1	36	UNICREDIT LEASING EAD	100.00	
222	UNICREDIT INSURANCE BROKER GMBH Issued Capital EUR 156,905	VIENNA	VIENNA	AUSTRIA	1	36	PIRTA VERWALTUNGS GMBH	100.00	
223	UNICREDIT INSURANCE BROKER SRL Issued Capital RON 150,000	BUCHAREST	BUCHAREST	ROMANIA	1	36	UNICREDIT LEASING CORPORATION IFN S.A.	100.00	
224	UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA Issued Capital EUR 13,406,600	LUXEMBOURG	LUXEMBOURG	LUXEMBOURG	1	2	UNICREDIT SPA	100.00	
225	UNICREDIT JELZALOGBANK ZRT. Issued Capital HUF 3,000,000,000	BUDAPEST	BUDAPEST	HUNGARY	1	2	UNICREDIT BANK HUNGARY ZRT.	100.00	
226	UNICREDIT KFZ LEASING GMBH Issued Capital EUR 648,000	VIENNA	VIENNA	AUSTRIA	1	4	GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	100.00	
227	UNICREDIT LEASED ASSET MANAGEMENT SPA Issued Capital EUR 1,000,000	MILAN	MILAN	ITALY	1	1	UNICREDIT LEASING SPA	100.00	
228	UNICREDIT LEASING (AUSTRIA) GMBH Issued Capital EUR 17,296,134	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT BANK AUSTRIA AG	89.98	
							PAYTRIA UNTERNEHMENSBETEILIGUNGEN GMBH	0.02	
							BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H.	10.00	
229	UNICREDIT LEASING ALPHA ASSETVERMIETUNG GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	38	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	100.00	
230	UNICREDIT LEASING CORPORATION IFN S.A. Issued Capital RON 90,989,013	BUCHAREST	BUCHAREST	ROMANIA	1	4	UNICREDIT CONSUMER FINANCING IFN S.A.	0.05	
							UNICREDIT BANK S.A.	99.96	
231	UNICREDIT LEASING CROATIA D.O.O. ZA LEASING Issued Capital EUR 3,810,000	ZAGREB	ZAGREB	CROATIA	1	4	ZAGREBACKA BANKA D.D.	100.00	
232	UNICREDIT LEASING CZ, A.S. Issued Capital CZK 981,452,000	PRAGUE	PRAGUE	CZECH REPUBLIC	1	4	UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S.	100.00	
233	UNICREDIT LEASING EAD Issued Capital BGN 2,605,000	SOFIA	SOFIA	BULGARIA	1	4	UNICREDIT BULBANK AD	100.00	
234	UNICREDIT LEASING FINANCE GMBH Issued Capital EUR 17,580,000	HAMBURG	HAMBURG	GERMANY	1	2	UNICREDIT LEASING GMBH	100.00	
235	UNICREDIT LEASING FLEET MANAGEMENT S.R.L. Issued Capital RON 680,000	BUCHAREST	BUCHAREST	ROMANIA	1	38	PIRTA VERWALTUNGS GMBH	90.02	
							UNICREDIT LEASING CORPORATION IFN S.A.	9.99	
236	UNICREDIT LEASING GMBH Issued Capital EUR 15,000,000	HAMBURG	HAMBURG	GERMANY	1	4	UNICREDIT BANK GMBH	100.00	
237	UNICREDIT LEASING HUNGARY ZRT Issued Capital HUF 50,000,000	BUDAPEST	BUDAPEST	HUNGARY	1	4	UNICREDIT BANK HUNGARY ZRT.	100.00	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
238	UNICREDIT LEASING INSURANCE SERVICES S.R.O. Issued Capital EUR 5,000	BRATISLAVA	BRATISLAVA	SLOVAKIA	1	38	UNICREDIT LEASING SLOVAKIA A.S.	100.00	
239	UNICREDIT LEASING SLOVAKIA A.S. Issued Capital EUR 26,560,000	BRATISLAVA	BRATISLAVA	SLOVAKIA	1	4	UNICREDIT LEASING CZ, A.S.	100.00	
240	UNICREDIT LEASING SPA Issued Capital EUR 1,106,877,000	MILAN	MILAN	ITALY	1	3	UNICREDIT SPA	100.00	
241	UNICREDIT LEASING SRBIJA D.O.O. BEOGRAD Issued Capital RSD 1,078,133,000	BELGRADE	BELGRADE	SERBIA	1	4	UNICREDIT BANK SERBIA JSC	100.00	
242	UNICREDIT LEASING TECHNIKUM GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	LEASFINANZ GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
243	UNICREDIT LUNA LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
244	UNICREDIT MOBILIEN UND KFZ LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	
245	UNICREDIT OBG S.R.L. Issued Capital EUR 10,000	VERONA	VERONA	ITALY	1	3	UNICREDIT SPA	60.00	
246	UNICREDIT OBG SRL (COVERED BONDS)	VERONA	VERONA	ITALY	4	3	UNICREDIT SPA	...	(3)
247	UNICREDIT OK1 LEASING GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	90.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
248	UNICREDIT PEGASUS LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							CALG IMMOBILIEN LEASING GMBH	74.80	
							UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
249	UNICREDIT POJISTOVACI MAKLERSKA SPOL.S R.O. Issued Capital CZK 510,000	PRAGUE	PRAGUE	CZECH REPUBLIC	1	36	UNICREDIT LEASING CZ, A.S.	100.00	
250	UNICREDIT POLARIS LEASING GMBH Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
251	UNICREDIT RE SERVICES S.P.A. Issued Capital EUR 500,000	MILAN	MILAN	ITALY	1	37	UNICREDIT SPA	100.00	
252	UNICREDIT SERVICES GMBH I.L. (IN LIQUIDATION) Issued Capital EUR 1,200,000	VIENNA	VIENNA	AUSTRIA	1	2	UNICREDIT SPA	100.00	
253	UNICREDIT STERNECK LEASING GMBH Issued Capital EUR 35,000	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT PEGASUS LEASING GMBH	90.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
254	UNICREDIT TECHRENT LEASING GMBH Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.00	
							UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
255	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH Issued Capital EUR 750,000	VIENNA	VIENNA	AUSTRIA	1	38	UNICREDIT SPA	100.00	
256	UNICREDIT U.S. FINANCE LLC Issued Capital USD 130	WILMINGTON	WILMINGTON	U.S.A.	1	4	UNICREDIT BANK GMBH	100.00	
257	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
258	UNIVERSALE INTERNATIONAL REALITAETEN GMBH Issued Capital EUR 32,715,000	VIENNA	VIENNA	AUSTRIA	1	38	UNICREDIT BANK AUSTRIA AG	100.00	
259	V.M.G. VERMIETUNGSGESELLSCHAFT MBH Issued Capital EUR 25,565	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP INVESTMENT SERVICES GMBH	100.00	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
260	VAPE COMMUNA LEASINGGESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	
261	VERMIETUNGSGESELLSCHAFT MBH & CO OBJEKT MOC KG Issued Capital EUR 48,728,161	MUNICH	MUNICH	GERMANY	1	38	HVB IMMOBILIEN AG	89.29	89.23
262	VISCONTI SRL Issued Capital EUR 11,000,000	MILAN	MILAN	ITALY	1	37	UNICREDIT SPA	76.00	
263	WEALTH MANAGEMENT CAPITAL HOLDING GMBH Issued Capital EUR 26,000	MUNICH	MUNICH	GERMANY	1	4	UNICREDIT BANK GMBH	100.00	
264	WEALTHCAP ENTITY SERVICE GMBH Issued Capital EUR 25,000	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	100.00	
265	WEALTHCAP EQUITY GMBH Issued Capital EUR 500,000	MUNICH	MUNICH	GERMANY	1	4	WEALTHCAP INITIATOREN GMBH	100.00	
266	WEALTHCAP EQUITY MANAGEMENT GMBH Issued Capital EUR 25,000	MUNICH	MUNICH	GERMANY	1	36	WEALTHCAP EQUITY GMBH	100.00	
267	WEALTHCAP FONDS GMBH Issued Capital EUR 512,000	MUNICH	MUNICH	GERMANY	1	4	WEALTHCAP INITIATOREN GMBH	100.00	
268	WEALTHCAP IMMOBILIEN 1 GMBH & CO. KG Issued Capital EUR 5,000	MUNICH	MUNICH	GERMANY	1	36	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	100.00	50.00
269	WEALTHCAP IMMOBILIEN 2 GMBH & CO. KG Issued Capital EUR 10,600	MUNICH	MUNICH	GERMANY	1	36	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	94.34	50.00
							WEALTHCAP VORRATS-2 GMBH	5.66	50.00
270	WEALTHCAP IMMOBILIEN 43 KOMPLEMENTAER GMBH Issued Capital EUR 25,000	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP ENTITY SERVICE GMBH	100.00	
271	WEALTHCAP IMMOBILIENANKAUF KOMPLEMENTAER GMBH Issued Capital EUR 25,000	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP ENTITY SERVICE GMBH	100.00	
272	WEALTHCAP IMMOBILIENFONDS DEUTSCHLAND 36 KOMPLEMENTAR GMBH Issued Capital EUR 25,565	MUNICH	MUNICH	GERMANY	1	38	H.F.S. LEASINGFONDS GMBH	100.00	
273	WEALTHCAP IMMOBILIENFONDS DEUTSCHLAND 38 KOMPLEMENTAR GMBH Issued Capital EUR 25,000	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP ENTITY SERVICE GMBH	100.00	
274	WEALTHCAP INITIATOREN GMBH Issued Capital EUR 1,533,876	MUNICH	MUNICH	GERMANY	1	4	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	100.00	
275	WEALTHCAP INVESTMENT SERVICES GMBH Issued Capital EUR 4,000,000	MUNICH	MUNICH	GERMANY	1	4	UNICREDIT BANK GMBH	10.00	
							WEALTH MANAGEMENT CAPITAL HOLDING GMBH	90.00	
276	WEALTHCAP INVESTMENTS INC. Issued Capital USD 312,000	WILMINGTON	WILMINGTON	U.S.A.	1	38	WEALTHCAP FONDS GMBH	100.00	
277	WEALTHCAP INVESTORENBETREUUNG GMBH Issued Capital EUR 60,000	MUNICH	MUNICH	GERMANY	1	4	WEALTHCAP INVESTMENT SERVICES GMBH	100.00	
278	WEALTHCAP KAPITALVERWALTUNGSGESELLSCHAFT MBH Issued Capital EUR 125,000	GRUENWALD	GRUENWALD	GERMANY	1	4	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	100.00	
279	WEALTHCAP LEASING GMBH Issued Capital EUR 25,000	GRUENWALD	GRUENWALD	GERMANY	1	4	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	100.00	
280	WEALTHCAP MANAGEMENT SERVICES GMBH Issued Capital EUR 50,000	MUNICH	MUNICH	GERMANY	1	4	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
281	WEALTHCAP OBJEKT STUTTGART III GMBH & CO. KG Issued Capital EUR 10,000	MUNICH	MUNICH	GERMANY	1	38	WEALTHCAP IMMOBILIEN 1 GMBH & CO. KG	10.10	33.33
							WEALTHCAP REAL ESTATE MANAGEMENT GMBH	89.90	33.33

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282	WEALTHCAP OBJEKT-VORRAT 35 GMBH & CO. KG Issued Capital EUR 10,000	MUNICH	MUNICH	GERMANY	1	36	WEALTHCAP KAPITALVERWALTUNGSGESELLSCHAFT MBH	79.80	25.00
							WEALTHCAP IMMOBILIEN 1 GMBH & CO. KG	10.10	25.00
							WEALTHCAP IMMOBILIEN 2 GMBH & CO. KG	10.10	25.00
283	WEALTHCAP OBJEKT-VORRAT 37 GMBH & CO. KG Issued Capital EUR 10,000	MUNICH	MUNICH	GERMANY	1	36	WEALTHCAP KAPITALVERWALTUNGSGESELLSCHAFT MBH	79.80	25.00
							WEALTHCAP IMMOBILIEN 1 GMBH & CO. KG	10.10	25.00
							WEALTHCAP IMMOBILIEN 2 GMBH & CO. KG	10.10	25.00
284	WEALTHCAP PEIA KOMPLEMENTAR GMBH Issued Capital EUR 26,000	GRUENWALD	GRUENWALD	GERMANY	1	38	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
285	WEALTHCAP PEIA MANAGEMENT GMBH Issued Capital EUR 1,023,000	MUNICH	MUNICH	GERMANY	1	4	UNICREDIT BANK GMBH	6.00	
							WEALTH MANAGEMENT CAPITAL HOLDING GMBH	94.00	
286	WEALTHCAP REAL ESTATE MANAGEMENT GMBH Issued Capital EUR 60,000	MUNICH	MUNICH	GERMANY	1	4	WEALTHCAP INVESTMENT SERVICES GMBH	100.00	
287	WEALTHCAP SPEZIAL- AIF-SV BUERO 8	GRUENWALD	GRUENWALD	GERMANY	4	4	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	...	(3)
288	WEALTHCAP VORRATS-2 GMBH Issued Capital EUR 25,000	MUNICH	MUNICH	GERMANY	1	36	WEALTHCAP FONDS GMBH	100.00	
289	WEICKER S.A R.L. * Issued Capital EUR 20,658,840	LUXEMBOURG	LUXEMBOURG	LUXEMBOURG	1	38	UNICREDIT BANK GMBH	100.00	
290	WOEM GRUNDSTUECKSVERWALTUNGS-GESELLSCHAFT M.B.H. Issued Capital EUR 36,336	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
291	Z LEASING ALFA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
292	Z LEASING ARKTUR IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
293	Z LEASING AURIGA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
294	Z LEASING DORADO IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							CALG GRUNDSTUECKVERWALTUNG GMBH	99.80	
295	Z LEASING DRACO IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
296	Z LEASING GAMA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
297	Z LEASING GEMINI IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
298	Z LEASING HEBE IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	GEBAEUDELEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
299	Z LEASING HERCULES IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
300	Z LEASING IPSILON IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
301	Z LEASING ITA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
302	Z LEASING JANUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
303	Z LEASING KALLISTO IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	

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	COMPANY NAME	ADMINISTRATIVE OFFICE	MAIN OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS % (2)
304	Z LEASING KAPA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
305	Z LEASING LYRA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	GALA GRUNDSTUECKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
306	Z LEASING NEREIDE IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
307	Z LEASING OMEGA IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
							CALG DELTA GRUNDSTUECKVERWALTUNG GMBH	99.80	
308	Z LEASING PERSEUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	90.00	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	10.00	
309	Z LEASING VENUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. Issued Capital EUR 36,500	VIENNA	VIENNA	AUSTRIA	1	4	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	
							UCLA IMMO-BETEILIGUNGSHOLDUNG GMBH & CO KG	0.20	
310	ZAGREBACKA BANKA D.D. Issued Capital EUR 850,068,233	ZAGREB	ZAGREB	CROATIA	1	2	UNICREDIT SPA	96.19	
311	ZAPADNI TRGOVACKI CENTAR D.O.O. Issued Capital EUR 2,655	RIJEKA	RIJEKA	CROATIA	1	38	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
312	ZB EPLUS	ZAGREB	ZAGREB	CROATIA	4	4	ZAGREBACKA BANKA D.D.	...	(3)

Notes to the table showing the investments in subsidiaries:

(1) Type of relationship:
- 1= majority of voting rights at ordinary shareholders' meeting;
- 2= dominant influence at ordinary shareholders' meeting;
- 3= agreements with other shareholders;
- 4= other types of control;
- 5= centralised management pursuant to paragraph 1 of Art.39 of "Legislative decree 136/2015";
- 6= centralised management pursuant to paragraph 2 of Art.39 of "Legislative decree 136/2015";

(2) Voting rights available in general meeting. Voting rights are disclosed only if different from the percentage of ownership.

(3) Companies consolidated line by line under IFRS10 as a result of the simultaneous availability of power to govern the relevant activities and exposures to variability of related returns.

(4) It should be noted that as at 31 December 2024 the voting rights that can be exercised directly or indirectly relating to subsidiaries based in Russia, or companies subject to significant influence by them, are enforceable and there are no indications that lead to reconsider the effectiveness of the shareholding relationship with these companies on the same date.

(5) Business sector:
- 1= Banking Group: resident banks and ancillary companies
- 2= Banking Group: non resident banks and ancillary companies
- 3= Banking Group: resident financial companies
- 4= Banking Group: non resident financial companies
- 31= Other companies included in the consolidation scope: resident insurance companies
- 32= Other companies included in the consolidation scope: non resident insurance companies
- 33= Other companies included in the consolidation scope: resident banks
- 34= Other companies included in the consolidation scope: non resident banks
- 35= Other companies included in the consolidation scope: resident financial companies
- 36= Other companies included in the consolidation scope: non resident financial companies
- 37= Other companies included in the consolidation scope: resident non financial companies
- 38= Other companies included in the consolidation scope: non resident non financial companies

Part A - Accounting policies

Changes in the scope of consolidation
Companies consolidated line by line, including the Parent Company and those ones classified as non-current assets and asset disposal groups, decreased by 13 entities compared with 31 December 2023 (4 inclusions and 17 exclusions as a result of disposals, changes of the consolidation method and mergers), from 325 as at 31 December 2023 to 312 as at 31 December 2024.

Wholly-owned subsidiaries
The following table shows the changes in equity investments in wholly-owned subsidiaries.

Equity investments in wholly-owned subsidiaries (consolidated line by line): annual changes

	NUMBER OF COMPANIES
A. Opening balance (from previous year)	**325**
B. Increased by	**4**
B.1 Newly established companies	2
B.2 Change of the consolidation method	-
B.3 Entities consolidated for the first time in the year	2
C. Reduced by	**17**
C.1 Disposal/Liquidation	6
C.2 Change of the consolidation method	8
C.3 Mergers in other Group entities	3
D. Closing balance	**312**

The tables below analyse the other increases and decreases occurred during the year by company.

Increases

Newly established companies

COMPANY NAME	MAIN OFFICE
REDEUS FUND	MILAN
ELEKTRA PURCHASE NO. 82 DAC	DUBLIN

Entities consolidated for the first time in the year

COMPANY NAME	MAIN OFFICE
FONDO AURORA	MILAN
ALPHA BANK ROMANIA S.A.	BUCHAREST

Reductions

Disposal/Liquidation

COMPANY NAME	MAIN OFFICE
BAULANDENTWICKLUNG GDST 1682/8 GMBH & CO OG	VIENNA
CA-LEASING SENIOREN PARK GMBH IN LIQU.	VIENNA
BAL SOBEK IMMOBILIEN LEASING GMBH IN LIQU.	VIENNA

COMPANY NAME	MAIN OFFICE
CONSUMER THREE SRL (CARTOLARIZZAZIONE: CONSUMER THREE)	VERONA
Z LEASING CORVUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU.	VIENNA
ANTHEMIS EVO LLP	LONDON

Change of the consolidation method

COMPANY NAME	MAIN OFFICE
BARD HOLDING GMBH	EMDEN
BARD ENGINEERING GMBH	EMDEN
ICE CREEK POOL NO.3 DAC	DUBLIN
LF GAMMA GMBH IN LIQU.	VIENNA

COMPANY NAME	MAIN OFFICE
BANK AUSTRIA BAF GMBH IN LIQU.	VIENNA
UCTAM BALTICS SIA	RIGA
UCTAM BULGARIA EOOD	SOFIA
UCTAM D.O.O. BEOGRAD	BELGRADE

Part A - Accounting policies

Mergers in other Group entities

COMPANY NAME OF THE MERGED ENTITY	MAIN OFFICE
NF OBJEKT FFM GMBH	MUNICH
BIL LEASING-FONDS VERWALTUNGS-GMBH	GRUENWALD
UNICREDIT BETEILIGUNGS GMBH	MUNICH

COMPANY NAME OF THE TAKING IN ENTITY	MAIN OFFICE
HVB IMMOBILIEN AG	MUNICH
WEALTHCAP PEIA KOMPLEMENTAR GMBH	GRUENWALD
UNICREDIT BANK GMBH	MUNICH

Entities line by line which changed the company name during the the year

COMPANY NAME	MAIN OFFICE
BANK AUSTRIA BAF GMBH IN LIQU. (ex BANK AUSTRIA FINANZSERVICE GMBH)	VIENNA
Z LEASING CORVUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU. (ex da Z LEASING CORVUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H)	VIENNA
BAL SOBEK IMMOBILIEN LEASING GMBH IN LIQU. (ex BAL SOBEK IMMOBILIEN LEASING GMBH)	VIENNA
PALATIN GRUNDSTUECKVERWALTUNGS GESELLSCHAFT M.B.H. IN LIQU. (ex PALATIN GRUNDSTUECKVERWALTUNGS GESELLSCHAFT M.B.H.)	ST.POELTEN
Z LEASING DRACO IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU. (ex Z LEASING DRACO IMMOBILIEN LEASING GESELLSCHAFT M.B.H.)	VIENNA
SEDEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU. (ex SEDEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.)	VIENNA
UNICREDIT RE SERVICES S.P.A. (ex UNICREDIT SUBITO CASA S.P.A.)	MILAN

COMPANY NAME	MAIN OFFICE
CA-LEASING SENIOREN PARK GMBH IN LIQU. (ex CA-LEASING SENIOREN PARK GMBH)	VIENNA
LF GAMMA GMBH IN LIQU. (ex LEASFINANZ BANK GMBH)	VIENNA
ISB UNIVERSALE BAU GMBH IN LIQU. (ex ISB UNIVERSALE BAU GMBH)	BERLIN
UNICREDIT SERVICES GMBH IN LIQU. (ex UNICREDIT SERVICES GMBH)	VIENNA
BANK AUSTRIA LEASING MEDEA IMMOBILIEN LEASING GMBH IN LIQU. (ex BANK AUSTRIA LEASING MEDEA IMMOBILIEN LEASING GMBH)	VIENNA
ANTARES IMMOBILIEN LEASING GESELLSCHAFT M.B.H. IN LIQU. (ex ANTARES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.)	VIENNA

Part A - Accounting policies

2. Significant assumptions and assessment in determining the consolidation scope

The Group determines the existence of control and, consequently, the consolidation scope, checking, with reference to the entities in which it holds exposures:

- the existence of power over the relevant activities;
- the exposure to the variability of returns;
- the ability to use the power exercised in order to influence the returns to which it is exposed.

The factors that have been considered for the purposes of this assessment depend on the entity's governance methods, purposes and equity structure. On this point, the Group differentiates between entities governed through voting rights, i.e. operating entities, and entities not governed through voting rights, which comprise special purpose entities (SPEs) and investment funds.

In the case of operating entities, the following factors provide evidence of control:

- more than half of the company's voting rights are held directly or indirectly through subsidiaries (also when they act as trustee companies) unless, exceptionally, it can be clearly demonstrated that this ownership does not originate control;
- half, or a lower proportion, of the votes exercisable in the shareholders' meeting are held and it is possible to govern the relevant activities unilaterally through:
  - the control of more than half of the voting rights based on an agreement with other investors;
  - the power to determine the entity's financial and operating policies based on a contract or a statutory clause;
  - the power to appoint or remove the majority of the members of the Board of Directors or the equivalent governing body, and that board or body is responsible for managing the company;
  - the power to exercise the majority of voting rights in meetings of the Board of Directors or the equivalent governing body, and that board or body is responsible for managing the company.

The existence and effect of potential voting rights, including those incorporated in options, way-out clauses, or instruments convertible into shares, are taken into consideration when assessing the existence of control, in case they are substantial.
In particular, potential voting rights are considered substantial if all the following conditions are met:

- they can be exercised either immediately or at least in good time for the company's shareholders' meeting;
- there are no legal or economic barriers to exercise them;
- exercising them is economically convenient.

As at 31 December 2024 the Group holds the majority of the voting rights in all the operating entities subject to consolidation.
It should also be noted that there are no cases in which control derives from holding potential voting rights.

Special purpose entities are considered controlled if the Group is, at one and the same time:

- exposed to a significant extent to the variability of returns, as a result of exposures in securities, of disbursing loans or of providing guarantees. In this regard it is assumed as a rebuttable presumption that the exposure to variability of returns is significant if the Group has at least 30% of the most subordinated exposure;
- able to govern the relevant activities, also in a de facto manner. Examples of the power to govern on this point are performing the role of sponsor or servicer appointed to recover underlying receivables, or managing the company's business.

In particular, consolidated special purpose entities include:

- Conduits in which the Group plays the role of sponsor and is exposed to the variability of returns, as a result of subscribing Asset Backed Commercial Paper issued by them and/or of providing guarantees in the form of letters of credit or liquidity lines;
- vehicles used to carry out securitisation transactions in which the Group is the originator as a result of subscribing the subordinated tranches;
- vehicles financed by the Group and established for the sole purpose of performing financial or operating leasing in favor of customers which are financed by the Group;
- vehicles in which, as a result of deteriorating market conditions, the Group has found itself holding the majority of the financial exposure and, at the same time, managing the underlying assets or the related collections.

It should be noted that, in the case of special purpose entities set up as part of securitisation transactions pursuant to Italian Law 130/99, the segregated assets are analysed separately with respect to the analysis of the SPE. For the latter, control is assessed on the basis of possession of the voting rights attributed to the company's shares.
Investment funds managed by Group companies are considered controlled if the Group is significantly exposed to the variability of returns and if the third-party investors have no rights to remove the management company.
In this regard it is assumed as a rebuttable presumption that the exposure to the variability of returns is significant if the Group has at least 30% as a result of subscription of the units and commissions received for the management of the fund's assets.

Part A - Accounting policies

Investment funds managed by third-party companies are considered controlled if the Group is significantly exposed to the variability of returns and at the same time, has the unilateral right to remove the management company.
In this regard it is assumed as a rebuttable presumption that the exposure to the variability of returns is significant if the Group has subscribed at least 30% of the fund's units.

With reference to 31 December 2024, it should be noted that 134 controlled entities (of which 19 belonging to the Banking Group) were not consolidated pursuant to IFRS10, of which 132 for materiality threshold and/or liquidation procedures, while the remaining 2 companies relate to one restructuring procedure whose risks are measured coherently as part of the credit exposures. Based on available information, it is believed that their consolidation would not have impacted significantly the Group net equity.

3. Equity investments in wholly-owned subsidiaries with significant non-controlling interests

3.1 Non-controlling interests, availability of votes of NCIs and dividends distributed to NCIs

COMPANY NAME	MINORITIES EQUITY RATIOS (%)	MINORITIES VOTING RIGHTS (%)	DIVIDENDS TO MINORITIES (€ million)
UNICREDIT BANK S.A.	11.27	11.27	2
ZAGREBACKA BANKA D.D.	3.81	3.81	17

3.2 Equity investments with significant non-controlling interests: accounting information

(€ million)

COMPANY NAME	TOTAL ASSETS	CASH AND CASH EQUIVALENTS	FINANCIAL ASSETS	TANGIBLE AND INTANGIBLE ASSETS	FINANCIAL LIABILITIES	NET EQUITY	NET INTEREST MARGIN
UNICREDIT BANK S.A.	14,573	1,043	13,243	164	12,518	1,726	423
ZAGREBACKA BANKA D.D.	21,134	3,959	16,857	192	18,422	2,312	588

continued: 3.2 Equity investments with significant non-controlling interests: accounting information

COMPANY NAME	OPERATING INCOME	OPERATING COSTS	PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	PROFIT (LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS	PROFIT (LOSS) (1)	OTHER COMPREHENSIVE INCOME AFTER TAX (2)	OTHER COMPREHENSIVE INCOME (3) = (1) + (2)
UNICREDIT BANK S.A.	612	(245)	356	293	-	293	(1)	292
ZAGREBACKA BANKA D.D.	788	(264)	547	450	-	450	15	465

The exposures above refer to the amounts of individual accounts of the subsidiaries as at 31 December 2024.

It should be noted that the minority shareholders of UniCredit Bank S.A. increased during the year due to the purchase of 90.1% shares of Alpha Bank Romania S.A. by UniCredit S.p.A., through the payment to the counterpart, as part of the price, of 9.90% shares in UniCredit Bank S.A.

Part A - Accounting policies

4. Significant restrictions

Shareholder agreements, regulatory requirements and contractual agreements can limit the ability of the Group to access the assets or settle the liabilities of its subsidiaries or restrict the latter from distribution of capital or dividends.

With reference to shareholder agreements, it should be noted that to the consolidated entities UniCredit BPC Mortgages S.r.l. and UniCredit OBG S.r.l. companies established according to Law 130/99 for the execution of securitisation transactions or the issuance of covered bonds, shareholders' agreements allow the distribution of dividends only when the credit claims of guaranteed lenders and bearer of covered bonds are satisfied.

In the course of the demerger of the CEE Banking Business from UniCredit Bank Austria AG (UCBA) to UniCredit S.p.A. effected in 2016, UniCredit S.p.A. undertook an agreement with UniCredit Bank Austria AG and its minority shareholders that, until 30 June 2024, envisaged: (i) the restriction, as shareholder of UniCredit Bank Austria AG, from resolving on any dividend distributions of the latter in case UniCredit Bank Austria AG's consolidated and solo CET1 ratios, as a consequence thereof, fall below (a) 14% or (b) the higher minimum CET1 ratio required at the time by the applicable regulatory framework, plus any required buffers, and (ii) the support to any management decision and board resolution of UCBA aimed at safeguarding such CET1 ratios.

UniCredit group is a banking group subject to the rules provided by: (i) Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks (CRD VI); (ii) Directive (EU) 2019/878 of the European Parliament and of the Council (so-called CRD V), amending Directive (EU) 2013/36 on "access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms"; (iii) Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor; (iv) Regulation (EU) 2019/876 of the European Parliament and of the Council (so-called CRR2), amending Regulation (EU) 575/2013 on "prudential requirements for credit institutions and investment firms" and that controls financial institutions subject to the same regulation; (v) Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) 806/2014 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms; and (vi) Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive (EU) 2014/59 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC (BRRD 2); (vii) Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (BRRD).
The ability to distribute capital or dividends of the banks and of the other regulated entities controlled may be restricted to the fulfilment of these requirements in terms of capital, leverage and MREL ratios and, in case the requirements are not met, to the "Maximum Distributable Amount", as well as to the fulfillment of further eventual regulation applicable at national level and of recommendations issued, time by time, by competent authorities.

With reference to the current geopolitical tensions, UniCredit group operates in Russia through its subsidiary AO UniCredit Bank and its controlled companies. In this regard it is worth to note that (i) in March 2022 the President of Russian Federation issued a Decree subordinating the sale of shares to the permission of the Government Commission for the Control of Foreign Investments in Russia and (ii) in August 2022 an additional Decree was issued which banned the sale of shares of Russian credit institutions identified by a specific list to be approved by the President of the Russian Federation on the proposal of the Government of the Russian Federation, agreed with the Central Bank of Russia.
Moreover, in March 2022 the President of Russian Federation issued a Decree establishing that payments of dividends for an amount exceeding 10 million rubles should be made to a special account whose utilization requires special permission from the Governmental commission for the Control of Foreign Investments in Russia, unless specific authorization is obtained.
On 25 Apr 2023, the President of Russian Federation signed Decree 302 (on temporary management over certain assets), which allows for the seizure of assets owned by individuals and companies from "unfriendly" countries. This decree enables the Russian government to place such assets under external management, effectively nationalizing them.
Additionally, in August 2023, Russia passed a decree barring foreign investors from "unfriendly" countries from holding investments in major Russian businesses. This measure allows the government to transfer shares from overseas investors to Russian entities, further consolidating control over foreign-owned assets.

The capital ratios requested for 2025 to UniCredit group by European Central Bank (ECB), also because of the Supervisory Review and Evaluation Process (SREP) performed in 2024, are higher than the minimum requirements set by the mentioned regulations. For the disclosure on UniCredit group Capital Requirements, refer to the paragraph "Capital ratios" of the chapter "Capital and value management" in the Consolidated report on operations.
With reference to subsidiaries, we note that in some jurisdictions and for some foreign entities of the Group, commitments to maintain local supervisory capital higher than regulatory thresholds may exist also because of SREP performed at local level.

Part A - Accounting policies

With reference to free flow among entities based in different countries, available liquidity at Group level bears some restrictions related to the Large Exposure prudential limits, according to both CRR definition and decisions adopted by Member States (with reference to cross border intragroup exposures) some of them recently implemented: consequently, a portion of available liquidity may suffer impediments that hinder its transfer among group entities. Further details are reported in paragraph “2.4 Liquidity risk” of the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter.

With reference to contractual agreements, UniCredit group has issued financial liabilities whose callability, redemption, repurchase or repayment before their contractual maturity date, is subject to the prior permission of the competent authority. The carrying value of these instruments as at 31 December 2024 is equal to €45,630 million and includes capital instruments and MREL eligible instruments.

5. Other information

For information on jointly-controlled companies and companies subject to significant influence that have not been consolidated in accordance with IFRS10 as at 31 December 2024, in addition to the controlled ones disclosed in previous paragraph 2. Significant assumptions and assessment in determining the consolidation scope, reference is made to the paragraph “7.6 Valuation and significant assumptions to establish the existence of joint control or significant influence” of the Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, Section 7 - Equity investments - Item 70.

Section 4 - Subsequent events

No material events[60] have occurred after the Balance sheet date that would make it necessary to change any of the information given in the Consolidated financial statements as at 31 December 2024.
For a description of the significant events[61] after year-end, refer also to the information evidenced in the paragraph “Subsequent events” of the Consolidated report on operations, Subsequent events and outlook, and to the information below.

On 10 February 2025 UniCredit Bank Austria AG entered into a Share Purchase Agreement to dispose its 50.1% share in Card Complete Service Bank AG (“Transaction”). The Transaction is subject to Regulatory Approvals from competent Governmental Authorities and shall be completed at closing which is envisaged during the year 2025. No negative financial effects are expected from the transaction.

60 Events happened subsequently to Financial Statements’ reporting date that are adjusting events in accordance with IAS10.
61 Events happened subsequently to Financial Statements’ reporting date that are non adjusting events in accordance with IAS10.

Part A - Accounting policies

Section 5 - Other matters

In 2024 the following standards, amendments or interpretations of the existing accounting standards came into force:
- amendments to IFRS16 Leases: Lease Liability in a Sale and Leaseback (EU Regulation 2023/2579);
- amendments to IAS1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date and Non-current Liabilities with Covenants (EU Regulation 2023/2822);
- amendments to IAS7 Statement of Cash Flows and IFRS7 Financial Instruments: Disclosures: Supplier Finance Arrangements (EU Regulation 2024/1317).

The entry into force of these new standards, amendments or interpretations has not determined substantial effects on the amounts recognised in balance sheet or income statement.

As at 31 December 2024, the following document, applicable to reporting starting from 1 January 2025, has been endorsed by the European Commission:
- amendments to IAS21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (EU Regulation 2024/2862).

The Group does not expect significant impacts arising from the entry into force of such amendments.

As at 31 December 2024 the IASB issued the following accounting standards, amendments or interpretations of the existing accounting standards, whose application is subject to completion of the endorsement process by the competent bodies of the European Union:
- IFRS18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024);
- IFRS19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024);
- amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7) (issued on 30 May 2024);
- Annual Improvements Volume 11 (issued on 18 July 2024);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS9 and IFRS7 (issued on 18 December 2024).

With regard to the amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7) the Group is assessing the impacts of new requirements, and it expects to update the Group policies coherently.

Implications of geopolitical tensions between Russia and Ukraine on Consolidated financial statements

UniCredit group holds assets and liabilities potentially exposed to the consequences of the geopolitical tensions between Russia and Ukraine, specifically: (i) the Russian Subsidiaries included in the accounting scope of consolidation; (ii) the financial assets held by UniCredit S.p.A. and its non-Russian subsidiaries towards Russian counterparties.

The following sections outline further details specifically for Russian Subsidiaries (section “Assets and liabilities of Russian subsidiaries”) and for financial assets held by UniCredit S.p.A. and its non-Russian subsidiaries toward Russian counterparties (section “Financial assets held by UniCredit S.p.A. and its non-Russian subsidiaries toward Russian counterparties”).

1. Assets and liabilities of Russian subsidiaries

The Group holds investments in Russia through AO UniCredit Bank and its subsidiaries OOO UniCredit Garant, and OOO UniCredit Leasing.
The line-by-line consolidation determined the recognition of total assets for €5,597 million vs €8,668 million as at 31 December 2023. The difference in total assets is mainly attributable to a reduction in financial assets at amortised cost.
As at 31 December 2024, the revaluation reserves, recycling through P&L, are equal to -€3,321 million mainly arising from the foreign exchange revaluation reserve resulting from the conversion of assets and liabilities of these companies in EUR; the negative delta for -€446 million vs year-end 2023 (-€2,875 million), is mainly due the depreciation of the Russian Ruble over the period[62].
The loss of control over AO UniCredit Bank would determine the derecognition of net assets having a carrying value of €5,947 million[63] (also embedding the negative revaluation reserves), with a correspondent negative effect through P&L, in case the events leading to the derecognition would not envisage cash-in receivables; under a regulatory perspective over CET1 capital, the negative effect related to the revaluation Reserves (-€3,321 million) is basically neutral since it is already considered according to its nature and sign (also taking into account regulatory filters).

The following tables present the Balance sheet of such entities, together with their incidence over the corresponding consolidated (UniCredit group level) Balance sheet line item[64].

62 Indeed the Ruble exchange Euro as at 31 December 2024 was equal to 118.18 vis a vis 99.17 as at 31 December 2023.
63 Amount which includes the recognition in P&L, following loss of control, of impairment losses on intercompany loans and the recycling of the Foreign investments hedging reserve
64 The reported amounts provide the contribution of the mentioned subsidiaries to the consolidated financial statements thus net of intercompany assets and liabilities.

Part A - Accounting policies

(€ million)

ASSETS	AMOUNTS AS AT 31.12.2024	% OVER CONSOLIDATED ITEM
10. Cash and cash balances	1,510	3.6%
20. Financial assets at fair value through profit or loss:	73	0.1%
a) financial assets held for trading	73	0.1%
b) financial assets designated at fair value	-	0.0%
c) other financial assets mandatorily at fair value	-	0.0%
30. Financial assets at fair value through other comprehensive income	5	0.0%
40. Financial assets at amortised cost:	3,793	0.7%
a) loans and advances to banks	2,188	3.3%
b) loans and advances to customers	1,605	0.3%
50. Hedging derivatives	5	0.4%
60. Changes in fair value of portfolio hedged items (+/-)	(28)	1.6%
70. Equity investments	-	0.0%
80. Insurance assets	-	0.0%
a) insurance contracts issued that are assets	-	0.0%
b) reinsurance contracts held that are assets	-	0.0%
90. Property, plant and equipment	103	1.2%
100. Intangible assets	14	0.6%
of which: goodwill	-	0.0%
110. Tax assets:	91	0.9%
a) current	2	0.3%
b) deferred	89	0.9%
120. Non-current assets and disposal groups classified as held for sale	31	7.9%
130. Other assets	-	0.0%
Total assets	**5,597**	**0.7%**

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024	% OVER CONSOLIDATED ITEM
10. Financial liabilities at amortised cost:	3,756	0.6%
a) deposits from banks	269	0.4%
b) deposits from customers	3,487	0.7%
c) debt securities in issue	-	0.0%
20. Financial liabilities held for trading	18	0.1%
30. Financial liabilities designated at fair value	-	0.0%
40. Hedging derivatives	37	3.3%
50. Value adjustment of hedged financial liabilities (+/-)	(2)	0.0%
60. Tax liabilities:	17	1.0%
a) current	16	1.1%
b) deferred	1	0.4%
70. Liabilities associated with assets classified as held for sale	-	0.0%
80. Other liabilities	1,374	9.4%
90. Provision for employee severance pay	-	0.0%
100. Provisions for risks and charges:	491	6.2%
a) commitments and guarantees given	17	1.6%
b) post-retirement benefit obligations	21	0.7%
c) other provisions for risks and charges	453	12.3%
110. Insurance liabilities	-	0.0%
a) insurance contracts issued that are liabilities	-	0.0%
b) reinsurance contracts held that are liabilities	-	0.0%
Equity	(94)	
Total liabilities and shareholders' equity	**5,597**	**0.7%**

Part A - Accounting policies

1.1 IFRS9 macroeconomic scenario

The IFRS9 macroeconomic scenarios for the Russian subsidiaries were updated as at 31 December 2024 consistently with other geographies of the Group.
In line with IFRS9 standard and ESMA recommendations, the ECL is computed based on multi-scenario approach, specifically the following scenarios, coherently with the Budget/Multiyear Plan, were considered:

- Baseline scenario, which assumptions are aligned with the scenario used for the Shareholding Impairment Test and the Deferred Tax Assets Sustainability Test. It represents the reference central scenario with the higher probability of realization (60%);
- Adverse scenario, which is in line with the alternative/recession scenario adopted for Budget/Multiyear Plan and embedding a worsened evolution of macro-economic context, but with a lower probability of realization vis-à-vis the baseline (35%);
- Positive scenario, reflecting better macroeconomic forecast than the baseline scenario, with a lower probability than the other two scenarios (5%).

The update of the IFRS9 macroeconomic scenario for the Russian subsidiaries led to recognize, for the full year 2024, not material effects on LLPs.
For a description of main assumptions behind IFRS9 scenarios and related probability of realization, refer to Part A - Accounting policies, A.1 General, Section 2 - General preparation criteria.

1.2 Classification and re-rating of loans exposure

Starting from 31 March 2022, in line with the IFRS9[65] provisions, the AO UniCredit Bank loan exposures were entirely classified in Stage 2 as a significant increase in credit risk was triggered by macro-economic circumstances, given the geopolitical crisis and the expected decrease in Russian GDP for the period 2022-2024, observed starting from the first quarter 2022.
In addition, the internal ratings of Russian Sovereign exposures (resulting from IRB Groupwide Sovereign PD Model) were reviewed throughout 2022; and ultimately downgraded to timely embed the worsening of Russia creditworthiness, triggered by the severity of Western countries' sanctions, the Russian authorities' response (ban on transfer of FX abroad) and the economic effects of the war.
The downgrade of the Sovereign internal ratings triggered the downgrades of Groupwide Multinationals (i.e., MNC) and Banks (the bulk of downgrades), which had Russia as country of risk. These downgrades determined an increase in the Expected Credit Losses (resulting from the combination of PD, LGD and EAD parameters) and Loan Loss Provisions.

Starting from June 2024, the classification to Stage 2 for AO UniCredit Bank loan exposures was removed: consequently, staging is driven by the ordinary IFRS9 framework. The reasons underlying the removal of collective staging measures are motivated by the following risk analyses observed throughout an approx. 2 years' time span:

- regular repayment performance of local portfolio;
- low level of default in-flows;
- significant portfolio de-risking achieved since first quarter 2022 thus further reducing the expected future default and loss risks;
- local portfolio progressively re-rated, thus incorporating quali-quantitative information representative of a post-crises outbreak in the Financial and Qualitative modules;
- substantial irrelevance of government moratoria supporting measures activated in 2022;
- lower riskiness of onshore domestic portfolio compared to Russian cross-border/offshore portfolio booked outside AO UniCredit Bank.

As at 31 December 2024 the related stock of LLP amounts to -€33 million, with reference to a gross exposure of €3,251 million toward performing counterparties. It should be noted that out of this gross exposure:

- €2,194 million are represented by exposures towards banks (as at December 2023 the Gross exposure was equal to €2,672 million);
- €1,057 million are represented by exposures towards customers (as at December 2023 the Gross exposure was equal to €2,919 million).

As a result of the removal of the Stage 2 Classification, the credit exposures reported in Stage 1 are equal to €748 million, almost entirely towards customers.
The decrease in the exposures compared to previous period is basically stemming from the de-risking and downsizing activity which led to reduce the operations of Russian subsidiaries.

1.3 Classification and re-rating of Russian government bonds

During the 2022, the Russian debt securities belonging to the Amortized cost and FVtOCI portfolios were classified in Stage 2 and downgraded, given the increase in credit risk according to the internal models, in coherence with the loan exposures[66].

65 IFRS9 par. B5.5.17.
66 For the sake of completeness, it should be noted that further Russian Government bonds are held by other Group legal entities in the held for trading portfolio for a not material carrying value.

Part A - Accounting policies

As at 31 December 2024:
- the collective staging measure was removed for AO UniCredit Bank Debt securities portfolio as well, with non-material LLP impact;
- the related LLPs stock amounts to -€66 million (-€132 million as of year-end 2023) with reference to €640 million gross exposure (€766 million as of year-end 2023), decrease in LLPs mainly stems from the removal of (i) the stage 2 classification and (ii) previous fixing of LLPs to the level of March 2022.

With reference to the fair value calculation, starting from 28 February 2022, the Moscow Stock Exchange (MOEX) closed, and RUB bonds quotes became rare, disperse and actually not executable. Despite the MOEX progressively resumed trading starting from 21 March 2022, the bonds quotes were deemed to be not suitable for valuation purposes at consolidated level: as a matter of fact, from the perspective of UniCredit group (i.e., a western based financial institution), the Russian market is not accessible and it cannot be representative of the fair value for consolidated purposes' evaluation; as a consequence, the fair value of the Russian Government debt securities was determined by applying a mark-to-model approach, instead of a mark-to-market approach.
In more detail, the implied spreads related to the Russian Federation debt in USD were used by the UniCredit group to evaluate Russian Federation RUB bonds, adjusted according to the effective trades' prices observable on the offshore Market within 90 days' time-horizon rolling, leading to an extra spread, added flat on L1 curve used to compute the Mark-to-Model prices.
As at 31 December 2024, the Russian government bonds continue to be valued according to the methodology summarized above, with the introduction of an additional adjustment to reflect the increased lack of liquidity observed in 2023/2024 and applied since end of June 2023.

1.4 Overlays
During the 2022, given the uncertainties over the evolution of the crisis and the related effects on AO UniCredit Bank loan portfolio, some actions were taken to cope with potential future default migrations.
Specifically, an overlay was applied on the loan portfolio at amortized cost, since the second quarter of 2022, and aimed to: (i) fix the LLPs to the level of 31 March 2022 (i.e., after application of LLPs aimed at covering Russia direct risk); (ii) re-scale the LLPs with respect to the Loan-to-Customer portfolio evolution factoring-in repayment and exposure reduction if any, in order to ensure a minimum coverage representative of the situation after Russian-Ukraine crisis.

On June 2024, this LLP overlay has been removed for the same rationales underlying the removal of the collective staging measure (refer to previous sections 1.2 and 1.3), bearing non-material LLP impact.

1.5 Asset quality
The following table provides the breakdown of financial assets held by Russian subsidiaries broken down by accounting portfolio and Credit quality.

(€ million)

PORTFOLIOS/QUALITY	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (NET EXPOSURE)
	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURE	
1. Financial assets at amortised cost	290	259	31	-	3,850	88	3,762	3,793
2. Financial assets at fair value through other comprehensive income	-	-	-	-	4	-	4	4
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily at fair value	-	-	-	-	X	X	-	-
5. Financial instruments classified as held for sale	12	8	4	-	37	10	27	31
Total 31/12/2024	**302**	**267**	**35**	**-**	**3,891**	**98**	**3,793**	**3,828**

1.6 Derivative exposures
In 2022, the sanctions and restrictions led the derivatives' counterparties to interrupt servicing (stopping settlement and disregarding margin call), thus resulting in the activation of close-out process according to ISDA Master Derivatives Agreements/Credit Support Annex. Such circumstance determined the recognition of Trading Profit/Losses in 2022 for -€94 million and of LLPs in 2022 and 2023 for -€45 million (the latter mainly refer to the write-downs recognised in "excess" of collaterals posted by counterparties and measured in Group Balance sheet at amortized cost). No additional LLPs have been recognised in 2024. The relevant net claim is equal to €14 million, unchanged vs year-end 2023.
With reference to the Fair value calculation, an update of XVA methodology, in particular regarding calibration of risk inputs, was introduced since 31 March 2022, to reflect offshore risk (i.e., Russian risk assessment outside Russia). Indeed, till February 2022, the CVA risk mapping assimilated the country risk "Russia" to the average risks of Eastern Europe counterparties; then, since March 2022, a new CVA risk mapping was introduced to assess Russian counterparty credit risk, by referencing the Russian Sovereign Credit Default Swap (CDS), separated from the Eastern Europe counterparties in light of the changed geopolitical framework.

Part A - Accounting policies

The overall impact stemming from XVA in 2024 was equal to +€33 million, arising from the already mentioned de-risking activity which determined a decrease in the perimeter of instruments subject to such adjustments.

1.7 Real estate portfolio
The real estate portfolio of Russian subsidiaries (mainly composed by owned instrumental assets located in Moscow and Saint Petersburg Commercial Business District) was subject to external independent appraisals right before 31 December 2024; the evaluation, aimed to update the fair value of the assets, led to recognise not-material effects.

2. Financial assets held by UniCredit S.p.A. and its non-Russian subsidiaries toward Russian counterparties
The present section provides information about the credit exposures subject to Russian risk held by UniCredit S.p.A. and its non-Russian subsidiaries (i.e., such exposures include neither the positions held by the Russian Legal Entities belonging to UniCredit group, nor Letters of Credit).

The overall Gross Book Value for €454 million is composed as follows:
- €279 million attributable to the credit exposures of the Russia operating segment, entirely on-balance exposures with an overall coverage for approx. 42%;
- €175 million basically related to the exposures held by the Group Entities not belonging to the Russian Operating Segment, mainly having the following features:
  - on-balance exposures benefitting from ECA guarantees for approx. €162 million;
  - the related coverage substantially reflects the presence of ECA guarantees for most of the exposures.

The reduction for -€250 million compared to year-end 2023 (gross exposure for €704 million and overall write down for -€139 million) is mainly attributable to redemptions of On-Balance exposures and closing of Off-Balance exposures occurred in the period.

	PERFORMING ASSETS		
	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURES
Deposits	-	-	-
Financial assets held for trading	-	-	-
Financial assets at FV through OCI	-	-	-
Financial assets at amortized cost	454	121	333
Total on balance exposures	**454**	**121**	**333**
Off Balance	0	0	0
Total 31.12.2024	**454**	**121**	**333**
Total 31.12.2023	704	139	565

Note:
Non-performing assets report a gross exposure (GBV) of €243 million and overall writedowns (LLP) of -€25 million (o/w Non-ECA amounting to €65 million in terms of GBV and -€24 million in terms of LLP).

2.1 Classification and re-rating of loans toward Russian counterparties held by UniCredit S.p.A. and its non-Russian subsidiaries
During 2022, the assessment reported in the previous paragraph (i.e., reclassification into Stage 2 and rating downgrade) was also applied to exposures held by UniCredit S.p.A. and its non-Russian subsidiaries toward Russian counterparties.
Furthermore, an analysis was performed on the amount of LLPs to grant that they would be able to reflect in the measurement the differentiation in asset valuation between onshore and offshore investors, where the latter are penalized in their ability to recover the claims against investments in Russia. Indeed, in the perspective of an offshore investor exposed towards obligors with direct risk on Russia, such exposures are expected to suffer from higher risk of missed fulfilment of credit obligation, as a consequence of sanctioning limitations and potential accelerated de-leveraging actions.

Such analysis is still valid as at 31 December 2024; indeed, the persisting sanctions against Russia indicates that the mentioned differentiation in asset valuation observed in 2022 continues to exist, thus justifying the maintenance of both (i) collective staging, differently from the removal of collective staging for AO UniCredit Bank portfolio; and (ii) specific measures.
In this regard, the additional LLPs were quantified by assuming a coverage ratio comparable with the proactive classification of these exposures as unlikely to pay. As at 31 December 2024 the stock of overall write downs is equal to -€121 million (-€139 million as of year-end 2023).

2.2 Geopolitical overlay resulting from Russia-Ukraine crisis
For further information on geopolitical overlay refer to the paragraph “2.3.1 Staging Allocation and Expected Credit Losses Calculation”, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.3 Measurement methods for expected losses.

Part A - Accounting policies

3. FX rate used as at 31 December for the conversion of exposures denominated in Rubles

As a result of the geopolitical tension, the ECB suspended the EUR/RUB listing since 2 March 2022 (last fixing on 1 March 2022), while Central Bank of Russia (CBR) continued to provide a fixing versus other currencies. Despite such suspension, the availability of RUB FX rate is needed for preparing the Consolidated financial statements for the conversion into EUR of:

- RUB denominated exposures held by UniCredit S.p.A. and subsidiaries having a presentation currency different from RUB;
- Russian subsidiaries' net assets (and related FX reserve) in the consolidated financial results of UniCredit group.

In light of the IAS21 requirements (which establish that when several exchange rates are available, the rate used is the one at which the future cash flows represented by the transaction could have been settled if those cash flows had occurred at the measurement date), the Group decided to adopt the RUB quotes listed by the Electronic Broking Service (EBS) in substitution of the lacking EUR/RUB quote. The choice of the provider was executed following qualitative and quantitative assessment, which reported the following outcome: (i) the RUB quotes published by the platform are representative of effective transactions between participants to the market; (ii) the FX quotes are substantially aligned with those provided by other sources; (iii) the EBS RUB quotes resulted from actual transactions by non-Russian based operators, thus granting that such quote effectively represents a market participant assessment of the value of the RUB and therefore of the economic conditions of Russia[67]. In more detail, the mentioned EBS rate was used both for converting RUB denominated exposures held by entities having EUR as presentation currency, as well as for consolidating the net assets of AO UniCredit Bank (Russia) and determining the related FX reserve.

In addition to the above, it is worth reminding those exposures held by Russian subsidiaries and denominated into currencies different from RUB shall be first converted into RUB for the purpose of consolidated financial statements preparation. In this regard, while the adoption of EBS RUB quote would be appropriate, the conversion into RUB of exposures denominated in foreign currencies held by Russian Subsidiaries was executed considering the rate provided by CBR in line with the approach followed in the previous years.

4. Claims in relation to guarantees and sanctions

It should be noted that, in August 2023, UCB GmbH was named as a defendant in a lawsuit pertaining to guarantee claims commenced by a Russian energy company before a court in Saint Petersburg, Russia. For additional information about this lawsuit refer to Part E - Information on risks and related hedging policies, 2.5 Operational risks, B. Legal risks.

In addition, UniCredit S.p.A. has made an application to the General Court of European Union (GCEU) to obtain definitive legal clarification of the obligations set by the European Central Bank's (ECB) requirements to further reduce the risks associated with UniCredit's activities in Russia, carried out by subsidiaries including AO UniCredit Bank. In this regard it should be noted that since Russia's invasion of Ukraine in February 2022, UniCredit has been adopting a series of strategies to reduce its Russian presence resulting in a significant reduction of its cross-border and domestic exposures. However, the unprecedented circumstances, the complexities inherent in the geo-political and economic scenario the lack of a harmonized regulatory framework applicable to it and the potential for serious unintended consequences of implementing the decision that would impact not only the Russian subsidiaries but UniCredit S.p.A., have compelled the Board of Directors of UniCredit to seek for clarity and certainty of the duties and of the actions to be undertaken. To this purpose, UniCredit filed the application to the GCEU to get clarity about the obligations that UniCredit shall abide by. This application has been made in the full knowledge of the ECB. While this application is being heard, UniCredit has requested an interim suspension of the Decision pending the proceeding, which was denied by the GCEU in November 2024. The proceedings on the merits are ongoing.

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The Company financial statements of UniCredit S.p.A. and the Consolidated financial statements of UniCredit group as at 31 December 2024 are audited by KPMG S.p.A. pursuant to Legislative Decree No.39 of 27 January 2010 and to the resolution passed by the Shareholder's Meeting on 9 April 2020.

UniCredit group prepared and published within the time limits set by law and in manner required by Consob, the Consolidated first half financial Report as at 30 June 2024, subject to limited scope audit, as well as the Consolidated interim reports as at 31 March and 30 September 2024, both as press releases.

The Company financial statements of UniCredit S.p.A. and the Consolidated financial statements of UniCredit group as at 31 December 2024 have been approved by the Board of Directors' meeting of 20 February 2025, which authorised its disclosure to the public also pursuant to IAS10.
Directive 2004/109/EC (the "Transparency Directive") and Delegated Regulation (EU) 2019/815 introduced the obligation for issuers of securities listed on regulated markets of the European Union to draw up the annual financial report in the language XHTML, based on the European Single Electronic Format (ESEF), approved by ESMA. For the year 2024 the consolidated financial statements have been "marked" with the ESEF taxonomy, using an integrated computer language (iXBRL).
The whole document is filed in the competent offices and entities as required by law.

67 Such conclusions are also corroborated by the meeting held by ECB - Foreign Exchange Contact Group during May 2022 in which EBS representative reported that EBS EUR/RUB Market continue to function, and that liquidity in the Russian ruble is below pre-invasion levels, with activity concentrated mostly among larger banks in offshore markets.

Part A - Accounting policies

A.2 - Main items of the accounts

It should be noted that the descriptions of the main items of the accounts reported below are also valid for the Company financial statements of UniCredit S.p.A., unless differently stated.

1 - Financial assets at fair value through profit or loss

a) Financial assets held for trading

A financial asset is classified as held for trading if it is:
- acquired or incurred principally for the purpose of selling or repurchasing it in the short term;
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
- a derivative contract not designated under hedge accounting, including derivatives with positive fair value embedded in financial liabilities other than those valued at fair value with recognition of income effects through profit or loss.

Like other financial instruments, on initial recognition, at settlement date, a held-for-trading financial asset is measured at its fair value, usually equal to the amount paid, excluding transaction costs and income, which are recognised in profit and loss even when directly attributable to the financial assets. Held for Trading derivatives are recognised at trade date.
After initial recognition these financial assets are measured at their fair value through profit or loss.

A gain or loss arising from sale or redemption or a change in the fair value of a held for trading financial asset is recognised in Income statement in item “80. Net gains (losses) on trading”, including gains or losses related to derivative contracts that are linked to assets and/or liabilities designated at fair value and other financial assets mandatorily at fair value. If the fair value of a financial instrument falls below zero, which may happen with derivative contracts, it is recognised in item “20. Financial liabilities held for trading”.

A derivative is a financial instrument or other contract that has all three of the following characteristics:
- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (usually called the “underlying”) provided that in case of non-financial variable, this is not specific of one of the parties to the contract;
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors;
- it is settled at a future date.

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

An embedded derivative is separated from financial liabilities other than those measured at fair value through profit or loss and from non-financial instruments, and is recognised as a derivative, if:
- the economic characteristics and risks of the embedded derivative are not closely relating to those of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and;
- the hybrid (combined) instrument is not measured entirely at fair value through profit or loss.

When an embedded derivative is separated, the host contract is accounted for according to its accounting classification.

b) Financial assets designated at fair value through profit or loss

A non-derivative financial asset can be designated at fair value if the abovementioned designation avoids accounting mismatches that arise from measuring assets and associated liabilities according to different measurement criteria.

These assets are accounted for alike “Financial assets held for trading” however gains and losses, whether realised or unrealised, are recognised in item “110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss: a) financial assets/liabilities designated at fair value”; such item also includes changes in fair value on “financial liabilities designated at fair value” linked to own credit risk, if such a designation creates or increases an accounting mismatch in Income statement according to IFRS9.

Part A - Accounting policies

c) Other financial assets mandatorily at fair value
A financial asset is classified as financial asset mandatorily at fair value if it does not meet the conditions, in terms of business model or cash flow characteristics, for being measured at amortised cost or at fair value through other comprehensive income.

Specifically, the following assets have been classified in this portfolio:
- debt instruments, securities and loans for which the business model is neither held to collect nor held to collect and sell but which are not part of the Trading book;
- debt instruments, securities and loans with cash flows that are not solely payment of principal and interest;
- units in investment funds;
- equity instruments not held for trading for which the Group does not apply the option granted by the standard of valuing these instruments at fair value through other comprehensive income.

These assets are accounted for alike “Financial assets held for trading”, however gains and losses, whether realised or unrealised, are recognised in item “110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss: b) Other financial assets mandatorily at fair value”.

2 - Financial assets at fair value through other comprehensive income
A financial asset is classified at fair value through other comprehensive income if:
- its business model is held to collect and sell;
- its cash flows are solely the payment of principal and interest.

This category also includes equity instruments not held for trading for which the Group applies the option granted by the standard of valuing the instruments at fair value through other comprehensive income.
On initial recognition, at settlement date, a financial asset is measured at fair value, which is usually equal to the consideration paid, plus transaction costs and revenues directly attributable to the instrument.

After initial recognition, the interests accrued on interest-bearing instruments are recorded in the Income statement according to the amortised cost criterion in item “10. Interest income and similar revenues” if positive, or in item “20. Interest expenses and similar charges” if negative.
The gains and losses arising from changes in fair value are recognised in the Statement of other comprehensive income and reported under item “120. Valuation reserves” in shareholders' equity (item “110. Valuation reserves” in the Company financial statements).
These instruments are tested for impairment as illustrated in the specific section 16 - Other Information - Impairment.
Impairment losses are recorded in the Income statement in item “130. Net losses/recoveries on credit impairment relating to: b) financial assets at fair value through other comprehensive income” with contra-entry in the statement of other comprehensive income and also reported under item “120. Valuation reserves” in shareholders' equity (item “110. Valuation reserves” in the Company financial statements).
In the event of disposal, the accumulated profits and losses are recorded in the Income statement in item “100. Gains (Losses) on disposal and repurchase of: b) financial assets at fair value through other comprehensive income”.
Amounts deriving from financial assets carrying amount adjustment, gross of cumulated write-downs, in order to reflect modifications on contractual cash flows that do not give rise to accounting derecognition, are recognised in Income statement in item “140. Gains/Losses from contractual changes with no cancellations”; such line does not include the impact of contractual modifications on the amount of expected loss recognised in item “130. Net losses/recoveries on credit impairment relating to: b) financial assets at fair value through other comprehensive income”.

Such item can also include on-balance credit exposures which are already non-performing on initial recognition. These exposures are qualified as “Purchased Originated Credit Impaired - POCI”.
The amortised cost and the interest income generated by these assets are calculated by considering, in the estimate of future cash flows, the expected credit losses over the entire residual duration of the asset.
This expected credit loss is subject to periodic review thus determining the recognition of impairment or write-backs.
For further information on "Purchased Originated Credit Impaired” assets refer to the paragraph “2.1 Credit risk” of the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter with reference to the Consolidated financial statements and to the paragraph “Section 1 - Credit risk” of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part E - Information on risks and related hedging policies with reference to the Company’s financial statements.

Part A - Accounting policies

With regard to equity instruments, the gains and losses arising from changes in fair value are recognised in the Statement of other comprehensive income and reported under item “120. Valuation reserves” (item “110. Valuation reserves” in the Company financial statements).
In the event of disposal, the accumulated profits and losses are recorded in item “150. Reserves” (item “140. Reserves” in the Company financial statements).
In accordance with the provisions of IFRS9, no impairment losses on equity instruments are recognised in the Income statement. Only dividends are recognised in Income statement within item “70. Dividend income and similar revenues”.

3 - Financial assets at amortised cost

A financial asset, loan or debt securities, is classified as financial asset measured at amortised cost if:
- its business model is held to collect;
- its cash flows are solely the payment of principal and interest.

These items also include the net value of finance leases of assets under construction or awaiting lease, provided the leases have the characteristics of contracts entailing the transfer of risk.

On initial recognition, at settlement date, financial assets at amortised cost are measured at fair value, which is usually equal to the consideration paid, plus transaction costs and incomes directly attributable to the instrument.

After initial recognition at fair value, these assets are measured at amortised cost which requires the recognition of interest on an accrual basis by using the effective interest rate method over the term of the loan. Such interest is recognised in item “10. Interest income and similar revenues” if positive or in item “20. Interest expenses and similar charges” if negative.

The amount of financial assets at amortised cost is adjusted in order to take into account impairment losses arising from valuation process as illustrated in the specific section 16 - Other information - Impairment.
Impairment losses are recorded in the Income statement, in item “130. Net losses/recoveries on credit impairment relating to: a) financial assets at amortised cost”.
In the event of disposal, the accumulated profits and losses are recorded in the Income statement in item “100. Gains (Losses) on disposal and repurchase of: a) financial assets at amortised cost”. It is worth to note that, in light of the fact that the business model is aimed at collecting contractual cash flows, disposals might happen when (i) caused by an increase in the assets’ credit risk, (ii) performed close to maturity (iii) infrequent or (iv) not significant. In this regard, the Group has adopted policies to assess that these requirements are met, in particular through internal thresholds set for verifying that sales are not significant.
Amounts deriving from financial assets carrying amount adjustment, gross of cumulated write-downs, in order to reflect modifications on contractual cash flows that do not give rise to accounting derecognition, are recognised in Income statement in item “140. Gains/Losses from contractual changes with no cancellations”; such line does not include the impact of contractual modifications on the amount of expected loss recognised in item “130. Net losses/recoveries on credit impairment relating to: a) financial assets at amortised cost”.
Such item can also include on-balance credit exposures which are already non-performing on initial recognition. These exposures are qualified as “Purchased Originated Credit Impaired” (POCI).
The amortised cost and the interest income generated by these assets are calculated by considering, in the estimate of future cash flows, the expected credit losses over the entire residual duration of the asset.
This expected credit loss is subject to periodic review thus determining the recognition of impairment or write-backs.
For further information refer to the paragraph “2.1 Credit risk” of the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter with reference to the Consolidated financial Statements and to the paragraph “Section 1 - Credit risk” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part E - Information on risks and related hedging policies with reference to the Company’s financial statements.

4 - Hedge accounting

Hedging instruments are created to hedge market (interest-rate, currency and price) and/or credit risk to which the hedged positions are exposed. They may be described as follows:
- fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability, or an identifiable portion of such an asset or liability;
- cash flow hedge: a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction which could affect profit or loss in future periods;
- hedge of a net investment in a foreign entity, whose operations are based or conducted in a currency other than euro.

It should be noted that the Group has exercised the option to continue applying the existing IAS39 hedge accounting requirements for all its hedging relationships until the IASB completes the project on accounting for macro-hedging.

Hedging derivatives are initially recognised on trade date and are valued at their fair value.

Part A - Accounting policies

A hedging relationship qualifies for hedge accounting if there is formal designation and documentation of the hedging relationship including the risk management objective, the strategy for undertaking the hedge, and how the hedging instrument's prospective and retrospective effectiveness will be assessed. It is necessary to assess the hedge's effectiveness, at inception and in subsequent periods, in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.
Generally, a hedge is regarded as highly effective if, at the inception of the hedge and in subsequent periods, it is determined prospectively to remain highly effective, and retrospectively verified that the hedge ratio (i.e., the changes in fair value of hedged items and hedging instruments) is within a range of 80-125%. The hedge is assessed on an ongoing basis and thus must prospectively remain highly effective throughout the financial reporting periods for which the hedge has been designated.
The assessment of effectiveness is made at each balance-sheet date or other reporting date.
If the assessment does not confirm the effectiveness of the hedge, from that time on hedge accounting is discontinued in respect of the hedge and the hedging derivative is reclassified as a held-for-trading instrument.

In addition, the hedging relationship ceases when (i) the hedging instrument expires or is sold, terminated or exercised, (ii) the hedged item is sold, expires or is repaid, (iii) it is no longer highly probable that the forecast transaction will occur.

Hedging instruments are so designated when identifiable with an ultimate counterparty outside the Group.

Hedging derivatives are measured at fair value. Specifically:
- **fair value hedging**, an effective fair value hedge is accounted for as follows: the gain or loss from remeasuring the hedging instrument at fair value is recognised through profit or loss in item "90. Net gains (losses) on hedge accounting"; the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognised through profit or loss in the same item. Hedging ineffectiveness is represented by the difference between the change in the fair value of hedging instruments and the change in the fair value of hedged item. If the hedging relationship is terminated for reasons other than the sale of the hedged item, the difference between the carrying amount of the hedged item on termination of the hedging and the carrying amount it would have had if the hedge had never existed, is recognised through profit or loss in interest receivable or payable over the residual life of the original hedge, in the case of interest-bearing instruments; if the financial instrument does not bear interest, the difference is recognised in profit or loss under item "90. Net gains (losses) on hedge accounting" at once. If the hedged item is sold or repaid, the portion of fair value which is still unamortised is at once recognised through profit or loss in item "100. Gains (Losses) on disposal and repurchase";
- **cash flow hedging**, hedging instruments are valued at fair value. Change in the fair value of a hedging instrument that is considered effective is recognised in equity item "120. Valuation reserves" (item "110. Valuation reserves" in the Company Financial Statements). The ineffective portion of the gain or loss is recognised through profit or loss in item "90. Net gains (losses) on hedge accounting". If a cash flow hedge is determined to be no longer effective or the hedging relationship is terminated, the cumulative gain or loss on the hedging instrument that remains recognised in item "120. Valuation reserves" (item "110. Valuation reserves" in the Company financial statements) from the period when the hedge was effective remains separately recognised in revaluation reserves until the forecast hedged transaction occurs or is determined to be no longer possible; in the latter case gains or losses are transferred through profit or loss to item "80. Net gains (losses) on trading". The fair value changes are recorded in the Statement of other comprehensive income and disclosed in item "120. Valuation reserves" (item "110. Valuation reserves" in the Company financial statements);
- **hedging a net investment in a foreign entity**, hedges of a net investment in a foreign entity whose activities are based or conducted in a country or currency other than those of the reporting entity are accounted for similarly to cash flow hedges. The gain or loss on the hedging instrument relating to the effective portion of the hedge that has been recognised directly in equity is recognised through profit or loss on disposal of the foreign entity. The fair value changes are recorded in the Statement of comprehensive income and disclosed in item "120. Valuation reserves (item "110. Valuation reserves" in the Company Financial Statements)"; the ineffective portion of the gain or loss is recognised through profit or loss in item "90. Net gains (losses) on hedge accounting";
- **macro-hedges of financial assets (liabilities)**, IAS39 allows a fair-value item hedged against interest rate fluctuations to be not only a single asset or liability but also a monetary position contained in a number of financial assets or liabilities (or parts of them); accordingly, a group of derivatives can be used to offset fair-value fluctuations in hedged items due to changes in market rates. Macro-hedging may not be used for net positions resulting from the offsetting of assets and liabilities. As for fair value micro-hedging, macrohedging is considered highly effective if, at the inception of the hedge and in subsequent periods, changes in the fair value attributable to the hedged position are offset by changes in fair value of the hedging instrument and if the hedge ratio is retrospectively assessed falling within the range of 80-125%. Net changes, gains or losses, in the fair value of the macro-hedged assets and liabilities attributable to the hedged risk are recognised in asset item "60. Changes in fair value of portfolio hedged items (+/-)" or liability item "50. Value adjustment of hedged financial liabilities (+/-)", respectively and offset the profit and loss item "90. Net gains (losses) on hedge accounting".
  The ineffectiveness of the hedging arises to the extent that the change in the fair value of the hedging item differs from the change in the fair value of the hedged monetary position. The extent of hedge ineffectiveness is in any case recognised in profit and loss item "90. Net gains (losses) on hedge accounting".

Part A - Accounting policies

If the hedging relationship is terminated, for reasons other than the sale of the hedged items, cumulative gain or loss in items "60. Changes in fair value of portfolio hedged items (+/-)" or liability item "50. Value adjustment of hedged financial liabilities (+/-)" is recognised through profit or loss in items "10. Interest income and similar revenues" or "20. Interest expenses and similar charges", along the residual life of the hedged financial assets or liabilities.
If the latter are sold or repaid, unamortised fair value is at once recognised through profit and loss in item "100. Gains (Losses) on disposal and repurchase".

5 - Equity investments

The principles governing the recognition and measurement of equity investments under IFRS10 Consolidated financial statements, IAS27 Company financial statements, IAS28 Investments in associates and joint ventures and IFRS11 Joint Arrangements are provided in detail in the paragraph "Section 3 - Consolidation scope and methods" of the Notes to the consolidated accounts, Part A - Accounting policies, A.1 - General, where disclosure on the evaluation processes and key assumptions used to assess the existence of control, joint control or significant influence in accordance with IFRS12 (paragraphs 7-9) is provided.

The remaining interests other than subsidiaries, associates and joint ventures, and interests recognised in items "120. Non-current assets and disposal groups classified as held for sale" and "70. Liabilities associated with assets classified as held for sale" are classified as financial assets at fair value through other comprehensive income or other financial assets mandatorily at fair value and accordingly accounted.

6 - Property, plant and equipment (Tangible assets)

The item includes:
- lands;
- buildings;
- furniture and fixtures;
- plant and machinery;
- other machinery and equipment;

and is divided between:
- assets used in the business;
- assets held as investments;
- inventories in the scope of IAS2 standard.

This item also includes tangible assets arising from collection of collaterals.

Assets used in the business and Assets held as investments

Assets used in the business are held for use in the production or supply of goods or services or for administrative purposes and are expected to be used for more than one period. This category also conventionally includes assets to be let or under construction and to be leased under a finance lease, only for those finance leases which provide for retention of risk by the lessor until the acceptance of the asset by the lessee and the start of rentals under the finance lease.

The item "Property, plant and equipment" includes assets used by the Group as lessee under a lease contract (right of use) or let/hired out by the Group as lessor under an operating lease.

Property, plant and equipment also include leasehold improvements relating to assets which can be separately identified. They are classified according to the specific sub-items relating to the asset type (e.g., plants).
Leasehold improvements are usually borne in order to make leased premises fit for the expected use.
Improvements and additional expenses relating to property, plant and equipment identifiable but not separable are recognised in item "130. Other assets" (item "120. Other assets" in the Company financial statements).

Assets held for investment purposes are properties covered by IAS40, i.e., properties held (owned or under a lease contract) in order to derive rentals and/or a capital gain.

Property, plant and equipment are initially recognised at cost including all costs directly attributable to bringing the asset into use (transaction costs, professional fees, direct transport costs incurred in bringing the asset to the desired location, installation costs and dismantling costs).

Part A - Accounting policies

Subsequent costs are added to the carrying amount or recognised as a separate asset only when it is probable that there will be future economic benefits in excess of those initially foreseen and the cost can be reliably measured. Other expenses borne at a later time (e.g., normal maintenance costs) are recognised in the year they are incurred in profit and loss items:
- "190. Administrative expenses: b) other administrative expenses" (item "160. Administrative expenses: b) other administrative expenses of the Company financial statements), if they refer to assets used in the business; or:
- "230. Other operating expenses/income" (item "200. Other operating expenses/income" of the Company financial statements) if they refer to property held for investment.

After being recognised as an asset:
- buildings and lands used in the business are measured according to revaluation model;
- tangible assets used in the business, different from lands and buildings, are measured according to cost model;
- buildings and lands held as investments are measured according to fair value model.

Revaluation model requires tangible assets to be exposed in Balance sheet at a value not significantly different from fair value. In this respect, UniCredit group requests such assets to be revalued on a half year basis through "desktop" or "on site" appraisals, based on the asset relevance, performed by external appraisers.

Positive changes in fair value are booked in Other comprehensive Income statement, item "50. Property, plant and equipment" and, cumulated, in item "120. Valuation reserves" (item "110. Valuation reserves" in the Company financial statements), unless they offset previous negative changes accounted for in Income statement in item "260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value" (item "230. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value" in the Company financial statements). Negative changes in fair value are booked in Income statement in item "260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value" (item "230. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value" in the Company financial statements), unless they offset previous positive changes accounted for in Other comprehensive Income statement, item "50. Property, plant and equipment" and, cumulated, in item "120. Valuation reserves" (item "110. Valuation reserves" in the Company financial statements).
When the tangible asset is revalued at its fair value it is required to adjust both gross carrying amount and cumulated depreciation on the basis of the net carrying amount revaluation.

Cost model requires the gross carrying amount to be depreciated across its useful life.

Both tangible assets measured according to revaluation model and cost model are subject to straight-line depreciation over their useful life to the extent they have a finite useful life.
Residual useful life is usually assessed, for the Group and UniCredit S.p.A. as follows[68]:

TYPOLOGY	GROUP	UniCredit S.p.A.
Furniture and fixtures	up to 25 years	up to 7 years
Electronic equipment	up to 15 years	up to 12 years
Other	up to 10 years	up to 7 years
Leasehold improvements	up to 25 years	up to 15 years

Depreciations are accounted for, period by period, in item "210. Net value adjustments/write-backs on property, plant and equipment" (item "180. Net value adjustments/write-backs on property, plant and equipment" in the Company financial statements).

An item with an indefinite useful life is not depreciated.

Lands and buildings are recognised separately, even if acquired together. Land is not depreciated since it usually has an indefinite useful life. Buildings have instead a finite useful life and are therefore subject to depreciation.

The estimate of the useful life of an asset is reviewed at least at each financial year-end on the basis inter alia of the conditions of use of the asset, of maintenance conditions and expected obsolescence and, if expectations differ from previous estimates, the depreciation amount for the current and subsequent periods is adjusted accordingly. With specific reference to buildings, the useful life is defined on the basis of an external opinion.

68 It is worth to note that the useful life of buildings is defined at least at year end on the basis of an external opinions.

Part A - Accounting policies

If there is clear evidence that an asset measured according to cost model has been impaired the carrying amount of the asset is compared with its recoverable value, equal to the greater of its fair value less selling cost and its value in use, i.e., the present value of future cash flow expected to originate from the asset. Any value adjustment is recognised in profit and loss item “210. Net value adjustments/write-backs on property, plant and equipment” (item “180. Net value adjustments/write-backs on property, plant and equipment” in the Company financial statements).
If the value of a previously impaired asset is restored, its increased carrying amount cannot exceed the net carrying amount it would have had if there had been no losses recognised on the prior-year impairment.

Buildings and land held as investments, including right of use on land and buildings classified as held for investment, are measured according to fair value model which requires to account for in Income statement in item “260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value” (item “230. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value” in the Company financial statements), changes in fair value. Such assets are not subject to depreciation and impairment test.
An item of property, plant and equipment is derecognised (i) on disposal or (ii) when no future economic benefits are expected from its use or sale in the future and any difference between sale proceeds or recoverable value and carrying value is recognised in profit and loss item “280. Gains (losses) on disposals on investments”, “260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value” or “210. Net value adjustments/write-backs on property, plant and equipment” (item “250. Gains (Losses) on disposals on investments”, “230. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value”, or “180. Net value adjustments/write-backs on property, plant and equipment” in the Company financial statements). For tangible assets measured according to revalued amount, any gain from disposal, including amounts cumulated in item “120. Valuation reserves”, (item “110. Valuation reserves” in the Company financial statements) is reclassified to item “150. Reserves” (item “140. Reserves” in the Company financial statements) with no impact in Income statement.

<u>Inventories in the scope of IAS2 standard</u>
Inventories are assets held for sale in the ordinary course of business. They are accounted for at the lower of their carrying amounts and net realizable value.
Any value adjustment arising from the application of the aforementioned criterion is recognised under item “210. Net value adjustments/write-backs on property, plant and equipment” (item “180. Net value adjustments/write-backs on property, plant and equipment” in the Company financial statements).

7 - Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance which is expected to be used for more than one period, controlled by the Group and from which future economic benefits are probable.

Intangible assets are principally software.

Intangible assets other than goodwill are recognised at purchase cost, i.e., including cost incurred to bring the asset into use, less accumulated amortisation and impairment losses.

Costs sustained after purchase are:
- added to initial cost, provided they increase future economic benefits arising from the underlying asset (i.e., if they increase its value or productive capacity);
- in other cases (i.e., when they do not increase the asset’s original value, but are intended merely to preserve its original functionality) are taken to profit or loss in a single amount in the year in which they have been borne.

In case of internally generated software the expenses incurred to develop the project are recognised under intangible assets only if the following elements are demonstrated: (i) the technical feasibility of the project, (ii) the intention to complete the intangible asset, (iii) its future usefulness, (iv) the availability of adequate technical, financial and other resources to complete the development and (v) the ability to measure reliably the expenditure attributable to the intangible asset during its development.
An intangible asset with a finite life is subject to straight-line amortisation over its estimated useful life. If expectations differ from previous estimates, the depreciation amount for the current and subsequent periods is adjusted accordingly.

Residual useful life is usually assessed as follows:
- software up to 7 years;
- other intangible assets up to 20 years.

Intangible assets with an indefinite life are not amortised.

If there is clear evidence that an asset has been impaired, the carrying amount of the asset is compared with its recoverable value, equal to the greater of its fair value less selling costs and its value in use, i.e. the present value of future cash flows expected to originate from the asset.
Any impairment loss is recognised in profit and loss item “220. Net value adjustments/write-backs on intangible assets”.

Part A - Accounting policies

For an intangible asset with indefinite life even if there are no indications of impairment, the carrying amount is compared annually with its recoverable value. If the carrying amount is greater than the recoverable value, the difference is recognised in profit and loss item “220. Net value adjustments/write-backs on intangible assets”.

If the value of a previously impaired intangible asset, other than goodwill is restored, its increased carrying amount cannot exceed the net carrying amount it would have had if there were no losses recognised on the prior-years impairment.

An intangible asset is derecognised (i) on disposal or (ii) when no further future economic benefits are expected from its use or sale in the future and any difference between sale proceeds or recoverable value and carrying value is recognised in the profit and loss item “280. Gains (Losses) on disposals on investments” or “220. Net value adjustments/write-backs on intangible assets”, respectively.

Goodwill
In accordance with IFRS3 goodwill is the excess of the cost of a business combination over the interest acquired in the net fair value of the assets and liabilities acquired at the business combination’s date.

Goodwill arising from the acquisitions of subsidiaries is recognised as an intangible asset, whereas goodwill arising from the acquisition of associates is included in the carrying amount of the investments in associates.

At a subsequent financial reporting date, goodwill is recognised net of any cumulative impairment losses and is not amortised.
Goodwill is tested for impairment annually, as for other intangible assets with an indefinite useful life. To this end it is allocated to the Group’s business areas identified as the Cash Generating Units (CGUs). Goodwill is monitored by the CGUs at the lowest level in the Group in line with its business model.

Impairment losses on goodwill are recognised in profit and loss item “270. Goodwill impairment”. In respect of goodwill, no write-backs are allowed.

8 - Non-current assets and disposal groups classified as held for sale

These categories include individual assets held for disposal (tangible, intangible and financial assets) or groups of assets held for sale, with the related liabilities, as required by IFRS5.
Individual assets (or groups of assets held for sale) are recognised in item “120. Non-current assets and disposal groups classified as held for sale” and item “70. Liabilities associated with assets classified as held for sale” (item “110. Non-current assets and disposal groups classified as held for sale” and “70. Liabilities associated with assets classified as held for sale” in the Company financial statements) respectively, at the lower of their carrying amounts and fair values less costs to sell.
The revaluation reserves relating to non-current assets classified as held for sale, which are recorded as a contra item to changes in value relevant for this purpose, are reported separately in the Statement of other comprehensive income (refer to “Part D - Consolidated other comprehensive income” of the of the Notes to the consolidated accounts).

The net balance of profits (dividends, interest income, etc.) and losses (interest expense, etc.) attributable to discontinued operations are recognised in the Income statement under item “320. Profit (Loss) after tax from discontinued operations” (item “290. Profit (Loss) after tax from discontinued operations” in the Company financial statements). Profits and losses attributable to individual assets or disposal groups, that do not constitute discontinued operations, held for disposal are recognised in the Income statement under the appropriate item.

Part A - Accounting policies

9 - Current and deferred tax

Tax assets and tax liabilities are recognised in the Consolidated balance sheet respectively in item “110. Tax assets” and item “60. Tax liabilities” (item “100. Tax assets” and” 60. Tax liabilities” in the Company financial statements).

In compliance with the “Balance sheet method”, current and deferred tax items are:
- current tax assets, i.e., amount of tax paid in excess of income tax due in accordance with local tax regulations;
- current tax liabilities, i.e., amount of corporate tax due in accordance with local tax regulations;
- deferred tax assets, i.e., amounts of income tax recoverable in future fiscal years and attributable to:
  - deductible temporary differences;
  - the carryforward of unused tax losses; and
  - the carryforward of unused tax credits;
- deferred tax liabilities, i.e., the amounts of income tax due in future fiscal years in respect of taxable temporary differences.

Current and deferred tax assets and tax liabilities are calculated in accordance with local tax regulations and are recognised in profit or loss on an accrual basis.
In general, deferred tax assets and liabilities arise when there is a difference between the accounting treatment and the tax treatment of the carrying amount of an asset or liability.

Deferred tax assets and liabilities are recognised applying tax rates that at the Balance sheet date are expected to apply in the period when the carrying amount of the asset will be recovered or the liability will be settled on the basis of tax regulations in force and are periodically reviewed in order to reflect any changes in regulations.

In addition, under the tax consolidation system adopted, deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be generated by the entity. In accordance with the provisions of IAS12, the probability that sufficient future taxable profit against which the deferred tax assets can be utilised will be available is reviewed periodically. The carrying amount of deferred tax assets should be reduced to the extent that it is not probable that sufficient taxable profit will be available.

Current and deferred taxes are recognised in profit and loss item “300. Tax expense (income) for the period from continuing operations” (item “270. Tax expenses (income) for the year from continuing operations” in the Company financial statements), except for tax referred to items that in the same or in another fiscal year are credited or charged directly to equity, such as those relating to gains or losses on financial assets at fair value through other comprehensive income and those relating to changes in the fair value of cash flow hedging instruments, whose changes in value are recognised, net of tax, directly in the Statement of other comprehensive income among Revaluation reserves.

Current tax assets and liabilities are presented on the Balance sheet net of the related current tax liabilities if the following requirements are met:
- existence of a legally enforceable right to offset the amounts recognised; and
- the intention to extinguish for the remaining net or realise the asset and at the same time extinguish the liability.

Deferred tax assets are presented on the Balance sheet net of the related deferred tax liabilities if the following requirements are met:
- existence of an enforceable right to offset current tax assets with current tax liabilities; and
- the deferred tax assets and liabilities must relate to income taxes applied to the same tax authority on the same taxable entity or on different taxable entities that intend to settle the current tax liabilities and assets on a net basis (normally in presence of a tax consolidation contract).

Part A - Accounting policies

10 - Provisions for risks and charges

Commitments and guarantees given

Provisions for risks and charges for commitments and guarantees given are recognised against all revocable and irrevocable commitments and guarantees whether they are in scope of IFRS9 or IAS37.
The item hosts the estimates of expected loss calculated on these instruments resulting from valuation process as described in Section 16 - Other Information - Impairment.
The provision of the period is accounted under item “200. Net provisions for risks and charges: a) commitments and financial guarantees given” (item “170. Net provisions for risks and charges a) commitments and financial guarantees given” in the Company financial statements).
Note that all contracts, credit derivative contracts included, if any, that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument are considered financial guarantees.

Retirement payments and similar obligations

Retirement provisions, i.e., provisions for employee benefits payable after the completion of employment, are defined as **contribution plans** or **defined-benefit plans** according to the nature of the plan.

In detail:
- **defined-benefit plans** provide a series of benefits depending on factors such as age, years of service and compensation policies. Under this type of plan actuarial and investment risks are borne by the company;
- **defined-contribution plans** are plans under which the company makes fixed contributions. Benefits are the result of the amount of contributions paid and return on contributions invested. The employer bears no actuarial and/or investment risks connected with this type of plans as it has no legal or implicit obligation to make further contributions, should the plan not be sufficient to provide benefits to all employees.

Defined-benefit plans are present-valued by an external actuary using the “Unit Credit Projection method”.
This method distributes the cost of benefits uniformly over the employee’s working life. Obligations are the present value of average future benefits pro rata to the ratio of years of service to theoretical seniority at the time of benefit payment.

More specifically, the amount recognised according to IAS19 Revised as a net liability/asset in item “100. Provisions for risks and charges: b) post-retirement benefit obligations” is the present value of the obligation at the Balance sheet date, less any pension charges relating to benefits already provided but not yet recognised, less the fair value at the Balance sheet date of plan assets other than those due to directly settle the obligations adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. Actuarial gains or losses are recorded in the Statement of other comprehensive income and disclosed in item “120. Valuation reserves” (item “110. Valuation reserves” in the Company financial statements).

The discount rate used to discount obligations (whether financed or not) relating to benefits to be provided after retirement varies according to the currency of denomination and country where the liabilities are allocated and is determined on the basis of market yield at the Balance sheet date of prime issuers’ bonds (High Quality Corporate Bonds - HQCB) with an average life in keeping with that of the relevant liability.

Other provisions

Provisions for risks and charges are recognised when:
- the entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

The amounts recognised as provisions are the best estimate of the expenditure required to settle the present obligation. The risks and uncertainties that inevitably surround the relevant events and circumstances are taken into account in reaching the best estimate of a provision.

In particular, where the effect of the time value of money is significant, the amount of the provision should be the present value of the best estimate of the cost required to settle the obligation. The discount rate used reflects the current market assessments.

Part A - Accounting policies

Provisions are reviewed periodically and adjusted if necessary to reflect the current best estimate. If it becomes clear that it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Provisions are used only for expenses for which they were originally recognised. Allocations made in the year are recognised in profit and loss item "200. Net provisions for risks and charges: b) other net provisions" (item "170. Net provisions for risks and charges: b) other net provisions" in the Company financial statements) and include increases due to the passage of time; they are also net of any reversals.

"Other provisions" also include obligations relating to benefits due to agents, specifically supplementary customer portfolio payments, merit payments, contractual payments and payments under non-competition agreements, which are measured as per defined benefit plans; accordingly these obligations are calculated using the "Unit Credit Projection method" (refer to previous paragraph "Retirement payments and similar obligations").

11 - Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost comprise financial instruments (other than liabilities held for trading or those designated at fair value) representing the various forms of third-party funding.

These financial liabilities are recognised at settlement date initially at fair value, which is normally the consideration received less transaction costs directly attributable to the financial liability. Subsequently these instruments are measured at amortised cost using the effective interest method. Such interest is recognised in item "20. Interest expenses and similar charges" if negative or in item "10. Interest income and similar revenues" if positive.
Instruments indexed to equity instruments, foreign exchange, credit instruments or indexes, are treated as structured instruments. The embedded derivative is separated from the host contract and recognised as a derivative at fair value, provided that separation requirements are met. The embedded derivative is recognised at its fair value, classified as financial assets or liabilities held for trading and subsequently measured at fair value through profit or loss with changes in fair value recognised in Income statement in item "80. Net gains (losses) on trading". The difference between the total amount received and the initial fair value of the embedded derivative is attributed to the host contract.
Instruments convertible into treasury shares imply recognition, at the issuance date, of a financial liability and of the equity part to be recognised in item "140. Equity instruments" (item "130. Equity instruments" in the Company financial statements), if a physical delivery settles the contract.
The equity part is initially measured at the residual value, i.e., the overall value of the instrument less the separately determined value of a financial liability with no conversion clause and the same cash flows.
The resulting financial liability is recognised at amortised cost using the effective interest method.
Financial liabilities are derecognised in case of redemption, prepayment, significant amendments to contractual conditions that determine a change in their present value which exceeds the threshold defined by the accounting standard o in case of re-purchase. When derecognition arises from significant amendments or re-purchase, the difference between the carrying amount of the liability and the amount arising from the amendments or paid for the repurchase is recognised in profit or loss in item "100. Gains (Losses) on disposal and repurchase of: c) financial liabilities". Subsequent disposal by the issuer is considered as a new issue which doesn't produce gains or losses.

Part A - Accounting policies

12 - Financial liabilities held for trading

Financial liabilities held for trading include:

- derivatives that are not designated as hedging instruments;
- obligations to deliver financial assets borrowed by a short seller (i.e., an entity that sells financial assets it does not yet own);
- financial liabilities issued with an intention to repurchase them in the short term;
- financial liabilities that are part of a portfolio of financial instruments considered as a unit and for which there is evidence of a recent pattern of trading.

Financial liabilities held for trading, including derivatives, are measured at fair value on initial recognition and during the life of the transaction.
A gain or loss arising from change in the fair value of a HfT financial liability is recognised in profit or loss in item “80. Net gains (losses) on trading”.
Financial liabilities are derecognised in case of redemption, prepayment, significant amendments to contractual conditions that determine a change in their present value which exceeds the threshold defined by the accounting standard o in case of re-purchase. When derecognition arises from significant amendments or re-purchase, the difference between the carrying amount of the liability and the amount arising from the amendments or paid for the repurchase is recognised in profit or loss in item “80. Net gains (losses) on trading”, the subsequent disposal by the issuer is considered as a new issue which doesn’t produce gains or losses.

13 - Financial liabilities designated at fair value

Financial liabilities, like financial assets may also be designated, according to IFRS9, on initial recognition as measured at fair value, provided that:

- this designation eliminates or considerably reduces an accounting or measurement inconsistency that would arise from the application of different methods of measurement to assets and liabilities and related gains or losses; or
- a group of financial assets, financial liabilities or both are managed and measured at fair value under risk management or investment strategy which is internally documented with the entity’s key management personnel.

This category may also include financial liabilities represented by hybrid (combined) instruments containing embedded derivatives that otherwise should have been separated from the host contract.
Financial liabilities presented in this category are measured at fair value at initial recognition and for the life of the transaction.
The changes in fair value are recognised in the Income statement in item “110. Gains (Losses) on financial assets/liabilities at fair value through profit or loss a) financial assets/liabilities designated at fair value” except for any changes in fair value arising from changes in their creditworthiness, which are shown under item “120. Valuation reserves” of shareholders’ equity (item “110. Valuation reserves” in the Company Financial Statements) unless such accounting results in an inconsistency that arises from the application of different methods of measuring assets and liabilities and related gains or losses, in which case also the changes in fair value deriving from changes in creditworthiness are recorded in the Income statement.
Financial liabilities are derecognised in case of redemption, prepayment, significant amendments to contractual conditions that determine a change in their present value which exceeds the threshold defined by the accounting standard o in case of re-purchase. When derecognition arises from significant amendments or re-purchase, the difference between the carrying amount of the liability and the amount arising from the amendments or paid for the repurchase is recognised in profit or loss in item “110. Gains (Losses) on financial assets/liabilities at fair value through profit or loss a) financial assets/liabilities designated at fair value” while the balance of cumulated changes in fair value due to own credit risk booked in item “120. Valuation reserves” is reclassified in item “150. Reserves” (item “110. Valuation reserves” and item “140. Reserves” in the Company financial statements), the subsequent disposal by the issuer is considered as a new issue which doesn’t produce gains or losses.

Part A - Accounting policies

14 - Foreign currency transactions

A foreign currency transaction is recognised at the spot exchange rate of the transaction date.

Foreign currency monetary assets and liabilities are translated at the closing rate of the period.

Exchange differences arising from settlement of monetary items at rates different from those of the transaction date and unrealised exchange rate differences on foreign currency assets and liabilities not yet settled, other than assets and liabilities designated as measured at fair value and hedging instruments, are recognised in profit and loss item “80. Net gains (losses) on trading”.
Exchange rate differences arising on a monetary item that is part of an entity’s net investment in a foreign operation whose activities are based or conducted in a country or currency other than those of the reporting entity are initially recognised in the entity’s equity and recognised in profit or loss on disposal of the net investment.

Non-monetary assets and liabilities recognised at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated at the closing rate. In this case the exchange differences are recognised:
- in profit and loss if the financial asset is classified in a portfolio measured at fair value through profit or loss; or
- in the Statement of other comprehensive income, and disclosed in the Revaluation reserves, if the financial asset is classified in “Financial assets at fair value through other comprehensive income”.

Hedges of a net investment in a foreign operation are recognised similarly to cash flow hedges.

For the purposes of the Consolidated financial statements only, the assets and liabilities of fully consolidated foreign entities are translated at the closing exchange rate of each period. Gains and losses are translated at the average exchange rate for the period. Differences arising from the use of closing exchange rates and from the average exchange rates and from the remeasurement of the initial net amount of the assets of a foreign company at the closing rate are classified directly in item “120. Valuation reserves”.

Any goodwill arising on the acquisition of a foreign operation realised after IAS First Time Adoption (i.e., after 1 January 2004) whose assets are located or managed in a currency other than the euro, and any fair value adjustments of the carrying amounts of assets and liabilities are treated as assets and liabilities of the foreign operation, expressed in the functional currency of the foreign operation and translated at the closing rate.
On the disposal of a foreign operation, the cumulative amount of the exchange rate differences, classified in an equity reserve, is reclassified in profit or loss.
All exchange differences recorded under revaluation reserves in Shareholders’ equity are also reported in the Statement of other comprehensive income.

15 - Insurance assets and liabilities

Note that the Group does not conduct such business.

16 - Other information

Impairment
Loans and debt securities classified as financial assets at amortised cost, financial assets at fair value through other comprehensive income and relevant off-Balance sheet exposures are tested for impairment as required by IFRS9.

In this regard, these instruments are classified in Stage 1, Stage 2 or Stage 3 according to their absolute or relative credit quality with respect to initial disbursement. Specifically:
- Stage 1: includes (i) newly issued or acquired credit exposures, (ii) exposures for which credit risk has not significantly deteriorated since initial recognition, (iii) exposures having low credit risk (low credit risk exemption);
- Stage 2: includes credit exposures that, although performing, have seen their credit risk significantly deteriorating since initial recognition;
- Stage 3: includes impaired credit exposures.

Part A - Accounting policies

For exposures in Stage 1, impairment is equal to the expected loss calculated over a time horizon of up to one year.
For exposures in Stages 2 or 3, impairment is equal to the expected loss calculated over a time horizon corresponding to the entire life of the exposure.

The allocation of credit exposures in one of the abovementioned stages is done at initial recognition, when the exposures is classified at Stage 1 and it is periodically reviewed based on "stage allocation" rules as specified in the paragraph "2.1 Credit risk" of the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter with reference to the Consolidated financial statements and the paragraph "Section 1 - Credit risk" of the Notes to the accounts Part E - Information on risks and related hedging policies with reference to the Company's financial statements.

In order to calculate the expected loss and the related loan loss provision, the Group uses Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) parameters, used for regulatory purposes and adjusted in order to ensure that impairment measurement represents values which are "point in time", "forward looking" and inclusive of multiple scenarios. For additional information refer to the paragraph"2.1 Credit risk" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter with reference to the Consolidated financial Statements and the paragraph "Section 1 - Credit risk" of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part E - Information on risks and related hedging policies with reference to the Company's financial statements.
With reference to Stage 3, it should be noted that it includes impaired exposures corresponding to the aggregate Non-Performing Exposures as ITS EBA (EBA/ITS/2013/03/rev1 7/24/2014), in accordance with Banca d'Italia rules, defined in Circular 272 of 30 July 2008 and subsequent updates[69].

In particular EBA has defined as "Non-Performing" the exposures that meet one or both of the following criteria:
- material exposures with more than 90 days past due;
- exposures for which the Group values that is unlikely that the debtor would pay in full his credit obligations without recurring to enforcement and realisation of collaterals, regardless of past due exposures and the number of days the exposure is past due.

In addition, the abovementioned Circular 272 establishes that the aggregate of impaired assets is divided into the following categories:
- Bad loans: cash and off-balance exposures to borrowers in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation. The assessment is generally carried out on an analytical basis (also through the comparison with coverage levels statistically defined for credit portfolios below a predefined threshold) or, in case of non-significant individually amounts, on a flat-rate basis for homogeneous types of exposures;
- Unlikely to pay: cash and off-balance exposures for which conditions for evaluating the debt as bad loan are not met and for which it is unlikely that without recurring to enforcement of collaterals the debtor is able to pay in full (capital and/or interests) his credit obligations. Such assessment is made independently of any past due and unpaid amount/instalments. The classification among unlikely to pay is not necessarily linked to anomalies (non-repayment), rather it is linked to factors that indicate a situation of risk of default of the debtor. Unlikely to pay are generally accounted analytically (also through the comparison with coverage levels statistically defined for credit portfolios below a predefined threshold) or on a flat-rate basis for homogeneous types of exposures. The exposures classified among unlikely to pay and qualified as so-called forborne can be reclassified among non-impaired receivables only after at least one year has elapsed from the time of granting and the conditions indicated in paragraph 157 of EBA Implementing Technical Standards.
  With reference to their evaluation:
  - they are generally analytically evaluated and may include the discounted charge deriving from the possible renegotiation of the rate at conditions below the original contractual rate;
  - the renegotiations of loans that require their derecognition in exchange of shares through "debt-to-equity swap" transactions requires the assessment, before executing the swap, of the credit exposures in accordance with stipulated agreements at the date of preparation of the financial statements. Any differences between the value of receivables and the value at initial recognition of equity instruments is accounted in Income statement in the impairment losses;
- Past due exposures: cash exposures different from those classified as bad loans and unlikely to pay that at the reporting date are past due. Past due exposures can be determined referring alternatively to individual debtor or individual transaction. In particular they represent an entire exposure to counterparties different from those classified as unlikely to pay and bad loans that at the reporting date show past due receivables from more than 90 days as well as requirements established by local prudential regulation for the inclusion of these credits into "past due" (standardised banks) or "default exposures" (IRB banks).

69 The regulatory framework for the new definition of default has been integrated with the entry into force, starting from 01 January 2021 of the "Guidelines on the application of the definition of default under article 178 of (EU) Regulation 575/2013" (EBA/GL/2016/07).

Part A - Accounting policies

Past due exposures are evaluated on a flat-rate basis on historical/statistical basis, applying, if available, the riskiness identified by the risk factor used for the purposes of EU Regulation 575/2013 (CRR) relating to prudential requirements for credit institutions and investment firms (LGD - Loss Given Default).

Allowances for impairment of loans and receivables are based on the present value of expected cash flows of principal and interest. In determining the present value of future cash flows, the basic requirement is the identification of estimated collections, the timing of payments and the discount rate used.
In particular, the amount of the loss on impaired exposures classified as bad loans and unlikely to pay, according to the categories specified above, is the difference between the carrying amount and the present value of estimated cash flows discounted at the original interest rate of the financial asset.
For all fixed rate positions, the interest rate thus determined is kept constant in subsequent financial years, while for floating rate positions the interest rate is updated according to contractual terms.

If the original interest rate cannot be found, or if finding it would be excessively burdensome, the rate that best approximates is applied, also recurring to “practical expedients” that do not alter the substance and ensure consistency with the international accounting standards.
Recovery times are estimated on the basis of business plans or forecasts based on historical recovery experience observed for similar classes of loans, taking into account the customer segment, the type of loan, the type of security and any other factors considered relevant.
Also the impairment on impaired exposures was calculated as required by the accounting standard to include (i) the adjustments necessary to reach the calculation of a point-in-time and forward-looking loss and (ii) multiple scenarios applicable to this type of exposure including any sale scenarios in case the Group’s NPL strategy foresees the recovery through sale on the market according to what is specified in the paragraph “2.1 Credit risk” of the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter with reference to the Consolidated financial statements and the paragraph “Section 1 - Credit risk” of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part E - Information on risks and related hedging policies with reference to the Company’s financial statements.

If there are no reasonable expectations to recover a financial asset in its entirety or a portion thereof, the gross exposure is subject to write-off. Write-off, that may involve either a full or a part of a financial asset, might be accounted for before that the legal actions, activated to recover the credit exposure, are closed and doesn’t imply the forfeiture of the legal right to recover. In this context the Group has developed a specific guideline that assess the need to recognise a write-off. For further information refer to the paragraph “2.1 Credit risk” of the Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter with reference to the Consolidated financial Statements and the paragraph “Section 1 - Credit risk” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part E - Information on risks and related hedging policies with reference to the Company’s financial statements.

Renegotiations
Renegotiations of financial instruments which cause a change in contractual conditions are accounted for depending on the significance of the contractual change itself.

In particular, when renegotiations are not considered significant the gross exposure is re-determined through the calculation of the present value of cash flows following the renegotiation at the original effective interest rate.
The difference between the gross exposure before and after renegotiation, adjusted to consider changes in the related loan loss provision, is recognised in Income statement as modification gain or loss.
In this regard, renegotiations achieved both by amending the original contract or by closing a new one, are considered significant when they determine the expiry of the right to receive cash flows accordingly to the original contract.
In particular, the rights to receive cash flows are considered as expired in case of renegotiations that introduce contractual clauses which determine a change in the financial instrument classification, which determine a change in the currency or which are carried out at market conditions therefore without causing credit concession.

Part A - Accounting policies

Business combinations

A business combination is a transaction through which an entity obtains control of a company or of a business segment, thus bringing together different businesses into one reporting entity.
A business combination may result in a Parent-subsidiary relationship in which the acquirer is the Parent and the acquiree is a subsidiary of the acquirer. A business combination may involve the purchase of the net assets of another entity, in which case goodwill can arise, or the purchase of the equity of the other entity (mergers).

IFRS3 requires that all business combinations shall be accounted for by applying the purchase method, that involves the following steps:
- identifying an acquirer;
- measuring the cost of the business combination, and
- allocating, at the acquisition date, the cost of the business combination to the assets acquired and liabilities and contingent liabilities assumed.

The cost of a business combination is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for control of the acquiree.
The acquisition date is the date on which the acquirer effectively obtains control of the acquiree. When this is achieved through a single exchange transaction, the date of exchange coincides with the acquisition date.
A business combination may involve more than one exchange transaction; nevertheless, the cost of the business combination remains equal to the fair value of the total shareholding acquired, at the date of acquisition of control.
This involves the revaluation at fair value, with the recognition of the effects in the Income statement, of the equity investments previously held in the acquired entity.
The cost of a business combination is allocated by recognising the assets, the liabilities and the identifiable contingent liabilities of the acquired company at their acquisition-date fair value.
Exceptions to this principle are deferred income tax assets and liabilities, employee benefits, indemnification assets, reacquired rights, non-current assets held for sale, and share-based payment transactions that are subject to review in accordance with the principle applicable to them.
Positive difference between the cost of the business combination and the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities so recognised is accounted for as goodwill.
After initial recognition, goodwill is tested for impairment at least annually.

In the event of a negative difference, a new valuation shall be carried out. This negative difference, if confirmed, is recognised immediately as income in profit or loss.
In the Consolidated financial statement, if the acquisition concerns a percentage less than 100% of the assets of the acquired company, minorities are recognised.

At the acquisition date, minorities are valued:
- at fair value, or
- as a proportion of minority interests in the assets, liabilities and identifiable contingent liabilities of the acquired company.

Derecognition of financial assets

Derecognition is the removal of a previously recognised financial asset from an entity's Balance sheet.

Before evaluating whether, and to what extent, derecognition is appropriate, under IFRS9 an entity should determine whether the relevant conditions apply to a financial asset in its entirety or to a part of a financial asset. The standard is applied to a part of financial assets being transferred if, and only if, the part being considered for derecognition meets one of the following conditions:
- the part comprises only specifically identified cash flows from a financial asset, or a group of assets, (e.g., interest cash flows from an asset);
- the part comprises a clearly identified percentage of the cash flows from a financial asset, (e.g., a 90% share of all cash flows from an asset);
- the part comprises only a fully proportionate (pro rata) share of specifically identified cash flow, (e.g., 90% share of interest cash flows from an asset).

Part A - Accounting policies

In all other cases, the standard is applied to the financial asset in its entirety (or to the Group of similar financial assets in their entirety).
An entity shall derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows of the financial asset to a non-Group counterparty.

Rights to cash flow are considered to be transferred even if contractual rights to receive the asset's cash flow are retained but there is an obligation to pay this cash flow to one or more entities and all the following conditions are fulfilled (pass-through agreement):
- there is no obligation on the Group to pay amounts not received from the original asset;
- sale or pledge of the original asset is not allowed, unless it secures the obligation to pay cash flow;
- the Group is obliged to transfer forthwith all cash flows received and may not invest them, except for liquidity invested for the short period between the date of receipt and that of payment, provided that the interest accrued in that period is paid on.

Derecognition is also subject to verification of effective transfer of all the risks and rewards of ownership of the financial asset. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the asset (or group of assets) and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.
Conversely, if the entity substantially retains all the risks and rewards of ownership of the asset (or group of assets), the entity shall continue to recognise the transferred asset(s). In this case it is necessary to recognise a liability corresponding to the amount received under the transfer and subsequently recognise all income accruing on the asset and expense accruing on the liability.

The main transactions that do not allow, under the above rules, total derecognition of a financial asset are securitisations, repurchase (sell and buy-backs) and securities lending transactions.
In the case of securitisations the Group does not derecognise the financial asset on purchase of the equity tranche or provision of other types of support of the structure which result in the Group retaining the credit risk of the securitised portfolio.
In the case of repurchase transactions and stock lending, the assets transacted are not derecognised since the terms of the transaction entail the retention of all their risks and rewards.
Finally, it should be noted that securities lending transactions collateralised by other securities or not collateralised were recorded as off-Balance sheet items.

Repo transactions and securities lending

Securities received in a transaction that entails a contractual obligation to sell them at a later date or delivered under a contractual obligation to repurchase are neither recognised nor derecognised. In respect of securities purchased under an agreement to resell, the consideration is recognised as a loan to customers or banks among financial assets at amortised cost, or as an asset held for trading. In respect of securities held in a repurchase agreement, the liability is recognised as due to banks or customers among financial liabilities at amortised cost, or as an held for trading financial liability. Revenue from these loans, being the coupons accrued on the securities and the difference between the sale/purchase and resale/repurchase prices, is recognised in profit or loss through interest income and expenses on an accrual basis.
These transactions can only be offset if, and only if, they are carried out with the same counterparty and provided that such offset is provided for in the underlying contracts.
The same rules apply to securities lending transactions collateralised by cash fully available to the lender.

The Income statement items connected with these transactions are booked respectively:
- in item Interest, with respect to the positive item (borrower) and the negative item (lender) relating to the return on cash paid to the lender;
- in item Fees and commissions, with respect to the negative item (borrower) and the positive item (lender) relating to the service provided by the lender by making the security available.

With reference to securities lending transactions collateralised by other securities, or not collateralised, the security lent or the security put up as collateral are still recognised as assets in the Balance sheet, depending on the role, lender or borrower, respectively, played in the transaction.
Counterparty risk relating to the latter securities lending or borrowing transactions is shown under the off-Balance sheet exposures in the tables reported in the paragraph "A. Credit quality", of the Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.1 Credit risk, Quantitative information.

Part A - Accounting policies

Equity instruments
Equity instruments are instruments that represent a residual interest in Group's assets net of its liabilities.
Classification of an issued instrument as equity is possible only if there are no contractual obligation to make payments in form of capital redemptions, interest or other kinds of returns.

In particular, instruments having the following features are classified as equity instruments:
- the instrument is perpetual or has a maturity equal to duration of the entity;
- full discretion of the issuer in coupon payments and redemptions, also advanced, of the principal outstanding.

Additional Tier 1 instruments are included in this category, in line with the provisions of Regulation (EU) 575/2013 (CRR) on prudential requirements for credit institutions and investment firms, if, additionally to the characteristics described above:
- maintain within the full discretion of the issuer the possibility to perform a write-up of the nominal value after the occurrence of a capital event that has determined a write-down;
- do not incorporate outlook that force the issuer to provide for payments (must-pay clauses) following genuine events under the direct control of the parties.

Equity instruments, different from common or saving shares, are presented in item "140. Equity instruments" (item "130. Equity instruments" in the Company financial statements) for the consideration received including transaction costs directly attributable to the instruments.
Any coupon paid, net of related taxes, reduces item "150. Reserves" (item "140. Reserves" in the Company financial statements).
Any difference between the amounts paid for the redemption or repurchase of these instruments and their carrying value is recognised in item "150. Reserves" (item "140. Reserves" in the Company financial statements).

Treasury shares
Changes in treasury shares are reported as a direct contra item to shareholders' equity, i.e., as a reduction to the latter in the amount of any purchases, and as an increase in the amount of any sales proceeds. This entails that, if treasury shares are subsequently sold, the difference between the sale price and the related post-tax repurchase cost is recognised entirely as a contra item to Shareholders' equity.

Leases
Lease contracts shall be classified by the lessor in finance leases or operating leases.
Finance leases effectively transfer all the risks and benefits of ownership of an asset to the lessee.
The lessee acquires the economic benefit of the use of the leased asset for most of its useful life, in exchange for a commitment to pay to the lessor an amount approximately equivalent to the fair value of the asset and related finance costs. Recognition in the lessor's accounts is as follows:
- in assets, the value of the loan, less the principal of lease payments due and paid by the lessee;
- in profit or loss, interest received.

Operating leases do not transfer all the risks and benefits of ownership of an asset to the lessee which are therefore retained by the lessor.
In case of operating leases, the lessor recognises in the Income statement the leases payments on an accrual basis.

The lessee recognises an asset representing the right of use of the underlying asset and, at the same time, a liability for the future payments requested by the lease contract.
It should be noted that as allowed by the standard, the Group has decided not to recognise any right of use nor lease liability with reference to the following lease contracts:
- leases of intangible assets;
- short term leases, lower than 12 months; and
- low value assets leases. For this purpose, an asset is considered as "low value" when its fair value as new is equal to or lower than €5 thousand. This category mainly comprises office equipment (PC, monitors, tablets, etc.) and fixed and mobile phones.

Therefore, lease payments concerning these kind of lease assets are recognised in item "190. Administrative expenses" on an accrual basis (item "160. Administrative expenses" in the Company financial statements).

Part A - Accounting policies

With reference to contracts different from those mentioned above, the lease liability, recognised in Item “10. Financial liabilities at amortised cost”, is determined by discounting the future lease payments to be due over the lease term at the proper discount rate.
Future lease payments subject to discounting are determined based on contractual provisions and net of VAT, when applicable, as the obligation to pay this tax starts when the invoice is issued by the lessor and not at the starting date of the lease contract.
In addition, if the lease payments foreseen by the contracts include additional services beside the mere rental of the asset, the right of use and the associated lease liability are calculated considering also these components.
To perform the mentioned calculation, lease payments have to be discounted at the interest rate implicit in the contract or, if it is not available, at the incremental borrowing rate. The key assumption followed to calculate this rate is that the lessee incurs a loan, senior secured, having the same maturity of the lease contract in order to acquire the assets underlying the contract itself. The resulting rate, where necessary, is adjusted in order to consider the specific features of the lease contract.
In order to determine the lease term, it is necessary to consider the non-cancellable period, established in the contract, in which the lessee is entitled to use the underlying asset taking also into account potential renewal options if the lessee is reasonably certain to renew.
In particular, with reference to those contracts that allow the lessee to tacitly renew the lease contract after a first set of years, the lease term is determined taking into account factors such as the length of the first period, the existence of dismissal plans for the asset leased and any other circumstance indicating the reasonably certainty of the renewal.
The right of use is initially recognised in item “90. Property, plant and equipment” (item “80. Property, plant and equipment” in the Company financial statements) on the basis of the initial recognition amount of the associated lease liability, adjusted to consider, if applicable, lease payments made at or before the commencement of the lease, initial direct costs and estimates of costs required to restore the assets to the conditions requested by the terms of the lease contract.

Subsequent to the initial recognition, interests accrue on the lease liability at the interest rate implicit in the contract and are recognised in item “20. Interest expenses and similar charges”.
The amount of the lease liability is reassessed in case of changes in the lease term, also arising from a change in the assessment of an option to purchase the leased asset, or in the lease payments, either coming from a change in an index or rate used to determine these payments or as a result of the amount expected to be payable under a residual value guarantees.
In these cases, the carrying value of the lease liability is calculated by discounting lease payments over the lease term using the original or a revised discount rate as applicable.

Changes in the amount of the lease liability resulting from the reassessment are recognised as an adjustment of the right of use.
In case of modification of a lease contract, the lessee recognises an additional separate lease if the modification increases the scope of the lease adding to the right of use one or more assets and the consideration to be paid for such increase is commensurate with the stand-alone price of the increase.
For other types of modifications, the lease liability is recalculated by discounting the lease payments for the revised lease term using a revised discount rate.
Changes in the Lease liabilities also adjust the carrying value of the corresponding right of use with the exception of gains/losses relating to the partial or full termination of the lease that are recognised in the Income statement.

After the initial recognition the right of use is depreciated over the lease term and subject to impairment if applicable. Depreciation and impairment, determined using the same criteria used for tangible assets and also considering the actual usage of the leased assets, are recognised in item “210. Net value adjustments/write-backs on property, plant and equipment” (item “180. Net value adjustments/write-backs on property, plant and equipment” in the Company financial statements). The useful life used for calculating the depreciation of leasehold improvements shall not exceed the useful life attributed to the right of use.

Factoring
Loans acquired in factoring transactions with recourse are recognised to the extent of the advances granted to customers on their consideration.
Loans acquired without recourse are recognised as such once it has been established that there are no contractual clauses that would invalidate the transfer of all risks and benefits to the factor.

Part A - Accounting policies

Italian staff severance pay (Trattamento di fine rapporto - "TFR")

The "TFR" provision for employee benefits is to be construed as a "post-retirement defined benefit". It is therefore recognised on the basis of an actuarial estimate of the amount of benefit accrued by employees discounted to present value. This benefit is calculated by an actuary outside the Group using the "Unit Credit Projection Method" (refer to previous paragraph "10 - Provision for risks and charges - Retirement payments and similar obligations" of this section). This method distributes the cost of the benefit evenly over the employee's working life.

The liability is determined as the present value of average future payments adjusted according to the ratio of years of service to total years of service at the time of payment of the benefit.
Following pension reform by Law Decree 252/2005, TFR installments accrued to 31 December 2006, to the date between 1 January 2007 and 30 June 2007 on which the employee opted to devolve their TFR to a supplementary pension fund stay in the employer and are considered a post-employment defined benefit plan therefore incurring actuarial valuation, though with simplified actuarial assumptions, i.e., forecast future pay rises are not considered.

TFR installments accrued since 1 January 2007, date of Law Decree 252's coming into effect (or since the date between 1 January 2007 and 30 June 2007) that have been, at the employee's discretion, either (i) paid into a pension fund or (ii) left in the company and (where the company has in excess of 50 employees) are paid into an INPS Treasury fund by the employer, are assimilated to a defined-contribution plan.

Costs relating to TFR are recognised in the Income statement in item "190. Administrative expenses: a) staff costs" (item "160. Administrative expenses: a) staff costs" in the Company financial statements) and include, for the part of obligations already exiting at the date of the reform (assimilated to a defined benefit plan), interest cost accrued in the year; for the part of plan considered defined contribution plan, the accrued installments for the year paid into the complementary pension scheme or to the Treasury fund of INPS.
Actuarial gains (losses), i.e., the difference between the liabilities' carrying value and the present value of the obligation at the end of the period are recorded in the Shareholders' equity and disclosed in the item "120. Valuation reserves" (item "110. Valuation reserves" in the Company financial statements) according to IAS19 Revised.

Share-based payments

Equity-settled payments made to employees or other staff in consideration of goods received or services rendered, using equity instruments comprise:
- stock options;
- performance shares (i.e., awarded on attainment of certain objectives);
- restricted shares (i.e., subject to a lock-up period).

Considering the difficulty of reliably measuring the fair value of the services rendered against equity-settled payments, reference is made to the fair value of the instruments themselves, measured at the date of the allocation.

This fair value is recognised as cost in profit and loss item "190. Administrative expenses: a) staff costs" offsetting the Shareholders' equity item "150. Reserves" (item "160. Administrative expenses: a) staff costs" and "140 Reserves" in the Company financial statements), on an accrual basis over the period in which the services are rendered.

The fair value of a cash-settled share-based payment, the services acquired and the liability incurred are measured at the fair value of the liability, recognised in item "80. Other liabilities". The fair value of the liability, as long as it remains unsettled, is remeasured at each Balance sheet date and all changes in fair value are recognised in profit and loss item "190. Administrative expenses: a) staff costs" (item "160. Administrative expenses: a) staff costs" in the Company financial statements).

Other long-term employee benefits

Long-term employee benefits (e.g., long-service bonuses, paid on reaching a predefined number of years' service) are recognised in item "80. Other liabilities" on the basis of the measurement of the liability at the Balance sheet date, also in this case determined by an external actuary using the unit credit projection method (refer to the previous paragraph 10 - Provisions for risks and charges). Actuarial gains (losses) on this type of benefit are recognised immediately in the Income statement.

Part A - Accounting policies

Guarantees and credit derivatives in the same class

Guarantees and credit derivatives in the same class measured under IFRS9 (i.e., contracts under which the issuer make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument) are recognised in item "100. Provisions for risks and charges: a) commitments and guarantees given".
On initial recognition guarantees given are recognised at fair value, which usually corresponds to the amount received when the guarantee is issued. After the initial recognition, guarantees given are recognised at the higher of the initially recognised value, net of any amortised portion, and the estimated amount required to meet the obligation.

The effects of valuation, relating to any impairment of the underlying, are recognised in the same balance-sheet item contra item "200. Net provisions for risks and charges: a) commitments and financial guarantees given" in the Income statement (item "170. Net provisions for risks and charges: a) commitments and financial guarantees given" in the Company financial statements).

Offsetting financial assets and liabilities

The accounting offsetting of assets and liabilities items has been performed according to IAS32, assessing the fulfillment of the following requirements:

- current legally enforceable right to set off the recognised amounts;
- intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accordance with IFRS7, further information has been included in the tables of Notes to the consolidated accounts, Part B - Consolidated balance sheet - Liabilities, Other information.

In these tables, in particular the following information have to be reported:

- balance-sheet values, before and after the accounting offsetting effects, relating to the assets and liabilities which meet the criteria for applying those effects;
- values of the exposures which do not meet the above-mentioned criteria, but are included in Master Netting Agreements, or similar agreements, which create the right to set-off only following specified circumstances (e.g. default events);
- amounts of related collaterals.

Amortised cost

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at the initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectability.
The effective interest method is a method of allocating the interest income or interest expense over the life of a financial asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. The calculation includes all fees and basis points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Commissions forming an integral part of the effective interest rate include loan drawdown fees or underwriting fees relating to a financial asset not designated at fair value, e.g., fees received as compensation for the assessment of the issuer's or borrower's financial situation, for valuation and registration of security, and generally for the completion of the transaction.

Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include financing costs or internal administrative or holding costs.

ESG instruments

Certain debt instruments (e.g. loans and bonds) may contain ESG (Environmental, Social, Governance) linked features according to which the spread paid by the customer may:

- increase in case certain ESG KPIs defined by the contract are not met; and/or;
- decrease in case certain ESG KPIs defined by the contract are met.

These instruments have started to be originated after the entry into force of IFRS9 whose guidance, developed between 2008-2017, doesn't take into account the specific features of these instruments.
Therefore, a specific accounting policy is applied in order to establish when these instruments may be considered SPPI compliant in light of the general principles dictated by IFRS9.

Part A - Accounting policies

It is worth noting that the Group policy applies to debt instruments having the following features:
- contractual provisions clearly establish that the spread charged to the borrower may change in response to meeting ESG KPI;
- ESG KPI to be met shall be clearly identified by the contract; such ESG KPI shall be non financial variables specific to the borrower and typically aimed at (i) reducing the environmental impact of the borrower; (ii) increasing the social value of the borrower vis a vis its community; (iii) foster diversity in the governance of the borrower.

These debt instruments are SPPI compliant provided that one of the following conditions are met:
- it can be documented by the Business that the compliance with the ESG features reduces the credit risk of the customer so to justify the change in spread;
- decrease (or increase) in spread arising from compliance (or not compliance) with the ESG features are de minimis.

With reference to the first condition (credit risk) it shall be demonstrated that the credit risk parameters used for Expected Credit Loss calculation (Probability of Default, Loss Given Default) are higher in case the borrower will not comply with the ESG features and are lower in case of compliance. In addition to the above, it shall also be demonstrated that the increase/decrease in spread arising from non compliance/compliance with ESG linked features is also commensurate with the increase/decrease in credit risk.
With reference to the second condition (de minimis), an increase (decrease) in spread arising from non compliance (compliance) with a ESG linked feature is considered “de minimis”, thus allowing the credit exposure to pass the SPPI test, provided that the change in such a spread is immaterial according to some internally defined thresholds.

Recognition of income and expenses

Interest income and expenses
Interest income and expenses and similar income and expense items relate to monetary items, i.e., liquidity and debt financial instruments (i) held for trading, (ii) designated at fair value (iii) mandatorily at fair value (iv) at fair value through other comprehensive income (v) at amortised cost and financial liabilities at amortised cost.

Interest income and expense are recognised through profit or loss with respect to all instruments measured at amortised cost, using the effective interest method.

Interest also includes the net credit or debit balance of differentials and margins on financial derivatives:
- hedging interest-bearing assets and liabilities;
- HfT but linked for business purposes to assets and liabilities designated as measured at fair value (fair value option);
- linked for business purposes to HfT assets and liabilities paying differentials or margins on different maturities.

Fees and commissions income and other operating income
Fees and commissions income and other operating income are accounted for in Income statement as the entity satisfies the performance obligation embedded in the contract, according to “IFRS15 Revenue from Contracts with Customers” rules.
In particular:
- if the performance obligation is satisfied at a specific moment (“point in time”), the related revenue is recognised in Income statement when the service is provided;
- if the performance obligation is satisfied over-time, the related revenue is recognised in Income statement in order to reflect the progress of satisfaction of such obligation.

Due to the above mentioned rules, transaction fees coming from trading in securities are typically booked in the moment when the service is provided while fees related to portfolios management, consulting or fund management are normally recognised during the term of the contract (input method).
For this second type of fees, in fact, it is deemed that the input which are necessary to provide the service incorporated in the performance obligation are evenly distributed during the term of the contract.

If the timing of cash-in is not aligned to the way the performance obligation is satisfied, the Group accounts for a contract asset or a contract liability for the portion of revenue accrued in the period or to defer in the following periods.

The amount of revenues linked to fees and commissions income and other operating income is measured based on contractual provisions.
If the amount contractually foreseen is subject, totally or partially, to variability, a revenue has to be booked based on the most probable amount that the Group expects to receive.

Such amount is determined on the basis of all facts and circumstances considered relevant for the evaluation, that depend on the type of service provided and, in particular, on the presumption that it is not highly probable that the revenue recognised will not be significantly reversed.
Note, nevertheless, that for the services provided by the Group such a variability is not usually foreseen.

Finally, if a contract regards different goods/services whose performance obligations are not satisfied at the same time, the revenue is allocated among the different obligation proportionally to the stand-alone price of the single item delivered. These amounts will therefore be accounted for in Income statement on the basis of the timing of satisfaction of each obligation.
This circumstance, which is not significant, might happen in case of customer loyalty programs that require to provide goods or services for free, or by cashing-in a price not at market condition, if the client reaches a specific volume of fees, or in case of programs to acquire new customers that assign a bonus to the target (in the form of a product or a service) when it becomes a new client.

Dividends
Dividends are recognised as revenue in profit and loss in the financial year in which their distribution has been approved.

A.3 - Information on transfers between portfolios of financial assets
There were no transfers between portfolios of financial assets in 2024.

A.4 - Information on fair value

Qualitative information
This section presents a disclosure on fair value as required by IFRS13.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants in the principal market at the measurement date (exit price).

The fair value of a financial liability with a demand feature (e.g., a demand deposit) cannot be lower than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

For financial instruments listed in active markets, fair value is determined on the basis of official prices in the principal market to which the Group has access (*Mark to Market*).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from a pricing service, dealer, broker, agency that determines prices or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. If a published price quotation in an active market does not exist for a financial instrument in its entirety, but active markets exist for its component parts, fair value can be determined on the basis of the relevant market prices for the component parts.

The Group may use valuation techniques, such as:
- a market approach (e.g., using quoted prices for similar assets, liabilities or equity instruments held by other parties as assets);
- cost approach (e.g., it reflects the amount that would be required currently to replace the service capacity of an asset, that is the current replacement cost);
- an income approach (e.g., a present value technique that takes into account the future cash flows that a market participant would expect to receive from holding the liability or equity instrument as an asset).

The Group uses valuation models (*Mark to Model*) in line with the methods generally accepted and used by the market. Valuation models include techniques based on the discounting of future cash flows and on volatility estimates, and they are subject to revision both during their development and periodically in order to ensure their consistency with the objectives of the valuation.

Part A - Accounting policies

These methods use inputs based on prices set in recent transactions for the instrument being valued and/or prices/quotations for instruments having similar characteristics in terms of risk profile. Indeed, these prices/quotations are relevant for determining significant parameters in terms of credit, liquidity and price risk of the instrument being valued.
Reference to these market parameters allows to limit the discretionary nature of the valuation and ensures that the resulting fair value can be verified. If, for one or more risk factors it is not possible to refer to market data, the valuation models employed use estimates based on historical data as inputs.

As a further guarantee of the objectivity of valuations derived from valuation models, the Group employs:
- independent price verifications (IPVs);
- fair value adjustments (FVAs).

Independent price verification requires that the prices are verified at least monthly by Risk Management units that are independent from the units that assume the risk exposure.
This verification calls for comparing and adjusting the price in line with valuations obtained from independent market participants.

For instruments not quoted in active markets, the above verification process uses prices contributed by info providers as a reference and assigns a greater weighting to those prices that are considered representative of the instrument being valued.
This valuation can include the feasibility of the transaction at the price observed, the number of contributors, the degree of similarity of the financial instruments, the consistency of prices from different sources, and the process followed by the info provider to obtain the information.

A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used

Hereby we provide IFRS13 disclosure requirements about accounting portfolios measured at fair value on a recurring basis, not measured at fair value, or measured at fair value on a non-recurring basis.

Assets and Liabilities measured at fair value on a recurring basis

Debt securities
Debt securities are priced in a two-tier process depending on the liquidity in the respective market. Liquid instruments in active markets are marked to market and consequently they are allocated in the fair value hierarchy under Level 1[70].

Instruments not traded in active markets are marked to model through discounted cash flows model whose inputs include implied credit spread curves. With this respect, depending on the proximity of the credit spread curve applied, the bonds are disclosed as Level 2 or Level 3 respectively. Under fair value accounting, fair value adjustments for liquidity and model deficiencies compensate for the lack of market observables for the Level 2 and Level 3 positions.
In the global bond IPV process market prices of Level 1 bonds and pricing models for illiquid bonds are regularly verified for accuracy.

Structured financial products
The Group determines the fair value of structured financial products not quoted on active markets using the appropriate derivative valuation methodology given the nature of the embedded structure (when this is not to be separated). Such instruments are classified as Level 2 or Level 3 depending on the observability of significant inputs to the model.

Asset Backed Securities
UniCredit valuation process assigns prices considering quotes available in the market.

As a second step, prices are assessed by benchmarking each security to a pool of similar securities with available market quotes. An alternative approach consists in evaluating the instrument through the use of quantitative pricing models, which are applicable every time that information regarding market participants assumptions on model parameters is reasonably made available without excessive costs or efforts.
ABS are assigned to Level 2 or Level 3 depending on the observability of either prices or model inputs.

Derivatives
Fair value of derivatives not traded in an active market is determined using a mark-to-model valuation technique.
Where active markets exist for its component parts, then fair value is determined on the basis of the relevant market prices for the component parts.
Valuation techniques that are based on significant inputs that are observable are referred to as Level 2 valuations, while those based on techniques that use significant unobservable inputs are referred to as Level 3 valuations.

70 As far as Italian government bonds are concerned, it is worth stressing they are typically exchanged on the MTS market which is largely acknowledged as the main liquid platform for this kind of asset.

Part A - Accounting policies

Equity instruments
Equity instruments are assigned to Level 1 when a quoted price is available on a liquid market and to Level 3 when no quotations are available, or quotations have been suspended indefinitely. These instruments are classified as Level 2 only when trading volume on the market is not sufficient to qualify the market as active.

Investment funds
The Group holds investments in certain investment funds that publish net asset value (NAV) per share, including mutual funds, private equity funds, hedge funds (including funds of funds) and real estate funds. The Group's investments include co-investments in funds that are managed by the Group and investments in funds that are managed by third parties and in particular:
- Real estate funds: these funds are mapped to Level 1 when quoted prices are available on an active market; when this condition does not hold, real estate funds are disclosed as Level 3 and they are evaluated through an adequate credit adjustment of the NAV based on the specific features of each fund.
- Other funds: the Group holds investments also in mutual funds, hedge funds and private equity funds. Funds are usually assigned to Level 1 when a quoted price is available on an active market. Funds are disclosed as Level 2 or Level 3 depending on NAV availability, portfolio transparency and possible issues relating to position write-off; these funds are measured on the basis of internal analysis that consider further information, included those provided by management companies.

Loans
Fair Value of loans measured at fair value is determined using either quoted prices or discounted cash flows analysis. They are classified under Level 2 if implied credit spread curves, as well as any other parameters used for determining fair value, are observable on the market. In the case the spreads curves are not observable they are derived using an internal spread model that is based both on observable and unobservable inputs, in the case the impact of unobservable inputs is significant they are classified as Level 3. These include loans to corporates and household for which no indication of applicable credit spread is available and for which, therefore, fair value has been determined through internal credit risk parameters.

Tangible assets measured at fair value
Reference is made to the paragraph "A.4.4 Other information" of the Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information.

Fair Value Adjustments (FVA)
Fair value adjustment is defined as the amount to be added either to the market observed mid-price or to the theoretical price generated by a valuation model with the aim of obtaining a fair value of the position. Therefore, FVA are aimed at insuring that the fair value reflects the actual exit price of a certain position.
Below a list of adjustments:
- Credit/Debit Valuation Adjustment (CVA/DVA);
- Funding Cost and Benefit Value Adjustment (FCA/FBA);
- model risk;
- close - out costs;
- other adjustments.

Credit/Debit Valuation Adjustment (CVA/DVA)
Credit valuation adjustments (CVAs) and debit valuation adjustments (DVAs) are incorporated into derivative valuations to reflect the impact on fair value of counterparty credit risk and UniCredit group own credit quality respectively.

UniCredit CVA/DVA methodology is based on the following inputs:
- EAD derived by simulation techniques. Simulated exposures also take into account Specific Wrong-Way Risk that arises from transactions where there is a correlation between counterparty credit risk and the underlying derivative risk factors;
- PD implied by current market default rates, obtained from Credit Default Swaps;
- LGD based on the estimated level of expected recovery should a counterparty default and implied by current market default rates, obtained from credit default swaps.

As at 31 December 2024, net CVA/DVA cumulative adjustment, relating to performing counterparts, amounts to €101.5 million negative; in addition, the adjustment related to own credit spread evolution on own financial liabilities measured at fair value, which is filtered out from regulatory capital (accordingly to CRDIV), amounts to €93.6 million negative.

Funding Cost and Benefit Adjustment (FCA/FBA)
Funding Valuation Adjustment ("FundVA") is the sum of a Funding Cost Adjustment (FCA) and of a Funding Benefit Adjustment (FBA) that indeed account for the expected future funding costs/benefits for derivatives that are not fully collateralised. Most material contributors are in-the-money trades with uncollateralised counterparties.

Part A - Accounting policies

UniCredit FundVA methodology is based on the following inputs:
- positive and Negative exposure profiles derived leveraging on a risk-neutral spin-off of the counterparty credit risk internal model;
- PD term structure implied by current market default rates obtained from credit default swaps;
- a funding spread curve that is representative of the average funding spread of peer financial groups.

As at 31 December 2024 the Fair Value Adjustment component (FundVA) reflected into P&L amounts to €57.4 million negative.

Model risk
Financial models are used for the valuation of the financial instruments if the direct market quotes are not deemed reliable. In general, the model risk is represented by the possibility that a financial instrument's evaluation is actually sensitive to the choice of model. It is possible to value the same financial instrument by using alternative models which could provide different results in term of pricing. The model risk adjustment refers to the risk that the actual fair value of the instrument differs from the value produced by the model.

Close-out cost
It measures the implicit cost of closing a trading position. The position can be closed by the sell of a long position (or purchase, in the case of a short position), or by entering into a new transaction (or several transactions) that offsets (hedges) the open position. The close-out costs are typically derived from the bid/ask spreads observed on the market. It accounts for the fact that a position is valued at mid but can only be closed at bid or ask. This adjustment is not needed when the position is marked at bid or ask and already represents an exit price. In addition, a close-out adjustment of the NAV is applied when there are some penalties relating to position write-off in an investment fund.

Other adjustments
Other fair value adjustments, which are not included in the previous categories, could be taken into consideration to align the evaluation to the current exit price, also according to the level of liquidity of the market and valuation parameters, e.g., adjustment of equity prices whose quotation on the market are not representative of the effective exit price.

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis
Financial instrument not carried at fair value, for example retail loans and deposit and credit facilities extended to corporate clients, are not managed on a fair value basis.
For these instruments fair value is calculated for disclosure purposes only and does not impact the Balance sheet or the profit or loss. Additionally, since these instruments generally do not trade, there is significant management judgment required to determine their fair values as defined by IFRS13.

Cash and cash balances
Cash and cash balances are not carried at amounts that approximate fair value, due to their short-term nature and generally negligible credit risk.

Financial assets at amortised cost
For securities, fair value is determined according to what reported in section "Assets and liabilities measured at fair value on a recurring basis - Debt securities".
On the other hands, fair value for performing loans to banks and customers is determined using the discounted cash flow model adjusted for credit risk. Some portfolios are valued according to simplified approaches, which however take into account the financial features of the financial instruments.

Property, plant and equipment
The fair value of under construction properties, obtained through the enforcement of guarantees received and the right of use of leased assets is determined on the basis of a valuation by an independent appraiser who holds a recognised and relevant professional qualification which perform its valuation by directly visiting the property and in consideration of market analysis (i.e. full appraisal) or, always considering the market analysis, on the basis of an indirect knowledge of the assets through the information made available by the owner and relating to the localisation, consistency, destination (i.e. desktop appraisal).
The attribution of fair value levels is based on the level of observability of the significant market parameters used by the valuation technique. In particular, given the current portfolio composition, most of the positions are at Level 3.

Financial liabilities at amortised cost
Fair value for issued debt securities is determined using the discounted cash flow model adjusted for UniCredit credit risk. The Credit Spread takes seniority into account.
Likewise, fair value for other financial liabilities is determined using the discounted cash flow model adjusted for UniCredit credit risk.

Part A - Accounting policies

Description of the valuation techniques

Specific valuation techniques are used to value positions for which a market price is not directly observable from market sources. The Group uses well known valuation techniques for determining fair values of financial and non-financial instruments that are not actively traded and quoted. The valuation techniques used for Level 2 and 3 assets and liabilities are described below.

Option Pricing Model

Option Pricing model is generally used for instruments in which the holder has a contingent right or obligation based on the occurrence of a future event, such as the price of a referenced asset going above or below a predetermined strike price. Option Pricing models estimate the likelihood of the specified event occurring by incorporating assumptions such as volatility estimates, price of the underlying instrument and expected rate of return.

Discounted cash flow

Discounted cash flow valuation techniques generally consist of developing an estimate of future cash flows that are expected to occur over the life of an instrument. The model requires the estimation of the cash flow and the adoption of market's parameters for the discounting: discount rate or discount margin reflects the credit and/or funding spreads required by the market for instruments with similar risk and liquidity profiles to produce a "discounted value". The fair value of the contract is given by the sum of the present values of future cash flows.

Hazard Rate Model

The valuation of CDS instruments (Credit Default Swap) requires the knowledge of the entity's survival probability at future dates. The estimate of this probability curve uses the standard model for survival probabilities and requires as parameters the credit default swap market quotes on standard future dates in addition to the risk-free curve and the expected recovery rate. The Hazard Rate is part of the described process, and it indicates the instantaneous probability of default at different future instants.

Market Approach

A valuation technique where the value is determined based on the prices generated by market or previous transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities.

Gordon Growth Model

A model used to determine the intrinsic value of a stock, based on a strip of future cash flows growing at a constant rate. Given a single cash flow and a hypothesis on constant growth through time, the model estimates the present value of future cash flows.

Dividend Discount Model

A model used to determine the value of a stock based on expectations on its future dividend flow.
Given a series of forecasts on dividends payable in future exercises and a hypothesis on the subsequent annual growth of dividends at a constant rate, the model estimates the fair value of a stock as the sum of the current value of all future dividends.

Adjusted NAV (Net Asset Value)

NAV is the total value of a fund's assets less liabilities. An increase in NAV would result in an increase in a fair value measure. Usually for funds classified as Level 3, depending on the methodology adopted by the Fund to calculate the NAV, the fair value is adjusted to consider the issuer's default risk and liquidity risk.

Sum of the parts

This approach determines the economic value of a company or a business unit as the sum of the economic capital values attributable to the various business lines within the same corporate structure.

Equity method

In the case of unlisted investments for which a limited availability of information does not allow for other methods to be adopted, the portion of shareholders' equity resulting from the latest financial statements or interim report (quarterly or half-yearly) approved by the company can be used as the best proxy of the fair value. For the purposes of determining shareholders' equity, valuation reserves must also be considered.

Simple equity method

With this method, the value of the company is determined as the difference between the assets and liabilities of the company restated at current values; this method consists, therefore, in defining the individual asset and liability values at current values, highlighting any gains or losses with respect to the carrying amounts.

Complex equity method

In addition to the measurement of the company using the Simple equity method, this method measures some "intangible" assets not present in the financial statements, such as goodwill, trademarks, patents, intellectual property, concessions.

Part A - Accounting policies

Mixed equity/income method
Determines the value of the company taking into account objective and verifiable aspects of the equity method, without however neglecting the expected income flows, which are conceptually an essential component of the value of the economic capital and represented in the income method.

Description of the inputs used to measure the fair value of items categorised in Level 2 and 3
Hereby a description of the main significant inputs used to measure the fair value of items categorised in Level 2 and 3 of the fair value hierarchy.

Volatility
Volatility is the measure of the variation of price of a financial instrument over time. In particular, volatility measures the speed and severity of market price changes for an instrument, parameter or market index given the particular instrument, parameter or index changes in value over time, expressed as a percentage of relative change in price. The higher the volatility of the underlying, the riskier the instrument. In general, long option positions benefit from increases in volatility, whereas short option positions will suffer losses.

There are different macro-types of volatility:
- volatility of interest rate;
- inflation volatility;
- volatility of foreign exchange;
- volatility of equity stocks, equity or other indexes/prices.

Correlation
Correlation is a measure of the relationship between the movements of two variables. When parameters are positively correlated, an increase in correlation results in a higher fair value measure. On the contrary, given a short correlation position, an increase in correlation, in isolation, would generally result in a decrease in a fair value measure. Therefore, changes in correlation levels can have a major impact, favourable or unfavourable, on the fair value of an instrument, depending on the type of correlation.

Correlation is a pricing input for a derivative product where the payoff is driven by multiple underlying risks. The level of correlation used in the valuation of derivatives with multiple underlying risks depends on a number of factors including the nature of those risks.

Dividends
The derivation of a forward price for an individual stock or index is important both for measuring fair value for forward or swap contracts and for measuring fair value using option pricing models. The relationship between the current stock price and the forward price is based on a combination of expected future dividend levels and payment timings and, to a lesser extent, the relevant funding rates applicable to the stock in question.
The dividend yield and timing represent the most significant parameter in determining fair value for instruments that are sensitive to an equity forward price.

Interest rate curve
The calculation of the interest rate curve is based on standard bootstrapping techniques relying on the set of quotes of appropriate financial instruments, for each currency, which turns interest rates in zero-coupon.
Less liquid currencies interest rate curves refer to the rates in currencies for which a market liquidity doesn't exist in terms of tightness, depth and resiliency.

Inflation swap rate
The determination of forward levels for inflation indexes is based on swap quote over inflation indexes. Swap over inflation may present a low liquidity level whether there is no liquid market in terms of rigidity, deepness, and resistance.

Credit spreads
Credit spreads reflects the credit quality of the associated credit name.
The credit spread of a particular security is reported in relation to the yield on a benchmark security or reference rate and is generally expressed in terms of basis points. In the loan evaluation model, the credit spread is used to estimate the market risk premium applied to discounting the cash-flows.

Loss Given Default (LGD)/Recovery Rate
LGD, also known as loss severity (the inverse concept is the recovery rate), represents the percentage of contractual cash flows lost in the event of a default, expressed as the net amount of loss relating to the outstanding balance. An increase in the loss severity, in isolation, would result in a decrease in a fair value measure. Loss given default is facility-specific because such losses are generally understood to be influenced by key transaction characteristics such as the presence of collateral and the degree of subordination.

Part A - Accounting policies

Price
Where market prices are not observable, comparison via proxy is used to measure a fair value of the instrument.

Prepayment Rate (PR)
The PR is the estimated rate at which forecasted prepayments of principal of the related debt instrument are expected to occur. Voluntary unscheduled payments (prepayments) change the future cash flows for the investor and thereby change the fair value of the security.
In general, as prepayment speeds change, the weighted average life of the security changes, which impacts the valuation either positively or negatively, depending on the nature of the security and the direction of the change in the weighted average life.

Probability of Default (PD)
The probability of default is an estimate of the likelihood of not collecting contractual amounts. It provides an estimate of the likelihood that a client of a financial institution will be unable to meet its debt obligations over a particular time horizon. The PD of an obligor does not only depend on the risk characteristics of that particular obligor but also the economic environment and the degree to which it affects the obligor.

Early conversion
The early conversion is the estimate of the probability that the liability would be converted into equity earlier than the terms stated.

EBITDA
EBITDA is an indicator of the current operating profitability of the business, that is the income generated by the use of the company's assets and the commercialisation of the products manufactured.

Ke
The Ke (cost of capital) represents the minimum rate that the company has to offer to its shareholders as remuneration for the funds received.

Growth rate
It is the constant growth rate used for the future dividends estimate.

Part A - Accounting policies

Quantitative information on significant unobservable inputs used in the fair value measurement: accounting portfolios measured at fair value categorised as Level 3

The following table shows the relevant unobservable parameters for the valuation of financial instruments classified at fair value level 3 according to the IFRS13 definition.

(€ million)

PRODUCT CATEGORIES			FAIR VALUE ASSETS	FAIR VALUE LIABILITIES	VALUATION TECHNIQUES	UNOBSERVABLE PARAMETERS	UNCERTAINTY RANGES	
Derivatives								
	Financial							
		Equity & Commodities	752	449	Option Pricing Model	Volatility	1%	18%
						Correlation	2%	25%
					Option Pricing Model/ Discounted Cash Flows	Dividends Yield	1%	26%
		Foreign Exchange	73	70	Option Pricing Model	Volatility	0%	45%
					Discounted Cash Flows	Interest rate (bps)	0	587
		Interest Rate	544	751	Discounted Cash Flows	Swap Rate (bps)	0	587
						Inflation Swap Rate (bps)	3	12
					Option Pricing Model	Inflation Volatility	1%	3%
						Interest Rate Volatility	0%	29%
						Correlation	0%	22%
	Credit		65	2	Hazard Rate Model	Credit Spread (bps)	1	67
						Recovery rate	0%	5%
Debt Securities and Loans		Corporate/ Government/Other	778	772	Market Approach	Credit Spread (bps)	1	809
		Mortgage & Asset Backed Securities	1,694	-	Discounted Cash Flows	Credit Spread (bps)	62	992
						Recovery rate	0%	70%
						Default Rate	0%	3%
						Prepayment Rate	0%	30%
Equity Securities		Unlisted Equity & Holdings	1,077	-	Market Approach	Price (% of used value)	0%	3%
					Gordon Growth Model	Ke	9%	22%
						Growth Rate	1%	4%
Units in Investment Funds		Real Estate & Other Funds	2,283	-	Adjusted Nav	PD	1%	30%
						LGD	35%	60%

Part A - Accounting policies

A.4.2 Valuations processes and sensitivities

The Group verifies that the value attributed to each position reflects the current fair value in an appropriate way. Assets and liabilities subject to fair value measurements are determined using different techniques, among which (but not only) models such as *discounted cash flow* and internal models. On the basis of the observability of the input used, all the measurements are classified as Level 1, Level 2 or Level 3 of the fair value hierarchy.
When a financial instrument, measured at fair value, is valued through the use of one or more significant inputs not directly observable on the market, a further procedure for the price verification is implemented. These procedures include the revision of relevant historical data, the analysis of profits and losses, the individual valuation of each component for structural products and *benchmarking*. This approach uses subjective opinions and judgments based on experience and, therefore, it could require valuation adjustments which take into account the *bid/ask* spread, liquidity and counterparty risk, in addition to the valuation model type adopted.

According to Group Market Risk Governance guidelines, in order to ensure the right separateness of the functions in charge of the model development and those in charge of the validation processes, all the valuation models developed by Group companies' front offices are independently tested centrally and validated by Risk Managements functions. The aim of this independent control structure is evaluating the model risk from a theoretical solidity, calibration techniques eventually applied and appropriateness of the model for a specific product in a defined market point of views.
In addition to the daily *mark-to-market or mark-to-model valuation*, the *Independent Price Verification* (IPV) is applied by from *Market Risk* function with the aim of guaranteeing a fair value provided by an independent structure for all instruments, illiquid included.

Fair value sensitivity to variations in unobservable input used in the fair value computation for instruments categorised as Level 3

The sensitivities to change in the unobservable parameter for the different financial instrument categories of level 3 valued at fair value are presented in the table below as change of corresponding relevant parameters:
- for derivatives on equities and commodities: 1% absolute of volatility, 10% relative of dividend, 1% absolute of correlation and 10% relative of volatility skew;
- for foreign exchanges: 1% absolute of underlying volatility;
- for interest rate derivatives: 1 basis point absolute of rates curves and volatilities or 1% absolute of swaption volatilities;
- for credit derivatives: 1 basis point absolute of credit spread or, if Level 3 attribution for a derivative is due to counterparty classification as not performing, the CVA impact of a 5% absolute shift of the recovery rate;
- for debt securities and loans: 1 basis point absolute of credit spread;
- for equities: 1% of the underlying;
- for Units in Investment Funds quotes: 5 basis points absolute shift in PD and LGD, if evaluated leveraging on models considering counterparty credit risk as main risk factor, otherwise 1% of fair value.

(€ million)

PRODUCT CATEGORIES				FAIR VALUE MOVEMENTS
Derivatives				
	Financial			
		Equities & Commodities	+/-	77.63
		Foreign Exchange	+/-	3.66
		Interest Rate	+/-	4.08
	Credit		+/-	1.77
Debt Securities and Loans				
		Corporate/Government/ Other	+/-	0.37
		Mortgage & Asset Backed Securities	+/-	0.15
Equity Securities				
		Unlisted Equity & Holdings	+/-	10.78
Units in Investment Funds				
		Real Estate & Other Funds	+/-	0.57

The unlisted Level 3 Units in Investment Funds, measured using a model, include the shares in Atlante and Italian Recovery Fund, former Atlante II, (€225 million at 31 December 2024) are classified. For further information refer to Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, Section 2 - Financial assets at fair value through profit or loss: c) other financial assets mandatorily at fair value.

Part A - Accounting policies

Amongst the financial instruments subject of valuation methods and sensitivity analysis, there are also included ABS issued by securitisation vehicles as per Italian law 130/99 where the Bank is both originator and underwriter of some issues and quotes of open investment funds acquired through credit disposal.

A.4.3 Fair value hierarchy

IFRS13 establishes a fair value hierarchy according to the observability of the input used in the valuation techniques adopted for valuations.

The fair value hierarchy level associated to assets and liabilities is set as the minimum level among all the significant valuation inputs used.
A valuation input is not considered significant for the fair value of an instrument if the remaining inputs are able to explain a major part of the fair value variance itself.

In particular, three levels are considered:
- Level 1: the fair value for instruments classified within this level is determined according to the quoted prices on active markets;
- Level 2: the fair value for instruments classified within this level is determined according to the valuation models for which significant inputs are observable on active markets;
- Level 3: the fair value for instruments classified within this level is determined according to the valuation models for which significant inputs are unobservable on active markets.

Financial instruments are classified to a certain fair value level according to the observability of the input used for the valuation.

Level 1 (quoted prices in active markets): at measurement date, quoted prices in active markets are available for identical assets or liabilities. An active market is a market in which orderly transactions for the asset or liability take place with sufficient frequency and volume for pricing information to be provided on an on-going basis (e.g. MTS market about prices for most of the government bonds therein traded).

Level 2 (observable inputs): inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs are observable if they are developed on the basis of publicly available information about actual events or transactions and reflect the assumptions that market participants would use when pricing the asset or liability.

Level 3 (unobservable inputs): inputs other than the ones included in Level 1 and Level 2, not directly observable on the market for the evaluation of asset and liability or used for the definition of significant adjustments to fair value. Unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Deciding among various valuation techniques to be used, the Group employs the one which maximises the use of observable inputs.

Transfers between hierarchy levels

The main drivers to transfers in and out the fair values levels (both between Level 1 and Level 2 and in/out Level 3) include changes in market conditions (among which liquidity parameter) and enhancements to valuation techniques and weights for unobservable inputs used for the valuation itself.
Quantitative and qualitative details about transfers between fair value levels occurred in the period are presented in the following paragraph “A.4.5 Fair value hierarchy”, Quantitative information.

A.4.4 Other information

The Group uses the IFRS13 exception for fair value measurements on a net basis with reference to financial assets and liabilities with offsetting positions of market risk or counterparty credit risk.

Part A - Accounting policies

Starting from 31 December 2019, UniCredit Real Estate Assets classified as “held for investment” (hereinafter referred also as “Investment properties”) as well as Real Estate Assets used in business have to be measured at fair value, by applying the “Fair Value method” determined in accordance with IFRS13.
In this context, UniCredit issued a dedicated Global Policy for Real Estate Assets Evaluation, which has the purpose to define common principles, guidelines and models to be followed by the Group Legal Entities in the evaluation of their Real Estate Properties; the policy applies to all Real Estate Assets reflected in the Group Consolidated Financial Statements.
The attribution of fair value levels is based on the level of observability of the significant market parameters used by the valuation technique. In particular, given the current portfolio composition, most of the positions are at Level 3.

With specific reference to investment properties, Fair value is determined under a “market perspective”; i.e., it is the price that a third party would pay to buy the asset in an orderly transaction at the measurement date under a “Highest and Best Use” assumption. The “Highest and Best Use” assumption needs to be supported by reasonable evidence that the use is physically possible, and legally and financially allowed. As a rule, it is assumed that the use of a given asset, foreseen by UniCredit managerial intentions, is already the “Highest and Best Use”, unless there is a clear demonstration of the opposite.

In order to derive the Fair value of an asset, either a Market Comparable Approach (i.e., taking into consideration the current market conditions and prices of observable transactions) or an Income Approach (i.e., discounting market level rental fees) is used.
The choice of the valuation methodology and the assumptions used shall include all the available information and reflect the strategy on the Asset; all the inputs used in the evaluation are supported by internal (e.g., technical documents, managerial planning and reporting, existing contracts, etc.) and external evidence (e.g., market reports, researches, etc.).

Fair value is determined, for both Investment properties and Assets used in business, by an external, independent, certified expert either through “full form” or through “desktop appraisals”, subject to remeasurement every six months.
With specific reference to investment properties, the entire portfolio is subject to “full/on-site appraisals” over 3 years; hence, in each year, part of the portfolio is subject to “full/on-site appraisal”, while “Desktop appraisals” are performed on a semi-annual basis for the remaining ones.
In case the difference between the fair value resulting from the desktop appraisals and the fair value resulting from the last “full/on-site” valuation exceeds 10%, the real estate shall be subject to full/on-site appraisal even if 3 years did not pass yet, if the quality and functionality of the RE Asset has been affected by physical trigger events (e.g., catastrophic events) or extraordinary renovation activities. If the desktop evaluation is solely driven by market trigger events or vacancy, it’s required a summary deepening the underlying market factors that influenced the appraisal outcome and the onsite appraisal is optional.

In case Market Comparable Approach is applied, fair value is determined by external appraisers, according to the features of the transactions occurred in the market for properties in the same area and with the same characteristics as the one being valued. In case the property has no comparable transactions, appraisers are asked to apply the most similar transactions available with a reasonable discount that reflects the inherent illiquidity of the property. Such approach is applied when there is no long-term rental agreement in place, as well as for land plots without planned or ongoing developments and relies on two key parameters: (i) the area of the real estate property; (ii) the value per unit of area (through the adjustment of values in comparable transactions).
The real estate property valuation is determined as the surface area multiplied by the value per unit of area.

In case the Income approach is applied, external appraisers determine the fair value by converting future cash flows to a single current capital value. The income stream may be derived under contracts, or it can be non-contractual, thus leveraging on the most updated version of the International Valuation Standards.
In detail, cash flows generated by the property shall be calculated considering rent free periods, rental growth, incentive periods, total contractual length, as well as any additional proceeds/expenses directly related to the rental contract.
The discounted rate to be used is the Weighted Average Cost of Capital (measured at the valuation date) of an ideal entity operating in the specific real estate market of reference for the specific asset, financed through the average debt/equity structure of comparable entities operating in the same market.

The income approach is to be preferred when there is a long-term rental agreement in place and the agreement is consistent with market conditions, or when there is a decline in markets activity. Such approach could be used also for land plots with planned or ongoing developments. In this case, the value may be determined based on the analysis of the expected future cash flows, assumed that a reasonable expectation of demand for the development can be demonstrated.

Fair value coming from appraisals are subject to plausibility checks; in this regard, the following shall be noted: when an income approach is used by external appraisers, the main input underlying the valuation (Cash flows, Capitalization rate, etc.) are internally assessed in term of plausibility; the plausibility of fair values arising from external appraisals is assessed internally through a control approach that acquires information from different external info providers, thus determining a range of possible fair values within which the valuation shall fall; for the most significant real estate assets, the analysis is further supported by a discounted cash flow analysis that compares the fair value determined by the external appraisal with the outcome of an internal Discounted Cash flow model.

Part A - Accounting policies

Quantitative information

A.4.5 Fair value hierarchy

The following tables show the portfolios breakdown in terms of (i) financial assets and liabilities valued at fair value as well as (ii) assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis, according to the above-mentioned levels.

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value levels

(€ million)

FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Financial assets at fair value through profit or loss	22,083	34,544	5,050	26,726	33,529	4,759
a) Financial assets held for trading	20,336	33,280	1,467	24,233	31,993	1,048
b) Financial assets designated at fair value	247	-	-	220	-	-
c) Other financial assets mandatorily at fair value	1,500	1,264	3,583	2,273	1,536	3,711
2. Financial assets at fair value through other comprehensive income	71,032	4,789	2,198	52,974	7,753	2,370
3. Hedging derivatives	-	1,333	18	81	1,836	8
4. Property, plant and equipment	-	-	5,906	-	-	5,446
5. Intangible assets	-	-	-	-	-	-
Total	**93,115**	**40,666**	**13,172**	**79,781**	**43,118**	**12,583**
1. Financial liabilities held for trading	5,926	24,062	1,361	11,468	25,301	1,253
2. Financial liabilities designated at fair value	-	13,149	597	-	11,252	795
3. Hedging derivatives	-	1,026	86	124	2,208	27
Total	**5,926**	**38,237**	**2,044**	**11,592**	**38,761**	**2,075**

The sub-item "1. c) Financial assets mandatorily at fair value" at Level 3 as at 31 December 2024 includes the investments in Atlante and Italian Recovery Fund (IRF - former Atlante II) carrying value €225 million.
As at 31 December 2024 the fair value for Atlante and Italian Recovery Fund (former Atlante II) has been determined adopting an internal model in which credit risk changes of single ABS in which Atlante fund is invested are considered.
For further information refer to paragraph "2.5 Other financial assets mandatorily at fair value: breakdown by product" of the Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20.

Transfers between level of fair value occurring during the year mainly reflect the evolution of reference market and the enhancement of processes for fair value level attribution in some Group entities.

Besides the transfers related to financial assets and liabilities carried at Level 3 detailed in the sections below during the year the following transfers occurred:

- from Level 1 to Level 2 owing to a worsening of the liquidity and price reliability indicators (based on the bid-ask spread, relative size and applicability of the published prices) collected by third parties as calculated and recorded in the context of the Global Bond IPV process:
  - of financial assets measured at fair value through profit or loss (financial assets held for trading, designed at fair value and mandatorily at fair value) for €284 million;
  - of financial assets measured at fair value through reserves (financial assets at fair value through other comprehensive income) for €6 million.
- from Level 2 to Level 1 owing to an improvement of the liquidity and price reliability indicators (based on the bid-ask spread, relative size and applicability of the published prices) collected by third parties as calculated and recorded in the context of the Global Bond IPV process:
  - of financial assets measured at fair value through profit or loss (financial assets held for trading, designed at fair value and mandatorily at fair value) for €242 million;
  - of financial assets measured at fair value through reserves (financial assets at fair value through other comprehensive income) for €703 million.

Part A - Accounting policies

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (Level 3)

(€ million)

	CHANGES IN 2024							
	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS							
	TOTAL	OF WHICH: A) FINANCIAL ASSETS HELD FOR TRADING	OF WHICH: B) FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	OF WHICH: C) OTHER FINANCIAL ASSETS MANDATORILY AT FAIR VALUE	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	HEDGING DERIVATIVES	PROPERTY, PLANT AND EQUIPMENT	INTANGIBLE ASSETS
1. Opening balances	**4,759**	**1,048**	**-**	**3,711**	**2,370**	**8**	**5,446**	**-**
2. Increases	**3,447**	**2,114**	**-**	**1,333**	**471**	**252**	**961**	**-**
2.1 Purchases	2,134	1,028	-	1,106	42	114	718	-
2.2 Profits recognised in	1,129	992	-	137	83	113	160	-
2.2.1 Income statement	1,129	992	-	137	4	111	67	-
- of which unrealised gains	*582*	*508*	-	*74*	-	*14*	*67*	-
2.2.2 Equity	X	X	X	X	79	2	93	-
2.3 Transfers from other levels	107	83	-	24	-	20	-	-
2.4 Other increases	77	11	-	66	346	5	83	-
3. Decreases	**3,156**	**1,695**	**-**	**1,461**	**643**	**242**	**501**	**-**
3.1 Sales	1,486	1,060	-	426	81	98	15	-
3.2 Redemptions	664	-	-	664	309	-	-	-
3.3 Losses recognised in	769	534	-	235	184	138	280	-
3.3.1 Income statement	769	534	-	235	16	138	160	-
- of which unrealised losses	*274*	*104*	-	*170*	-	*20*	*89*	-
3.3.2 Equity	X	X	X	X	168	-	120	-
3.4 Transfers to other levels	204	93	-	111	36	-	76	-
3.5 Other decreases	33	8	-	25	33	6	130	-
of which: business combinations	-	-	-	-	-	-	-	-
4. Closing balances	**5,050**	**1,467**	**-**	**3,583**	**2,198**	**18**	**5,906**	**-**

The sub-items “2.2.1 Profits recognised in Income statement” and “3.3.1 Losses recognised in Income statement” in financial assets are included in the profit and loss in the following items:
- Item 80: Net gains (losses) on trading;
- Item 90: Net gains (losses) on hedge accounting;
- Item 110: Net gains (losses) on other financial assets/liabilities at fair value through profit or loss.

The sub-item “2.2.2 Profits recognised in Equity” and the sub-item “3.3.2 Losses recognised in Equity” reports the profits and the losses arising from fair value changes on financial assets at fair value through other comprehensive income and tangible assets used in business, with reference to land and buildings, according to the rules explained below.
With reference to financial assets at fair value through other comprehensive income these profits and losses are accounted in item “120. Valuation reserves” of shareholder’s equity until the financial assets is not sold, instant in which cumulative gains and losses are reported: i) if referred to debt securities in Income statement under item “100. Gains (Losses) on disposal and repurchase of: b) financial assets at fair value through other comprehensive income” and ii) if referred to equity instruments in the shareholder’s equity under item “150. Reserves”; the exception regards the case of impairment and gains and losses on exchange rates on monetary assets (debt securities) which are reported respectively under item “130. Net losses/recoveries on credit impairment relating to: b) financial assets at fair value through other comprehensive income” and item “80. Net gains (losses) on trading”.
With reference to tangible assets used in business, the profits arising from the valuation are recognised in item “120. Valuation reserves” of shareholder’s equity for the portion exceeding the cumulated losses recognised in item “260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value”. Losses arising from the valuation are recognised in item “120. Valuation reserves” up to the cumulated profits recognised in the same item. Further losses are recognised in item “260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value”. On disposal the cumulated profits reported in item “120. Valuation reserves” are recycled to item “150. Reserves”.

Transfers between levels of fair value occurring during the year mainly reflect the evolution of reference market and the enhancement of processes for fair value level attribution in some Group entities and mostly refer to exposures held by UniCredit S.p.A. and its subsidiary UniCredit Bank GmbH.

Part A - Accounting policies

A.4.5.3 Annual changes in liabilities measured at fair value on a recurring basis (Level 3)

(€ million)

	CHANGES IN 2024		
	FINANCIAL LIABILITIES HELD FOR TRADING	FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	HEDGING DERIVATIVES
1. Opening balances	**1,253**	**795**	**27**
2. Increases	**1,342**	**475**	**822**
2.1 Issuance	432	377	665
2.2 Losses recognised in	841	66	151
2.2.1 Income statement	841	61	124
- of which unrealised losses	*638*	*35*	*58*
2.2.2 Equity	X	5	27
2.3 Transfers from other levels	53	18	-
2.4 Other increases	16	14	6
3. Decreases	**1,234**	**673**	**763**
3.1 Redemptions	416	6	65
3.2 Purchases	68	317	-
3.3 Profits recognised in	308	13	668
3.3.1 Income statement	308	10	668
- of which unrealised gains	*103*	*10*	-
3.3.2 Equity	X	3	-
3.4 Transfers to other levels	417	323	23
3.5 Other decreases	25	14	7
of which: business combinations	-	-	-
4. Closing balances	**1,361**	**597**	**86**

The sub-items “2.2.1 Losses recognised in Income statement” and “3.3.1 Profits recognised in Income statement” in financial liabilities are included in the profit and loss in the following items:
- Item 80: Net gains (losses) on trading;
- Item 90: Net gains (losses) on hedge accounting;
- Item 110: Net gains (losses) on other financial assets/liabilities at fair value through profit or loss.

Transfers between levels of fair value occurring during the year mostly refer to exposures held by UniCredit S.p.A. and its subsidiary UniCredit Bank GmbH.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value levels

(€ million)

ASSETS/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
		FAIR VALUE				FAIR VALUE		
	BOOK VALUE	LEVEL 1	LEVEL 2	LEVEL 3	BOOK VALUE	LEVEL 1	LEVEL 2	LEVEL 3
1. Financial assets at amortised cost	563,166	65,713	198,297	288,293	556,978	62,852	189,523	294,353
2. Property, plant and equipment held for investment	-	-	-	-	-	-	-	-
3. Non-current assets and disposal groups classified as held for sale	394	-	84	105	370	-	82	-
Total	**563,560**	**65,713**	**198,381**	**288,398**	**557,348**	**62,852**	**189,605**	**294,353**
1. Financial liabilities at amortised cost	659,598	57,459	246,733	352,959	658,308	53,211	248,641	352,198
2. Liabilities associated with assets classified as held for sale	-	-	-	-	-	-	-	-
Total	**659,598**	**57,459**	**246,733**	**352,959**	**658,308**	**53,211**	**248,641**	**352,198**

Part A - Accounting policies

The changes occurred between 31 December 2023 and 31 December 2024 in the ratio between fair value and book value for financial assets at amortised cost reflect the enhancement of the methodology and the parameters adopted for the fair value calculation for disclosure and the evolution in the benchmark interest rate, in the risk premium and in the probability of default depending on or deriving from markets trend.
These events together with the evolution of the approach to identify the significance of non-observable inputs have been reflected in fair value hierarchy level distribution.

The book value of item "3. Non-current assets and disposal groups classified as held for sale" (Assets) includes amounts referred to assets measured on Balance sheet on the basis of their cost for €205 million. For further details on this item refer to table "12.1 Non-current assets and disposal groups classified as held for sale: breakdown by asset type", Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, Section 12 - Non-current assets and disposal groups classified as held for sale and Liabilities associated with assets classified as held for sale - Item 120 (Assets) and Item 70 (Liabilities).

A.5 - Information on "day one profit/loss"

The value at which financial instruments are recognised is equal to their fair value on the same date.

The fair value of financial instruments, other than those designated at fair value through profit or loss, at their recognition date is usually assumed to be equal to the amount collected or paid.

For financial instruments held for trading (refer to Sections 1.a) and 12 of Part A.2 above) and instruments designated at fair value (refer to Sections 1.b) and 13 of Part A.2 above), any difference from the amount collected or paid is posted under the appropriate items of the Income statement.

The use of conservative valuation models, the processes described above for revising the models used and related parameters and value adjustments to reflect model risk ensure that the amount recognised in the Income statement is not derived from the use of valuation parameters that cannot be observed.
More specifically, the calculation of fair value adjustments to reflect model risk ensures that the fair value portion of these instruments relating to the use of subjective parameters is not recognised in the profit and loss accounts but changes the Balance sheet value of these instruments.
The presence of further "day one profit" leads to the recognition of a distinct asset component that is the object of linear amortization.
Recognition of these portions in the profit and loss account is then made only when objective parameters are applied and therefore the adjustments are derecognised.

The overall fair value adjustments to reflect these adjustments (amount not recognised in the Income statement) amounts to +€61 million as at 31 December 2024 (+€58 million as at 31 December 2023).

Part B - Consolidated balance sheet - Assets

Assets

Section 1 - Cash and cash balances - Item 10

1.1 Cash and cash balances: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
a) Cash	3,853	3,477
b) Current accounts and demand deposits with Central Banks	30,798	50,605
c) Current accounts and demand deposits with Banks	6,791	6,918
Total	**41,442**	**61,000**

The reduction in the item "b) Current accounts and demand deposits with Central Banks" is mainly due to the UniCredit S.p.A. and its subsidiary UniCredit Bank GmbH, as a result of the reimbursement of the TLTRO III liabilities occurred during the 2024.

The item "b) Current accounts and demand deposits with Central Banks" mainly includes the investment of liquidity in overnight deposits and other sight deposits held with Central Banks, in addition to the part that is maintained in the Compulsory Reserves, classified in the item Loans and advances from Banks as a result of the management of a net surplus of funds recognised both (i) in the context of commercial activity with customers and (ii) as part of the interbank business.

Part B - Consolidated balance sheet - Assets

Section 2 - Financial assets at fair value through profit or loss - Item 20

2.1 Financial assets held for trading: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
A. Financial assets (non-derivatives)						
1. Debt securities	**5,061**	**377**	**46**	**10,979**	**1,018**	**106**
1.1 Structured securities	9	133	-	5	290	2
1.2 Other debt securities	5,052	244	46	10,974	728	104
2. Equity instruments	**8,982**	**7**	**1**	**7,257**	**6**	**1**
3. Units in investment funds	**1,044**	**1,092**	**5**	**1,169**	**410**	**7**
4. Loans	**3,097**	**5,852**	**-**	**2,082**	**4,930**	**-**
4.1 Reverse Repos	-	262	-	-	923	-
4.2 Other	3,097	5,590	-	2,082	4,007	-
Total (A)	**18,184**	**7,328**	**52**	**21,487**	**6,364**	**114**
B. Derivative instruments						
1. Financial derivatives	**2,143**	**25,858**	**1,350**	**2,659**	**25,546**	**934**
1.1 Trading	2,143	24,822	929	2,659	25,522	934
1.2 Linked to fair value option	-	28	-	-	18	-
1.3 Other	-	1,008	421	-	6	-
2. Credit derivatives	**9**	**94**	**65**	**87**	**83**	**-**
2.1 Trading	9	94	65	87	83	-
2.2 Linked to fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
Total (B)	**2,152**	**25,952**	**1,415**	**2,746**	**25,629**	**934**
Total (A+B)	**20,336**	**33,280**	**1,467**	**24,233**	**31,993**	**1,048**
Total Level 1, Level 2 and Level 3			**55,083**			**57,274**

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input. For further information see paragraph “A.4 - Information on fair value”, Notes to the consolidated accounts Part A - Accounting policies.

The financial assets and liabilities relating to OTC Derivatives and Reverse repos managed through Central Counterparty Clearing Houses (CCPs) are offset when (i) the clearing systems of CCPs guarantee the elimination or reduce to immaterial the credit and liquidity risks of these contracts and (ii) the entity intends to settle these contracts on a net basis, in accordance with IAS32 - Offsetting, in order to improve the presentation of the liquidity profile and counterparty risk connected with them.

The reduction of the item is mainly due to the decrease of the item “1.2 other debt securities” mainly at UniCredit S.p.A.

The sub-item “4.2 Loans - Other” includes CO2 certificates for an amount equal to €2,073 million as at 31 December 2024 (€1,314 as at 31 December 2023) held by the subsidiary UniCredit Bank GmbH.

The offset effect as at 31 December 2024, already included in the net presentation of these transactions, totaled €115,444 million decreased in comparison to €180,918 million as at 31 December 2023 due to the evolution of the reference market conditions, mainly relating to the activities of UniCredit S.p.A.

In item "1. Debt securities" there are no securities related to securitisation transactions.

2.2 Financial assets held for trading: breakdown by borrowers/issuers/counterparties

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	31.12.2023
A. Financial assets (non-derivatives)		
1. Debt securities	**5,484**	**12,103**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	3,256	10,492
c) Banks	1,287	378
d) Other financial companies	333	484
of which: insurance companies	*10*	*7*
e) Non-financial companies	608	749
2. Equity instruments	**8,990**	**7,264**
a) Banks	558	483
b) Other financial companies	507	542
of which: insurance companies	*285*	*260*
c) Non-financial companies	7,925	6,239
d) Other issuers	-	-
3. Units in investment funds	**2,141**	**1,586**
4. Loans	**8,949**	**7,012**
a) Central Banks	-	161
b) Governments and other Public Sector Entities	2,073	1,315
c) Banks	1,581	474
d) Other financial companies	186	294
of which: insurance companies	-	-
e) Non-financial companies	5,109	4,768
f) Households	-	-
Total A	**25,564**	**27,965**
B. Derivative instruments		
a) Central counterparties	2,143	4,041
d) Other	27,376	25,268
Total B	**29,519**	**29,309**
Total (A+B)	**55,083**	**57,274**

Part B - Consolidated balance sheet - Assets

2.3 Financial assets designated at fair value: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**247**	**-**	**-**	**220**	**-**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	247	-	-	220	-	-
2. Loans	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	-	-
2.2 Other	-	-	-	-	-	-
Total	**247**	**-**	**-**	**220**	**-**	**-**
Total Level 1, Level 2 and Level 3			**247**			**220**

Valuations at fair value are classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information refer to paragraph “A.4 - Information on fair value” of the Notes to the consolidated accounts, Part A - Accounting policies.

2.4 Financial assets designated at fair value: breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Debt securities	**247**	**220**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	237	210
c) Banks	10	10
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
2. Loans	**-**	**-**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**247**	**220**

Part B - Consolidated balance sheet - Assets

2.5 Other financial assets mandatorily at fair value: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**667**	**417**	**173**	**1,311**	**658**	**214**
1.1 Structured securities	-	72	3	-	-	2
1.2 Other debt securities	667	345	170	1,311	658	212
2. Equity instruments	**811**	**7**	**326**	**942**	**4**	**344**
3. Units in investment funds	**22**	**12**	**2,278**	**20**	**11**	**2,269**
4. Loans	**-**	**828**	**806**	**-**	**863**	**884**
4.1 Reverse Repos	-	-	-	-	-	-
4.2 Other	-	828	806	-	863	884
Total	**1,500**	**1,264**	**3,583**	**2,273**	**1,536**	**3,711**
Total Level 1, Level 2 and Level 3			**6,347**			**7,520**

A financial asset is classified as financial asset mandatorily at fair value if it does not meet the conditions, in terms of business model or cash flow characteristics, for being measured at amortised cost or at fair value through other comprehensive income.

The item “1. Debt securities” includes investments (i) in FINO Project’s Mezzanine and Junior Notes with a value of €12 million, (ii) Mezzanine and Junior bonds of Olympia securitisations for €1 million, (iii) Mezzanine and Junior bonds of Relais securitisation for €1 million, (iv) Mezzanine and Junior bonds of Itaca securitisation for €1 million and (v) Junior bonds of Altea securitisation for €6 million, all presented among Level 3 instruments.

The item “3. Units in investment funds” includes the investments in Atlante and Italian Recovery Fund, former Atlante II, presented among Level 3 instruments, with a value of €225 million as at 31 December 2024.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information refer to paragraph “A.4 - Information on fair value” of the Notes to the consolidated accounts, Part A - Accounting policies.

Exposures to securities related to Securitisation transactions

(€ million)

TRANCHING	AMOUNTS AS AT 31.12.2024
Senior	6
Mezzanine	36
Junior	21
Total	**63**

Part B - Consolidated balance sheet - Assets

Information about the units of Atlante Fund and Italian Recovery Fund

Reference is made to the paragraph “Information about the units of Atlante Fund and Italian Recovery Fund (former Atlante II)” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part B - Balance sheets - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20, which is herewith quoted entirely.

Information about the investments in the “Schema Volontario” (Voluntary Scheme)

Reference is made to the paragraph “Information about the investments in the Schema Volontario” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part B - Balance sheets - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20, which is herewith quoted entirely.

2.6 Other Financial assets mandatorily at fair value:breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Equity instruments	**1,144**	**1,290**
of which: banks	*341*	*476*
of which: other financial companies	*692*	*613*
of which: non-financial companies	*111*	*201*
2. Debt securities	**1,257**	**2,183**
a) Central banks	-	-
b) Governments and other Public Sector Entities	651	1,039
c) Banks	415	912
d) Other financial companies	190	214
of which: insurance companies	*55*	*56*
e) Non-financial companies	1	18
3. Units in investment funds	**2,312**	**2,300**
4. Loans and advances	**1,634**	**1,747**
a) Central banks	-	-
b) Governments and other Public Sector Entities	523	558
c) Banks	41	50
d) Other financial companies	52	139
of which: insurance companies	-	-
e) Non-financial companies	561	530
f) Households	457	470
Total	**6,347**	**7,520**

Part B - Consolidated balance sheet - Assets

Section 3 - Financial assets at fair value through other comprehensive income - Item 30

3.1 Financial assets at fair value through other comprehensive income: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024 LEVEL 1	LEVEL 2	LEVEL 3	AMOUNTS AS AT 31.12.2023 LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**68,360**	**4,331**	**1,447**	**52,624**	**7,301**	**1,576**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other	68,360	4,331	1,447	52,624	7,301	1,576
2. Equity instruments	**2,672**	**458**	**751**	**350**	**452**	**794**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**71,032**	**4,789**	**2,198**	**52,974**	**7,753**	**2,370**
Total Level 1, Level 2 and Level 3			**78,019**			**63,097**

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information see the paragraph “A.4 - Information on fair value” of the Notes to the consolidated accounts, Part A - Accounting Policies.

The increase in the item “1. Debt Securities” is attributable to a new purchase, mainly government and banking bonds, occurred during the period and mostly related to UniCredit S.p.A. and its subsidiary UniCredit Bank GmbH. This Item includes investments (i) in FINO Project’s investments in Senior and in part in Mezzanine notes with a value of €32 million, (ii) in Senior bonds of Prisma securitisation for €430 million, (iii) in Senior bonds of Relais securitisation for €223 million, (iv) in Senior bonds of Olympia securitisation for €111 million, and (v) in Senior bonds of Itaca securitisation for €30 million, all investments presented among Level 3 instruments.

The increase in the Item “2. Equity instruments” is mainly due to a new investment in Commerzbank Ag stake made during the period for an amount of 1,749 as of 31 December 2024. This item includes also investments (i) in Banca d’Italia stake (presented among Level 2 instruments), with a value of €375 million, (ii) in ABH Holding SA share (presented among Level 3 instruments) acquired in contemplation of the sale of PJSC Ukrsotbank to Alfa Group, with a value of €263 million, and (iii) in Alpha Services and Holdings S.A. share (presented among Level 1 instruments), with a value of €358 million.

Exposures to securities related to Securitisation transactions

(€ million)

TRANCHING	AMOUNTS AS AT 31.12.2024
Senior	818
Mezzanine	9
Junior	-
Total	**827**

Information about the shareholding in Banca d'Italia

Reference is made to the paragraph “Information about the shareholding in Banca d’Italia” of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Assets, Section 3 - Financial assets at fair value through other comprehensive income - Item 30, 3.1 Financial assets at fair value through other comprehensive income: breakdown by product, which is herewith quoted entirely.

Part B - Consolidated balance sheet - Assets

3.2 Financial assets at fair value through other comprehensive income: breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Debt securities	**74,138**	**61,501**
a) Central Banks	231	600
b) Governments and other Public Sector Entities	56,428	47,291
c) Banks	13,496	10,095
d) Other financial companies	2,754	2,387
of which: insurance companies	-	-
e) Non-financial companies	1,229	1,128
2. Equity instruments	**3,881**	**1,596**
a) Banks	2,288	531
b) Other issuers	1,593	1,065
- Other financial companies	1,418	870
of which: insurance companies	*564*	-
- Non-financial companies	170	190
- Other	5	5
3. Loans and advances	**-**	**-**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**78,019**	**63,097**

The item "2.Equity instruments a) Banks" includes Banca d'Italia stake.

3.3 Financial assets at fair value through other comprehensive income: gross value and total accumulated impairments

(€ million)

	GROSS VALUE					TOTAL ACCUMULATED IMPAIRMENTS				
	STAGE 1	OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	PARTIAL ACCUMULATED WRITE-OFFS(*)
Debt securities	73,104	70,060	1,011	114	-	7	2	82	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-
Total 31.12.2024	**73,104**	**70,060**	**1,011**	**114**	**-**	**7**	**2**	**82**	**-**	**-**
Total 31.12.2023	**60,818**	**56,753**	**761**	**2**	**-**	**73**	**5**	**2**	**-**	**-**

Note:
(*) Value shown for information purposes.

Part B - Consolidated balance sheet - Assets

Section 4 - Financial assets at amortised cost - Item 40

4.1 Financial assets at amortised cost: breakdown by product of loans and advances to banks

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024						AMOUNTS AS AT 31.12.2023					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3
A. Loans and advances to Central Banks	**20,848**	**-**	**-**	**-**	**8,159**	**12,640**	**15,918**	**-**	**-**	**-**	**6,326**	**9,559**
1. Time deposits	3,995	-	-	X	X	X	2,772	-	-	X	X	X
2. Compulsory reserves	8,288	-	-	X	X	X	7,809	-	-	X	X	X
3. Reverse repos	8,548	-	-	X	X	X	5,316	-	-	X	X	X
4. Other	17	-	-	X	X	X	21	-	-	X	X	X
B. Loans and advances to banks	**45,652**	**40**	**-**	**11,387**	**28,045**	**5,954**	**37,413**	**58**	**-**	**9,896**	**23,582**	**3,629**
1. Loans	29,749	40	-	-	23,869	5,944	23,409	58	-	-	20,002	3,544
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Time deposits	4,479	-	-	X	X	X	2,496	-	-	X	X	X
1.3 Other loans	25,270	40	-	X	X	X	20,913	58	-	X	X	X
- Reverse repos	21,627	-	-	X	X	X	17,737	-	-	X	X	X
- Lease Loans	1	-	-	X	X	X	2	-	-	X	X	X
- Other	3,642	40	-	X	X	X	3,174	58	-	X	X	X
2. Debt securities	15,903	-	-	11,387	4,176	10	14,004	-	-	9,896	3,580	85
2.1 Structured	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other	15,903	-	-	11,387	4,176	10	14,004	-	-	9,896	3,580	85
Total	**66,500**	**40**	**-**	**11,387**	**36,204**	**18,594**	**53,331**	**58**	**-**	**9,896**	**29,908**	**13,188**
Total Level 1, Level 2 and Level 3						**66,185**						**52,992**

The increase in the item “B. Loans and advance to banks” is mostly due to the increase in the reverse repo transactions, mainly attributable to UniCredit S.p.A. and its subsidiary UniCredit Bank Austria AG.

Loans and advances to banks are not carried at fair value, which is presented solely for the purpose of fulfilling financial disclosure requirements. Fair value measurements are classified according to a three levels hierarchy that reflects the observability of the inputs used in the measurements. For further information see the paragraph “A.4 - Information on fair value”, Notes to the consolidated accounts Part A - Accounting Policies.

Security lending transactions collateralised by securities or not collateralized were classified under "off-Balance sheet" exposures of table in the paragraph “A.1.4 Regulatory consolidation - On - and off-Balance sheet credit exposure with banks: gross and net values” of the Notes to the consolidated accounts, Part E - Information on risks and related hedging polices, Section 2 - Risks of the prudential consolidated perimeter, Quantitative information, A. Credit quality. Refer also the paragraph “Other information” of the Notes to the consolidated accounts, Part B - Consolidated balance sheet - Liabilities.

Part B - Consolidated balance sheet - Assets

4.2 Financial assets at amortised cost: breakdown by product of loans and advances to customers

(€ million)

	AMOUNTS AS AT 31.12.2024						AMOUNTS AS AT 31.12.2023					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
TYPE OF TRANSACTIONS/VALUES	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3
1. Loans	**410,867**	**5,914**	**115**	**-**	**140,843**	**266,314**	**421,686**	**6,134**	**23**	**-**	**140,778**	**278,300**
1.1 Current accounts	23,419	711	5	X	X	X	24,446	609	1	X	X	X
1.2 Reverse repos	14,060	-	-	X	X	X	19,975	-	-	X	X	X
1.3 Mortgages	175,550	1,875	40	X	X	X	179,074	1,744	9	X	X	X
1.4 Credit cards and personal loans, including wage assignment	20,202	301	6	X	X	X	18,718	242	1	X	X	X
1.5 Lease loans	11,259	232	-	X	X	X	12,257	278	-	X	X	X
1.6 Factoring	12,113	42	-	X	X	X	13,379	94	-	X	X	X
1.7 Other loans	154,264	2,753	64	X	X	X	153,837	3,167	12	X	X	X
2. Debt securities	**79,728**	**2**	**-**	**54,326**	**21,250**	**3,385**	**75,745**	**1**	**-**	**52,956**	**18,837**	**2,865**
2.1 Structured securities	263	-	-	165	-	93	71	1	-	-	-	75
2.2 Other debt securities	79,465	2	-	54,161	21,250	3,292	75,674	-	-	52,956	18,837	2,790
Total	**490,595**	**5,916**	**115**	**54,326**	**162,093**	**269,699**	**497,431**	**6,135**	**23**	**52,956**	**159,615**	**281,165**
Total Level 1, Level 2 and Level 3						**486,118**						**493,736**

The column "purchased or originated credit-impaired financial assets" includes loans, belonging to stage 2 and stage 3, that at the time of the purchase, also as part of transactions of business combinations, were already impaired.
The sub-items "1.2. Reverse repos" and "1.7 Other loans" do not include security lending transactions collateralised by securities or not collateralised. These transactions were classified under "off-Balance sheet" exposures of table A.1.5 of Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, Quantitative information, A. Credit Quality. Refer also the section "Other Information" of Part B - Consolidated balance sheet - Liabilities.

The increase in the item "purchased or originated credit-impaired financial assets" includes non performing exposures held by Alpha Bank Romania at the date of the control acquisition by Unicredit S.p.A. equal to €34 million.

The sub-item "1.7 Other loans" includes:
- €29,230 million for loans with amortised plan;
- €25,821 million for pooled transactions;
- €22,217 million other Loans not settled through current account;
- €14,038 million other advances to customers for import/export services;
- €4,285 million for trade receivables.

Loans to customers are not carried at fair value, which is presented solely for the purpose of fulfilling financial disclosure requirements. Fair value measurements are classified according to a three levels hierarchy that reflects the observability of the inputs used in the measurements. For further information see paragraph "A.4 Information on fair value" of the Notes to the consolidated accounts, Part A - Accounting Policies.
The fair value of demand items was estimated to be equal to their net book value by exercising the option provided for by IFRS7.29. According to this assumption, demand items were classified as Level 3 in the fair value hierarchy.
The fair value of impaired loans was estimated by considering that the realizable value expressed by the net book value is the best estimate of the future expected cash flows discounted at the valuation date, further adjusted to incorporate, when available, a premium derived from significant market's transaction for similar instruments. According to this assumption, impaired loans were classified as Level 3 in the fair value hierarchy.

Part B - Consolidated balance sheet - Assets

The item "2.2 Other debt securities" include securities related to securitisation transactions shown in the following table.

Exposures to securities related to Securitisation transactions

(€ million)

TRANCHING	AMOUNTS AS AT 31.12.2024
Senior	13,879
Mezzanine	12
Junior	-
Total	**13,891**

4.3 Financial assets at amortised cost: breakdown by borrowers/issuers of loans and advances to customers

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	STAGE 1 OR STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1 OR STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS
1. Debt securities	**79,728**	**2**	**-**	**75,745**	**1**	**-**
a) Governments and other Public Sector Entities	56,869	-	-	55,540	-	-
b) Other financial companies	20,409	-	-	17,386	-	-
of which: insurance companies	-	-	-	-	-	-
c) Non-financial companies	2,450	2	-	2,819	1	-
2. Loans	**410,867**	**5,914**	**115**	**421,686**	**6,134**	**23**
a) Governments and other Public Sector Entities	23,553	365	-	22,514	465	-
b) Other financial companies	53,588	150	-	57,961	249	-
of which: insurance companies	*553*	-	-	*663*	*1*	-
c) Non-financial companies	198,417	3,899	80	214,278	4,084	12
d) Households	135,309	1,500	35	126,933	1,336	11
Total	**490,595**	**5,916**	**115**	**497,431**	**6,135**	**23**

4.4 Financial assets at amortised cost: gross value and total accumulated impairments

(€ million)

	GROSS VALUE					TOTAL ACCUMULATED IMPAIRMENTS				
	STAGE 1									
		OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	PARTIAL ACCUMULATED WRITE-OFFS(*)
1. Debt securities	94,529	47,801	1,193	5	-	14	77	3	-	-
2. Loans	414,104	137,822	51,435	11,054	118	1,017	3,058	5,100	3	692
Total 31.12.2024	**508,633**	**185,623**	**52,628**	**11,059**	**118**	**1,031**	**3,135**	**5,103**	**3**	**692**
Total 31.12.2023	**475,507**	**184,474**	**80,104**	**11,695**	**27**	**888**	**3,961**	**5,502**	**4**	**627**

Note:
(*) Value shown for information purposes.

Part B - Consolidated balance sheet - Assets

4.4a Financial assets at amortised cost subject to Covid-19 measures: gross value and total accumulated impairments

(€ million)

	GROSS VALUE					TOTAL ACCUMULATED IMPAIRMENTS				
	STAGE 1									
		OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED	PARTIAL ACCUMULATED WRITE-OFFS(*)
Loans guaranteed by public guarantee Covid 19	8,813	-	1,223	456	5	15	16	91	-	-
Total 31.12.2024	**8,813**	**-**	**1,223**	**456**	**5**	**15**	**16**	**91**	**-**	**-**
Total 31.12.2023	**13,918**	**-**	**3,696**	**507**	**5**	**25**	**52**	**125**	**-**	**-**

Note:
(*) Value shown for information purposes.

Loans benefitting from Covid-19 measures guaranteed by public guarantee are held, in term of gross exposures, mainly by UniCredit S.p.A. for an amount of €8,536 million, of which €332 million of non-performing.

Section 5 - Hedging derivatives - Item 50

5.1 Hedging derivatives: breakdown by hedged risk and fair value hierarchy

(€ million)

	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial derivatives	**-**	**1,333**	**18**	**335,594**	**81**	**1,836**	**8**	**458,009**
1) Fair value	-	374	8	303,477	81	1,109	5	427,015
2) Cash flows	-	952	8	30,547	-	725	3	29,222
3) Net investment in foreign subsidiaries	-	7	2	1,570	-	2	-	1,772
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**1,333**	**18**	**335,594**	**81**	**1,836**	**8**	**458,009**
Total Level 1, Level 2 and Level 3			**1,351**				**1,925**	

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the inputs used in the measurement.
For further information refer to the paragraph “A.4 - Information on fair value” of the Notes to the consolidated accounts, Part A - Accounting policies.

Part B - Consolidated balance sheet - Assets

5.2 Hedging derivatives: composition for covered portfolios and by type of hedging

(€ million)

TRANSACTIONS/TYPE OF HEDGES	AMOUNTS AS AT 31.12.2024									
	FAIR VALUE							CASH FLOW		
	MICRO-HEDGE									
	DEBT SECURITIES AND INTEREST RATES RISK	EQUITY INSTRUMENTS AND EQUITY INDICES RISK	CURRENCY AND GOLD	CREDIT RISK	COMMODITIES	OTHERS	MACRO-HEDGE	MICRO-HEDGE	MACRO-HEDGE	FOREIGN INVESTMENTS
1. Financial assets at fair value through other comprehensive income	122	-	-	-	X	X	X	-	X	X
2. Financial assets at amortised cost	-	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	143	X	827	X
4. Other transactions	19	-	-	-	-	-	X	-	X	9
Total assets	**141**	**-**	**-**	**-**	**-**	**-**	**143**	**-**	**827**	**9**
1. Financial liabilities	31	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	29	X	128	X
Total liabilities	**31**	**-**	**-**	**-**	**-**	**-**	**29**	**-**	**128**	**-**
1. Expected transactions	X	X	X	X	X	X	X	1	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	38	X	4	-

Section 6 - Changes in fair value of portfolio hedged items - Item 60

6.1 Changes to macro-hedged financial assets: breakdown by hedged portfolio

(€ million)

CHANGES TO HEDGED ASSETS/GROUP COMPONENTS	AMOUNTS AS AT	
	31.12.2024	31.12.2023
1. Positive changes	**2,165**	**2,151**
1.1 Of specific portfolios	927	1,022
a) Financial assets at amortised cost	917	1,005
b) Financial assets at fair value through other comprehensive income	10	17
1.2 Overall	1,238	1,129
2. Negative changes	**3,867**	**5,415**
2.1 Of specific portfolios	1,783	2,448
a) Financial assets at amortised cost	1,783	2,448
b) Financial assets at fair value through other comprehensive income	-	-
2.2 Overall	2,084	2,967
Total	**(1,702)**	**(3,264)**

The decrease in the item is mainly attributable to the evolution in the markets interest rate curves observed in 2024.

Part B - Consolidated balance sheet - Assets

Section 7 - Equity investments - Item 70

During 2024, impairment for -€11 million were recognised, mainly attributable to write-downs on CNP Unicredit Vita S.p.A. (-€9 million).

Furthermore, write-backs of previous impairments were recognised for +€79 million entirely attributable to Bank Fuer Tirol Und Vorarlberg Aktiengesellschaft (BTV).

The calculation of the value in use for impairment testing purposes was carried out by using a Dividend Discount Model (DDM) which discounts future cash flow projections (free cash flows to equity) at an appropriate discount rate. The free cash flows to equity were determined by subtracting from Net Profit the annual capital requirement, which considers the changes in Risk Weighted Exposure Amounts (RWEA) needed to achieve an adequate level of capitalization. The applied discount rate is a cost of equity assessed with the Capital Asset Pricing Model (CAPM), which calculates the cost of equity as the sum of the risk-free rate and equity risk premium.

The write-back recognised on BTV was driven by the observation of a fair value (determined on the basis of market quotation as of 31 December 2024) above its carrying value for a prolonged period of time.

7.1 Equity investments: information on shareholders' equity

	COMPANY NAME	MAIN OFFICE	ADMINISTRATIVE OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	NATURE OF RELATIONSHIP (6)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	OWNERSHIP RELATIONSHIP HOLDING %	VOTING RIGHTS % (2)
	VALUED AT EQUITY METHOD **A.2 INVESTMENTS IN JOINT VENTURES**									
1	FIDES LEASING GMBH Issued Capital EUR 36,000	VIENNA	VIENNA	AUSTRIA	7	2	36	CALG ANLAGEN LEASING GMBH	50.00	
2	PALATIN GRUNDSTUECKVERWALTUNGS GESELLSCHAFT M.B.H. IN LIQU. Issued Capital EUR 36,336	ST.POELTEN	ST.POELTEN	AUSTRIA	7	2	36	UNICREDIT LEASING (AUSTRIA) GMBH	50.00	
	A.3 COMPANIES UNDER SIGNIFICANT INFLUENCE									
3	ALLIANZ ZB D.O.O. DRUSTVO ZA UPRAVLJANJE OBVEZNIM I DOBROVOLJNIM MIROVINSKIM FONDOVIMA Issued Capital EUR 13,935,895	ZAGREB	ZAGREB	CROATIA	8	2	36	ZAGREBACKA BANKA D.D.	49.00	
4	ASSET BANCARI II Issued Capital EUR 22,770,803	MILAN	MILAN	ITALY	8	2	35	UNICREDIT SPA	21.55	
5	BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT Issued Capital EUR 74,250,000	INNSBRUCK	INNSBRUCK	AUSTRIA	8	1	34	CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	37.53	
								UNICREDIT BANK AUSTRIA AG	9.85	
6	BKS BANK AG Issued Capital EUR 91,612,000	KLAGENFURT	KLAGENFURT	AUSTRIA	8	1	34	CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	23.15	
								UNICREDIT BANK AUSTRIA AG	6.63	
7	CAMFIN S.P.A. Issued Capital EUR 110,000,000	MILAN	MILAN	ITALY	8	5	37	UNICREDIT SPA	8.53	15.82
8	CASH SERVICE COMPANY AD Issued Capital BGN 12,500,000	SOFIA	SOFIA	BULGARIA	8	2	38	UNICREDIT BULBANK AD	25.00	
9	CBD INTERNATIONAL SP.ZO.O. Issued Capital PLN 100,500	WARSAW	WARSAW	POLAND	8	2	38	ISB UNIVERSALE BAU GMBH IN LIQUIDATION	49.75	
10	CNP UNICREDIT VITA S.P.A. Issued Capital EUR 381,698,529	MILAN	MILAN	ITALY	8	4	31	UNICREDIT SPA	49.00	
11	COMPAGNIA AEREA ITALIANA S.P.A. Issued Capital EUR 352,940	ROME	ROME	ITALY	8	2	37	UNICREDIT SPA	36.59	
12	COMTRADE GROUP GMBH Issued Capital EUR 4,522,000	ZUG	ZUG	SWITZERLAND	8	5	38	UNICREDIT BANK GMBH	21.05	
13	DA VINCI S.R.L. Issued Capital EUR 100,000	ROME	ROME	ITALY	8	5	37	IDEA FIMIT SGR FONDO SIGMA IMMOBILIARE	37.50	
14	NOTARTREUHANDBANK AG Issued Capital EUR 8,030,000	VIENNA	VIENNA	AUSTRIA	8	2	36	UNICREDIT BANK AUSTRIA AG	25.00	
15	OBERBANK AG Issued Capital EUR 105,863,000	LINZ	LINZ	AUSTRIA	8	1	34	UNICREDIT BANK AUSTRIA AG	3.41	
								CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	23.76	
16	OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT Issued Capital EUR 130,000,000	VIENNA	VIENNA	AUSTRIA	8	1	34	SCHOELLERBANK AKTIENGESELLSCHAFT	8.26	
								UNICREDIT BANK AUSTRIA AG	16.14	
								CABET-HOLDING GMBH	24.75	
17	OESTERREICHISCHE WERTPAPIERDATEN SERVICE GMBH Issued Capital EUR 100,000	VIENNA	VIENNA	AUSTRIA	8	5	38	UNICREDIT BANK AUSTRIA AG	29.30	
18	PSA PAYMENT SERVICES AUSTRIA GMBH Issued Capital EUR 285,000	VIENNA	VIENNA	AUSTRIA	8	2	36	UNICREDIT BANK AUSTRIA AG	24.00	
19	RCI FINANCIAL SERVICES S.R.O. Issued Capital CZK 70,000,000	PRAGUE	PRAGUE	CZECH REPUBLIC	8	2	36	UNICREDIT LEASING CZ, A.S.	50.00	49.86

Part B - Consolidated balance sheet - Assets

	COMPANY NAME	MAIN OFFICE	ADMINISTRATIVE OFFICE	COUNTRY	TYPE OF RELATIONSHIP (1)	NATURE OF RELATIONSHIP (6)	BUSINESS SECTOR (5)	OWNERSHIP RELATIONSHIP HELD BY	OWNERSHIP RELATIONSHIP HOLDING %	VOTING RIGHTS % (2)
20	RISANAMENTO SPA * Issued Capital EUR 107,689,512	MILAN	MILAN	ITALY	8	5	37	UNICREDIT SPA	9.94	
21	UNI GEBAEUDEMANAGEMENT GMBH Issued Capital EUR 18,168	LINZ	LINZ	AUSTRIA	8	2	38	BA GEBAEUDEVERMIETUNGSGMBH	50.00	
22	UNICREDIT ALLIANZ ASSICURAZIONI S.P.A. Issued Capital EUR 52,000,000	MILAN	MILAN	ITALY	8	4	31	UNICREDIT SPA	50.00	
23	UNICREDIT ALLIANZ VITA S.P.A. Issued Capital EUR 112,200,000	MILAN	MILAN	ITALY	8	4	31	UNICREDIT SPA	50.00	
24	WKBG WIENER KREDITBUERGSCHAFTS- UND BETEILIGUNGSBANK AG Issued Capital EUR 9,205,109	VIENNA	VIENNA	AUSTRIA	8	2	36	UNICREDIT BANK AUSTRIA AG	21.54	

Notes:

* Company classified in the Financial Statements as "non-current assets and disposal groups classified as held for sale" according to IFRS5 and therefore valued at minor between fair value net of cost to sell and booking value. The latter is determined by interrupting the valuation at Equity starting from the date of IFRS5 classification.

(1) Type of relationship:
7 = joint control;
8 = associates.

(2) Voting rights available at the general meeting. Voting rights are disclosed only if different from the percentage of ownership.

(3) Nature of relationship:
1= Banks;
2= Financial entities;
3= Ancillary banking entities services;
4= Insurance enterprises;
5= Non-financial enterprises;
6= Other equity investments.

(4) Business sector:
1= Banking Group: resident banks and ancillary companies
2= Banking Group: non resident banks and ancillary companies
3= Banking Group: resident financial companies
4= Banking Group: non resident financial companies
31= Other companies included in the consolidation scope: resident insurance companies
32= Other companies included in the consolidation scope: non resident insurance companies
33= Other companies included in the consolidation scope: resident banks
34= Other companies included in the consolidation scope: non resident banks
35= Other companies included in the consolidation scope: resident financial companies
36= Other companies included in the consolidation scope: non resident financial companies
37= Other companies included in the consolidation scope: resident non financial companies
38= Other companies included in the consolidation scope: non resident non financial companies

Part B - Consolidated balance sheet - Assets

Refer to Section 3 - Part A - Accounting policies for the description of procedures and scope of consolidation.
Joint ventures or companies under significant influence, consolidated at equity or classified as non-current assets and assets disposal groups, decreased from 27 as at 31 December 2023 to 24 as at 31 December 2024 due to 2 decreases for liquidation and 1 merger.

The following table shows changes in equity investments in Joint Ventures and in companies under significant influence (consolidated at Net Equity).

Equity investments in joint ventures and in companies under significant influence (consolidated at net equity): annual changes

	NUMBER OF COMPANIES
A. Opening balance (from previous year)	**27**
B. Increased by	**-**
B.1 Newly established companies	-
B.2 Change of the consolidation method	-
B.3 Entities consolidated for the first time in the year	-
C. Reduced by	**3**
C.1 Disposal/Liquidation	2
C.2 Change of the consolidation method	-
C.3 Mergers in other Group entities	1
C.4 Other changes	-
D. Closing balance	**24**

Increases
During the period there were no changes in newly established companies, change of the consolidation method and entities consolidated for the first time in the year.

Reductions

Disposal/Liquidation

COMPANY NAME	MAIN OFFICE
HETA BA LEASING SUED GMBH IN LIQU.	KLAGENFURT
BARN B.V.	AMSTERDAM

Mergers in other Group entities

COMPANY NAME OF THE MERGED ENTITY	MAIN OFFICE	COMPANY NAME OF THE TAKING IN ENTITY	MAIN OFFICE
INCONTRA ASSICURAZIONI S.P.A.	MILAN	UNICREDIT ALLIANZ ASSICURAZIONI S.P.A.	MILAN

Joint ventures and the companies under significant influence that changed their names during the year

COMPANY NAME	MAIN OFFICE
COMTRADE GROUP GMBH (ex COMTRADE GROUP B.V.)	ZUG

The following table shows the breakdown of item "70. Equity investments", reporting the adopted accounting method, held either directly or through consolidated subsidiaries.

(milion)

	NUMBER OF ENTITY(*)	CARRYING VALUE(*)
Joint ventures accounted for under equity method	2	-
Associates accounted for under equity method	21	4.289
Entities controlled either directly or through consolidated subsidiaries held at cost	134	100
Joint Venture held either directly or through consolidated subsidiaries at cost	-	-
Associates held either directly or through consolidated subsidiaries at cost	6	4
Total	**163**	**4.393**

Note:
(*) Columns "Number of entity" and "Carrying values" do not include Companies classified in the Financial Statements as "Non-current assets and disposal groups classified as held for sale".

Part B - Consolidated balance sheet - Assets

7.2 Significant Shareholdings: book value, fair value and dividends received

(€ million)

COMPANY NAME	BALANCE SHEET VALUE	FAIR VALUE	DIVIDENDS RECEIVED
A. Companies under joint control			
B. Companies subject to significant influence			
OBERBANK AG	1,114	1,339	19
BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT	985	985	7
BKS BANK AG	548	217	5
CNP UNICREDIT VITA S.P.A.	499	-	74
UNICREDIT ALLIANZ VITA S.P.A.	467	-	-
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	448	-	24
Total	**4,061**	**2,541**	**129**

Fair value (Level 1) is shown for investments in listed associates.
It should be noted that Dividends received shown in the table refer to dividends received by the investor company.
In the present table and in the following ones relating to significant shareholdings the values are referred to the last financial statements in line with IAS28 requirements.

It should be noted that on the basis of the International Accounting Standards, equity investments in associates for which there is evidence of occurrence of events that may reduce their value[71] are tested for impairment by calculating recoverable value, stated as the higher of fair value, that for associates listed on regulated market is equal to the market quotation, net of costs to sell and value in use, and the recognition of (i) an impairment loss when the recoverable value is lower than the book value or (ii) a reversal, up to the amount of impairment previously recognized, when the recoverable value is higher than the book value.

As at 31 December 2024 for Bank Fuer Tirol un Vorarlberg Aktiengesellschaft the recoverable value was higher than the book value, therefore a write-back of previous impairment was recognized while for CNP UniCredit Vita S.P.A. the recoverable value was lower than the book value therefore a write-down was recognised.

For more details see paragraph 7.1 of this section and to the section "Section 17 - Gain (Losses) of equity investments - Item 250 Part C of Notes to the consolidated accounts.

Financial information of the investee companies used for the purposes of measurement with the net equity method is presented below. These figures include any adjustments made in line with paragraph B14 of IFRS12 requirements.

71 It should be noted that for equity investments listed in regulated markets a fair value (quotation) lower than the consolidated book value is an indication of reduction of their value

Part B - Consolidated balance sheet - Assets

7.3 Significant Shareholdings: accounting information

(€ million)

COMPANY NAME	CASH AND CASH BALANCES	FINANCIAL ASSETS	NON-FINANCIAL ASSETS	FINANCIAL LIABILITIES	NON-FINANCIAL LIABILITIES	TOTAL REVENUES	INTEREST MARGIN
A. Companies under joint control							
B. Companies subject to significant influence							
OBERBANK AG	X	25,059	361	23,317	652	891	X
BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT	X	11,869	521	11,919	386	322	X
BKS BANK AG	X	9,896	263	8,755	258	315	X
CNP UNICREDIT VITA S.P.A.	X	15,632	638	-	15,487	769	X
UNICREDIT ALLIANZ VITA S.P.A.	X	29,562	1,051	92	29,760	1,897	X
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	X	34,766	118	32,540	1,809	182	X

continued: 7.3 Significant Shareholdings: accounting information

(€ million)

COMPANY NAME	WRITE-BACK AND WRITE-DOWNS ON TANGIBLE AND INTAGIBLE ASSETS	PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES	PROFIT (LOSS) FROM CONTINUING OPERATIONS NET OF TAX	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS NET OF TAX	NET PROFIT (LOSS) (1)	OTHER COMPREHENSIVE INCOME, NET OF TAX (2)	COMPREHENSIVE INCOME (3)=(1)+(2)
A. Companies under joint control							
B. Companies subject to significant influence							
OBERBANK AG	X	379	296	-	296	(27)	269
BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT	X	246	211	-	211	18	229
BKS BANK AG	X	201	172	-	172	15	187
CNP UNICREDIT VITA S.P.A.	X	93	67	-	67	44	111
UNICREDIT ALLIANZ VITA S.P.A.	X	219	156	-	156	12	168
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	X	81	63	-	63	(4)	59

For each significant equity investment, the reconciliation between the book value of the equity investment and financial information of the companies is reported below.

(€ million)

COMPANY NAME	BALANCE SHEET VALUE	EQUITY PROQUOTA	GOODWILL ON CONSOLIDATION	OTHER CHANGES
A. Companies under joint control				
B. Companies subject to significant influence				
OBERBANK AG	1,114	1,071	43	-
BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT	985	1,138	-	(153)
BKS BANK AG	548	543	5	-
CNP UNICREDIT VITA S.P.A.	499	499	-	-
UNICREDIT ALLIANZ VITA S.P.A.	467	467	-	-
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	448	448	-	-

With reference to the nature of the relationships see paragraph 7.1 of this Section.

With reference to the investment in Bank Fuer Tirol und Vorarlberg Aktiengesellschaft, the carrying amount is affected by cumulated write downs for €153 million.

Part B - Consolidated balance sheet - Assets

Below are reported the aggregated financial information which are disclosed for the related stake in the equity held.

7.4 Equity investments are not significant: accounting information

(€ million)

NAME	BALANCE SHEET VALUE OF SHAREHOLDING	TOTAL ASSET	TOTAL LIABILITIES	TOTAL REVENUES	PROFIT (LOSS) FROM CONTINUING OPERATIONS NET OF TAX	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS NET OF TAX	NET PROFIT (LOSS) (1)	OTHER COMPREHENSIVE INCOME, NET OF TAX (2)	OTHER COMPREHENSIVE INCOME (3)=(1)+(2)
Companies under joint control		14	14	1					
Companies subject to significant influence	228	1,455	1,234	277	40		40	14	55

7.5 Equity investments: annual changes

(€ million)

	CHANGES IN 2024	CHANGES IN 2023
A. Opening balance	**4,025**	**3,543**
B. Increases	**557**	**900**
of which: business combinations	-	-
B.1 Purchases	2	107
B.2 Write-backs	79	116
B.3 Revaluation	415	423
B.4 Other changes	61	254
C. Decreases	**189**	**418**
of which: business combinations	-	-
C.1 Sales	2	82
C.2 Write-downs	11	71
C.3 Impairment	2	3
C.4 Other changes	174	262
D. Closing balance	**4,393**	**4,025**
E. Total revaluation	**3,810**	**3,396**
F. Total write-downs	**352**	**423**

It should be noted that items B.3 Revaluation and C.3 Impairment include, respectively, the changes in the carrying value of the equity investments stemming from profit and losses of the companies measured through the equity method. Changes in carrying value of the investments stemming from changes in equity reserves are reported in items B.4 Other changes and C.4 Other changes.

Part B - Consolidated balance sheet - Assets

7.6 Valuation and significant assumptions to establish the existence of joint control or significant influence

The Group has classified among associates the entities governed through voting rights with reference to which it can participate in defining the operating or financial policies through possession of at least 20%[72] of the voting rights or the possibility of appointing members of the governing body.
In particular, as shown in Table “7.1 Equity investments: information on shareholding relationships”, it should be noted that the investees CAMFIN S.p.A. and Risanamento S.p.A.[73] are classified among associates, although the Group does not have more than 20% of the voting rights, in virtue of the possibility of appointing members of the governing body.

The Group has classified its investees among jointly controlled equity investments in the presence of agreements that state that decisions on significant activities are taken with the unanimous consent of all parties that share control.
These agreements, in particular, attribute to the Group rights related only to the net assets and not rights to the assets and obligations on the liabilities of the investee.

As at 31 December 2024, 6 equity investments (all held either directly or through consolidated subsidiaries) in associates were carried at cost.

Based on available information, it should be considered that their consolidation at equity would not have significantly impacted the Group Shareholders’ equity.

7.7 Commitments related to equity investments in jointly-controlled companies

There are no commitments related to jointly controlled companies.

7.8 Commitments related to equity investments in companies subject to significant influence

As at 31 December 2024, the Group started the process to internalize its life bancassurance business in Italy through the termination of (i) the shareholders' agreement with CNP Assurances S.A. and the consequent commitment to acquire the entire stake (51%) in CNP UniCredit Vita S.p.A. held by CNP Assurances S.A., and (ii) the shareholders' agreement with Allianz S.p.A. and consequent commitment to acquire the entire stake (50%) held by Allianz S.p.A. in UniCredit Allianz Vita S.p.A.
The closing of each transactions is expected in 2025, following the standard authorizations by the competent authorities; upon the closing, the Group will hold 100% in CNP UniCredit Vita S.p.A. and UniCredit Allianz Vita S.p.A.

7.9 Significant restrictions

As at 31 December 2024, it should be noted, with reference to Value Transformation Services S.p.A., the existence of a shareholders' agreement which limits the Group's possibility to participate in the profits, in the form of dividend distribution, and in the losses to a maximum amount of €300,000.

Finally, the ability to receive dividends or capital distributions from associates is subordinated to the majority, also qualified, or unanimous decision of the relevant corporate body as provided by the law or by specific shareholder agreements.

7.10 Other information

With reference to significant equity investments in associates and jointly controlled companies, the net equity method was applied starting from the 2024 draft financial statements approved by the competent corporate bodies or from the reports approved in the three previous months.

With reference to non-significant equity investments in associates and jointly controlled companies, in limited cases financial statements or reports with a date prior to 3 months from 31 December 2024 were used, if no more up-to-date reports were available.

However, if financial statements or reports with a date other than 31 December 2024 were used, adjustments could be made in order to reflect significant transactions or events occurred until year-end 2024.

Finally, it should be noted that as at 31 December 2024 UniCredit group has in place alliance agreements, as well as shareholders’ agreements stipulated with other parties under the scope of co-investment agreements (e.g. agreements for the establishment of joint ventures), with special reference to the insurance sector. Under the scope of these agreements, as per market practice, there are investment protective clauses which, depending on the case, allow the parties to negotiate their respective positions on the underlying investment in the case of their “exit”, through mechanisms that require purchase and/or sale. These provisions are usually applied after a certain period of time and/or when specific events occur, also connected to the underlying distribution agreements.

Section 8 - Insurance assets - Item 80

No data to be disclosed.

72 10% for listed companies.
73 It should be noted that Risanamento S.p.A. is a company classified in the Financial Statements under item "120. Non-current assets and disposal groups classified as held for sale" according to IFRS5.

Part B - Consolidated balance sheet - Assets

Section 9 - Property, plant and equipment - Item 90

Valuation of the Group real estate portfolio

The Group adopts the fair value model for the measurement of properties held for investment and the revaluation model for the measurement of properties used in business.
Such approach is deemed to result in reliable and more relevant information for financial statements' users taking into account:
- the expected disposal of real estate assets held for investment (IAS40), as fair value model presents a higher capability to approximate the expected disposal price, accounting for the related effects timely in advance;
- the possibility to better represent the equity of the Group, with regard to real estate assets used in business (IAS16), as revaluation model represents the net equity updated in light of current market conditions.

As at 31 December 2024, according to the Group regulation, the fair value of the Group Real Estate properties (both held for investment and used in business) was determined through external appraisals for the whole perimeter (through full or desktop appraisals, also depending on the significance of properties, the real estate assets type, if held for investment or used in business, and/or the elapsed time since the last full external appraisal).

With reference to the Group, the update of appraisals has led to an overall negative Balance sheet effect of -€46 million, whose breakdown is here outlined:
- -€27 million for assets used in business, of which -€25 million through Net Equity (decrease in the valuation reserve) and -€2 million in the Income statement;
- -€19 million in the Income statement for assets held for investment.

With reference to UniCredit S.p.A., the update of appraisals led to an overall negative effect for -€25 million (of which -€24 million for assets held for investment).

It is worth to note that the valuation of properties at current values implies a possible risk of volatility, as well as an increase of the so-called real estate risk (for the description of which refer to Part E - Information on risks and related hedging policies of the Notes to the consolidated accounts, Other risk included in the Economic Capital).

By reference to the real estate units held as at 31 December 2024 and their corresponding market value overall equal to €5,906 million, a sensitivity to the increase/decrease in real estate values of +/-1%, equal to approximately €59 million, was estimated corresponding to approximately +/-1.5 basis point of CET1 ratio.

The useful life of buildings used in business is reviewed, on a yearly basis, through periodical external appraisals, since it better reflects the real assets useful life and the related depreciation, especially considering continuous enhancement/maintenance executed on instrumental properties.

The measurement of inventories of property, plant and equipment to the lower between cost and net realizable value has determined the recognition of a net write-down for -€35 million. In particular, such an impact is mainly attributable to inventories belonging to Unicredit Leased Asset Management S.p.A., as a result of (i) the execution of some projects which foresee an accelerated disposal of certain assets which led to the assessment of a net realizable value lower than the carrying value and (ii) the ordinary evaluation for the remaining part of the portfolio.

Part B - Consolidated balance sheet - Assets

9.1 Property, plant and equipment used in the business: breakdown of assets carried at cost

(€ million)

ASSETS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Owned assets	**1,314**	**1,276**
a) Land	-	-
b) Buildings	-	-
c) Office furniture and fitting	127	136
d) Electronic systems	438	429
e) Other	749	711
2. Right of use of Leased Assets	**1,131**	**1,366**
a) Land	9	9
b) Buildings	1,055	1,293
c) Office furniture and fitting	-	-
d) Electronic systems	-	-
e) Other	67	64
Total	**2,445**	**2,642**
of which: obtained by the enforcement of collateral	-	-

9.2 Property, plant and equipment held for investment: breakdown of assets carried at cost

No data to be disclosed.

Part B - Consolidated balance sheet - Assets

9.3 Property, plant and equipment used in the business: breakdown of revalued assets

(€ million)

ASSETS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Owned assets	**-**	**-**	**4,543**	**-**	**-**	**4,582**
a) Land	-	-	1,983	-	-	2,015
b) Buildings	-	-	2,560	-	-	2,567
c) Office furniture and fitting	-	-	-	-	-	-
d) Electronic systems	-	-	-	-	-	-
e) Other	-	-	-	-	-	-
2. Right of use of Leased Assets	**-**	**-**	**-**	**-**	**-**	**-**
a) Land	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-
c) Office furniture and fitting	-	-	-	-	-	-
d) Electronic systems	-	-	-	-	-	-
e) Other	-	-	-	-	-	-
Total	**-**	**-**	**4,543**	**-**	**-**	**4,582**
of which: obtained by the enforcement of collateral	-	-	*1*	-	-	*1*
Total Level 1, Level 2 and Level 3			**4,543**			**4,582**

9.4 Property, plant and equipment held for investment: breakdown of assets designated at fair value

(€ million)

ASSETS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Owned assets	**-**	**-**	**1,319**	**-**	**-**	**812**
a) Land	-	-	816	-	-	363
b) Buildings	-	-	503	-	-	449
2. Right of use of Leased Assets	**-**	**-**	**44**	**-**	**-**	**52**
a) Land	-	-	42	-	-	47
b) Buildings	-	-	2	-	-	5
Total	**-**	**-**	**1,363**	**-**	**-**	**864**
of which: obtained by the enforcement of collateral	-	-	*65*	-	-	*46*
Total Level 1, Level 2 and Level 3			**1,363**			**864**

9.5 Inventories of property, plant and equipment regulated by IAS2: breakdown

(€ million)

ASSETS/VALUES	AMOUNTS AS AT	
	31.12.2024	31.12.2023
1. Inventories of property, plant and equipment obtained through the enforcement of guarantees received	**286**	**374**
a) Land	26	24
b) Buildings	252	348
c) Office furniture and fitting	-	-
d) Electronic systems	-	-
e) Other	8	2
2. Other inventories of property, plant and equipment	**157**	**166**
Total	**443**	**540**
of which: measured at fair value less costs to sell	*1*	*1*

Part B - Consolidated balance sheet - Assets

9.6 Property, plant and equipment used in the business: annual changes

(€ million)

	CHANGES IN 2024					
	LANDS	BUILDINGS	OFFICE FURNITURE AND FITTINGS	ELECTRONIC SYSTEMS	OTHER	TOTAL
A. Gross opening balance	**2,024**	**7,831**	**1,067**	**2,746**	**1,707**	**15,375**
A.1 Total net reduction in value	-	(3,971)	(931)	(2,317)	(932)	(8,151)
A.2 Net opening balance	2,024	3,860	136	429	775	7,224
B. Increases	**76**	**415**	**17**	**149**	**340**	**997**
B.1 Purchases	50	192	16	146	335	739
of which: business combinations	*1*	*29*	*4*	*5*	*12*	*51*
B.2 Capitalised expenditure on improvements	-	40	-	-	-	40
B.3 Write-backs	-	17	-	-	-	17
B.4 Increases in fair value	24	97	-	-	-	121
a) In equity	18	76	-	-	-	94
b) Through profit or loss	6	21	-	-	-	27
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Transfer from properties held for investment	1	3	X	X	X	4
B.7 Other changes	1	66	1	3	5	76
C. Reductions	**108**	**660**	**26**	**140**	**299**	**1,233**
C.1 Disposals	1	56	1	-	115	173
of which: business combinations	-	-	-	-	-	-
C.2 Depreciation	2	331	22	123	152	630
C.3 Impairment losses	-	30	1	7	4	42
a) In equity	-	-	-	-	-	-
b) Through profit or loss	-	30	1	7	4	42
C.4 Reduction of fair value	73	75	-	-	-	148
a) In equity	66	53	-	-	-	119
b) Through profit or loss	7	22	-	-	-	29
C.5 Negative exchange differences	1	21	-	4	2	28
C.6 Transfer to	31	27	-	-	-	58
a) Property, plant and equipment held for investment	3	8	X	X	X	11
b) Non-current assets and disposal groups classified as held for sale	28	19	-	-	-	47
C.7 Other changes	-	120	2	6	26	154
D. Net final balance	**1,992**	**3,615**	**127**	**438**	**816**	**6,988**
D.1 Total net reduction in value	-	(3,945)	(927)	(2,263)	(934)	(8,069)
D.2 Gross closing balance	1,992	7,560	1,054	2,701	1,750	15,057
E. Carried at cost	**853**	**1,613**	**-**	**-**	**-**	**2,466**

Part B - Consolidated balance sheet - Assets

9.7 Property, plant and equipment held for investment: annual changes

(€ million)

	CHANGES IN 2024		
	LANDS	BUILDINGS	TOTAL
A. Opening balances	**410**	**454**	**864**
B. Increases	**527**	**189**	**716**
B.1 Purchases	489	135	624
of which: business combinations	2	5	7
B.2 Capitalised expenditure on improvements	22	7	29
B.3 Increases in fair value	13	28	41
B.4 Write-backs	-	-	-
B.5 Positive exchange differences	-	1	1
B.6 Transfer from properties used in the business	3	8	11
B.7 Other changes	-	10	10
C. Reductions	**79**	**138**	**217**
C.1 Disposals	1	13	14
of which: business combinations	-	-	-
C.2 Depreciation	-	-	-
C.3 Reductions in fair value	22	39	61
C.4 Impairment losses	-	-	-
C.5 Negative exchange differences	-	2	2
C.6 Transfer to	55	84	139
a) Properties used in the business	1	3	4
b) Non-current assets and disposal groups classified as held for sale	54	81	135
C.7 Other changes	1	-	1
D. Closing balances	**858**	**505**	**1,363**
E. Measured at fair value	**-**	**-**	**-**

9.8 Inventories of property, plant and equipment regulated by IAS2: annual changes

(€ million)

	CHANGES IN 2024						
	INVENTORIES OF PROPERTY, PLANT AND EQUIPMENT OBTAINED BY ENFORCEMENT OF COLLATERAL						
	LANDS	BUILDINGS	OFFICE FURNITURE AND FITTINGS	ELECTRONIC SYSTEMS	OTHER	OTHER INVENTORIES OF PROPERTY, PLANT AND EQUIPMENT	TOTAL
A. Opening balances	**24**	**348**	**-**	**-**	**2**	**166**	**540**
B. Increases	**2**	**5**	**-**	**-**	**20**	**21**	**48**
B.1 Purchases	2	2	-	-	11	1	16
of which: business combinations	2	-	-	-	-	-	2
B.2 Write-backs	-	-	-	-	-	2	2
B.3 Positive exchange differences	-	-	-	-	-	-	-
B.4 Other changes	-	3	-	-	9	18	30
C. Reductions	**-**	**101**	**-**	**-**	**14**	**30**	**145**
C.1 Disposals	-	75	-	-	13	19	107
of which: business combinations	-	-	-	-	-	-	-
C.2 Impairment losses	-	25	-	-	1	11	37
C.3 Negative exchange differences	-	-	-	-	-	-	-
C.4 Other changes	-	1	-	-	-	-	1
D. Closing balances	**26**	**252**	**-**	**-**	**8**	**157**	**443**

Part B - Consolidated balance sheet - Assets

9.9 Commitments to purchase property, plant and equipment

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
A. Contractual commitments	1	-

Section 10 - Intangible assets - Item 100

An intangible asset is an identifiable non-monetary asset without physical substance, to be used for several years.
Intangible assets may include goodwill and, among “other intangible assets”, brands, customer relationships and software.
Goodwill is defined as the excess of the cost of a business combination over the percentage acquired of the net fair value of the assets and liabilities of companies or businesses at the acquisition date.

As at 31 December 2024 intangible assets amounted to €2,229 million and mostly referred to software slightly decreased in comparison to €2,272 million as at 31 December 2023.

It should be noted that the goodwill equal to €38 million refers to the acquisition of 90.1% of Alpha Bank Romania S.A. by UniCredit S.p.A.
For more details refer to Section 1 - Business combinations completed in the year - 1.1. Business combinations, Part G - Business combinations.

10.1 Intangible assets: breakdown by asset type

(€ million)

	AMOUNTS AS AT 31.12.2024		AMOUNTS AS AT 31.12.2023	
ASSETS/VALUES	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE
A.1 Goodwill	**X**	**38**	**X**	**-**
A.1.1 Attributable to the Group	X	38	X	-
A.1.2 Attributable to minorities	X	-	X	-
A.2 Other intangible assets	**2,191**	**-**	**2,272**	**-**
of which: software	*2,179*	-	*2,269*	-
A.2.1 Assets carried at cost	2,191	-	2,272	-
a) Intangible assets generated internally	1,801	-	1,863	-
b) Other assets	390	-	409	-
A.2.2 Assets measured at fair value	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	**2,191**	**38**	**2,272**	**-**
Total finite and indefinite life		**2,229**		**2,272**

The Group does not use the revaluation model (fair value) to measure intangible assets.

Part B - Consolidated balance sheet - Assets

10.2 Intangible assets: annual changes

(€ million)

	CHANGES IN 2024					
		OTHER INTANGIBLE ASSETS				
		GENERATED INTERNALLY		OTHER		
	GOODWILL	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE	TOTAL
A. Gross opening balance	**-**	**6,147**	**-**	**2,913**	**-**	**9,060**
A.1 Total net reduction in value	-	(4,284)	-	(2,504)	-	(6,788)
A.2 Net opening balance	**-**	**1,863**	**-**	**409**	**-**	**2,272**
B. Increases	**38**	**404**	**-**	**129**	**-**	**571**
B.1 Purchases	38	13	-	119	-	170
B.2 Increases in intangible assets generated internally	X	382	-	-	-	382
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- In equity	X	-	-	-	-	-
- Through profit or loss	X	-	-	-	-	-
B.5 Positive exchange differences	-	1	-	-	-	1
B.6 Other changes	-	8	-	10	-	18
of which: business combinations	*38*	-	-	*22*	-	*60*
C. Reduction	**-**	**466**	**-**	**148**	**-**	**614**
C.1 Disposals	-	-	-	2	-	2
C.2 Write-downs	-	460	-	129	-	589
- Amortisation	X	429	-	114	-	543
- Write-downs	-	31	-	15	-	46
+ In equity	X	-	-	-	-	-
+ Through profit or loss	-	31	-	15	-	46
C.3 Reduction in fair value	-	-	-	-	-	-
- In equity	X	-	-	-	-	-
- Through profit or loss	X	-	-	-	-	-
C.4 Transfer to non-current assets held for sale	-	-	-	-	-	-
C.5 Negative exchange differences	-	5	-	11	-	16
C.6 Other changes	-	1	-	6	-	7
of which: business combinations	-	-	-	-	-	-
D. Net closing balance	**38**	**1,801**	**-**	**390**	**-**	**2,229**
D.1 Total net write-down	-	(4,728)	-	(2,530)	-	(7,258)
E. Gross closing balance	**38**	**6,529**	**-**	**2,920**	**-**	**9,487**
F. Carried at cost	**-**	**-**	**-**	**-**	**-**	**-**

10.3 Intangible assets: other information

On the 4 November 2024, UniCredit S.p.A. has finalized the purchase of 90.1% of Alpha Bank from Alpha International Holdings S.M.S.A., which is part of the group held by Alpha Services and Holdings S.A., acquiring the control.
The acquisition was booked according to the accounting standard IFRS3 which stated the need to account the transaction applying the purchase method and has determined the recognition of Goodwill for €38 million and Customer relationship for €8 million. For the further details about such transaction refer to Notes to the consolidated accounts, Part G - Business combinations.

With specific reference to goodwill, in accordance with the prescriptions of IAS36, the impairment test for indefinite life intangible assets must be performed at least annually and whenever there is any indication that their value may be impaired. The referenced accounting standard requires the impairment test to be carried out by comparing the book value of each Cash Generating Unit (CGU) with its recoverable value. Should the recoverable value of a CGU prove to be lower than its book value, a write - down must be recorded in the financial statement. The recoverable amount of the CGU is the greater of its fair value (net of costs of disposal) and the related value in use.

With specific reference to the Goodwill, as well as the customer relationship, recognised following the purchase of Alpha Bank there were no indication that the asset might be impaired as proved by the circumstance that the shareholding was tested for impairment for the purpose of the financial statements of UniCredit S.p.A. and the recoverable amount confirmed its carrying value.

Part B - Consolidated balance sheet - Assets

Section 11 - Tax assets and tax liabilities - Item 110 (Assets) and Item 60 (Liabilities)

11.1 Deferred tax assets: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deferred tax assets arising from Italian law 214/2011	**2,995**	**4,380**
Deferred tax assets arising from tax losses(*)	**4,068**	**3,842**
Deferred tax assets arising from temporary differences	**4,329**	**4,278**
Financial assets and liabilities (different from loans and deposits)	304	278
Loans and deposits to/from banks and customers	508	667
Hedging and hedged item revaluation	633	618
Property, plant and equipment and intangible assets different from goodwill	316	338
Goodwill and equity investments	68	3
Current assets and liabilities held for sale	-	-
Other assets and Other liabilities	841	745
Provisions, pension funds and similar	1,659	1,629
Other	-	-
Accounting offsetting	**(1,804)**	**(1,751)**
Total	**9,588**	**10,749**

Note:
(*) The item "Deferred tax assets arising from tax losses" includes tax credit IRAP deriving from the conversion of the ACE benefit.

11.2 Deferred tax liabilities: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deferred tax liabilities arising from temporary differences	**2,056**	**2,043**
Financial assets and liabilities (different from loans and deposits)	368	262
Loans and deposits to/from banks and customers	201	306
Hedging and hedged item revaluation	503	466
Property, plant and equipment and intangible assets different from goodwill	698	734
Goodwill and equity investments	-	-
Assets and liabilities held for sale	1	-
Other assets and Other liabilities	202	228
Other	83	47
Accounting offsetting	**(1,804)**	**(1,751)**
Total	**252**	**292**

Part B - Consolidated balance sheet - Assets

Deferred Tax Assets (DTAs) totally amount to €9,588 million (compared with €10,749 million as at 31 December 2023), of which:
- €2,995 million (compared with €4,380 million as at 31 December 2023) can be converted into tax credits pursuant to Law 214/2011 (i.e., DTA convertible into tax credits);
- €2,525 million (compared with €2,527 million as at 31 December 2023), net of the accounting offsetting, are related to temporary effects (i.e., costs and write-offs tax deductible in future years compared to the year of accounting relevance) which are not-convertible into tax credits;
- €4,068 million (compared with €3,842 million as at 31 December 2023) are tax losses carried forward (TLCF).

The €4,068 million DTA on TLCF are mainly related to:
- UniCredit S.p.A. DTA on TLCF for €3,661 million (of which €319 million booked at the end of 2024 following the sustainability test);
- UniCredit Bank Austria AG for €18 million;
- UniCredit Leasing S.p.A. for €263 million;
- UniCredit Leased Asset Management S.p.A. for €1 million;
- moreover, the amount related UniCredit S.p.A. includes also €115 million of tax credit IRAP deriving from the conversion of so-called Aiuto alla Crescita Economica (ACE) to be used in the further years.

The above-mentioned amounts are the ones resulting from the sustainability test provided for IAS12, which, considering the economic projections foreseeable for future years and the peculiarities of the fiscal legislations of each country, checks whether there are future taxable incomes against which TLCF can be offset. For further info concerning sustainability test refer to “Section 10 Tax assets and liabilities - Item 100 (Assets) and Item 60 (Liabilities)” of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Assets.

At Group level:
- total not recognised DTAs on TLCF are equal to €357 million mainly relate to: €35 million to UniCredit Leasing S.p.A., €222 million to the UniCredit Bank GmbH and its subsidiaries and €76 million to the UniCredit Bank Austria AG and its subsidiaries;
- the DTs net amount on temporary differences out of balance is equal to -€285 million mainly related to: -€465 million to UniCredit Bank Austria AG and its subsidiaries, €88 million to AO UniCredit Bank and €79 million to UniCredit Bank Czech Republic and Slovakia A.S..

In respect of foreign permanent establishments of UniCredit S.p.A. relevant tax losses not utilised are equal to €7,553 million, due to start - up expenses or other operating costs. These tax losses can only be used against the taxable income at the level of each single permanent establishment for taxes due in the relevant country of establishment.

For deferred tax assets and liabilities of UniCredit S.p.A., reference is made to “Section 10 Tax assets and liabilities - Item 100 (Assets) and Item 60 (Liabilities)” of Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Assets, which is herewith quoted entirely.

Part B - Consolidated balance sheet - Assets

11.3 Deferred tax assets: annual changes (balancing P&L)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**9,139**	**9,931**
2. Increases	**2,697**	**3,440**
2.1 Deferred tax assets arisen during the year	1,301	1,940
a) Relating to previous years	69	254
b) Due to change in accounting criteria	-	-
c) Write-backs	638	981
d) Other	594	705
2.2 New taxes or increases in tax rates	27	5
2.3 Other increases	1,369	1,495
3. Decreases	**4,136**	**4,232**
3.1 Deferred tax assets derecognised during the year	2,640	2,657
a) Reversals	2,553	2,469
b) Write-downs of non-recoverable items	2	20
c) Change in accounting criteria	-	-
d) Other	85	168
3.2 Reduction in tax rates	-	1
3.3 Other decreases	1,496	1,574
a) Conversion into tax credit under Italian Law 214/2011	27	159
b) Other	1,469	1,415
4. Closing balance	**7,700**	**9,139**

For the portion of deferred tax assets arising from tax losses carried forward to subsequent years, refer to the table 11.1 of this section of the Notes to the consolidated accounts.
The sub-item "2.1 c) Write-backs" mainly reports the effects coming from the results of the sustainability test of DTA TLCF for Italian Tax Perimeter.
The sub-items "2.3 Other increases" and "3.3 Other decreases" b) Other" include the effect of netting DTA/DTL of previous and current year.
The sub-item "3.1 a) Reversals of temporary differences" includes reversal of both convertible and non-convertible DTAs.

11.4 Deferred tax assets (Italian Law 214/2011): annual changes

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**4,380**	**5,793**
2. Increases	**-**	**4**
3. Decreases	**1,385**	**1,417**
3.1 Reversals of temporary differences	1,358	1,257
3.2 Conversion into tax credits	27	159
a) Due to loss positions arisen from P&L	-	-
b) Due to tax losses	27	159
3.3 Other decreases	-	1
4. Closing balance	**2,995**	**4,380**

In accordance with the Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments), starting from 31 December 2018, the table shows the deferred tax asset annual changes of which L.214/2011 both equity balancing and Income statement balancing.

Part B - Consolidated balance sheet - Assets

11.5 Deferred tax liabilities: annual changes (balancing P&L)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**273**	**257**
2. Increases	**1,331**	**1,533**
2.1 Deferred tax liabilities arisen during the year	294	291
a) Relating to previous years	4	3
b) Due to change in accounting criteria	-	-
c) Other	290	288
2.2 New taxes or increases in tax rates	1	11
2.3 Other increases	1,036	1,231
3. Decreases	**1,368**	**1,517**
3.1 Deferred tax liabilities derecognised during the year	260	280
a) Reversals of temporary differences	129	194
b) Due to change in accounting criteria	-	-
c) Other	131	86
3.2 Reduction in tax rates	-	-
3.3 Other decreases	1,108	1,237
4. Closing balance	**236**	**273**

The items “2.3 Other increases” and “3.3 Other decreases” include the effect of netting DTA/DTL of previous and current year.

11.6 Deferred tax assets: annual changes (balancing Net Equity)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**1,610**	**1,918**
2. Increases	**756**	**313**
2.1 Deferred tax assets arisen during the year	266	78
a) Relating to previous years	-	-
b) Due to change in accounting criteria	-	-
c) Other	266	78
2.2 New taxes or increase in tax rates	-	-
2.3 Other increases	490	235
3. Decreases	**478**	**621**
3.1 Deferred tax assets derecognised during the year	18	113
a) Reversals of temporary differences	11	81
b) Write-downs of non-recoverable items	-	-
c) Due to change in accounting criteria	-	-
d) Other	7	32
3.2 Reduction in tax rates	-	-
3.3 Other decreases	460	508
4. Closing balance	**1,888**	**1,610**

Part B - Consolidated balance sheet - Assets

11.7 Deferred tax liabilities: annual changes (balancing Net Equity)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**19**	**306**
2. Increases	**811**	**633**
2.1 Deferred tax liabilities arisen during the year	90	17
a) Relating to previous years	-	-
b) Due to change in accounting criteria	-	-
c) Other	90	17
2.2 New taxes or increase in tax rates	-	-
2.3 Other increases	721	616
3. Decreases	**814**	**920**
3.1 Deferred tax liabilities derecognised during the year	56	182
a) Reversal of temporary differences	34	135
b) Due to change in accounting criteria	-	-
c) Other	22	47
3.2 Reduction in tax rates	-	13
3.3 Other decreases	758	725
4. Closing balance	**16**	**19**

The sub-items “2.3 Other increases” and “3.3 Other decreases” include the effect of netting DTA/DTL of previous and current year.

Part B - Consolidated balance sheet - Assets

11.8 Other information

Pillar Two - Global Minimum Tax

As of fiscal year 2024, the UniCredit group falls within the scope of the newly designed Global Minimum Tax (so-called Pillar Two).
The Pillar Two regulation provides for an international framework of rules aimed at ensuring that the worldwide profits of multinational groups are subject to tax at a rate not lower than 15% in every jurisdiction in which the groups operate.
The rules have been firstly designed by the Inclusive Framework of the OECD and then implemented in the European Union through the EU Council Directive 2022/2523 of 14 December 2022. For EU countries where the Group operates, the Directive entered into force starting from 2024 (in Italy, the provisions of the Directive have been transposed into Italian law with the Legislative Decree 209/2023), except for Poland (in force from 2025) and Latvia (postponement to 2030 granted by the Directive to certain Member States). Certain non-EU Member States in which the UniCredit group operates have implemented the Pillar Two rules starting from 2024 (e.g. United Kingdom), or are committed to implement such rules from 2025, while other jurisdictions have not yet communicated if and when they will implement such set of rules.
In a nutshell, the Pillar Two rules provide that, if in certain jurisdictions where the UniCredit group operates the effective tax rate (given by the ratio between corporate income taxes accrued in that jurisdiction and accounting result, adjusted based on specific rules) falls below 15%, then the UniCredit group will be required to pay an additional tax (so-called top-up tax) to reach the 15% tax rate threshold.
The relevant set of rules also provides for a transition period in which the in-scope multinational groups may avoid undergoing the complex effective tax rate calculation required by the new piece of legislation. In particular, the Pillar Two legislation provides for a Transitional Safe Harbours (TSH) that applies for the first three fiscal years following the entry into force of the relevant regulation; the TSH relies on simplified calculations (mainly based on data extracted from the Country-by-Country Reporting under BEPS Action 13, implemented in Italy with Law n. 208/2015) and three kinds of alternative tests. Where at least one of the TSH tests is met for a jurisdiction in which the UniCredit group operates, the top-up tax due for such jurisdiction will be deemed to be zero. A test is met for a jurisdiction when:

- revenue and profit before tax are below, respectively, €10 million and €1 million (*de minimis test*);
- the Effective Tax Rate (ETR) equals or exceeds an agreed rate (*ETR test*, 15% for FY 2024); or
- the profit before tax does not exceed the amount resulting from the application of specific percentages on tangible assets and payroll expense (*routine profits test*).

The UniCredit group has performed an assessment of its potential exposure for top-up tax based on the most recent information available regarding the financial performance (Country-by-Country Reporting related to fiscal year 2023 for TSH regime and, provisionally, 2024 financial statements data).
Based on the assessment performed, most of the jurisdictions benefit from the TSH. Only five jurisdictions may not benefit from the TSH, namely Bermuda, Bosnia-Herzegovina, Bulgaria, Italy and Serbia.
As those five jurisdictions do not enter the simplified regime, the UniCredit group has applied the ordinary regime. Based on such calculation, the ETR of Italy and Serbia results above the minimum rate of 15%, while Bulgaria, Bermuda and Bosnia- Herzegovina do not meet such minimum rate, with a top-up tax potentially due equal to:

- €24.6 million for Bulgaria, accounted in UniCredit Bulbank AD financial statement;
- €5 million for Bermuda and Bosnia-Herzegovina, accounted in UniCredit S.p.A. financial statement, in the absence of the local implementation of the minimum tax in these jurisdictions.

The above analysis on the requirements to access the transitional simplified regime has to be considered as an estimation, given that, as already highlighted, it was based on the 2023 Country-by-Country Reporting; furthermore, the estimated calculation is based on complex regulations that have only recently been enacted, limited guidelines and partial availability of the data required to perform the full calculation.
Starting from 2024, each legal entity of the UniCredit group has applied the exception to the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes referred to in paragraph 4 A IAS12.

Part B - Consolidated balance sheet - Assets

Section 12 - Non-current assets and disposal groups classified as held for sale and Liabilities associated with assets classified as held for sale - Item 120 (Assets) and Item 70 (Liabilities)

Non-current assets or groups of assets and directly connected liabilities, which constitute a set of cash flow generating assets, the sale of which is highly likely, are recognised under these items.

In the balance sheet as at 31 December 2024, compared with 31 December 2023, the main variations are referred to: (i) the sales, partially offset by new classifications, of mainly non-performing loans related to portfolio's sale initiatives; (ii) the inclusion of the controlled companies Weicker S.A.R.L. and Monnet 8-10 S.A R.L.; (iii) the exit of associated company Barn B.V.

Fair value measurements are classified, for disclosure purposes only, into a fair value hierarchy that reflects the significance of inputs used in the valuations. For further information refer to paragraph "A.4 Information on fair value", Notes to the consolidated accounts, Part A - Accounting policies.

Part B - Consolidated balance sheet - Assets

12.1 Non-current assets and disposal groups classified as held for sale: breakdown by asset type

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
A. Assets held for sale		
A.1 Financial assets	201	278
A.2 Equity investments	6	41
A.3 Property, plant and equipment	186	51
of which: obtained by the enforcement of collateral	-	-
A.4 Intangible assets	-	-
A.5 Other non-current assets	1	-
Total (A)	**394**	**370**
of which: carried at cost	*205*	*288*
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	*84*	*82*
of which: designated at fair value - level 3	*105*	-
B. Discontinued operations		
B.1 Financial assets at fair value through profit or loss	-	-
- Financial assets held for trading	-	-
- Financial assets designated at fair value	-	-
- Other financial assets mandatorily at fair value	-	-
B.2 Financial assets at fair value through other comprehensive income	-	-
B.3 Financial assets at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: obtained by the enforcement of collateral	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total (B)	**-**	**-**
of which: carried at cost	-	-
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	-	-
of which: designated at fair value - level 3	-	-
C. Liabilities associated with assets classified as held for sale		
C.1 Deposits	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total (C)	**-**	**-**
of which: carried at cost	-	-
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	-	-
of which: designated at fair value - level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities at amortised cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total (D)	**-**	**-**
of which: carried at cost	-	-
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	-	-
of which: designated at fair value - level 3	-	-

Part B - Consolidated balance sheet - Assets

As at 31 December 2024 the financial assets classified as non-current assets and disposal groups classified as held for sale included in stage 3 are equal to €171 million (€278 million as at December 2023).

12.2 Other information

There is no significant information to be reported.

Section 13 - Other assets - Item 130

13.1 Other assets: breakdown

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
Margin with derivatives clearers (non-interest bearing)	-	1
Gold, silver and precious metals	141	116
Accrued income and prepaid expenses other than capitalised income	762	604
Positive value of management agreements (so-called servicing assets)	-	-
Cash and other valuables held by cashier	112	111
- Current account cheques being settled, drawn on third parties	112	111
- Current account cheques payable by group banks, cleared and in the process of being debited	-	-
- Money orders, bank drafts and equivalent securities	-	-
- Coupons, securities due on demand, revenue stamps and miscellaneous valuables	-	-
Interest and changes to be debited to	262	244
- Customers	257	237
- Banks	5	7
Items in transit between branches not yet allocated to destination accounts	2	-
Items in processing	461	467
Items deemed definitive but not-attributable to other items	3,003	3,144
- Securities and coupons to be settled	30	183
- Other transactions	2,973	2,961
Adjustments for unpaid bills and notes	30	448
Tax items other than those included in item 110	8,046	6,744
Commercial credits pursuant to IFRS15	179	108
Other items	970	1,124
Total	**13,968**	**13,111**

Item “Accrued income and prepaid expenses other than capitalised income” includes the contract assets recognised in accordance with IFRS15.
In this context accrued income represents the portion of the performance obligation already satisfied through the services provided by the Group and that will be settled in the future periods in accordance with contractual provisions.
In this regard, it is worth to note that the aggregate amount of revenues from services to customers related to the portion of performance obligations not yet satisfied, and therefore not represented in the table above, is equal to €5.8 million. The majority of this amount relates to performance obligations expected to be satisfied by the following year end reporting date.
It should be noted that during the period the change in the item “accrued income and prepaid expenses not included in the carrying amount of the relevant financial assets” is mainly due to the entry into force of a new contract with a payment services company.
The item “Tax items other than those included in item 110” mainly includes Tax credits connected with the "Cura Italia" and "Rilancio" Law Decrees for €6.7 billion (o/w UniCredit S.p.A. €3.5 billion).

Part B - Consolidated balance sheet - Assets

Periodic change of accrued income/expenses and prepaid expenses/income

(€ million)

	AMOUNTS AS AT 31.12.2024	
	ACCRUED INCOME AND PREPAID EXPENSES	ACCRUED EXPENSES AND DEFERRED INCOME
Opening balance	**604**	**519**
Increases	**287**	**125**
a) Changes due to business combinations	6	11
b) Cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability, including adjustments arising from a change in the measure of progress, a change in an estimate of the transaction price (including any changes in the assessment of whether an estimate of variable consideration is constrained) or a contract modification (IFRS15 Par. 118.b)	24	36
c) Reversal of impairment of a contract asset (IFRS15 Par. 118.c)	-	X
d) Change in the time frame for a right to consideration to become unconditional (ie for a contract asset to be reclassified to a receivable) (IFRS15 Par. 118.d)	-	1
e) Change in the time frame for a performance obligation to be satisfied (ie for the recognition of revenue arising from a contract liability (IFRS15 Par. 118.e)	-	-
f) Other	257	77
Decreases	**129**	**184**
a) Changes due to business combinations	-	-
b) Cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability, including adjustments arising from a change in the measure of progress, a change in an estimate of the transaction price (including any changes in the assessment of whether an estimate of variable consideration is constrained) or a contract modification (IFRS15 Par. 118.b)	20	35
c) Impairment of a contract asset (IFRS15 Par. 118.c)	-	X
d) Change in the time frame for a right to consideration to become unconditional (ie for a contract asset to be reclassified to a receivable) (IFRS15 Par. 118.d)	3	1
e) Change in the time frame for a performance obligation to be satisfied (ie for the recognition of revenue arising from a contract liability (IFRS15 Par. 118.e)	-	-
f) Other	106	148
Closing balance	**762**	**460**

Note that the item “f) other” includes (i) the deferral of income and expenses related to performance obligation that have already been paid but not yet satisfied, as well as the recognition in P&L of the amount previously deferred in accordance with the progressive satisfaction of the performance obligation and (ii) the accrual in P&L of the amounts due as a result of the satisfaction of a performance obligation for which the payment is contractually postponed as well as their subsequent derecognition after the settlement.

Part B - Consolidated balance sheet - Liabilities

Liabilities

Section 1 - Financial liabilities at amortised cost - Item 10

1.1 Financial liabilities at amortised cost: breakdown by product of deposits from banks

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Deposits from central banks	**3,234**	X	X	X	**15,694**	X	X	X
2. Deposits from banks	**64,685**	X	X	X	**55,375**	X	X	X
2.1 Current accounts and demand deposits	10,570	X	X	X	11,637	X	X	X
2.2 Time deposits	10,043	X	X	X	9,027	X	X	X
2.3 Loans	43,592	X	X	X	33,594	X	X	X
2.3.1 Repos	28,895	X	X	X	17,153	X	X	X
2.3.2 Other	14,697	X	X	X	16,441	X	X	X
2.4 Liabilities relating to commitments to repurchase treasury shares	-	X	X	X	-	X	X	X
2.5 Lease deposits	16	X	X	X	27	X	X	X
2.6 Other deposits	464	X	X	X	1,090	X	X	X
Total	**67,919**	**-**	**47,626**	**19,611**	**71,069**	**-**	**47,005**	**22,858**
Total Level 1, Level 2 and Level 3				**67,237**				**69,863**

The decrease in the item "1. Deposits from central banks" mainly derives from the reduction due to a reimbursement of the TLTRO III exposures liabilities, mainly at UniCredit S.p.A. and its subsidiary UniCredit Bank GmbH, occurred during the 2024.

The sub-item "2.3 Loans" includes also liabilities related to repos transactions executed using proprietary securities issued by Group companies, which were eliminated from assets at consolidated level.
The same sub-item does not include the type of bond lending transactions collateralised by securities or not collateralised.
For further information refer to the paragraph "Other information", Notes to the consolidated accounts, Part B - Consolidated balance sheet.
The increase in this sub-item is mainly due to the transactions closed by UniCredit S.p.A. and its subsidiaries UniCredit Bank GmbH and UniCredit Bank Austria Ag.

Deposits from banks are not carried at fair value, which is presented solely for the purpose of fulfilling financial disclosure requirements. Valuations at fair value are classified according to a hierarchy of levels reflecting the observability of the inputs used in the measurements.

For further information refer to the paragraph "A.4 - Information on fair value of the Notes to the consolidated accounts, Part A - Accounting Policies.

Part B - Consolidated balance sheet - Liabilities

1.2 Financial liabilities at amortised cost: breakdown by product of deposits from customers

(€ million)

TYPE OF TRANSACTION/VALUES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Current accounts and demand deposits	367,982	X	X	X	369,675	X	X	X
2. Time deposits	98,882	X	X	X	95,801	X	X	X
3. Loans	26,355	X	X	X	24,617	X	X	X
3.1 Repos	23,605	X	X	X	21,333	X	X	X
3.2 Other	2,750	X	X	X	3,284	X	X	X
4. Liabilities relating to commitments to repurchase treasury shares	-	X	X	X	21	X	X	X
5. Lease deposits	1,466	X	X	X	1,677	X	X	X
6. Other deposits	6,285	X	X	X	5,603	X	X	X
Total	**500,970**	**-**	**181,636**	**319,273**	**497,394**	**-**	**182,821**	**314,383**
Total Level 1, Level 2 and Level 3		**500,909**				**497,204**		

The item "3. Loans" also includes liabilities relating to repos executed using proprietary securities issued by Group companies, which were eliminated from assets at consolidated level; the same sub-item does not include the type of bond lending transactions collateralised by securities or not collateralised. For further information refer to the paragraph "Other information", Notes to the consolidated accounts, Part B - Consolidated balance sheet - Liabilities.
Deposits from customers are not carried at fair value, which is presented solely for the purpose of fulfilling financial disclosure requirements. Fair value measurements are classified according to a three levels hierarchy that reflects the observability of the inputs used in the measurements.
The fair value of demand items was estimated to be equal to their net book value by exercising the option provided for by IFRS7.29.
According to this assumption, demand items were classified as Level 3 in the fair value hierarchy.

For further information see the paragraph "A.4 - Information on fair value", Notes to the consolidated accounts Part A - Accounting Policies.

1.3 Financial liabilities at amortised cost: breakdown by product of debt securities in issue

(€ million)

TYPE OF SECURITIES/VALUES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
A. Debt securities								
1. Bonds	85,503	57,459	17,409	8,994	84,171	53,211	18,760	9,355
1.1 Structured	1,460	-	1,417	13	965	26	922	-
1.2 Other	84,043	57,459	15,992	8,981	83,206	53,185	17,838	9,355
2. Other securities	5,206	-	62	5,081	5,674	-	55	5,602
2.1 Structured	47	-	47	-	45	-	45	-
2.2 Other	5,159	-	15	5,081	5,629	-	10	5,602
Total	**90,709**	**57,459**	**17,471**	**14,075**	**89,845**	**53,211**	**18,815**	**14,957**
Total Level 1, Level 2 and Level 3		**89,005**				**86,983**		

Fair value measurements, solely for the purpose of fulfilling financial disclosure requirements, are classified according to a hierarchy of levels reflecting the observability of the valuations input used in the measurements. For further information see the paragraph "A.4 - Information on fair value", Notes to the consolidated accounts, Part A - Accounting policies.

Sub-items "1.1 Bonds - Structured" and "2.1 Other securities -structured" has an overall amount equal to €1,507 million and accounted for 1.66% of total debt securities. They mainly refer to interest-rate linked instruments with related derivatives components, identified according to the classification rules of Mifid.

The fair value of derivatives embedded in structured securities and separated, is presented in item 20 of Assets and item 20 of Liabilities and included in Trading derivatives - Others, amounted to a net balance of €13 million negative.

Part B - Consolidated balance sheet - Liabilities

1.4 Breakdown of subordinated debts/securities

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deposits from banks	-	-
Deposits from customers	33	33
Debt securities	6,616	7,655
Total	**6,649**	**7,688**

1.5 Breakdown of structured debts

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deposits from banks	-	-
Deposits from customers	-	1
Total	**-**	**1**

1.6 Amounts payable under finance leases

(€ million)

	31.12.2024		31.12.2023	
	CASH OUTFLOWS		CASH OUTFLOWS	
TIME BUCKET	FINANCE LEASES	OPERATING LEASES	FINANCE LEASES	OPERATING LEASES
Up to 1 year	43	283	50	310
1 year to 2 years	40	354	41	278
2 year to 3 years	42	205	40	342
3 year to 4 years	39	144	39	192
4 year to 5 years	38	113	38	124
Over 5 years	151	193	155	268
Total Lease Payments to be made	**353**	**1,292**	**363**	**1,514**
RECONCILIATION WITH DEPOSITS				
Unearned finance expenses (-) (Discounting effect)	59	104	51	122
Lease deposits	**294**	**1,188**	**312**	**1,392**

It should be noted that table 1.6 Amounts payable under finance leases reports the maturity analysis based on time bucket of the lease liability as requested by IFRS16 and the Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments).

Part B - Consolidated balance sheet - Liabilities

Section 2 - Financial liabilities held for trading - Item 20

2.1 Financial liabilities held for trading: breakdown by product

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024					AMOUNTS AS AT 31.12.2023				
	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*
		LEVEL 1	LEVEL 2	LEVEL 3			LEVEL 1	LEVEL 2	LEVEL 3	
A. Cash liabilities										
1. Deposits from banks	1	1,794	-	-	1,795	-	747	-	2	749
2. Deposits from customers	5	815	30	1	847	9	5,884	19	1	5,904
3. Debt securities	3,555	-	3,368	174	3,534	3,779	-	3,306	373	3,678
3.1 Bonds	1,760	-	1,660	99	1,754	1,789	-	1,586	187	1,773
3.1.1 Structured	1,760	-	1,660	99	X	1,709	-	1,504	187	X
3.1.2 Other	-	-	-	-	X	80	-	82	-	X
3.2 Other securities	1,795	-	1,708	75	1,780	1,990	-	1,720	186	1,905
3.2.1 Structured	1,795	-	1,708	75	X	1,990	-	1,720	186	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total (A)	**3,561**	**2,609**	**3,398**	**175**	**6,176**	**3,788**	**6,631**	**3,325**	**376**	**10,331**
B. Derivatives instruments										
1. Financial derivatives	X	3,287	20,644	1,184	X	X	4,730	21,901	855	X
1.1 Trading derivatives	X	3,287	19,694	647	X	X	4,730	21,791	843	X
1.2 Linked to fair value option	X	-	38	-	X	X	-	57	-	X
1.3 Other	X	-	912	537	X	X	-	53	12	X
2. Credit derivatives	X	30	20	2	X	X	107	75	22	X
2.1 Trading derivatives	X	30	20	2	X	X	107	75	22	X
2.2 Linked to fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	**X**	**3,317**	**20,664**	**1,186**	**X**	**X**	**4,837**	**21,976**	**877**	**X**
Total (A+B)	**X**	**5,926**	**24,062**	**1,361**	**X**	**X**	**11,468**	**25,301**	**1,253**	**X**
Total Level 1, Level 2 and Level 3				**31,349**					**38,022**	

Note:
Fair value* = Fair value calculated excluding the value changes due to the change of credit worthiness of the issuer compared to the issue date.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information refer to the paragraph "A.4 - Information on fair value" of the Notes to the consolidated accounts, Part A - Accounting Policies.

The reduction of the item is mainly attributable to the decrease of the stock of short selling, mostly related to the subsidiary UniCredit Bank GmbH.

The financial assets and liabilities relating to OTC Derivatives and repos managed through Central Counterparty Clearing Houses (CCPs) are offset when (i) the clearing systems of CCPs guarantee the elimination or reduce to immaterial the credit and liquidity risks of these contracts and (ii) the entity intends to settle these contracts on a net basis, in accordance with IAS32 - Offsetting, in order to better present the liquidity profile and counterparty risk connected with them.

The offset effect as at 31 December 2024, already included in the net presentation of these transactions, totaled €120,075 million decreased in comparison to €181,115 million as at 31 December 2023 due to the evolution of reference market conditions, mainly relating to the activities of UniCredit S.p.A.

The sub-items "Deposits from banks" and "Deposits from customers" include short selling totaling €2,636 million as at 31 December 2024 (€6,643 million as at 31 December 2023), in respect of which no nominal amount was attributed.

2.2 Breakdown of "Financial liabilities held for trading": subordinated liabilities

No data to be disclosed.

Part B - Consolidated balance sheet - Liabilities

2.3 Breakdown of "Financial liabilities held for trading": structured debts

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deposits from banks	-	22
Deposits from customers	-	-
Debt securities	3,556	3,699
Total	**3,556**	**3,721**

Section 3 - Financial liabilities designated at fair value - Item 30

3.1 Financial liabilities designated at fair value: breakdown by product

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024					AMOUNTS AS AT 31.12.2023				
	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*
		LEVEL 1	LEVEL 2	LEVEL 3			LEVEL 1	LEVEL 2	LEVEL 3	
1. Deposits from banks	**1**	**-**	**-**	**1**	**1**	**3**	**-**	**2**	**1**	**3**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	1	-	-	1	X	3	-	2	1	X
of which:										
- loan commitments given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
- financial guarantees given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
2. Deposits from customers	**722**	**-**	**662**	**30**	**687**	**696**	**-**	**791**	**38**	**663**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	722	-	662	30	X	696	-	791	38	X
of which:										
- loan commitments given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
- financial guarantees given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
3. Debt securities	**13,215**	**-**	**12,487**	**566**	**12,926**	**11,577**	**-**	**10,459**	**756**	**11,063**
3.1 Structured	12,884	-	12,156	563	X	11,070	-	9,946	756	X
3.2 Other	331	-	331	3	X	507	-	513	-	X
Total	**13,938**	**-**	**13,149**	**597**	**13,614**	**12,276**	**-**	**11,252**	**795**	**11,729**
Total Level 1, Level 2 and Level 3				**13,746**					**12,047**	

Note:
Fair value* = Fair value calculated excluding the value changes due to the change of credit worthiness of the issuer compared to the issue date.

The classification of Liabilities in this item aims to reduce the accounting mismatch related to the use of financial instruments measured with changes in fair value in the Income statement in order to manage the risk profile.

Valuations at fair value are classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information refer to the paragraph “A.4 - Information on fair value” of the Notes to the consolidated accounts, Part A - Accounting policies.

The sub-item “3.1 Debt securities - Structured” includes “Certificates”, structured debt securities, issued by UniCredit S.p.A. and by other Group’s legal entities. These instruments are designated at fair value as the embedded derivatives cannot be bifurcated.

3.2 Breakdown of "Financial liabilities designated at fair value": subordinated liabilities

No data to be disclosed.

Part B - Consolidated balance sheet - Liabilities

Section 4 - Hedging derivatives - Item 40

4.1 Hedging derivatives: breakdown by type of hedging and by levels

(€ million)

	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial derivatives	**-**	**1,026**	**86**	**270,662**	**124**	**2,208**	**27**	**497,981**
1) Fair value	-	330	16	241,684	124	1,300	22	460,661
2) Cash flows	-	691	68	27,436	-	906	5	36,161
3) Net investment in foreign subsidiaries	-	5	2	1,542	-	2	-	1,159
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**1,026**	**86**	**270,662**	**124**	**2,208**	**27**	**497,981**
Total Level 1, Level 2 and Level 3			**1,112**				**2,359**	

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information refer to paragraph "A.4 - Information on fair value" of the Notes to the consolidated accounts, Part A - Accounting policies.

4.2 Hedging derivatives: breakdown by hedged portfolios and type of hedging

(€ million)

	AMOUNTS AS AT 31.12.2024									
	FAIR VALUE							CASH FLOW		
	MICRO-HEDGE									
TRANSACTIONS/HEDGE TYPES	DEBT SECURITIES AND INTEREST RATES RISK	EQUITY INSTRUMENTS AND EQUITY INDICES RISK	CURRENCY AND GOLD	CREDIT RISK	COMMODITIES	OTHER	MACRO-HEDGE	MICRO-HEDGE	MACRO-HEDGE	FOREIGN INVESTMENTS
1. Financial assets at fair value through other comprehensive income	42	-	-	-	X	X	X	-	X	X
2. Financial assets at amortised cost	-	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	149	X	664	X
4. Other transactions	-	-	-	-	-	-	X	-	X	7
Total assets	**42**	**-**	**-**	**-**	**-**	**-**	**149**	**-**	**664**	**7**
1. Financial liabilities	13	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	39	X	59	X
Total liabilities	**13**	**-**	**-**	**-**	**-**	**-**	**39**	**-**	**59**	**-**
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	103	X	36	-

Part B - Consolidated balance sheet - Liabilities

Section 5 - Value adjustment of hedged financial liabilities - Item 50

5.1 Changes to hedged financial liabilities

(€ million)

CHANGES TO HEDGED LIABILITIES/GROUP COMPONENTS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Positive changes to financial liabilities	7,159	7,994
2. Negative changes to financial liabilities	(16,406)	(20,926)
Total	**(9,247)**	**(12,932)**

The decrease in the item is mainly attributable to the evolution in the markets interest rate curves observed in 2024.

Section 6 - Tax liabilities - Item 60

Refer to the paragraph "Section 11 - Tax assets and tax liabilities - Item 110 (Assets) and Item 60 (Liabilities)" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part B - Consolidated balance sheet - Assets.

Section 7 - Liabilities associated with assets classified as held for sale - Item 70

See the paragraph "Section 12 - Non-current assets and disposal group classified as held for sale and Liabilities associated with assets classified as held for sale - Item 120 (Assets) and Item 70 (Liabilities)" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part B - Consolidated balance sheet - Assets.

Part B - Consolidated balance sheet - Liabilities

Section 8 - Other liabilities - Item 80

8.1 Other liabilities: breakdown

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
Liabilities in respect of financial guarantees issued	3	3
Accrued expenses and deferred income other than those to be capitalised for the financial liabilities concerned	460	519
Negative value of management agreements (so-called servicing assets)	-	-
Payment agreements based on the value of own capital instruments classified as liabilities pursuant to IFRS2	8	6
Other liabilities due to employees	2,165	2,433
Other liabilities due to other staff	11	13
Other liabilities due to Directors and Statutory Auditors	1	1
Interest and amounts to be credited to	231	228
- Customers	220	219
- Banks	11	9
Items in transit between branches and not yet allocated to destination accounts	12	9
Available amounts to be paid to others	453	220
Items in processing	1,390	1,454
Entries relating to securities transactions	454	103
Definitive items but not attributable to other lines	3,316	4,175
- Accounts payable - suppliers	915	990
- Provisions for tax withholding on accrued interest, bond coupon payments or dividends	9	6
- Other entries	2,392	3,179
Liabilities for miscellaneous entries related to tax collection service	3	-
Adjustments for unpaid portfolio entries	1,379	4
Tax items different from those included in item 60	1,698	1,313
Other entries	3,103	3,085
Total	**14,687**	**13,566**

Item “Accrued expenses and deferred income other than those to be capitalised for the financial liabilities” includes the contract liabilities recognised in accordance with IFRS15.
In this context, deferred income represents the portion of performance obligations not yet satisfied through the services provided by the Group, but already settled during the period or in previous periods.
In this regard, it is worth to specify that the majority of this amount relates to performance obligations expected to be satisfied by the end of the following year.
Refer to the paragraph “Section 13 - Other assets - Item 130” of the Notes to the consolidated accounts Part B - Consolidated balance sheet - Assets for information about the changes in deferred income and accrued expenses occurred in the period.

Part B - Consolidated balance sheet - Liabilities

Section 9 - Provision for employee severance pay - Item 90

The "TFR" provision for Italy-based employee benefits is to be construed as a "post-retirement defined benefit", therefore its recognition in financial statements has required the estimate, through actuarial techniques, of the amount of benefit accrued by employees and its discount to present value. This benefit is calculated by an external actuary using the "projected unit credit" method (refer to the paragraph "Part A.2 - Main items of the accounts" of the Notes to the consolidated accounts Part A - Accounting policies).

9.1 Provisions for employee severance pay: annual changes

(€ million)

	CHANGES IN	
	2024	2023
A. Opening balance	**335**	**368**
B. Increases	**15**	**33**
B.1 Provisions for the year	12	14
B.2 Other increases	3	19
of which: business combinations	-	-
C. Reductions	**56**	**66**
C.1 Severance payments	55	66
C.2 Other decreases	1	-
of which: business combinations	-	-
D. Closing Balance	**294**	**335**

9.2 Other information

(€ million)

	CHANGES IN	
	2024	2023
Cost Recognised in P&L:	**12**	**14**
- Current Service Cost	-	-
- Interest Cost on the DBO	12	14
- Settlement (gains)/losses	-	-
- Past Service Cost	-	-
Remeasurement Effects (Gains) Losses Recognised in OCI	**1**	**20**
Annual weighted average assumptions		
- Discount rate	3.30%	3.50%
- Price inflation	1.45%	1.75%

Financial duration of defined benefit obligation equals to 9 years; Valuation Reserve negative balance, net of tax, move from -€123 million as at 31 December 2023 to -€125 million as at 31 December 2024.

A change of -25 basis points of discount rate would result in an increase of the liability of €6 million (+2.07%); a correspondent increase of discount rate, on the other hand, would result in a reduction in the liability of €6 million (-2.03%). A change of -25 basis points of price inflation rate would result in a reduction of the liability of €4 million (-1.28%); a correspondent increase of price inflation rate, on the other hand, would result in an increase of the liability of €4 million (+1.30%).

Part B - Consolidated balance sheet - Liabilities

Section 10 - Provisions for risks and charges - Item 100

10.1 Provisions for risks and charges: breakdown

(€ million)

ITEMS/COMPONENTS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Provisions for credit risk on commitments and financial guarantees given	982	1,195
2. Provisions for other commitments and other guarantees given	61	89
3. Pensions and other post-retirement benefit obligations	3,193	3,083
4. Other provisions for risks and charges	3,680	3,176
4.1 Legal and tax disputes	1,050	637
4.2 Staff expenses	1,863	1,587
4.3 Other	767	952
Total	**7,916**	**7,543**

The item "4. Other provisions for risks and charges" consists of provisions for:

- legal disputes: cases in which the Group is a defendant, and post-insolvency clawback petitions (more information on litigation is set out in the paragraph “B. Legal risks” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part E - Information on risks and related hedging policies, 2.5 Operational risks, Qualitative information). In particular it is worth to note that such sub-item includes provisions posted by Zagrebacka Banka related to CHF loans and provisions for a lawsuit by a Russian energy company and related to a guarantee claim;
- staff expenses including the restructuring costs associated with the update of the Strategic Plan for the portion that has not been either settled or reclassified to "Other liabilities" as a result of the incurrence of a specific debt toward the employees;
- other: provisions for risks and charges not attributable to the above items, whose details are illustrated in the following table 10.6.

10.2 Provisions for risks and charges: annual changes

(€ million)

	CHANGES IN 2024			
	PROVISIONS FOR OTHER OFF-BALANCE SHEET COMMITMENTS AND OTHER GUARANTEES GIVEN	PENSION AND POST-RETIREMENT BENEFIT OBLIGATIONS	OTHER PROVISIONS FOR RISKS AND CHARGES	TOTAL
A. Opening balance	**89**	**3,083**	**3,176**	**6,348**
B. Increases	**(26)**	**414**	**1,727**	**2,115**
B.1 Provisions for the year	(27)	52	1,411	1,436
B.2 Changes due to the passing time	-	102	45	147
B.3 Differences due to discount-rate changes	-	-	12	12
B.4 Other changes	1	260	259	520
of which: business combinations	-	-	-	-
C. Decreases	**2**	**304**	**1,223**	**1,529**
C.1 Use during the year	-	240	706	946
C.2 Differences due to discount-rate changes	-	-	9	9
C.3 Other changes	2	64	508	574
of which: business combinations	-	-	-	-
D. Closing balance	**61**	**3,193**	**3,680**	**6,934**

The sub-item “B.1 Provisions for the year” referred to “provision for other off-Balance sheet commitments and other guarantees given” includes amounts reversed during the year.

Part B - Consolidated balance sheet - Liabilities

10.3 Provisions for credit risk on commitments and financial guarantees given

(€ million)

	AMOUNTS AS AT 31.12.2024				
	PROVISIONS FOR CREDIT RISK ON COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL
Loan commitments given	107	148	188	-	443
Financial guarantees given	51	102	386	-	539
Total	**158**	**250**	**574**	**-**	**982**

10.4 Provisions on other commitments and other issued guarantees

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
1. Other issued guarantees	61	89
2. Other commitments	-	-
Total	**61**	**89**

10.5 Pensions and other post-retirement defined-benefit obligations

1. Pensions and other post-retirement benefit obligations

There are several defined-benefit plans within the Group, i.e. plans whose benefit is linked to salary and employee length of service both in Italy and abroad. The Austrian, German and Italian plans account for over 90% of the Group's pension obligations.

Approx. 60% of the total obligations for defined benefit plans are financed with segregated assets. These plans are established in (i) Germany, among others "Direct Pension Plan" (i.e. an external fund managed by independent trustees), the "HVB Trust Pensionfonds AG" and the "Pensionkasse der Hypovereinsbank WaG", all created by UniCredit Bank GmbH, and (ii) in the United Kingdom, Italy and Luxembourg created by UniCredit Bank GmbH and UniCredit S.p.A.

The Group's defined-benefit plans are mainly closed to new recruits where most new recruits join defined-contribution plans instead and the related contributions are charged to the Income statement.

According to IAS19, obligations arising from defined-benefit plans are determined using the "projected unit credit" method, while segregated assets are measured at fair value at Balance sheet reporting date. The Balance sheet obligation is the result of the deficit or surplus (i.e., the difference between obligations and assets) net of any impacts of the asset ceiling; actuarial gains and losses are recognised in shareholders' equity and shown in a specific item of revaluation reserves in the financial year in which they are recorded.

The actuarial assumptions used to determine obligations vary from country to country and from plan to plan; the discount rate is determined, depending on the currency of denomination of the commitments and the maturity of the liability, by reference to market yields on a basket of "high quality corporate bonds".

In light of evolving common interpretation about "high quality corporate bonds" identification, UCG refined its Discount Rate setting methodology by referencing AA rated corporate bonds basket. In addition, it is worth to mention that, instead of econometric models, a Nelson Siegel Svensson methodology has been applied since years in modelling the yield-curve expressed by the basket of securities (by adjusting the long-term segment of the curve above the last liquid point, defined as the average maturity of the last 5 available bonds, relying on the slope of a Treasury curve build with AA Govies).

The remeasurement of commitments, performed on the basis of the methodology described above, as at 31 December 2024 leads to an increase in the negative balance of the valuation reserve relating to actuarial gains/losses on defined benefit plans of €158 million, net of deferred taxes, for a negative balance which move from -€2,471 million as at 31 December 2023 to -€2,629 million as at 31 December 2024.

Part B - Consolidated balance sheet - Liabilities

2. Changes of net defined benefit liability/asset and any reimbursement rights

2.1 Breakdown of defined benefit net obligation

(€ million)

	31.12.2024	31.12.2023
Current value of the defined benefit obligation	7,637	7,588
Current value of the plan assets	(4,465)	(4,528)
Deficit/(Surplus)	**3,172**	**3,060**
Irrecoverable surplus (effect of asset ceiling)	-	-
Net defined benefit liability/(asset) as of the period end date	**3,172**	**3,060**

2.2 Changes in defined benefit obligations

(€ million)

	31.12.2024	31.12.2023
Initial defined benefit obligation	7,588	7,431
Current service cost	54	53
Settlement (gain)/loss	(4)	-
Past service cost	-	-
Interest expense on the defined benefit obligation	266	277
Write-downs for actuarial (gains)/losses on defined benefit plans	153	259
Employees' contributions for defined benefit plans	9	9
Disbursements from plan assets	(191)	(185)
Disbursements directly paid by the fund	(232)	(249)
Settlements	(12)	-
Other increases (decreases)	6	(7)
Net defined benefit liability/(asset) as of the period end date	**7,637**	**7,588**

2.3 Changes to plan assets

(€ million)

	31.12.2024	31.12.2023
Initial fair value of plan assets	4,528	4,496
Interest income on plan assets	164	174
Administrative expenses paid from plan assets	-	-
Write-downs on the fair value of plan assets for actuarial gains (losses) on the discount rate	(66)	(2)
Employer contributions	21	6
Disbursements from plan assets	(191)	(185)
Settlements	-	-
Other increases (decreases)	9	39
Final fair value of plan assets	**4,465**	**4,528**

3. Information on plan assets' fair value

(€ million)

	31.12.2024	31.12.2023
1. Shares	249	264
2. Bonds	311	290
3. Units in investment funds	3,809	3,900
4. Real estate properties	23	24
5. Derivative instruments	-	-
6. Other assets	73	50
Total	**4,465**	**4,528**

Part B - Consolidated balance sheet - Liabilities

4. Description of major actuarial assumptions

	31.12.2024 %	31.12.2023 %
Discount rate	3.48	3.60
Expected return on plan assets	3.48	3.60
Expected compensation increase rate	2.52	2.60
Future increases relating to pension treatments	2.16	2.45
Expected inflation rate	2.11	2.25

5. Information of amounts, timing and uncertainties of disbursement cash flows

(€ million)

	31.12.2024
- Impact of changes in financial/demographic assumptions on DBOs	
A. Discount rate	
A1. -25 basis points	243
	3.18%
A2. +25 basis points	(231)
	-3.02%
B. Future increase rate relating to pension treatments	
B1. -25 basis points	(179)
	-2.34%
B2. +25 basis points	186
	2.44%
C. Mortality	
C.1 Life expectancy + 1 year	231
	3.03%
- Financial duration (years)	12.9

10.6 Provisions for risks and charges - other provisions

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
4.3 Other provisions for risks and charges - other		
Real estate risks/charges	65	86
Restructuring costs	57	71
Allowances payable to agents	81	81
Disputes regarding financial instruments and derivatives	8	9
Costs for liabilities arising from equity investment disposals	14	27
Other	542	678
Total	**767**	**952**

The item “Other” includes provisions:

- posted in order to cope with the probable risks of loss relating to the purchases of diamonds, that could be carried out under the “customer care” initiative promoted by UniCredit S.p.A. For the sake of completeness refer to the related paragraph “Diamond offer” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part E - Information on risks and related hedging policies, Section 5 - Operational risks, Qualitative information, E. Other claims by customers;
- aimed to cover the risks related to certain standard contractual terms contained in the documentary frameworks (i.e. reps & warranties), including securitisation transactions with derecognition of non-performing loans, signed with the SPVs, of which UniCredit S.p.A. is Originator, pending the analysis and assessments to be completed within the deadlines established.

Part B - Consolidated balance sheet - Liabilities

Section 11 - Insurance liabilities - Item 110

No data to be disclosed.

Section 12 - Redeemable Shares - Item 130

No data to be disclosed.

Section 13 - Group shareholders' equity - Items 120, 130, 140, 150, 160, 170 and 180

As at 31 December 2024 the Group shareholders' equity, including the result for the year of +€9,719 million, amounted to €62,441 million, against €64,079 million at the end of the previous year.
The table below shows the breakdown of Group equity and the changes over the previous year.

Group shareholders' equity: breakdown

(€ million)

	AMOUNTS AS AT		CHANGES	
	31.12.2024	31.12.2023	AMOUNT	%
Share capital	21,368	21,278	90	0.4%
Share premium reserve	23	23	-	-
Reserves	33,235	35,063	-1,828	-5.2%
Treasury shares	-	(1,727)	1,727	-100.0%
a. Parent Company	-	(1,727)	1,727	-100.0%
b. Subsidiaries	-	-	-	n.m.
Valuation reserve	(5,422)	(4,928)	-494	10.0%
Equity instruments	4,958	4,863	95	2.0%
Advanced dividends	(1,440)	-	-1,440	n.m.
Net profit (loss)	9,719	9,507	212	2.2%
Total	**62,441**	**64,079**	**-1,638**	-2.6%

13.1 "Share capital" and "treasury shares": breakdown

(€ million)

	AMOUNT AS AT 31.12.2024		AMOUNT AS AT 31.12.2023	
	ISSUED SHARES	UNDERWRITTEN AND NOT YET FULLY PAID SHARES	ISSUED SHARES	UNDERWRITTEN AND NOT YET FULLY PAID SHARES
A. Share Capital				
A.1 Ordinary shares	21,368	-	21,278	-
A.2 Savings shares	-	-	-	-
Total A	**21,368**	**-**	**21,278**	**-**
B. Treasury Shares	**-**	**-**	**(1,727)**	**-**

Reference is made to the paragraph "12.1 "Share capital" and "treasury shares": breakdown" of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Liabilities, Section 12 - Shareholders' equity - Item 110, 130, 140, 150, 160, 170 and 180 which is herewith quoted entirely.

Part B - Consolidated balance sheet - Liabilities

13.2 Share capital - number of shares owned by the Parent Company: annual changes

ITEMS/TYPES	CHANGES IN 2024 ORDINARY	CHANGES IN 2024 SAVINGS
A. Issued shares as at the beginning of the year	**1,784,663,080**	**-**
- Fully paid	1,784,663,080	-
- Not fully paid	-	-
A.1 Treasury shares (-)	(72,239,501)	-
A.2 Shares outstanding: opening balance	1,712,423,579	-
B. Increases	**7,227,514**	**-**
B.1 New issues	7,227,514	-
- Against payment	-	-
- Business combinations	-	-
- Bonds converted	-	-
- Warrants exercised	-	-
- Other	-	-
- Free	7,227,514	-
- To employees	7,227,514	-
- To directors	-	-
- Other	-	-
B.2 Sales of treasury shares	-	-
B.3 Other changes	-	-
C. Decreases	**168,231,243**	**-**
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	168,231,243	-
C.3 Business tranferred	-	-
C.4 Other changes	-	-
of which: business combinations	-	-
D. Shares outstanding: closing balance	**1,551,419,850**	**-**
D.1 Treasury shares (+)	-	-
D.2 Shares outstanding as at the end of the year	1,551,419,850	-
- Fully paid	1,551,419,850	-
- Not fully paid	-	-

Reference is made to the paragraph “12.2 Share capital - Number of shares: annual changes” of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Liabilities, Section 12 - Shareholders’ equity - Item 110, 130, 140, 150, 160, 170 and 180 which is herewith quoted entirely.

13.3 Share capital: other information

Reference is made to the paragraph “12.3 Capital: other information” of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Liabilities, Section 12 - Shareholders’ equity - Item 110, 130, 140, 150, 160, 170 and 180 which is herewith quoted entirely.

13.4 Reserves from profits: other information

(€ million)

	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
Legal reserve	1,618	1,618
Statutory reserve	16,053	13,917
Other reserves	9,125	9,929
Total	**26,796**	**25,464**

For further information on Legal reserve, reference is made to the paragraph “12.4 Reserves from profit: other information” of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Liabilities, Section 12 - Shareholders’ equity - Item 110, 130, 140, 150, 160, 170 and 180 which is herewith quoted entirely.

Part B - Consolidated balance sheet - Liabilities

13.5 Equity instruments: breakdown and annual changes

Reference is made to the paragraph "12.5 Equity instruments; composition and annual changes" of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part B - Balance sheet - Liabilities, Section 12 - Shareholders' equity - Item 110, 130, 140, 150, 160, 170 and 180 which is herewith quoted entirely.

13.6 Other Information

Valuation reserves: breakdown

(€ million)

ITEM/TYPES	AMOUNTS AS AT 31.12.2024	31.12.2023
1. Equity instruments designated at fair value through other comprehensive income	151	(103)
2. Financial assets (other than equity instruments) at fair value through other comprehensive income	(461)	(322)
3. Hedging of equity instruments at fair value through other comprehensive income	-	-
4. Financial liabilities at fair value through profit or loss (changes in own credit risk)	(96)	(114)
5. Hedging instruments (non-designated elements)	-	-
6. Property, plant and equipment	1,556	1,631
7. Intangible assets	-	-
8. Hedges of foreign investments	(189)	(193)
9. Cash-flow hedges	(256)	(356)
10. Exchange differences	(3,724)	(3,154)
11. Non-current assets classified as held for sale	32	3
12. Actuarial gains (losses) on defined-benefit plans	(2,752)	(2,591)
13. Part of valuation reserves of investments valued at net equity	40	(6)
14. Special revaluation laws	277	277
Total	**(5,422)**	**(4,928)**

The FX currency reserves as at 31 December 2024 mainly refer to the Russian Ruble for -€3,250 million included in the item "Exchange differences".

The main variations in comparison to 31 December 2023 refer to the following reserves:

- "Equity instruments designated at fair value through other comprehensive income" for +€254 million mainly due to change in fair value of specific equity investments.
- "Financial assets (other than equity instruments) at fair value through other comprehensive income" for -€139 million mainly due to Government securities;
- "Cash-flow hedges" for +€100 million due to the change in interest rates and volumes;
- "Exchange differences" for -€570 million mainly referred to Russian Ruble for -€458 million, Hungarian Forint for -€87 million and Czech Crown for -€63 million;
- "Actuarial gains (losses) on defined-benefit plans" for -€161 million mainly referred to the decrease in DBO discount rate induced by the increase in prices of High Quality Corporate Bonds rates, partially offset by plan assets performance.

Part B - Consolidated balance sheet - Liabilities

Section 14 - Minority shareholders' equity - Item 190

14.1 Breakdown of item 190 "Shareholders' equity: minorities"

(€ million)

COMPANY NAME	2024	2023
Equity investments in consolidated companies with significant minority interests	**316**	**109**
UniCredit Bank S.A.	188	21
Zagrebacka Banka D.D.	89	88
Alpha Bank Romania S.A.	39	-
Other equity investments	**84**	**55**
Total	**400**	**164**

The shareholders' equity attributable to minority interests as at 31 December 2024 amounts to +€400 million.

The main variations are attributable to the minority shareholders of UniCredit Bank S.A. increased during the year due to the purchase of 90.1% shares of Alpha Bank Romania S.A. by UniCredit S.p.A., through the payment to the counterpart, as part of the price of 9.90% shares in UniCredit Bank S.A.

14.2 Capital instruments:breakdown and annual changes

There are no equity instruments.

Part B - Consolidated balance sheet - Liabilities

Other information

1. Commitments and financial guarantees given (different from those designated at fair value)

(€ million)

	AMOUNTS AS AT 31.12.2024					AMOUNTS AS AT 31.12.2023
	NOTIONAL AMOUNTS OF COMMITMENTS AND FINANCIAL GUARANTEES GIVEN					
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL	TOTAL
1. Loan commitments given	**181,214**	**15,941**	**978**	**-**	**198,133**	**192,077**
a) Central Banks	12	-	-	-	12	13
b) Governments and other Public Sector Entities	9,873	308	29	-	10,210	10,073
c) Banks	3,631	78	-	-	3,709	1,908
d) Other financial companies	29,628	1,707	18	-	31,353	28,845
e) Non-financial companies	128,316	12,715	900	-	141,931	141,486
f) Households	9,754	1,133	31	-	10,918	9,752
2. Financial guarantees given	**47,011**	**6,234**	**1,147**	**-**	**54,392**	**52,767**
a) Central Banks	1	-	-	-	1	1
b) Governments and other Public Sector Entities	105	5	-	-	110	140
c) Banks	7,622	773	-	-	8,395	7,203
d) Other financial companies	4,235	95	2	-	4,332	4,457
e) Non-financial companies	34,819	5,328	1,141	-	41,288	40,668
f) Households	229	33	4	-	266	298

2. Others commitments and others guarantees given

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
	NOTIONAL AMOUNTS	NOTIONAL AMOUNTS
1. Others guarantees given	**26,263**	**25,561**
of which: non-performing loans	*192*	*197*
a) Central Banks	-	-
b) Governments and other Public Sector Entities	17	4
c) Banks	2,710	2,670
d) Other financial companies	3,839	2,978
e) Non-financial companies	19,594	19,868
f) Households	103	41
2. Others commitments	**87,193**	**90,686**
of which: non-performing loans	*706*	*412*
a) Central Banks	388	430
b) Governments and other Public Sector Entities	1,065	1,540
c) Banks	7,319	10,173
d) Other financial companies	12,735	14,599
e) Non-financial companies	61,687	59,688
f) Households	3,999	4,256

Table “1. Commitments and financial guarantees given (different from those designated at fair value)” shows commitments and guarantees evaluated according to the IFRS9 requirements.
Table “2. Others commitments and others guarantees given” shows commitments and guarantees that are not evaluated according to the IFRS9 requirements. According to the Circular 262 of 22 December 2005 of Banca d’Italia (and subsequent amendments), the tables also include the revocable commitments and the item financial guarantees also includes the commercial ones.

Part B - Consolidated balance sheet - Liabilities

3. Assets used to guarantee own liabilities and commitments

(€ million)

PORTFOLIOS	AMOUNTS AS AT 31.12.2024	31.12.2023
1. Financial assets at fair value through profit or loss	6,994	6,692
2. Financial assets at fair value through other comprehensive income	22,333	14,186
3. Financial assets at amortised cost	83,429	85,992
4. Property, plant and equipment	-	-
of which: inventories of property, plant and equipment	-	-

4. Breakdown of investments relating to unit-linked and index-linked policies

There were no transactions concerning unit-linked and index-linked policies.

5. Asset management and trading on behalf of third parties

(€ million)

TYPE OF SERVICES	AMOUNTS AS AT 31.12.2024	31.12.2023
1. Execution of orders on behalf of customers		
a) Purchases	81,810	71,938
1. Settled	81,795	71,904
2. Unsettled	15	34
b) Sales	89,130	74,857
1. Settled	89,122	74,811
2. Unsettled	8	46
2. Portfolio management		
a) Individual	22,618	20,539
b) Collective	24,617	17,342
3. Custody and administration of securities		
a) Third party securities on deposits: relating to depositary bank activities (excluding portfolio management)	2,609	2,981
1. Securities issued by companies included in consolidation	-	-
2. Other securities	2,609	2,981
b) Third party securities held in deposits (excluding portfolio management): other	283,425	265,335
1. Securities issued by companies included in consolidation	12,929	11,077
2. Other securities	270,496	254,258
c) Third party securities deposited with third parties	227,078	213,683
d) Property securities deposited with third parties	105,864	107,819
4. Other transactions	**7,313**	**7,072**

Part B - Consolidated balance sheet - Liabilities

6. Financial assets subject to accounting offsetting or under master netting agreements and similar agreements

(€ million)

INSTRUMENT TYPE	GROSS AMOUNTS OF FINANCIAL ASSETS (A)	FINANCIAL LIABILITIES OFFSET IN BALANCE SHEET (B)	NET BALANCE SHEET VALUES OF FINANCIAL ASSETS (C=A-B)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: FINANCIAL INSTRUMENTS (D)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: CASH COLLATERAL RECEIVED (E)	NET AMOUNT 31.12.2024 (F=C-D-E)	NET AMOUNT 31.12.2023
1. Derivatives	151,066	128,083	22,983	14,636	5,311	3,036	2,548
2. Reverse repos	44,500	1,796	42,704	38,581	105	4,018	749
3. Securities lending	-	-	-	-	-	-	-
4. Others	130,113	5,342	124,771	428	-	124,343	121,133
Total 31.12.2024	**325,679**	**135,221**	**190,458**	**53,645**	**5,416**	**131,397**	**X**
Total 31.12.2023	**379,555**	**190,724**	**188,831**	**57,416**	**6,985**	**X**	**124,430**

The amount of financial derivative assets offset in Balance sheet by financial liabilities (column "B" item 1. Derivatives) mainly refers to derivative contracts settled with Central Clearing Counterparties (CCPs).

7. Financial liabilities subject to accounting offsetting or under master netting agreements and similar agreements

(€ million)

INSTRUMENT TYPE	GROSS AMOUNTS OF FINANCIAL LIABILITIES (A)	FINANCIAL ASSETS OFFSET IN BALANCE SHEET (B)	NET BALANCE SHEET VALUES OF FINANCIAL LIABILITIES (C=A-B)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: FINANCIAL INSTRUMENTS (D)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: CASH COLLATERAL PLEDGED (E)	NET AMOUNT 31.12.2024 (F=C-D-E)	NET AMOUNT 31.12.2023
1. Derivatives	155,383	132,843	22,540	14,504	4,262	3,774	3,608
2. Reverse repos	54,724	1,796	52,928	46,853	85	5,990	2,153
3. Securities lending	-	-	-	-	-	-	-
4. Others	161,030	619	160,411	742	-	159,669	175,994
Total 31.12.2024	**371,137**	**135,258**	**235,879**	**62,099**	**4,347**	**169,433**	**X**
Total 31.12.2023	**429,498**	**190,724**	**238,774**	**50,984**	**6,035**	**X**	**181,755**

The amount of financial derivative liabilities offset in Balance sheet by financial assets (column "B" item 1. Derivatives) mainly refers to derivative contracts settled with Central Clearing Counterparties (CCPs).

8. Security borrowing transactions

(€ million)

TYPE OF LENDER	AMOUNTS AS AT 31.12.2024 - AMOUNTS OF THE SECURITIES BORROWED/TRANSACTION PURPOSES: GIVEN AS COLLATERAL IN OWN FUNDING TRANSACTIONS	SOLD	SOLD IN REPO TRANSACTIONS	OTHER PURPOSES
A. Banks	339	153	1,359	2,701
B. Financial companies	1	6	730	3,113
C. Insurance companies	-	-	-	-
D. Non-financial companies	-	6	98	1,229
E. Others	-	-	423	2,098
Total	**340**	**165**	**2,610**	**9,141**

Part C - Consolidated income statement

Section 1 - Interests - Items 10 and 20

1.1 Interest income and similar revenues: breakdown

(€ million)

ITEMS/TYPES	YEAR 2024 DEBT SECURITIES	YEAR 2024 LOANS	YEAR 2024 OTHER TRANSACTIONS	YEAR 2024 TOTAL	YEAR 2023 TOTAL
1. Financial assets at fair value through profit or loss	**356**	**156**	**1,244**	**1,756**	**2,049**
1.1 Financial assets held for trading	283	59	1,244	1,586	1,865
1.2 Financial assets designated at fair value	3	-	-	3	3
1.3 Other financial assets mandatorily at fair value	70	97	-	167	181
2. Financial assets at fair value through other comprehensive income	**2,050**	**-**	**X**	**2,050**	**1,489**
3. Financial assets at amortised cost	**2,224**	**23,913**	**X**	**26,137**	**25,732**
3.1 Loans and advances to banks	300	4,394	X	4,694	5,759
3.2 Loans and advances to customers	1,924	19,519	X	21,443	19,973
4. Hedging derivatives	**X**	**X**	**4,394**	**4,394**	**4,270**
5. Other assets	**X**	**X**	**481**	**481**	**352**
6. Financial liabilities	**X**	**X**	**X**	**20**	**27**
Total	**4,630**	**24,069**	**6,119**	**34,838**	**33,919**
of which: interest income on impaired financial assets	*3*	*423*	*-*	*426*	*424*
of which: interest income on financial lease	*X*	*685*	*X*	*685*	*691*

1.2 Interest income and similar revenues: other information

1.2.1 Interest income from financial assets denominated in currency

(€ million)

ITEMS	YEAR 2024	YEAR 2023
a) Assets denominated in currency	6,523	7,745

Part C - Consolidated income statement

1.3 Interest expenses and similar charges: breakdown

(€ million)

ITEMS/TYPES	YEAR 2024 DEBTS	YEAR 2024 SECURITIES	YEAR 2024 OTHER TRANSACTIONS	YEAR 2024 TOTAL	YEAR 2023 TOTAL
1. Financial liabilities at amortised cost	**(9,904)**	**(2,620)**	**X**	**(12,524)**	**(11,963)**
1.1 Deposits from central banks	(265)	X	X	(265)	(1,453)
1.2 Deposits from banks	(2,444)	X	X	(2,444)	(1,942)
1.3 Deposits from customers	(7,195)	X	X	(7,195)	(5,936)
1.4 Debt securities in issue	X	(2,620)	X	(2,620)	(2,632)
2. Financial liabilities held for trading	**(28)**	**(228)**	**(1,769)**	**(2,025)**	**(2,141)**
3. Financial liabilities designated at fair value	**(6)**	**(112)**	**-**	**(118)**	**(82)**
4. Other liabilities and funds	**X**	**X**	**(45)**	**(45)**	**(26)**
5. Hedging derivatives	**X**	**X**	**(5,435)**	**(5,435)**	**(5,344)**
6. Financial assets	**X**	**X**	**X**	**(20)**	**(15)**
Total	**(9,938)**	**(2,960)**	**(7,249)**	**(20,167)**	**(19,571)**
of which: interest expenses on lease deposits	*(35)*	*X*	*X*	*(35)*	*(35)*

1.4 Interest expenses and similar charges: other information

1.4.1 Interest expenses on liabilities denominated in currency

(€ million)

ITEMS	YEAR 2024	YEAR 2023
a) Liabilities denominated in currency	(3,888)	(4,965)

1.5 Differentials relating to hedging operations

(€ million)

ITEMS	YEAR 2024	YEAR 2023
A. Positive differentials relating to hedging operations	12,221	11,914
B. Negative differentials relating to hedging operations	(13,262)	(12,988)
C. Net differential (A-B)	**(1,041)**	**(1,074)**

Part C - Consolidated income statement

Section 2 - Fees and commissions - Items 40 and 50

2.1 Fees and commissions income: breakdown

(€ million)

TYPE OF SERVICES/VALUES	YEAR 2024	YEAR 2023
a) Financial Instruments	1,426	1,218
1. Placement of securities	1,098	882
1.1 Underwriting and/or on the basis of an irrevocable commitment	10	45
1.2 Without irrevocable commitment	1,088	837
2. Reception and transmission of orders	187	206
2.1 Reception and transmission of orders of financial instruments	176	205
2.2 Execution of orders on behalf of customers	11	1
3. Other fees related to activities linked to financial instruments	141	130
of which: proprietary Trading	*2*	*1*
of which: individual portfolio management	*139*	*129*
b) Corporate Finance	70	65
1. M&A advisory	17	13
2. Treasury services	-	-
3. Other fee and commission income in relation to corporate finance activities	53	52
c) Fee based advice	109	105
d) Clearing and settlement	-	-
e) Collective portfolio management	309	219
f) Custody and administration of securities	281	278
1. Custodian Bank	23	24
2. Other fee and commission income in relation to corporate finance activities	258	254
g) Central administrative services for collective investment	1	1
h) Fiduciary transactions	-	-
i) Payment services	2,276	1,701
1. Current accounts	168	57
2. Credit cards	340	124
3. Debits cards and other card payments	586	482
4. Transfers and other payment orders	531	488
5. Other fees in relation to payment services	651	550
j) Distribution of third party services	1,556	1,484
1.Collective portfolio management	627	603
2. Insurance products	909	864
3. Other products	20	17
of which: individual portfolio management	*2*	*1*
k) Structured finance	-	1
l) Loan securitisation servicing activities	18	13
m) Loan commitment given	103	104
n) Financial guarantees	367	361
of which: credit derivatives	-	-
o) Lending transaction	613	543
of which: factoring services	*77*	*77*
p) Currency trading	214	218
q) Commodities	-	-
r) Other fee income	1,462	1,936
of which: management of sharing multilateral trading facilities	-	-
of which: management of organized trading systems	-	-
Total	**8,805**	**8,247**

Part C - Consolidated income statement

Item "r) other fee income" mainly comprise:
- fees for ancillary services linked to current accounts (e.g., token, debt card): €706 million in 2024, €724 million in 2023 (-2.5%);
- fees for immediate funds availability: €328 million in 2024, €327 million in 2023 (+0.3%);
- fees for commercial guarantees: €178 million in 2024, €164 million in 2023 (+8.5%).

2.2 Fees and commissions expenses: breakdown

(€ million)

SERVICES/VALUES	YEAR 2024	YEAR 2023
a) Financial instruments	(92)	(86)
of which: trading in financial instruments	*(87)*	*(71)*
of which: placement of financial instruments	*(2)*	*(12)*
of which: individual Portfolio management	*(3)*	*(3)*
- own portfolio	(1)	-
- third party portfolio	(2)	(3)
b) Clearing and settlement	(4)	(3)
c) Portfolio management: collective	(27)	(28)
1. Own portfolio	(13)	(14)
2. Third party portfolio	(14)	(14)
d) Custody and Admnistration	(238)	(182)
e) Collection and payments services	(941)	(865)
of which: debit credit card service and other payment cards	*(825)*	*(754)*
f) Loan securitisation servicing activities	(16)	(1)
g) Loan commitment given	(17)	(24)
h) Financial guarantees received	(195)	(214)
of which: credit derivatives	*(12)*	-
i) Off - site distribution of financial instruments, products and services	(49)	(48)
j) Currency trading	(10)	(9)
k) Other commission expenses	(174)	(183)
Total	**(1,763)**	**(1,643)**

Part C - Consolidated income statement

Section 3 - Dividend income and similar revenue - Item 70

3.1 Dividend income and similar revenues: breakdown

(€ million)

ITEMS/REVENUES	YEAR 2024 DIVIDENDS	YEAR 2024 SIMILAR REVENUES	YEAR 2023 DIVIDENDS	YEAR 2023 SIMILAR REVENUES
A. Financial assets held for trading	345	-	221	-
B. Other financial assets mandatorily at fair value	50	16	31	14
C. Financial assets at fair value through other comprehensive income	47	-	32	-
D. Equity investments	10	-	7	-
Total	**452**	**16**	**291**	**14**
Total dividends and similar revenues		**468**		**305**

Dividends are recognised in the Income statement when distribution is approved.
In 2024 dividend income and similar revenues totaled €468 million, compared with €305 million for the previous period.

The item "A. Financial assets held for trading" includes the dividends that UniCredit Bank GmbH received in relation to equity securities recognised as Financial assets held for trading.

The item "B. Other financial assets mandatorily at fair value" includes dividends received mainly by the subsidiary UniCredit Bank GmbH and by UniCredit S.p.A.

The item "C. Financial assets at fair value through other comprehensive income" includes the dividends received relating to the investment in Banca d'Italia for €17 million (€17 million in 2023).

Part C - Consolidated income statement

Section 4 - Gains (Losses) on financial assets and liabilities held for trading - Item 80

4.1 Net gains (losses) on trading: breakdown

(€ million)

TRANSACTIONS/INCOME ITEMS	YEAR 2024				
	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A+B)-(C+D)]
1. Financial assets held for trading	**2,181**	**2,166**	**(1,311)**	**(1,118)**	**1,918**
1.1 Debt securities	115	274	(135)	(254)	-
1.2 Equity instruments	488	630	(825)	(525)	(232)
1.3 Units in investment funds	76	126	(34)	(49)	119
1.4 Loans	1,120	1,065	(57)	(11)	2,117
1.5 Other	382	71	(260)	(279)	(86)
2. Financial liabilities held for trading	**1,370**	**904**	**(447)**	**(1,851)**	**(24)**
2.1 Debt securities	209	493	(313)	(349)	40
2.2 Deposits	-	-	-	(6)	(6)
2.3 Other	1,161	411	(134)	(1,496)	(58)
3. Financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**(363)**
4. Derivatives	**276,166**	**512,942**	**(283,580)**	**(506,013)**	**1,357**
4.1 Financial derivatives	275,760	512,337	(283,309)	(505,337)	1,293
- On debt securities and interest rates	263,404	499,654	(269,870)	(492,834)	354
- On equity securities and share indices	6,624	5,943	(5,900)	(5,928)	739
- On currencies and gold	X	X	X	X	1,842
- Other	5,732	6,740	(7,539)	(6,575)	(1,642)
4.2 Credit derivatives	406	605	(271)	(676)	64
of which: economic hedges linked to the fair value option	*X*	*X*	*X*	*X*	-
Total	**279,717**	**516,012**	**(285,338)**	**(508,982)**	**2,888**

The sub-item "1.4 Loans" includes the economic effects generated by CO_2 certificates for a net positive amount of €2,113 million held by the subsidiary UniCredit Bank GmbH.

Section 5 - Fair value adjustments in hedge accounting - Item 90

5.1 Net gains (losses) on hedge accounting: breakdown

(€ million)

INCOME COMPONENT/VALUES	YEAR 2024	YEAR 2023
A. Gains on		
A.1 Fair value hedging instruments	44,704	22,567
A.2 Hedged financial assets (in fair value hedge relationship)	2,799	6,377
A.3 Hedged financial liabilities (in fair value hedge relationship)	3,537	572
A.4 Cash-flow hedging derivatives	7,784	29
A.5 Assets and liabilities denominated in currency	-	-
Total gains on hedging activities (A)	**58,824**	**29,545**
B. Losses on		
B.1 Fair value hedging instruments	(44,253)	(20,534)
B.2 Hedged financial assets (in fair value hedge relationship)	(315)	(1,364)
B.3 Hedged financial liabilities (in fair value hedge relationship)	(6,982)	(7,810)
B.4 Cash-flow hedging derivatives	(7,804)	(38)
B.5 Assets and liabilities denominated in currency	-	-
Total losses on hedging activities (B)	**(59,354)**	**(29,746)**
C. Net hedging result (A-B)	**(530)**	**(201)**
of which: net gains (losses) of hedge accounting on net positions	-	-

Part C - Consolidated income statement

Changes in the items gain and losses on the hedging activities is mainly attributable to the evolution in the markets interest rate curves observed in 2024.

Section 6 - Gains (Losses) on disposals/repurchases - Item 100

Net profit from gains/losses on disposals/repurchases of financial assets/liabilities as at 31 December 2024 is equal to +€17 million (+€410 million in 2023), of which +€12 million on financial assets and +€5 million on financial liabilities.
Net result recognised under sub-item "1. Financial assets at amortised cost" equal to -€62 million is mainly due to loan and advances to customers basically attributable to sale of loans and bonds by UniCredit S.p.A.
The sub-item "2. Financial assets at fair value through other comprehensive income - 2.1 Debt securities" is equal to +€74 million and includes mainly gains and losses on disposal of UniCredit S.p.A., for the most part due to Italian Government bonds.

6.1 Gains (Losses) on disposal/repurchase: breakdown

(€ million)

	YEAR 2024			YEAR 2023		
ITEMS/INCOME ITEMS	GAINS	LOSSES	NET PROFIT	GAINS	LOSSES	NET PROFIT
A. Financial assets						
1. Financial assets at amortised cost	191	(253)	(62)	446	(247)	199
1.1 Loans and advances to banks	1	(10)	(9)	9	(19)	(10)
1.2 Loans and advances to customers	190	(243)	(53)	437	(228)	209
2. Financial assets at fair value through other comprehensive income	527	(453)	74	924	(779)	145
2.1 Debt securities	527	(453)	74	924	(779)	145
2.2 Loans	-	-	-	-	-	-
Total assets (A)	**718**	**(706)**	**12**	**1,370**	**(1,026)**	**344**
B. Financial liabilities at amortised cost						
1. Deposits from banks	-	-	-	-	-	-
2. Deposits from customers	10	(9)	1	12	(6)	6
3. Debt securities in issue	27	(23)	4	66	(6)	60
Total liabilities (B)	**37**	**(32)**	**5**	**78**	**(12)**	**66**
Total financial assets/liabilities			**17**			**410**

Part C - Consolidated income statement

Section 7 - Net gains (losses) on other financial assets/liabilities at fair value through profit or loss - Item 110

7.1 Net gains (losses) on other financial assets/liabilities at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

(€ million)

	YEAR 2024				
TRANSACTIONS/INCOME ITEMS	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A+B)-(C+D)]
1. Financial assets	**2**	**-**	**(4)**	**(1)**	**(3)**
1.1 Debt securities	2	-	(4)	(1)	(3)
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**214**	**175**	**(505)**	**(337)**	**(453)**
2.1 Debt securities	214	174	(490)	(334)	(436)
2.2 Deposits from banks	-	-	-	-	-
2.3 Deposits from customers	-	1	(15)	(3)	(17)
3. Financial assets and liabilities in foreign currency: exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**216**	**175**	**(509)**	**(338)**	**(456)**

Some financial derivatives entered into for economic hedge purposes are linked to financial liabilities represented by debt securities and their economic results are included into table “4.1 Net gains (losses) on trading: breakdown” of the Notes to the consolidated account, Part C - Consolidated income statement, Section 4 - Gain (Losses) on financial assets and liabilities held for trading - Item 80.

7.2 Net change in other financial assets/liabilities at fair value through profit or loss: breakdown of other financial assets mandatorily at fair value

(€ million)

	YEAR 2024				
TRANSACTIONS/INCOME ITEMS	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A+B)-(C+D)]
1. Financial assets	**371**	**69**	**(229)**	**(41)**	**170**
1.1 Debt securities	63	4	(99)	(27)	(59)
1.2 Equity securities	234	62	(43)	(3)	250
1.3 Units in investment funds	43	2	(66)	(2)	(23)
1.4 Loans	31	1	(21)	(9)	2
2. Financial assets: exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**371**	**69**	**(229)**	**(41)**	**170**

OICR quotes include economic effects from Atlante fund and Italian Recovery Fund (IRF - former Atlante II), for which refer to specific comment in table “2.5 Financial assets mandatory at fair value: breakdown by product” of the Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, Section 2 - Financial asset at fair value through profit or loss - Item 20.

Part C - Consolidated income statement

Section 8 - Net losses/recoveries on credit impairment - Item 130

As at 31 December 2024, Net losses on credit impairment include:

- Write-backs of €8 million arising from the update of the macroeconomic scenarios for IFRS9 purposes, which was carried out in the second and fourth quarters as part of the ordinary process of adjusting provisions for credit losses to the most recent macroeconomic projections;
- Write-backs of €126 million arising from the new Transfer Logic approach implemented in the first half of the year;
- Write-backs of €20 million arising from the update of selling scenario to adjust disposal probabilities on a specific portfolio;
- Write-downs of €106 million arising from the inclusion of climate risk in the calculation of loan loss provisions.

For additional details on Loan loss provisions refer to the Section 2 - Risks of the prudential consolidated perimeter, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, while for additional details on Implications of geopolitical tensions between Russia and Ukraine, refer to the Section 5 - Other matters, Implications of geopolitical tensions between Russia and Ukraine, Notes to the consolidated accounts, Part A - Accounting policies.

8.1 Net impairment losses for credit risk relating to financial assets at amortised cost: breakdown

(€ million)

	YEAR 2024											YEAR 2023
	WRITE-DOWNS						WRITE-BACKS					
			STAGE 3		PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS					PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		
TRANSACTIONS/INCOME ITEMS	STAGE 1	STAGE 2	WRITE-OFF	OTHER	WRITE-OFF	OTHER	STAGE 1	STAGE 2	STAGE 3		TOTAL	TOTAL
A. Loans and advances to banks	**(4)**	**(9)**	**-**	**(3)**	**-**	**-**	**6**	**3**	**3**	**-**	**(4)**	**(201)**
- Loans	(3)	(8)	-	(3)	-	-	6	3	3	-	(2)	(202)
- Debt securities	(1)	(1)	-	-	-	-	-	-	-	-	(2)	1
B. Loans and advances to customers	**(589)**	**(1,631)**	**(168)**	**(2,844)**	**(1)**	**(4)**	**1,213**	**1,577**	**1,692**	**9**	**(746)**	**(460)**
- Loans	(584)	(1,624)	(168)	(2,842)	(1)	(4)	1,207	1,519	1,692	9	(796)	(460)
- Debt securities	(5)	(7)	-	(2)	-	-	6	58	-	-	50	-
Total	**(593)**	**(1,640)**	**(168)**	**(2,847)**	**(1)**	**(4)**	**1,219**	**1,580**	**1,695**	**9**	**(750)**	**(661)**

8.2 Net change for credit risk relating to financial assets at fair value through other comprehensive income: breakdown

(€ million)

	YEAR 2024											YEAR 2023
	WRITE-DOWNS						WRITE-BACKS					
			STAGE 3		PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS					PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		
TRANSACTIONS/INCOME ITEMS	STAGE 1	STAGE 2	WRITE-OFF	OTHER	WRITE-OFF	OTHER	STAGE 1	STAGE 2	STAGE 3		TOTAL	TOTAL
A. Debt securities	**(5)**	**(1)**	**-**	**(14)**	**-**	**-**	**2**	**3**	**2**	**-**	**(13)**	**(2)**
B. Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Loans and advances to customers	-	-	-	-	-	-	-	-	-	-	-	-
- Loans and advances to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**(5)**	**(1)**	**-**	**(14)**	**-**	**-**	**2**	**3**	**2**	**-**	**(13)**	**(2)**

For additional information on this section refer to paragraph A. Credit quality, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies.

Part C - Consolidated income statement

Section 9 - Gains/Losses from contractual changes with no cancellations - Item 140

9.1 Gains (Losses) from contractual changes: breakdown

(€ million)

	YEAR 2024			YEAR 2023
	GAINS	LOSSES	TOTAL	TOTAL
A. Financial assets at amortised costs				
A.1 Debt securities	-	-	-	-
A.2 Loans to banks	-	-	-	-
A.3 Loans to customers	23	(17)	6	(13)
Total (A)	**23**	**(17)**	**6**	**(13)**
B. Financial assets at fair value through other comprehensive income				
B.1 Debt securities	-	-	-	-
B.2 Loans to banks	-	-	-	-
B.3 Loans to customers	-	-	-	-
Total (B)	**-**	**-**	**-**	**-**
Total (A+B)	**23**	**(17)**	**6**	**(13)**

Section 10 - Insurance service result - Item 160

There are no amounts to be shown.

Section 11 - Insurance finance net revenues/costs - Item 170

There are no amounts to be shown.

Part C - Consolidated income statement

Section 12 - Administrative expenses - Item 190

12.1 Staff expenses: breakdown

(€ million)

TYPE OF EXPENSES/VALUES	YEAR 2024	YEAR 2023
1) Employees	**(6,641)**	**(6,813)**
a) Wages and salaries	(4,266)	(4,232)
b) Social charges	(970)	(975)
c) Severance pay	(19)	(20)
d) Social security costs	-	-
e) Allocation to employee severance pay provision	(12)	(21)
f) Provision for retirements and similar provisions	(154)	(158)
- Defined contribution	(2)	(2)
- Defined benefit	(152)	(156)
g) Payments to external pension funds	(222)	(217)
- Defined contribution	(221)	(216)
- Defined benefit	(1)	(1)
h) Costs arising from share-based payments	(73)	(76)
i) Other employee benefits	(925)	(1,114)
2) Other non-retired staff	**(29)**	**(29)**
3) Directors and Statutory Auditors	**(8)**	**(7)**
4) Early retirement costs	**-**	**-**
5) Recoveries of payments for seconded employees to other companies	**15**	**17**
6) Refund of expenses for secunded employees to the company	**(21)**	**(45)**
Total	**(6,684)**	**(6,877)**

12.2 Average number of employees by category

	YEAR 2024	YEAR 2023
	HEAD COUNT	HEAD COUNT
Employees	**75,923**	**78,964**
a) Senior managers	786	839
b) Managers	23,608	24,148
c) Remaining employees staff	51,530	53,977
Other non-retired staff	**1,352**	**1,608**
Total	**77,275**	**80,572**

Employees by category at year end

	YEAR 2024	YEAR 2023
	HEAD COUNT	HEAD COUNT
Employees	**75,265**	**76,580**
a) Senior managers	767	804
b) Managers	23,440	23,775
c) Remaining employees staff	51,058	52,001
Other non-retired staff	**1,135**	**1,569**
Total	**76,400**	**78,149**

Part C - Consolidated income statement

12.3 Defined benefit company retirement funds: costs and revenues

(€ million)

	YEAR 2024	YEAR 2023
Current service cost	(54)	(53)
Settlement gains (losses)	4	-
Past service cost	-	-
Interest cost on the DBO	(266)	(276)
Interest income on plan assets	164	173
Other costs/revenues	-	-
Administrative expenses paid through plan assets	-	-
Total recognised in profit or loss	**(152)**	**(156)**

12.4 Other employee benefits

(€ million)

	YEAR 2024	YEAR 2023
- Seniority premiums	(2)	(4)
- Leaving incentives	(710)	(903)
- Other	(213)	(207)
Total	**(925)**	**(1,114)**

The net balance in the sub-item Leaving incentives for 2024 is mainly determined by the update of Strategic Plan that envisages a reduction of the workforce over the plan horizon and the recognition of restructuring costs as at 31 December 2024 in force of specific communications to Workers Council.
The main impacted countries are Italy, Austria and Germany. In detail:
- in Italy the exits for restructuring will be realised on a voluntary basis following the update of early-retirement plan, in this regard, the agreement with the Trade Unions has been signed in October 2024;
- in Austria the exits will be realised through industrial efficiencies; the Board of Directors approval and the agreement with Working Council occurred in fourth quarter 2024;
- in Germany the exits will be realised through industrial efficiencies; in this regard, the communication to Working Council occurred in December 2024.

It should be noted that these expenses are initially recognised as provisions for risks and charges and will be reclassified to "Other liabilities" when a specific debt toward the employees will arise.

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12.5 Other administrative expenses: breakdown

(€ million)

TYPE OF EXPENSES/SECTORS	YEAR 2024	YEAR 2023
1) Indirect taxes and duties	**(774)**	**(666)**
1a. Settled	(745)	(665)
1b. Unsettled	(29)	(1)
2) Contributions to Resolution Funds, Deposit Guarantee Schemes (DGS) and Life Insurance Guarantee Fund	**(282)**	**(728)**
3) Guarantee fee for DTA conversion	**(82)**	**(101)**
4) Miscellaneous costs and expenses	**(2,586)**	**(2,530)**
a) Advertising marketing and communication	(148)	(124)
b) Expenses relating to credit risk	(108)	(75)
c) Indirect expenses relating to personnel	(79)	(83)
d) Information & Communication Technology expenses	(1,226)	(1,190)
Lease of ICT equipment and software	(73)	(79)
Software expenses: lease and maintenance	(412)	(354)
ICT communication systems	(58)	(57)
Services ICT in outsourcing	(561)	(580)
Financial information providers	(122)	(120)
e) Consulting and professionals services	(149)	(120)
Consulting	(99)	(83)
Legal expenses	(50)	(37)
f) Real estate expenses	(373)	(446)
Premises rentals	(34)	(36)
Utilities	(152)	(213)
Other real estate expenses	(187)	(197)
g) Operating costs	(503)	(492)
Surveillance and security services	(48)	(40)
Money counting services and transport	(59)	(50)
Printing and stationery	(24)	(27)
Postage and transport of documents	(61)	(57)
Administrative and logistic services	(143)	(157)
Insurance	(56)	(58)
Association dues and fees and contributions to the administrative expenses deposit guarantee funds	(74)	(72)
Other administrative expenses - other	(38)	(31)
Total (1+2+3+4)	**(3,724)**	**(4,025)**

With reference to the item "Indirect taxes and duties", it should be mentioned that it includes the effects of taxation that falls in the scope of IFRIC21 as it is not levied on net profits.

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Contributions to Resolution and Guarantee funds

Item "Other administrative expenses" includes the Group contributions to resolution funds (Single Resolution Fund - SRF) and guarantee funds (Deposit Guarantee Schemes - DGS), harmonised and non-harmonised, due pursuant to the Directives 49 and 59 of 2014.

In more details:

- With the introduction of the European Directive 2014/59/EU, the Regulation on the Single Resolution Mechanism ("BRRD Directive" Regulation (EU) 806/2014 of the European Parliament and of the Council dated 15 July 2014) established a framework for the recovery and resolution of crises in credit institutions, by setting up a single resolution committee and a single resolution fund for banks, SRF. The Directive provides for the launch of a compulsory contribution mechanism that entails the collection of the target level of resources by 31 December 2023, equal at least to 1% of the amount of the covered deposits of all the authorised institutions in the States of the European Union. The accumulation period may be extended for further four years if the funding mechanisms have made cumulative disbursements for a percentage higher than 0.5% of the covered deposits. If the available financial resources fall below the target level after the accumulation period, the collection of contributions shall resume until that level has been recovered. Additionally, after having reached the target level for the first time and, in the event that the available financial resources fall to less than two thirds of the target level, these contributions are set at that level which allows to reach the target level within a period of six years. The contribution mechanism provides for ordinary annual contributions, with the aim of distributing the costs evenly over time for the contributing banks, and extraordinary additional contributions, of up to three times the expected annual contributions, when the available financial resources are not sufficient to cover losses and costs of interventions. Ordinary contributions might also be provided by participant institutions, for an amount not exceeding 30% of the total resource target, in the form of irrevocable payment commitments fully backed by collateral of low-risk assets unencumbered by any third-party rights, at the free disposal and earmarked for the exclusive use by the resolution authorities. A transitional phase of contributions to the national compartments of the SRF and a progressive mutualisation of these are expected;
- The Directive 2014/49/EU of 16 April 2014, in relation to the DGS, aims to enhance the protection of depositors through the harmonisation of the related national legislation. The Directive provides for the launch of a mandatory national contribution mechanism that will allow a target level of at least 0.8% of the amount of its members' covered deposits to be collected by 2024. The contribution resumes when the financing capacity is below the target level, at least until the target level is reached. If the available financial resources have been reduced to below two thirds of the target level after it has been reached for the first time, the regular contribution shall be set at that level which allows to reach the target level within six years. The national contribution mechanism provides for ordinary annual contribution instalments, with the aim of distributing the costs evenly over time for the contributing banks, and also extraordinary contributions, if the available financial resources are insufficient to repay depositors; the extraordinary contributions cannot exceed 0.5% of covered deposits per calendar year, but in exceptional cases and with the consent of the competent authority, the DGS may demand even higher contributions. Contributions might also be provided by participant institutions, for an amount not exceeding 30% of the total resource target, in the form of payment commitments fully backed by collateral of low-risk assets unencumbered by any third-party rights, at the free disposal of the DGS.

Contributions to these schemes are accounted for in accordance with IFRIC21 "Levies". Therefore, contributions are recognised in Income statement when the obligating event identified by the legislation (i.e., having covered deposits at a certain date), that triggers the payment of the obligation, occurs. Being economically compelled to continue to have covered deposits or assumption of going concern does not represent a present obligation under IFRIC21 to pay such contributions for future periods. Future contributions will be recognised when they accrue upon occurrence of the obligating event. In this regard, the Group approach envisages the recognition as expense in Income statement of the full amount of contributions due for the year, disregarding whether they are settled in cash or through irrevocable payment commitments. As a result, from a regulatory perspective, the whole amount of the contributions for the year reduces the CET1 capital[74].

With reference to 2024, contributions for €277 million were recognized in P&L (€728 million in 2023), whose breakdown is here reported:

- regarding Directive 59 (contributions to Resolution funds), the Group contributions recognised through the Income statement totaled -€23 million (no contributions recognised by UniCredit S.p.A.). These contributions are entirely referred to ordinary contributions paid by certain Legal Entities to local Resolution funds; no contributions were recognised for SRF being the relevant target level reached. The Group did not make recourse to Irrevocable Payment Commitments;
- regarding Directive 49 (DGS contribution), the Group contributions recognised through the Income statement totaled -€254 million of which -€187 million ordinary contributions (-€104 million referred to UniCredit S.p.A.) and -€67 million additional and supplementary contributions (entirely referred to UniCredit S.p.A.). Such contribution also includes the amounts recognised by UniCredit Bank GmbH and referred to the contribution to the statutory and voluntary Compensation Schemes of German banks[75]. The Group did not make recourse to Irrevocable payment commitments.

74 In previous periods, from 2015 to 2020, the Group also made recourse to irrevocable payment commitments; the related amounts (overall equal to €165 million for SRF and DGS) were recognized as expenses in P&L.
75 Entschädigungseinrichtung Deutscher Banken and Einlagensicherungsfonds des Bundesverbandes deutscher Banken e.V.

Part C - Consolidated income statement

Here follows a table with the recap of the above-mentioned contributions.

Contributions to Resolution and Guarantee Funds (included the ones paid through irrevocable payment commitments)

(€ million)

	GROUP	*o/w UniCredit S.p.A.*
2024	**277**	**171**
Directive 59 (SRF contributions), o/w:		
Ordinary contributions	23	-
Extraordinary contributions	-	-
Directive 49 (DGS contributions), o/w:		
Ordinary contributions	187	*104*
Extraordinary contributions	67	*67*
2023	**728**	**359**
Directive 59 (SRF contributions), o/w:		
Ordinary contributions	456	*185*
Extraordinary contributions	-	-
Directive 49 (DGS contributions), o/w:		
Ordinary contributions	204	*106*
Extraordinary contributions	68	*68*

Note:
The amount of "Extraordinary contributions" of the Directive .49 (DGS contributions) includes additional contribution that the Scheme may request until 2024 to replenish to overall funds following its interventions.

Guarantee fees for DTA conversion

In order to preserve for the future the regime of conversion of DTAs into tax credits, and in order to overcome the issues raised by the European Commission in connection to the application of State Aid rules, Art.11 of DL 59 dated 3 May 2016 (so-called "Banks Decree", converted into Law 30 June 2016 No.119), introduced the possibility, starting from 2016 since 2030, to elect for the payment of an annual fee equal to 1.5% levied on an aggregate amount deriving from the difference between:

- the increase in convertible DTAs recognised at the end of the fiscal year and the convertible DTA existing as at 31 December 2007, for IRES tax, and as at 31 December 2012 for IRAP tax, taking into account the amounts already converted into tax credits;
- taxes:
  - IRES paid by Tax Group starting from 1 January 2008;
  - IRAP paid starting from 1 January 2013 by legal entities included in Tax Group with convertible DTAs;
  - substitute taxes that generated convertible DTAs.

The fee due for the financial year 2024 has been paid on 26 June 2024 for an overall amount of €82.1 million relating to the whole Italian Tax Group, of which €78.6 million for UniCredit S.p.A., €3.4 million for UniCredit Leasing S.p.A., €0,1 million for UniCredit Factoring S.p.A. and €0,01 million for UniCredit Bank GmbH - Milan Branch.

Fees paid to the auditing firm

Pursuant to article 2427, first paragraph of the Italian Civil Code, the fees paid to the auditing firm KPMG S.p.A. (and firms in its network) by UniCredit S.p.A. and the Italian entities of the UniCredit group relating to financial year 2024 were as follows:

- legal audit of annual accounts (including the audit of the first half financial report): €4.5 million;
- other checks: €3.4 million;
- other non-audit services: €0.1 million.

The above amounts are net of VAT and expenses.

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Section 13 - Net provisions for risks and charges - Item 200

13.1 Net provisions for credit risk from loans commitments and financial guarantees given: breakdown

(€ million)

	YEAR 2024		
	PROVISIONS	SURPLUS REALLOCATIONS	TOTAL
Loan committments	(263)	390	**127**
Financial guarantees given	(254)	367	**113**

13.2 Net provisions for other commitments and guarantees given: breakdown

(€ million)

	YEAR 2024		
	PROVISIONS	SURPLUS REALLOCATIONS	TOTAL
Other committments	(4)	4	**-**
of which: commitment related to contribution for Resolution funds and Guarantee schemes	-	-	**-**
Other guarantees given	(38)	65	**27**

13.3 Net provisions for risks and charges: breakdown

(€ million)

	YEAR 2024			YEAR 2023
ASSETS/INCOME ITEMS	PROVISIONS	SURPLUS REALLOCATIONS	TOTAL	TOTAL
1. Other provisions				
1.1 Legal disputes	(734)	119	(615)	(70)
1.2 Staff costs	(2)	1	(1)	(4)
1.3 Other	(102)	173	71	(17)
Total	**(838)**	**293**	**(545)**	**(91)**

Net provisions for risks and charges are referred to revocatory action, claims for compensation, legal and other disputes, and are updated on the basis of the evolution of cases in progress and to the assessment of their foreseen outcomes.
The item “1.1 Legal disputes” is mainly contributed by provisions made by the parent company UniCredit S.p.A. and its subsidiary Zagrebacka Banka (for further information refer to Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter - 2.5 Operational risks, Qualitative information - B. Legal risks).
The item “1.3 Other” is mainly contributed by provisions made by the parent company UniCredit S.p.A. and its subsidiary UniCredit Bank GmbH for various types of risks (refer to paragraph B. Legal risks, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.5 Operational risks).

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Section 14 - Net value adjustments/write-backs on property, plant and equipment - Item 210

14.1 Net value adjustments/write-backs on property, plant and equipment: breakdown

(€ million)

ASSETS/INCOME ITEMS	YEAR 2024 DEPRECIATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)
A. Property, plant and equipment				
A.1 Used in the business	**(630)**	**(42)**	**17**	**(655)**
- Owned	(356)	(12)	-	(368)
- Right of use of Leased Assets	(274)	(30)	17	(287)
A.2 Held for investment	**-**	**-**	**-**	**-**
- Owned	-	-	-	-
- Right of use of Leased Assets	-	-	-	-
A.3 Inventories	**-**	**(37)**	**2**	**(35)**
Total A	**(630)**	**(79)**	**19**	**(690)**
B. Non-current assets and groups of assets held for sale	**X**	**(5)**	**-**	**(5)**
- Used in the business	X	(5)	-	(5)
- Held for investments	X	-	-	-
- Inventories	X	-	-	-
Total (A+B)	**(630)**	**(84)**	**19**	**(695)**

Section 15 - Net value adjustments/write-backs on intangible assets - Item 220

In 2024 net value adjustments/write-backs on intangible assets were -€589 million.
The amortisation and the impairment losses are mainly referred to intangible assets held by UniCredit S.p.A.
For further details refer to Section 10 - Intangible assets - Item 100, Notes to the consolidated account, Part B - Consolidated balance sheet - Assets.

15.1 Net value adjustments/write-backs on intangible assets: breakdown

(€ million)

ASSETS/INCOME ITEMS	YEAR 2024 AMORTISATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)
A. Intangible assets				
of which: software	*(537)*	*(36)*	*-*	*(573)*
A.1 Owned	**(543)**	**(46)**	**-**	**(589)**
- Generated internally by the company	(429)	(31)	-	(460)
- Other	(114)	(15)	-	(129)
A.2 Right of use of Leased Assets	**-**	**-**	**-**	**-**
Total	**(543)**	**(46)**	**-**	**(589)**

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Section 16 - Other operating expenses/income - Item 230

Other net operating income: breakdown

(€ million)

INCOME ITEMS/VALUE	YEAR 2024	YEAR 2023
Total of other operating expenses	(1,412)	(1,163)
Total of other operating income	2,265	2,135
Other operating expenses/income	**853**	**972**

16.1 Other operating expenses: breakdown

(€ million)

TYPE OF EXPENSE/VALUES	YEAR 2024	YEAR 2023
Costs for operating leases	-	(2)
Non-deductible tax and other fiscal charges	(4)	(2)
Write-downs on leasehold improvements	(49)	(52)
Costs relating to the specific service of financial leasing	(26)	(31)
Other	(1,333)	(1,076)
Total other operating expenses	**(1,412)**	**(1,163)**

The item “Other” includes:
- trading of gold, precious metals, commodities and diamonds for -€913 million;
- various settlements and indemnities for -€176 million;
- additional costs for the leasing business for -€19 million;
- non banking business costs for -€18 million;
- additional costs relating to customer accounts for -€13 million.

16.2 Other operating income: breakdown

(€ million)

TYPE OF REVENUE/VALUES	YEAR 2024	YEAR 2023
A) Recovery of costs	**755**	**541**
B) Other revenues	**1,510**	**1,594**
Revenues from administrative services	34	32
Revenues from operating leases	207	198
Recovery of miscellaneous costs paid in previous years	22	12
Revenues on financial leases activities	43	49
Other	1,204	1,303
Total other operating income (A+B)	**2,265**	**2,135**

The sub-item “Others” includes:
- trading of gold, precious metals and commodities for €917 million;
- income received from non-banking business for €51 million;
- payments of indemnities and compensation of €41 million;
- additional income received from leasing business for €20 million.

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Section 17 - Gains (Losses) of equity investments - Item 250

In 2024 profit (loss) of equity investments amounts to +€483 million (+€460 million in 2023), exclusively attributable to companies subject to significant influence.

This result consists of “A. Income” of +€496 million and “B. Expenses” of -€13 million. In more detail:

- sub-item “A. Income” mainly includes:
  - +€415 million of revaluations related to gain on companies valued at Equity method, mainly: Bank Fuer Tirol Und Vorarlberg Aktiengesellschaft (+€100 million), Oberbank AG (+€80 million), UniCredit Allianz Vita S.p.A. (+€78 million), Bks Bank AG (+€51 million), Cnp UniCredit Vita S.p.A. (+€33 million), Oesterreichische Kontrollbank Aktiengesellschaft (+€31 million), UniCredit Allianz Assicurazioni S.p.A. (+€19 million);
  - +€79 million of write-backs related to Bank Fuer Tirol Und Vorarlberg Aktiengesellschaft and arising from the adjustment of the carrying value to the recoverable amount, given, in this case, by the fair value resulting from market quotations.
- sub-item “B. Expenses” mainly includes:
  - -€11 million of impairment losses, mainly attributable to Cnp UniCredit Vita S.p.A. (-€9 million).

During 2024 no transactions were carried out that would have entailed recognition of significant gains and losses attributable to measurement at fair value of any equity interests retained at the date of losing significant influence.

17.1 Gains (Losses) of equity investments: breakdown

(€ million)

INCOME ITEMS/SECTORS	YEAR 2024	YEAR 2023
1) Jointly owned companies - Equity		
A. Income	**-**	**-**
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Write-backs	-	-
4. Other gains	-	-
B. Expenses	**-**	**-**
1. Write-downs	-	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit	**-**	**-**
2) Companies under significant influence		
A. Income	**496**	**564**
1. Revaluations	415	423
2. Gains on disposal	2	25
3. Write-backs	79	116
4. Other gains	-	-
B. Expenses	**(13)**	**(104)**
1. Write-downs	(2)	(3)
2. Impairment losses	(11)	(64)
3. Losses on disposal	-	(37)
4. Other expenses	-	-
Net profit	**483**	**460**
Total	**483**	**460**

In 2023 profit (loss) of equity investments amounted to +€460 million, exclusively attributable to companies subject to significant influence.

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This result consisted of "A. Income" of +€564 million and "B. Expenses" of -€104 million. In more detail:
- sub-item "A. Income" included:
  - +€423 million of revaluations related to gain on companies valued at Equity method, mainly: Oberbank AG (+€134 million), Bank Fuer Tirol Und Vorarlberg Aktiengesellschaft (+€74 million), UniCredit Allianz Vita S.p.A. (+€62 million), Bks Bank AG (+€43 million), Oesterreichische Kontrollbank Aktiengesellschaft (+€35 million), Cnp UniCredit Vita S.p.A. (+€26 million);
  - +€25 million of gain on disposal, mainly attributable to two concurrent transactions: (i) acquisition from UnipolSai Assicurazioni S.p.A. of 51% of the issued share capital of Incontra Assicurazioni S.p.A. and (ii) disposal to Allianz S.p.A. of 50% of the issued share capital of Incontra Assicurazioni S.p.A. As a result, UniCredit S.p.A. participation in Incontra Assicurazioni S.p.A. had grown from 49% to 50% of the issued share capital;
  - +€116 million of write-backs mainly related to Bks Bank AG (+€77 million) and Bank Fuer Tirol Und Vorarlberg Aktiengesellschaft (+€20 million).
- sub-item "B. Expenses" mainly included:
  - -€64 million of impairment losses, mainly attributable to Cnp UniCredit Vita S.p.A. (-€61 million);
  - -€37 million of loss on disposal due to the effects of the sale by the associate company Barn BV of its subsidiary RN Bank.

During 2023 no transactions were carried out that would have entailed recognition of significant gains and losses attributable to measurement at fair value of any equity interests retained at the date of losing significant influence.

Section 18 - Net gains (losses) on property, plant and equipment and intangible assets measured at fair value - Item 260

18.1 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value: breakdown

(€ million)

	YEAR 2024				
			EXCHANGE DIFFERENCES		
ASSETS/INCOME ITEMS	REVALUATIONS (A)	WRITEDOWNS (B)	POSITIVE (C)	NEGATIVE (D)	NET PROFIT (A-B+C-D)
A. Property, plant and equipment	**72**	**(95)**	**1**	**-**	**(22)**
A.1 Used in the business	**27**	**(29)**	**-**	**-**	**(2)**
- Owned	27	(29)	-	-	(2)
- Right of use of Leased Assets	-	-	-	-	-
A.2 Held for investment	**45**	**(66)**	**1**	**-**	**(20)**
- Owned	45	(58)	1	-	(12)
- Right of use of Leased Assets	-	(8)	-	-	(8)
A.3 Inventories	**-**	**-**	**-**	**-**	**-**
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned	**-**	**-**	**-**	**-**	**-**
- Generated internally by the company	-	-	-	-	-
- Other	-	-	-	-	-
B.2 Right of use of Leased Assets	**-**	**-**	**-**	**-**	**-**
Total (A+B)	**72**	**(95)**	**1**	**-**	**(22)**

For additional information on the evaluation of Group real estate portfolio refer to Section 9 - Property, plant and equipment - Item 90, Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.

Section 19 - Goodwill impairment - Item 270

19.1 Impairment of goodwill: breakdown

No data to be disclosed.

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Section 20 - Gains (Losses) on disposals on investments - Item 280

20.1 Gains and losses on disposal of investments: breakdown

(€ million)

INCOME ITEMS/SECTORS	YEAR 2024	YEAR 2023
A. Property		
- Gains on disposal	11	16
- Losses on disposal	(9)	(5)
B. Other assets		
- Gains on disposal	5	10
- Losses on disposal	(4)	(10)
Net profit	**3**	**11**

As at 31 December 2024 gains (losses) on disposals of investments are +€3 million (+€11 million in 2023) and refer to:

A. Property
Net gains of +€2 million (+€11 million in 2023) include the results of property sales carried out by some Group companies.

B. Other assets
Net gains of +€1 million (immaterial in 2023) mainly include the result of sales of assets underlying leasing contracts with customers being terminated (+€3 million) and losses from deconsolidation of some equity investments (-€2 million).

During 2024 (as in 2023) no transactions were carried out that would have entailed recognition of significant gains and losses attributable to measurement at fair value of any equity interests retained at the date of losing control.

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Section 21 - Tax expenses (income) for the period from continuing operations - Item 300

Each country has an autonomous tax system where the determination of the tax base, the level of tax rates, nature, type, and timing of tax obligations might differ, even significantly. Such differences also exist amongst EU Member States.

Italy, Germany, Austria, Romania, Hungary, United Kingdom and United States, the main countries where the UniCredit group operates, all have domestic income tax consolidation regimes.
Tax consolidation rules differ among countries, sometimes markedly. The main and common benefit of a domestic tax consolidation regime is the faculty of offsetting profits and losses of companies and entities belonging to the same tax consolidation perimeter. The requirements to be included in a domestic tax consolidation regime can be very different from those set for the purpose of accounting consolidation for a banking group according to the international IAS/IFRS or local accounting standards.

The nominal corporate income tax rates in the key countries for the Group are: 31.8% in Germany (also taking into account the “solidarity surcharge” and the municipal trade tax), 23% in Austria, 10% in Bulgaria, 18% in Croatia, 22% in Slovenia, 15% in Serbia and 10% in Bosnia and Herzegovina, 16% in Romania, 21% in the Czech Republic, 21% in Slovak Republic, 20% in Russia, 9% in Hungary. Corporate income tax rates in non-key countries are: 25% in the United Kingdom (increased by the 3% surcharge for to Banking institutions, if applicable), 12.5% in Ireland, 24.94% in Luxembourg (also taking into account the “surcharge” and the municipal business tax) and 21% of federal tax in the United States.

In Italy the standard corporate income tax rate (IRES) is equal to 24%, to be increased by a 3.5% surcharge applicable to banking and other financial entities. Therefore, for UniCredit S.p.A. and for the other banks and financial entities belonging to the Group, the applicable tax rate is equal to 27.5%.

The Italian Regional Tax on Productive Activities (IRAP) is levied at a rate of 4.65% to be increased by a surcharge applied separately by each Region reaching a maximum nominal rate of 5.57%. To the resulting amount, an additional surcharge of 0.15% decided autonomously by each Region with an healthcare deficit status, can be applied. For UniCredit S.p.A. the nominal IRAP tax rate is 5.48%. IRAP has a slightly different taxable base than IRES and does not allow the offsetting of its taxable base with tax losses carried forward.

For Tax expenses (income) for the period of the Parent Company reference is made to paragraph “Section 19 - Tax expenses (income) for the period from continuing operations - Item 270” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part C - Income statement which is herewith quoted entirely.

21.1 Tax expense (income) relating to profit or loss from continuing operations: breakdown

(€ million)

INCOME ITEMS/SECTORS	YEAR 2024	YEAR 2023
1. Current taxes (-)	(2,101)	(1,578)
2. Change of current taxes of previous years (+/-)	332	355
3. Reduction of current taxes for the year (+)	30	41
3.bis Reduction of current taxes for the year due tax credit under Law 214/2011 (+)	27	159
4. Change of deferred tax assets (+/-)	(1,339)	(872)
5. Change of deferred tax liabilities (+/-)	(35)	(22)
6. Tax expenses for the year (-) (-1+/-2+3+3bis+/-4+/-5)	**(3,086)**	**(1,917)**

Item tax expense (income) relating to profit or loss from continuing operations includes:
- the tax effects related to AT1 coupon originated by subsidiary UCB GmbH;
- the tax effects arising from the decision by the government of certain jurisdictions to impose taxes on extra-profits which fall in the scope of IAS12;
- the effects related to the Deferred Tax Assets sustainability test, for which refer to the paragraph “Section 11 - Tax assets and tax liabilities - Item 110 (Assets) and Item 60 (Liabilities)”, Notes to the consolidated accounts Part B - Consolidated balance sheet - Assets.

Part C - Consolidated income statement

21.2 Reconciliation of theoretical tax charge to actual tax charge

(€ million)

	YEAR 2024	YEAR 2023
Profit (Loss) before tax from continuing operations (income statement item)	**12,860**	**11,451**
Theoretical tax rate	27.5%	27.5%
Theoretical computed taxes on income	**(3,537)**	**(3,149)**
1. Different tax rates	395	343
2. Non-taxable income - permanent differences	64	95
3. Non-deductible expenses - permanent differences	(52)	(33)
4. Different fiscal laws/IRAP	(515)	(249)
a) IRAP (italian companies)	(396)	(229)
b) Other taxes (foreign companies)	(119)	(20)
5. Previous years and changes in tax rates	368	556
a) Effects on current taxes	117	367
- Tax loss carryforward/unused Tax credit	30	41
- Other effects of previous periods	87	326
b) Effects on deferred taxes	251	189
- Changes in tax rates	24	(7)
- New taxes incurred (+) previous taxes revocation (-)	-	-
- True-ups/adjustments of the calculated deferred taxes	227	196
6. Valuation adjustments and non-recognition of deferred taxes	382	589
a) Deferred tax assets write-down	(17)	(69)
b) Deferred tax assets recognition	424	714
c) Deferred tax assets non-recognition	(18)	(51)
d) Deferred tax assets non-recognition according to IAS12.39 and 12.44	-	(2)
e) Other	(7)	(3)
7. Amortisation of goodwill	-	-
8. Non-taxable foreign income	(82)	(68)
9. Other differences	(109)	(1)
Recognised taxes on income	**(3,086)**	**(1,917)**

Part C - Consolidated income statement

Section 22 - Profit (Loss) after tax from discontinued operations - Item 320

22.1 Profit (Loss) after tax from discontinued operations: breakdown

There are no amounts to be shown.

22.2 Breakdown of tax on discontinued operations

There are no amounts to be shown.

Section 23 - Minority profit (loss) of the year - Item 340

The profit for 2024 attributable to minority interests is equal to +€55 million.
The main contributions are attributable to the minority shareholders of UniCredit Bank S.A. and Zagrebacka Banka D.D.
The change in UniCredit Bank S.A. is mainly due to the increase of minority stake for 9.90% as part of the price for the acquisition of Alpha Bank Romania S.A by UniCredit S.p.A.

23.1 Breakdown of item 340 "Minority gains (losses)"

(€ million)

COMPANY NAME	2024	2023
Consolidated equity investments with significant minority interests	**50**	**20**
UniCredit Bank S.A.	33	4
Zagrebacka Banka D.D.	17	16
Other equity investments	**5**	**7**
Total	**55**	**27**

Part C - Consolidated income statement

Section 24 - Other information

Disclosure regarding the transparency of public funding required by article 1, paragraph 125 of the Law 124/2017
Pursuant to Art.1, paragraph 125 of Law 124/2017, during 2024 the UniCredit group collected the following public contributions granted by Italian entities:

Contributions for the recruitment/stabilisation of personnel deriving from the application of the CCNL of the Credit in force from time to time

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Fondo Nazionale per il sostegno dell'occupazione nel settore del credito	UNICREDIT S.P.A.	3.97
Fondo Nazionale per il sostegno dell'occupazione nel settore del credito	UNICREDIT FACTORING S.P.A.	0.01
Fondo Nazionale per il sostegno dell'occupazione nel settore del credito	UNICREDIT LEASING S.P.A.	0.00
Fondo Nazionale per il sostegno dell'occupazione nel settore del credito	UC LEASED ASSET MGMT S.P.A.	0.00
Fondo Nazionale per il sostegno dell'occupazione nel settore del credito	CORDUSIO SOCIETA' FIDUCIARIA PER AZIONI	0.00
Fondo Nazionale per il sostegno dell'occupazione nel settore del credito	UNICREDIT BANK GMBH (Milan Branch)	0.03
Total		**4.01**

Contributions for new recruits/stabilisations, introduced by the stability law 2018 (Law 205/2017)

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Istituto Nazionale della Previdenza Sociale	UNICREDIT S.P.A.	0.68
Istituto Nazionale della Previdenza Sociale	UNICREDIT FACTORING S.P.A.	0.01
Istituto Nazionale della Previdenza Sociale	UNICREDIT LEASING S.P.A.	0.00
Istituto Nazionale della Previdenza Sociale	UC LEASED ASSET MGMT S.P.A.	0.00
Istituto Nazionale della Previdenza Sociale	CORDUSIO SOCIETA' FIDUCIARIA PER AZIONI	0.00
Istituto Nazionale della Previdenza Sociale	UNICREDIT BANK GMBH (Milan Branch)	0.07
Total		**0.76**

Part C - Consolidated income statement

Article 8 of Legislative Decree 30 September 2005, 203 converted, with modifications, from the Law 2 December 2005, 248. Compensatory measures for companies that assign the TFR to supplementary pension schemes and/or to the Fund for the payment of the TFR

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Istituto Nazionale della Previdenza Sociale	UNICREDIT S.P.A.	9.38
Istituto Nazionale della Previdenza Sociale	UNICREDIT FACTORING S.P.A.	0.06
Istituto Nazionale della Previdenza Sociale	UNICREDIT LEASING S.P.A.	0.08
Istituto Nazionale della Previdenza Sociale	UC LEASED ASSET MGMT S.P.A.	0.01
Istituto Nazionale della Previdenza Sociale	CORDUSIO SOCIETA' FIDUCIARIA PER AZIONI	0.01
Istituto Nazionale della Previdenza Sociale	UNICREDIT BANK GMBH (Milan Branch)	0.23
Total		**9.77**

Result awards decontribution for year 2022 – Legislative Decree 50 of 24 April 2017 - article 55; converted into Law 96 of 21 June 2017

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Istituto Nazionale della Previdenza Sociale	UNICREDIT S.P.A.	3.37
Istituto Nazionale della Previdenza Sociale	UNICREDIT FACTORING S.P.A.	0.03
Istituto Nazionale della Previdenza Sociale	UNICREDIT LEASING S.P.A.	0.03
Istituto Nazionale della Previdenza Sociale	UC LEASED ASSET MGMT S.P.A.	0.00
Istituto Nazionale della Previdenza Sociale	CORDUSIO SOCIETA' FIDUCIARIA PER AZIONI	0.01
Istituto Nazionale della Previdenza Sociale	UNICREDIT BANK GMBH (Milan Branch)	0.02
Total		**3.46**

For further information, refer to the National State Aid Register "Transparency".

Part C - Consolidated income statement

Section 25 - Earnings per share

25.1 and 25.2 Average number of diluted shares and other information

	YEAR 2024	YEAR 2023
Net profit (Loss) attributable to the Group (€ million)	9,472	9,332
Average number of outstanding shares	1,621,646,008	1,827,892,681
Average number of potential dilutive shares	16,835,472	21,879,901
Average number of diluted shares	1,638,481,480	1,849,772,582
Earnings per share (€)	**5.841**	**5.105**
Diluted earnings per share (€)	**5.781**	**5.045**

€247 million has been deducted from the 2024 net profit attributable to the Group of €9,719 million due to the disbursements (charged to net equity and referring to the results of the year 2023) in connection with the usufruct contract signed with Mediobanca S.p.A. on UniCredit shares supporting the issuance of convertible securities denominated "Cashes" (€175 million was deducted from 2023 net profit attributable to the Group).

The average number of outstanding shares is net of the average number of treasury shares, considering the shares buyback made during the 2024 and totally cancelled, and of further average No.9,675,640 shares held under a contract of usufruct.

Part D - Consolidated other comprehensive income

Consolidated analytical statement of total comprehensive income

(€ million)

ITEMS	AS AT 31.12.2024	AS AT 31.12.2023
10. Profit (Loss) for the year	**9,774**	**9,534**
Other comprehensive income not reclassified to profit or loss	**66**	**(321)**
20. Equity instruments designated at fair value through other comprehensive income:	311	46
a) fair value changes	245	14
b) tranfers to other shareholders' equity items	66	32
30. Financial liabilities designated at fair value through profit or loss (own creditworthiness changes):	25	(47)
a) fair value changes	4	(53)
b) tranfers to other shareholders' equity items	21	6
40. Hedge accounting of equity instruments measured at fair value through other comprehensive income:	-	-
a) fair value change (hedged instrument)	-	-
b) fair value change (hedging instrument)	-	-
50. Property, plant and equipment	(58)	(233)
60. Intangible assets	-	-
70. Defined benefit plans	(223)	(282)
80. Non-current assets and disposal groups classified as held for sale	(3)	(2)
90. Part of valuation reserves from investments valued at equity method	-	16
100. Insurance finance revenues or costs arising from insurance contracts issued	-	-
110. Tax expenses (income) relating to items not reclassified to profit or loss	14	181
Other comprehensive income reclassified to profit or loss	**(581)**	**(129)**
120. Foreign investments hedging:	4	(45)
a) fair value changes	4	(45)
b) reclassification to profit or loss	-	-
c) other changes	-	-
130. Foreign exchange differences:	(592)	(712)
a) value changes	(592)	(713)
b) reclassification to profit or loss	-	1
c) other changes	-	-
140. Cash flow hedging:	126	303
a) fair value changes	68	271
b) reclassification to profit or loss	38	6
c) other changes	20	26
of which: net position	-	-
150. Hedging instruments (non-designated items):	-	-
a) value changes	-	-
b) reclassification to profit or loss	-	-
c) other changes	-	-
160. Financial assets (different from equity instruments) at fair value through other comprehensive income:	(236)	315
a) fair value changes	(216)	387
b) reclassification to profit or loss:	(17)	(111)
- impairment losses	12	(13)
- gains/losses on disposals	(29)	(98)
c) other changes	(3)	39
170. Non-current assets and disposal groups classified as held for sale:	-	34
a) fair value changes	-	(3)
b) reclassification to profit or loss	-	37
c) other changes	-	-
180. Part of valuation reserves from investments valued at equity method:	65	35
a) fair value changes	2	30
b) reclassification to profit or loss:	61	26
- impairment losses	12	(1)
- gains/losses on disposals	49	27
c) other changes	2	(21)

Part D - Consolidated other comprehensive income

continued: Consolidated analytical statement of total comprehensive income

(€ million)

ITEMS	AS AT 31.12.2024	AS AT 31.12.2023
190. Insurance finance revenues or costs arising from insurance contracts issued	-	-
a) fair value changes	-	-
b) reclassification to profit or loss	-	-
c) other changes	-	-
200. Insurance finance revenues or costs arising from reinsurance contracts held	-	-
a) fair value changes	-	-
b) reclassification to profit or loss	-	-
c) other changes	-	-
210. Tax expenses (income) relating to items reclassified to profit or loss	52	(59)
220. Total other comprehensive income	**(515)**	**(450)**
230. Other comprehensive income (Item 10+220)	**9,259**	**9,084**
240. Minority consolidated other comprehensive income	(57)	(28)
250. Parent Company's consolidated other comprehensive income	**9,202**	**9,056**

Part E - Information on risks and related hedging policies

Introduction

UniCredit group monitors and manages its risks through tight methodologies and procedures proving to be effective through all phases of the economic cycle.
The steering, coordination and control role of the Group's risks is performed by the Parent Company's Risk Management function.
The structure's "Risk Management" mission, under the responsibility of the Group Risk Officer (Group CRO) is to:

- optimise the quality of the Group's assets, minimising the risk cost in accordance with the risk/profitability goals set for the business areas;
- ensure the strategic steering and definition of the Group's risk management policies;
- define and provide the Heads of the Business Functions and Group Companies with the criteria for assessing, managing, measuring, monitoring and communicating risk. It also ensures that the procedures and systems designed to control risk at Group and individual Group Company level are coherent;
- help to build a risk culture across the Group by training and developing, together with the competent Group People & Culture;
- help to find ways to rectify asset imbalances, where needed in conjunction with the Group Financial Officer;
- help the Business Functions to achieve their goals, including by assisting in the development of products and businesses (e.g. innovation of credit products, competitive opportunities linked to Basel accords, etc.);
- support the Chief Executive Officer in defining the Group Risk Appetite proposal, to be shared in the managerial committee Group Executive Committee and submitted for approval to the Board of Directors, as preliminary and preparatory step for the yearly and multi-yearly budget plan pertaining to the Group Financial Officer. The Group Risk Appetite shall include a series of parameters defined by the Group Risk Officer, with the contribution of the Group Financial Officer and other relevant Group functions; each parameter can be complemented by limits and thresholds proposed by the Group Risk Officer and targets proposed by the Group Financial Officer and/or by the relevant Group functions, each respecting their mission and internal regulations. The Group Risk Officer is responsible for ensuring the overall coherence of the proposed parameters and values. Furthermore, the Group Risk Officer is responsible for ensuring the Chief Executive Officer and the Board of Directors the coherence of the Group Risk Appetite with the Group strategic guidelines, as well as the coherence of the budget goals with the Group Risk Appetite setting and the periodical monitoring of the RAF. The Group Financial Officer remains responsible for monitoring the performances of the Group and of the business functions, in order to identify possible underperforming areas and the related corrective measures.

Such mission is accomplished by coordinating the Group's risk management as a whole. More specifically, it involves carrying out the following macro-functions:

- governing and checking credit, cross-border, market, balance sheet, liquidity, ICT, operational and reputational, climate and environmental risks at Group level as well as any other risks relating to Basel II Pillar II (e.g. strategic, real estate, financial investment, business risks), by defining risk strategies and limits, developing risk measurement methodologies performing stress tests and portfolio analysis;
- supervising, on a Group level and for UniCredit S.p.A., Basel accord related activities;
- coordinating the internal capital measurement process within the Internal Capital Adequacy Assessment Process (ICAAP) and coordinating activities for drawing up the "ICAAP Regulatory Report";
- performing internal validation activities, at Group level, on systems for measuring, credit, operating and market risks, or Basel II Pillar II risks on related processes and data quality and IT components, as well as on models for pricing financial instruments, in order to check that they conform to regulatory requirements and in-house standards, overseeing consequently the non-compliance risk regarding to such regulatory requirements;
- ensuring that the competent Bodies/Functions get adequate reports;
- developing the strategy and oversee the management, process, targets and disposals of Non-Performing Exposures/NPE, repossessed assets and any other distressed assets for the entire Group. The Group Risk Officer defines the criteria/rules for identifying the exposures and assets for sale and portfolio targets;
- drafting and managing risk policies, both at Group level (Group Rules) and at Parent Company level, on the performance of risk-related activities for which UniCredit S.p.A. is competent as well as ensuring the monitoring;
- defining framework and performing second-level controls on risks, within the Group and the Parent Company;
- assigning ratings for banks and for the Group's major exposures, carrying out the relevant mapping, at Group level, and managing the 'rating override' process regarding Group-wide rating systems as well as those for measuring the credit risk of Unicredit S.p.A.'s counterparts.
- defining the minimum standards and guidelines for validating IT infrastructures and data quality, credit risks, operating risks and Pillar II risks, for feeding Group and Parent Company reports on credit risk and for feeding credit risk measurement models.

Part E - Information on risks and related hedging policies

The structure Group Internal Validation, directly reporting to Group Risk Management, has the mission to validate, at Group level, and to steer the local validation assessments of the risk measurement methodologies, the related processes, the IT components and the data quality for Pillar I and Pillar II risks, the main managerial models, as well as Group Risk Reporting, providing adequate reporting for Company Bodies and the Supervisory Authority as well as for assessing, monitoring and reporting, at Group level, the model risk for the models in scope of the Model Risk Management (MRM) framework, providing adequate reporting for competent committees and the Board of Directors.

In order to strengthen the capacity of independent steering, coordination, and control of Group risks, to improve the efficiency and the flexibility on the risk decision process and to address the interaction among the relevant risk stakeholders, specific Committees are in place:
- the Group Executive Committee (GEC), the Group Financial and Credit Risk Committee (GFRC) and Group Non-Financial Risks and Controls Committee (GNFRC) support the CEO in the role of steering, coordinating and monitoring the strategic and all categories of risks (included compliance risk), at Group level, as well as defining the Group Recovery Plan;
- the GEC - "Risk" session, which has approval as well as consulting and proposal functions, aims at supporting the CEO in its role of steering, coordinating and monitoring all categories of risks (included compliance risk), managing and overseeing the Internal Control System (ICS) also at a Group level, as well as discussing and approving strategic risk topics such as Group Risk Appetite Framework, ICAAP, ILAAP, SREP, NPE strategy coherently with the overall risk profile defined by RAF and the steering of Environmental, Social and Governance (ESG) including Climate & Environmental Risks (i.e. transition and physical risk);
- the GEC - "Group Recovery Plan" session support the CEO to deal with the Group Recovery Plan, defining the proposal to be submitted to the Board of Directors' final decision and to solve issues emerged during the production and the maintenance of the Plan;
- the "Group Financial and Credit Risks Committee" (GFRC) supports the CEO in the steering, coordination and control of the credit and financial risks(including Climate &Environmental risks) at Group level also managing and overseen the related Internal Control System (ICS) and consists of the following sessions: (i) Credit Risk session, responsible for defining policies, operational limits and methodologies for the measurement, management and control of the Credit Risks as well as for the definition of the methodologies for the measurement and control of internal capital, (ii) Rating approval session, responsible for approving rating overrides (iii) Market Risk session, responsible for approving strategies, policies and methodologies for Market Risks and for the monitoring of related risks, (iv) ALCO session, responsible for approving strategies, policies and methodologies for Financial Risks and for the monitoring of risks related to Fund Transfer Pricing;
- The Group Non-Financial Risks and Controls Committee (GNFRC) supports the CEO in the role of steering and monitoring the Non-Financial Risks (NFRs including Climate &Environmental risks) at Group level and overseeing the related Internal Control System (ICS). The Committee consists of the following sessions: (i) General Non-Financial Risks and Controls Session, responsible for defining and approving policies, operational limits and methodologies for the measurement, management and control of Non-Financial Risks, including the methodologies for the measurement, management, and control of Non-Financial Risks (Operational and Reputational Risk) impacting internal capital; (ii) ICT, Security, Cyber and Third party Risk Session responsible for evaluating and providing guidelines for the management of risks related to ICT, Security, Cyber, a third party contracts and business continuity plan; (iii) Reputational Risk Session responsible for evaluating and providing guidelines for the management of reputational risk also on single customer transactions. The GNFRC enables the coordination the three lines of defence with the aim to identify and share Group priorities concerning Non-Financial Risks (e.g. events, regulations or emerging risks), assessing and monitoring the effectiveness of initiatives put in place in order to address them.

Internal Capital Adequacy Assessment Process (ICAAP) and Risk Appetite
UniCredit group assesses its capital adequacy on a going concern approach, ensuring that an adequate level of capital is maintained to continue business activities as usual even in case of severe loss events, like those caused by an economic downturn.
The Group's approach to ICAAP consists of the following phases:
1. Risk identification and mapping;
2. Risk measurement and stress testing;
3. Risk appetite setting and capital allocation;
4. Monitoring and reporting.

Part E - Information on risks and related hedging policies

1. Risk identification and mapping
The first step is the identification and mapping of all the risks embedded in the Group and in the relevant legal entities, with particular focus on the risks not explicitly covered by the Pillar I framework. The output of this activity is the Group Risk Map which encompasses all risk types, including those quantifiable by Economic Capital.

2. Risk measurement and stress testing
The second phase is the identification of the internal methodologies for measurement and quantification of the different risk profiles, resulting into the calculation of Group Economic Capital. The Economic Capital measures are supported by aggregated-stress tests, which are a fundamental part of a sound risk management process. The aim of stress testing is to assess the bank's viability with respect to exceptional but plausible events. The impact of adverse economic scenarios is assessed on the capital position and/or the liquidity position of the Group.

3. Risk Appetite setting and capital allocation
Risk Appetite is a key managerial instrument used with the purpose of setting the adequate levels of risk the Bank is willing to have and consistently steering its business evolution (refer to the RAF section below for details). The Group capital plays a crucial role in the main corporate governance processes that drive strategic decisions, as target and risk tolerance thresholds, in terms of regulatory and economic capital. It is also a key element of the Risk Appetite Framework of the Group.

4. Monitoring and Reporting
Capital adequacy evaluation is a dynamic process that requires a regular monitoring to support the decision-making processes.
The Bank monitors its main risk profile with a frequency consistent with the nature of each single risk. On top of this, a quarterly reporting of integrated risks and Risk Appetite evolution is reported to the relevant Risk Committees and Governing Bodies, in order to set and implement and efficient and effective ICAAP framework.
Capital adequacy is assessed considering the balance between the assumed risks and the available capital both in a regulatory and in an economic perspective. With respect to economic perspective and to Going Concern approach, capital adequacy is assessed by comparing the amount of financial resources available to absorb losses and to ensure the business continuity of the Group, the so-called Available Financial Resources (AFR), with the economic capital internally estimated (Economic Capital - EC). The AFR are computed according to the Group principles and consistent with prudential regulation, in fact the regulatory capital (Own Funds) is the basis for the AFR quantification. The Group capital instruments that are included in the AFR satisfy the following three criteria:
- loss absorbency in business continuity approach;
- permanence;
- flexibility of payments.

The ratio between AFR and EC is the Risk Taking Capacity (RTC). This ratio must be above 100% (AFR>EC) in order to avoid that risk exposures are higher than the Available Financial Resources. RTC is one of the key indicators included in the Group RAF dashboard on which the Bank leverages to guide the selection of the desired risk-return profile in alignment with its business strategies.

A milestone of the ICAAP is the Risk Appetite, which in UniCredit group is defined as the level of risk that the Group is willing to take and the risk-return profile it fixes to achieve in pursuing its strategic objectives and business plan, taking into account the interest of its stakeholders (e.g., customers, policymakers, regulators, shareholders) as well as capital and other regulatory and law requirements. The Group Risk Appetite is approved on an annual basis by the Board of Directors and is regularly monitored and reported, at least quarterly, to the relevant committees, with the aim of ensuring the consistency with the risk return profile set by the Board of Directors. At local level, the risk appetite is set for the main Legal Entities and approved by the local competent functions.

The main goals of UniCredit group's Risk Appetite are:
- assessing explicitly the risks and their interconnections UniCredit group is willing to accept or should avoid in a forward-looking view;
- specifying the types of risk UniCredit group intends to assume by setting the targets, triggers and limits, under both normal and stressed operating conditions;
- ensuring an "ex ante" risk-return profile consistent with long term sustainability, in coherence with multi-year strategic plan/budget;
- ensuring that the business develops within the risk tolerance set by the Parent Company Board of Directors, also in respect of national and international regulations.
- supporting the evaluation of future strategic options with reference to risk profile.
- addressing internal and external stakeholders' view on risk profile consistent with the strategic positioning.
- provide qualitative statements concerning identified risks in order to strategically guide the relevant processes, the internal control system and ensure prevention/early intervention on emerging risks.

Part E - Information on risks and related hedging policies

The Group Risk Appetite is defined consistently with UniCredit group business model. For this purpose, Group Risk Appetite is integrated in the budget process, in order to guide the selection of the desired risk-return profile in alignment with the Strategic Plan guidelines and at inception of the budget process.
UniCredit Remuneration Policy is consistent with the Group Risk Appetite to allow the effective implementation of risk reward remuneration for bonus definition and payments.

The structure of the Risk Appetite in UniCredit group includes the Group Risk Appetite Statement and the Group Risk Appetite KPIs Dashboard.
The Risk Appetite Statement defines the positioning of the bank in terms of strategic targets and related risk profiles to address internal and external stakeholders' expectations and includes:
- a guidance on the overall key boundaries for the Group in terms of focus of activity;
- a definition of the desired risk-return profile, in line with the Group's overall strategy;
- the risks the bank is willing to accept or should avoid both in normal and stressed conditions;
- an indication on strategies to manage key risks within the perimeter of the Group;
- qualitative statements for not quantifiable risks in order to ensure prevention/early intervention on emerging risks.

The quantitative elements of the Risk Appetite Framework are instead represented by a Dashboard, composed by a set of KPIs, based on the analysis of the expectations of UniCredit group internal and external stakeholders, including material risks to which the Group is exposed and addressing the following categories:
- Regulatory KPIs: to guarantee at any time the fulfilment of the KPIs requested by Regulators (e.g., Common Equity Tier 1 Ratio, Liquidity Coverage Ratio);
- Managerial KPIs: KPIs considered to be key from strategic and Risk Appetite standpoint and defined to ensure steering of all key financial risks (e.g., Credit Risk, Liquidity and Interest Rate Risks, Market and Sovereign Risks), Profitability, non-financial risks (e.g., Operational risk, ICT and Cyber risk, Compliance risk) and Climate & Environmental risk.

For each of the above dimensions, one or more KPIs are identified, in order to quantitatively measure the position of the Group in different ways: absolute values, ratios, sensitivities to defined parameters.
Various levels of thresholds are defined to act as early warning indicators anticipating potential risk situations that will be promptly escalated at relevant organisational level. If specific Risk Appetite thresholds are met, the necessary management measures have to be adopted for effectively adjusting the risk profile. The thresholds are identified as follows (on certain KPIs, not all the thresholds may be meaningful):
- *Targets* represent the amount of risk the Group is willing to take on in normal conditions in line with the Group ambition. They are the reference thresholds for the development and steering of the business;
- *Triggers* represent, from a managerial standpoint, the maximum acceptable level of deviation from the defined target thresholds, or more generally a Warning Level, and are set consistently to assure that the Group can operate, even under stress conditions;
- *Limits* are hard points that represent, from a statutory standpoint, the maximum acceptable level of risk for the Group.

Thresholds setting is evaluated by the relevant competent functions, also through managerial decision by the Board of Directors, respecting regulatory and supervisory requirements and also taking into account stakeholders' expectations and positioning versus peers. In addition, Unicredit group has a series of transversal operational limits and metrics that cover the main risk profiles in order to supplement the Risk Appetite Framework.

According to the EBA guidelines, each year ICAAP information is collected for SREP purposes and sent to the Regulator. The Board of Directors, which authorises the sending of this information to the Authorities, also acknowledges that the risk governance of the Group is deemed adequate, guaranteeing that the risk management system in place is in line with the risk profile and strategy of the Group. In addition, the Board of Directors approved and signed the Capital Adequacy Statement during the last Board of Directors held on 20 March 2024.
In the Capital Adequacy Statement, the Board of Directors states that the Group demonstrated to have a strong capital position, allowing to maintain under baseline scenario an adequate managerial buffer on top of Combined Buffer Requirement (CBR) and, in case of more severe conditions, to ensure adequate buffer in addition to the total SREP capital ratio (TSCR). In light of the current geopolitical environment, the Management and the Board of Directors are taking a prudent and sustainable approach, assessing any possible impact on the capital adequacy and related mitigation actions, and in parallel proceeding with the implementation of the strategic plan.
UniCredit group is consistently engaged in identifying areas of improvement of the ICAAP process in compliance with Supervisory expectations.

Part E - Information on risks and related hedging policies

Risk culture in UniCredit group

The Risk Culture is increasingly crucial for a sound governance, even more after the recent crisis in the banking sector. In compliance with the guidelines set by the Financial Stability Board, the Basel Committee and the EBA, the UniCredit group is committed to develop and propagate across the Group an integrated risk culture, aimed at ensuring risk awareness and risk- taking behaviors at all levels of the Institution.
The risk culture refers not only to rules but also to behaviors related to awareness, management and control of risks and it shapes the decision-making process for what concerns risk- taking approach by the corporate bodies and by all employees in the day-to-day activities.
A sound risk culture is based on four foundations:
- *Tone from the top*: the Board of Directors and the senior management are the starting point for setting the Institution's core values and risk culture and their behaviors shall reflect these values;
- *Accountability*: for an effective risk management all employees have to understand the corporate values and its approach to risk appetite and risk-taking and they have to act accordingly in day-by-day activities, knowing they are held accountable in relation to the risk- taking approach;
- Effective communication and challenge: a sound risk culture promotes an environment of open communication and effective challenge in which decision-making processes encourage different views, testing of current practices and stimulate an open and constructive critical attitude among employees and an environment of inclusive and constructive engagement;
- *Incentives*: the incentive system shall ensure that behaviors and performances are aligned to the institution's risk profile and its long- term interest sustainability.

The Group Risk Management, in line with its mission as defined by the Board of Directors of UniCredit, adopted a structured and integrated approach to strengthen UniCredit's risk culture, by enhancing constantly the four foundations. For example, the Senior Management is involved in communication initiatives "Tone from the Top", in particular on the emerging risks and on risks that may be amplified by the market trends, for instance prevention of the greenwashing, that can severely affect the reputational and financial risks if not properly managed within a sound and widespread risk culture at all levels of the Institution.
The learning offer is regularly updated, within a homogeneous Group framework ("Risk University"), with a special focus on the training addressing specific roles, in particular, for instance, with regards to cyber & ICT risk and climate risk related topics. A special attention is devoted to managerial roles' training, in particular for developing an inclusive approach that promotes diversity, also through speak up and accountability initiatives.
An effective and timely communication is key for promoting the corporate values - Integrity, Ownership, Caring - along with the ESG ones. Furthermore, a monthly newsletter is issued, covering areas like Risk Management, ESG, Compliance, Digital, in order to support the risk awareness with up-to-date contents. A series of events are organised to enhance the risk culture across the Competence Line and the whole Group.
The assessment of the performances takes into consideration the compliance to the rules, to the code of conduct and to expected behaviours. Moreover, the access to the incentive system depends upon the completion of the mandatory trainings, in particular the ones relating to the proper management of the relationship with the clients, and, for impacted roles, the customer due diligence periodic revision (Know Your Customer) and fulfilment of MiFID requirements.

Part E - Information on risks and related hedging policies

Reconciliation between accounting and prudential consolidated perimeter

Note that Section 1 - Risks of the accounting consolidated perimeter provides information on companies included in the accounting perimeter of consolidation. Section 2 - Risks of the prudential consolidated perimeter provides information referred to the prudential perimeter of consolidation.

In this regard the accounting perimeter is composed by companies fully consolidated in accordance with IFRS10, for additional information refer to Notes to the consolidated accounts; Part A - Accounting policies, Section 3 - Consolidation scope and methods.

The prudential perimeter is composed by companies subject to full consolidation in accordance with Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on “prudential requirements for credit institutions and investment firms” (CRR).
Prudential perimeter differs, as a result, from the accounting perimeter due to the accounting through the equity method of those subsidiaries that are not engaged in banking activity, financial activity of instrumental activity, which are subject to full consolidation in the accounting perimeter.
The interests held in these companies is included in item 70. Equity investments.

(€ million)

	AMOUNTS AS AT 31.12.2024		
ASSETS	**ACCOUNTING PERIMETER**	**PRUDENTIAL PERIMETER**	**DELTA**
10. Cash and cash balances	41,442	41,440	(2)
20. Financial assets at fair value through profit or loss:	61,677	61,651	(26)
a) financial assets held for trading	55,083	55,083	-
b) financial assets designated at fair value	247	247	-
c) other financial assets mandatorily at fair value	6,347	6,321	(26)
30. Financial assets at fair value through other comprehensive income	78,019	78,019	-
40. Financial assets at amortised cost:	563,166	563,586	420
a) loans and advances to banks	66,540	66,540	-
b) loans and advances to customers	496,626	497,046	420
50. Hedging derivatives	1,351	1,351	-
60. Changes in fair value of portfolio hedged items (+/-)	(1,702)	(1,702)	-
70. Equity investments	4,393	4,482	89
80. Insurance assets	-	-	-
a) insurance contracts issued that are assets	-	-	-
b) reinsurance contracts held that are assets	-	-	-
90. Property, plant and equipment	8,794	8,192	(602)
100. Intangible assets	2,229	2,228	(1)
of which: goodwill	38	38	-
110. Tax assets:	10,273	10,266	(7)
a) current	685	682	(3)
b) deferred	9,588	9,584	(4)
120. Non-current assets and disposal groups classified as held for sale	394	362	(32)
130. Other assets	13,968	14,096	128
Total assets	**784,004**	**783,971**	**(33)**

Part E - Information on risks and related hedging policies

continued:

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024		
	ACCOUNTING PERIMETER	PRUDENTIAL PERIMETER	DELTA
10. Financial liabilities at amortised cost:	659,598	659,618	20
a) deposit from banks	67,919	67,884	(35)
b) deposit from customers	500,970	501,025	55
c) debt securities in issue	90,709	90,709	-
20. Financial liabilities held for trading	31,349	31,349	-
30. Financial liabilities designated at fair value	13,746	13,746	-
40. Hedging derivatives	1,112	1,112	-
50. Value adjustment of hedged financial liabilities (+/-)	(9,247)	(9,247)	-
60. Tax liabilities:	1,708	1,668	(40)
a) current	1,456	1,454	(2)
b) deferred	252	214	(38)
70. Liabilities associated with non-current assets held for sale	-	-	-
80. Other liabilities	14,687	14,682	(5)
90. Provision for employee severance pay	294	294	-
100. Provision for risks and charges:	7,916	7,899	(17)
a) commitments and guarantees given	1,043	1,043	-
b) post-retirement benefit obligations	3,193	3,193	-
c) other provisions for risks and charges	3,680	3,663	(17)
110. Insurance liabilities	-	-	-
a) insurance contracts issued that are liabilities	-	-	-
b) reinsurance contracts held that are liabilities	-	-	-
120. Valuation reserves	(5,422)	(5,422)	-
130. Redeemable shares	-	-	-
140. Equity instruments	4,958	4,958	-
150. Reserves	33,235	33,235	-
155. Advanced dividends (-)	(1,440)	(1,440)	-
160. Share premium	23	23	-
170. Share capital	21,368	21,368	-
180. Treasury shares (-)	-	-	-
190. Minority shareholders' equity (+/-)	400	409	9
200. Profit (Loss) for the period (+/-)	9,719	9,719	-
Total liabilities and shareholders' equity	**784,004**	**783,971**	**(33)**

Part E - Information on risks and related hedging policies

Section 1 - Risks of the accounting consolidated perimeter

Quantitative information

In the following tables, the volume of impaired assets according to the IFRS definition is equivalent to the one of non-performing exposures referred to in the EBA standards.

A. Credit quality

For the purposes of the disclosure of quantitative information about credit quality, the term "credit exposures" does not include equity instruments and units in investment funds.

A.1 Impaired and non-performing credit exposures: stocks, value adjustments, dynamics and economic

A.1.1 Breakdown of financial assets by portfolio and credit quality (carrying value)

(€ million)

PORTFOLIOS/QUALITY	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE EXPOSURES	PERFORMING PAST-DUE EXPOSURES	OTHER PERFORMING EXPOSURES	TOTAL
1. Financial assets at amortised cost	943	4,576	543	7,854	549,250	563,166
2. Financial assets at fair value through other comprehensive income	-	32	-	-	74,106	74,138
3. Financial assets designated at fair value	-	-	-	-	247	247
4. Other financial assets mandatorily at fair value	1	35	1	3	2,851	2,891
5. Financial instruments classified as held for sale	24	147	-	-	30	201
Total 31.12.2024	**968**	**4,790**	**544**	**7,857**	**626,484**	**640,643**
Total 31.12.2023	**776**	**5,069**	**687**	**8,427**	**607,948**	**622,907**

A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net values)

(€ million)

PORTFOLIOS/QUALITY	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (NET EXPOSURE)
	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURE	
1. Financial assets at amortised cost	11,167	5,105	6,062	692	561,271	4,167	557,104	563,166
2. Financial assets at fair value through other comprehensive income	114	82	32	-	74,115	9	74,106	74,138
3. Financial assets designated at fair value	-	-	-	-	X	X	247	247
4. Other financial assets mandatorily at fair value	118	81	37	-	X	X	2,854	2,891
5. Financial instruments classified as held for sale	252	81	171	-	40	10	30	201
Total 31.12.2024	**11,651**	**5,349**	**6,302**	**692**	**635,426**	**4,186**	**634,341**	**640,643**
Total 31.12.2023	**12,434**	**5,902**	**6,532**	**627**	**617,199**	**4,927**	**616,375**	**622,907**

Note:
(*) Value shown for information purposes.

For additional information on the matter related to evaluation on credit exposures refer to Section 2 - Risks of the prudential consolidated financial statements, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies.

(€ million)

PORTFOLIOS/QUALITY	ASSETS OF EVIDENT LOW CREDIT QUALITY		OTHER ASSETS
	CUMULATED LOSSES	NET EXPOSURE	NET EXPOSURE
1. Financial assets held for trading	3	25	43,927
2. Hedging derivatives	-	-	1,351
Total 31.12.2024	**3**	**25**	**45,278**
Total 31.12.2023	**2**	**7**	**50,342**

Part E - Information on risks and related hedging policies

B. Structured entities (other than entities for securitisation transaction)

B.1 Consolidated structured entities

The Group has involvements in structured entities that are consolidated because it has both power on the underlying assets and exposure to variability of returns arising from the structured entities activities as a result of the financial instruments subscribed.

The consolidated structured entities of the Group belong to one of the following categories:

- **Leasing SPV:** these structured entities are set-up in order to meet the needs of customers interested into entering into finance leasing. The Group provides funding to these structured entities, both in form of equity and in form of loans. Such funding is used by structured entities to buy assets (real estate, equipment, etc.) that are leased to a customer under a finance leasing contract;
- **Project finance SPV:** these structured entities are set-up in order to finance capital intensive projects according to the need of specific customers. Typically the funds needed to develop the project are provided by the customer, in form of equity and by the Group in form of loans. The Group consolidates such structured entities as a result of deterioration of the credit worthiness of the customer and subsequent acquisition of the right to manage the project;
- **Real estate SPV:** these structured entities are entities that have been set-up in order to fund real estate projects used in the business by the Group or that have been acquired it the course of credit recovery processes;
- **Funding SPV:** these structured entities are set-up by so to gather funding in specific markets that is guaranteed by a Group Legal entity. This funding is then transferred to the Group legal entity that guarantees it;
- **Market Related structured entities:** these structured entities are set-up in order to allow customers to invest into specific financial instruments or to fund their specific credits. The Group consolidates these structured entities in cases where it provides its own guarantee on the reimbursement of such instruments or credits or predominantly finances the SPV. This category includes the Italian vehicle, established pursuant to law 130/99, for the purchase of tax credits;
- **Investment funds:** these structured entities are open ended and closed ended investment funds that the Group controls under IFRS10 having acquired enough quotas to expose it to variability of returns and the ability to manage, directly and indirectly, the underlying portfolio;
- **Warehousing SPV:** these structured entities are set-up in order to subsequently perform securitisation transactions. In particular they purchase mortgages in specific markets and from different originators until a “critical mass” that allow to perform securitisation is reached. The purchases of mortgages are funded through loans provided by the Group.

During the period the Group has not provided financial support to consolidated structured entities, other than those for securitisation transactions, in absence of contractual obligation to do so and it doesn’t have current intention to provide such support.

The following table provides on-Balance sheet and off-Balance sheet, credit line, fund commitments and financial guarantees, provided by Group companies to consolidated structured entities, excluding possible exposures and Group’s Legal entities classified as held for sale as at 31 December 2024.
These exposures are eliminated in the consolidation process.

(€ million)

BALANCE SHEET ITEM/SPV TYPE	TOTAL ASSETS	OFF BALANCE SHEET EXPOSURES
Leasing SPV	1,213	2
Project Finance SPV	-	-
Real Estate SPV	-	-
Funding SPV	-	-
Market Related SPV	3,221	6,498
Investment funds	1,066	60
Warehousing SPV	-	-
Total	**5,500**	**6,560**

B.2 Non-consolidated for accounting purposes structured entities

B.2.1. Consolidated for regulatory purposes structured entities

The Group has not exposure toward structured entities consolidated for regulatory purpose but that are not consolidated for accounting purpose.

B.2.2. Other structured entities

Qualitative information

The Group has exposure toward unconsolidated structured entities either as a result of its lending activities or through the investments in quotas issued by funds that are structured entities under IFRS12 definition.

Part E - Information on risks and related hedging policies

In particular, unconsolidated structured entities in which the Group is exposed to belong to the following categories:

- **Acquisition and Leveraged Finance structured entities** are set up for providing funding for the acquisition of a target business, where sponsors participate with equity contribution and lenders structure their facilities according to the cash flow profile of the target. The Group provides funding to these structured entities according to the applicable internal credit policies described in the paragraph 1. General Aspects that also define the level of equity that has to be provided by the sponsor, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information.
  The Group has no control over these structured entities because it neither manages the company whose acquisition is being financed nor is significantly exposed to the associated variability of returns;
- **Leasing structured entities** are set-up to buy an asset and rent it to customers (based on a financial leasing contract). The funding is provided through loans, and the structured entities are the owner of the asset. At the end of the contract the asset is usually sold to the customer at a price usually equal to the residual value defined by the contract.
  The Group provides funding to these structured entities according to the applicable internal credit policies described in the paragraph 1. General Aspects that also define the level of equity that has to be provided by the customer, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information. In particular, the contracts ruling such transactions and associated guarantees ensure that the Group has no control over these structured entities because it neither manages the activities of the structured entities nor is significantly exposed to variability of returns of the leased assets;
- **Market Related structured entities** are set-up in order to allow customers to invest into financial instruments having features, in term of currency of denomination or interest rate, different from those offered in the market. In this context the Group maintains exposures against these vehicles that, however, do not transfer to the Group the main risks of the underlying;
- **Notes issuing structured entities** are structured entities that issue security different from ABS that are backed up by certain type of assets. These include covered bonds issued by third parties.
  The Group does not control these structured entities as it has neither the ability to manage the underlying assets nor retains significant exposures to its variability of returns;
- **Project Finance structured entities** are structured entities set up for the financing capital intensive business initiatives, where customers participate with equity contribution. The Group provides funding to these structured entities according to the applicable internal credit policies described in the paragraph 1. General Aspects that also define the level of equity that has to be provided by the customers, Part E - Information on risks and related hedging policies, Section 2, Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information.
  The Group has no control over these structured entities because it neither manages the assets being financed nor is significantly exposed to the resulting variability of returns;
- **Real Estate structured entities** are set-up for the financing of specific real estate initiatives. In these structures the customers, typically commercial and residential development companies and institutional investors set up the structured entities and provides the equity. The Group provides funding according to the applicable internal credit policies described in the paragraph 1. General Aspects that also define the level of equity that has to be provided by the customers, Part E - Information on risks and related hedging policies, Section 2, Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information.
  The Group has no control over these structured entities because it neither manages the assets being financed nor is significantly exposed to the resulting variability of returns;
- **Shipping and Aircraft structured entities** are set up for the building or the acquisition of a ship or an aircraft that is then used by the customers in the context of their business activities.
  The Group provides funding to these structured entities according to the applicable internal credit policies described in the paragraph 1. General Aspects that also define the level of equity that has to be provided by the customers, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2, Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information.
  The Group has no control over these structured entities because it neither manages the assets being financed nor is significantly exposed to the resulting variability of returns;
- **Warehousing structured entities** support subsequent securitisation transactions through the purchase of mortgages in specific markets and from different originators until a “critical mass” that allows to perform such securitisation is reached;
- **Investments funds** comprise open ended and closed ended investment funds in which the Group has subscribed quotas or provided loans.

Quantitative information

The following table provides indication on assets, liabilities and off-Balance sheet exposures recognised in the Balance sheet of the Group held towards SPVs different from non-consolidated securitisation vehicles and broken down by role of the Group.

The maximum exposure to loss has been calculated by grossing up the difference between assets and liabilities with off-Balance sheet positions (credit lines, fund commitments and financial guarantees) held toward these vehicles reported in column “difference between maximum exposure to loss and accounting value”.

Part E - Information on risks and related hedging policies

Exposure to structured entities different from Securitisation SPV not Consolidated for accounting purposes

(€ million)

BALANCE SHEET ITEM/SPV TYPE	ACCOUNTING PORTFOLIO (ASSETS)	TOTAL ASSETS (A)	ACCOUNTING PORTFOLIO (LIABILITIES)	TOTAL LIABILITIES (B)	NET ACCOUNTING VALUE (C=A-B)	MAXIMUM EXPOSURE TO LOSS (D)	DIFFERENCE BETWEEN MAXIMUM EXPOSURE TO LOSS AND ACCOUNTING VALUE (E=D-C)
	AMOUNT AS AT 31.12.2024						
Acquisition and Leverage Finance SPV		**839**		**10**	**829**	**1,572**	**743**
	HFT	17	Deposits	9			
	DFV	-	Securities	-			
	MFV	-	HFT	1			
	FVOCI	-	DFV	-			
	AC	822					
Leasing SPV		**16**		**-**	**16**	**16**	**-**
	HFT	-	Deposits	-			
	DFV	-	Securities	-			
	MFV	-	HFT	-			
	FVOCI	-	DFV	-			
	AC	16					
Market Related SPV		**273**		**68**	**205**	**436**	**231**
	HFT	6	Deposits	65			
	DFV	-	Securities	-			
	MFV	-	HFT	3			
	FVOCI	-	DFV	-			
	AC	267					
Notes Issuing Vehicles		**85**		**-**	**85**	**123**	**38**
	HFT	-	Deposits	-			
	DFV	-	Securities	-			
	MFV	-	HFT	-			
	FVOCI	-	DFV	-			
	AC	85					
Project Finance SPV		**2,537**		**808**	**1,729**	**1,986**	**257**
	HFT	107	Deposits	758			
	DFV	-	Securities	-			
	MFV	-	HFT	50			
	FVOCI	-	DFV	-			
	AC	2,430					
Real Estate SPV		**3,597**		**618**	**2,979**	**3,427**	**448**
	HFT	21	Deposits	601			
	DFV	-	Securities	-			
	MFV	-	HFT	17			
	FVOCI	-	DFV	-			
	AC	3,576					
Shipping Aircraft SPV		**35**		**-**	**35**	**36**	**1**
	HFT	-	Deposits	-			
	DFV	-	Securities	-			
	MFV	-	HFT	-			
	FVOCI	-	DFV	-			
	AC	35					
Warehousing SPV		**-**		**-**	**-**	**-**	**-**
	HFT	-	Deposits	-			
	DFV	-	Securities	-			
	MFV	-	HFT	-			
	FVOCI	-	DFV	-			
	AC	-					
Total		**7,382**		**1,504**	**5,878**	**7,596**	**1,718**

Notes:

HFT = Financial assets held for trading
DFV = Financial assets designated at fair value
MFV = Financial assets mandatorily at fair value
FVOCI = Financial assets at fair value through other comprehensive income
AC = Financial assets at amortised cost

Deposits = Deposits from Customers
Securities = Debt securities in issue
HFT = Financial liabilities held for trading
DFV = Financial liabilities designated at fair value

The following table provides indication on assets, liabilities and off-Balance sheet exposures recognised in the Balance sheet of the Group held towards not consolidated investment funds.

Part E - Information on risks and related hedging policies

Exposure to structured entites different from Securitisation SPV not consolidated for accounting purposes - Investment funds

(€ million)

BALANCE SHEET ITEM/SPV TYPE	AMOUNT AS AT 31.12.2024						
	ACCOUNTING PORTFOLIO (ASSETS)	TOTAL ASSETS (A)	ACCOUNTING PORTFOLIO (LIABILITIES)	TOTAL LIABILITIES (B)	NET ACCOUNTING VALUE (C=A-B)	MAXIMUM EXPOSURE TO LOSS (D)	DIFFERENCE BETWEEN MAXIMUM EXPOSURE TO LOSS AND ACCOUNTING VALUE (E=D-C)
Real Estate investment funds		**5,612**		**781**	**4,831**	**6,361**	**1,530**
	HFT	17	Deposits	757			
	DFV	-	Securities	-			
	MFV	303	HFT	24			
	FVOCI	-	DFV	-			
	AC	5,292					
Mixed Asset investment funds		**559**		**951**	**(392)**	**323**	**715**
	HFT	477	Deposits	945			
	DFV	-	Securities	-			
	MFV	34	HFT	6			
	FVOCI	-	DFV	-			
	AC	48					
Equity investment funds		**1,514**		**3,696**	**(2,182)**	**(1,871)**	**311**
	HFT	1,279	Deposits	3,689			
	DFV	-	Securities	-			
	MFV	2	HFT	7			
	FVOCI	-	DFV	-			
	AC	233					
Private Equity/Debt investment funds		**814**		**67**	**747**	**1,312**	**565**
	HFT	-	Deposits	67			
	DFV	-	Securities	-			
	MFV	529	HFT	-			
	FVOCI	-	DFV	-			
	AC	285					
Fixed Income investment funds		**1,406**		**1,079**	**327**	**1,295**	**968**
	HFT	433	Deposits	1,061			
	DFV	-	Securities	-			
	MFV	-	HFT	18			
	FVOCI	-	DFV	-			
	AC	973					
Other investment funds		**2,063**		**3,691**	**(1,628)**	**(1,397)**	**231**
	HFT	304	Deposits	3,660			
	DFV	-	Securities	10			
	MFV	1,448	HFT	21			
	FVOCI	-	DFV	-			
	AC	311					
Total		**11,968**		**10,265**	**1,703**	**6,023**	**4,320**

Notes:
HFT = Financial assets held for trading
DFV = Financial assets designated at fair value
MFV = Financial assets mandatorily at fair value
FVOCI = Financial assets at fair value through other comprehensive income
AC = Financial assets at amortised cost

Deposits = Deposits from Customers
Securities = Debt securities in issue
HFT = Financial liabilities held for trading
DFV = Financial liabilities designated at fair value

It should be noted that during the year the Group has recognised commission income for €43 million as a result of the management of investment funds not consolidated.

Information on Sovereign Exposures
With reference to the Group's sovereign exposures[76], the book value of sovereign debt securities as at 31 December 2024 amounted to €116,130 million[77], of which over 75% concentrated in eight countries; Italy, with €39,824 million, represents over 34% of the total. For each of the eight countries, the following table shows the book value and the fair value of the exposures broken down by portfolio as at 31 December 2024.

76 Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies. To the purpose of this risk exposure are not included:
- Sovereign exposures and Group's Legal entities classified as held for sale as at 31 December 2024, if any;
- ABSs, if any.

77 Information on Sovereign exposures refers to the scope of the UniCredit Consolidated financial statements as at 31 December 2024, determined under IAS/IFRS.

Part E - Information on risks and related hedging policies

Breakdown of sovereign debt securities by country and portfolio

(€ million)

COUNTRY/PORTFOLIO	AMOUNTS AS AT 31.12.2024 BOOK VALUE	FAIR VALUE
- Italy	**39,824**	**39,894**
financial assets/liabilities held for trading (net exposures*)	43	43
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	56	56
financial assets at fair value through other comprehensive income	20,136	20,136
financial assets at amortised cost	19,589	19,659
- Spain	**15,475**	**15,477**
financial assets/liabilities held for trading (net exposures*)	109	109
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	5,809	5,809
financial assets at amortised cost	9,557	9,559
- Germany	**7,646**	**7,578**
financial assets/liabilities held for trading (net exposures*)	246	246
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	212	212
financial assets at fair value through other comprehensive income	3,057	3,057
financial assets at amortised cost	4,131	4,063
- U.S.A.	**6,478**	**6,507**
financial assets/liabilities held for trading (net exposures*)	969	969
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	3,065	3,065
financial assets at amortised cost	2,444	2,473
- France	**5,365**	**5,261**
financial assets/liabilities held for trading (net exposures*)	232	232
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	14	14
financial assets at fair value through other comprehensive income	2,972	2,972
financial assets at amortised cost	2,147	2,043
- Japan	**5,239**	**5,242**
financial assets/liabilities held for trading (net exposures*)	-	-
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	4,592	4,592
financial assets at amortised cost	647	650
- Austria	**3,849**	**3,831**
financial assets/liabilities held for trading (net exposures*)	50	50
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	71	71
financial assets at fair value through other comprehensive income	2,955	2,955
financial assets at amortised cost	773	755
- Czech Republic	**3,547**	**3,535**
financial assets/liabilities held for trading (net exposures*)	20	20
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	2,193	2,193
financial assets at amortised cost	1,334	1,322
Total on-balance sheet exposures	**87,423**	**87,325**

Notes:
(*) Including exposures in Credit Derivatives.
Negative amount indicates the prevalence of liabilities positions.

Part E - Information on risks and related hedging policies

The weighted duration of the sovereign bonds shown in the table above, divided by the banking[78] and trading book, is the following:

Weighted duration

(years)

COUNTRY	BANKING BOOK	TRADING BOOK	
		ASSETS POSITIONS	LIABILITIES POSITIONS
Italy	3.86	7.91	6.46
Spain	5.44	22.08	13.87
Germany	5.17	9.59	7.34
U.S.A.	8.93	15.93	-
France	6.90	21.71	22.63
Japan	4.72	-	-
Austria	7.30	17.04	7.11
Czech Republic	4.38	4.13	-

The remaining 25% of the total of sovereign debt securities, amounting to €28,707 million with reference to the book values as at 31 December 2024, is divided into 33 countries, including Romania (€3,188 million), (Bulgaria (€2,674 million), Croatia (€2,374 million), Hungary (€1,666 million), Slovakia (€1,522 million), Poland (€1,249 million), Portugal (€1,001 million), Serbia (€893 million), Ireland (€714 million), Russia (€574 million) and China (€558 million).
With respect to these exposures, as at 31 December 2024 there were no indications that default have occurred and the Group is closely monitoring the evolution of the situation.
With particular reference to the book value of the sovereign debt securities exposure to Russia it should be noted that it is almost totally held by the Russian controlled bank in local currency and classified in the banking book. For more information on the criteria adopted for the evaluation of the Russian counterparties, refer to Section 5 - Other matters, Notes to the consolidated account Part A - Accounting policies - A.1 - General.
It should also be noted that among the aforementioned remaining part of sovereign debt securities as at 31 December 2024 there are also debt securities towards Supranational Organisations such as the European Union, the European Financial Stability Facility and the European Stability Mechanism amounting to €9,994 million.

The table below shows the classification of bonds belonging to the banking book and their percentage proportion of the total of the portfolio under which they are classified.

Breakdown of sovereign debt securities by portfolio (banking book)

	AMOUNTS AS AT 31.12.2024				
	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	FINANCIAL ASSETS MANDATORILY AT FAIR VALUE	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL ASSETS AT AMORTISED COST	TOTAL
Book value (€ million)	238	650	56,428	56,869	114,185
% Portfolio	96.36%	10.24%	72.33%	10.10%	17.63%

78 The banking book includes financial assets designated at fair value, those mandatorily at fair value, those at fair value through other comprehensive income and those at amortised cost.

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In addition to the exposures to sovereign debt securities, loans[79] given to central and local governments and governmental bodies must be taken into account.

The table below shows the total amount as at 31 December 2024 of loans booked in financial assets at amortised cost portfolio given to countries towards which the overall exposure exceeds €100 million, representing over 96% of the total.

Breakdown of sovereign loans by country

(€ million)

	AMOUNTS AS AT 31.12.2024
COUNTRY	BOOK VALUE
- Germany(*)	8,147
- Austria (**)	5,349
- Italy	4,316
- Croatia	1,918
- Qatar	745
- Romania	441
- Hungary (***)	366
- Egypt	350
- Angola	259
- Slovakia	225
- Serbia	211
- Indonesia	207
- Slovenia	192
- Kenya	160
- Turkey	153
- Bulgaria	143
- Bosnia and Hercegovina	137
- Trinidad and Tobago	122
- Czech Republic	114
Total on-balance sheet exposures	**23,555**

Notes:
(*) of which €479 million in financial assets mandatorily at fair value.
(**) of which €24 million in financial assets mandatorily at fair value.
(***) of which €5 million in financial assets mandatorily at fair value.

It should also be noted that, as at 31 December 2024, there are in addition also loans to Supranational Organisations amounting to €2,141 million mainly booked in financial assets held for trading portfolio.

Lastly, it should be noted that derivatives are traded within the ISDA master agreement and accompanied by Credit Support Annexes, which provide for the use of cash collaterals or low-risk eligible securities.

For more details on the sensitivity analysis of credit spreads and on the results of stress tests refer to the "Recession Scenario" and “Hawkish Scenario” in chapter Stress test of the Section 2.2 - Market risk, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter and for liquidity management policies see Section 2.4 Liquidity risk, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter.

79 Tax items are not included.

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Section 2 - Risks of the prudential consolidated perimeter

2.1 Credit risk

Qualitative information

1. General aspects

Credit policies
In UniCredit, the current governance model of credit risk, intended as risk of impairment of a credit exposure deriving from an unexpected deterioration of the counterparty's creditworthiness, provides for two levels of control:
- on the one hand, the supervision of the Parent Company functions which steer and control the credit risk and perform a managerial coordination with respect to the relevant Group legal entities' Risk Management functions;
- on the other hand, the supervision of the relevant Group legal entities' Risk Management functions which perform the control and the management of the risks' portfolio at Country level.

With reference to credit risk management topics, the mechanisms of interaction between the Parent Company and the Group Legal Entities are defined by specific credit governance rules that, on the one hand, regulate the respective responsibilities and, on the other hand, ensure the compliance of the overall credit risk framework with the regulatory framework which the Parent Company is subject to.
Within its role of guidance, support and control, the Parent Company acts in the following areas: credit rules (principles, policies and processes), credit strategies and credit risk limits, models development, rating systems validation, large exposures management, credit risk portfolio monitoring and reporting.
In line with these credit governance rules, the Group Legal Entities request the either Holding Company Credit Committee's or the Group Risk Management Functions' opinion before granting new or reviewing existing credit lines to single counterparties/Economic Groups whenever they exceed defined thresholds, also with reference to their compliance with the credit risk concentration limits, being measured with respect to the regulatory capital.

According to the role assigned by the Group governance to the Parent Company, specifically to the Group Risk Management function, general provisions are established ("Group General Principles for Credit Activities", "Group Credit Risk Management Framework", "Guidelines on Loan Categorization and Forbearance Classification", "Credit Risk Parameters and IFRS9 Modelling and Planning", "Credit Risk Strategies", "Non-Performing Exposures Risk Strategies", "Credit Risk Mitigation"), defining Group-wide rules and principles for guiding, classifying, managing, governing and standardising the credit risk assessment and management, as well as the development of its models, in line with the regulatory requirements and the Group best practice. These general provisions are further supplemented by policies which, regulating specific topics (e.g., business areas, segment activities, type of counterpart/transaction), are divided into two categories:
- policies on Group-wide topics, drafted and issued by the Parent Company and sent to all the Legal Entities;
- policies locally developed by single Legal Entities, fully in line with the guidelines defined at Parent Company level, that regulate credit practices relating to rules and peculiarities of the local market and that are, therefore, applicable only within the respective perimeter.

Credit policies, which usually have a static approach and are revised when necessary (e.g. in case of evolution of the external regulatory framework), are supplemented by credit risk strategies (approved by the Board of Directors in the context of the Risk Appetite Framework) which, instead, are updated at least once a year and define with which customers/products, industry segments and geographical areas the Group and the Group Legal Entities intend to develop their credit business.

At both Legal Entity and Parent Company level, the policies are further detailed through operating instructions that describe specific rules supporting the execution of day-by-day activities.
In UniCredit S.p.A., lending is governed by a regulatory framework, which is constantly updated. This framework includes the guidelines and operating procedures for managing the various phases of the credit life cycle, taking into account potential changes in the credit strategy and progressive process and procedural improvements.
More specifically, the following process phases are regulated:
- the assessment of the creditworthiness of the borrower, including the rating assignment procedures;
- the decision to grant credit lines, their implementation and the rules for managing them;
- the acquisition, management and monitoring of the value of collaterals and guarantees;
- the performance monitoring process and the initiatives to improve the sustainability of the counterpart, the customer classification process;
- the restructuring and the credit recovery process (debt collection policy/workout).

The creditworthiness assessment involves the analysis of the counterparty, any guarantors and the type of financing; these analyses include a structured path for collecting customer data and are supported by a combined approach of subjective assessments and automated processes. In particular, the analysis of the counterparty requires the preliminary assignment of a rating, which includes, depending on the type of customer and the complexity/size of the credit transaction, a quantitative component and a qualitative component. The analysis of the counterparty's repayment capacity is carried out by the Business functions that manage the relationship with the customer, with a forward-looking perspective, also evaluating possible adverse scenarios. Depending on the customer segment, the economic sector of reference, the complexity and size of the transaction, aspects of reputational risk, legal risk and climate risks (transition risk and physical risk) are considered in the analysis.

The review of credit proposals for customers with exposure exceeding a certain threshold is entrusted to specialists in the Risk Management function, who prepare reasoned opinions in favor of the corporate bodies or committees responsible for making credit decisions. The approval of credit transactions is delegated to the bodies authorized with a specific sub-delegation of powers, updated regularly to consider the riskiness of the portfolios and any organizational changes that have occurred in the meantime.
Debtors are subject to regular review on an annual basis, unless a greater frequency is envisaged for cases in which signs of deterioration in the credit risk profile have emerged. Credit exposures are also continuously subjected to a performance monitoring process, through which the Business and independent Credit Monitoring specialists assess any signs of deterioration in the risk profile, establish any risk mitigation strategies and, where appropriate, classify customers in specific managerial 'watch-lists' or propose, in the most serious cases, the transfer of customer management to Risk Management structures specialized in customer management for restructuring or credit recovery purposes.
Real estate collaterals, where present, are subject to an assessment by a party independent of the credit process during the granting phase, though the value of the collateral, except for so-called asset-based financing, is to be considered an element of credit risk mitigation and does not constitute the only assessment element. They are subject to regular monitoring to assess their consistency over time, in line with the requirements set out in the CRR regarding credit risk mitigation.
The granting, review and monitoring activities of credit in UniCredit are carried out in line with the EBA Guidelines on granting and monitoring (EBA GL on loan origination and monitoring).

The Non-Performing Exposure (NPE) Strategy represents the base on which specialised debt collection processes are developed. The NPE Strategy defines, at both the Group and Legal Entity level, the qualitative NPE management approach and quantitative time-bound targets by time-horizon and dynamics (i.e., write-off, recoveries, disposals, flows etc.) with the goal of managing NPE stock in a clear, credible, and feasible manner.

The Group customer base is mixed and heterogeneous and is managed through segmentations which makes it possible to manage customers competently through dedicated functions, as well as through tailored products/initiatives.
The recovery initiatives are supported by a combined approach between subjective assessments and automated processes. Depending on the strategy and organizational set-up implemented locally by the Legal Entities, Group collection rules stipulate an early transfer of files/clients to specialised functions independently from, and long before, a possible default. This is done to anticipate and avoid defaults through a relationship management framework committed to proactive risk management.
To allow proactive risk management and the related reduction of a client's existing exposure, Legal Entities may grant forbearance measures as described in the relevant section of the current Notes to consolidated accounts. The main objective of this activity is to protect the economic and financial structure of the borrowers. In the forbearance context, the restructuring can be conducted in a Performing or Non-Performing classification according to the related Regulatory Framework ruling the loan classification.
The co-operation of clients is a pre-condition to any restructuring activity. Close and direct interaction with the borrower, as well as with other parties/stakeholders involved, is crucial for the success of the restructuring process. UniCredit acts in line with its Code of Conduct, adopting appropriate behavior and language in order to build and maintain a relationship of trust with the customer (e.g., use of non-coercive language and a non-harassment attitude). For this reason, the relationship with the borrower is assigned to specialised functions which maintain the responsibility of the borrower as long as the restructuring is in place. In case the credit restructuring activities are not feasible or successful, or there is no improvement of the client risk profile, Workout activities aim at maximizing the credit recovery, and the credit exposure must be classified in the relevant default status, if not already done. These activities are carefully devised to ensure that the relationships fostered with clients are maintained to the best extent possible.
Recovery activities at UniCredit are carried out in compliance with EBA guidelines on the management of credit impaired and forborne exposures.

Credit strategies
More in general, the Group credit strategies are an effective tool for managing credit risk, contributing to the definition of the budget objectives in line with the Group's Risk Appetite, of which they are an integral part. They also constitute a management tool as they translate the metrics defined within the Risk Appetite into concrete form.

Part E - Information on risks and related hedging policies

Based on the macroeconomic and credit scenario, the outlook at the economic sector level, as well as the business initiatives/strategies, the credit strategies provide a set of guidelines and operational targets aimed at the countries and business segments in which the Group work and are performed on the operating structures of each Group legal entity and included in their respective commercial policies. The ultimate goal is to ensure sustainable commercial growth, consistent with the risk profile of each company, remaining within the limits defined by the Group Risk Appetite Framework.

Within the framework of the strategies underlying credit activity, concentration risk is considered particularly important. This is the risk associated with losses generated by a single exposure or group of related exposures that (in relation to the capital of a bank, total assets, or the overall risk level) can generate potentially serious effects on the solidity and "core" operation of the Group.
In compliance with the relevant regulatory framework, UniCredit group manages the concentration credit risk through specific limits that represent the maximum risk that the Group intends to accept regarding, for example:
- individual counterparties or groups of connected counterparties (Single Name Bulk Risk);
- counterparties belonging to the same economic sector (Industry Concentration Risk).

The results of stress test simulations relating to expected loss are an integrated part of the definition of credit strategies.

2. Credit risk management policies

2.1 Organisational aspects

Factors that generate credit risk
During the ongoing credit and business activities, the Group is exposed to the risk that an unexpected change in a counterparty's creditworthiness may generate a corresponding unexpected change in the value of the associated credit exposure and may thus result in a partial or full write-off.
This risk is always associated to the traditional lending practice, regardless of the form of the credit facility (whether cash or credit commitments, secured or unsecured, etc.).
The main reasons of a default lie in the borrower's failure to fulfil its credit obligation (due to the lack of liquidity, for insolvency reasons, etc.), as well as the occurrence of macro-economic and political events that are affecting the debtor's operating and financial conditions.

Other banking operations, in addition to traditional lending and deposit activities, can constitute other credit risk factors. In this view, "non-traditional" credit risk may arise from:
- subscription of derivative contracts;
- purchase and selling of securities, futures, currencies or commodities;
- holding third-party securities.

The counterparties in these transactions or issuers of securities held by Group Legal Entities could default as a result of insolvency, political and economic events, lack of liquidity, operational deficiencies or other reasons. Defaults of a large number of transactions, or of one or more large transactions, could have a material adverse impact on the Group's activities, financial condition and operating profits. The Group therefore monitors and manages the specific risk of each counterparty as well as the overall risk of loan portfolios through procedures, Functions and rules that steer, govern and standardise the assessment and management of credit risk, in line with the Group principles and best practice.

Organisational structure
Credit risk management in the UniCredit group is under the responsibility of the Competence Line Group Risk Management, which is responsible for the direction, governance and control of credit risk. The operational management of credit activities is assigned to Business and Credit Risk Operations functions at local level, with the activities of granting, periodic review and performance monitoring requiring the cooperation between Commercial Relationship Managers, Credit Analysts supporting Business Managers and Credit Risk Managers of the Credit Operations functions (Credit Underwriting, Credit Monitoring) who intervene for cases of greater complexity or amount, while the activities of classification, restructuring and credit recovery are under the responsibility of local Credit Operations functions, internally divided into different levels:
- functions with responsibilities at Group level;
- functions with responsibilities at Country level.

Regarding Group Risk Management, Parent Company Functions with responsibilities at Group level include:
- **Group Credit Risk**

The Structure has the following mission: it is responsible for the general orientation and governance of credit risk at Group level, which includes the definition of the Group's credit risk strategies and limits, portfolio monitoring and control, the definition of the credit risk management activity framework, and of the methodologies for calculating risk parameters, asset quality planning and monitoring, the Non-Performing Exposures management strategy, the implementation of Climate & Environmental (C&E) risks analysis in the Credit Pillar, the credit risk analysis of large credit files and the assessment, review and monitoring at Group level of FIBS (Financial Institutions, Banks and Sovereign) client segments and of country

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and cross-border risk, the development and management of credit risk models and the governance over the credit risk models roadmap.

The structure of “Group Credit Risk” breaks down in the following structures:

- *Group NPE*
  The structure has the following mission: responsible for developing the strategy for managing non-performing exposures, supervising their management, monitoring, process, setting objectives and executing portfolio sales, defining the characteristics of the management platforms for Non-Performing Exposures, repossessed assets and any other impaired assets of the Group.
  Group NPE is also responsible for assessing transactions relating to counterparties managed by the local Restructuring or Workout functions in the event of exposures above the thresholds defined from time to time.
  It is responsible for managing and approving (i.e. risk classification status, adequacy of provisions, risk mitigation strategy) exposures to Corporate customers with a impaired risk profile (managed in restructuring or workout) on the books of UniCredit S.p.A. (“Profit Center Milano”); responsible for issuing Binding Credit Opinion/ BCO for impaired exposures on the books of UniCredit S.p.A. and for the issuance of Non-Binding Credit Opinion/NBCO for impaired exposures on the books of the Group Entities above the credit competences assigned to each Entity.
- *Credit Models & Risk Policies*
  The structure has the following mission: it is responsible for ensuring at Group level the coordination and guidance of all Pillar I credit risk models (including IFRS9 models and other managerial models) and related methodologies as well as the management of credit stress tests (regulatory and managerial). It is also responsible for defining rules and guiding principles for the management of credit activity and for evaluating proposals regarding the revision of credit frameworks presented by other competent Group functions, as well as collaborating with other Group functions in the area of Risk Weighted Assets/RWEA issues.
- *Credit Risk Strategies, Monitoring and Controls*
  The structure has the following mission: it is responsible, at Group level, for defining credit risk strategies (both performing and non-performing), monitoring and controlling the relevant risk KPIs of the Group portfolio (e.g. asset quality, provisions) as well as, within the credit processes, for defining and applying the risk assessment methodology in order to identify the risk areas and the mitigation actions to be implemented. The above-mentioned responsibilities also apply to exposures to Retail and Corporate customer segments relating to the CE&EE portfolio in the books of the CE&EE Entities or in the books of UniCredit S.p.A. (“Profit Center Milano”). With reference to the PCM portfolio, further activities are carried out aimed at analyzing and monitoring this portfolio.
  Furthermore, it is responsible for supporting the definition and implementation of climate and environmental factors in credit risk strategies and processes, as well as monitoring physical and transition risk in the credit portfolio, also through functional analyses for the definition of limits and credit strategies.
- *Group Credit Transactions*
  The structure has the following mission: it is responsible for the assessment, monitoring and supervision at Group level of Large Credit Transactions and for the management of the global credit model of Financial Institutions, Banks and Sovereign States (FIBS). Furthermore, it is responsible for the assessment, approval and daily management of Country Risks and the assumption of cross-border credit risk and the mapping of the economic Groups defined as “Top”. Finally, it is responsible for supporting, as a point of reference at Group level, credit transactions above defined thresholds or in accordance with other applicable regulations, the preparation and coordination of the various procedural phases and information flows to facilitate the functioning of the approval and reporting processes involving the Committees under its jurisdiction or the higher Bodies.

With respect to credit risk, the following specific Committees are active:

- the **“Risks” session of the GEC (Group Executive Committee)**, with approval, proposal and consultancy functions, supports the CEO in the direction, coordination and control of all risk categories (including compliance risk), in the management and supervision of the internal control system also at Group level as well as in the discussion and approval of risk issues of strategic relevance such as the Group Risk Appetite Framework, ICAAP, ILAAP, SREP, NPE strategy in line with the global risk profile defined by the RAF and the direction of Environmental, Social and Governance (ESG) issues including Climate & Environmental Risks (i.e. physical and transition risks);
- the **Group Financial and Credit Risks Committee (GFRC)** supports the CEO in the role of addressing, coordinating and controlling credit and financial risks (including Climate & Environmental risks) at Group level, also through the management and supervision of the related Internal Control System (ICS) and is divided into various sessions, two of which are relevant to credit risk management: (i) Credit Risk session, responsible for defining policies, operating limits and methodologies for measuring, managing and controlling credit risk, as well as defining methodologies for measuring and controlling internal capital and assessing risk reporting and estimating risk provisions; ii) Rating approval session, responsible, within its own scope of competence and within its delegated powers, for approving rating changes (rating override);
- the **Group Transactional Committee (GTC)** that consists in the following sessions:
  - (i) *Group Credit Committee Session (GCC)* has, in particular, approval/NBCO functions (decision-making and/or issuing of non-binding credit opinions to the Group Legal Entities), within the delegated powers, for:
    - sub-delegation to the Personnel of the Bank, without the right to further sub-delegate, the powers to take decisions;
    - credit proposals referring to all files, including restructuring/workout ones;
    - status classification of files;

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- relevant strategies and corrective actions to be taken for watchlist files;
- specific limits for transactions related to Debt Capital Markets on Trading book;
- single issuer exposures limits on Trading book;
- temporary/annual breaches to Single Names Concentration Risk Limits within the thresholds defined by Group regulation of competence;
- Debt to Equity transactions and transactions related to Equity participations deriving from Debt to Equity transactions;
- the Debt Capital Market (DCM) transactions issuing Non-Binding Credit Opinion (NBCO);
- ECM (Equity Capital Market) Risk transactions above specific threshold levels of transaction's value.

- (ii) *Group Transactional Credit Committee Session (GTCC)* has, in particular, approval/NBCO functions (decision-making and/or issuing of non-binding credit opinions to the Group Legal Entities) within the delegated powers for:
  - credit proposals referring to all files, including the Group NPE files;
  - credit proposals within the sub-delegations of powers and competence of Large Corporates, Corporates CE&EE, Group Financial Institution functions in case of escalation activated by them on files assessed with a "not supportive unless all conditions are met " or a "not supportive" opinion expressed by the Head of Group Credit Risk and/or the Head of Group Credit Transactions, on the basis of new evidences with respect to those presented at the time of issuing of the opinion;
  - classification status of files;
  - relevant strategies and corrective actions to be taken for watch-list counterparties;
  - single issuer exposure limits on Trading book;
  - Debt to Equity transactions and/or actions/rights-execution related to equity participations resulting from Debt to Equity transactions;
  - Debt to Assets transactions and/or actions/rights execution related to asset resulting from Debt to Asset transactions;
  - proposal of distressed asset disposal, in accordance with the regulated specifications and limitations in force;
  - the Debt Capital Market (DCM) transactions issuing Non-Binding Credit Opinion (NBCO);
  - on semiannual basis, the "DCM pre-approved list": list of a selected group of names and respective commitment amounts for which there is no need to have the NBCO on the single transaction;
  - ECM (Equity Capital Market) Risk transactions above specific threshold levels of transaction's value;
  - temporary/annual breaches to Single Names Concentration Risk Limits within the thresholds defined by dedicated Group regulation.

Specific committees related to UniCredit S.p.A. are described in the paragraph "2.1 Organisational aspects which is herewith quoted entirely" of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part E - Information on risks and related hedging policies, Section 1 - Credit risk, Qualitative information, 2. Credit risk management policies, which is herewith quoted entirely.

2.2 Credit risk management, measurement and control

2.2.1 Credit risk management
The credit risk, associated to the potential loss arising either from a default of the borrower/issuer or from a decrease in the market value of a financial obligation due to a deterioration in its credit quality, is measured at both single borrower/transaction and at whole portfolio level.

Credit lending to single customers, during both the approval and monitoring phases, is supported by a credit rating process, differentiated by customer segment and product. The assessment of a counterpart's creditworthiness, within the credit proposal evaluation, begins with an analysis of the financial statements and the qualitative data (competitive positioning, corporate and organisational structure, etc.), regional and industry factors and counterpart behavior within the entity or the banking system (e.g. Centrale dei Rischi of Banca d'Italia), and results in a rating, i.e. the counterpart's probability of default (PD) on a one-year time horizon.

Each borrower's credit rating is reviewed at least annually on the basis of the new information acquired. Each borrower is also assessed in the context of the belonging economic group considering, when needed, the risk for the entire group.
The internal rating assigned to each borrower and its economic group exposure both contribute to the lending decision calculation, defined in such a way that, at a constant credit amount, the approval powers granted to each decision-making corporate body are gradually reduced in proportion to the increased borrower/related risk level.
The organisational model used by UniCredit group also includes a dedicated function, which is separated from loan approval and business functions and is responsible for the management of the so-called rating "overrides", i.e., any changes to the automatic rating calculated by the rating system (where it is foreseen).

Regular monitoring of the rating focuses on the borrower's performance management, using all the internal and external available information in order to get a score representing a synthetic assessment of the risk associated. This score is obtained using a statistical function that summarises the available information using a set of significant variables that are predictors of an event of default within a 12-months horizon.

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In addition to the usual estimation of risk parameters over one-year time horizon, multi-period risk parameters are estimated to provide a more robust assessment of the risk-adjusted performance in compliance with the accounting standards requirements.
All the above-mentioned risk parameters are subject to an initial validation and a regular monitoring process for each rating system in all its components: models, processes, IT architecture and data quality. The aim is to give evidence of the systems compliance, highlighting improvement areas as well as possible misalignments in the methodologies, which could limit the full comparability among the resulting risk measures.

2.2.2 Risk parameters
Besides the methodologies summarised in the rating systems, the Group Risk Management function leverages on portfolio model enabled to measure credit risk for Basel Pillar 2 purposes on an aggregated basis and to identify the contribution of single sub - portfolio or obligor to the overall risk.

There are two fundamental portfolio credit risk measures which are calculated and evaluated on a time horizon of one year:
- Expected Loss (EL);
- Credit Value at Risk (Credit VaR).

The estimate of Credit VaR at overall portfolio level is derived from the distribution of losses obtained by Monte Carlo simulation on the horizon of one year, considering the correlations among counterparties. The total loss in each default scenario is the sum of the individual losses, being defined as the product of LGD TTC (Loss Given Default Through the Cycle) and EAD (Exposure at Default) for transactions related to defaulted counterparts. For exposures classified at amortised cost, in each simulated scenario, the loss estimation related to their simulated creditworthiness deterioration is added to the total loss related to the counterparts simulated in default.

Within the Credit VaR framework, the Expected Loss (EL) at portfolio level is defined as the sum of the product of PD, LGD (both TTC) and EAD for each obligor in the considered portfolio plus a migration risk charge related to the expected creditworthiness deterioration for exposures classified at amortised cost.

The Value at Risk (VaR) represents the monetary threshold of the losses distribution which is overcome only with a given probability level (a 99.9% confidence level VaR implies that the loss threshold is exceeded in 1 case out of 1,000). Economic Capital is derived from Value at Risk subtracting the Expected Loss and is an input for determining Economic Capital set up to cover potential losses from all the sources of risk (Reference is made to paragraph “Other risks included in Economic Capital”, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2.6 Other risks).

The measures of Economic Capital based on Credit VaR are also a fundamental input for the design and application of credit strategies, the analysis of credit limits and risk concentration. The Economic Capital calculation engine is also one of the instruments used for the analysis of stress testing of the credit portfolio.

The internal Credit VaR model is also subject to assessment in the context of Pillar II validation.

The calculation of the credit economic capital is available on a single technological platform (Group Credit Portfolio Model, GCPM), with a shared methodology for the structures of UniCredit S.p.A. and the main entities of the Group.

In order to assess the credit risk transfer created by securitisation transactions originated by the Group, an engine (Structured Credit Analyser) has also been developed, which simulates the loss distribution of the securitised portfolio and of the tranches, both for synthetic securitisations (in which the risk is transferred through guarantees/credit derivatives) and for traditional ones (where the assets are sold to a special purpose vehicle).

2.2.3 Rating systems
Banca d’Italia, with act No.365138 dated 28 March 2008, authorised UniCredit group to use IRB Advanced approach in order to determine capital requirements for credit risks.
The Group has been authorised to use internal estimations of PD, LGD and EAD parameters for Group wide credit portfolios (Sovereign, Banks, Multinational Corporate and Global Project Finance) and for local credit portfolios of relevant subsidiaries (Corporate and Retail). With reference to Italian Mid-corporate and Small Business portfolios, regulatory EAD parameters are currently used.
These methodologies have been adopted by UniCredit S.p.A. (UCI S.p.A.), UniCredit Bank GmbH (UCB GmbH) and UniCredit Bank Austria AG (UCBA AG). According to the Roll-out plan, providing a progressive extension of the IRB rating methods, approved by the Group and shared with the Supervisory Authorities, the methods have been extended starting from 2008 to the following Legal Entities: UniCredit Banka Slovenija d.d., UniCredit Bulbank AD, UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Bank Hungary Zrt., UniCredit Bank (SA) Romania and AO UniCredit Bank in Russia.
In October 2021, UniCredit Leasing GmbH and Subsidiaries have been authorized to revert to the use of the Standardised Approach (Permanent Partial Use) for all former AIRB portfolios. From 1 November 2021, UniCredit Bank Ireland plc. was merged in UCI S.p.A. and for exposures coming from UniCredit Bank Ireland plc. the RWEA calculation approaches authorised in UCI S.p.A. were adopted.

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This qualitative information provides the description of the rating systems authorized by the Supervisory Authorities for each main exposure class, as illustrated in the following table. Further details are present in the paragraph use of the IRB approach, Credit risk, of UniCredit group Disclosure (Pillar III).

PREVAILING ASSET CLASS	RATING SYSTEM		LEGAL ENTITY
Central governments and central banks	Group Wide	Sovereign (PD, LGD, EAD)	UCI S.p.A., UCB GmbH, UCBA AG, UCB CZ & SK, UCB RO(*)
Institutions		Financial Institutions & Banks (PD, LGD, EAD)	UCI S.p.A., UCB GmbH, UCBA AG, UCB Slo(*), UCB BG(*), UCB CZ & SK, UCB HU(*), UCB RO(*)
Corporate		Multinational Corporate (PD, LGD, EAD)	UCI S.p.A., UCB GmbH, UCBA AG, UCB Slo(*), UCB BG, UCB CZ & SK, UCB HU(*), UCB RO(*), AO UCB(*)
		Global Project Finance (PD, LGD, EAD)	UCI S.p.A., UCB GmbH, UCBA AG, UCB CZ & SK
	Local	Integrated Corporate Rating (RIC) (PD, LGD)	UCI S.p.A.(**)
		Mid Corporate (PD, LGD, EAD)	UCB GmbH, UCBA AG, UCB CZ & SK, UCB BG, UCB HU(*), UCB RO(*)
		Foreign Small and Medium Sized Enterprises (PD, LGD, EAD)	UCB GmbH
		Income Producing Real Estate (IPRE) (PD, LGD, EAD)	UCB GmbH, UCB CZ & SK
		Acquisition and Leverage Finance (PD, LGD, EAD)	UCB GmbH
		Wind Project Finance (PD, LGD, EAD)	UCB GmbH
		Real Estate (PD, LGD)	UCI S.p.A.
		Commercial Real Estate Finance (PD, LGD, EAD)	UCB GmbH
		Real Estate Customers Rating (PD, LGD, EAD)	UCBA AG
		Income Producing Real Estate (IPRE) (Slotting criteria)	UCI S.p.A., UCBA AG, UCB BG
		Project Finance (Slotting Criteria)	UCB BG
Retail exposures		Integrated Small Business Rating (RISB) (PD, LGD) (***)	UCI S.p.A.
		Integrated Private Rating (RIP-One) (PD, LGD, EAD)	UCI S.p.A.
		Small Business (PD, LGD, EAD)	UCB GmbH, UCBA AG, UCB CZ & SK, UCB BG
		Private Individuals (PD, LGD, EAD)	UCB GmbH, UCBA AG, UCB CZ & SK, UCB BG
Securitisation		Asset Backed Commercial Paper (PD, LGD, EAD)	UCB GmbH

Notes:
(*) These entities are currently authorized only to use the IRB Foundation, therefore use only PD internal estimations for determination of capital requirements. Moreover, for AO UCB the use of the FIRB approach is for consolidated purposes only.
(**) The Integrated Rating Corporate (RIC) rating system is also adopted for the Italian Large Corporate (ILC) portfolio for the estimation of PD and LGD parameters, which includes Italian companies with an operating revenues/value between €250 and €500 million.
(***) PD Parameter is applied, among others, also to Natural Persons characterized by entrepreneurship risk ("Private-like") which are excluded from the scope of application of the PD RIP-One but included within the unique framework of LGD RIP One.

Keywords:

UCI S.p.A.: UniCredit S.p.A.
UCB GmbH: UniCredit Bank GmbH
UCBA AG: UniCredit Bank Austria AG
UCB Slo: UniCredit Banka Slovenija d.d.
UCB BG: UniCredit Bulbank AD
UCB CZ & SK: UniCredit Bank Czech Republic and Slovakia, a.s.
UCB HU: UniCredit Hungary Zrt.
UCB RO: UniCredit Bank SA (Romania)
AO UCB: AO UniCredit Bank (Russia)

2.2.4 Stress test
With reference to the strategies of credit risk management, the use of Credit Risk Stress Test is considered of particular importance because its aim is to analyse the portfolio vulnerability in case of an economic downturn or a structural change of the macroeconomic framework. In performing the stress test exercises, different scenarios are considered, based on increasing levels of severity. In addition, scenarios may also be defined based on specific economic hypotheses.
The credit Stress Test models (or satellite models) are the set of models aimed at translating the macro-economic conditions into credit risk parameters (PD/LGD). Within the wider stress testing framework, the models serve as basis for calculating the stressed PD/LGD projections under the Adverse Scenarios. They are used in the same way for the estimation of Forward-Looking component within the IFRS9 framework.
As regards the modelling methodology, the current framework envisages to estimate at cluster level (Country/Asset Class) through time series and/or panel regressive analysis, the relationships between the macro-economic factors and the internal default/recovery rate historically observed. However, regarding the low default portfolios (Multinational, Banks, Sovereigns), for which not sufficiently robust time series of defaults events/internal recovery rates are available, alternative approaches are considered. These imply to leverage either on external data (i.e. external rating) or directly stressing the input of Group Wide Rating System (i.e. Sovereign Rating System).
Model’s output in terms of expected variations of PD/LGD conditional to the macro-economic scenarios are then used in order to obtain stressed PD/LGD of each credit exposure. Starting from the stressed PD/LGD the Pillar I Credit Risk metrics (LLP and RWEA) are calculated through dedicated simulation engines and according to the EBA Stress test methodology, while Pillar II stress metrics (EC and AFR) are calculated according to the following methodology:
- Credit Economic Capital: stressed PDs and LGDs are used as a basis to recalculate the Credit Economic Capital using the GCPM. The result represents the Credit Economic Capital that would be obtained in the current Bank portfolio if the stressed scenario is experienced;
- AFR: the amount stemming from the difference between the Stressed Expected Loss (calculated based on PD-TTC and LGD-TTC) and the actual Expected losses is deducted from AFR.

2.3 Measurement methods for expected losses

Risk management practices

2.3.1 Staging Allocation and Expected Credit Losses (ECL) Calculation
The Credit Risk Management, Measurement and Control processes described in the previous paragraph, are also used for the calculation of impairment of Loans and debt securities classified as financial assets at amortised cost, financial assets at fair value through other comprehensive income and relevant off-Balance sheet exposures as required by IFRS9.
For this purpose, the calculation of impairment in accordance with expected credit losses is based on two main pillars:
- the Stage allocation of the credit exposures;
- the associated calculation of expected credit loss.

Stage allocation - General framework
In the UniCredit group, the Stage allocation is based on the application of qualitative and quantitative components. With reference to the quantitative component of the stage allocation model, the Group has adopted a statistic approach, whose goal is to define a threshold in terms of maximum variation acceptable between the PD measure at the disbursement and the one at the reference date. In this regard, in the context of the initiatives for the revision of IFRS9 framework, a new IFRS9 staging framework, aiming to make staging and provisioning more consistent with economic expectations, has been progressively rolled-out at Group level during first half of 2024 leading overall to release LLPs for €126 million.

In more detail among the others qualitative and quantitative elements to be assessed, the following are worth to be outlined:
- comparison, on a transaction basis, between the PD as of origination date, and the PD as of the reporting date, both calculated according to the internal models and based on a Lifetime view; the thresholds consider all the key variables that can affect the Bank's expectation about PD changes over time (e.g., residual maturity, PD level at the time of first origination). In the comparison between Lifetime PDs as of origination and reporting dates, beside considering the specific current and forward-looking conditions as a key element affecting the PD comparison, also the repayment structure (specifically bullet/balloon compared to amortizing loans) is taken into consideration in the PD comparison, in order to factor-in higher riskiness of financial instruments with significant repayment at maturity, where the risk of a default occurring may not necessarily decrease as time passes[80];

80 In line with IFRS9 Par. B5.5.11. In this regard, the Lifetime PD considered for bullet/balloon loans and used in the PD comparison for staging allocation is also consistently adopted for Expected Credit Loss calculation.

Part E - Information on risks and related hedging policies

- further quantitative criteria, in order to support the timely detection of the Significant Increase in Credit Risk, namely:
  - threefold increase in lifetime PD, Stage 2 classification is triggered in case the Lifetime PD at the reporting date results higher than three times the one at the inception date of the financial instruments, in line with Supervisory expectations;
  - adoption of a threshold value of 1 year IFRS9 PD equal or higher than 20% as a Stage 2 criterion, such threshold, adopted considering the benchmark value retrievable within the ECB Asset Quality Review Manual, has the aim to identify financial instruments that, with little room for interpretation, have registered a significant increase of credit risk since inception date and with high risk of migration to default;
- absolute elements, such as the backstops required by law (e.g., 30 days past-due). In this case, the Group has chosen not to reject the significant deterioration presumption after 30 days past-due by allocating in Stage 2 transactions with more than 30 days past due[81];
- additional internal assessment, also including renegotiations of financial instruments due to financial difficulties met by the counterparty (e.g., Forborne classification) and certain kinds of credit monitoring watchlist classifications.

The Stage allocation model is tested at each reporting date, to timely capture both significant deterioration and its reverse in a symmetric way and to correctly allocate each transaction within the proper stage and related expected loss calculation model. In this regard it is noted that in order to achieve lower volatility in the migrations of the Stage classifications the following measures are in place:
- adoption of a minimum time permanence in stage 2 of at least 3 months, since initial classification in such a stage, preventing the reclassification to Stage 1 from Stage 2 in case of overcoming of the quantitative and/or qualitative conditions underlying the Significant Increase in Credit Risk before a minimum period in stage 2 has passed, stabilising Staging migrations;
- full alignment of the Stage 2 classification to the Forborne Performing status, thus ensuring a minimum period of permanence for concessions to clients in financial difficulty equal to the regulatory Probation Period. Such measure makes consistent the entrance/exit criteria to/from Stage 2 due to Forborne Performing classification, avoiding potentially premature reverts to Stage 1 for obligors having yet significantly higher credit risk than the ordinary performing portfolio.

The outcome of the Stage allocation is the classification of credit exposure in Stage 1, Stage 2, or Stage 3 according to their absolute or relative credit quality with respect to the initial disbursement. Specifically:
- the Stage 1 includes:
  - newly issued or acquired credit exposures;
  - exposures for which credit risk has not significantly deteriorated since initial recognition;
  - exposures having low credit risk (low credit risk exemption), qualifiable as investment grade debt securities as well as loans on clients having a 1-year IFRS9 PD lower than 0.3%[82]. Such a treatment of these types of exposure allows to stabilise staging 2 migrations, reducing volatility and avoiding classification for customers characterised by a clearly low level of credit risk;
- the Stage 2 includes credit exposures that, although performing, have seen their credit risk significantly deteriorating since initial recognition;
- the Stage 3 includes impaired credit exposures. With reference to Stage 3, it should be noted that it includes impaired exposures in accordance with Banca d'Italia rules, defined in Circular No.272 of 30 July 2008 and subsequent updates, to the aggregate Non-Performing Exposures as ITS EBA (EBA/ITS/2013/03/rev1 24 July 2014). In particular, EBA[83] has defined as "Non-Performing" exposures that meet one or both of the following criteria:
  - material exposures more than 90 days past due;
  - exposures for which the bank assesses that is unlikely that the debtor would pay in full his credit obligations without recurring to enforcement and realisation of collaterals, regardless of past due exposures and the number of days the exposure is past due.

The result of the stage allocation affects the amount of expected credit losses recognised in financial statements (ref. to the next caption). Indeed:
- for exposures in Stage 1, impairment is equal to the expected loss calculated over a time horizon of up to one year;
- for exposures in Stages 2 or 3, impairment is equal to the expected loss calculated over a time horizon corresponding to the entire life of the exposure.

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81 The only one exception on the adoption of 30 days past-due as backstop is in UniCredit S.p.A. in presence at client level of purchased receivables without recourse. Indeed, given the peculiarity of factoring business, characterised by roll-over of receivables payment and technical timing for management of the payment of the receivables, the 30 days past-due can be prone to be breached due to pure technical reasons. Consequently, the 30 days past-due significant deterioration presumption may be rebutted demonstrating that most of the client exposures in 30 days past-due is related to factoring activities. In such case the backstop for 30 days past-due is set out at 60 days past-due.
82Such threshold, in addition to be a supervisory benchmark retrievable from ECB Asset Quality Review Manual, is also consistent with an Investment Grade equivalent level of risk.
83 The regulatory framework for the new definition of default has been integrated with the entry into force, starting from 1 January 2021 of the "Guidelines on the application of the definition of default under article 178 of (EU) Regulation 575/2013 "(EBA/GL/2016/07).

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Expected credit loss calculation - General framework

To calculate expected loss, the Group has developed specific models based on PD, LGD and EAD parameters and the effective interest rate.
In particular:

- PD (Probability of Default), which expresses the exposure probability of default in a given time horizon (e.g.: 1 year);
- LGD (Loss Given Default), which expresses the estimated loss percentage and therefore the expected recovery rate when a default event occurs;
- EAD (Exposure at Default), expresses the level of the exposure at the time of default event;
- the effective interest rate is the base rate which expresses the time value of money.

Such parameters are calculated starting from the same parameters applied for regulatory purposes, specifically adjusted to guarantee full consistency, however respecting the different requirements between accounting and regulatory treatment. The main adjustments are aimed at:

- removing the conservativism required for regulatory purposes;
- introducing "point in time" adjustments which replace the "through-the-cycle" view required by the regulation;
- including "forward looking" information;
- extending credit risks parameters to a multi years horizon.

With reference to lifetime PD, PD curves calculated through-the-cycle are calibrated to reflect the point-in-time and forward-looking expectation with reference to the portfolio default rate. The recovery rate embedded in the LGD calculated along the economic cycle (through-the-cycle) is adjusted to remove the margin of conservatism and reflect the current trends in recovery rates as well as expectations about future trends discounted to the effective interest rate or its best approximation.
The EAD calculated along the instrument lifetime is determined by extending the prudential or managerial one-year model, removing the margin of conservatism. The forecast in terms of default rate and recovery rate, determined through models that estimate a relationship between these variables and macroeconomic indicators, is embedded in the PD and LGD parameters during the calibration phase. The credit parameters, in fact, are normally calibrated on a horizon that considers the entire economic cycle (Through-the-cycle - TTC), so it is necessary to calibrate them Point - in - time (PIT) and Forward - Looking (FL) allowing to reflect in these credit parameters the current situation as well as expectations about the future evolution of the economic cycle.
The expected credit loss deriving from the parameters previously described considers macroeconomic forecasts through the application of multiple scenarios to the forward-looking components in order to compensate the partial non-linearity that is naturally embedded in the correlation between the macroeconomic changes and expected credit loss. Specifically, the non-linearity effect is incorporated by estimating a correction factor applied directly to the expected credit loss (ECL) of the portfolio.

Expected credit loss calculation - adjustments applied as at 31 December 2024

<u>*Overlay*</u>

As at 31 December 2024, in light of persistence of the geopolitical uncertainty, the relevant adjustments with impact on loan loss provisions' recognition were maintained.

In this regard, UniCredit applied the following adjustments:

- a Real Estate overlay was recognised since 31 December 2023 to cover refinancing risk and collateral value reduction given the real estate risk, which might impact the ability of Commercial Real Estate clients to repay their credit exposures giving the persistent high interest rates and lower price of real estate assets; such overlay is applied to clients having Commercial Real Estate Financing business or belonging to Real Estate Industry;
- a Geopolitical overlay was recognised since 31 December 2022 in order to consider the sharp rise in energy costs, inflation and interest rates for both Corporate and private individuals. In detail the following portfolios were kept into account:
  - Corporate energy-intensive industry sectors prone to be more affected by spill-over effects linked to Russia-Ukraine crisis, specifically impacting the energy supply and related price soaring;
  - Retail clients, for: (i) floating rate mortgages (not having overdue instalments), given the sensitiveness in this context of increasing interest rate/inflation, and (ii) at least 1 unpaid instalment on their exposures, the latter indicative of counterparties with already difficulties in payments and as such particularly vulnerable in this specific contingency.

With reference to both overlays, as far as calculation is concerned:
- the credit exposures belonging to the above categories were identified according to their specific features;
- satellite models were run by applying, as macro - economic conditions, the Alternative Scenario (refer to Part A - Accounting policies, A.1 - General, Section 2 - General preparation criteria)[84];
- then, the resulting adjusted default rate is applied to the relevant categories to estimate the expected new inflows of defaulted exposures;
- eventually, additional LLPs are calculated by applying to the expected new inflows of defaulted exposures the average coverage rate applied to Unlikely to Pay.

As at 31 December 2024, as a result of the approach here outlined the total amount of overlays is equal to €1,659 million (€1,162 million Geopolitical overlay and €497 million Commercial Real estate Overlay), of which UniCredit S.p.A. €919 million (€692 million related to Geopolitical Overlay and €227 million Commercial Real Estate overlay). As at 31 December 2023, the amount of overlays was equal to €1,818 million (€1,314 million Geopolitical overlay and €505 million Commercial Real estate Overlay), of which UniCredit S.p.A. €961 million (€758 million related to Geopolitical Overlay and €203 million Commercial Real Estate overlay). The reduction is the result of (i) default in-flows and portfolio dynamic and (ii) Macroeconomic scenario evolution.

2.3.2 Non-performing exposures
With reference to impaired exposures (Stage 3) the expected recoverable amount, and therefore the expected credit loss, is the present value of future cash flows expected to be recovered, discounted at the original interest rate.
Therefore, the main determinants of this value are:
- the expected cash flows;
- the expected timing of payments of these cash flows;
- the effective interest rate used for discounting.

Expected cash flows on defaulted exposures are calculated on an individual basis for individually significant exposures.
Expected cash flows on already defaulted exposures that are not individually significant are calculated either on an individual or a collective basis. Where a Legal Entity has several individually significant exposures towards one single counterparty, each loan is individually assessed while also considering the overall position of the counterparty.
Future cash flows must be estimated considering the historical trend of recovery for exposures having similar credit risk features. The historical trend in any case is adjusted so to embeds the current economic environment and the expected economic outlooks.

2.3.3 Selling scenarios
In the assessment of impaired exposures (Stage 3), possible sales scenarios are also considered where the Group's NPE strategy envisages experiencing recovery through their sale to the market.
For this purpose, the presumed recovery value of credit exposures classified as Bad Loans and Unlikely to Pay is determined as weighted average between two scenarios:
- internal recovery scenario, whose expected recovery value is estimated assuming an internal work-out process according to what has previously been described;
- sale scenario, whose expected recovery value is estimated assuming the sale of the exposures on the market. The expected sale price is determined considering market or internal information based on the following hierarchy:
  - prices deriving from past sales of impaired loans with homogeneous characteristics with those evaluated;
  - prices observable on the market for impaired loans with homogeneous characteristics with those evaluated;
  - internal evaluation models.

In line with the new strategy to maximize the value of non-performing portfolio through all possible levers, during 2024 deleveraging actions on non-performing positions for which the sale was considered the solution optimizing have been launched for total GBV of €1.7 billion (of which €1.1 billion related to UniCredit S.p.A.), of which €53 million evaluated, in UniCredit S.p.A., in selling scenario.

The residual perimeter in UniCredit S.p.A. evaluated under IFRS9 “selling scenario” evaluation approach at 31 December 2024 is €234 million. With reference to the credit exposures evaluated with the selling scenario as at 31 December 2024, the prices, strategies and probability of disposal were updated in respect of those applied as at 31 December 2023, leading to LLPs release for €20 million.

84 For the geopolitical overlay and the CREF one the alternative scenarios were kept equal as at 31 December 2022 and 31 December 2023 respectively as such scenarios were still deemed to be appropriate. In addition, specifically for commercial real estate overlay, the alternative scenario was adjusted to neutralize the components favorably affecting the creditworthiness of the Commercial Real Estate portfolio by implicitly lowering the default rate. In detail: (i) the short-term interest rates used in the baseline scenario were applied; (ii) the upside on the House Price Index (HPI) foreseen by the recessive scenario as a result of lower interest rate was neutralised

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2.3.4 Scenarios and Sensitivity

In line with the IFRS9 standard and group internal regulation, the IFRS9 parameters have been calibrated considering updated macro-economic scenarios as of fourth quarter 2024.

Specifically, the Group selected three macroeconomic scenarios to determine the forward-looking component of expected credit loss (ECL):

- Baseline scenario, which assumptions are aligned with the scenario used for the Shareholding Impairment Test and the Deferred Tax Assets Sustainability Test. It represents the reference central scenario with the higher probability of realization (60%);
- Adverse scenario, which is in line with the alternative scenario adopted for Budget/Multiyear Plan and embedding a worsened evolution of macro-economic context, but with a lower probability of realization vis-à-vis the baseline (35%);
- Positive scenario, reflecting better macroeconomic forecast than the baseline scenario, with a lower probability than the other two scenarios (5%).

For a description of main assumptions behind "baseline", "adverse" and "positive" scenarios and related probability realization, refer to Part A - Accounting policies, A.1 General, Section 2 - General preparation criteria.

For purposes of calculating the IFRS9 ECL which is determined as weighted average of ECL underlying each scenario, the interest rate trend of the positive scenario has been capped at values of the baseline to ensure consistent outcome in terms of ECL (i.e. ECL Positive lower than ECL Baseline and ECL Adverse).

Besides the update of macroeconomic scenario, the default rates and recovery rates, underlying IFRS9 PD and LGD calibration, have been updated accordingly, in line with ordinary process.

The update of the macro-economic scenarios under the rules reported above has determined in the fourth quarter 2024 the recognition of releases for € 8.1 million as result of update on macro-economic factors and weights assigned to scenarios, with the following break-down by geography:

- Germany: €8.0 million of write-downs;
- Central & Eastern Europe (excluding Russia): €11.0 million of write-downs;
- Russia: €6.9 million of write-backs;
- Italy: €20.2 million of total net write-backs to which UniCredit S.p.A. contributes for €20.0 million of net write-backs.

Sensitivity of Expected Credit Losses (ECL)

The sensitivity of IFRS9 ECL to scenarios change is estimated by comparing the ECL calculated alternatively weighting at 100% the adverse, baseline and positive scenarios.

With respect to the baseline in the adverse scenario the ECL would increase by about 7% (5.8% for UniCredit S.p.A.) equivalent to around €303 million (of which €97 million for UniCredit S.p.A.). While the ECL in the positive scenario would decrease by about 2.1% (2.3% for UniCredit S.p.A.) equivalent to around €95 million (of which €39 million for UniCredit S.p.A.).

Furthermore, a sensitivity factor to 1 point of GDP drop cumulated over the reference time horizon (2025-27) has been calculated. More in details ECL sensitivity to GDP change is calculated as the ratio of:

- the difference between ECL estimated under the alternative scenarios (positive and adverse) vis-à-vis the baseline;
- the GDP points deviations (on 3 years cumulative basis) between alternative scenarios and baseline scenario.

Implied assumptions are:

- GDP growth is assumed to be the most relevant economic factor as indicator of scenario severity;
- for each Legal Entity the GDP of the reference country is considered for the calculation of the respective sensitivity (e.g., for UniCredit S.p.A. the Italian GDP was considered, for UniCredit Bank AG the German GDP, etc.).

The results considering the current IFRS9 scenarios and portfolio are the following:

- for 1 point of increase in GDP (cumulated over 3 Years) the ECL at Group level is estimated to decrease by -0.9% (-1.1% for UniCredit S.p.A.);
- for 1 point of GDP drop (cumulated over 3 years) the ECL at Group level is estimated to increase by +1.2% (+1.1% for UniCredit S.p.A.).

Inclusion of Climate Risk in provisioning (ECL)

Acknowledging the growing importance that climate change might also have for the financial sector and in continuous dialogue with the competent authorities, the group has recently finalized to development of a modelling framework aims at incorporating the climate related risks into the methodology employed to calculate IFRS9 provisions.

The approach adopted provides to include effects of energy transition and extreme natural events directly in the evolution of forward-looking parameters (PD/LGD) and use them to calculate the IFRS9 Expected Credit Losses. The impacts due to extreme natural events on loans secured by immovable properties (therefore in LGD) have been recognized since the financial reporting of 2024 half-year. Starting from the fourth quarter of 2024, the impacts associated to the energy transition have been included both in the forward-looking PD of corporate obligors and in LGD of secured loans based on the energy performance of the related immovable properties. The effects of extreme natural events on the corporate PD have been also included starting from the fourth quarter.

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In line with the industry best practices and IFRS9 standards the impacts of C&E risk have been calibrated considering alternative assumptions in terms of transition policies and severity on physical risk. For the purpose of IFRS9 ECL the following scenarios have been selected among those defined by Network for Greening the Financial System (NGFS):
- Net Zero 2050 - this scenario limits global warming to 1.5C° through stringent climate policies and innovation, reaching global net zero CO_2 emissions around 2050. Some jurisdictions reach net zero for all greenhouse gases by this point. Physical risks are relatively low, but transition risks are high;
- Delayed Transition - that assumes global annual emissions do not decrease until 2030 as new climate policies are not introduced until that year. Strong policies are then needed to limit warming to below 2 °C. The level of action differs across countries and regions based on currently implemented policies. This leads to both higher transition and physical risks than the Net Zero 2050;
- Current Policies - that assumes that only currently implemented policies are preserved, leading to limited transition risk but severe physical risks.

The final amount of Expected Credit Losses (ECL) due to C&E risk have been then calculated as simple average of the ECL underlying the three climate scenarios. The Expected Credit Loss of the single exposure is calculated considering the forward-looking PD and LGD which reflecting both macro-economic and climate scenarios and based on the specific stage and loan's maturity.
The inclusion of climate risks in the calculation of IFRS9 ECL, according to the aforementioned methodology, has determined the recognition of impairment for €106 million for the 2024. Future adjustments of impairments due to C&E risk will be driven by update on scenario assumptions (e.g. transition policies) and portfolio composition.

2.4 Credit risk mitigation techniques
UniCredit group uses various credit risk mitigation techniques to reduce potential credit losses in case of the obligor default. Consistent with the “Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (CRR)”, UniCredit group is firmly committed to satisfy the requirements for the correct application of credit risk mitigation techniques, according to the different approaches adopted Standardised, Foundation IRB (F-IRB) or Advanced IRB (A-IRB), for both operational and regulatory purposes.
Specific Group guidelines are in force, issued by the Parent Company, defining group-wide rules and principles with the aim to steer the credit risk mitigation management, in accordance with the relevant regulatory requirements.
Integrating these guidelines, Legal entities have adopted local regulations, specifying processes, strategies, and procedures for collateral management. In particular, such internal regulations detail, according to each Country's local legal system, collateral eligibility, acquisition, valuation and monitoring rules and ensure, the soundness, legal enforceability and timely liquidation of valuable collateral.
Legal entities are responsible for managing collateral and verifying the compliance of risk mitigation techniques with regulatory requirements, with a particular focus on Internal Rating System applications, in order to assess the presence of adequate documentation and procedure concerning the credit risk mitigation instruments used for supervisory capital.
According to the credit policies, collaterals or guarantees can be accepted to support loans but cannot serve as a substitute for the borrower’s ability to meet its obligations. For this reason, in addition to the overall analysis of the borrowers’ credit worthiness and of his repayment capacity, collaterals are subject to specific assessment with the aim to verify their viability to support the repayment of the exposure[85].

Collaterals accepted in support of credit lines granted by the Legal entities, primarily include:
- real estate, both residential and commercial;
- financial collateral, including cash deposits, debt securities, equities, and units of Undertakings for Collective Investment in Transferable Securities (UCITS).

Other types of collateral are envisaged, including insurance policies and pledged goods or pledged loans (the latter are less common).
UniCredit group also makes use, between funded credit protection, of bilateral netting agreements regarding OTC derivatives (by means of ISDA and CSA agreements), Repos and securities lending transactions where the counterparties are, generally, Financial Institutions.

In relation to personal guarantees, their use is widespread within UniCredit group, though their characteristics differ among the different local markets; they can be accepted as complementary and accessory to the granting of loans.
Personal guarantees can be provided by banks, government, central banks and other public entities and others. The last category includes the personal guarantees provided by natural persons, whose eligibility for CRM depends on the approach used by the different Legal Entities.

85 Except for "asset-based" loans, which identify the primary source of repayment in the collateral supporting the loan in preference to the borrower's cash flow/income, which is usually the source of income to be considered for borrower valuation purposes.

In case the guarantee is represented by credit derivatives, the protection providers are mainly banks and institutional counterparties. As already highlighted, the list of eligible protection providers depends on the specific approach adopted by each single Legal entity. Specifically:

- under the standardised approach, eligible protection providers pertain to a restricted list of counterparts, such as central government and central banks, public sector entities and regional and local authorities, multilateral development banks, supervised institutions and corporate entities that have a credit assessment by an eligible ECAI;
- under A-IRB approach, for the recognition of guarantees in the calculation of capital requirements, in addition to verify that the relevant minimum requirements are satisfied, the Legal entity can evaluate the protection provider risk profile, through an internal rating system, at the time the guarantee is provided and over its entire duration.

The management system of credit risk mitigation techniques is embedded in the credit approval process and in the credit risk monitoring process, to support the evaluation and data quality checks of collaterals/guarantees and their linking to the defined categories. Controls and related responsibilities are duly formalised and documented in internal rules. Furthermore, processes are implemented to control relevant information regarding the identification and evaluation of the credit protection and for their proper registration in the system.

In the collateral acquisition phase, UniCredit group emphasises the importance of processes and controls of the legal certainty requirements of the protection, as well as the assessment of the suitability of the collateral or guarantee. In case of personal guarantees, the protection provider (or the protection seller in case of credit default swap) has to be assessed in order to measure his/her credit worthiness and risk profile.

Monitoring processes of credit risk mitigation techniques ensure that general and specific requirements set by credit policies, internal and regulatory rules are met over the time.

Among such processes it is pointed out that one connected to concentration risk, which occurs when the major part of Group-wide collateral financial assets (at portfolio level) are concentrated in a small number of collateral types, protection instruments, or specific providers of collaterals.
Such concentration is monitored and controlled by the following processes/mechanisms:

- in case of personal guarantees/credit derivatives, a contingent liability (indirect risk) is charged to the protection provider. In the evaluation of the credit application, a secondary commitment is added to the guarantor, and it is reflected in the guarantor's total credit exposure as deemed competent and approved in accordance with the internal authority system of each Group Entity;
- in case the protection provider, directly or indirectly, is a Central Bank or a Sovereign country, a specific credit limit has to be instructed; if the guarantor is a foreign subject, it is necessary to evaluate case by case the definition of a country limit.

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3. Non-performing credit exposures

3.1 Management strategies and policies
In order to ensure a homogeneous approach in the classification of credit exposures for regulatory and reporting purposes, UniCredit has defined guidelines at Group level for the classification of non-performing exposures that refer to the principles reported in the Implementing Technical Standards issued by the Authority European Banking in 2014. This definition of non-performing exposures complements the definition of "default" exposures, disciplined by EBA Guidelines on default definition in line with article 178 of Regulation (EU) 575/2013 of the European Parliament and of the Council (EBA/GL/2016/07) in force since 1 January 2021, and "impaired" exposures defined by IFRS9 Accounting Standards. A substantial alignment within the Group has been pursued between the three definitions, providing the Supervisory Authorities with a harmonised view of these concepts, and strengthening the tools available to the Authorities for assessing the asset quality.

The default classification criteria in force since 1 January 2021 include, among the main aspects, harmonized thresholds at European level for past due materiality and additional Unlikely to Pay triggers further regulated by EBA/GL/2016/07 with respect to the high-level provisions of article 178 of Regulation (EU) 575/2013. In this regard, it is highlighted the Distressed Restructuring for credit obligation object of concession, where a maximum threshold for decreasing the Net Present Value of 1% has been set, as well as specific requirements on the contagion effects of default in the case of connected customers (mainly, groups of companies, joint headings between individuals and links between individuals and companies with unlimited liability). In addition, a mandatory minimum probation period before returning to the non-defaulted status has been defined.

Furthermore, in accordance with the provisions of Banca d 'Italia in Circular 272/2008, non-performing credit exposures of each Group entity must be classified in one of the following risk classes:
- past-due and/or overdue exposures: problematic exposures that are more than 90 days past due on any material obligation (the latter assessed in line with article 178 (2d) of Regulation (EU) 575/2013 and the Technical Standards of the EBA);
- unlikely to pay: the classification in this category is the result of the judgment of the bank about the unlikeliness, without recourse to actions such as realising collaterals, that the obligor will pay in full (principal and/or interest) its credit obligations. This assessment should be carried out independently of the presence of any (or rate) past due and unpaid amount;
- bad loans: exposures to borrowers in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation, regardless of any loss forecasts made by the bank.

According to the Group rules, all debtors in the bank's portfolio must be mapped in the classes defined by Banca d'Italia, regardless of local reporting which has to be performed according to local accounting standards and/or local supervisory regulations or instructions.

These classification rules are further integrated by accounting principles defined in IFRS9, according to which credit exposures must be allocated in three "stages" (for details refer to section "2.3 Expected loss measurement method"). With regard to non-performing exposures, the allocation to "Stage 3" occurs when the customer's status changes into "non-performing". This is a classification at counterparty level and not at transaction level based on specific regulations on the classification of non-performing exposures.

In accordance with Art.156 EBA ITS, an exposure must remain classified as non-performing[86] as long as the following criteria (exit criteria) are not met simultaneously:
- the situation of the debtor has improved to the extent that full repayment of the original due amount is likely to be made;
- the debtor does not have any amount past-due by more than 90 days.

Specific exit criteria must be applied in case the Forbearance measures are extended to non-performing exposures, listed below:
- the starting date of the observation period of one year is the latest between the adoption of Forbearance measures and the classification as non-performing;
- any past due amount is verified if no past due occurs at debtor level;
- from a judgmental evaluation by the empowered Body, there are no doubts regarding the "full repayment" of the amount owed by the debtor.

86 The regulatory framework for the transition from performing to non-performing exposures ("criteria for a return to a non-defaulted status ") has been integrated with the entry into force of the "Guidelines on the application of the definition of default under Art.178 of Regulation (EU) 575/2013 "(EBA/GL/2016/07) as at 1 January 2021.

Part E - Information on risks and related hedging policies

In the non-performing credit exposures management, UniCredit group adopts certain strategies that operationally define the activities necessary to achieve the targets defined yearly.
The aforementioned strategies concerning impaired loans include:
- an effective internal restructuring activity, aiming at bringing fully back to bonis the portfolio thanks to qualified resources with specific skills dedicated to the management of loans classified as unlikely to pay;
- proactive portfolio management through judicial and extra-judicial procedures managed by internal Workout professionals or assigned to external agencies specialised in credit recovery;
- optimization of recovery performance thanks to formalised partnerships with specialized servicers
- disposal of impaired loans as further strategy for internal recovery both for individual positions and for portfolios of impaired loans, already classified as bad loans and unlikely to pay.

These strategies reflect the main levers for reducing the amount of impaired loans and have led to an important result during 2024, highlighting:
- write-off for €1,124 million;
- recoveries of €3,510 million;
- total non-performing loans sold for €1,914 million.

The decrease amount of the stock of impaired loans to Group customers was higher than the reduction targets set within the strategic plan "UniCredit Unlocked", confirming sound asset quality with the NPE ratio at 2.6% at the end of 2024 (-5bps compared to 2023 end of year ratio). This result was possible thanks also to several disposal operations carried on during the year together with the activation of a coordinated set of additional levers aimed at reducing the stock.

A successful NPE Strategy execution requires effective interaction between the Group Risk Management structure and the functions dedicated to the management of non-performing exposures directly reporting the local CROs of the Legal Entities.
More specifically, within Group Risk Management, the Group NPE structure was set-up to ensure on the one hand an adequate control over the execution and monitoring of the NPE Strategy.

In the all Legal Entities dedicated functions to the management of non-performing exposures are in place; they cover all the phases of the NPEs life cycle, take into account local regulations and the specific characteristics of portfolios, monitor and manage the amount of NPEs coherently with both European Central Bank Guidelines and Group organisational model.
The structures dedicated to the operational management of non-performing exposures are therefore tailored to each state of the life cycle of non-performing loans, starting from a careful monitoring of the performing portfolio, up to the recovery activity that includes the disposal of credit or the "repossession" of the collateral.
In particular, the monitoring activity is aimed at preventing flows to default and reducing the amount of past due exposures by detecting signals of risk of deterioration and early warning, as well as identifying the needed corrective measures to manage the potential deterioration of exposures starting from the early signs of worsening of the counterparties' credit quality.
Soft collection, door-to-door and re-management activities which pertain both performing (though already overdue) counterparties and already defaulted clients are carried out through the use of multiple channels, also using outsourcing solutions to third-party companies (in particular for door-to-door recovery activities). These activities also aim at preventing flows to default and facilitating the back-to-performing classification (main focus), thus contributing to a reduction of the overall amount of non-performing exposures.
In some Legal Entities the aforementioned activities can be managed within either the Monitoring, or Restructuring or Workout units; with reference to UniCredit S.p.A. these responsibilities are allocated to the Credit Monitoring unit within which an ad hoc department was created (i.e. Customer Recovery) exclusively dedicated to soft collection and re-management for retail portfolio.

As part of the overall management of deteriorated exposures, the Restructuring activity is aimed at mitigating the risk of insolvency and the quality of exposures with restructuring agreements and company reorganisation plans as well as reducing the amount of unlikely to pay with recoveries and performing re-classification, by means of forbearance measures. Specifically, among the strategies for managing unlikely to pay loans to corporate counterparties, there are also restructuring platforms (up to now limited to the Italian market), the disposal of individual exposures and extraordinary finance transactions.
The coordination and implementation of recovery strategy on positions classified as bad loans fall instead within the responsibility of the "Workout" unit, whose reporting structures identify the optimal strategies for maximising recoveries, including the timely enforcement of collaterals.
In some Group legal entity the activity is also implemented by leveraging on service agreements with external agencies.

As pertains the disposal activities, these refer to the organisation, management and execution of sales processes (both credit portfolios and individual positions), through the application of a transparent and competitive methodology based on market criteria. At Group level, these activities are performed by Group NPE, which evaluates various disposal options alternatives, in cooperation with the legal entity's peer function where deemed necessary to handle specific local cases.
More in general, Group NPE oversees the relationships with external partners and is responsible of the services and of the contracts among UniCredit S.p.A. and the servicers in charge of the recovery activity for the NPE portfolios.

3.2 Write-off
Group guidelines for write-offs on financial assets provides that whenever a loan is deemed to be uncollectable/unrecoverable it needs to be identified at the earliest possible opportunity and properly dealt with in accordance with financial regulations. Write-offs can relate to a financial asset in its entirety, or to a portion of it.
In assessing the recoverability of non-performing exposures (NPE) and in determining internal NPE write-off approaches, the following cases, in particular, are considered:
- exposures with prolonged arrears: it is assessed the recoverability of an exposure that presents arrears for a prolonged period. If, following this assessment, an exposure or part of an exposure is deemed as non-recoverable, it should be written-off in a timely manner, adopting different thresholds predefined on the basis of the different portfolios;
- exposures under insolvency procedure: where the collateralization of the exposure is low, legal expenses often absorb a significant portion of the proceeds from the bankruptcy procedure and therefore estimated recoveries are expected to be very low;
- a partial write-off may be warranted where there are reasonable elements to demonstrate the debtor's inability to repay the full amount of the debt, i.e., a significant level of debt, even following the implementation of a forbearance treatment and/or the execution of collateral.

Below a non-exhaustive list of hard evidence implying, with high likelihood, the not recoverability of the exposure, to be assessed, for the potential (total or partial) write-off:
- the Bank cannot call the guarantor(s), or his assets are not sufficient for the recovery of the debtor's exposures;
- negative outcome of the judicial and/or out-of-court initiatives with absence of other assets that can be called in the event of un-recoverability of the debtor's exposures;
- impossibility to initiate actions to recover credit;
- current insolvency procedure, from which the procedure itself states that the unsecured exposures will not have redress;
- loans not backed by mortgage security older than 3 years that have not registered repayments/collections during the first 3 years after the NPE classification.

Specifically, for UniCredit group perimeter, Write-offs on financial assets still subject to an enforcement procedure amount to €8,491 million as of 31 December 2024, of which partial write-offs amount to €692 million and total write-offs amount to €7,799 million. The amount of write-offs (both partial and total) related to the 2024 financial year is €540 million. 2024 write-offs cannot be compared with write-offs amount reported in gross changes in non-performing exposures, because the latter includes "debt forgiveness".

3.3 Acquired or originated impaired financial assets
Purchased or Originated Credit Impaired (POCI) are credit exposures that are already impaired on initial recognition. Consequently, every purchase of credit assets of Non Performing obligors or significant new origination done on obligors already in Non-Performing status, considering the full alignment between impaired status and Non-Performing one, shall be considered as POCI Assets (though, in general, POCI classification is the result of the restructuring of impaired exposures which has led to the provision of significant new finance, either in absolute or in relative terms, compared with the among of the original exposure).

These exposures are subject to management, measurement, and control according to the principles described in the paragraph "2.2 Credit risk management, measurement and control", Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies.

In particular, the expected credit losses recorded at initial recognition within the carrying amount of the instrument are periodically reviewed on the basis of the processes described in the previous paragraphs.

The expected credit loss calculated for these credit exposures is always determined considering their residual life, and such exposure are conventionally allocated into Stage 3, or in Stage 2 if, as a result of an improvement in the creditworthiness of the counterparty following the initial recognition, the assets are performing.

These assets are never classified under Stage 1 because the expected credit loss must always be calculated considering a time horizon equal to the residual duration.

Part E - Information on risks and related hedging policies

4. Financial assets subject to commercial renegotiations and forborne exposures
Renegotiation of existing financial instruments which determine a modification of contractual conditions might be the result of either:
- commercial initiatives, which may be specific for each customer or applied to portfolio of customers also as a result of dedicated initiatives sponsored by public authorities or banking associations;
- concessions granted in light of debtor's financial difficulties (Forbearance).

Such changes are accounted on the basis of whether the modification is considered significant or not. In this regard, reference is made to paragraph A.2 - Main items of the accounts. Notes to the consolidated account, Part A - Accounting policies.
The concessions granted due to debtor's financial difficulties, so-called Forbearance initiatives, are usually considered not significant from an accounting perspective.

4.1 Loan categorisation in the risk categories and forborne exposures
In July 2014, the European Banking Authorities issued the "Implementing Technical Standards" (ITS) on non-performing and Forborne exposures, with the aim to allow a closer supervisory monitoring of banking forbearance practices. In line with the mentioned ITS, a transaction has to be considered as forborne when both of the following conditions are simultaneously met:
- a concession in favour of the debtor exists, in the form of either (i) a contractual modification or (ii) refinancing aimed at ensuring the repayment of pre-existing obligation;
- the debtor is facing or about to face financial difficulties.

To comply with EBA ITS, since 2015 UniCredit S.p.A. has worked on the definition of a common methodological framework for forbearance process, issuing group's guidelines on forbearance management and setting up a shared IT infrastructure (i.e., Forbearance engine). Specifically, the Forbearance engine automatically performs, on the basis of a set of a pre-defined criteria, an assessment of the overall financial difficulty of the client subject to a concession (Trouble Debt Test). In coherency with the overall solution, the different Group's legal entities adopted some fine tunings to adapt the Group's framework to the local IT tools and credit practices.

Starting from 2017, the regulatory framework relating to the management of Forborne exposures has been integrated with the following papers:
- "Guidance to Banks on Non-Performing Loans", issued by European Central Bank in March 2017, which require to Banks to define a clear NPL strategy aiming at the reduction of NPE Stock;
- "Guidelines on management of non-performing and forborne exposures", issued by European Banking Authority in October 2018, which are overall aligned with the ECB Guidance;
- "Guidelines on disclosure of non-performing and forborne exposures", issued by European Banking Authority in December 2018, which is focused on the disclosure templates to be used for Group's supervisory reporting purposes.

Part E - Information on risks and related hedging policies

In order to ensure ongoing alignment with the regulatory and supervisory requirements mentioned above regarding bank's forbearance practices, the Parent Company finalised the following activities:

- review of the list of the potential Forbearance measures to acknowledge: (i) with the split between short-term measures (duration less than 24 months) and long-term measures (duration higher than or equal to 24 months), (ii) with the possibility of granting combinations of short and long-term FBE measures and (iii) with the "*viability criteria*" defined by Supervisory for each FBE measure;
- reinforcement of the affordability assessment of the client prior to the Forbearance concession taking care to the case of multiple forbearance measures on the same exposure;
- extension of financial difficulty criteria to better capture significant increase in credit risk deterioration and to be more sensitive to credit monitoring managerial evidence;
- collection and monitoring of the relevant information within FINREP Reporting with disclosure on:
  - performing and non-performing portfolio;
  - guarantees;
  - default inflows and outflows;
  - list of the FBE Measures granted.

With reference to the monitoring and reporting activity on forborne exposures, on 31 December 2024, at the Group level, the number of instruments (loans and advances at amortized cost) with forbearance measures amounts to 71,532 (45,613 for UniCredit S.p.A. perimeter).
Specifically, on a consolidated level, of the total forbearance measures:

- forbearance measures granted during the period represent 32% of the total (29% considering only UniCredit S.p.A.);
- forbearance measures granted on the performing portfolio represent the 44% of the total (46% considering only UniCredit S.p.A.).

As regards the vintage of classification of forborne exposures, the information reported below pertain to loan and advances at amortized cost, as financial assets at fair value and off-balance sheet exposures do not represent (out of the overall forborne portfolio) a materially significant relevance. More in details, at consolidated level, 79% of forborne performing exposures has a vintage of classification less or equal to 24 months, in line with UniCredit S.p.A. portfolio (79%). In terms of forborne non-performing loans, 55% of consolidated exposures fall within a classification vintage less or equal 24 months (43% for UniCredit S.p.A. portfolio).

Part E - Information on risks and related hedging policies

Quantitative information

In the following tables, the volume of impaired assets according to the IFRS definition is equivalent to the one for non-performing exposures referred to in the EBA standards.

A. Credit quality

For the purposes of the disclosure of quantitative information about credit quality, the term "credit exposures" does not include equity instruments and units in investment funds except for the tables of the paragraph "A.2 Classification of credit exposure based on internal and external ratings", in which units in investment funds are included.

A.1 Non-performing and performing credit exposures: amounts, writedowns, changes, distribution by business activity

A.1.1 Regulatory consolidation - Breakdown of financial assets by past-due buckets (carrying value)

(€ million)

PORTFOLIOS/RISK STAGES	STAGE 1			STAGE 2			STAGE 3			PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		
	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS
1. Financial assets at amortised cost	4,304	689	183	1,814	543	162	1,156	353	2,269	20	4	16
2. Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	32	-	-	-	-	-
3. Financial instruments classified as held for sale	-	-	-	-	-	-	12	5	69	-	-	-
Total 31.12.2024	**4,304**	**689**	**183**	**1,814**	**543**	**162**	**1,200**	**358**	**2,338**	**20**	**4**	**16**
Total 31.12.2023	**4,706**	**87**	**85**	**2,468**	**646**	**161**	**1,382**	**310**	**2,302**	**-**	**-**	**2**

The amounts past due over 90 days and related to Stage 1 and Stage 2 exposures refer to loans that do not meet the definition of Non-performing past due (below the materiality threshold).

A.1.2 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS											
	FINANCIAL ASSETS CLASSIFIED IN STAGE 1						FINANCIAL ASSETS CLASSIFIED IN STAGE 2					
	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT
Opening balance (gross amount)	**4**	**889**	**73**	**263**	**47**	**1,181**	**2**	**3,961**	**5**	**224**	**471**	**3,720**
Increases in acquired or originated financial assets	-	219	2	-	12	209	-	229	1	-	1	229
Reversals different from write-offs	-	(171)	(2)	-	(2)	(171)	-	(362)	-	-	(12)	(350)
Net losses/recoveries on credit impairment	-	(126)	(66)	-	(54)	(138)	-	(358)	(2)	-	(84)	(276)
Contractual changes without cancellation	-	(8)	-	-	-	(8)	-	(10)	-	-	-	(10)
Changes in estimation methodology	-	(22)	-	-	-	(22)	-	23	-	-	-	23
Write-off not recognised directly in profit or loss	-	-	-	-	-	-	-	(1)	-	-	-	(1)
Other changes	1	250	-	-	97	154	(1)	(347)	(2)	-	(163)	(186)
Closing balance (gross amount)	**5**	**1,031**	**7**	**263**	**100**	**1,205**	**1**	**3,135**	**2**	**224**	**213**	**3,149**
Recoveries from financial assets subject to write-off	-	1	-	-	-	1	-	-	-	-	-	-
Write-off recognised directly in profit or loss	-	-	-	-	-	-	-	(12)	-	-	-	(12)

Part E - Information on risks and related hedging policies

continued: A.1.2 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS										
	ASSETS BELONGING TO THIRD STAGE						PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS				
	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT
Opening balance (gross amount)	**81**	**5,498**	**2**	**305**	**4,098**	**1,763**	**4**	**-**	**-**	**4**	**-**
Increases in acquired or originated financial assets	-	244	-	-	160	84	-	-	-	-	-
Reversals different from write-offs	-	(978)	-	(645)	(771)	(852)	-	-	-	-	-
Net losses/recoveries on credit impairment	-	1,315	80	(9)	713	673	(3)	-	-	(3)	-
Contractual changes without cancellation	-	(13)	-	-	(11)	(2)	2	-	-	2	-
Changes in estimation methodology	-	22	-	-	-	22	-	-	-	-	-
Write-off not recognised directly in profit or loss	-	(993)	-	(15)	(780)	(228)	(1)	-	-	(1)	-
Other changes	2	3	-	445	271	180	1	-	-	1	-
Closing balance (gross amount)	**83**	**5,098**	**82**	**81**	**3,680**	**1,640**	**3**	**-**	**-**	**3**	**-**
Recoveries from financial assets subject to write-off	-	182	-	-	148	33	-	-	-	-	-
Write-off recognised directly in profit or loss	-	(111)	-	-	(74)	(37)	(1)	-	-	(1)	-

continued: A.1.2 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS				TOTAL
	TOTAL PROVISIONS ON LOANS COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
	STAGE 1	STAGE 2	STAGE 3	COMMITMENTS FUNDS AND FINANCIAL GUARANTEES PURCHASED OR ORIGINATED CREDIT-IMPAIRED	
Opening balance (gross amount)	**137**	**449**	**609**	**-**	**12,506**
Increases in acquired or originated financial assets	35	12	32	-	774
Reversals different from write-offs	(18)	(45)	(34)	-	(2,255)
Net losses/recoveries on credit impairment	(24)	(104)	(43)	-	660
Contractual changes without cancellation	-	2	-	-	(27)
Changes in estimation methodology	(9)	-	1	-	15
Write-off not recognised directly in profit or loss	-	-	-	-	(1,010)
Other changes	36	(64)	9	-	333
Closing balance (gross amount)	**157**	**250**	**574**	**-**	**10,996**
Recoveries from financial assets subject to write-off	-	-	-	-	183
Write-off recognised directly in profit or loss	-	(3)	-	-	(127)

Part E - Information on risks and related hedging policies

A.1.3 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: transfers between risk stages (gross values and nominal values)

(€ million)

PORTFOLIOS/RISK STAGES	GROSS VALUES/NOMINAL VALUES					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
1. Financial assets at amortised cost	22,308	29,988	2,570	480	1,474	288
2. Financial assets at fair value through other comprehensive income	677	443	-	-	114	-
3. Financial instruments classified as held for sale	-	-	-	-	-	-
4. Loan commitments and financial guarantees given	4,174	8,370	325	61	44	56
Total 31.12.2024	**27,159**	**38,801**	**2,895**	**541**	**1,632**	**344**
Total 31.12.2023	**43,702**	**29,512**	**2,438**	**1,211**	**1,750**	**179**

A.1.3a Other loans and advances guaranteed by Covid-19 public guarantee: transfers between impairment stages (gross values)

(€ million)

PORTFOLIOS/RISK STAGES	GROSS VALUES					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
A. Financial assets at amortised cost	**531**	**1,214**	**178**	**39**	**96**	**8**
B. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**
Total at 31.12.2024	**531**	**1,214**	**178**	**39**	**96**	**8**

Part E - Information on risks and related hedging policies

A.1.4 Regulatory consolidation - On- and off-balance sheet credit exposures with banks: gross and net values

(€ million)

	AMOUNTS AS AT 31.12.2024											
	GROSS EXPOSURE					OVERALL WRITE-DOWNS AND PROVISIONS						
EXPOSURE TYPES/VALUES		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)
A. On-balance sheet credit exposures												
A.1 On Demand	**37,675**	**37,069**	**499**	**74**	**33**	**88**	**5**	**1**	**59**	**24**	**37,587**	**-**
a) Non-performing	107	X	-	74	33	83	X	-	59	24	24	-
b) Performing	37,568	37,069	499	X	-	5	5	1	X	-	37,563	-
A.2 Other	**83,639**	**77,616**	**2,641**	**49**	**-**	**38**	**20**	**9**	**9**	**-**	**83,601**	**-**
a) Bad exposures	4	X	-	4	-	4	X	-	4	-	-	-
of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
b) Unlikely to pay	45	X	-	45	-	5	X	-	5	-	40	-
of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
c) Non-performing past due	-	X	-	-	-	-	X	-	-	-	-	-
of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
d) Performing past due	48	35	13	X	-	-	-	-	X	-	48	-
of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
e) Other performing exposures	83,542	77,581	2,628	X	-	29	20	9	X	-	83,513	-
of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
Total (A)	**121,314**	**114,685**	**3,140**	**123**	**33**	**126**	**25**	**10**	**68**	**24**	**121,188**	**-**
B. Off-balance sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	36,584	10,607	853	X	-	7	5	1	X	-	36,577	-
Total (B)	**36,584**	**10,607**	**853**	**-**	**-**	**7**	**5**	**1**	**-**	**-**	**36,577**	**-**
Total (A+B)	**157,898**	**125,292**	**3,993**	**123**	**33**	**133**	**30**	**11**	**68**	**24**	**157,765**	**-**

Note:
(*) Value shown for information purposes.

On-Balance sheet exposures to banks include all balance-sheet assets regardless of their belonging portfolio (held-for-trading, assets designed and mandatorily at fair value through profit or loss, assets at fair value through other comprehensive income, assets at amortised cost and assets held for sale). In more details columns Stage1, Stage 2, Stage 3 and Purchased or Originated Credit-Impaired financial assets include assets at amortized cost, assets at fair value through other comprehensive income, current accounts and demand deposits with Banks and Central Banks and assets held for sale; the overall gross exposures also report held-for-trading, assets designed and mandatorily at fair value through profit or loss. Off-Balance sheet exposures to banks comprise guarantees given, irrevocable commitments, derivatives regardless of each transaction's classification category and the revocable commitments to disburse funds.

Part E - Information on risks and related hedging policies

A.1.5 Regulatory consolidation - On- and off-balance sheet credit exposures with customers: gross and net values

(€ million)

EXPOSURE TYPES/VALUES	AMOUNTS AS AT 31.12.2024											
		GROSS EXPOSURE				OVERALL WRITE-DOWNS AND PROVISIONS						
		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)
A. On-balance sheet credit exposures												
a) Bad exposures	3,137	X	-	3,113	11	2,169	X	-	2,155	2	968	681
of which: forborne exposures	*593*	*X*	-	*578*	*2*	*398*	*X*	-	*386*	*1*	*195*	*13*
b) Unlikely to pay	7,682	X	-	7,453	128	2,902	X	-	2,835	1	4,780	11
of which: forborne exposures	*2,839*	*X*	-	*2,816*	*21*	*1,201*	*X*	-	*1,200*	-	*1,638*	*2*
c) Non-performing past due	809	X	-	790	14	265	X	-	261	-	544	-
of which: forborne exposures	*20*	*X*	-	*17*	*4*	*8*	*X*	-	*8*	-	*12*	-
d) Performing past due	8,213	5,372	2,838	X	-	405	49	356	X	-	7,808	-
of which: forborne exposures	*209*	*1*	*208*	*X*	-	*33*	-	*33*	*X*	-	*176*	-
e) Other performing exposures	561,545	499,180	48,160	X	8	3,753	980	2,773	X	-	557,792	-
of which: forborne exposures	*6,063*	*35*	*5,990*	*X*	*1*	*442*	*1*	*441*	*X*	-	*5,621*	-
Total (A)	**581,386**	**504,552**	**50,998**	**11,356**	**161**	**9,494**	**1,029**	**3,129**	**5,251**	**3**	**571,892**	**692**
B. Off-balance sheet credit exposures												
a) Non-performing	3,025	*X*	-	2,126	1	621	*X*	-	574	-	2,404	-
b) Performing	364,132	217,790	21,324	X	-	415	152	249	X	-	363,717	-
Total (B)	**367,157**	**217,790**	**21,324**	**2,126**	**1**	**1,036**	**152**	**249**	**574**	**-**	**366,121**	**-**
Total (A+B)	**948,543**	**722,342**	**72,322**	**13,482**	**162**	**10,530**	**1,181**	**3,378**	**5,825**	**3**	**938,013**	**692**

Note:
(*) Value shown for information purposes.

On-Balance sheet exposures to customers include all balance-sheet assets regardless of their belonging portfolio (held-for-trading, assets designed and mandatorily at fair value through profit or loss, assets at fair value through other comprehensive income, assets at amortised cost and assets held for sale). In more details columns Stage1, Stage 2, Stage 3 and Purchased or Originated Credit-Impaired financial assets include assets at amortized cost, assets at fair value through other comprehensive income and assets held for sale; the overall gross exposures also report held-for-trading, assets designed and mandatorily at fair value through profit or loss.
Off-Balance sheet exposures to customers comprise guarantees given, irrevocable commitments, derivatives regardless of each transaction's classification category and the revocable commitments to disburse funds.
The total amount, on-balance and off-Balance sheet, of forborne exposures (including those belonging to disposal groups/held for sale) is €10.7 billion (€3.7 billion non-performing and €7 billion performing). These exposures refer for 55% to the Italian perimeter, while the remaining amount mainly refers to Austria (16%) and Germany (13%).
For a description of the rules for identification of forborne exposures refer to paragraph "4. Financial assets subject to commercial renegotiations and forborne exposures", Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit Risk, Qualitative information.
On-Balance sheet impaired gross exposures connected to the proposals for recourse to an arrangement with creditors made by the debtor amounted to a total of €336 million as at 31 December 2024, against which specific impairments have been made for €191 million, with a total coverage level of 57%.

Part E - Information on risks and related hedging policies

A.1.5a Other loans and advances guaranteed by Covid-19 public guarantee: gross and net value

(€ million)

	AMOUNTS AS AT 31.12.2024											
	GROSS EXPOSURE					OVERALL WRITE-DOWNS						
EXPOSURE TYPES/VALUES		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)
A. Bad loans	16	-	-	15	1	5	-	-	5	-	11	-
B. Unlikely to pay loans	430	-	-	427	3	86	-	-	86	-	344	-
C. Non-performing past due loans	15	-	-	15	-	1	-	-	1	-	14	-
D. Performing past due loans	245	104	141	-	-	2	-	2	-	-	243	-
E. Other performing exposures loans	9,791	8,709	1,082	-	-	29	14	14	-	-	9,762	-

Note:
(*) Value shown for information purposes.

At 31 December 2024, gross exposure of loans and advance subject to Covid-19 public guarantee amounted to €10,497 million, of which €10,036 million performing and €461 million non-performing (4.4% of total loans), of which €16 million bad loans, €430 million unlikely to pay, €15 million non-performing past due. The largest part of gross exposures benefitting from Covid-19 initiatives are in Italy, representing 88% of Group figures (of which 96% classified as Performing).

A.1.6 Regulatory consolidation - On-balance sheet exposures with banks: changes in gross non-performing exposures

(€ million)

	CHANGES IN 2024		
SOURCES/CATEGORIES	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST DUE
A. Opening balance (gross amount)	**4**	**169**	**-**
of which sold non-cancelled exposures	-	-	-
B. Increases	**-**	**4**	**-**
B.1 Transfers from performing loans	-	-	-
B.2 Transfers from acquired or originated impaired financial assets	-	-	-
of which: business combinations	-	-	-
B.3 Transfers from other categories of non-perforiming exposures	-	-	-
B.4 Contractual changes with no cancellations	-	-	-
B.5 Other increases	-	4	-
of which: business combinations - mergers	-	-	-
C. Reductions	**-**	**23**	**-**
C.1 Transfers to performing loans	-	-	-
C.2 Write-offs	-	-	-
C.3 Collections	-	23	-
C.4 Sale proceeds	-	-	-
C.5 Losses on disposal	-	-	-
C.6 Transfers to other non-performing exposures	-	-	-
C.7 Contractual changes with no cancellations	-	-	-
C.8 Other decreases	-	-	-
of which: business combinations	-	-	-
D. Closing balance (gross amount)	**4**	**150**	**-**
of which sold non-cancelled exposures	-	-	-

Sub-items “B.5 Other increases” and “C.3 Collections” include amounts recovered during the year concerning impaired exposures which were derecognised in their entirety.

A.1.6bis Regulatory consolidation - On-balance sheet exposures with banks: changes by credit quality in gross forborne exposures

No data to be disclosed.

Part E - Information on risks and related hedging policies

A.1.7 Regulatory consolidation - On-balance sheet credit exposures with customers: changes in gross non-performing exposures

(€ million)

SOURCES/CATEGORIES	CHANGES IN 2024		
	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST DUE
A. Opening balance (gross amount)	**2,949**	**8,482**	**962**
of which sold non-cancelled exposures	*12*	*41*	*12*
B. Increases	**2,883**	**4,898**	**754**
B.1 Transfer from performing loans	1,118	3,142	634
B.2 Transfer from acquired or originated impaired financial assets	7	21	16
of which: business combinations	*7*	*11*	*16*
B.3 Transfer from other non-performing exposures	1,300	262	23
B.4 Contractual changes with no cancellations	-	1	-
B.5 Other increases	458	1,472	81
of which: business combinations - mergers	-	-	-
C. Decreases	**2,695**	**5,698**	**907**
C.1 Transfers to performing loans	13	651	193
C.2 Write-offs	692	428	3
C.3 Collections	1,124	2,106	284
C.4 Sale proceeds	238	590	7
C.5 Losses on disposals	34	89	-
C.6 Transfers to other non-performing exposures	56	1,160	369
C.7 Contractual changes with no cancellations	-	1	-
C.8 Other decreases	538	673	51
of which: business combinations	-	-	-
D. Closing balance (gross amount)	**3,137**	**7,682**	**809**
of which sold non-cancelled exposures	*25*	*18*	*20*

Sub-items “B.5 Other increases” and “C.3 Collections” include amounts recovered during the year concerning impaired exposures which were derecognised in their entirety.

Part E - Information on risks and related hedging policies

A.1.7bis Regulatory consolidation - On-balance sheet exposures with customers: changes by credit quality in gross forborne exposures

(€ million)

SOURCES/QUALITY	CHANGES IN 2024	
	FORBORNE EXPOSURES: NON-PERFORMING	FORBORNE EXPOSURES: PERFORMING
A. Opening balance (gross amount)	**4,344**	**5,825**
of which sold non-cancelled exposures	*35*	*7*
B. Increases	**1,751**	**4,549**
B.1 Transfers from performing non-forborne exposures	417	3,340
B.2 Transfers from performing forbone exposures	487	X
B.3 Transfers from non-performing forborne exposures	X	291
of which: business combinations	*X*	-
B.4 Transfers from non-performing non-forborne exposures	505	
B.5 Other increases	342	918
of which: business combinations - mergers	-	-
C. Reductions	**2,643**	**4,102**
C.1 Transfers to performing non-forborne exposures	X	1,368
C.2 Transfers to performing forbone exposures	280	X
C.3 Transfers to non-performing forborne exposures	X	487
C.4 Write-offs	231	-
C.5 Collections	1,001	2,154
C.6 Sale proceeds	510	-
C.7 Losses from disposal	60	-
C.8 Other reductions	561	93
of which: business combinations	-	-
D. Closing balance (gross amount)	**3,452**	**6,272**
of which sold non-cancelled exposures	*8*	*3*

Part E - Information on risks and related hedging policies

A.1.8 Regulatory consolidation - On-balance sheet non-performing credit exposures with banks: changes in overall write-downs

(€ million)

SOURCES/CATEGORIES	CHANGES IN 2024					
	NON-PERFORMING LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE	
	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES
A. Opening balance (gross amount)	**4**	**-**	**87**	**-**	**-**	**-**
of which sold non-cancelled exposures	-	-	-	-	-	-
B. Increases	**-**	**-**	**5**	**-**	**-**	**-**
B.1 Write-downs of acquired or originated impaired financial assets	-	X	-	X	-	X
of which: business combinations	-	-	-	-	-	-
B.2 Other write-downs	-	-	3	-	-	-
B.3 Losses on disposal	-	-	-	-	-	-
B.4 Transfers from other categories of non-performing exposures	-	-	-	-	-	-
B.5 Contractual changes with no cancellations	-	X	-	X	-	X
B.6 Other increases	-	-	2	-	-	-
of which: business combinations - mergers	-	-	-	-	-	-
C. Reductions	**-**	**-**	**5**	**-**	**-**	**-**
C.1 Write-backs from valuation	-	-	-	-	-	-
C.2 Write-backs from collections	-	-	3	-	-	-
C.3 Gains from disposals	-	-	-	-	-	-
C.4 Write-offs	-	-	-	-	-	-
C.5 Transfers to other categories of non-performing exposures	-	-	-	-	-	-
C.6 Contractual changes with no cancellations	-	X	-	X	-	X
C.7 Other decreases	-	-	2	-	-	-
of which: business combinations	-	-	-	-	-	-
D. Closing balance (gross amount)	**4**	**-**	**87**	**-**	**-**	**-**
of which sold non-cancelled exposures	-	-	-	-	-	-

A.1.9 Regulatory consolidation - On-balance sheet non-performing credit exposures with customers: changes in overall write-downs

(€ million)

	CHANGES IN 2024					
	NON-PERFORMING LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE	
SOURCES/CATEGORIES	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES
A. Opening balance (gross amount)	**2,173**	**371**	**3,438**	**1,720**	**275**	**9**
of which sold non-cancelled exposures	*9*	*1*	*17*	*16*	*2*	-
B. Increases	**1,863**	**252**	**2,412**	**818**	**229**	**12**
B.1 Write-downs of acquired or originated impaired financial assets	-	X	-	X	-	X
of which: business combinations	-	-	-	-	-	-
B.2 Other write-downs	1,114	135	1,781	537	157	5
B.3 Losses on disposal	34	9	89	51	-	-
B.4 Transfers from other categories of non-performing exposures	362	68	77	10	11	2
B.5 Contractual changes with no cancellations	-	X	1	X	-	X
B.6 Other increases	353	40	464	220	61	5
of which: business combinations - mergers	-	-	-	-	-	-
C. Reductions	**1,867**	**225**	**2,948**	**1,337**	**239**	**13**
C.1 Write-backs from valuation	158	24	545	255	23	1
C.2 Write-backs from collections	363	44	622	166	54	3
C.3 Gains from disposals	27	6	17	15	-	-
C.4 Write-offs	692	46	428	185	3	-
C.5 Transfers to other categories of non-performing exposures	39	7	338	69	73	4
C.6 Contractual changes with no cancellations	-	X	1	X	-	X
C.7 Other decreases	588	98	997	647	86	5
of which: business combinations	-	-	-	-	-	-
D. Closing balance (gross amount)	**2,169**	**398**	**2,902**	**1,201**	**265**	**8**
of which sold non-cancelled exposures	*12*	*1*	*1*	*1*	*1*	-

Part E - Information on risks and related hedging policies

A.2 Classification of credit exposure based on internal and external ratings

A.2.1 Regulatory consolidation - Breakdown of financial assets, loan commitments and financial guarantees given by external rating classes (gross amounts)

(€ million)

EXPOSURES	AMOUNT AS AT 31.12.2024							
	EXTERNAL RATING CLASSES						NO RATING	TOTAL
	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6		
A. Financial assets at amortised cost								
- Stage 1	57,212	32,463	57,957	4,482	1,703	4	355,205	509,026
- Stage 2	180	552	1,930	835	215	7	48,909	52,628
- Stage 3	-	-	14	-	151	28	10,890	11,083
- Purchased or Originated Credit-Impaired Financial Assets	-	-	7	-	-	-	111	118
B. Financial assets at fair value through other comprehensive income								
- Stage 1	30,525	14,000	23,089	72	-	-	5,419	73,105
- Stage 2	-	-	1	196	168	-	646	1,011
- Stage 3	-	-	-	-	-	-	114	114
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-
C. Financial instruments classified as held for sale								
- Stage 1	-	-	-	-	-	-	37	37
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	208	208
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	44	44
Total (A+B+C)	**87,917**	**47,015**	**82,998**	**5,585**	**2,237**	**39**	**421,583**	**647,374**
D. Loan commitments and financial guarantees given								
- Stage 1	8,966	19,865	40,317	6,950	1,955	130	150,213	228,396
- Stage 2	68	167	2,632	1,360	307	3	17,638	22,175
- Stage 3	-	-	16	1	-	-	2,108	2,125
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-
Total (D)	**9,034**	**20,032**	**42,965**	**8,311**	**2,262**	**133**	**169,959**	**252,696**
Total (A+B+C+D)	**96,951**	**67,047**	**125,963**	**13,896**	**4,499**	**172**	**591,542**	**900,070**

Part E - Information on risks and related hedging policies

The table details on- and off-Balance sheet credits granted to counterparties rated by external rating. The rating agencies provide an assessment of the creditworthiness of different classes of borrowers such as Countries, Banks, Public-Sector Entities, Insurance Companies and (usually large) Enterprises.
The table refers to classification of Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments); then it provides, for external ratings, 6 classes of creditworthiness.

Rating Agencies utilised to fill the table are: S&Ps and Fitch.
Where more than one agency rating is available, the CRR criteria is used to determine the rating (Art. 138).
Here below the mapping between the external rating classes and the ECAI's rating used.

EXTERNAL RATING CLASSES	ECAI			
	STANDARD & POOR'S		FITCH	
	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
1	AAA AA-	A1+ A1	AAA AA-	F1+ F1
2	A+ A-	A2	A+ A-	F2
3	BBB+ BBB-	A3	BBB+ BBB-	F3
4	BB+ BB-	worse than A3	BB+ BB-	worse than F3
5	B+ B-	worse than A3	B+ B-	worse than F3
6	CCC+ or less	inferiori a A3	CCC+ or less	worse than F3

The 94% of rated counterparties were investment grade (from Class 1 to Class 3), referring to highly rated borrowers.
Unrated exposures, i.e. those with no external rating, were 80,8% of the portfolio, due to the fact that a considerable proportion of borrowers were private individuals or SMEs, which are not externally rated.

A.2.2 Regulatory consolidation - Breakdown of financial assets, loan commitments and financial guarantees given by internal rating classes (gross amounts)

(€ million)

EXPOSURES	AMOUNT AS AT 31.12.2024									
	INTERNAL RATING CLASSES									
	1	2	3	4	5	6	7	8	NO RATING	TOTAL
A. Financial assets at amortised cost										
- Stage 1	90,970	93,471	104,708	65,152	52,220	26,501	6,659	1,961	67,384	509,026
- Stage 2	155	261	2,451	8,147	10,342	8,028	6,065	5,739	11,440	52,628
- Stage 3	-	-	-	-	-	-	-	-	11,083	11,083
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	1	2	3	2	110	118
B. Financial assets at fair value through other comprehensive income										
- Stage 1	35,619	26,461	5,784	710	2	11	-	-	4,518	73,105
- Stage 2	-	-	-	99	53	-	-	-	859	1,011
- Stage 3	-	-	-	-	-	-	-	-	114	114
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-	-	-
C. Financial instruments classified as held for sale										
- Stage 1	-	-	-	21	1	5	-	10	-	37
- Stage 2	-	-	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-	208	208
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-	44	44
Total (A+B+C)	**126,744**	**120,193**	**112,943**	**74,129**	**62,619**	**34,547**	**12,727**	**7,712**	**95,760**	**647,374**
D. Loan commitments and financial guarantees given										
- Stage 1	32,821	56,541	51,722	30,864	15,852	6,331	1,579	522	32,164	228,396
- Stage 2	173	530	2,573	6,619	5,322	2,611	1,910	627	1,810	22,175
- Stage 3	-	-	-	-	-	-	-	-	2,125	2,125
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-	-	-
Total (D)	**32,994**	**57,071**	**54,295**	**37,483**	**21,174**	**8,942**	**3,489**	**1,149**	**36,099**	**252,696**
Total (A+B+C+D)	**159,738**	**177,264**	**167,238**	**111,612**	**83,793**	**43,489**	**16,216**	**8,861**	**131,859**	**900,070**

The table contains exposures grouped according to the counterparties' internal rating.
Ratings are assigned to individual counterparties using Group banks' internally developed models used in their credit risk management processes. The internal models validated by the regulators are either "group-wide" (e.g. for Banks, Multinationals, Sovereign) or bank-specific, by segment (e.g. retail or corporate).

In 2023, the Group master-scale was upgraded, homogenizing the different rating scales of the internal models. There are 8 rating classes, based on Probability of default (Probability of Default - PD).
65% of internally rated exposures are investment grade (classes 1 to 3), while exposures towards unrated counterparties are 14,6% of the total. No rating is assigned to these counterparties as either they belong to a segment not yet covered by the models, or the appropriate model is still in the roll-out phase.

Internal Ratings are used for Capital Requirements calculation by the Legal Entities/portfolios only with the approval of the appropriate supervisory authority. Legal Entities currently authorised are UniCredit S.p.A., UniCredit Bank GmbH, UniCredit Bank Austria AG, UniCredit Banka Slovenija d.d., UniCredit Bulbank AD, UniCredit Bank Czech Republic, and Slovakia a.s., UniCredit Bank Hungary Zrt., UniCredit Bank S.A. (Romania) and AO UniCredit Bank (Russia), the later authorized only at the consolidated level.

A.3 Distribution of secured credit exposures by type of security

A.3.1 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

	AMOUNT AS AT 31.12.2024					
			COLLATERALS (1)			
	GROSS EXPOSURE	NET EXPOSURE	PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	SECURITIES	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures						
1.1 Totally secured	18,802	18,801	63	-	14,302	3,833
of which non-performing	-	-	-	-	-	-
1.2 Partially secured	11,819	11,818	35	-	11,525	7
of which non-performing	*34*	*33*	-	-	-	-
2. Secured off-balance sheet credit exposures						
2.1 Totally secured	2,141	2,141	-	-	1,352	6
of which non-performing	-	-	-	-	-	-
2.2 Partially secured	1,151	1,151	-	-	-	22
of which non-performing	-	-	-	-	-	-

continued: A.3.1 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

	AMOUNT AS AT 31.12.2024									
	GUARANTEES (2)									
	CREDIT DERIVATIVES				SIGNATURE LOANS (LOANS GUARANTEES)					
		OTHER CREDIT DERIVATIVES								
	CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	TOTAL (1)+(2)
1. Secured on-balance sheet credit exposures										
1.1 Totally secured	-	-	-	-	-	394	7	-	-	**18,599**
of which non-performing	-	-	-	-	-	-	-	-	-	**-**
1.2 Partially secured	-	-	-	-	-	60	27	-	-	**11,654**
of which non-performing	-	-	-	-	-	*32*	-	-	-	***32***
2. Secured off-balance sheet credit exposures										
2.1 Totally secured	-	-	-	-	-	-	202	1	580	**2,141**
of which non-performing	-	-	-	-	-	-	-	-	-	**-**
2.2 Partially secured	-	-	-	-	-	612	93	-	141	**868**
of which non-performing	-	-	-	-	-	-	-	-	-	**-**

Part E - Information on risks and related hedging policies

A.3.2 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

	AMOUNT AS AT 31.12.2024					
			COLLATERALS (1)			
	GROSS EXPOSURE	NET EXPOSURE	PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	SECURITIES	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures						
1.1 Totally secured	198,656	195,169	120,907	6,795	17,994	15,656
of which non-performing	*4,288*	*2,648*	*1,402*	*279*	*12*	*165*
1.2 Partially secured	79,174	77,747	23,653	554	849	2,694
of which non-performing	*2,132*	*1,486*	*324*	*12*	*12*	*40*
2. Secured off-balance sheet credit exposures						
2.1 Totally secured	40,154	39,999	4,989	-	9,230	3,732
of which non-performing	*541*	*451*	*66*	-	*4*	*41*
2.2 Partially secured	31,413	31,232	1,202	-	629	1,377
of which non-performing	*416*	*285*	*9*	-	*27*	*7*

continued: A.3.2 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

	AMOUNT AS AT 31.12.2024									
	GUARANTEES (2)									
	CREDIT DERIVATIVES					SIGNATURE LOANS (LOANS GUARANTEES)				
		OTHER CREDIT DERIVATIVES								
	CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	TOTAL (1)+(2)
1. Secured on-balance sheet credit exposures										
1.1 Totally secured	-	-	-	-	-	11,546	826	1,296	19,180	**194,200**
of which non-performing	-	-	-	-	-	*487*	*27*	*14*	*244*	***2,630***
1.2 Partially secured	101	-	-	-	-	9,443	1,836	1,428	6,015	**46,573**
of which non-performing	-	-	-	-	-	*458*	*96*	*7*	*140*	***1,089***
2. Secured off-balance sheet credit exposures										
2.1 Totally secured	-	-	-	-	-	3,045	461	1,072	15,956	**38,485**
of which non-performing	-	-	-	-	-	*87*	*25*	*42*	*181*	***446***
2.2 Partially secured	-	-	-	-	-	2,629	242	531	1,590	**8,200**
of which non-performing	-	-	-	-	-	*10*	*6*	*3*	*35*	***97***

A.4 Regulatory consolidation - Financial and non-financial assets obtained by taking possession of collaterals

(€ million)

	CANCELLED CREDIT EXPOSURE	GROSS AMOUNT	OVERALL WRITE-DOWNS	CARRYING VALUE	OF WHICH OBTAINED DURING THE YEAR
A. Property, plant and equipment	**485**	**477**	**155**	**323**	**28**
A.1 Used in business	1	1	-	1	-
A.2 Held for investment	62	92	44	48	17
A.3 Inventories	422	384	111	274	11
B. Equity instruments and debt securities	**701**	**551**	**506**	**45**	**-**
C. Other assets	**-**	**-**	**-**	**-**	**-**
D. Non-current assets and disposal groups classified as held for sale	**-**	**-**	**-**	**-**	**-**
D.1 Property, plant and equipment	-	-	-	-	-
D.2 Other assets	-	-	-	-	-
Total 31.12.2024	**1,186**	**1,028**	**661**	**368**	**28**
Total 31.12.2023	**1,276**	**1,136**	**654**	**483**	**34**

Part E - Information on risks and related hedging policies

B. Distribution and concentration of credit exposures

B.1 Regulatory consolidation - Distribution by segment of on-balance and off-balance sheet credit exposures with customers

(€ million)

	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES		FINANCIAL COMPANIES		FINANCIAL COMPANIES (OF WHICH INSURANCE COMPANIES)		NON-FINANCIAL COMPANIES		HOUSEHOLDS	
EXPOSURES/COUNTERPARTIES	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	-	4	6	50	-	-	709	1,568	253	547
of which: forborne exposures	*-*	*-*	*4*	*32*	*-*	*-*	*157*	*300*	*34*	*66*
A.2 Unlikely to pay	345	26	192	226	-	-	3,320	2,304	923	346
of which: forborne exposures	*8*	*6*	*71*	*47*	*-*	*-*	*1,193*	*1,005*	*366*	*143*
A.3 Non-performing past-due	20	2	1	4	-	-	165	46	358	213
of which: forborne exposures	*-*	*-*	*-*	*-*	*-*	*-*	*5*	*1*	*7*	*7*
A.4 Performing exposures	143,590	131	77,480	235	1,476	1	208,761	2,406	135,769	1,386
of which: forborne exposures	*13*	*-*	*498*	*58*	*-*	*-*	*4,700*	*344*	*586*	*73*
Total (A)	**143,955**	**163**	**77,679**	**515**	**1,476**	**1**	**212,955**	**6,324**	**137,303**	**2,492**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	105	4	22	5	-	-	2,224	608	53	4
B.2 Performing exsposures	15,625	2	60,530	24	7,515	1	268,379	354	15,268	35
Total (B)	**15,730**	**6**	**60,552**	**29**	**7,515**	**1**	**270,603**	**962**	**15,321**	**39**
Total (A+B) 31.12.2024	**159,685**	**169**	**138,231**	**544**	**8,991**	**2**	**483,558**	**7,286**	**152,624**	**2,531**
Total (A+B) 31.12.2023	**156,517**	**257**	**131,795**	**650**	**5,642**	**2**	**492,825**	**8,241**	**143,186**	**2,923**

B.2 Regulatory consolidation - Distribution of on-balance and off-balance sheet credit exposures with customers by geographic area

(€ million)

	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
EXPOSURES/GEOGRAPHIC AREAS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	407	857	558	1,205	2	8	1	78	-	21
A.2 Unlikely to pay	1,558	1,135	2,834	1,739	17	19	102	7	269	2
A.3 Non-performing past-due	318	133	226	132	-	-	-	-	-	-
A.4 Performing exposures	197,971	1,747	330,159	2,373	12,505	20	10,560	5	14,405	13
Total (A)	**200,254**	**3,872**	**333,777**	**5,449**	**12,524**	**47**	**10,663**	**90**	**14,674**	**36**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	1,441	301	847	319	35	-	1	-	80	-
B.2 Performing exposures	129,767	99	206,952	309	19,467	4	2,426	1	1,192	-
Total (B)	**131,208**	**400**	**207,799**	**628**	**19,502**	**4**	**2,427**	**1**	**1,272**	**-**
Total (A+B) 31.12.2024	**331,462**	**4,272**	**541,576**	**6,077**	**32,026**	**51**	**13,090**	**91**	**15,946**	**36**
Total (A+B) 31.12.2023	**349,157**	**4,742**	**515,932**	**7,090**	**32,909**	**69**	**15,623**	**130**	**10,705**	**38**

Part E - Information on risks and related hedging policies

B.3 Regulatory consolidation - Distribution of on-balance and off-balance sheet credit exposures with banks by geographic area

(€ million)

EXPOSURES/GEOGRAPHIC AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	-	-	-	-	-	4	-	-	-	-
A.2 Unlikely to pay	-	-	64	87	-	-	-	1	-	-
A.3 Non-performing past-due	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	21,747	17	86,488	17	5,552	-	3,886	-	3,451	-
Total (A)	**21,747**	**17**	**86,552**	**104**	**5,552**	**4**	**3,886**	**1**	**3,451**	**-**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	2,436	3	23,820	2	1,683	-	4,289	-	1,572	1
Total (B)	**2,436**	**3**	**23,820**	**2**	**1,683**	**-**	**4,289**	**-**	**1,572**	**1**
Total (A+B) 31.12.2024	**24,183**	**20**	**110,372**	**106**	**7,235**	**4**	**8,175**	**1**	**5,023**	**1**
Total (A+B) 31.12.2023	**21,488**	**16**	**106,891**	**100**	**5,830**	**4**	**8,490**	**5**	**3,196**	**1**

B.4 Large exposures

	31.12.2024
a) Amount book value (€ million)	243,226
b) Amount weighted value (€ million)	36,961
c) Number	20

According to Art.4.1 39 of Regulation (EU) No.575/2013 (CRR), in case of exposures towards a group of connected clients formed by a Central Government and other groups of connected clients, such exposure towards the Central Government is reported for each group of connected clients when remitting regulatory reporting; despite the abovementioned regulatory approach, both the amounts shown in letter a), b), and the number in letter c) in the table above disclose only once the exposure towards the Central Government. It should be noted that deferred tax assets towards Central Government were considered as fully exempted and, consequently, the weighted amount reported is null.
Carrying and weighted amounts also include the indirect exposures towards the issuers of securities used as collateral under reverse repurchase agreement transactions included in master netting agreements, in compliance to EBA Q&A n.5496.

Part E - Information on risks and related hedging policies

C. Securitisation transactions

Qualitative information

In securitisation transactions the Group plays, as the case may be, the role of originator, sponsor or investor.

The Group as originator

The Group's origination of traditional transactions consists in the sale of on-Balance sheet receivables portfolios to vehicles set up as securitisation companies under Law 130/99 or similar non-Italian legislation.

The transferee company finances the purchase of the receivables portfolios by issuing bonds of varying seniority and transfers its issue proceeds to the Group[87].

The yield and maturity of the bonds issued by the buyer therefore mainly depend on the cash flow expected from the assets being sold. As a further form of security to bondholders, these transactions may include special types of credit enhancement, e.g., subordinated loans, financial guarantees, standby letters of credit, etc.

The Group's objectives when carrying out these transactions are usually the following:

- to originate securities that can be used to secure refinancing transactions with Banca d'Italia and the ECB (counterbalancing capacity);
- to obtain funding through the placement of securities on the market. This also allows a diversification of the funding sources and of the investors' basis with improvements in reducing the cost of Group's funding;
- to free up economic and regulatory capital by carrying out transactions that reduce capital requirements under current rules by reducing credit risk of the underlying portfolio;
- to reduce the exposures towards non-performing customers;
- to optimise the recoveries of exposures portfolios towards non-performing customers, referring to specific asset classes;
- other purposes related for example to corporate re-organization, M&A or divestment's assets where the true sale securitisation is instrumental to the deleveraging and assets transfer or for business purposes.

The Group carries out both traditional securitisations whereby the receivables portfolio is sold to the SPV, as described above, and synthetic securitisations which use financial guarantees to purchase protection over all or part of the underlying credit risk of the portfolio. The latter, on the contrary to traditional securitisations, is not sold to vehicles but remains also legally within the Group. In this case, moreover, the financial guarantees purchased as protection of such loans are also booked on the Balance sheet as well as the impacts on the Income statement related to them.

Under traditional securitisations generally the Group, in addition to provide in some cases servicing role, retains the first loss in the form of junior bonds or similar exposure and in some cases provides further credit enhancement as described above. This enables the Group to benefit from the portion of the sold receivables' yield in excess of the yield due to the senior and mezzanine tranches.

Retention by the Group of the overall first loss risk and the corresponding yield means that most of the risk and return on the portfolio is retained in these cases. Consequently these transactions are recognised in the accounts as loans and no profits arising out of the transfer of the assets are recognised as well as the sold receivables are not derecognised.

In the consolidated financial statements, exposure to the variability of the cash flows deriving from maintenance of the excess rewards of the portfolio and of the first loss risk, together with the role of servicer of the underlying assets, determines in general control by the Group over these securitisation vehicles. Therefore they are subject to full consolidation.

Differently, in order to improve the quality of its assets and optimise the capital allocation, the Group also carries out transactions that involve the portfolios' derecognition and/or the related significant risk transfer, by subscribing a limited portion of securities issued by vehicles of securitisation or keeping a minimum percentage of the portfolio, in compliance with the rules for maintaining a net economic interest in the securitisation transaction according to the current regulatory requirements (Retention Rule).

87 The legislation also foresees other securitisation structures in which the proceeds deriving from the issue of a single class or classes of securities (or from other alternative forms of funding, such as through the taking of deposits), are used by the vehicle for the granting of a loan to the Originator of the assets; in any case, however, the repayment of the loan is guaranteed by the proceeds of the same assets, which are returned to the vehicle. Furthermore, the legislation also foresees that the SPV can obtain the assets through the direct grant to the client, utilizing the bank, and not through the purchase of the portfolio from the bank itself.

Part E - Information on risks and related hedging policies

The Group's main objectives in its securitisation transactions (whether traditional or synthetic) are the optimisation of the loan portfolio by freeing up regulatory and economic capital and obtaining fresh liquidity (in case of traditional transactions) together with greater diversification of its sources of funding. The crisis in the markets experienced since the second half of 2007 made it advisable to use traditional securitisation also as a means of increasing counterbalancing capacity, i.e. the availability of assets that can be readily used to create liquidity, by retaining the securities issued by the vehicle within the Group. Moreover traditional securitisations have been used also for corporate re-organisation's or divestment's purposes, for assets deleveraging, for business projects' purposes, for boosting recovery's activity through the recourse to specialised management companies external to the Group and for accelerating the sale of non-performing loans as well.

The assessment process on the realisation of securitisation transactions is carried out within the Parent in close cooperation with the Group originator entities involved and with UniCredit Bank GmbH, as preferred counterparty, as Arranger and potential Investment Banking. This process requires an economic feasibility study to assess the impact of transactions (according to their nature and aims), on regulatory and economic capital, on risk-adjusted profitability measures, on the level of liquidity and on the Group's asset quality. If this initial phase produces a positive result, a technical and operational feasibility study is carried out to identify the assets to be securitised and define the structure of the transaction. Once technical feasibility has been established, the transaction is realised.
Eventually it should be noted that "self-securitisations" and transactions in warehousing phase are not included in the quantitative tables of this paragraph (C. Securitisation transactions), as required by regulations.

Developments of the period
During 2024, the Group carried out various synthetic and traditional securitisation transactions with the aim of optimizing risk-weighted assets and improving the related ROAC in line with the provisions of the 2022-2024 "UniCredit Unlocked" Strategic Plan.
Anyway, in this year the Group makes limited use of traditional transactions. However the amount of securitised loans[88] at 31 December 2024, net of the transactions in which the Group has acquired all the liabilities issued by the SPVs (the so-called self-securitisations), accounts for 4.94% of the Group's credit portfolio. Self-securitisations in turn account for 1.72% of the loan portfolio as at 31 December 2024.

During 2024 the Group carried out 10 new transactions, of which 1 traditional and 9 synthetic ones:
- Leopard - traditional (originator UniCredit S.p.A.);
- A.R.T.S. Corporate 2024 - synthetic (originator UniCredit S.p.A.);
- A.R.T.S. Large Corporate 2024 - synthetic (originator UniCredit S.p.A.);
- A.R.T.S. ReMo 2024 - synthetic (originator UniCredit S.p.A.);
- TC Italia – synthetic (originator UniCredit S.p.A.);
- TC Italia 2 – synthetic (originator UniCredit S.p.A.);
- TC MiniBond 2023 - synthetic (originator UniCredit S.p.A.);
- A.R.T.S. Leasing 2024 - synthetic (originator UniCredit Leasing S.p.A.);
- Arabellapark 2024 – synthetic (originator UniCredit Bank GmbH);
- ARTS Morava – synthetic (originator UniCredit Bank Czech Republic and Slovakia A.S.).

Details are given in the tables published in the "Annexes", which also describe transactions, traditional and synthetic, carried out in previous financial years.

The Group as sponsor
The Group defines the role of sponsor as that performed by an entity, other than the transferor, which organises and administers a securitisation or asset-backed commercial paper structure in which financial assets are purchased from third parties.

The Group acts as sponsor of asset backed commercial paper vehicles (i.e. commercial paper issuing conduits) set-up in order to allow customers the access to the securitisations' market (multi-seller Customer conduits).
Customer conduits require the formation and management of a bankruptcy-remote company (i.e. one that would be immune from any financial difficulties of the originator) which directly or indirectly buys receivables created by companies outside the Group.
The receivables underlying these transactions are not bought directly by the conduit set up by the Group, but by a purchase company which in turn is wholly funded by the conduit by means of commercial paper or Medium Term Notes (MTN).
In some circumstances purchase companies fund further SPVs which buy loan portfolio.

88 It refers to loans sold, also synthetically, but not derecognised from Balance sheet.

Part E - Information on risks and related hedging policies

The main purpose of these transactions is to give corporate customers access to the securitisation market and thus to lower funding costs than would be borne with direct funding.
The conduits' purchase of assets is financed by short-term commercial paper and Medium Term Note (MTN) issues.
Payment of interest and redemption of the securities issued by the conduit therefore depends on cash flow from the receivables purchased (credit risk) and the ability of the conduit to roll over or replace its market funding on maturity (liquidity risk).

To guarantee prompt redemption of the securities issued by the conduit, these transactions are guaranteed by a standby letter of credit covering the risk of default both of specific assets and of the whole programme.
The underwriters of issued securities also benefit from security provided by specific liquidity lines which the conduit may use if it unable to place new commercial paper to repay maturing paper, e.g. during market turmoil.
These liquidity lines may not however be used to guarantee redemption of securities issued by the conduit in the event of default by the underlying assets.

In its role as sponsor, the Group selects the asset portfolios purchased by conduits or purchase companies, provides administration of the assets and both standby letters of credit and liquidity lines and purchases commercial papers issued when required by market conditions.
For these services the Group receives fees and also benefits from the spread between the return on the assets purchased by the SPV and the securities issued.
These circumstances put the Group in the condition of having the power over the assets of the conduits and being at the same time exposed to the variability deriving from such assets. Therefore, the conduits sponsored by the Group have come within the perimeter of consolidation starting from 2007, in application of the conditions provided for in IFRS10 and previously by SIC12.
In addition to the Customer Conduits, purchase companies may also be consolidated if the Group is exposed to the variability of yields deriving from funding provided directly or indirectly, through the conduit, and also has the power to manage the underlying assets.

The Group as investor
The Group also invests in structured credit products issued by special-purpose entities that are not consolidated pursuant to the accounting rules in force, insofar as such instruments do not bear most of the risk or receive most of the returns associated with the activity carried out by these special-purpose entities.

With regard to these activities, the Group holds within the Global ABS portfolio exposures of securitisations established by third-parties such as RMBS, CMBS, CDO, CBO/CLO and other ABS.

In line with the development of the financial markets and, specifically, the securitisation market, the Global ABS Portfolio was transformed from a separate portfolio in liquidation to strategic investment portfolio for the Group in 2011 and was integrated into the Markets Strategic Portfolio (MSP), managed with a view to generating a profit margin and creating an appreciable capital return through long-term investments in fixed-income securities.

The development of client-related operations is also an integral part of MSP activities and includes actions to strengthen the customer base and support securitisations. This portfolio is subject to monitoring and reporting by the business and risk management functions. All activities relating to the MSP are carried out in conformity with established policies and procedures, specifically credit approval procedures.

The analysis of investments in ABS focuses specifically on the following elements:
- structural analysis of all internal and external risks inherent to a similar investment, e.g. Default Risk, Dilution Risk, Residual Value Risk, Servicer Risk, Interest Rate Risk, Liquidity Risk, Commingling Risk, Legal Risk, Adequacy of performance triggers, etc. These risks may differ according to the underlying asset class;
- analysis of the underlying portfolio, including the analysis of all performance indicators significant for each underlying asset class;
- cash flows/quantitative analysis/modelling;
- credit rating and experience of the participants e.g. vendor/servicer - financial soundness, capacity and availability to service assets.

Part E - Information on risks and related hedging policies

Quantitative information

The tables below do not include information on the so-called "self-securitisations", i.e. securitisation transactions in which the Group has acquired all the liabilities issued by the SPVs, and transactions in warehousing phase.

C.1 Regulatory consolidation - Exposure from the main "in-house" securitisation transactions broken down by type of securitised asset and by type of exposure

(€ million)

	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**1,492**	**-**	**32**	**-**	**8**	**-**
A.1 - Residential mortgages	468	-	-	-	-	-
A.2 - Loans to corporates	269	-	9	-	-	-
A.3 - Loans to SME	510	-	22	-	8	-
A.4 - Leasing	245	-	1	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
B.1 - Loans to SME	-	-	-	-	-	-
C. Not-derecognised	**22,072**	**-**	**-**	**-**	**267**	**-**
C.1 - Residential mortgages	4,831	-	-	-	201	-
C.2 - Loans to corporates	14,102	-	-	-	18	-
C.3 - Loans to SME	849	-	-	-	1	-
C.4 - Leasing	2,241	-	-	-	25	-
C.5 - Consumer loans	49	-	-	-	22	-

Possible write-downs and write-backs, including depreciations and revaluations posted on the Income statement or to reserves, refer to financial year 2024 only.

continued C.1 Regulatory consolidation - Exposure from the main "in-house" securitisation transactions broken down by type of securitised asset and by type of exposure

	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**-**	**-**	**-**	**-**	**-**	**-**
A.1 - Residential mortgages	-	-	-	-	-	-
A.2 - Loans to corporates	-	-	-	-	-	-
A.3 - Loans to SME	-	-	-	-	-	-
A.4 - Leasing	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
B.1 - Loans to SME	-	-	-	-	-	-
C. Not-derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C.1 - Residential mortgages	-	-	-	-	-	-
C.2 - Loans to corporates	-	-	-	-	-	-
C.3 - Loans to SME	-	-	-	-	-	-
C.4 - Leasing	-	-	-	-	-	-
C.5 - Consumer loans	-	-	-	-	-	-

Part E - Information on risks and related hedging policies

continued C.1 Regulatory consolidation - Exposure from the main "in-house" securitisation transactions broken down by type of securitised asset and by type of exposure

	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**-**	**-**	**-**	**-**	**-**	**-**
A.1 - Residential mortgages	-	-	-	-	-	-
A.2 - Loans to corporates	-	-	-	-	-	-
A.3 - Loans to SME	-	-	-	-	-	-
A.4 - Leasing	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
B.1 - Loans to SME	-	-	-	-	-	-
C. Not-derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C.1 - Residential mortgages	-	-	-	-	-	-
C.2 - Loans to corporates	-	-	-	-	-	-
C.3 - Loans to SME	-	-	-	-	-	-
C.4 - Leasing	-	-	-	-	-	-
C.5 - Consumer loans	-	-	-	-	-	-

With reference to transactions with own underlying assets it should be noted that the decrease in balance-sheet net exposures relating to transactions not derecognised to €259 million as at December 2024 from €345 million as at December 2023 was due to the natural development of the transactions.
Moreover, the increase in balance-sheet net exposures concerning synthetic transactions from €11,922 million in December 2023 to €22,080 million in December 2024 was due to the 9 new transactions of the year in addition to the natural development of the other synthetic transactions.

Finally, it should be noted that the net balance-sheet exposure totally derecognised refers to the traditional securitisations Itaca, Olympia, PEVA, Pillarstone, Prisma, FINO Project, Panthers Project, Relais 2020, Tahiti and to the new traditional securitisation Leopard, for which see the information provided in the tables published in the “Annexes”.

C.2 Regulatory consolidation - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure

(€ million)

	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A.1 - Residential mortgages	2,093	-	13	-	-	-
A.2 - Commercial mortgages	9	-	12	-	-	-
A.3 - Loans to corporates	4,481	-	-	-	-	-
A.4 - Loans to SME	171	-	-	-	10	-
A.5 - Leasing	1,192	-	-	-	-	-
A.6 - Consumer loans	11,182	-	-	-	-	-
A.7 - Other retail exposures	877	-	-	-	2	-
A.8 - Trade receivables	2,721	-	-	-	4	-

Note:
For the items "Loans to corporates", "Leasing" and "Trade receivables" are included exposures of subsidiaries subject to consolidation, but not belonging to the banking group.

Possible write-downs and write-backs, including depreciations and revaluations posted on the Income statement or to reserves, refer to financial year 2024 only.

continued C.2 Regulatory consolidation - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure

	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A.1 - Residential mortgages	-	-	-	-	-	-
A.2 - Commercial mortgages	-	-	-	-	-	-
A.3 - Loans to corporates	-	-	-	-	-	-
A.4 - Loans to SME	-	-	-	-	-	-
A.5 - Leasing	-	-	-	-	-	-
A.6 - Consumer loans	-	-	-	-	-	-
A.7 - Other retail exposures	-	-	-	-	-	-
A.8 - Trade receivables	-	-	-	-	-	-

continued C.2 Regulatory consolidation - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure

	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A.1 - Residential mortgages	-	-	-	-	-	-
A.2 - Commercial mortgages	-	-	-	-	-	-
A.3 - Loans to corporates	773	-	-	-	-	-
A.4 - Loans to SME	-	-	-	-	-	-
A.5 - Leasing	815	-	-	-	-	-
A.6 - Consumer loans	-	-	-	-	-	-
A.7 - Other retail exposures	32	-	-	-	-	-
A.8 - Trade receivables	4,501	-	27	-	-	-

Note:
For the items "Loans to corporates", "Leasing" and "Trade receivables" are included exposures of subsidiaries subject to consolidation, but not belonging to the banking group.

The transactions with third-party underlying assets are those in which the Group acts as sponsor, lender or investor.

With reference to transactions in which the Group acts as sponsor, the total amount of net exposure is equal to €5,925 million (€5,941 million as at 31 December 2023), broken down into asset backed commercial paper and loans for €1,964 million and undrawn credit lines for €3,961 million.
It should be noted that the lines of credit shown are the difference between total credit lines granted and the amount of commercial paper and loans underwritten by the Group. This figure is the additional risk exposure incurred by the Group in addition to the underwritten commercial paper and loans.

With reference to transactions in which the Group acts as investor, refer to the subsequent tables 'Exposures toward other consolidated SPVs' and "C.4 Regulatory consolidation - Special Purpose Vehicles for securitisation not subject to consolidation" that shows the exposure of the Group toward these SPVs.

Part E - Information on risks and related hedging policies

With reference to sponsor exposures the following table provides information about exposures held toward consolidated conduits in which the Group acts as sponsor.

Exposures sponsored by the Group

(€ million)

	AMOUNTS AS AT 31.12.2024
Asset Backed Commercial Paper / Loans	**1,961**
- Arabella Finance DAC	1,961
- Elektra Purchase No. 28 DAC	-
- Elektra Purchase No. 31 DAC	-
- Elektra Purchase No. 32 S.A. - Compartment 1	-
- Elektra Purchase No. 33 DAC	-
- Elektra Purchase No. 36 DAC	-
- Elektra Purchase No. 37 DAC	-
- Elektra Purchase No. 38 DAC	-
- Elektra Purchase No. 43 DAC	-
- Elektra Purchase No. 46 DAC	-
- Elektra Purchase No. 54 DAC	-
- Elektra Purchase No. 56 DAC	-
- Elektra Purchase No. 69 DAC	-
- Elektra Purchase No. 71 DAC	-
- Elektra Purchase No. 74 DAC	-
- Elektra Purchase No. 79 DAC	-
- Elektra Purchase No. 82 DAC	-
- Elektra Purchase No. 350 DAC	-
Credit facilities	**2,294**
- Arabella Finance DAC	-
- Elektra Purchase No. 28 DAC	153
- Elektra Purchase No. 31 DAC	66
- Elektra Purchase No. 32 S.A. - Compartment 1	234
- Elektra Purchase No. 33 DAC	197
- Elektra Purchase No. 36 DAC	477
- Elektra Purchase No. 37 DAC	83
- Elektra Purchase No. 38 DAC	97
- Elektra Purchase No. 43 DAC	119
- Elektra Purchase No. 46 DAC	82
- Elektra Purchase No. 54 DAC	38
- Elektra Purchase No. 56 DAC	122
- Elektra Purchase No. 69 DAC	47
- Elektra Purchase No. 71 DAC	130
- Elektra Purchase No. 74 DAC	102
- Elektra Purchase No. 79 DAC	170
- Elektra Purchase No. 82 DAC	136
- Elektra Purchase No. 350 DAC	41

The lines of credit shown are the difference between total credit lines granted and the amount of commercial paper and loans underwritten by the Group. This figure is the additional risk exposure incurred by the Group in addition to the underwritten commercial paper.

Moreover, it should be noted that as at 31 December 2024 there were 3 SPVs of third parties securitisations, Ice Creek Pool No.1 DAC, Ice Creek Pool No.5 DAC and PaDel Finance 01 DAC where the Group acts as lender or investor, and subject to consolidation. Exposures to these vehicles amount to €1,126 million of cash exposures and €78 million of credit lines.

Part E - Information on risks and related hedging policies

C.3 SPVs for securitisations

(€ million)

NAME OF SECURITISATION/NAME OF VEHICLE	COUNTRY OF INCORPORATION	CONSOLIDATION	ASSETS			LIABILITIES		
			LOANS AND RECEIVEBLES	DEBT SECURITIES	OTHERS	SENIOR	MEZZANINE	JUNIOR
Arabella Finance DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	4,744	-	4	4,746	-	-
ARTS Consumer	VIALE DELL'AGRICOLTURA 7, 37135 VERONA	Y	347	-	65	216	179	17
ARTS Consumer 2023	VIALE DELL'AGRICOLTURA 7, 37135 VERONA	Y	601	-	91	500	181	10
Capital Mortgage S.r.l. - CAPITAL MORTGAGE 2007 - 1	Piazzetta Monte 1 - 37121 Verona	Y	248	-	62	132	74	55
Elektra Purchase No. 28 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	225	-		225	-	-
Elektra Purchase No. 31 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	-	-		-	-	-
Elektra Purchase No. 32 S.A. - Compartment 1	52-54 avenue du X Septembre, L-2550 Luxembourg	Y	269	-		269	-	-
Elektra Purchase No. 33 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	69	-		69	-	-
Elektra Purchase No. 36 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	700	-	1	700	-	-
Elektra Purchase No. 37 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	120	-		120	-	-
Elektra Purchase No. 38 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	102	-		102	-	-
Elektra Purchase No. 43 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	157	-		157	-	-
Elektra Purchase No. 46 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	12	-		12	-	-
Elektra Purchase No. 54 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	46	-		46	-	-
Elektra Purchase No. 56 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	109	-		109	-	-
Elektra Purchase No. 69 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	52	-		52	-	-
Elektra Purchase No. 71 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	112	-		112	-	-
Elektra Purchase No. 74 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	106	-		106	-	-
Elektra Purchase No. 79 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	250	-		250	-	-
Elektra Purchase No. 82 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	200	-	1	200	-	-
Elektra Purchase No. 350 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	41	-		41	-	-
F-E Mortgages S.r.l. - 2005	Piazzetta Monte 1 - 37121 Verona	Y	66	-	11	-	16	32
Ice Creek Pool No. 1 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	224	-		224	-	-
Ice Creek Pool No. 5 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	204	-		204	-	-
PaDel Finance 01 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Y	475	-		475	-	-
ALTEA SPV S.R.L.	VIA VALTELLINA,15/17, 20159 MILANO	N	357	-	64	249	86	22
ARCOBALENO FINANCE SRL	FORO BUONAPARTE,70 20121 MILANO	N	10	-	2	-	-	18
ARTS LARGE CORPORATE S.R.L.	VIA VITTORIO ALFIERI 1, 31015 CONEGLIANO (TV)	N	241	-	65	267	-	29
CREDIARC SPV SRL	FORO BUONAPARTE,70 20121 MILANO	N	6	-		-	-	22
Elektra Purchase No. 8 Limited	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	160	-		160	-	-
Elektra Purchase No.17 S.A. (RE COMPARTMENT 14)	52-54 avenue du X Septembre, L-2550 Luxembourg	N	35	-		35	-	-
Elektra Purchase No. 25 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	54	-		54	-	-
Elektra Purchase No. 29 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	254	-		254	-	-
Elektra Purchase No. 41 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	61	-		60	-	-
Elektra Purchase No. 45 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	250	-		250	-	-
Elektra Purchase No. 60 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	99	-		99	-	-
Elektra Purchase No. 61 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	25	-		25	-	-
Elektra Purchase No. 62 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	419	-		419	-	-
Elektra Purchase No. 65 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	95	-		95	-	-
Elektra Purchase No. 66 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	39	-		39	-	-
Elektra Purchase No. 68 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	54	-		54	-	-
Elektra Purchase No. 70 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	43	-		43	-	-
Elektra Purchase No. 72 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	17	-		17	-	-
Elektra Purchase No. 73 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	120	-		120	-	-
Elektra Purchase No. 75 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	141	-		141	-	-
Elektra Purchase No. 76 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	214	-		214	-	-
Elektra Purchase No. 77 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	21	-		21	-	-
Elektra Purchase No. 78 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	-	-		-	-	-
Elektra Purchase No. 80 DAC	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	N	66	-		66	-	-
FINO 1 SECURITISATION SRL	VIALE LUIGI MAJNO 45, 20122 MILANO	N	95	-	36	-	-	1
FINO 2 SECURITISATION SRL	VIALE LUIGI MAJNO 45, 20122 MILANO	N	72	-	383	180	201	40
ITACA SPV S.R.L.	VIA VITTORIO ALFIERI 1, 31015 CONEGLIANO (TV)	N	711	-	43	30	24	6
KREOS SPV S.R.L.	VIA VALTELLINA 15/17, 20159 MILANO	N	108	-	4	85	25	3
OLYMPIA SPV S.R.L.	VIA VITTORIO ALFIERI 1, 31015 Conegliano	N	92	-	100	109	26	3
ONIF FINANCE SRL	VIA ALESSANDRO PESTALOZZA 12/14, 20131 MILANO	N	119	-	9	-	-	84
Pillarstone Italy SPV S.r.l. - Premuda	Via Pietro Mascagni 14, 20122 MILANO	N	29	-	2	1	180	92
Pillarstone Italy SPV S.r.l. - Rainbow	Via Pietro Mascagni 14, 20122 MILANO	N	46	-		26	26	106
PRISMA SPV S.R.L.	VIA MARIO CARUCCI 131, Roma	N	218	-	425	475	80	30
RELAIS SPV S.r.l.	VIA VITTORIO ALFIERI 1, 31015 Conegliano	N	581	-	66	218	91	10
Sestante Finance S.r.l.	Via Borromei, 5 - 20123 Milano	N	86	-	-	45	90	9
Tahiti SPV S.r.l.	PZA GEN.ARMANDO DIAZ 5, 20123 MILANO	N	23	-	2	19	5	1

Part E - Information on risks and related hedging policies

C.4 Regulatory consolidation - Special Purpose Vehicles for securitisation not subject to consolidation

As mentioned before in the context of securitisation transactions the Group may operate as investor, sponsor and originator.

The following table provides indication on assets and liabilities recognised in the Balance sheet as well as off-balance exposures of the Group toward non-consolidated securitisation vehicles and broken down by role of the Group. The maximum exposure to loss has been calculated by grossing up the difference between assets and liabilities with off-Balance sheet positions, credit lines and financial guarantees, held toward these vehicles and reported in column "difference between maximum exposure to loss and accounting value".

Exposures to Securitisation SPVs not subject to consolidation

(€ million)

BALANCE SHEET ITEM/SPV TYPE	AMOUNTS AS AT 31.12.2024						
	ACCOUNTING PORTFOLIO (ASSETS)	TOTAL ASSETS (A)	ACCOUNTING PORTFOLIO (LIABILITIES)	TOTAL LIABILITIES (B)	NET ACCOUNTING VALUE (C=A-B)	MAXIMUM EXPOSURE TO LOSS (D)	DIFFERENCE BETWEEN MAXIMUM EXPOSURE TO LOSS AND ACCOUNTING VALUE (E=D-C)
ABS Issuing vehicles (Investor)		**19,640**		**101**	**19,539**	**19,657**	**118**
	HFT	69	Deposits	93			
	DFV	-	Securities	-			
	MFV	29	HFT	8			
	FVOCI	-	DFV	-			
	AC	19,542					
Commercial Paper Conduits (Sponsor)		**263**		**95**	**168**	**2,709**	**2,541**
	HFV	-	Deposits	95			
	DFV	-	Securities	-			
	MFV	4	HFT	-			
	FVOCI	-	DFV	-			
	AC	259					
Own securitisations (Originator)		**1,532**		**468**	**1,064**	**1,064**	**-**
	HFT	-	Deposits	390			
	DFV	-	Securities	-			
	MFV	31	HFT	78			
	FVOCI	827	DFV	-			
	AC	674					
Total		**21,435**		**664**	**20,771**	**23,430**	**2,659**

Notes:
HFT = Financial assets held for trading
DFV = Financial assets designated at fair value
MFV = Financial assets mandatorily at fair value
FVOCI = Financial assets at fair value through other comprehensive income
AC = Financial assets at amortised cost

Deposits = Deposits from Customers
Securities = Debt securities in issue
HFT = Financial liabilities held for trading
DFV = Financial liabilities designated at fair value

Part E - Information on risks and related hedging policies

Exposures toward ABS Issuing vehicles are constituted for the most part, €18,731 million, by exposures in Asset Backed Securities. The remaining part is constituted by loans and, marginally, derivatives.

Exposures toward Commercial Paper Conduit comprise credit line provided to the purchase companies that acquire the receivables from the originators external to the Group. These credit lines are granted by credit enhancements (deferred purchase price and credit insurance) so that the Group does not bear the variability of the underlying portfolio.

Exposures toward own securitisation comprise securities and off-Balance sheet exposure toward SPV that are not consolidated as the conditions required by IFRS10 are not fulfilled. Absent the conditions requested by IFRS9 the securitised loans have not been derecognised from the Balance sheet of the originator. For further information on these securitisations refer to the tables published in the “Annexes”.

During the period the Group has not provided financial support to any non-consolidated securitisation vehicle in absence of contractual obligation to do so. The Group has not the current intention to provide such support. The Group does not act as sponsor of securitisation vehicles in which it has not exposures at the end of the reporting period.

C.5 Regulatory consolidation - Servicer activities - Collections of securitised loans and redemptions of securities issued by the securitisation's vehicle

(€ million)

		SECURITISED ASSETS (YEAR END FIGURES)		LOANS COLLECTED DURING THE YEAR		PERCENTAGE OF SECURITIES REDEEMED (YEAR END FIGURES)					
						SENIOR		MEZZANINE		JUNIOR	
SERVICER	SPECIAL PURPOSE VEHICLE	IMPAIRED	PERFORMING	IMPAIRED	PERFORMING	IMPAIRED ASSETS	PERFORMING ASSETS	IMPAIRED ASSETS	PERFORMING ASSETS	IMPAIRED ASSETS	PERFORMING ASSETS
UniCredit S.p.A.	Arts Consumer	18	329	6	260	-	67.73%	-	-	-	-
	Arts Consumer 2023	24	577	4	346	-	25.74%	-	-	-	-
	Capital Mortgage S.r.l.	4	244	1	51	-	94.47%	-	-	-	-
	F-E Mortgage S.r.l. - SERIE 2005	4	62	1	16	-	100.00%	-	60.89%	-	10.31%

Part E - Information on risks and related hedging policies

C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	**Arabella Finance DAC**	**ARTS Consumer**	**ARTS Consumer 2023**
COUNTRY OF INCORPORATION	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	VIALE DELL'AGRICOLTURA 7, 37135 VERONA	VIALE DELL'AGRICOLTURA 7, 37135 VERONA
A. Securitised assets	**4,744**	**347**	**601**
A.1 Loans	4,744	347	601
A.2 Bonds	-	-	-
B. Loans disbursed	**0**	**-**	**-**
C. Use of liquid assets resulting from loan operations	**4**	**40**	**84**
C.1 Loans (including bank current account)	4	40	84
C.2 Bonds	-	-	-
D. Other assets	**-**	**25**	**7**
D.1 Derivatives	-	0	-
D.2 Other assets	-	25	7
TOTAL ASSETS (A+B+C+D)	**4,748**	**412**	**692**
E. Bond issued	**4,746**	**395**	**681**
E.1 Senior	4,746	216	500
E.2 Mezzanine	-	179	181
E.3 Junior	-	-	-
F. Loans received	**-**	**17**	**11**
F.1 Senior	-	-	-
F.2 Mezzanine	-	-	-
F.3 Junior	-	17	11
G. Other liabilities	**2**	**-**	**-**
G.1 Derivatives	-	-	0
G.2 Due to originator	-	-	-
G.3 Other liabilities	5	0	-
G.4 Own funds	-3	-	-
TOTAL LIABILITIES (E+F+G)	**4,748**	**412**	**692**
H. Interest expense	**189**	**41**	**51**
H.1 Interest expense on bond issued	-	39	50
H.2 Interest expense on loans received	189	2	1
H.3 Interest expense on derivatives	-	-	-
I. Commissions and fees related to the transaction	**31**	**1**	**1**
I.1 for servicing	31	1	1
I.2 for other services	-	0	0
J. Other charges	**3**	**16**	**29**
J.1 Additional positive returns for exposure junior	-	-	17
J.2 Other costs	3	16	12
TOTAL COSTS (H+I+J)	**223**	**58**	**81**
K. Interest generated by securitised assets	**177**	**35**	**67**
L. Interest income on derivatives	**-**	**5**	**6**
M. Other revenues	**45**	**18**	**8**
M.1 Additional returns for exposure junior	-	11	-
M.2 Other revenues	45	7	8
TOTAL REVENUES (K+L+M)	**222**	**58**	**81**
PROFIT (LOSS) FOR THE PERIOD	**-1**	**-**	**-**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	Capital Mortgage S.r.l. - CAPITAL MORTGAGE 2007 - 1	Elektra Purchase No. 28 DAC	Elektra Purchase No. 31 DAC
COUNTRY OF INCORPORATION	Piazzetta Monte 1 - 37121 Verona	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland
A. Securitised assets	**248**	**225**	**-**
A.1 Loans	248	225	-
A.2 Bonds	-	-	-
B. Loans disbursed	**0**	**0**	**0**
C. Use of liquid assets resulting from loan operations	**48**	**-**	**-**
C.1 Loans (including bank current account)	48	-	-
C.2 Bonds	-	-	-
D. Other assets	**14**	**0**	**-**
D.1 Derivatives	-	-	-
D.2 Other assets	14	0	-
TOTAL ASSETS (A+B+C+D)	**310**	**225**	**-**
E. Bond issued	**233**	**-**	**-**
E.1 Senior	133	-	-
E.2 Mezzanine	74	-	-
E.3 Junior	26	-	-
F. Loans received	**29**	**225**	**-**
F.1 Senior	-	225	-
F.2 Mezzanine	-	-	-
F.3 Junior	29	-	-
G. Other liabilities	**48**	**0**	**0**
G.1 Derivatives	-	-	-
G.2 Due to originator	48	-	-
G.3 Other liabilities	0	0	0
G.4 Own funds	0	0	0
TOTAL LIABILITIES (E+F+G)	**310**	**225**	**-**
H. Interest expense	**11**	**9**	**0**
H.1 Interest expense on bond issued	10	-	-
H.2 Interest expense on loans received	1	9	0
H.3 Interest expense on derivatives	-	-	-
I. Commissions and fees related to the transaction	**0**	**1**	**1**
I.1 for servicing	0	1	1
I.2 for other services	-	-	-
J. Other charges	**5**	**-**	**0**
J.1 Additional positive returns for exposure junior	5	-	-
J.2 Other costs	-	-	0
TOTAL COSTS (H+I+J)	**16**	**10**	**1**
K. Interest generated by securitised assets	**13**	**10**	**1**
L. Interest income on derivatives	**-**	**-**	**-**
M. Other revenues	**3**	**-**	**-**
M.1 Additional returns for exposure junior	-	-	-
M.2 Other revenues	3	-	-
TOTAL REVENUES (K+L+M)	**16**	**10**	**1**
PROFIT (LOSS) FOR THE PERIOD	**0**	**-**	**-**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	Elektra Purchase No. 32 S.A. - Compartment 1	Elektra Purchase No. 33 DAC	Elektra Purchase No. 36 DAC
COUNTRY OF INCORPORATION	52-54 avenue du X Septembre, L-2550 Luxembourg	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland
A. Securitised assets	**269**	**69**	**700**
A.1 Loans	269	69	700
A.2 Bonds	-	-	-
B. Loans disbursed	**0**	**0**	**0**
C. Use of liquid assets resulting from loan operations	**-**	**-**	**-**
C.1 Loans (including bank current account)	-	-	-
C.2 Bonds	-	-	-
D. Other assets	**0**	**0**	**1**
D.1 Derivatives	-	-	-
D.2 Other assets	0	0	1
TOTAL ASSETS (A+B+C+D)	**269**	**69**	**701**
E. Bond issued	**-**	**-**	**-**
E.1 Senior	-	-	-
E.2 Mezzanine	-	-	-
E.3 Junior	-	-	-
F. Loans received	**269**	**69**	**700**
F.1 Senior	269	69	700
F.2 Mezzanine	-	-	-
F.3 Junior	-	-	-
G. Other liabilities	**0**	**0**	**1**
G.1 Derivatives	-	-	-
G.2 Due to originator	-	-	-
G.3 Other liabilities	0	0	1
G.4 Own funds	0	0	0
TOTAL LIABILITIES (E+F+G)	**269**	**69**	**701**
H. Interest expense	**13**	**4**	**27**
H.1 Interest expense on bond issued	-	-	-
H.2 Interest expense on loans received	13	4	27
H.3 Interest expense on derivatives	-	-	-
I. Commissions and fees related to the transaction	**2**	**2**	**4**
I.1 for servicing	2	2	4
I.2 for other services	-	-	-
J. Other charges	**-**	**-**	**-**
J.1 Additional positive returns for exposure junior	-	-	-
J.2 Other costs	-	-	-
TOTAL COSTS (H+I+J)	**15**	**6**	**31**
K. Interest generated by securitised assets	**15**	**6**	**31**
L. Interest income on derivatives	**-**	**-**	**-**
M. Other revenues	**-**	**-**	**-**
M.1 Additional returns for exposure junior	-	-	-
M.2 Other revenues	-	-	-
TOTAL REVENUES (K+L+M)	**15**	**6**	**31**
PROFIT (LOSS) FOR THE PERIOD	**0**	**0**	**0**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	Elektra Purchase No. 37 DAC	Elektra Purchase No. 38 DAC	Elektra Purchase No. 43 DAC
COUNTRY OF INCORPORATION	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland
A. Securitised assets	**120**	**102**	**157**
A.1 Loans	120	102	157
A.2 Bonds	-	-	-
B. Loans disbursed	**0**	**0**	**0**
C. Use of liquid assets resulting from loan operations	**-**	**-**	**-**
C.1 Loans (including bank current account)	-	-	-
C.2 Bonds	-	-	-
D. Other assets	**0**	**0**	**0**
D.1 Derivatives	-	-	-
D.2 Other assets	0	0	0
TOTAL ASSETS (A+B+C+D)	**120**	**102**	**157**
E. Bond issued	**-**	**-**	**-**
E.1 Senior	-	-	-
E.2 Mezzanine	-	-	-
E.3 Junior	-	-	-
F. Loans received	**120**	**102**	**157**
F.1 Senior	120	102	157
F.2 Mezzanine	-	-	-
F.3 Junior	-	-	-
G. Other liabilities	**0**	**0**	**0**
G.1 Derivatives	-	-	-
G.2 Due to originator	-	-	-
G.3 Other liabilities	0	0	0
G.4 Own funds	0	0	0
TOTAL LIABILITIES (E+F+G)	**120**	**102**	**157**
H. Interest expense	**5**	**4**	**8**
H.1 Interest expense on bond issued	-	-	-
H.2 Interest expense on loans received	4	4	8
H.3 Interest expense on derivatives	-	-	-
I. Commissions and fees related to the transaction	**1**	**2**	**1**
I.1 for servicing	1	2	1
I.2 for other services	-	-	-
J. Other charges	**-**	**-**	**-**
J.1 Additional positive returns for exposure junior	-	-	-
J.2 Other costs	-	-	-
TOTAL COSTS (H+I+J)	**5**	**6**	**9**
K. Interest generated by securitised assets	**5**	**6**	**9**
L. Interest income on derivatives	**-**	**-**	**-**
M. Other revenues	**-**	**-**	**-**
M.1 Additional returns for exposure junior	-	-	-
M.2 Other revenues	-	-	-
TOTAL REVENUES (K+L+M)	**5**	**6**	**9**
PROFIT (LOSS) FOR THE PERIOD	**0**	**0**	**0**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	**Elektra Purchase No. 46 DAC**	**Elektra Purchase No. 54 DAC**	**Elektra Purchase No. 56 DAC**
COUNTRY OF INCORPORATION	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	Haddington Road, 1-2 Victoria Buildings, D04 XN32 Dublin	1-2 Victoria Buildings, 4 Dublin
A. Securitised assets	**12**	**46**	**109**
A.1 Loans	12	46	109
A.2 Bonds	-	-	-
B. Loans disbursed	**0**	**0**	**0**
C. Use of liquid assets resulting from loan operations	**-**	**-**	**-**
C.1 Loans (including bank current account)	-	-	-
C.2 Bonds	-	-	-
D. Other assets	**0**	**0**	**-**
D.1 Derivatives	-	-	-
D.2 Other assets	0	0	-
TOTAL ASSETS (A+B+C+D)	**12**	**46**	**109**
E. Bond issued	**-**	**-**	**-**
E.1 Senior	-	-	-
E.2 Mezzanine	-	-	-
E.3 Junior	-	-	-
F. Loans received	**12**	**46**	**109**
F.1 Senior	12	46	109
F.2 Mezzanine	-	-	-
F.3 Junior	-	-	-
G. Other liabilities	**0**	**0**	**0**
G.1 Derivatives	-	-	-
G.2 Due to originator	-	-	-
G.3 Other liabilities	0	0	0
G.4 Own funds	0	0	0
TOTAL LIABILITIES (E+F+G)	**12**	**46**	**109**
H. Interest expense	**1**	**2**	**7**
H.1 Interest expense on bond issued	-	-	-
H.2 Interest expense on loans received	1	1	7
H.3 Interest expense on derivatives	-	-	-
I. Commissions and fees related to the transaction	**1**	**1**	**1**
I.1 for servicing	1	1	1
I.2 for other services	-	-	-
J. Other charges	**-**	**-**	**-**
J.1 Additional positive returns for exposure junior	-	-	-
J.2 Other costs	-	-	-
TOTAL COSTS (H+I+J)	**2**	**2**	**8**
K. Interest generated by securitised assets	**2**	**2**	**8**
L. Interest income on derivatives	**-**	**-**	**-**
M. Other revenues	**-**	**-**	**-**
M.1 Additional returns for exposure junior	-	-	-
M.2 Other revenues	-	-	-
TOTAL REVENUES (K+L+M)	**2**	**2**	**8**
PROFIT (LOSS) FOR THE PERIOD	**0**	**0**	**0**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	Elektra Purchase No. 69 DAC	Elektra Purchase No. 71 DAC	Elektra Purchase No. 74 DAC
COUNTRY OF INCORPORATION	Haddington Road; 1-2 Victoria Buildings; 4; Dublin	Haddington Road; 1-2 Victoria Buildings; D04XN32; Dublin	Haddington Road; 1-2 Victoria Buildings; DO4 XN32; Dublin
A. Securitised assets	**52**	**112**	**106**
A.1 Loans	52	112	106
A.2 Bonds	-	-	-
B. Loans disbursed	**0**	**0**	**0**
C. Use of liquid assets resulting from loan operations	**-**	**-**	**-**
C.1 Loans (including bank current account)	-	-	-
C.2 Bonds	-	-	-
D. Other assets	**0**	**0**	**0**
D.1 Derivatives	-	-	-
D.2 Other assets	0	0	0
TOTAL ASSETS (A+B+C+D)	**52**	**112**	**106**
E. Bond issued	**-**	**-**	**-**
E.1 Senior	-	-	-
E.2 Mezzanine	-	-	-
E.3 Junior	-	-	-
F. Loans received	**52**	**112**	**106**
F.1 Senior	52	112	106
F.2 Mezzanine	-	-	-
F.3 Junior	-	-	-
G. Other liabilities	**0**	**0**	**0**
G.1 Derivatives	-	-	-
G.2 Due to originator	-	-	-
G.3 Other liabilities	0	0	0
G.4 Own funds	0	0	0
TOTAL LIABILITIES (E+F+G)	**52**	**112**	**106**
H. Interest expense	**4**	**4**	**5**
H.1 Interest expense on bond issued	-	-	-
H.2 Interest expense on loans received	4	4	5
H.3 Interest expense on derivatives	-	-	-
I. Commissions and fees related to the transaction	**1**	**2**	**1**
I.1 for servicing	1	2	1
I.2 for other services	-	-	-
J. Other charges	**-**	**-**	**-**
J.1 Additional positive returns for exposure junior	-	-	-
J.2 Other costs	-	-	-
TOTAL COSTS (H+I+J)	**5**	**6**	**6**
K. Interest generated by securitised assets	**5**	**6**	**6**
L. Interest income on derivatives	**-**	**-**	**-**
M. Other revenues	**-**	**-**	**-**
M.1 Additional returns for exposure junior	-	-	-
M.2 Other revenues	-	-	-
TOTAL REVENUES (K+L+M)	**5**	**6**	**6**
PROFIT (LOSS) FOR THE PERIOD	**0**	**0**	**0**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	**Elektra Purchase No. 79 DAC**	**Elektra Purchase No. 82 DAC**	**Elektra Purchase No. 350 DAC**
COUNTRY OF INCORPORATION	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland
A. Securitised assets	**250**	**200**	**41**
A.1 Loans	250	200	41
A.2 Bonds	-	-	-
B. Loans disbursed	**0**	**-**	**-**
C. Use of liquid assets resulting from loan operations	**-**	**-**	
C.1 Loans (including bank current account)	-	-	
C.2 Bonds	-	-	-
D. Other assets	**0**	**0**	**0**
D.1 Derivatives	-	-	-
D.2 Other assets	0	1	0
TOTAL ASSETS (A+B+C+D)	**250**	**201**	**41**
E. Bond issued	**-**	**-**	**-**
E.1 Senior	-	-	-
E.2 Mezzanine	-	-	-
E.3 Junior	-	-	-
F. Loans received	**250**	**200**	**41**
F.1 Senior	250	200	41
F.2 Mezzanine	-	-	-
F.3 Junior	-	-	-
G. Other liabilities	**0**	**1**	**0**
G.1 Derivatives	-	-	-
G.2 Due to originator	-	-	
G.3 Other liabilities	0	1	-
G.4 Own funds	0	0	0
TOTAL LIABILITIES (E+F+G)	**250**	**201**	**41**
H. Interest expense	**8**	**2**	**1**
H.1 Interest expense on bond issued	-	-	-
H.2 Interest expense on loans received	8	2	1
H.3 Interest expense on derivatives	-	-	-
I. Commissions and fees related to the transaction	**2**	**-**	**1**
I.1 for servicing	2	-	1
I.2 for other services	-	-	-
J. Other charges	**-**	**-**	**-**
J.1 Additional positive returns for exposure junior	-	-	-
J.2 Other costs	-	-	-
TOTAL COSTS (H+I+J)	**10**	**2**	**2**
K. Interest generated by securitised assets	**10**	**2**	**2**
L. Interest income on derivatives	**-**	**-**	**-**
M. Other revenues	**-**	**-**	**-**
M.1 Additional returns for exposure junior	-	-	-
M.2 Other revenues	-	-	-
TOTAL REVENUES (K+L+M)	**10**	**2**	**2**
PROFIT (LOSS) FOR THE PERIOD	**0**	**-**	**-**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024		
SPECIAL PURPOSE VEHICLE	F-E Mortgages S.r.l. - 2005	Ice Creek Pool No. 1 DAC	Ice Creek Pool No. 5 DAC
COUNTRY OF INCORPORATION	Piazzetta Monte 1 - 37121 Verona	1st Fl., 1-2 Victoria Building; Haddington Road; D04 XN32; Dublin	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland
A. Securitised assets	**66**	**224**	**204**
A.1 Loans	66	224	204
A.2 Bonds	-	-	-
B. Loans disbursed	**-**	**0**	**0**
C. Use of liquid assets resulting from loan operations	**11**	**-**	**-**
C.1 Loans (including bank current account)	11	-	-
C.2 Bonds	-	-	-
D. Other assets	**0**	**-**	**-**
D.1 Derivatives	-	-	-
D.2 Other assets	0	-	-
TOTAL ASSETS (A+B+C+D)	**77**	**224**	**204**
E. Bond issued	**49**	**-**	**-**
E.1 Senior	-	-	-
E.2 Mezzanine	16	-	-
E.3 Junior	33	-	-
F. Loans received	**-**	**224**	**204**
F.1 Senior	-	224	204
F.2 Mezzanine	-	-	-
F.3 Junior	-	-	-
G. Other liabilities	**28**	**0**	**0**
G.1 Derivatives	0	-	-
G.2 Due to originator	24	-	-
G.3 Other liabilities	4	0	0
G.4 Own funds	-	-	0
TOTAL LIABILITIES (E+F+G)	**77**	**224**	**204**
H. Interest expense	**3**	**12**	**9**
H.1 Interest expense on bond issued	3	-	-
H.2 Interest expense on loans received	-	12	9
H.3 Interest expense on derivatives	0	-	-
I. Commissions and fees related to the transaction	**0**	**1**	**2**
I.1 for servicing	0	1	2
I.2 for other services	0	-	-
J. Other charges	**1**	**0**	**0**
J.1 Additional positive returns for exposure junior	1	-	-
J.2 Other costs	0	0	0
TOTAL COSTS (H+I+J)	**4**	**13**	**11**
K. Interest generated by securitised assets	**3**	**13**	**11**
L. Interest income on derivatives	**-**	**-**	**-**
M. Other revenues	**1**	**0**	**-**
M.1 Additional returns for exposure junior	-	-	-
M.2 Other revenues	1	0	-
TOTAL REVENUES (K+L+M)	**4**	**13**	**11**
PROFIT (LOSS) FOR THE PERIOD	**-**	**-**	**0**

Part E - Information on risks and related hedging policies

continued C.6 Regulatory consolidation - Consolidated securitisation vehicles

(€ million)

	31.12.2024
SPECIAL PURPOSE VEHICLE	PaDel Finance 01 DAC
COUNTRY OF INCORPORATION	1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland
A. Securitised assets	**475**
A.1 Loans	475
A.2 Bonds	-
B. Loans disbursed	**0**
C. Use of liquid assets resulting from loan operations	**-**
C.1 Loans (including bank current account)	-
C.2 Bonds	-
D. Other assets	**-**
D.1 Derivatives	-
D.2 Other assets	-
TOTAL ASSETS (A+B+C+D)	**475**
E. Bond issued	**-**
E.1 Senior	-
E.2 Mezzanine	-
E.3 Junior	-
F. Loans received	**475**
F.1 Senior	475
F.2 Mezzanine	-
F.3 Junior	-
G. Other liabilities	**0**
G.1 Derivatives	-
G.2 Due to originator	-
G.3 Other liabilities	0
G.4 Own funds	0
TOTAL LIABILITIES (E+F+G)	**475**
H. Interest expense	**22**
H.1 Interest expense on bond issued	-
H.2 Interest expense on loans received	22
H.3 Interest expense on derivatives	-
I. Commissions and fees related to the transaction	**1**
I.1 for servicing	1
I.2 for other services	-
J. Other charges	**0**
J.1 Additional positive returns for exposure junior	-
J.2 Other costs	0
TOTAL COSTS (H+I+J)	**23**
K. Interest generated by securitised assets	**23**
L. Interest income on derivatives	**-**
M. Other revenues	**0**
M.1 Additional returns for exposure junior	-
M.2 Other revenues	0
TOTAL REVENUES (K+L+M)	**23**
PROFIT (LOSS) FOR THE PERIOD	**0**

Part E - Information on risks and related hedging policies

D. Sales transactions

A. Financial assets sold and not fully derecognised

Quantitative information

Any exposures that at the reference date are booked under item "120. Non-current assets and disposal groups classified as held for sale", in the tables below are shown in correspondence of the original accounting portfolio.

D.1 Regulatory consolidation - Financial assets sold and fully recognised and associated financial liabilities: book value

(€ million)

	FINANCIAL ASSETS SOLD AND FULLY RECOGNISED				ASSOCIATED FINANCIAL LIABILITIES		
	BOOK VALUE	OF WHICH: SUBJECT TO SECURITISATION TRANSACTION	OF WHICH: SUBJECT TO SALE AGREEMENT WITH REPURCHASE OBLIGATION	OF WHICH NON-PERFORMING	BOOK VALUE	OF WHICH: SUBJECT TO SECURITISATION TRANSACTION	OF WHICH: SUBJECT TO SALE AGREEMENT WITH REPURCHASE OBLIGATION
A. Financial assets held for trading	**2,888**	**-**	**2,888**	**X**	**2,742**	**-**	**2,742**
1. Debt securities	1,266	-	1,266	X	1,120	-	1,120
2. Equity instruments	1,622	-	1,622	X	1,622	-	1,622
3. Loans	-	-	-	X	-	-	-
4. Derivative instruments	-	-	-	X	-	-	-
B. Other financial assets mandatorily at fair value	**52**	**-**	**52**	**-**	**46**	**-**	**46**
1. Debt securities	52	-	52	-	46	-	46
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**20**	**-**	**20**	**-**	**17**	**-**	**17**
1. Debt securities	20	-	20	-	17	-	17
2. Loans	-	-	-	-	-	-	-
D. Financial assets at fair value through other comprehensive income	**17,518**	**-**	**17,518**	**-**	**15,587**	**-**	**15,587**
1. Debt securities	17,518	-	17,518	-	15,587	-	15,587
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets at amortised cost	**26,865**	**10,959**	**15,832**	**50**	**14,822**	**1,044**	**13,708**
1. Debt securities	25,604	9,698	15,832	-	13,778	-	13,708
2. Loans	1,261	1,261	-	50	1,044	1,044	-
Total 31.12.2024	**47,343**	**10,959**	**36,310**	**50**	**33,214**	**1,044**	**32,100**
Total 31.12.2023	**44,103**	**15,511**	**28,592**	**49**	**24,764**	**1,461**	**23,303**

Part E - Information on risks and related hedging policies

D.2 Regulatory consolidation - Financial assets sold and partially recognised and associated financial liabilities: book value

(€ million)

	ORIGINAL GROSS VALUE OF ASSETS BEFORE SALE	BOOK VALUE OF ASSETS STILL PARTIALLY RECOGNISED	OF WHICH NON-PERFORMING	BOOK VALUE OF ASSOCIATED FINANCIAL LIABILITIES
A. Financial assets held for trading	**-**	**-**	**X**	**-**
1. Debt securities	-	-	X	-
2. Equity instruments	-	-	X	-
3. Loans	-	-	X	-
4. Derivative instruments	-	-	X	-
B. Other financial assets mandatory at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	X	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	X	-
3. Loans	-	-	-	-
E. Financial assets at amortised cost	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
Total 31.12.2024	**-**	**-**	**-**	**-**
Total 31.12.2023	**60**	**14**	**14**	**1**

D.3 Regulatory consolidation - Sale transactions relating to financial liabilities with repayment exclusively based on assets sold and not fully derecognised: fair value

(€ million)

	FULLY RECOGNISED	PARTIALLY RECOGNISED	TOTAL	
			31.12.2024	31.12.2023
A. Financial assets held for trading	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
4. Derivative instruments	-	-	-	-
B. Other financial assets mandatorily at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets at amortised cost (fair value)	**10,929**	**-**	**10,929**	15,511
1. Debt securities	9,698	-	9,698	**10,700**
2. Loans	1,231	-	1,231	4,811
Total associated financial assets	**10,929**	**-**	**10,929**	**15,511**
Total associated financial liabilities	**1,044**	**-**	**X**	**X**
Total net amount 31.12.2024	**9,885**	**-**	**9,885**	**X**
Total net amount 31.12.2023	**14,072**	**13**	**X**	**14,085**

Part E - Information on risks and related hedging policies

B. Financial assets sold and fully derecognised with recognition of continuous involvement

Qualitative and quantitative information
At the end of the year there were no disposals of financial assets that had been fully derecognised, which required the recognition of continuing involvement.

C. Financial assets sold and fully derecognised

Quantitative information
As at 31 December 2024, UniCredit group holds asset-backed securities and units in investment funds acquired following the sale of financial assets fully derecognised, carried out in 2024 and in previous years.
These transactions involved the sale of financial assets, consisting of loans non-performing, by the originator companies of the Group to securitisation vehicles or investment funds and their derecognition from the financial statements pursuant to IFRS9, following the assessment that the originator itself has substantially transferred the risks and benefits of the assets sold and at the same time has not maintained any control over the same assets.
Instead of these derecognised assets, the asset-backed securities or the units in investment funds received in the same transactions were recognised among the Financial assets.
For further information on each transaction carried out in the 2024 and also in the previous years, refer to “Annex 3 - Securitisations - qualitative tables” and “Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds - qualitative tables”.

C. Regulatory Consolidation - Financial assets sold and fully derecognised

(€ million)

	ORIGINAL BOOK VALUE OF ASSETS BEFORE SALE	OF WHICH NON-PERFORMING	BOOK VALUE OF THE BALANCE-SHEET EXPOSURE ACQUIRED
A. Financial assets held for trading	**-**	**X**	**-**
1. Debt securities	-	X	-
2. Equity instruments	-	X	-
3. Loans	-	X	-
4. Derivative instruments	-	X	-
B. Other financial assets mandatorily at fair value	**3**	**3**	**1**
1. Debt securities	-	-	-
2. Equity instruments	-	X	-
3. Loans	3	3	1
C. Financial assets designated at fair value	**-**	**-**	**-**
1. Debt securities	-	-	-
2. Loans	-	-	-
D. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**
1. Debt securities	-	-	-
2. Equity instruments	-	X	-
3. Loans	-	-	-
E. Financial assets at amortised cost	**440**	**440**	**346**
1. Debt securities	-	-	-
2. Loans	440	440	346
Total 31.12.2024	**443**	**443**	**347**

The asset-backed securities acquired during the year by such transactions, amounting to €86 million, are classified in the Financial assets at amortised cost and in those mandatorily at fair value, while the units in investment Funds underwritten, amounting to €261 million, are classified in the Financial assets mandatorily at fair value portfolio.

D. Covered Bond Transactions

In 2008 the Group initiated a first Covered Bond (OBG or Obbligazioni Bancarie Garantite) Programme with residential mortgage loans as the underlying assets and in 2012 a second Covered Bond Programme with both residential and commercial mortgage loans as underlying assets, in line with Law 130/99 and Banca d'Italia circular 285/2013.

Under these programmes:
- UniCredit S.p.A. is issuer and also acts as transferor of suitable assets and servicer;
- UniCredit BpC Mortgage S.r.l. and UniCredit OBG S.r.l. (special purpose vehicles set up within the banking group as expressly authorised by Banca d'Italia) are guarantors of the OBG holders of the first and the second programme respectively, within the limits of the cover pools and;
- the auditing firm BDO Italia S.p.A. is Asset Monitor for both the programmes.

The first programme, guaranteed by UniCredit BpC Mortgage S.r.l., is characterised by a Soft Bullet method[89] of reimbursement and is rated by Fitch (AA), S&P (AA-), Moody's (Aa3).
The second programme, guaranteed by UniCredit OBG S.r.l., previously characterised by a Conditional Pass-Through method[90] of reimbursement, subsequently to contractual amendments finalized in May 2022, is currently characterised by a Soft Bullet method[1] of repayment and is rated by Moody's (Aa3). Furthermore, the program has been amended in May 2023 in order to comply with the updated regulation, including EU Directive 2162/2019, law 130/99 amended in November 2021 and the update 42 of Banca d'Italia circular 285/2013 dated 30 March 2023.
The Group's main aims in issuing OBGs are to diversify its funding sources and fund at competitive rates. As with the securitisations, in case of difficulties in the markets covered bonds could be used also as a means of increasing the Group's counterbalancing capacity by retaining with the Group part of the securities issued.

An integral feature of OBG Programme management is maintaining a balance between the characteristics of the assets sold and the issues. This is necessary to maintain the efficacy of the guarantee given by the SPV to the bondholders.

Given the complexity of the transaction, a system of first- and second-level controls and procedures has been set up, as required by Banca d'Italia instructions, to identify units, functions, duties and responsibilities, and specific policy has been issued to this end.
The policy was approved by the competent committees, the Statutory Auditors and the Board of Directors of UniCredit S.p.A.

As required by Banca d'Italia instructions on controls:
- UniCredit's Risk Management function is charged with the management of the issuer's risks and checks:
  - the quality, suitability and integrity of the assets sold to guarantee the OBGs;
  - that the maximum ratio of OBGs issued to assets sold to guarantee them is adhered to;
  - that limits on sales and supplementary sales procedures are followed;
  - the effectiveness and adequacy of the hedges provided by any derivatives contracts entered into in relation to the Programme; and
  - the trend in the balance between the cash flow arising from the cover pool and that absorbed by the OBGs in issue;
- the Asset Monitor is an outside independent entity charged with checking at least annually the regularity of the transactions and the integrity of the guarantee to the bondholders;
- UniCredit's internal audit department is responsible for a complete audit (to be conducted at least once a year) of the adequacy of the controls performed;
- the results of the audits performed by the Asset Monitor and the issuer's internal audit department are submitted to the governing bodies.

As at 31 December 2024 the series of covered bonds issued under the two programmes totalled 17 and were worth €16,506 million, of which €11,250 million was repurchased by UniCredit S.p.A.

89 Soft Bullet repayment method: in case the issuer is insolvent and the OBG guarantor has insufficient funds to repay in full the OBG at the maturity date, the maturity date is automatically extended by 1 year and any unpaid and due amount shall be payable by such date. In case the OBG guarantor is not able to redeem the OBG at the extended maturity all the outstanding OBG become due and payable and the guarantor has to sale the whole underlying portfolio.
90 Conditional pass-through repayment method: in case the issuer is insolvent and the OBG guarantor has insufficient funds to repay in full the OBG at the maturity date, the OBG turns in to "pass-through" and the maturity date is extended by 38 years. During the extended period the OBG guarantor has the option to attempt a selected sale of the underlying portfolio every 6 months in order to redeem the pass-through OBG..

Part E - Information on risks and related hedging policies

NAME	SOFT BULLET COVERED BONDS PROGRAMME
Originator:	UniCredit S.p.A. (formerly UniCredit Family Financing Bank S.p.A.)
Issuer:	UniCredit S.p.A.
Servicer:	UniCredit S.p.A.
Arranger:	UniCredit Bank GMBH (ex UniCredit Bank AG)
Target transaction:	Funding
Type of asset:	Residential Mortgage loans
Quality of Asset:	performing
Book value of the underlying assets at the end of accounting period (€ million):	1,424
Covered Bonds issued at the end of accounting period (€ million):	256
Other Credit Enhancements:	UniCredit S.p.A. granted to the SPV a subordinated loan of total Eur 1,700 million.
Rating Agencies:	S & P - Moody's - Fitch
Rating:	AA- (since 01/03/2019) - Aa3 (since 24/10/2018) - AA (since 22/12/2021)

NAME	SECOND SOFT BULLET COVERED BONDS PROGRAMME
Originator:	UniCredit S.p.A.
Issuer:	UniCredit S.p.A.
Servicer:	UniCredit S.p.A.
Arranger:	UniCredit Bank GMBH (ex UniCredit Bank AG)
Target transaction:	Funding - Counterbalancing Capacity
Type of asset:	Residential and Commercial Mortgage loans
Quality of Asset:	Performing
Book value of the underlying assets at the end of accounting period (€ million):	28,803
Covered Bonds issued at the end of accounting period (€ million):	16,250
Other Credit Enhancements:	UniCredit S.p.A. granted to the SPV a subordinated loan of total Eur 29,860 million.
Rating Agencies:	Moody's
Rating:	Aa3 (since 24/10/2018)

Part E - Information on risks and related hedging policies

Other transactions
With reference to the indications of Banca d'Italia/Consob/IVASS document No.6 of 8 March 2013 - Booking of "long-term structured repos" instructions, there are no transactions of this kind to report.

Information on structured trading derivatives with customers
The business model governing OTC derivatives trading with customers provides for the centralisation of market risk in Group Client Risk Management, while credit risk is assumed by the Group company which, under the divisional or geographical segmentation model, manages the relevant customer's account.

The Group's operational model provides for customer trading derivatives business to be carried on, as part of each subsidiary's operational independence:
- by the commercial banks and divisions that close transactions in OTC derivatives in order to provide non-institutional clients with products to manage currency, interest-rate and price risks. Under these transactions, the commercial banks transfer their market risks to the Group Client Risk Management by means of equal and opposite contracts, retaining only the relevant counterparty risk. The commercial banks also place or collect orders on behalf of others for investment products with embedded derivatives (e.g. structured bonds);
- by CE and EE Banks, which transact business directly with their customers (and possibly manage market risk associated with specific products and/or risk factors).

UniCredit group trades OTC derivatives on a wide range of underlying, e.g. interest rates, currency rates, share prices and indexes, commodities (precious metals, base metals, petroleum and energy materials) and credit rights.

OTC derivatives offer considerable scope for personalisation: new payoff profiles can be constructed by combining several OTC derivatives (for example, a plain vanilla IRS with one or more plain vanilla or exotic options). The risk and the complexity of the structures obtained in this manner depend on the respective characteristics of the components (reference parameters and indexation mechanisms) and the way in which they are combined.

Credit and market risk arising from OTC derivatives business is controlled by the Chief Risk Officer competence line (CRO) in the Parent and/or in the Division or subsidiary involved. This control is carried out by means of guidelines and policies covering risk management, measurement and controls in terms of principles, rules and processes, as well as by setting VaR limits.

The business with non-institutional clients does not (usually) entail the use of margin calls, whereas with institutional counterparties recourse may be made to 'credit-risk mitigation' (CRM) techniques, by using netting and/or collateral agreements.

Write-downs and write-backs of derivatives to take account of counterparty risk are determined in line with the procedure used to assess other credit exposure, specifically:
- performing exposure to customers are mapped by deriving EAD (Exposure at Default) with simulation techniques that take into account the Wrong-Way Risk and measured with PD (Probability of Default) and LGD (Loss Given Default) implied by current market default rates obtained from credit & loan-credit default swaps, in order to obtain a value in terms of 'expected loss' (EL) to be used for items designated and measured at fair value maximising the usage of market's inputs;
- non-performing positions are valued in terms of estimated expected future cash flows according to specific indications of impairment (which are the basis for the calculation of the amount and timing of the cash flow).

Here follows the breakdown of balance-sheet asset item "20. Financial assets at fair value through profit or loss: a) financial assets held for trading" and of balance-sheet liability item "20. Financial liabilities held for trading".
For the purpose of the distinction between customers and banking counterparties, the definition contained in Circular 262 of 22 December 2005 of Banca d'Italia and subsequent amendments (which was used for the preparation of the accounts) was used as a reference.
Structured products were defined as derivative contracts that incorporate in the same instrument forms of contracts that generate exposure to several types of risk (with the exception of cross-currency swaps) and/or leverage effects.

Part E - Information on risks and related hedging policies

Fair values of OTC derivatives managed through Central Clearing counterparts are reported on a net basis. The related reduction of balances is €116,138 million and €120,075 million on trading asset (item "20. Financial assets at fair value through profit or loss: a) financial assets held for trading") and liabilities ("20. Financial liabilities held for trading"), respectively.

The balance of item "20. Financial assets at fair value through profit or loss: a) financial assets held for trading" of the Consolidated accounts with regard to derivative contracts totaled €29,518 million (with a notional value of €3,239,690 million) including €18,321 million with customers. The notional value of derivatives with customers amounted to €1,721,684 million including €1,709,261 million in plain vanilla (with a fair value of €17,396 million) and €12,423 million in structured derivatives (with a fair value of €925 million).
The notional value of derivatives with banking counterparties totaled €1,518,006 million (fair value of €11,062 million) including €10,621 million relating to structured derivatives (fair value of €565 million).

The balance of item "20. Financial liabilities held for trading" of the Consolidated accounts with regard to derivative contracts totaled €25,164 million (with a notional value of €3,208,888 million) including €12,961 million with customers. The notional value of derivatives with customers amounted to €1,667,383 million including €1,657,824 million in plain vanilla (with a fair value of €12,515 million) and €9,559 million in structured derivatives (with a fair value of €447 million).
The notional value of derivatives with banking counterparties totaled €1,541,505 million (fair value of €11,388 million) including €14,106 million relating to structured derivatives (fair value of €815 million).

E. Prudential perimeter - Credit risk measurement models
As at 31 December 2024 the expected loss on the credit risk perimeter was 0.39% of total UniCredit group credit exposure. The result does not include the exposures which have migrated to default and therefore do not enter in the calculation of expected loss. Besides, since risk measurement systems tend to be anti-cyclical, this may result in a smaller elasticity to the swift changes of the macroeconomic scenario.
As at 31 December 2024, the ratio between credit economic capital (including a component to cover migration risk) and its relative credit exposure amount is 2.01%.

As far as UniCredit S.p.A. quantitative information, reference is made to the paragraph "F. Credit risk measurement models" of Company financial statements of UniCredit S.p.A., Notes to the accounts, Part E - Information on risks and related hedging policies, Section 1 - Credit Risk, Quantitative information, which is herewith quoted entirely.

2.2 Market risks

Market risk derives from the effect that changes in market variables (interest rates, securities prices, exchange rates, etc.) can cause to the economic value of the Group's portfolio, including the assets held both in the Trading book, as well as those posted in the Banking book, which involve both the operations typical of the commercial banking and in the choice of strategic investments. Market risk management within UniCredit group accordingly includes all the activities relating to cash transactions and capital structure management, both for the Parent Company, as well as for the individual entities of the Group.

From a regulatory perspective, market risk stems from all the positions included in banks' trading book as well as from commodity and foreign exchange risk positions in the whole Balance sheet.
Therefore, the risks subject to market risk capital requirements include but are not limited to:
- default risk, interest rate risk, credit spread risk, equity risk, foreign exchange (FX) risk and commodities risk for trading book instruments;
- FX risk and commodities risk for banking book instruments.

From a managerial perspective, the Group extends the definition of Market Risk to include Fair value through Profit and Loss (i.e., FVtPL) and Other Comprehensive Income (i.e., FVtOCI assets, net of Micro Fair Value Hedges) portfolios, which are therefore monitored and limited through a set of market-risk specific metrics.
Amortised Cost (AC) securities are also included in the scope with the aim to check the consistency with the Investment Plan.

The current organisational model guarantees the ability to steer, coordinate and control the activities of some aggregated risks (so-called Portfolio Risks), through dedicated responsibility centers (Portfolio Risk Managers), completely focused and specialised on such risks, under a Group and inter-divisional perspective.
According to this organisation, the structure at first level of reporting to "Group Risk Management", dedicated to market risk governance is the "Group Financial Risk" department.

Risk management strategies and processes

The Parent Company's Board of Directors lays down strategic guidelines for taking on market risks by calculating capital allocation for the Parent Company and its subsidiaries, depending on risk appetite and value creation objectives in proportion to the risks assumed. The Parent Company has defined Global Rules to manage and control market risk, including strategies and processes to be followed. Market risk strategies are set by the Parent Company at least on an annual basis, in line with the definition of the overall Group Risk appetite and then cascaded to the legal entities. Market risk appetite is also fundamental for the development of the Group's business strategy, ensuring the consistence between the budgeted revenues and the setting of Value-at-Risk limits.

In this context, on an annual basis Market Risk Management function of the Parent Company agrees with the local Market Risk functions possible changes to the Group Market Risk Framework. Changes to the Group Market Risk Framework can include changes to the perimeter for the calculation of managerial market risk metrics and methodological changes in the limit monitoring framework.

For this purpose, Market Risk Management of the Parent Company gathers the information needed to set up the Group Market Risk Strategy for the following year. In particular, Group Market Risk Management receives from the competent function the Group Risk Appetite Framework, which sets, among others, Market Risk KPIs and from local Market Risk functions the list of legal entities (LEs)/Business Lines allowed to assume market risk exposures, the severities of the related limits and the proposals for the review of market risk levels.

Based on these inputs, the Group Market Risk strategy is defined including the following information:
- the proposed Market Risk Takers Map;
- limits and Warning Levels (WLs) proposal in accordance with the proposed Market Risk Takers Map;
- any change occurred to the risk limit framework compared to the previous year;
- overview on the macroeconomic scenario and related risks for the Group;
- Market Risk RAF KPIs;
- the business strategy and key initiatives to support the limit proposal.

After that all the Group relevant Bodies have approved the Group Market Risk Strategy and given the relevant NBOs for local market risk limits, the approval is communicated to the local functions.

In terms of monitoring, the LEs carry out periodical activities (e.g., daily monitoring of VaR, weekly monitoring of Regulatory VaR, IRC and SVaR, monthly monitoring of Stress Test Warning Level) under the coordination of the Parent Company Market Risk Management function and the breaches are timely escalated locally to Senior Management and to the Parent Company.

Ultimately, it has to be highlighted that detailed Global Rules on market risk strategy definition, limits setting, monitoring, escalation and reporting activities are in place and applied at Group level.

Part E - Information on risks and related hedging policies

Trading Book

In accordance with the Capital Requirements Regulation, and as defined in the current policy "Group Market Risk Governance Guidelines", the Trading book is defined as all positions in financial instruments and commodities held either with trading intent, or in order to hedge positions held with trading intent.

Books held with trading intent are composed of:

- positions arising from client servicing and market making;
- positions intended to be resold in the short term;
- positions intended to benefit from actual or expected short-term price differences between buying and selling prices or from other price or interest rate variations.

In addition, Trading book may include internal or intra-group hedging derivatives transferring risk from Banking book into Trading book, entitled to manage the relevant risk and having access to the derivatives market.

The essential requirement for the Regulatory Trading book assignment is a clear "trading intent", as defined above, which the trader has to commit to and has to confirm on an ongoing basis. Additionally, the so-called "tradability", "marketability" and "hedge-ability" requirements have to be assessed in order to evaluate the appropriateness for the Trading book assignment:

- tradability refers to positions free of restrictions on their tradability and coherently reflected within the "Trader Mandate" of the risk taker;
- marketability refers to the positions for which a reliable Fair Value can be evaluated based to the largest extent on independently verified observable market parameters;
- hedge-ability refers to positions for which a hedge could be put in place. The hedge-ability is meant to concern the "material" risks of a position which implies not necessarily that all the various risk features are to be hedge-able.

When opening a new book, the book manager makes the proposal whether the book should be managed as a Trading book, or a Banking book based on the planned trading activity. This has to be in line with the bank's internal rules and criteria for the assignment to either Trading book or Banking book. The book manager is required to clearly declare the trading intent and therefore to explain the business strategy behind the request for the Regulatory Trading assignment. The book manager is then responsible for all the positions held in his book and the eligibility criteria are expected to be fulfilled on an ongoing basis.

Concerning the monitoring phase, to demonstrate adequate trading intent, the following minimum criteria must be fulfilled at book level and are checked at least on a quarterly basis:

- minimum of 5 trades during the past 90 trading days;
- minimum of 5% of the volume of each book traded during the past 90 trading days with reference to the last day of the period.

In case a breach of the trading intent criteria, the possibility to re-classify the book must be assessed.

With reference to the methodology used to ensure that the policies and procedures implemented for the management of the Trading book are appropriate, first of all it has to be noted that any new/updated regulation has to be preliminary shared with the main impacted functions/legal entities in order to collect their feedback. The competent Group function also assesses the compliance risks with reference to the regulations falling within its direct scope of competence. In addition, before the issuance, the owner of the rule submits to the competent body/function for the approval.

The financial instruments (an asset or a liability, cash, or derivative) held by the Group are exposed to changes over time driven by moves of market risk factors. The market risk factors are classified in the following five standard market risk asset classes:

- Credit risk: the risk that the value of the instrument decreases due to credit spreads changes, issuer correlation and recovery rates;
- Equity risk: the risk that the value of the instrument decreases due to increase/decrease of index/stock prices, equity volatilities, implied correlation;
- Interest rate risk: the risk that the value of the instrument decreases due to interest rates changes, basis risk, interest rates volatility;
- Currency risk: the risk that the value of the instrument decreases due to foreign exchange rates changes, foreign exchange rates volatility;
- Commodity risk: the risk that the value of the instrument decreases due to changes of the commodity prices, for example gold, crude oil, commodity prices volatility.

Market risk in UniCredit group is measured and limited mainly through two sets of metrics: Broad Market Risk measures and Granular Market Risk measures:

- **Broad market risk measures**: these measures are meant to set a boundary to the regulatory capital absorption and to the economic loss accepted for FVtOCI and/or FVtPL exposures. Limitations on Broad Market Risk measures must be reviewed at least annually in the context of the drafting of the Group and Local Market Risk Strategies and must be consistent with assigned budget of revenues, the defined risk-taking capacity (ICAAP process) and Group Risk Appetite KPIs. The set of all limitations on Broad Market Risk measures assigned to a specific market risk taker must be consistent with each other.

Part E - Information on risks and related hedging policies

The consistency must be checked whenever a level for a Broad Market Risk Measure is defined. The legal entity Market Risk Function needs to provide evidence of such consistency when required. Broad Market Risk measures are:
- Value at Risk (VaR), the potential 1-day loss in value of a portfolio for a 99% single-tail confidence interval; calculated through historical simulation in full revaluation using the last 250 equally weighted daily observations;
- Stressed VaR (SVaR), the VaR of a portfolio calculated using a 250-day period of significant financial stress;
- Incremental Risk Charge (IRC), the amount of regulatory capital aimed at addressing the credit shortcomings (migration and default risks) that can affect a portfolio in one year at a 99.9% confidence level;
- 60 days PL, set as the 60 calendar days rolling period Accumulated Economic P&L without resetting at year end; the limitation on this metrics is called Loss Warning Level (LWL);
- Worst Stress test result, defined as the worst conditional loss on a given portfolio resulting from the application of a predefined set of scenarios; the limitation on this metrics is called Stress Test Warning Level (STWL); for all STWL included in the Market Risk Taker Maps, Parent Company monitoring is based on the set of scenarios defined in the Group Market Risk Strategy; legal entities are allowed to add specific scenarios for local monitoring purposes.

The Group has undertaken a progressive review of Market Risk measure scope and, starting from 2019, Warning Levels for 60 days PL and Worst Stress test result have been defined on FVtPL and FVtOCI perimeters.

- **Granular market risk measures**: these measures allow a more detailed and stringent control of risk exposures than Broad Market Risk measures. Limitations on Granular Market Risk measures (so-called Granular Market Limits, GMLs) are specific limits to individual risk factors or group of risk factors:
  - sensitivity levels, which represent the change in the market value of a financial instrument due to small moves of the relevant market risk asset classes/factors. Among others, and not limited to, particularly relevant considering the asset and liability structure of the commercial bank are the Basis Point Value Sensitivity, that measures the change in the present value of the interest rate sensitive positions resulting from a 1 bp parallel shift to interest rate, and the Credit Point Value Sensitivity, that measure the change in the present value of the credit risk sensitive positions resulting from a 1 bp parallel shift to credit spread (per issuer, rating or industry);
  - stress scenario levels, which represent the change in the market value of a financial instrument due to large moves of the relevant market risk asset classes/factors;
  - nominal levels, which are based on the notional value of the exposure.

  The main objectives of Granular Market Limits are:
  - supporting the management of market risk;
  - ensuring desk's focus to exposure under their mandate;
  - restricting risk concentration, i.e., preventing the build-up of positions that, although consistent with allocated VaR limits, could become unmanageable in case of turmoil or in case of reduced market liquidity;
  - complementing VaR when it does not cover sufficiently a specific risk factor;
  - facilitating interaction with traders, who manage their books according to sensitivities or scenario analysis;
  - limiting P&L volatility due to a specific risk factor;
  - complementing the compliance framework (e.g., Volcker rule and the German Trennbanken act).

  The Granular Market Limits must be consistent with limitations on Broad Market Risk measures.

To cover also Amortised Cost securities, the Market Risk Strategy defines notional and CPV granular limits on Regulatory Banking book perimeter. This ensures the monitoring of Credit spread risk in the Banking book, which originates mainly from government bond portfolios held for liquidity purposes. The main credit spread exposure relates to Italian sovereign risk in the Italian perimeter.

As for Banking book FX risk, the FX Management & Control Global Policy in force requires every legal entity to setup local processes and controls to transfer the transactional exchange risk exposures to one single unit, generally in the Treasury department, mandated to manage the open exposure within the allotted limits and the general market risk appetite.

Finally, the Group is exposed to FX risk in relation to the holding of subsidiaries, associates and joint ventures presenting their financial statements in currencies different than EUR (Structural FX Risk). To limit the impacts of the FX rates movements on the Capital ratios volatility, a RAF KPI on Structural FX risk is set at Group level to identify an appropriate level of risk the Group is willing to maintain and thresholds that in case of breaches require the activation of the proper escalation mechanisms. Group risk management strategy could envisage the steering of the FX risk exposure in the LEs or the booking in the Holding of positions deliberately taken to hedge the Total capital ratio from FX volatility. On a yearly basis, this strategy is presented to the relevant Group committees and approved by the BoD. The potential losses deriving from the implemented strategy is limited through the market risk metrics. The general policy is to hedge the foreign currency exposures from dividends and contributions to consolidate profit (loss) considering hedging cost and market circumstances. The FX exposure is hedged using forwards and options. This general rule is valid for the Parent Company. The hedge strategy is reviewed by the relevant risk committees on a regular basis.

Part E - Information on risks and related hedging policies

Banking book

The main components of market risk in the Banking book are: credit spread risk, FX risk and interest rate risk.

As for the first two components (Credit Spread risk and exchange rate risk), please refer to what is reported in this paragraph in the Trading Portfolio section.

With regards to the third component (interest rate risk), the exposure is measured and monitored as defined in the RAF framework in terms of sensitivity of the economic value and of the net interest income.

The Group Financial and Credit Risk Committee (GFRC) is responsible for the definition of the interest rate risk strategy for the strategic position of the banking book, including the strategic management of the capital and structural gap between non-interest rate sensitive assets and liabilities.

The main objective of the interest rate management in the banking book is the reduction of the adverse impacts on net interest income due to interest rate volatility in a multiyear horizon, in order to achieve a flow of earnings and a return on capital coherent with the strategic plan. The strategy does not imply any intended directional or discretionary positioning to generate additional earnings, unless approved by the relevant bodies and separately monitored. The only exception is for those functions authorized to carry interest rates positions within an approved level of limitations from the relevant risk committees.

The Treasury functions manage the interest rate risk deriving from commercial transactions maintaining the exposure within the limits set by the relevant risk committees and optimizing the natural hedging opportunities between assets and liabilities. Exposure is measured and monitored daily by the risk management functions.

The interest rate management strategy takes also into account the main impacts from clients’ behavior, which may impact on the value of interest margins or on the economic value of the banking book. Such are for instance the loans prepayment and the stability of sight deposits.

The prepayment risk is managed through the adaptation of the contractual profile on the basis of behavior of clients inferred from historical data, where relevant across the Group.

The stability of sight deposits is assessed by means of an internal model that estimates the stable volume and non-sensitive interest rate portion of it (“Core deposits”).

Hedging strategy for core deposits is proposed by Finance and approved by GFRC. Such strategy aims to stabilize the NII over time within IRRBB RAF framework; a prudential stance is kept in determining the volume and duration of the hedging strategy to limit over-hedging risk.

Part E - Information on risks and related hedging policies

Structure and organisation

The Group Financial Risk department is responsible, at Group level, for the definition of the strategies of financial risk management of the Group to submit to the competent functions/Bodies (i.e., liquidity risk, Balance sheet interest rate risk, market risk, counterpart risk and credit spread risk of the non-trading book), ensuring that the control activities of the risks in charge of the UniCredit S.p.A. Foreign Branches are monitored and reported to the Group Chief Risk Officer and to the Top Management. Furthermore, the structure governs the Group activities aimed to ensure the independent control of the process and on the Front Office relevant parameters, for the fair value calculation.
Finally, the structure is directly responsible for the approval and the oversight of the internal rule revision plan proposed by the Group Financial Risk structure in charge of it.

The structure breaks down as follows:

GROUP FINANCIAL RISK

- "**Valuation Models and Methodologies & Market Risk Management**", responsible for developing and maintaining Group methodologies, models, and architectures regarding financial risks and for providing adequate evaluation of financial instruments of banking and trading book as well as governing and controlling market risk and credit spread risk of the non-trading book either at Group level and UniCredit S.p.A. level.
- "**Structured Entities & Counterparty Credit Risks**", responsible for governing and controlling either at Group level and UniCredit S.p.A. level (with the inclusion of the Foreign Branches) and of the Regional Center Italy (when applicable), structured entities risks and counterparty risks.
- "**Liquidity and Interest Rate Risk Management**", responsible for governing and controlling the liquidity risk, balance sheet interest rate risk and credit spread risk of the non-trading book, either at Group level and UniCredit S.p.A. level (including the Foreign Branches) and the Country Italy (when applicable).

The relevant Committees of reference are:
- Group Financial and Credit Risks Committee (GFRC) - Market Risk session;
- Group Executive Committee (GEC) - Risk Session.

The "Group Financial and Credit Risks Committee (GFRC) - Market Risk session" meets monthly and is responsible for approving strategies, policies and methodologies for Market, Counterparty and non-trading book Credit Spread Risks and for the monitoring of risks, with the aim to optimize the usage of financial resources (e.g., capital) in coherence with Risk Appetite and Business Strategies. It is also responsible for evaluating the impact of transactions significantly affecting the overall market risk portfolio profile.

The "Group Executive Committee (GEC) - Risk Session" which has approval as well as consulting and proposal functions, meets monthly and aims at supporting the CEO in its role of steering, coordinating and monitoring all categories of risks (included compliance risk), managing and overseeing the internal control system also at a Group level, as well as discussing and approving strategic risk topics such as Group Risk Appetite Framework, ICAAP, ILAAP, SREP, NPE strategy coherently with the overall risk profile defined by RAF and the steering of Environmental, Social and Governance (ESG) including Climate & Environmental Risks (i.e. transition and physical risk).

Part E - Information on risks and related hedging policies

The Parent Company's governing bodies delegate to the Group Financial and Credit Risk Committee (GFRC) the development of detailed internal regulations with the goal of establishing an integrated and consistent IRRBB management framework within the Group with the goal of facilitating an effective decision-making process and governance.
Local relevant committee of the liquidity reference banks (LRBs) or Legal Entities (LEs) (in accordance with local rules in force), within the scope of their responsibilities and delegated powers, are responsible for implementing the IRRBB management framework established by GFRC, also considering the peculiarities of each LRB or LEs and given the guidelines and indications of their respective governing bodies (both those responsible for strategic supervision and management).
The GFRC is also responsible for the Group-wide monitoring of IRR within the broader perspective of market risk. Having regard to the overall operations and risk exposures of the Group, it involves the Group Executive Committee (GEC) within its responsibilities and delegated powers.

The committee's involvement in interest rate risk management includes:
- the initial approval and fundamental modifications for the measurement and control system of Banking book interest rate risks with the support of internal validation function (where necessary);
- the definition of the operational strategies of Balance sheet (e.g., replicating portfolio).

Risk measurement and reporting systems

Trading book
UniCredit group continued to improve and consolidate market risk models to properly measure, represent and control the Group risk profile, reflecting these changes in the reporting activity. As regards market risk measurements, further details can be reported in paragraph "Internal Model for Price, Interest Rate and Exchange Rate Risk of the Regulatory Trading book", while for both monthly and daily reporting process, Global Process Regulation are periodically updated.
Within the organisational context described above, the policy implemented by UniCredit group within the scope of market risk management is aimed at gradually adopting and using common principles, rules and processes in terms of appetite for risk, limit calculations, model development, pricing and risk model scrutiny.
The Group Financial Risk department is specifically required to ensure that principles, rules, and processes are in line with industry best practice and consistent with standards and uses in the various countries in which they are applied.
The main tool used by UniCredit group to measure market risk on trading positions is Value at Risk (VaR), calculated using the historical simulation method. Further details on risk valuation models are included in the following chapter.
Group Financial Risk defines market risk reporting standards, both in terms of contents and recurrence, and provides timely information to the Senior Management and regulators regarding the market risk profile at consolidated level.
In addition to VaR and Basel 2 risk measures, stress tests represent an important risk management tool that provides UniCredit with an indication of how much capital might be needed to absorb losses in case of large financial shocks. Stress testing forms an integral part of the Internal Capital Adequacy Assessment Process (ICAAP), which requires UniCredit to undertake rigorous, forward-looking stress testing that identifies possible events or changes in market conditions that could adversely impact on the bank.

Part E - Information on risks and related hedging policies

Banking book

The primary responsibility of the monitoring and control of the risk management for market risk in the Banking book lies in the bank's competent bodies. For instance, the Parent company is responsible for the process of monitoring the market risks on the Banking book at consolidated level. As such, it defines structure, data, and frequency of the necessary Group reporting.

The Banking book interest rate risk measure covers both the economic value and net interest income risk aspects. In particular, these two perspectives are complementary and involve:

- Economic Value: variations in interest rates can affect the economic value of assets and liabilities. The economic value of the bank can be viewed as the present value of the bank's expected net cash flows, defined as the expected cash flows on assets minus the expected cash flows on liabilities; a relevant risk measure from this perspective is the economic value sensitivity per time bucket for a 1 bp rate shock. This measure is reported to the relevant committees to assess the economic value impact of possible changes in the yield curve. In addition, the economic value sensitivity is computed also for the regulatory scenarios ("Supervisory Outlier Test" described in EBA/GL/2022/14);
- Net Interest Income: the focus of the analysis is the impact of changes of interest rates on Net Interest Income. An example of a measure of risks used is Net Interest Income sensitivity for a 200 bps parallel shock of rates. This measure is reported to the competent committees to the end of evaluating its impact on the interest income over the next 12 months under constant Balance sheet assumption as prescribed by relevant regulation ("Supervisory Outlier Test" described in EBA/GL/2022/14).

As for other sources of market risk, such as Credit Spread risk and FX risk, please refer to the information in the paragraph Risk management strategies and processes, relating to the Trading Book section.

Hedging policies and risk mitigation

Trading book

The mitigation of Trading book risk is performed through the Market Risk Strategy, where broad and granular Limits are defined. The effective limit utilisation is provided to "Group Financial and Credit Risks Committee" (through the Market Risk Overview report) and related breaches are escalated to the competent body, according to the severity assigned by the Market Risk Strategy. The escalation process is ruled by the Global Policy "Group Market Risk Governance Guidelines" which defines the nature of the various thresholds/limits applied, as well as the relevant bodies to be involved establishing the most appropriate course of action to restore exposure within the approved limits.
A set of risk indicators is also provided to the Group Executive Committee (and subsequently to the Internal Control & Risk Committee and to the Board of Directors) on a quarterly basis through the Group Risk Appetite Framework (RAF) and Integrated Risk Report (IRR).
If required, focus is provided to relevant committees on the activity of a specific business line/desk to ensure the highest level of understanding and discussion of the risks in certain areas which are deemed to deserve particular attention.

Banking book

On a regular basis, at least quarterly, the relevant IRR exposure, complemented by the analysis of the compliance to the limits, must be reported to Management bodies and internal committees. As a general principle, the compliance to the limits must be reported to Boards and committees depending on their role in limit setting and it is proportionate to the severity hierarchy.
The Group Financial and Credit Risk Committee (GFRC) receives reporting with respect to RAF KPIs and Overall Group and LRB Granular Limits and Triggers with the same frequency of the committee's meetings. The same reporting process must be implemented within LRBs with respect to Local relevant committees (in accordance with local rules in force).
Breaches of limits and warning levels are reported, upon occurrence, to the relevant bodies. Consequently, the escalation process is activated in line with the procedures set in relative Policy, to establish the most appropriate course of action to restore exposure within the approved limits.
The execution of structural hedges to mitigate the interest rate risk exposure on client business is responsibility of the treasury functions. The strategic transactions in the Banking book are managed by the CFO department.

Part E - Information on risks and related hedging policies

Internal model for price, interest rate and exchange rate risk of the regulatory trading book
The current Market Risk internal model is based on Value-at-Risk (VaR) framework, integrated with other risk measures: incremental risk capital charge (IRC) and stressed Value-at-Risk (SVaR) aimed at reducing the pro-cyclicality of the minimum capital requirements for market risk, in line with the European directives in force.
All the regulatory requirements in the contest of Market Risk have been addressed via internal development of the necessary model and IT infrastructure as opposed to the external acquisition of ready-made solutions.
This enabled UniCredit to craft solutions that in many aspects can be considered on the sophisticated end of the spectrum of practices that can be found in the industry. In this respect one distinctive feature of the market (and counterparty) risk frameworks implemented in UniCredit group is the full revaluation approach employing the same pricing libraries used in the Front Office.
UniCredit group calculates both VaR and SVaR for market risk on trading positions using the historical simulation method.
Under the historical simulation method positions are revaluated (in full revaluation approach) based on trends in market prices over an appropriate observation period. The empirical distribution of profits/losses deriving therefrom is analysed to determine the effect of extreme market movements on the portfolios.
For a given portfolio, probability and time horizon, VaR is defined as a threshold value so that the probability that the mark-to-market loss on the portfolio, over the given time horizon, not exceeding this value (assuming no trading in the portfolio) has the given confidence level. Current configuration of the internal model defines VaR at a 99% confidence level on the 1-day P&L distribution obtained from equally weighted historical scenarios covering the last 250 days.
Historical scenarios are built relying on proportional shocks for Equities and FX rates, and on absolute shocks for Interest Rates and Credit Spreads. UniCredit VaR Model simulates all the risk factors, both referring to general and specific risk, thus providing diversification in a straightforward approach. The model is recalibrated daily. The use of a 1-day time horizon makes the immediate comparison with realised profits/losses possible and such comparison is the core of the back-testing exercise.

The VaR measure identifies a consistent measure across all the portfolios and products, since it:
- allows a comparison of risk among different businesses;
- provides a means of aggregating and netting position within a portfolio to reflect correlation and offset between different assets classes;
- facilitates comparisons of market risk both over time and against daily results.

Although a valuable guide to risk, VaR should always be viewed within its limitations:
- historical simulation relies on past occurrences to forecast potential losses. In case of extreme shifts this might not be appropriate;
- the length of the time window used to generate the forecasted distribution will necessarily embed a trade-off between the responsiveness of the metric to recent market evolutions (short window) and the spectrum of scenarios that will embed (long window);
- assuming a constant one/ten-day horizon there is no discrimination between different risk-factor liquidity.

Stressed VaR calculation is based on the very same methodology and architecture of the VaR, and it is analogously calculated with a 99% confidence level and 1-day time horizon on a weekly basis, but over a stressed observation period of 250 days. The chosen historical period identifies the 1-year observation window which produces the highest resulting measure for the current portfolio.
Stress windows are recalibrated monthly and are tailored to the portfolio of each legal entity of the Group subject to the internal model, plus the Group itself that is relevant for RWEA calculation on a consolidated level. The SVaR window for UniCredit S.p.A. at Group and solo level, UniCredit Bank GmbH and UniCredit Bank Austria AG is the “Lehman Crisis” period (2008-2009). The 10-day capital requirement is however obtained by extending the 1-day risk measure to the 10-day horizon taking the maximum of the square root of time scaling and a convolution approach that turns the one-day distribution into a 10-day distribution for both the VaR and the Stressed VaR. The 1-day measures are instead actively used for market risk management.

In order to validate the consistency of VaR internal models used in calculating capital requirements on market risks, back-testing is performed by comparing the internal model risk estimates with the portfolio profit and loss, to check if the 99% of the trading outcomes is covered by the 99th percentile of the risk measures.
The test is based on the last twelve months data (250 daily observations). In case the number of exceptions in the previous year exceeds what forecasted by the confidence level assumed, a careful revision of model parameters and assumptions is initiated. Group Internal Validation performed the periodic validation of the VaR/SVaR framework to assess the compliance with regulatory requirements including an independent back-testing analysis complemented with different parameterisations and detailing the results for a set of representative portfolios of the Bank.

The IRC capital charge captures default risk as well as migration risk for un-securitised credit products held in the Trading book. The internally developed model simulates via multivariate version of a Merton-type model the rating migration events of all the issuers relevant to the Group trading positions over a capital horizon of one year. The transition probabilities and the sector correlations are historically calibrated, while idiosyncratic correlations are derived from the IRB correlation formula. Simulated migration events are turned into credit spread scenarios while default events are associated to a simulated recovery rate. In doing so a constant position assumption is employed and products are conservatively all attributed a common liquidity horizon of 1 year.

Part E - Information on risks and related hedging policies

In each scenario all the relevant product inventory is revaluated under such spread and default events producing a simulated profit or loss (P&L) that fully reflects convexity, basis risk, portfolio effects and portfolio concentration risks. In this way a high number of paths Monte Carlo simulation generates a P&L distribution for the Group (and each leaf of its portfolio tree).
IRC is defined as the 99.9 percentile of such loss distribution.
Additional capital charge for securitisations and credit products not covered by IRC is evaluated through the standardised approach.

The following table summarises the main characteristics of the different measures that define the capital requirement for market risk in UniCredit.

MEASURE	RISK TYPE	HORIZON	QUANTILE	SIMULATION	CALIBRATION
VaR	All Market Risk Factors	10d	99%	Historical	1Y window, equally weighted
SVaR	All Market Risk Factors	10d	99%	Historical	1Y window, equally weighted
IRC	Rating Migration & Default	1Y	99.9%	Monte Carlo	Through-the-cycle (min 16Y)

The IRC Model is subject to a quarterly program of Stress tests aimed at evaluating the robustness of the model. The relevant parameters as Recovery Rates, Transition Probabilities, idiosyncratic correlation, Credit Spread shocks are stressed and the impact on the IRC measure is computed.

“Group Internal Validation” performed its analyses to evaluate the conceptual soundness of the IRC model, to supplement the available analyses on that topic and to ensure the compliance of the resulting risk management environment with all the relevant regulatory requirements and internal standards. As already remarked by the regulation, traditional back-testing procedures, regarding the 99.9% one-year soundness standard for IRC, are not applicable due to the 1-year time horizon of the measure.
Consequently, while validation of the IRC model relied heavily on indirect methods (including stress tests, sensitivity analysis and scenario analysis) in order to assess the qualitative and quantitative reasonableness of the model, special focus has indeed been given to the specific situation of UniCredit portfolios.

“Group Internal Validation” Department kept the scope of their analyses as wide as possible in order to comprise the many diverse issues that are acting concurrently in such a model (general model design, regulatory compliance, numerical implementation, outcomes explanation). Group Internal Validation performed a full spectrum of validation analyses on the IRC measure calculation using its internal replica libraries. The replica allows a simple verification of the results provided by the productive environment, and in addition opens the door to a more dynamical and tailored implementation of the needed tests. The spectrum of analysis encompassed Monte Carlo stability, correlation analysis and stressing, assessment on portfolio concentration, calculation of parameters sensitivity, marginal contribution analysis, alternative models’ comparisons. All major parameters were tested, i.e., correlation matrices, transition probabilities matrices, transition shocks, recovery rates, probabilities of default, number of scenarios.
To understand the overall performance of the model in replicating the real-world migration and default phenomena, Group Internal Validation also performs a historical performance exercise comparing the migrations and defaults predicted by UniCredit IRC model with the ones actually observed since 1981 (due to data availability).

Banca d’Italia authorised UniCredit group to use internal models for the calculation of capital requirements for market risk. As of today, the Group legal entities within CEE countries are the ones that are mainly using the standardised approach for calculating capital requirements relating to trading positions. However, the VaR measure is used for the management of market risk in the abovementioned entities.

For Trading book VaR the bank differentiates between regulatory and managerial views. The managerial measure is used for Risk monitoring and Business steering purposes as prescribed by Market Risk Framework: in particular VaR limits represent the main metric translating the Risk Appetite into the Market Risk framework.

The managerial VaR has a wider scope: it is used to monitor both Trading book and Banking book perimeter (specifically FVtPL and FVtOCI positions), also including legal entities for which the standardised measurement method is applied for Regulatory purposes, in order to have a complete picture of risk through PL and capital.
Furthermore, the exposure coming from hedges of the XVA sensitivities is excluded from managerial VaR monitoring but included in the Regulatory VaR limits in order to allow a proper steering of Market Risk RWEA; additionally, respective sensitivities are closely monitored against XVA risk.

The standardised measurement method is also applied to the calculation of capital covering the risk of holding Banking book exposure in foreign currencies for UniCredit S.p.A., which does not have an approval for FX Risk simulation under Internal Model. In this respect the FX risk for both Trading and the Banking book is included in VaR and SVaR for Regulatory purposes as for the approved legal entities (UniCredit Bank GmbH and UniCredit Bank Austria AG); as regards the managerial view the FX Risk of Banking book is included in the Overall (Trading book and Banking book) VaR. UniCredit Internal Model Approach includes the Risk Not In Model Engine framework, that provides an estimate on the completeness of the risk factors included in VaR, SVaR and IRC. Although RNIME program shows that UniCredit IMA captures adequately the material price risks, since fourth quarter 2019 UniCredit computes via Stress Test a prudential capital add-on.

Part E - Information on risks and related hedging policies

To sum up, the Internal Model approach is used for Regulatory purposes for UniCredit S.p.A., UniCredit Bank GmbH, UniCredit Bank Austria AG, and UniCredit Bank Austria sub-group, while it is used for all legal entities (including CEE countries) for managerial purposes.
Finally Trading portfolios are subject to Stress tests according to a wide range of simple and complex scenarios. Simple scenarios which envisage the shock of single asset classes, are defined in the context of Interest Rate Risk/Price Risk/Exchange Rate Risk/Credit Spread Risk Sensitivity. Complex scenarios apply simultaneous changes on several risk factors. Both simple and complex scenarios are applied to the whole Trading book. Detailed descriptions are included in the paragraph on the Stress test.

Stress tests results are calculated in the Group Market Risk system, thus ensuring a common methodological approach across the Group. Results are calculated applying a full revaluation approach meaning that all positions are revalued under stressed conditions; no ad hoc models or pricing functions are applied for stress testing.

According to national regulations, some relevant scenarios are also a matter of regulatory reporting on a quarterly basis.
In addition, a set of scenarios is run monthly on overall Group perimeter, thus covering both Trading and Banking book positions. Results are discussed monthly in Market Risk Stress Test Open Forum involving Market Risk function's representatives of all the legal entities and Business' representatives.
Results are analysed in depth in the monthly report "Monthly Overview on Market Stress Test".
Stress test Warning levels Usage is monitored monthly. More details on Warning Levels and Strategy are given in the previous paragraph Risk management strategies and processes.

VaR, SVaR and IRC
Diversified VaR, SVaR and IRC are calculated taking into account the diversification arising from positions taken by different entities within the Imod perimeter (i.e., for which the use of the internal model for the risk calculation is approved). VaR is however in place for all the Legal Entities and its value is reported in Managerial VaR section for information purpose.
The VaR and SVaR reduction observed in the fourth quarter of 2024 is mostly driven by changes in the trading book positions related to the strategic transactions. While the IRC reduction observed in the third quarter of 2024 is mainly driven by changed exposure towards Republic of Italy in the trading book.

Risk on trading book

Daily VaR on Regulatory Trading Book

(€ million)

	27 DECEMBER	AVERAGE	2024			2023
I-MOD PERIMETER	2024	LAST 60 DAYS	AVERAGE	MAX	MIN	AVERAGE
Diversified UniCredit group	5.0	5.1	7.2	20.4	3.8	8.3

SVaR on Regulatory Trading Book

(€ million)

	27 DECEMBER	AVERAGE	2024			2023
I-MOD PERIMETER	2024	LAST 12 WEEKS	AVERAGE	MAX	MIN	AVERAGE
Diversified UniCredit group	17.1	17.7	15.4	47.3	7.3	13.4

IRC on Regulatory Trading Book

(€ million)

	27 DECEMBER	AVERAGE	2024			2023
I-MOD PERIMETER	2024	LAST 12 WEEKS	AVERAGE	MAX	MIN	AVERAGE
Diversified UniCredit group	33.6	48.0	55.8	112.6	24.4	95.2

Note:
End of month for Regulatory risk metrics refers to last Thursday of the month, differently from managerial metrics. End of 2024 refers to 27 December due to bank holiday on 28 December.

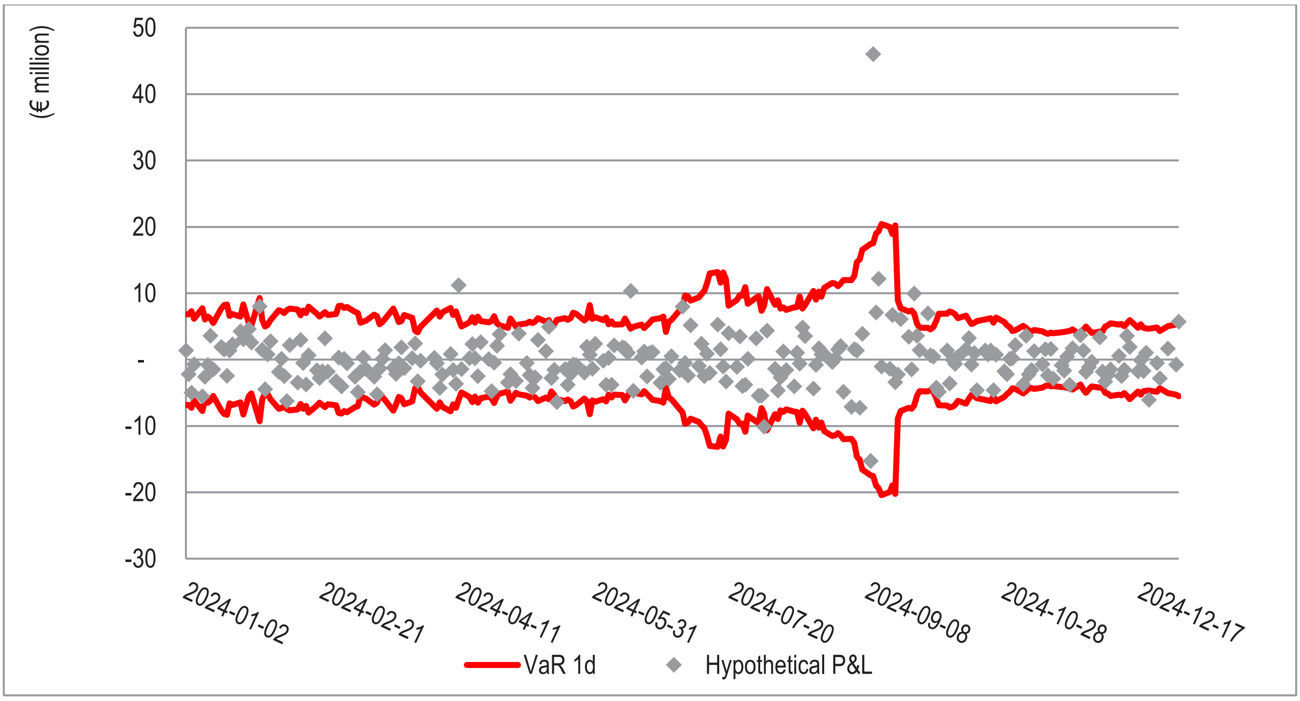
Part E - Information on risks and related hedging policies

EU MR4 Comparison of VaR estimates with gain/losses

The following graph shows back-testing results referred to the market risk on the Trading book, in which VaR results for the last twelve months are compared to the hypothetical "profit and loss" results for Group (I-Mod Perimeter).

During the second half of 2024, four overdrafts occurred at UniCredit group level:

- 1 August 2024 (hypothetical): the VaR overshooting is mainly driven by equity price movements in Unicredit S.p.A.;
- 27 September 2024 (actual): the VaR overshooting took place in the context of a regular update of Fair Value Adjustments (FVA), mostly affecting the Close-out-Cost component under UCB GmbH perimeter;
- 28 November 2024 (actual): the VaR overshooting took place in the context of a regular contribution of Fair Value Adjustments (FVA), IPV and EUREX-LCH adjustments under Unicredit Bank GmbH;
- 20 December 2024 (actual and hypothetical): the VaR overshooting is mainly driven by the combined market movements of several risk factors, mostly interest rates and equity price movements.



Part E - Information on risks and related hedging policies

Managerial VaR

Below are reported the Managerial Diversified Trading book VaR as of end of December 2024 at Group and Legal Entities levels and the Undiversified Trading book VaR at Group level, calculated as sum of the values of all Legal Entities (without considering diversification benefit). Difference with Regulatory Trading book was described above.

Daily VaR on Managerial Trading Book

(€ million)

TRADING BOOK	31 DECEMBER 2024
Diversified UniCredit group as per internal model	**3.6**
Germany	2.5
Italy	3.8
Central Europe	0.8
Austria	0.0
Czech Republic	0.8
Hungary	0.1
Slovenia	0.0
Eastern Europe	0.7
Bosnia	0.0
Bulgaria	0.1
Croatia	0.0
Romania	0.7
Russia	0.6
Serbia	0.1
Undiversified UniCredit group	**8.6**

Marginal Regulatory VaR

The table below provides a breakdown of 10-days VaR figure (i.e., referred to a 10-days' time horizon) according to the different market risks (debt, equity, FX, commodities) and its evolution during the year, in the form of template C24 of COREP.

Risk on Trading book by instruments classes

10-days VaR on Regulatory Trading book

(€ million)

	2024				2023
	Q1	Q2	Q3	Q4	Q4
Traded Debt Instruments	20.2	17.7	13.8	16.0	19.0
TDI - General Risk	22.6	18.1	12.7	14.2	18.9
TDI - Specific Risk	8.6	5.0	4.8	7.0	11.0
Equities	15.6	13.2	33.5	6.9	10.0
Equities - General Risk	-	-	-	-	-
Equities - Specific Risk	15.6	13.2	33.5	6.9	10.0
Foreign Exchange Risk	3.0	3.1	4.7	4.7	3.8
Commodities Risk	2.6	4.5	3.9	5.0	5.0
Total Amount For General Risk	**23.5**	**18.6**	**13.4**	**14.7**	**19.8**
Total Amount For Specific Risk	**17.4**	**12.1**	**33.1**	**9.7**	**13.4**

The VaR reduction observed in the fourth quarter of 2024 is mostly driven by changes in the trading book positions related to the strategic transactions.

Part E - Information on risks and related hedging policies

CVA

The CVA charge data values for the Trading book for the Group are reported below (as sum of the individual legal entities charges since the diversification benefit is not considered). The charge accounts for the credit-spread volatility affecting regulatory CVA. It consists of a VaR figure computed over the current window (CVA VaR) and a VaR figure computed over a stressed window (CVA SVaR).
For exposures not covered by the CCR Internal model (used to calculate CVA exposure profiles) the standardised approach (SA) is used. The mitigation of the XVA exposure across UniCredit group is managed by a dedicated CVA Desk, whose mandate is to provide a centralised Front Office service function with the responsibility for XVA pricing & exposure management for OTC derivatives. The CVA Desk actively hedges the exposure to risk factors within the prescribed limit framework in UniCredit S.p.A., UniCredit Bank GmbH and UniCredit Bank Austria AG.
Overall CVA RWEA remained relatively stable with respect to the first half of 2024.

Risk on Trading book

CVA Trading book

(€ million)

	2024				2023
	Q1	Q2	Q3	Q4	Q4
CVA	82.1	83.1	83.2	80.7	83.3
CVA VaR	11.6	9.8	10.2	9.6	13.3
CVA SVaR	37.5	43.0	47.8	47.7	35.1
CVA SA	33.0	30.4	25.1	23.4	34.9

2.2.1 Interest rate risk and price risk - Regulatory trading book

Qualitative information

Interest rate risk

A. General aspects

Interest rate risk arises from financial positions taken by Group specialist centres holding assigned market risk limits within certain levels of discretion. Regardless of use of the internal models in calculating capital requirements on market risks, risk positions in the Group are monitored and subject to limits assigned to the portfolios on the basis of managerial responsibilities and not purely on regulatory criteria.

B. Risk management processes and measurement methods

For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyse exposure, also refer to the introduction on internal models.
As regards Stress Test refer to the introduction on Risk Management Strategies and Processes and for the complex scenarios' description to Stress Test paragraph.
In addition to the monitoring of Granular Market Limits, Group Market Risk functions conduct sensitivity analysis at least on monthly basis, in order to determine the effect on the Income statement of changes in the value of individual risk factors or several risk factors of the same type.
Additionally, to the sensitivity of financial instruments to changes in the underlying risk factor, the sensitivity to the volatility of interest rates is also calculated assuming positive and negative shifts of 30% in volatility curves or matrices.

Price risk

A. General aspects

Price risk relating to equities, commodities, C.I.U and related derivative products included in the Trading book originates from positions taken by Group specialist centres holding assigned market risk limits within certain levels of discretion.
Price risk deriving from own trading of these instruments is managed using both directional and relative value strategies via direct sale and purchase of securities, regulated derivatives and OTCs and recourse to security lending. Volatility trading strategies are implemented using options and complex derivatives.

B. Risk management processes and measurement methods

For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyse exposure, refer to the introduction on internal models.
As regards stress test refers to the introduction on "Risk management strategies and processes" and for the complex scenarios' description to the "Stress test" paragraph.

Part E - Information on risks and related hedging policies

Quantitative information

1. Regulatory trading portfolio: distribution by residual duration (re-pricing date) of financial assets and liabilities for cash and financial derivatives

The table is not reported since a table showing Interest Rate sensitivity is described below, in accordance with Internal Model.

2. Regulatory trading portfolio: distribution of equity exposures and equity indices for the main listing countries

The table is not reported since a table showing price risk sensitivity is described below, in accordance with Internal Model.

3. Regulatory trading portfolio: internal models and other methods for sensitivity analysis

For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyse exposure, also refer to the introduction on internal models.

Interest rate risk

Interest rate risk sensitivity

Sensitivity to changes in interest rates is determined using both parallel shifts of interest-rate curves, and changes in the curve itself.
The curves are analysed using parallel shifts of ±1 bp/±10 bps and ±100 bps.
For each 1 bp shift, sensitivity is calculated for a series of time-buckets. Sensitivity for changes in the steepness of the rate curve is analysed by clockwise turning (Turn CW), i.e. an increase in short-term rates and a simultaneous fall in long-term rates, and by counter-clockwise turning (Turn CCW), whereby short-term rates fall and long-term rates rise.
In particular, clockwise and counter-clockwise turning use the following changes in absolute terms:
- +50 bps/-50 bps for the one-day bucket;
- 0 bps for the one-year bucket;
- -50 bps/+50 bps for the 30-year plus bucket;
- for buckets between the above ones, the change to be set is found by linear interpolation.

The Group also calculates sensitivity to the volatility of Interest Rate assuming a positive shift of 30% or negative change of 30% in volatility curves or matrixes.

The tables below show trading book sensitivities.

(€ million)

INTEREST RATES	+1BP LESS THAN 1 MONTH	+1BP 1 MONTH TO 6 MONTHS	+1BP 6 MONTHS TO 1 YEAR	+1BP 1 YEAR TO 5 YEARS	+1BP 5 YEARS TO 10 YEARS	+1BP 10 YEARS TO 20 YEARS	+1BP OVER 20 YEARS	+1 BP TOTAL	-10 BP	+10 BP	-100 PB	+100 BP	CW	CCW
Total	**-0.1**	**0.9**	**-0.3**	**-0.4**	**0.4**	**-0.4**	**-0.1**	**0.0**	**-2.8**	**3.1**	**2.1**	**22.0**	**29.5**	**-20.7**
of which: EUR	-0.1	0.9	-0.0	-0.3	0.3	-0.5	-0.1	**0.2**	-4.6	4.8	-14.3	40.1	34.2	-25.4
USD	-0.0	-0.0	-0.3	0.0	0.2	0.1	-0.0	**-0.0**	0.3	-0.3	2.8	-3.1	-5.8	5.8
GBP	0.0	-0.0	-0.0	-0.0	0.0	0.0	-0.0	**-0.1**	0.7	-0.7	6.7	-7.0	-0.6	0.6
CHF	-0.0	0.0	0.0	-0.0	-0.0	-0.0	0.0	**-0.0**	0.4	-0.4	4.0	-3.9	0.4	-0.4
JPY	-0.0	0.0	0.0	-0.0	0.0	-0.0	-0.0	**0.0**	-0.3	0.3	-2.6	2.5	0.3	-0.3

(€ million)

	-30%	+30%
Interest Rates	**-28.6**	**11.9**
EUR	-27.9	11.1
USD	-0.7	0.8

Part E - Information on risks and related hedging policies

Price risk

Share-price sensitivity
Share-price sensitivity is expressed in two ways:
- as a “Delta cash-equivalent”, i.e. the euro equivalent of the quantity of the underlying that would expose the bank to the same risk arising from its actual portfolio;
- as the economic result of a rise or fall in spot prices of 1%, 10% and 20%.

The Delta cash-equivalent and the Delta 1% (i.e. the economic impact of a 1% rise in spot prices) are calculated both for each geographical region (assuming that all stock markets in the region are perfectly correlated) and on the total (assuming therefore that all stock markets are perfectly correlated). The sensitivity arising from changes of 10% and 20% is calculated solely on the total.
The Group also calculates sensitivity to the volatility of equities assuming a positive shift of 30% or negative change of 30% in volatility curves or matrixes.
In addition, sensitivity to commodity price changes is calculated according to the above criteria. Given its secondary importance as compared to other risk exposures, this is calculated as a single class.

The tables below show Trading book sensitivities.

(€ million)

EQUITIES ALL MARKETS	DELTA CASH-EQUIVALENT	-20%	-10%	-1%	+1%	+10%	+20%
Europe	-91.4	-	-	-	-0.9	-	-
USA	113.5	-	-	-	1.1	-	-
Japan	1.8	-	-	-	0.0	-	-
Asia ex-Japan	-1.6	-	-	-	0.0	-	-
Latin America	0.0	-	-	-	0.0	-	-
Other	-31.3	-	-	-	-0.3	-	-
Total	**-9.0**	**-32.3**	**-0.7**	**-0.1**	**-0.1**	**8.9**	**32.8**
Commodity	**4.6**	**-1.4**	**0.0**	**0.0**	**0.0**	**0.3**	**0.4**

(€ million)

	-30%	+30%
Equities	**-19.7**	**20.8**

2.2.2 Interest rate risk and price risk - Banking book

Qualitative information

Interest rate risk

A. General aspects, operational processes and methods for measuring interest rate risk and price risk

a) Interest rate risk refers to the current or future risk to the bank's capital and earnings arising from unfavorable movements in interest rates that affect the bank's positions. As interest rates change, the present value and timing of future cash flows change and this, in turn, changes the underlying value of a bank's assets, liabilities and off-Balance sheet items and therefore its economic value. Changes in interest rates also affect the formation of the interest margin and, consequently, the bank's profits.
Dedicated interest rate risk monitoring and management procedures are applied to all positions sensitive to changes in interest rates, excluding portfolios held for trading and Defined Benefit Obligations (DBO) portfolio for which a specific framework within the market risk management is envisaged.
The main sources of interest rate risk can be classified as follows:

- “Gap” risk: arises from the term structure of the banking book; this is the risk that is generated from different timings in the rate changes of the instruments. The extent of the change in the "gap" also depends on the linearity of the change in the term structure of rates, which can occur consistently across the entire rate curve (parallel risk) or differently from period to period of the curve (non-parallel risk). The “gap” risk also includes the repricing risk, i.e., the risk of changes in the interest margin which occurs when the rate of a financial contract resets; the same also refers to the yield curve risk, which occurs when a shift in an interest rate curve impacts the economic value of the assets and liabilities sensitive to interest rate risk.
- Basis risk: it can be divided into two types of risk:
  - “tenor” risk: derives from the mismatch between the maturity of the instrument and changes in interest rates;
  - currency risk: derives from the potential lack of compensation between interest rate sensitivities emerging from different currencies;
- Option risk: derives from positions in derivatives or from optional elements incorporated in many assets, liabilities and off-Balance sheet items of the bank, where either the bank or the customer have the right to change the amount and timing of cash flows.

b) The Group Financial and Credit Risk Committee is responsible for defining the operational strategy for managing the interest rate risk of the banking book, including the strategy for managing the capital and the structural gap between assets and liabilities not sensitive to the interest rate.
The management of the interest rate risk of the banking book is also aimed at guaranteeing the reduction of the negative impacts on the long-term interest margins, due to the volatility of interest rates, to achieve a flow of profits and a return on capital consistent with the strategic plan. The strategy does not envisage any directional or discretionary positioning aimed at generating additional profits, unless approved by the competent bodies and monitored separately. The only exception refers to the functions authorized to take positions on interest rates within the limits approved by the Risk Committees.
The treasury functions manage the interest rate risk stemming from commercial transactions while maintaining the exposure within the limits set by the Risk Committees.
Limits and alert thresholds are defined for each Bank or Group Company in terms of sensitivity to the economic value or interest margin. The set of metrics is defined according to the level of complexity of the Company's business and each of the banks or companies of the Group is responsible for managing the exposure to interest rate risk within the defined limits.
At consolidated level, the Group Risk Management function is responsible for measuring interest rate risk, which reports to the Group Financial and Credit Risk Committee the interest rate risk of the banking book exposures and analysis, on a monthly basis.

The interest rate risk management strategy is established considering also the main impacts deriving from the behavioral aspects of customers, which can impact on the value of interest margins and the economic value of the banking book, such as the example of early repayments of disbursed loans ("prepayment") and the stability of on demand items.
The monitoring activity is coupled with constant Stress Testing aimed at verifying compliance with the limits under more severe stress scenarios from those expected and occurred in the market. The calibration and monitoring of stress test scenarios takes place at least annualy.
The Internal Validation functions periodically carries out an independent assessment of the correct application of the measurement methodology applied by the risk functions within the monitoring perimeter of the banking book including behavioral assumptions.
The Audt functions ensure the adequacy and compliance with regulatory and internal regulations, at least with an annual frequency.

c) The interest rate risk is monitored daily in terms of the sensitivity of the economic value, for an instantaneous and parallel shock of +1 basis point of the term structure of the interest rates. The function responsible for managing interest rate risk checks on a daily basis the use of the limits for exposure to interest rate risk following a 1 bp shock. The basis risk and the risk emerging from options are also measured daily respectively by the "IR Basis" and "IR Vega" metrics. On a monthly basis, the sensitivity of the Economic Value is monitored for more severe parallel and non-parallel shocks on the term structure of interest rates and that of the interest margin, as described in the previous paragraph.

Part E - Information on risks and related hedging policies

d) The measurement of interest rate risk includes:
- the sensitivity analysis of interest margins to changes in interest rates: a constant Balance sheet analysis (under the assumption that positions remain constant during the period), and a simulation of the impact on the interest margin for the current period, that also considering the elasticity assumptions for items on demand. Furthermore, with the simulation analysis is assessed the impact on income of different shocks of the interest rate curves, including the Supervisory Outlier Test scenarios prescribed in the EBA Guidelines (EBA/GL/2022/14) and other instantaneous parallel rate scenarios. Additional scenarios are simulated to consider basis risk and other non-parallel shocks;
- the analysis of the sensitivity of the Economic Value to changes in interest rates: it includes the calculation of duration measures, sensitivity of the economic value of the Balance sheet items for the different points of the curve, as well as the impact on the economic value deriving from large changes in market rates, in accordance with the SOT scenarios required by the above EBA Guidelines.

e) The assumptions and parameters of the behavioral models used for the internal measurement systems are the same used to generate the regulatory exposures published in EU IRRBB1 template.

f) The mitigation of the interest rate risk and the hedging activities of the banking book are carried out through the use of regulated or Over the Counter (OTC) derivatives with an underlying interest rate. The optimization of the natural hedge of the assets with the bank's liabilities is managed by the Treasury function in each legal entity. The remaining interest rate risk is mainly transferred from regulatory banking book to regulatory trading book optimizing group's hedging costs and market execution. Derivative contracts hedging the interest rate risk of the banking book and not held for trading are recognized in the accounts as cash flow hedges or fair value hedges.

g) The presence and effects of behavioral options in the Balance sheet are taken into consideration through the development and application of behavioral models. The maturity profile as well as the repricing profile of non-maturity deposits takes into account the identification of the "stable" portion of the balances that is the amount of the deposit that could represent a stable source of financing despite the short contractual maturity, and the identification of the "core" part of the deposits that is the amount of the deposits which is stable and unlikely to reprice even under significant changes in the interest rates environment and/or other deposits with limited elasticity to interest rate changes. Both components are estimated through statistical models evaluating the stability of the volume and elasticity of the customer rate (i.e. the beta parameter). Hedging strategy for core deposits is proposed by Finance and approved by the Group Financial and Credit Risk Committee. Such strategy aims to optimize the NII over time within IRRBB RAF framework; a prudent stance is kept in determining the volume and duration of the hedging strategy to limit over-hedging risk. The maturity profile, as well as the average repricing maturity of mortgages and retail loans, both take into account the optionality of the advance payment, which is assessed through the statistical estimate of the CPR (conditional early repayment rate) on the loan portfolio.

h) The scenarios used in the EU IRRBB1 template related to the change in both economic value and interest margin correspond to the scenarios of the Supervisory Outlier Test required by the EBA Guidelines (EBA/GL/2022/14).

i) The average repricing maturity assigned to non-maturity deposits is 2.8 years (the longest repricing maturity is up to 40 years for a residual part of the portfolio naturally hedging assets in some countries).

Price risk

A. General aspects, operational processes and methods for measuring price risk
Banking Book price risk primarily originates from equity interests held by the Parent Company and its subsidiaries as stable investments, as well as units in mutual investment funds not included in the Trading Book as they are also held as stable investments.
For Stress Test refer to the introduction on Risk Management Strategies and Processes paragraph and for the complex scenarios' description to Stress Test paragraph.

Part E - Information on risks and related hedging policies

Quantitative information

1. Banking book: breakdown by maturity (repricing date) of financial assets and liabilities

(€ million)

	AMOUNTS AS AT 31.12.2024							
TYPE/RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	INDEFINITE MATURITY
1. On-balance sheet assets	**92,537**	**207,230**	**48,629**	**28,982**	**138,787**	**99,899**	**53,746**	**270**
1.1 Debt securities	3,281	27,790	10,993	7,101	58,363	55,326	12,294	3
- With prepayment option	-	212	92	10	1,689	792	97	-
- Other	3,281	27,578	10,901	7,091	56,674	54,534	12,197	3
1.2 Loans to banks	18,997	29,684	7,070	3,279	5,894	148	5	-
1.3 Loans to customers	70,259	149,756	30,566	18,602	74,530	44,425	41,447	267
- Current accounts	21,419	1,755	143	106	257	21	449	-
- Other loans	48,840	148,001	30,423	18,496	74,273	44,404	40,998	267
- With prepayment option	2,553	48,351	15,312	5,138	18,615	11,109	11,607	-
- Other	46,287	99,650	15,111	13,358	55,658	33,295	29,391	267
2. On-balance sheet liabilities	**403,899**	**138,618**	**23,453**	**19,686**	**57,012**	**25,928**	**8,075**	**156**
2.1 Deposits from customers	380,866	88,110	12,814	6,928	3,198	1,046	1,245	100
- Current accounts	362,776	3,377	760	349	264	186	23	33
- Other	18,090	84,733	12,054	6,579	2,934	860	1,222	67
- With prepayment option	384	-	-	1	1	-	-	-
- Other	17,706	84,733	12,054	6,578	2,933	860	1,222	67
2.2 Deposits from banks	18,907	30,705	3,671	2,663	7,636	3,616	256	-
- Current accounts	9,422	38	1	2	12	-	-	-
- Other	9,485	30,667	3,670	2,661	7,624	3,616	256	-
2.3 Debt secuties in issue	1,725	15,117	6,881	9,941	45,634	21,163	6,564	-
- With prepayment option	-	574	-	151	5,283	862	435	-
- Other	1,725	14,543	6,881	9,790	40,351	20,301	6,129	-
2.4 Other liabilities	2,401	4,686	87	154	544	103	10	56
- With prepayment option	-	-	-	-	126	-	-	-
- Other	2,401	4,686	87	154	418	103	10	56
3. Financial derivatives								
3.1 With underlying security								
- Option								
+ Long positions	897	1,332	941	1,324	-	-	-	-
+ Short positions	1,947	1,355	917	276	-	-	-	-
- Other derivates								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Option								
+ Long positions	-	1,442	119	20	-	40	4	-
+ Short positions	-	1,444	120	20	-	40	4	-
- Other derivatives								
+ Long positions	95,985	297,887	61,118	77,833	171,020	95,585	22,949	-
+ Short positions	97,253	311,751	66,482	73,319	165,988	80,397	26,957	-
4. Other off-balance sheet transactions								
+ Long positions	104,485	28,456	2,082	3,438	5,311	1,586	5,084	4,327
+ Short positions	116,381	19,573	2,392	3,322	3,471	928	4,088	4,326

Part E - Information on risks and related hedging policies

1. Banking book: breakdown by maturity (repricing date) of financial assets and liabilities - Currency: euro

(€ million)

	AMOUNTS AS AT 31.12.2024							
TYPE/RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	INDEFINITE MATURITY
1. On-balance sheet assets	**73,710**	**177,068**	**44,326**	**25,777**	**120,755**	**88,921**	**50,066**	**251**
1.1 Debt securities	745	24,795	9,934	5,866	49,808	47,465	9,629	1
- With prepayment option	-	88	92	10	1,616	792	97	-
- Other	745	24,707	9,842	5,856	48,192	46,673	9,532	1
1.2 Loans to banks	16,551	14,584	5,351	3,175	5,872	120	2	-
1.3 Loans to customers	56,414	137,689	29,041	16,736	65,075	41,336	40,435	250
- Current accounts	18,997	1,368	132	78	249	21	448	-
- Other loans	37,417	136,321	28,909	16,658	64,826	41,315	39,987	250
- With prepayment option	2,510	47,742	14,849	4,918	17,717	10,420	11,596	-
- Other	34,907	88,579	14,060	11,740	47,109	30,895	28,391	250
2. On-balance sheet liabilities	**357,038**	**121,274**	**21,626**	**18,229**	**53,757**	**22,501**	**6,606**	**113**
2.1 Deposits from customers	339,056	74,826	11,113	5,742	2,871	812	1,218	58
- Current accounts	322,457	3,127	719	307	117	79	23	7
- Other	16,599	71,699	10,394	5,435	2,754	733	1,195	51
- With prepayment option	384	-	-	1	1	-	-	-
- Other	16,215	71,699	10,394	5,434	2,753	733	1,195	51
2.2 Deposits from banks	14,429	27,634	3,617	2,648	7,535	3,606	251	-
- Current accounts	7,650	18	1	2	12	-	-	-
- Other	6,779	27,616	3,616	2,646	7,523	3,606	251	-
2.3 Debt secuties in issue	1,307	14,128	6,809	9,687	42,817	17,984	5,128	-
- With prepayment option	-	574	-	151	5,283	862	435	-
- Other	1,307	13,554	6,809	9,536	37,534	17,122	4,693	-
2.4 Other liabilities	2,246	4,686	87	152	534	99	9	55
- With prepayment option	-	-	-	-	126	-	-	-
- Other	2,246	4,686	87	152	408	99	9	55
3. Financial derivatives								
3.1 With underlying security								
- Option								
+ Long positions	897	1,332	941	1,324	-	-	-	-
+ Short positions	1,947	1,355	917	276	-	-	-	-
- Other derivates								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Option								
+ Long positions	-	1,442	119	20	-	40	4	-
+ Short positions	-	13	7	20	-	40	4	-
- Other derivatives								
+ Long positions	94,302	296,294	56,829	76,126	155,565	92,553	22,637	-
+ Short positions	97,253	307,162	57,342	72,808	159,585	74,418	23,643	-
4. Other off-balance sheet transactions								
+ Long positions	100,004	27,734	1,502	1,823	3,958	1,139	3,131	4,180
+ Short positions	111,757	18,811	1,848	1,760	2,172	569	2,218	4,179

Part E - Information on risks and related hedging policies

1. Banking book: breakdown by maturity (repricing date) of financial assets and liabilities - Currency: other currencies

(€ million)

	AMOUNTS AS AT 31.12.2024							
TYPE/RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	INDEFINITE MATURITY
1. On-balance sheet assets	**18,827**	**30,162**	**4,303**	**3,205**	**18,032**	**10,978**	**3,680**	**19**
1.1 Debt securities	2,536	2,995	1,059	1,235	8,555	7,861	2,665	2
- With prepayment option	-	124	-	-	73	-	-	-
- Other	2,536	2,871	1,059	1,235	8,482	7,861	2,665	2
1.2 Loans to banks	2,446	15,100	1,719	104	22	28	3	-
1.3 Loans to customers	13,845	12,067	1,525	1,866	9,455	3,089	1,012	17
- Current accounts	2,422	387	11	28	8	-	1	-
- Other loans	11,423	11,680	1,514	1,838	9,447	3,089	1,011	17
- With prepayment option	43	609	463	220	898	689	11	-
- Other	11,380	11,071	1,051	1,618	8,549	2,400	1,000	17
2. On-balance sheet liabilities	**46,861**	**17,344**	**1,827**	**1,457**	**3,255**	**3,427**	**1,469**	**43**
2.1 Deposits from customers	41,810	13,284	1,701	1,186	327	234	27	42
- Current accounts	40,319	250	41	42	147	107	-	26
- Other	1,491	13,034	1,660	1,144	180	127	27	16
- With prepayment option	-	-	-	-	-	-	-	-
- Other	1,491	13,034	1,660	1,144	180	127	27	16
2.2 Deposits from banks	4,478	3,071	54	15	101	10	5	-
- Current accounts	1,772	20	-	-	-	-	-	-
- Other	2,706	3,051	54	15	101	10	5	-
2.3 Debt secuties in issue	418	989	72	254	2,817	3,179	1,436	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	418	989	72	254	2,817	3,179	1,436	-
2.4 Other liabilities	155	-	-	2	10	4	1	1
- With prepayment option	-	-	-	-	-	-	-	-
- Other	155	-	-	2	10	4	1	1
3. Financial derivatives								
3.1 With underlying security								
- Option								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivates								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Option								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	1,431	113	-	-	-	-	-
- Other derivatives								
+ Long positions	1,683	1,593	4,289	1,707	15,455	3,032	312	-
+ Short positions	-	4,589	9,140	511	6,403	5,979	3,314	-
4. Other off-balance sheet transactions								
+ Long positions	4,481	722	580	1,615	1,353	447	1,953	147
+ Short positions	4,624	762	544	1,562	1,299	359	1,870	147

Part E - Information on risks and related hedging policies

2. Banking book: internal models and other methods for sensitivity analysis

Interest Rate Risk

The economic value and net interest income sensitivity to a change in interest rate is computed as described in EBA guidelines (EBA/GL/2022/14) and in regulation update (2024/856) that adopts the Regulatory Technical Standard on SOTs.

The EU IRRBB1 template reported below, contains the interest rate risk exposure metrics as of 31 December 2024 and 31 December 2023. For the descriptions of the scenarios refer to Qualitative information - Interest rate risk section. Regarding the sensitivity of the economic value of shareholders' equity the worst of the six SOT scenarios is the Short rates up and for that scenario a sudden change in interest rates, differentiated by currencies and time buckets, is applied. The sensitivity of the economic value of shareholders' equity of the worst of the six SOT scenarios as at 31 December 2024 was equal to €-2,038 million. The economic value of shareholders' equity sensitivity change in 2024 is mainly driven by the evolution of replicating strategy mostly in UniCredit S.p.A. and UCB GmbH.

As at 31 December 2024, the net interest income sensitivity (with annual time-horizon and constant balance-sheet) for the worst of two SOT scenarios (Parallel down) was equal to €-1,706 million. The Parallel down scenario apply immediate and parallel change in interest rates differentiated by currencies (e.g. -200 bps for EUR and USD, -300 bps for HUF etc.). The net interest income sensitivity in 2024 remained almost stable.

Template EU IRRBB1 - Interest rate risks on positions not held in the trading book

(€ million)

		a	b	c	d
		CHANGES OF THE ECONOMIC VALUE OF EQUITY		CHANGES OF THE NET INTEREST INCOME	
SUPERVISORY SHOCK SCENARIOS		31.12.2024	31.12.2023	31.12.2024	31.12.2023
1	Parallel up	(2,025)	(2,614)	600	581
2	Parallel down	124	476	(1,706)	(1,726)
3	Steepener	1,090	879		
4	Flattener	(1,776)	(1,841)		
5	Short rates up	(2,038)	(2,282)		
6	Short rates down	722	781		

Note:
The template above is prepared according to Regulation (EU) 631/2022 of 13 April 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 637/2021 as regards the disclosure of exposures to interest rate risk on positions not held in the trading book.

As at 31 December 2024 the net interest income sensitivity to an immediate and parallel change in interest rates of +100 bps was equal to €+610 million, while the sensitivity to an immediate and parallel change in interest rates of -100 bps was equal to €-711 million.

Sensitivity of the net interest income to the +/-100bps scenarios

(€ million)

		a	b
		CHANGES OF THE NET INTEREST INCOME	
INTEREST RATE RISK SCENARIOS		31.12.2024	31.12.2023
1	NII +100bps	610	647
2	NII -100bps	(711)	(753)

Note:
With respect to the disclosure published on 31 December 2023, the NII+/-50 bps scenarios have been removed and the NII-100 bps scenario has been introduced.

Part E - Information on risks and related hedging policies

Sensitivity of the net interest income to the +100bps scenario

(€ million)

		a	b
		CHANGES OF THE NET INTEREST INCOME	
SCENARIO PER CURRENCY		31.12.2024	31.12.2023
1	**Total**	**610**	**647**
2	Euro (EUR)	550	556
3	US Dollar (USD)	28	(9)
4	Hungarian Forint (HUF)	16	16
5	Other currencies	16	84

Note:
With reference to the disclosure published as at 31 December 2023, the Czech Republic Koruna (CZK) currency has been reclassified under the item "Other currencies" while United States Dollar (USD) previously reported in Other currencies is now explicit in the above table.

2.2.3 Exchange rate risk

Qualitative information

A. General aspects, risk management processes and measurement methods of the exchange risk
Exchange rate risk originates both from banks in the Group operating in currency areas other than the Eurozone and from positions taken by specialist centres holding the Group's market risk within the limits assigned.

Risk deriving from own trading of these instruments is managed using both directional and relative value strategies via direct sale and purchase of securities, regulated derivatives and OTC. Volatility trading strategies are implemented using options. Exchange rate risk is constantly monitored and measured by using internal models developed by Group companies.
For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyse exposure, refer to the introduction on internal models. These models are also used to calculate capital requirements on market risks due to the exposure to such risk.
As regards stress test refer to the introduction on “Risk management strategies and processes” paragraph and for the complex scenarios’ description to “Stress test” paragraph.

B. Hedging exchange risk
The exchange risk hedging activity within the Trading book is aimed at keeping the FX risk within the defined Granular and Global limits.
Regarding banking book, the Group adopts hedge strategies for profits and dividends arising from its subsidiaries not belonging to the euro zone, considering market circumstances for the hedging strategies.

Part E - Information on risks and related hedging policies

Quantitative information

1. Distribution by currency of assets and liabilities and derivatives

(€ million)

	AMOUNTS AS AT 31.12.2024					
	CURRENCIES					
ITEMS	EURO	CZECH KORUNA	U.S. DOLLAR	BRITISH POUND	HUNGARIAN FORINT	OTHER CURRENCIES
A. Financial assets	**28,915**	**872**	**34,366**	**4,168**	**182**	**12,973**
A.1 Debt securities	2,737	345	15,839	394	13	5,414
A.2 Equity securities	-	-	954	394	-	676
A.3 Loans to banks	2,318	97	4,825	152	62	2,803
A.4 Loans to customers	23,783	429	12,726	3,217	107	4,037
A.5 Other financial assets	77	1	22	11	-	43
B. Other assets	**319**	**39**	**395**	**8**	**3**	**28**
C. Financial liabilities	**23,274**	**313**	**32,262**	**1,277**	**119**	**3,272**
C.1 Deposits from banks	1,096	1	8,844	207	6	195
C.2 Deposits from customers	19,848	213	15,075	1,043	85	2,664
C.3 Debt securities in issue	2,164	99	8,036	25	28	204
C.4 Other financial liabilities	166	-	307	2	-	209
D. Other liabilities	**320**	**4**	**264**	**11**	**7**	**32**
E. Financial derivatives						
- Options						
+ Long positions	270	36	2,324	1,057	10	342
+ Short positions	229	1,016	2,454	1,114	229	885
- Other derivatives						
+ Long positions	3,572	9,660	174,133	28,914	2,645	50,199
+ Short positions	2,550	3,784	178,202	30,163	1,074	60,107
Total assets	**33,076**	**10,607**	**211,218**	**34,147**	**2,840**	**63,542**
Total liabilities	**26,373**	**5,117**	**213,182**	**32,565**	**1,429**	**64,296**
Difference (+/-)	**6,703**	**5,490**	**(1,964)**	**1,582**	**1,411**	**(754)**

2. Internal models and other methodologies for sensitivity analysis

Transactional FX risk (impact of fluctuations in foreign exchange rates on the Group's Profit & Loss in the period) measurement and reporting is part of the Group´s market risk framework.
In UGM, transactional exchange risk exposures are incorporated in the relevant risk calculation, limit monitoring and reporting. Every Legal Entity is required to setup, as part of the respective Market Risk framework, a sound limit system for managing and controlling Transactional Exchange Risk.
As a minimum requirement, the limit system shall envisage FX Delta limits for the main currencies which the business is exposed to or for aggregation of currencies.
FX Delta limits are part of the Granular Market Risk Limits and are ruled by the Group Policy "Group Market Risk Governance Guidelines".

Part E - Information on risks and related hedging policies

Credit spread risk

Qualitative information

A. General aspects
Risk relating to credit spreads and related credit derivative products included in Trading book originates from positions taken by Group specialist centres holding assigned market risk limits within certain levels of discretion.
Risk deriving from own trading of these instruments is managed using both directional and relative value strategies via direct sale and purchase of securities, regulated derivatives and OTC.

B. Risk management processes and measurement methods
For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyse exposure, refer to introduction on internal models, Notes to the consolidated account, Part E - Information on risks and related hedging policies, 2.2 Market risk. As regards Stress Test refer to the introduction on “Risk management strategies and processes” and for the complex scenarios’ description to “Stress test” paragraph, Notes to the consolidated account, Part E - Information on risks and related hedging policies, 2.2 Market risk.

Quantitative information

Credit spread sensitivity
Credit spread sensitivity is calculated by assuming a worsening of creditworthiness seen in a parallel shift of +1 bp/+10 bp/+100 bps in the credit spread curves.
These sensitivities are calculated both inclusively, assuming a parallel shift of all the credit spread curves, and in respect of specific rating classes and economic sectors.

The table below shows Trading book sensitivities.

(€ million)

	+1BP LESS THAN 1 MONTH	+1BP 1 MONTH TO 6 MONTHS	+1BP 6 MONTHS TO 1 YEAR	+1BP 1 YEAR TO 5 YEARS	+1BP 5 YEARS TO 10 YEARS	+1BP 10 YEARS TO 20 YEARS	+1BP OVER 20 YEARS	+1 BP TOTAL	+10BP	+100BP
Total	**-0.0**	**0.0**	**0.0**	**0.6**	**0.1**	**-0.1**	**0.0**	**0.7**	**6.5**	**63.7**
Rating										
AAA	-0.0	-0.0	-0.0	-0.1	-0.1	0.0	0.1	-0.1	-0.8	-10.3
AA	0.0	0.0	0.0	0.1	0.1	-0.1	-0.1	0.0	0.4	7.1
A	-0.0	0.0	-0.0	0.2	-0.0	0.0	-0.0	0.2	2.0	19.0
BBB	-0.0	0.0	0.0	0.5	-0.0	-0.1	0.1	0.5	5.0	48.5
BB	-0.0	-0.0	-0.0	0.0	-0.0	0.0	0.0	-0.0	-0.0	-0.2
B	0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0	-0.0	-0.0	-0.4
CCC and NR	0.0	-0.0	-0.0	0.0	-0.0	-0.0	0.0	0.0	0.0	0.0
Sector										
Sovereigns & Related	-0.0	0.0	-0.0	-0.0	0.1	-0.1	-0.0	-0.0	-0.2	-1.3
ABS and MBS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial Services	-0.0	0.0	0.0	0.2	-0.1	-0.0	0.1	0.2	1.9	19.0
All Corporates	-0.0	-0.0	-0.0	0.4	0.0	0.0	0.0	0.5	4.8	45.9
Basic Materials	0.0	0.0	-0.0	0.0	0.0	0.0	0.0	0.0	0.3	3.3
Communications	0.0	-0.0	-0.0	0.1	-0.0	-0.0	0.0	0.1	0.6	6.2
Consumer Cyclical	0.0	-0.0	-0.0	0.1	0.0	0.0	0.0	0.1	1.3	12.3
Consumer Non cyclical	-0.0	0.0	0.0	0.1	-0.0	0.0	0.0	0.1	0.9	8.5
Energy	0.0	-0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	2.3
Technology	0.0	0.0	0.0	0.0	-0.0	0.0	0.0	0.0	0.0	0.4
Industrial	0.0	-0.0	0.0	0.1	0.0	0.0	0.0	0.1	1.0	9.2
Utilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	4.1
All other Corporates	0.0	-0.0	-0.0	0.0	0.0	0.0	0.0	0.0	1.1	31.0

Part E - Information on risks and related hedging policies

Stress test

Stress tests complement the sensitivity analysis and VaR results in order to assess the potential risks in a different way. A stress test performs the evaluation of a portfolio under both simple scenarios (assuming change to single risk factors) and complex scenarios (assuming simultaneous changes in a number of risk factors).

The description of complex scenarios, which combine changes in interest rate, price, exchange-rate and credit spread risk factors is reported below. For the description of simple scenarios, refer to the previous paragraphs.
As far as complex scenarios are concerned, different scenarios have been applied to the Trading book and Banking book (specifically FVtPL and FVtOCI positions) on a monthly basis and reported to the Top Management.

Recession Scenario

In this scenario, we assume that an intensification of geopolitical tensions in the Middle East and Ukraine pushes up the price of oil and natural gas, while causing shortages and delays in delivery times as pressure on supply chains builds. The negative supply shock hits western economies when activity is already weak (eurozone) or is about to decelerate (US) due to restrictive monetary policy. The shock tips the eurozone into a recession, given its openness and geographical proximity, while the US is less affected.
In the eurozone, the contraction in GDP causes a marked increase in unemployment as firms face shrinking margins and can no longer afford to hoard labor. The output gap turns deeply negative and underlying price pressures weaken fast, more than offsetting the impulse from supply shocks. In turn, weaker demand eases the pressure on energy prices and supply chains.
We assume that disinflationary forces prevail overall, leading central banks to cut interest rates more aggressively than in the baseline scenario. In terms of timing, we assume that the shock starts in 2025.

In the eurozone, activity starts contracting in 2025 (-0.6%) and the recession deepens in 2026 (-1.3%). This is followed by a tentative recovery in 2027 (+0.5%) as rate cuts feed through while supply-side shocks fade. The cumulative hit to GDP growth is 4.8 pp.

Eurozone inflation declines below the ECB's 2% goal throughout the forecast horizon, as the effects of demand weakness and a widening of the output gap prevail over supply-side shocks.
Overall, inflation settles a cumulative 1 pp below the baseline. Inflation expectations drift lower, increasing pressure on the ECB to cut rates swiftly.

The ECB cuts rates aggressively, lowering the deposit rates to 1.25% by the end of 2025 and to 1.0% by end-2026, hence pushing rates below the level that we regard as neutral. Monetary policy would then remain unchanged in 2027. The Fed funds rate falls to 2.75% by the end of 2025 and bottoms out at 2.50% in 2026-27.

Sovereign credit spreads would be under moderate widening pressure due to lower growth outlook, only in part countered by accommodative monetary policy. BTPs are expected to widen 90 bps in ASW once the shock materializes.

Corporate credit spreads would also be under widening pressure, especially at the lower end of the rating scale. Pharma, telecoms and consumer goods, notably staples, should benefit from their defensive nature and strong credit metrics. Cyclicals such as energy, industrials and automobiles would suffer particularly.
Geopolitical tensions causing shortages of gas and oil supply would affect adversely also utilities. Policy easing by the ECB would in part mitigate the adverse market conditions.

Equity markets are expected to post significant losses, of about 15-30%, reflecting the recessionary environment.

In FX, we expect the EUR to come under pressure given the growth shock is more severe for the eurozone than the US and amid a generalized increase in risk aversion. We pencil in an 15% depreciation against the USD in 2025 and 13% in 2026. Similarly, in this scenario we expect to see strengthening of the CHF and the Yen, which are typical safe-haven currencies.

Geopolitical & Trade Shocks Scenario

In this scenario, we assume that the conflict in the Middle East broadens, although falling short of a full-blown regional escalation. Disruption in the straits of Hormuz and Bab el-Mandeb pushes up the price of oil and natural gas strongly, while stress on supply chains builds. Geopolitical tensions between the US and China intensify and fresh protectionist measures on both sides further impair the functioning of global supply chains, weighing on global trade.
China's growth outlook deteriorates strongly as the downturn in the real estate sector is compounded by the new shocks, which weigh heavily on sentiment, investment and the labor market. The jump in commodity prices, disruption to supply chains and global trade, faltering growth in China and surging uncertainty sink the European economy in a deep recession while inflation surges.

Importantly, we assume that inflation expectations become de-anchored, contributing to a strong pick-up in wage-growth. Faster wage growth keeps inflation well above target levels for a prolonged period of time, triggering a forceful response by central banks. Tighter financial conditions intensify the downward pressure on economic activity and lead to wider credit spreads. In terms of timing, we assume that the shock starts early in 2025.

Inflation becomes entrenched. The upward drift in inflation expectations plays a key role in this process, fueling second-round effects and materially faster wage growth compared to the baseline. Firms change their management of supply chains, aiming to strengthen their resilience at the expense of efficiency. This structurally raises firms' costs, which are then passed on to the final consumers. In the eurozone, inflation jumps to 5.8% in 2025 and is projected to be 4.5% in 2026 and 3.2% in 2027, hence remaining substantially above the ECB target.

Eurozone GDP contracts by 1.4% in 2025 and by a massive 3.6% in 2026, followed by stabilization in 2027. On a cumulative basis, GDP growth is projected to be 8.3 pp lower than in the baseline scenario. Growth shocks for Germany and Italy exceed that for the eurozone, especially in 2026, reflecting greater openness of these economies.

Monetary policy responds forcefully to the shock, sacrificing growth in order to regain control of inflation expectations. The ECB reverses the course of its policy and hikes the deposit rate to 5.25% by end-2025 and to 5.75% in 2026. This is followed by 50 bp of easing in 2027 as the inflation shock eases. The deposit rate at the end of 2027 is a highly restrictive 5.25%, 325 bp above the baseline scenario. The Fed follows a similar pattern, hiking the Fed fund to 6% in 2025 before easing to 5.5% by end-2027 (+150 bp vs. baseline at the end of the forecast horizon).
Importantly, we assume that Italy's sovereign spread do not spiral out of control thanks to the critical role played by the ECB's Transmission Protection Instrument (TPI).

Sovereign credit spreads are expected to come under pressure, due to a combination of slower growth and aggressive monetary policy tightening. We pencil in a widening of BTP ASW spreads of 130 bp once the shock materializes overshooting the widening expected over the medium term.

Corporate credit spreads would be under strong widening pressure, especially at the lower end of the rating scale. Energy intensive sectors, e.g. utilities, industrials and automobiles should be under stronger pressure in this scenario, due to increasing supply chain imbalances and rising energy prices.

In FX, we expect the EUR to come under pressure given the growth shock is more severe for the eurozone than the US and amid a generalized increase in risk aversion. However, given a less widening of interest rate differential in favor of the USD, we pencil in an 12% depreciation against the USD in 2025 and 9% in 2026. Similarly, in this scenario we expect to see strengthening of the CHF and the Yen, which are typical safe-haven currencies.

Equity markets are expected to post very significant losses of over 30%, reflecting the adverse economic environment and higher interest rates.

Stress Test on Trading book

(€ million)

	27 DECEMBER 2024	
	RECESSION SCENARIO	GEOPOLITICAL & TRADE SHOCKS SCENARIO
UniCredit group total	**72**	**-18**
Germany	111	9
Italy	-38	-21
Central Europe	-5	-6
Eastern Europe	4	-1

Note:
End of month for Regulatory risk metrics refers to last Thursday of the month, differently from managerial metrics. End of 2024 refers to 27 December due to bank holiday on 26 December.

Conditional results of Managerial Trading Book, as defined above, have been reported. Conditional losses in Geopolitical & Trade Shocks scenario are mainly coming from UniCredit S.p.A. and are driven by Fixed Income, Currencies & Commodities business line. Conditional profits in Recession scenario are mainly coming from UCB GmbH due to structured Equity products in Equity & Brokerage Trading business line, partially offset by conditional losses in UniCredit S.p.A. due to Fixed Income, Currencies & Commodities business line.

2.3 Derivative instruments and hedging policies

2.3.1 Trading financial derivatives

A. Financial Derivatives

A.1 Trading financial derivatives: end-of-period notional amounts

(€ million)

UNDERLYING ACTIVITIES/TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	OVER THE COUNTER				OVER THE COUNTER			
		WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES		
	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS
1. Debt securities and interest rate indexes	**5,242,984**	**467,029**	**103,632**	**141,428**	**6,003,278**	**732,546**	**107,978**	**102,467**
a) Options	-	275,686	21,189	47,025	-	252,190	23,196	63,944
b) Swap	5,242,984	189,459	82,438	-	4,111,650	428,143	81,982	-
c) Forward	-	1,884	-	-	1,891,628	52,213	-	-
d) Futures	-	-	5	94,403	-	-	2,800	38,523
e) Other	-	-	-	-	-	-	-	-
2. Equity instruments and stock indexes	**-**	**42,558**	**5,626**	**50,879**	**-**	**25,355**	**1,855**	**65,760**
a) Options	-	35,864	4,378	32,413	-	16,052	1,419	44,671
b) Swap	-	6,694	777	-	-	9,303	37	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	18,463	-	-	-	21,083
e) Other	-	-	471	3	-	-	399	6
3. Gold and currencies	**-**	**432,403**	**93,402**	**64**	**-**	**344,093**	**91,929**	**36**
a) Options	-	117,709	9,855	-	-	51,711	12,131	-
b) Swap	-	156,842	17,043	-	-	150,931	13,353	-
c) Forward	-	57,372	46,741	-	-	41,690	41,017	-
d) Futures	-	-	-	64	-	-	-	36
e) Other	-	100,480	19,763	-	-	99,761	25,428	-
4. Commodities	**-**	**5,095**	**4,572**	**17,157**	**-**	**5,239**	**6,730**	**19,065**
5. Other	**-**	**2,622**	**3,945**	**5,291**	**-**	**1,197**	**4,592**	**4,779**
Total	**5,242,984**	**949,707**	**211,177**	**214,819**	**6,003,278**	**1,108,430**	**213,084**	**192,107**

This table refers to the notional values of financial derivatives according to classification within accounting trading portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

A.2 Trading financial derivatives: positive and negative gross fair value - breakdown by product

(€ million)

TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	OVER THE COUNTER			ORGANISED MARKETS	OVER THE COUNTER			ORGANISED MARKETS
	CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES			CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES		
		WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT			WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	
1. Positive fair value								
a) Options	-	4,683	1,045	1,962	-	3,550	543	2,574
b) Interest rate swap	122,159	8,479	2,649	-	179,593	10,117	2,795	-
c) Cross currency swap	-	3,788	760	-	-	3,658	711	-
d) Equity swap	-	195	33	-	-	-	-	-
e) Forward	-	1,369	1,244	-	1,566	1,658	1,172	-
f) Futures	-	45	-	1,308	-	47	4	1,705
g) Other	-	1,776	2,069	2	-	1,823	1,173	2
Total	**122,159**	**20,335**	**7,800**	**3,272**	**181,159**	**20,853**	**6,398**	**4,281**
2. Negative fair value								
a) Options	-	4,885	334	3,186	-	3,781	476	4,364
b) Interest rate swap	125,605	6,457	1,307	-	180,369	8,738	2,041	-
c) Cross currency swap	-	4,157	407	-	-	4,555	315	-
d) Equity swap	-	241	26	-	-	-	-	-
e) Forward	-	963	1,172	-	1,567	648	1,396	-
f) Futures	-	-	-	1,340	-	-	3	1,693
g) Other	-	1,844	788	-	-	1,345	740	3
Total	**125,605**	**18,547**	**4,034**	**4,526**	**181,936**	**19,067**	**4,971**	**6,060**

This table presents distribution by product of the gross positive and negative financial derivatives' fair values according to classification within accounting trading portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

A.3 OTC trading financial derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

	AMOUNTS AS AT 31.12.2024			
UNDERLYING ACTIVITIES	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	1,593	36,819	65,220
- Positive fair value	X	61	1,320	1,333
- Negative fair value	X	32	386	1,036
2) Equity instruments and stock indexes				
- Notional amount	X	3,336	1,428	862
- Positive fair value	X	39	612	4
- Negative fair value	X	223	32	25
3) Gold and currencies				
- Notional amount	X	2,909	26,473	64,020
- Positive fair value	X	43	716	1,817
- Negative fair value	X	41	430	1,273
4) Commodities				
- Notional amount	X	2	387	4,183
- Positive fair value	X	3	44	1,672
- Negative fair value	X	6	22	307
5) Other				
- Notional amount	X	48	601	3,296
- Positive fair value	X	-	52	84
- Negative fair value	X	3	7	211
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	5,242,984	257,329	128,438	81,262
- Positive fair value	122,159	5,785	1,678	3,837
- Negative fair value	125,605	5,396	1,763	1,711
2) Equity instruments and stock indexes				
- Notional amount	-	25,882	16,676	-
- Positive fair value	-	975	646	-
- Negative fair value	-	1,342	710	-
3) Gold and currencies				
- Notional amount	-	356,767	45,793	29,843
- Positive fair value	-	4,891	947	1,216
- Negative fair value	-	5,723	780	694
4) Commodities				
- Notional amount	-	316	759	4,020
- Positive fair value	-	16	18	275
- Negative fair value	-	56	72	194
5) Other				
- Notional amount	-	774	-	1,848
- Positive fair value	-	18	-	33
- Negative fair value	-	36	-	70

This table presents distribution by counterparty of the notional amount and gross positive and negative financial derivatives' fair values according to classification within accounting trading portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

A.4 OTC financial derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY	UP TO 1 YEAR	OVER 1 YEAR UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivative contracts on debt securities and interest rates	1,911,042	2,071,868	1,830,735	5,813,645
A.2 Financial derivative contracts on equity securities and stock indexes	15,574	28,680	3,930	48,184
A.3 Financial derivative contracts on exchange rates and hold	342,676	137,498	45,631	525,805
A.4 Financial derivative contracts on other values	7,110	2,477	80	9,667
A.5 Other financial derivatives	5,513	1,054	-	6,567
Total 31.12.2024	**2,281,915**	**2,241,577**	**1,880,376**	**6,403,868**
Total 31.12.2023	**2,788,593**	**2,387,581**	**2,148,616**	**7,324,790**

This table refers to the notional values of financial derivatives according to classification within accounting trading portfolio applied in the separate financial statements of the legal entities belonging to Regulatory consolidation.

B. Credit derivatives

B.1 Trading credit derivatives: end of period notional amounts

(€ million)

	TRADING DERIVATIVES	
CATEGORY OF TRANSACTIONS	WITH A SINGLE COUNTERPARTY	WITH MORE THAN ONE COUNTERPARTY (BASKET)
1. Protection buyer's contracts		
a) Credit default products	2,122	1,881
b) Credit spread products	-	-
c) Total rate of return swap	-	-
d) Other	-	-
Total 31.12.2024	**2,122**	**1,881**
Total 31.12.2023	**401**	**5,235**
2. Protection seller's contracts		
a) Credit default products	801	992
b) Credit spread products	-	-
c) Total rate of return swap	1,401	-
d) Other	-	-
Total 31.12.2024	**2,202**	**992**
Total 31.12.2023	**695**	**4,403**

This table refers to the notional values of credit derivatives according to product and classification within accounting trading portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

B.2 Trading credit derivatives: positive and negative gross fair value - breakdown by product

(€ million)

TYPES OF DERIVATIVE INSTRUMENTS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Positive fair value		
a) Credit default products	104	170
b) Credit spread products	-	-
c) Total rate of return swap	65	-
d) Other	-	-
Total	**169**	**170**
2. Negative fair value		
a) Credit default products	51	190
b) Credit spread products	-	-
c) Total rate of return swap	1	15
d) Other	-	-
Total	**52**	**205**

This table presents distribution by product of the gross positive and negative credit derivatives' fair values according to classification within the accounting trading portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

B.3 OTC trading credit derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Protection buyer's contracts				
- Notional amount	X	166	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	4	-	-
2) Protection seller's contracts				
- Notional amount	X	1,401	-	45
- Positive fair value	X	65	-	1
- Negative fair value	X	1	-	-
Contracts included in netting agreement				
1) Protection buyer's contracts				
- Notional amount	-	1,681	2,156	-
- Positive fair value	-	1	25	-
- Negative fair value	-	36	8	-
2) Protection seller's contracts				
- Notional amount	-	1,658	89	-
- Positive fair value	-	76	1	-
- Negative fair value	-	3	-	-

This table presents distribution by counterparty of the notional amount and gross positive and negative credit derivatives' fair values according to classification within the accounting trading portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

B.4 OTC trading credit derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY	UP TO 1 YEAR	OVER 1 YEAR UP TO 5 YEARS	OVER 5 YEARS	TOTAL
1. Protection buyer's contracts	1,000	2,148	45	3,193
2. Protection seller's contracts	142	3,639	223	4,004
Total 31.12.2024	**1,142**	**5,787**	**268**	**7,197**
Total 31.12.2023	**634**	**9,863**	**235**	**10,732**

This table refers to the notional values of credit derivatives according to classification within accounting trading portfolio applied in the separate financial statements of the legal entities belonging to Regulatory consolidation.

B.5 Credit derivatives linked to fair value option: annual changes

No data to be disclosed.

2.3.2 Hedging policies

Qualitative information

Hedging derivative transactions are used to manage the exposure to market risks and volatility of financial outcomes that arise as part of our normal business operations and are executed in accordance with internal policies.

Derivatives are mainly used to manage the banking book interest rate risk with the following goals:

- to reduce banking book interest rate risk profile according to *Risk Appetite Framework* approved by the Board of Directors and limits defined by relevant Committees or risk functions. Within *Risk Appetite Framework*, the banking book exposure to interest rate risk is defined either in terms of *Net Interest Income Sensitivity* or *Economic Value Sensitivity*;
- to optimise the natural hedge between the risk profile of assets and liabilities using derivatives to manage the mismatch, even temporary, between the volume and the rates of assets and liabilities with different repricing schedules;
- to minimise the net exposure of derivatives used as economic hedges of the most stable portion of either assets or liabilities subject to hedge accounting, thereby reducing the associated transaction cost.

A Fair value hedging activities

The objective of fair value hedge on assets/liabilities is to hedge the exposure to changes in fair value coming from the embedded risk factor subject to a hedging transaction.

The fair value hedge is applied both for identified financial instruments (securities, debt issues, loans, borrowings) and for portfolios of financial instruments (in particular, fixed rate loans/mortgages and non-maturity deposits or other fixed rate liabilities).

The hedging relationship is qualified at the inception of the hedge by identifying the portion and type of risk to be hedged (partial term hedge), the hedging strategy, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

The hedging strategy on identified financial instruments classified as *Held-to-Collect* (HTC) and *Held-to-Collect & Sell* (HTCS) considers the contractual features of each instrument and relevant risk-management & business intent.

The hedging strategy on portfolios of financial instruments refers to the amounts of money contained in the portfolio of interest rate exposures that are not already subject to "micro/specific" hedging and mirrors to the nominal amount and financial conditions of hedging derivatives.

The objective of fair value hedge on assets/liabilities denominated in foreign currency could refer to hedge the exposure to changes in fair value by converting to Euro denominated assets/liabilities.

The hedging instruments used mainly consist of interest-rate swaps, basis swaps, caps, floors, and cross-currencies swaps.

Part E - Information on risks and related hedging policies

B. Cash flow hedging activities
The objective of cash flow hedge on assets/liabilities is to hedge the exposure to changes in cash flows from borrowings/lending that bear a floating interest rate or provide for a variable FX countervalue amount.

The hedging relationship is qualified at the inception of the hedge by identifying the portion and type of risk to be hedged (partial term hedge), the hedging strategy, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

Cash flow hedges are particularly used to hedge interest rate risk on floating-rate assets and liabilities, including rollovers, and foreign exchange risks on highly probable forecast of foreign currency cost/revenue streams.

The hedging instruments used mainly consist of interest-rate swaps, caps, floors, cross-currency swaps with a maturity up to 20-30 years for some commercial hedged assets.

C. Foreign net investments hedge activities
The objective of net investment hedging on entities that have different functional currency from the Group is to reduce the impact of fluctuations in exchange rates on the Group's capital adequacy ratios.
The management of this risk embeds the annual definition of hedging strategies in compliance with the EBA guidelines on the treatment of Structural Foreign Exchange risk (EBA/GL/2020/09), and its continuous monitoring to remain within the relevant Risk Appetite Framework thresholds.

The hedging instruments used mainly consist of foreign exchange options. At consolidated level these derivatives qualify as Net Investment Hedge, in relationship with the investment. The effective component (*intrinsic value*) of the hedging instruments is deferred into Other Comprehensive Income - booked to sub-item "Foreign Investments Hedge" of Valuation Reserves, offsetting the "FX differences" of the related hedged item. However, at Bank level, a FVH relationship of the controlling stake is recognised.

Furthermore, the Group put in place some economic hedges on forecasted foreign currency revenues stemming from those entities. The objective of the economic hedge is to reduce the volatility on the Income statement coming from the foreign exchange risks. FX risk on forecasted foreign currency revenues is continuously monitored and hedging strategies are periodically assessed.

The derivatives used mainly consist of currency options. These derivatives may not or should not qualify for hedge accounting even though achieve substantially the same economic results. The impact of economic hedges is accounted in Item "80. Net gains (losses) on trading".

In general term, both the hedging strategies and the percentage to be hedged is defined considering, inter-alia, the diversification effect and taking into account the volatility and correlation in the FX rates.

D. Hedging instruments and E. Hedged elements
Prospective hedge effectiveness is established by the fact that all derivatives must, at inception, have the effect of reducing interest rate (or other identified) risk in term of *Economic Value Sensitivity* (Fair Value Hedge) or *Net Interest Income Sensitivity* (Cash Flow Hedge) in the specific/portfolio of hedged underlyings.

Retrospectively the hedge effectiveness is quarterly measured by referring to the most stable portion of assets/liabilities using a portfolio hedge approach or by referring to the portion of risk being hedged using a micro/specific approach.

Sources of ineffectiveness comes from (i) the Euribor vs Eonia/€STER basis for hedging derivatives transactions subject to a collateral agreement, (ii) Credit/Debit Value and Funding Value adjustment impacting derivative transactions fair values, (iii) shortfall arising in the underlying's specifically associated with that hedge in term of nominal or reverse sensitivity due to prepayment or default on commercial assets or withdrawals on liabilities included such as commercial non-maturity deposits and are presented in Item "90. Net gains (losses) on hedge accounting".

Part E - Information on risks and related hedging policies

Quantitative information

A. Hedging financial derivatives

A.1 Hedging financial derivatives: end-of-period notional amounts

(€ million)

UNDERLYING ACTIVITIES/TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	OVER THE COUNTER				OVER THE COUNTER			
		WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES		
	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS
1. Debt securities and interest rate indexes	**299,329**	**5,393**	**6,690**	**70,069**	**351,666**	**10,606**	**89,472**	**-**
a) Options	-	281	358	4,000	-	837	4,000	-
b) Swap	299,329	5,112	6,332	-	342,666	9,769	479	-
c) Forward	-	-	-	-	9,000	-	-	-
d) Futures	-	-	-	66,069	-	-	84,993	-
e) Other	-	-	-	-	-	-	-	-
2. Equity instruments and stock indexes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swap	-	-	-	-	-	-	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Gold and currencies	**-**	**7,368**	**-**	**-**	**-**	**8,359**	**-**	**-**
a) Options	-	3,112	-	-	-	3,064	-	-
b) Swap	-	1,367	-	-	-	4,830	-	-
c) Forward	-	2,889	-	-	-	465	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**299,329**	**12,761**	**6,690**	**70,069**	**351,666**	**18,965**	**89,472**	**-**

This table refers the notional value of hedging financial derivatives according to classification within the accounting hedging portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

A.2 Hedging financial derivatives: positive and negative gross fair value - breakdown by product

(€ million)

	AMOUNT AS AT 31.12.2024				AMOUNT AS AT 31.12.2023				AMOUNT AS AT 31.12.2024	AMOUNT AS AT 31.12.2023
	POSITIVE AND NEGATIVE FAIR VALUE				POSITIVE AND NEGATIVE FAIR VALUE				CHANGES IN VALUE USED TO CALCULATE HEDGE INEFFECTIVENESS	
	OVER THE COUNTER				OVER THE COUNTER					
		WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES				
TYPE OF DERIVATIVES	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS		
1. Positive fair value										
a) Options	-	8	3	-	-	7	1	-	-	-
b) Interest rate swap	5,948	60	120	-	5,933	411	2	-	-	-
c) Cross currency swap	-	132	25	-	-	315	-	-	-	-
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forward	-	37	-	-	-	4	-	-	-	-
f) Futures	-	-	-	-	-	-	80	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**5,948**	**237**	**148**	**-**	**5,933**	**737**	**83**	**-**	**-**	**-**
2. Negative fair value										
a) Options	-	7	27	-	-	29	1	-	-	-
b) Interest rate swap	7,238	229	12	-	7,606	276	24	-	-	-
c) Cross currency swap	-	3	62	-	-	38	-	-	-	-
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forward	-	10	-	-	2	9	-	-	-	-
f) Futures	-	-	-	-	-	-	123	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**7,238**	**249**	**101**	**-**	**7,608**	**352**	**148**	**-**	**-**	**-**

This table presents distribution by product of the gross positive and negative hedging financial derivatives' fair values according to classification within the accounting hedging portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

A.3 OTC hedging financial derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

UNDERLYING ACTIVITIES	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	5,771	919	-
- Positive fair value	X	130	18	-
- Negative fair value	X	71	30	-
2) Equity instruments and stock indexes				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
3) Gold and currencies				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
4) Commodities				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
5) Other				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	299,329	4,120	763	510
- Positive fair value	5,948	30	28	1
- Negative fair value	7,238	139	72	18
2) Equity instruments and stock indexes				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
3) Gold and currencies				
- Notional amount	-	6,076	1,292	-
- Positive fair value	-	131	47	-
- Negative fair value	-	18	2	-
4) Commodities				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
5) Other				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-

This table presents distribution by counterparty of the notional amount and the gross positive and negative hedging financial derivatives' fair values according to classification within the accounting hedging portfolio applied in the separate financial statements of the legal entities belonging to the Regulatory consolidation.

Part E - Information on risks and related hedging policies

A.4 OTC hedging financial derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY	UP TO 1 YEAR	OVER 1 YEAR UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivative contracts on debt securities and interest rates	95,977	104,441	110,994	311,412
A.2 Financial derivative contracts on equity securities and stock indexes	-	-	-	-
A.3 Financial derivative contracts on exchange rates and gold	6,264	531	573	7,368
A.4 Financial derivative contracts on other values	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2024	**102,241**	**104,972**	**111,567**	**318,780**
Total 31.12.2023	**265,840**	**131,758**	**62,504**	**460,102**

This table refers to the notional values of financial derivatives according to classification within accounting hedging portfolio applied in the separate financial statements of the legal entities belonging to Regulatory consolidation.

B. Hedging credit derivatives
No data to be disclosed.

C. Hedging instruments not derivatives
Note that, as provided by the Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments), the present table is not disclosed as the Group has exercised the option to continue applying the existing IAS39 hedge accounting requirements for all its hedging relationships until the IASB completes the project on accounting for macro-hedging.

D. Hedges instruments
Note that the Group has exercised the option to continue applying the existing IAS39 hedge accounting requirements for all its hedging relationships until the IASB completes the project on accounting for macro-hedging.

D.1 Fair value hedges
No data to be disclosed.

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Micro hedging and macro hedging: breakdown by hedged item and risk type

(€ million)

	AMOUNT AS AT 31.12.2024	
	MICRO HEDGE: CARRYING AMOUNT	MACRO HEDGE: CARRYING AMOUNT
A) Fair value hedge		
1. Assets		
1.1 Financial assets measured at fair value through other comprehensive income	**59,875**	**-**
1.1.1 Interest rate	59,875	X
1.1.2 Equity	-	X
1.1.3 Foreign exchange and gold	-	X
1.1.4 Credit	-	X
1.1.5 Other	-	X
1.2 Financial assets measured at amortised cost	**39,288**	**(18)**
1.2.1 Interest rate	39,288	X
1.2.2 Equity	-	X
1.2.3 Foreign exchange and gold	-	X
1.2.4 Credit	-	X
1.2.5 Other	-	X
2. Liabilites		
2.1 Financial liabilities measured at amortised costs	**9,341**	**(1,038)**
2.1.1 Interest rate	9,341	X
2.1.2 Equity	-	X
2.1.3 Foreign exchange and gold	-	X
2.1.4 Credit	-	X
2.1.5 Other	-	X
B) Cash flow hedge		
1. Assets	**188**	**X**
1.1 Interest rate	188	X
1.2 Equity	-	X
1.3 Foreign exchange and gold	-	X
1.4 Credit	-	X
1.5 Other	-	X
2. Liabilites	**1**	**X**
2.1 Interest rate	1	X
2.2 Equity	-	X
2.3 Foreign exchange and gold	-	X
2.4 Credit	-	X
2.5 Other	-	X
C) Hedge of net investments in foreign operations	**1,556**	**X**
D) Porftolio - Assets	**X**	**(1,682)**
E) Porftolio - Liabilities	**X**	**(4,818)**

Note:
It should be noted that the column “Macro hedge: carrying amount” reports the revaluation recognised with reference to the hedged item.

E. Effects of hedging policy at equity

This table has to be filled in only by entities that apply IFRS9 hedge accounting rules.

2.3.3 Other information on derivatives instruments (trading and hedging)

A. Financial and credit derivatives

A.1 OTC financial and credit derivatives: net fair value by counterparty

(€ million)

	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
A. Financial derivatives				
1) Debt securities and interest rates				
- Notional amount	5,542,080	565	134	167
- Positive net fair value	34	18	1	1
- Negative net fair value	4,724	-	4	3
2) Equity instruments and stock indexes				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
3) Gold and currencies				
- Notional amount	-	987	39	84
- Positive net fair value	-	8	-	1
- Negative net fair value	-	1	-	-
4) Commodities				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
5) Other				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
B. Credit derivatives				
1) Protection buyer's contracts				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
2) Protection seller's contracts				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-

Part E - Information on risks and related hedging policies

2.4 Liquidity risk

Qualitative information

A. General aspects, operational processes and methods for measuring liquidity risk
Liquidity risk is defined as the risk that the Group may find itself unable to fulfil its expected or unexpected payment obligations (by cash or delivery), current and future, without jeopardising its day-to day operations or its financial condition.

The key principles

The liquidity reference banks
The Group aims at maintaining liquidity at a level that enables to perform the main operations in safe mode, fund its operations at the best rate conditions under normal operating circumstances, and to remain always in a position to meet payment obligations.
To this end, the Group complies accurately with the legal and regulatory provisions imposed by the national Central Banks and by the national authorities of each country where it operates.

In addition to local legal and regulatory requirements, the Parent Company, under the responsibility of the Group Risk Management, defines policies and metrics to be applied at Group level, to ensure that liquidity position of any entity meets the requirements of the Group.

For these reasons, the Group is organised on a managerial perspective, according to the concept of the liquidity reference bank.
The liquidity reference banks are legal entities that act in their responsibility as liquidity hub. They:
- are in charge of the liquidity management and concentration process of liquidity flows of the legal entities falling within their perimeter of responsibility;
- are in charge of the funding optimisation carried out on the relevant local markets and are responsible to coordinate the access to short-term and medium-long- term markets of the Legal Entities belonging to their perimeter;
- are, finally, in charge of the implementation of the Group's liquidity rules at local level in line with Group's Governance Guideline and Policy and with local regulations.

A particularly important role is played by the Parent Company, as a "supervisory and overarching liquidity reference bank of the Group" with its role of steering, coordinating, and controlling all the aspects regarding liquidity for the whole Group.
The Parent Company has the responsibility to set the overall Group risk appetite and sub-allocate the limits in agreement with the liquidity reference banks and/or Legal Entities. In particular, the Parent Company functions are responsible for the following:
- outlining Group overall liquidity risk management strategies;
- developing liquidity risk metrics and methodologies;
- setting specific limits for liquidity risk exposures, in line with the Group risk appetite;
- optimising liquidity allocation amongst Legal Entities, in compliance to the local regulations and transferability limitation;
- coordinating access to financial markets for liquidity management;
- outlining the yearly Group funding and contingency funding plan, coordinating and monitoring their execution;
- assessing the adequacy of the liquidity reserves buffers at Legal Entity and Group level;
- coordinating the refinancing transactions with the European Central Bank;
- defining, periodically reviewing the Group ILAAP and approving the Group ILAAP Report on yearly basis.

The Parent Company moreover, acts as the liquidity reference bank for the Italian perimeter.

The principle of "self-sufficiency"
This organisational model allows self-sufficiency of the Group by accessing the local and global markets for liquidity in a controlled and coordinated way. According to Group Policies, structural liquidity surpluses can be up streamed to the Parent Company, unless legal requirements prevent it.
The liquidity available at country level could be subject to restrictions due to legal, regulatory, and political constraints.
The so-called "large exposure regime", applied throughout Europe, along with specific national laws like the "German Stock Corporation Act", are examples of legal constraints to the free circulation of funds within a cross-border banking Group[91].

As a general rule, the large exposure regime, ruled by the CRR 575/2013 (from article 387 onwards) partially amended by CRR 876/2019, limits interbank exposures to a maximum of 25% of the institution's Tier 1 capital: this rule is also applicable to intra-group exposures.

91 Also, Banca d'Italia rules, Circular 285, foresees that the Group should ensure the maintenance through the time of adequate reserves in each Legal Entity, in order to take into account possible regulatory constraints (First Part, Title IV, Chapter 6, Section III, paragraph 7).

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However, there are significant differences in the way in which this EU regulation has been implemented in the various countries. In many CE&EE countries the 25% limit is valid, with some countries showing even stricter rules; in Austria, according to the National law, the 25% limit is not applied to exposures towards the Parent Company, if located in the European Economic Area; finally, in Germany the national Regulator has set up a process to apply for a waiver, exempting intra-group exposures from the large exposure limitation.
In the absence of official limits valid at national level, Austrian and German Regulators reserve the right to judge the exposure level on a case-by-case basis. In the current economic environment, in many of the territories in which the Group operates, Banking Regulatory Authorities are adopting measures aimed at reducing the exposure of their national banking system towards foreign jurisdictions with potential negative impacts on the ability of the Group to finance its activities.
For these reasons, the "Group Liquidity Management & Control Policy" provides for a further principle in order to enhance a sound liquidity risk management; each Legal Entity with market access has to increase its liquidity self-sufficiency, fostering in this way the exploitation of its strengths. In addition, the Group rule states that each LE (including the liquidity reference bank) should be self-sufficient in terms of liquidity in its local currency, either on its own or by leveraging on the relevant liquidity reference bank.
This self-sufficiency principle is reflected in a specific "limit structure": limits are set both at Group and at individual level, with the purpose of avoiding/controlling significant imbalances among legal entities.

This type of organisation promotes the self-sufficiency of the legal entities, by allowing them to access the local and global markets for liquidity in a controlled and coordinated way, whilst optimising: i) the liquidity surpluses and deficits within the Group's Legal Entities ii) the overall costs of funding across the Group.

The adoption of the Single Point of Entry by the Group implies that the Holding provides internal MREL to all the other subsidiaries within Europe, representing the only exception to the self-sufficiency principle.

Roles and responsibilities
At Group level, three main functions are identified in the management of the liquidity: the Group Risk Management competence line, the Group Finance competence line, and the Group Treasury function each with different roles and responsibilities.
In particular, the operational responsibilities reside in the Finance and the Treasury functions, while the Risk Management function has responsibilities of independent controls and independent reporting compared to the operational functions (in line with the current requirements of Banca d'Italia).

Specifically, the Risk Management function is responsible for the independent control of liquidity risk and of Balance sheet interest rate and FX risk at Group level and for the internal and regulatory stress testing. In detail:
- defining policies and methodologies for measuring and controlling the liquidity risk and developing, updating and presenting the independent internal risk reports/assessments to internal competent functions (second level controls);
- putting in place a strong and comprehensive internal limit and control framework to mitigate or limit the liquidity risk in line with the risk tolerance in order to monitor the different material drivers of liquidity risk;
- contributing to the setting of the risk appetite framework;
- assessing and monitoring liquidity risk exposure trends at Group and Country level and confronting them with the respective limits and triggers;
- verifying the correct implementation of the agreed mapping rules;
- performing an independent assessment of the Funding Plan and of the Contingency Funding Plan as well as monitoring their execution;
- developing and performing the liquidity stress test at Group level, analysing the outcome, delineating new scenarios to be taken into account and centralising the action plan relating to the stress test results; it is also responsible of periodically reviewing the liquidity stress test framework;
- monitoring the liquidity risk and producing regular risk reporting at Group level in alignment with Basel Committee's "Principles for effective risk data aggregation and risk reporting", setting common standards in terms of presentations and communications.
- performing internal validation activities at Group level on systems for measuring liquidity risks on related processes and data quality and IT components, as well as on models for pricing financial instruments in order to check that they are conform to regulatory requirements and in-house standards;
- developing and back-testing the behavioural models for the measurement of the liquidity risk;
- validating, controlling the implementation and releases independent assessments on the models to map the liquidity profile of Balance sheet items (i.e. behavioural models on deposit stickiness, on loans prepayment, etc.).

Group Treasury acts as main coordinator in the management of infra-group flows, stemming from liquidity deficits or surplus of the various Group's Legal Entities, and applies the appropriate transfer prices to such fund's movements. By doing so, Group Treasury ensures a disciplined and efficient access to the markets.

Group Finance competence line is responsible for the coordination of the overall financial planning process at Group, liquidity reference banks and relevant LEs level, aiming to efficiently ensure the stability and the sustainability of the financial structure through time, addressing assets and liabilities composition and maturities, in compliance with the limits and triggers set for liquidity and Balance sheet metrics.
It is also responsible for the execution of the medium long term Group’s funding strategy (including securitisation operations), coordinating the access to national and international capital markets for all the liquidity reference banks and relevant LEs, exploiting local market opportunities in order to reduce the costs of funding and diversify the financing sources.
In addition to this, the function performs first level controls on liquidity positions managed by Group Finance and Group Treasury aimed at ensuring the proper P&L and liquidity workflow of the operations and defines conditions and rules for transfer price application.

All the relevant issues that concern the liquidity risk and management perspective of the Group are discussed in GFRC (Group Financial & Credit risks committee - ALCO session).
The Committee is responsible for approving strategies, policies and methodologies for Financial Risks and for the monitoring of risks related to Fund Transfer Pricing, across Liquidity Reference Banks, Business Functions and Legal Entities, with the aim to optimize the usage of financial resources (e.g., liquidity and capital) in coherence with Risk Appetite and Business Strategies.
It is also responsible for the approval of the Financial Plan, Funding Plan, Ordinary Counterbalancing Capacity Plan and Contingency Funding Plan to be submitted to the Board by the CEO as well as for evaluating the impact of transactions significantly affecting the overall financial risk portfolio profile.

The optimisation of liquidity risks is pursued through the setting of specific limits on the standard banking activity of transforming short, medium and long-term maturities.

This is implemented in accordance with legal and regulatory framework in each country and internal rules and policies of the Group companies through management models in place within the individual liquidity reference banks.

Such models are subject to analyses carried out by the local Risk Management or equivalent structure with the same responsibilities in coordination with the Group’s Risk Management to ensure that they comply with the metrics and the objectives of the Group’s liquidity framework.
In addition, the regional rules must comply with national laws and regulatory requirements.

Risk measurement and reporting systems

Techniques for risk measurement
The different types of liquidity risk managed by the bank are:
- short term liquidity risk refers to the risk of non-conformity between the amounts and/or the maturities of cash inflows and cash outflows in the short term (below one year);
- market liquidity risk is the risk that the bank may face a considerable (and unfavourable) price change generated by exogenous or endogenous factors and incur losses as a result of the sale of assets deemed to be liquid. In the worst case, the bank might not be able to liquidate such positions;
- intraday liquidity risk appears when a bank is not able "to meet payment and settlement obligations on a timely manner basis under both normal and stressed conditions";
- structural liquidity risk is defined as the inability to raise the necessary funds to maintain an adequate ratio between medium to long-term (over one year) assets and liabilities at reasonable pricing level, in a stable and sustainable way, without affecting the daily operations or the financial condition of the Bank.
  It could have a potential impact on the cost of funding (own credit and market funding spreads), affecting future income of the institution;
- contingency risk, or stress liquidity relates to future and unexpected obligations (i. e. draw on committed facilities, deposits withdrawal, increase in collateral pledging) and could require the bank a greater amount of liquidity compared to what is considered the amount to run the ordinary business;
- intragroup liquidity risk, that might generate from an excessive exposure or dependency towards/from specific Group counterparts;
- funding concentration risk arises when the bank leverages on such a limited number of funding sources, that they become so significant that the withdrawal of one or few could trigger liquidity problems;
- foreign exchange liquidity risk, generated by the current and projected liquidity mismatch between cash inflows and cash outflows in foreign currencies (refinancing risk) or related with the maturity distribution of the assets and liabilities in foreign currencies (foreign currency structural mismatch risk).

The exposure of the Group and its Legal Entities to any of these risks is measured by associating to any of them a metric or a set of metrics.
Every legal entity of the Group is exposed to the above-mentioned risks at a different extent: a materiality analysis is performed in order to define the perimeter of the liquidity risk management and control.

Part E - Information on risks and related hedging policies

Liquidity risk, for its particular nature, is addressed by means of gap analyses, liquidity stress testing, and complementary measures (mainly through a set of indicators, among which: loans to deposits ratio, liquidity coverage ratio).
In particular, gap analyses are performed within two distinct time horizons:
- liquidity imbalance mismatch approach on a daily basis, which controls the short-term liquidity risk arising from the overnight up to a 12 months maturity;
- gap ratios on a monthly basis, which control the medium to long-term risk (structural liquidity) from the 1-year maturity onwards.

The management framework of the liquidity risk
The Group's liquidity framework is based upon the Liquidity Risk Mismatch Model which is characterised by the following fundamental principles:
- <u>short-term liquidity risk management (operational liquidity),</u> which considers the events that will impact upon the Group's liquidity position from 1 day up to one year. The primary objective is to maintain the Group's capacity to fulfil its ordinary and extraordinary payment obligations while minimising the relevant costs;
- <u>structural liquidity risk management (structural risk),</u> which considers the events that will impact upon the Group's liquidity position over one year. The primary objective is to maintain an adequate ratio between medium/long term liabilities and medium to long-term assets, with a view to avoid pressures on short-term funding sources (both current and future), while in the meantime optimising the cost of funding;
- <u>stress tests:</u> Liquidity crisis is a low probability, high impact event. Therefore, stress testing is an excellent tool to reveal potential vulnerabilities in the Balance sheet. The Bank uses several scenarios ranging from general market crisis to idiosyncratic crisis, and a combination hereof.

In this context, the models to manage the liquidity take into account all assets, liabilities, off-Balance sheet positions and also both present and future events which generate certain or potential cash flows for the Group, thereby protecting the Group Banks/Companies from risks relating to the transformation of maturity.

In addition, the liquidity risk is included in the Group's risk appetite framework through some specific liquidity indicators.

Short-term liquidity management
Short-term liquidity management aims at ensuring that the Group remains in a position to fulfil its cash payment obligations, whether expected or unexpected, focused on the exposure for the first twelve months.
The standard measures taken for such purposes are the following:
- management of the access to payment systems (operational liquidity management);
- management of cash payments to be made and monitoring of the level of liquidity reserves and the extent of their utilisation (analysis and active management of the maturity ladder).

These principles are applicable at Group level and have to be used across the liquidity reference banks.

The *operative maturity ladder* is composed by the net contractual cash flows (in/outflows) affecting the cash position at Central Banks or "Nostro Account".
Therefore, these flows impact directly the "core liquidity" of the bank, over pre-defined time buckets.
The *operative maturity ladder* is composed of:
- primary gap, which shows the net wholesale refinancing requirements over the various time-buckets of the horizon.
- counterbalancing capacity, which shows the amount of unencumbered securities that are accepted as collateral by Central Banks and/or market counterparties. The counterbalancing capacity is considered at its "liquidity value" (i.e. the market value minus the applicable haircut).
- cumulative gap, which is the sum of the previous components;
- reservation for unexpected flows, which consists of liquidity adjustment to the operative maturity ladder, to consider a buffer that can be used by the Treasury to refinance unexpected outflows impacting the Central Bank position (included in the short-term buckets).
  The reservation for unexpected flows takes into account the volatility of the funding needs of the commercial asset portfolio, the volatility of the commercial funding sources, including potential concentration effects, the change of liquidity value of the counterbalancing capacity due to observed market price changes.

The operative maturity ladder is included in the Group risk appetite framework, with a limit of 0 on the 3 months bucket.

The Group also adopts the cash horizon as a synthetic indicator of the short-term liquidity risk levels.
The cash horizon identifies the number of days after which the relevant entity is no longer able to meet its liquidity obligations as expressed in the operative maturity ladder, after having exhausted the available counterbalancing capacity.

Part E - Information on risks and related hedging policies

Structural liquidity management

The Group's structural liquidity management aims at limiting refinancing exposures above one year and thus reducing refinancing needs in the shorter term. The maintenance of an adequate ratio between medium and long-term liabilities and assets aims at avoiding pressures on short-term sources, whether present or future.

The standard measures taken for such purposes are the following:

- the spreading of the maturity of funding operations in order to reduce the usage of less stable funding sources, while in the meantime optimizing the cost of funding (integrated management of strategic liquidity and tactical liquidity);
- the financing of growth through strategic funding activities, setting the most appropriate maturities (yearly funding plan);
- the balancing of medium/to long-term wholesale funding requirements with the need to minimise costs, by diversifying sources, national markets, currencies of issuance and instruments used (realisation of the yearly funding plan).

The main metric used to measure the medium/long-term position has been the net stable funding ratio, as described by CRR2.

In general, the net stable funding ratio is calculated as the ratio between the stable portion of liabilities and assets.

All the Balance sheet items are mapped according to their contractual maturity. In addition, they are assigned a weight that reflect, for the liabilities, their stability within the Balance sheet and, for the assets, the portion that is rolled over by the bank or that, more in general, cannot be traded on the market in exchange of liquidity that would generate relief to the institution.

The internal limit, set at 102.30% for 2024, means that stable liabilities have to fully cover the requirements of funding generated by the stable assets. In addition to the regulatory perspective offered by the net stable funding ratio, an internal metric, named structural liquidity ratio, is adopted to steer structural liquidity risk from an economic point of view, i.e. taking into account the liquidity risk stemming from different Balance sheet items under the perspective of internal models.

Another key structural metric, aimed at measuring the funding needs originated from the commercial activity of the Bank, is the loans to deposits ratio. It measures the need of funding the bank has to finance on the wholesale market. The indicator is integrated in the risk appetite framework with the aim of monitoring and managing the level of funding coverage of net loans to customers, coming from funding sources not exclusively obtained through Treasury/Finance activity.

Liquidity under stress

Stress testing is a risk management technique used to evaluate the potential effects on an institution's financial condition of a specific event and/or movement in a set of financial variables.

As a forward-looking tool, liquidity stress testing diagnostics the institution's liquidity risk. In particular, the results of the stress tests are used to:

- determine liquidity limits both in quantitative and qualitative terms;
- plan and carry out alternative funding transactions for purposes of off-setting liquidity outflows;
- structure/modify the liquidity profile of the Group's assets;
- provide support to the development of the liquidity contingency plan.

In order to execute stress tests that are consistent across the liquidity reference banks, the Group has a centralised approach, requiring each local liquidity reference bank to run the same scenario set under the coordination of the Group risk management.

The Group runs liquidity scenarios and sensitivity analyses on a regular basis, the latter by assessing the impact on an institution's financial condition of a move in one particular risk factor, whereas scenario tests tend to consider the impact of simultaneous moves in a number of risk factors, based on a hypothetical, well defined and consistent stress scenario.

The Group identifies three different types of potential liquidity crisis:

- market (systemic, global or sector): market downturn scenario. This scenario consists of a sudden turmoil in a monetary and capital market, which may be caused by closure (or limited access) to market/settlement system, critical political events, country crisis, credit crunch, etc.;
- specific to the Group, or part of it (idiosyncratic): name crisis; the assumptions could be operational risk, events relating to the worsened perception of the Group reputational risk and a downgrade in UniCredit S.p.A. rating or another legal entities;
- a combination of market and specific crisis: combined scenario.

These scenarios are expected to cause a substantial reduction in the funding coming from rating-sensitive customers, CD/CPs' investors and inter-bank markets. In addition, a possible usage of the undrawn portion of the committed lines is considered.

The *combined scenario* is defined as a general negative development in the market environment and also as a factual or market-hypothesised problem specific to the Group.

During 2024 the Group liquidity stress test result on the combined scenario was always positive on the time horizon relevant for the internal limit system.

Part E - Information on risks and related hedging policies

In addition to the internal stress test, the bank adopts and monitors the liquidity coverage ratio (LCR), calculated in accordance with the provisions of Implementing Regulation (EU) 2016/322 in force from 1 October 2016 as amended by DR (EU) 2018/1620.
It is the ratio between the high-quality liquid assets (HQLA) and the net cash outflows expected over the coming 30 days, under stress test conditions.
The compliance with this regulatory requirement is constantly monitored by setting, in the risk appetite framework, internal limitations above the binding minimum level of 100%.

Among the liquidity outflows that occur in a stress scenario, the bank monitors on a monthly basis the impact in terms of additional collateral that the bank may be required to provide given a downgrade of its own credit rating.
All the relevant rating agencies are taken into account. The testing is carried out on a Legal Entity level, but consolidated reporting is available to analyze the impact on group wide basis. Specific attention is dedicated to exposures towards special purpose vehicles (SPV).

At Group level the amount of material outflows due to deterioration of own credit quality, included in the components of the Liquidity Coverage Ratio, amount to €2,146 million as at 31 December 2024.

Risk mitigation

Monitoring and reporting
In the Group the governance and control of liquidity risk is mainly performed through the setting and monitoring of operating restrictions managerial and regulatory aimed at preventing potential vulnerabilities in the bank's ability to meet its cash flow obligations that are embedded in risk metrics limits or warning/trigger levels.
The short-term liquidity limits are monitored and reported on a daily basis.
The structural liquidity ratios and their exposure against limits are monitored and reported on a monthly basis. The survival period and the result of the liquidity stress test are reported and monitored on a monthly basis.
In case of limit breach or warning level activation at Group level, the Group Risk Management function investigates the rationale of the events, triggering the proper escalation and reporting them to the relevant committees.

Mitigation factors
Liquidity risk is considered a relevant risk category for the risk appetite determination of the Group.
The practices and processes are included in the "Group Liquidity Management & Control Policy", that defines the principles that the Parent Company and the Legal Entities have to apply for hedging and mitigating this risk and the roles to be interpreted by the different committees and functions. In addition to an adequate liquidity buffer to face unexpected outflows and robust and regular up-to-date stress testing performed, the main liquidity mitigation factors for UniCredit group are:
- an accurate plan of short-term and medium to long-term liquidity needs, to be monitored on a monthly basis;
- an effective contingency liquidity policy with feasible and up-to-date contingency action plan to be executed in case of crisis;
- a system of early warning indicators such to anticipate any potential liquidity crisis and give enough time to the Group to restore its safe liquidity profile.

Funding plan
The funding plan plays a fundamental role in the overall liquidity management, influencing both the short-term and the structural position.
The funding plan, defined at each level (i.e., Group, liquidity reference bank and Legal Entity level), is developed consistently with a sustainable analysis of uses and sources, both on short-term and structural positions. One of the objectives of accessing the medium and long-term channels is to avoid the pressure on the short-term liquidity position. The funding plan is updated at least on a yearly basis and is approved by the Board of Directors. In addition, it is aligned with the budgeting process and the risk appetite framework.
The Parent Company accesses the market for Group capital instruments.

The Parent Company coordinates the market access of the liquidity reference banks and legal entities, while the liquidity reference banks coordinate the access of the legal entities falling within their perimeter.
Each legal entity or liquidity reference bank can access the markets for medium and long-term funding, in order to increase its self-sufficiency, exploit market opportunities and functional specialisation, safeguarding the optimisation of cost of funds of the Group.
Group Finance competence line is responsible for the elaboration of the funding plan. Risk management is responsible for providing an independent assessment of the funding plan.

Part E - Information on risks and related hedging policies

Group cntingency liquidity management

The liquidity crisis usually develops quickly and the relevant signals may be either difficult to interpret or may even be lacking; it is, therefore, important to clearly identify players, powers, responsibilities, communication and reporting criteria, in order to increase significantly the probability of overcoming the state of emergency successfully. A liquidity crisis could be classified as systemic (e.g., overall capital and money market disruption) or specific (e.g., specific to the bank), or a combination of both.
The ability to act in time is essential to minimise the potentially disruptive consequences of a liquidity crisis. The analysis of the stress tests will form a valuable tool to identify the expected consequences and to define up front the most suitable actions in a certain crisis scenario. In combination with the early warning Indicators the organisation may be able to reduce the negative liquidity effects in the initial stages of a crisis.
Therefore, a crisis-mode operating model, that can be activated effectively in case of crisis according to an approved procedure, has been defined. In order to be able to proceed timely, a set of mitigating actions have been pre-defined.
Depending on the situation some of these actions can then be approved for execution.
The *Group contingency liquidity management* rules have the objective of ensuring effective interventions starting from the very outset (initial hours) of the liquidity crisis, through the definition of specific guidelines on activation, meetings, decisions, actions and communications.
This is achieved through:
- a set of early warning indicators that may help to identify emerging vulnerabilities in the Group liquidity risk position;
- activation of extraordinary liquidity governance and operating model linked to indicators included in both the risk appetite and recovery and resolution plan framework;
- a set of available standby mitigating liquidity actions;
- consistent internal and external communication.

A relevant part of the contingency liquidity management is the contingency funding plan. This plan consists of a set of potential but concrete management actions to be performed in time of crisis. These actions are described in terms of size, instrument, and timing of execution aimed at improving the bank's liquidity position during time of crisis. The contingency funding plan is developed on the basis of the annual Funding Plan.
A specific early warning indicators dashboard is in place, both at Group and Legal Entities level, in order to continuously monitor situations of stress, which may, among others, be originated by market, sector or name specific events.
They are based either on macroeconomic or market indicators that also reflect the monetary policy stance of the Central Banks variables, or on specific internal metrics. The system of early warning indicators helps to identify emerging vulnerabilities in the Group's liquidity risk position or potential funding needs, triggering a potential response by the Senior management.
A "traffic light approach" is adopted for each metric in order to have sufficient time to inform senior management of a deteriorating situation and allow to put in place adequate actions aimed at restoring the business-as-usual state.

Adequacy of the liquidity risk management

In the yearly process of the ILAAP, the Senior management is requested to give a judgement on the adequacy of the liquidity position and stability of funding, called Liquidity Adequacy Statement (LAS). This assessment aims at showing the main drivers that had modified the liquidity position throughout the year and provides comment also on the evolution of the main metrics that are used to steer the different aspects of the liquidity risk.
During 2024, the Group liquidity situation is deemed adequate, and the liquidity risk management arrangements of the institution ensure that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.

The framework of measurement systems and of limits in place aims to ensure that the Group has always an internal liquidity buffer/reserve that allows it to face expected and unexpected payments.

In the daily Treasury activity, the (managerial) liquidity reserve is represented by the Counterbalancing Capacity (CBC).
Group Treasury, in its role of operational liquidity management function is entitled to monetise also the bonds belonging to the trading book, if this is necessary to restore the liquidity positions, prevailing on any existing business or risk management strategies.

From a regulatory perspective, the liquidity reserve is represented by the amount of high-quality liquid assets (HQLA). This is the numerator of the LCR and is made of assets, which can be easily and immediately converted into cash at little or no loss of value even in periods of severe idiosyncratic and market stress. These assets are unencumbered, which means free of legal, regulatory, contractual or other restrictions on the ability of the bank to liquidate, sell, transfer, or assign them.

Part E - Information on risks and related hedging policies

The adequacy of the liquidity reserve under both perspectives is monitored and controlled through the limitations set on the operative maturity ladder (managerial) and on the liquidity coverage ratio (regulatory), as described above.

During 2024, the operative maturity ladder of the Group, measured considering the impediments in the transfer of liquidity among Legal Entities, was constantly above the Risk Appetite Trigger, defined at a level that ensures that the Group would have enough liquidity to survive to a period of stress.

Similarly, the Group liquidity coverage ratio (LCR) was always well above the trigger (set above the minimum regulatory requirement of 100%), confirming that its liquidity reserve was large enough to cover one month of stress designed according to the regulatory hypothesis.

While the operative maturity ladder and the LCR restrictions ensure that the liquidity reserves are adequate, the respect of the loan to deposit ratio and other structural liquidity metrics restrictions ensure that the bank maintains an appropriate balance between assets and liabilities in the medium-long term (beyond one year), preventing additional pressure on the short-term liquidity position.

During 2024, the net stable funding ratio, the loans to deposit ratio and the structural liquidity ratio were above the limitations set in the risk appetite framework, thus confirming the relative stability of the funding source of the Group.

Quantitative information

1. Time breakdown by contractual residual maturity of financial assets and liabilities

(€ million)

	AMOUNT AS AT 31.12.2024									
ITEMS/MATURITY	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	**61,557**	**13,097**	**17,096**	**17,505**	**34,477**	**29,657**	**49,346**	**221,753**	**238,023**	**8,827**
A.1 Government securities	2,300	40	57	223	2,363	2,465	6,103	46,828	59,017	33
A.2 Other debt securities	80	7	350	273	1,298	1,575	1,409	22,751	35,060	54
A.3 Units in investment funds	2,241	-	-	-	-	-	-	1	-	2,211
A.4 Loans	56,936	13,050	16,689	17,009	30,816	25,617	41,834	152,173	143,946	6,529
- Banks	20,064	6,311	9,065	1,484	7,029	5,677	5,114	7,135	326	3,100
- Customers	36,872	6,739	7,624	15,525	23,787	19,940	36,720	145,038	143,620	3,429
B. On-balance sheet liabilities	**396,857**	**36,386**	**20,018**	**23,960**	**47,640**	**21,005**	**18,475**	**74,245**	**42,529**	**1,144**
B.1. Deposits and current accounts	380,222	20,246	16,325	21,582	31,799	15,870	10,616	14,516	8,710	361
- Banks	13,765	3,808	1,569	2,840	4,859	2,834	2,750	8,348	7,594	3
- Customers	366,457	16,438	14,756	18,742	26,940	13,036	7,866	6,168	1,116	358
B.2 Debt securities	27	414	591	455	6,242	4,324	7,111	56,994	32,259	645
B.3 Other liabilities	16,608	15,726	3,102	1,923	9,599	811	748	2,735	1,560	138
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	8,861	19,737	14,512	25,336	94,226	72,564	111,475	233,618	128,628	-
- Short positions	7,927	20,698	13,350	20,104	55,192	47,589	90,709	168,305	115,464	-
C.2 Financial derivatives without capital swap										
- Long positions	125,894	618	992	2,931	4,557	3,984	6,706	11,815	4,286	-
- Short positions	128,303	626	817	3,001	4,579	4,012	6,734	11,478	4,300	-
C.3 Deposits and loans to be received										
- Long positions	-	18,044	-	3	5	398	1,977	2,341	-	-
- Short positions	28	15,011	406	1,322	522	961	2,177	2,341	-	-
C.4 Commitments to disburse funds										
- Long positions	87,493	6,788	960	946	3,199	2,439	5,827	16,241	6,439	3,149
- Short positions	99,358	36	772	723	2,756	2,194	5,360	14,331	4,802	3,149
C.5 Financial guarantees given	569	5	34	177	757	819	1,327	2,197	705	-
C.6 Financial guarantees received	29,739	1,697	13	854	1,355	1,028	5,677	11,984	10,010	4,057
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	40	25	113	714	2,645	258	-
- Short positions	-	-	-	15	25	103	46	2,498	59	-
C.8 Credit derivatives without capital swap										
- Long positions	-	-	-	-	-	-	-	-	166	-
- Short positions	-	-	-	-	-	-	-	-	166	-

Part E - Information on risks and related hedging policies

1. Time breakdown by contractual residual maturity of financial assets and liabilities - Currency: euro

(€ million)

ITEMS/MATURITY	AMOUNT AS AT 31.12.2024									
	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	**52,339**	**10,555**	**7,784**	**16,341**	**27,592**	**24,914**	**43,273**	**197,371**	**211,310**	**8,747**
A.1 Government securities	124	40	28	189	1,622	1,448	4,697	39,155	48,907	1
A.2 Other debt securities	80	7	105	269	761	1,455	1,334	20,145	33,610	43
A.3 Units in investment funds	2,185	-	-	-	-	-	-	1	-	2,211
A.4 Loans	49,950	10,508	7,651	15,883	25,209	22,011	37,242	138,070	128,793	6,492
- Banks	16,658	4,442	625	1,416	3,679	4,027	4,704	7,015	295	3,100
- Customers	33,292	6,066	7,026	14,467	21,530	17,984	32,538	131,055	128,498	3,392
B. On-balance sheet liabilities	**351,088**	**32,301**	**14,826**	**20,938**	**43,438**	**18,713**	**16,562**	**69,742**	**37,391**	**1,039**
B.1. Deposits and current accounts	336,478	16,491	11,134	18,562	28,228	13,786	9,087	13,753	8,230	320
- Banks	10,880	3,065	976	2,584	4,639	2,464	2,438	7,924	7,380	3
- Customers	325,598	13,426	10,158	15,978	23,589	11,322	6,649	5,829	850	317
B.2 Debt securities	27	414	591	455	5,623	4,142	6,766	53,334	27,606	618
B.3 Other liabilities	14,583	15,396	3,101	1,921	9,587	785	709	2,655	1,555	101
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	5,787	7,457	4,710	7,954	50,827	33,200	48,333	144,443	97,224	-
- Short positions	7,826	10,062	7,656	12,440	33,798	36,612	73,106	132,653	105,344	-
C.2 Financial derivatives without capital swap										
- Long positions	119,024	251	457	1,327	2,821	2,585	4,369	7,947	3,161	-
- Short positions	120,097	228	358	2,165	3,404	2,631	4,587	7,637	3,181	-
C.3 Deposits and loans to be received										
- Long positions	-	18,044	-	-	-	398	1,977	2,341	-	-
- Short positions	28	15,011	406	1,319	517	961	2,177	2,341	-	-
C.4 Commitments to disburse funds										
- Long positions	85,791	6,784	921	768	2,727	1,686	3,678	13,673	5,207	1,502
- Short positions	97,512	30	435	548	2,236	1,478	3,262	11,768	3,665	1,502
C.5 Financial guarantees given	553	2	23	68	328	284	598	1,051	304	-
C.6 Financial guarantees received	27,670	1,697	12	838	1,276	916	5,444	11,106	9,617	2,296
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	27	25	110	146	2,072	258	-
- Short positions	-	-	-	11	25	79	32	2,426	59	-
C.8 Credit derivatives without capital swap										
- Long positions	-	-	-	-	-	-	-	-	166	-
- Short positions	-	-	-	-	-	-	-	-	166	-

Part E - Information on risks and related hedging policies

1. Time breakdown by contractual residual maturity of financial assets and liabilities - Currency: other currencies

(€ million)

ITEMS/MATURITY	AMOUNT AS AT 31.12.2024									
	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	**9,218**	**2,542**	**9,312**	**1,164**	**6,885**	**4,743**	**6,073**	**24,382**	**26,713**	**80**
A.1 Government securities	2,176	-	29	34	741	1,017	1,406	7,673	10,110	32
A.2 Other debt securities	-	-	245	4	537	120	75	2,606	1,450	11
A.3 Units in investment funds	56	-	-	-	-	-	-	-	-	-
A.4 Loans	6,986	2,542	9,038	1,126	5,607	3,606	4,592	14,103	15,153	37
- Banks	3,406	1,869	8,440	68	3,350	1,650	410	120	31	-
- Customers	3,580	673	598	1,058	2,257	1,956	4,182	13,983	15,122	37
B. On-balance sheet liabilities	**45,769**	**4,085**	**5,192**	**3,022**	**4,202**	**2,292**	**1,913**	**4,503**	**5,138**	**105**
B.1. Deposits and current accounts	43,744	3,755	5,191	3,020	3,571	2,084	1,529	763	480	41
- Banks	2,885	743	593	256	220	370	312	424	214	-
- Customers	40,859	3,012	4,598	2,764	3,351	1,714	1,217	339	266	41
B.2 Debt securities	-	-	-	-	619	182	345	3,660	4,653	27
B.3 Other liabilities	2,025	330	1	2	12	26	39	80	5	37
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	3,074	12,280	9,802	17,382	43,399	39,364	63,142	89,175	31,404	-
- Short positions	101	10,636	5,694	7,664	21,394	10,977	17,603	35,652	10,120	-
C.2 Financial derivatives without capital swap										
- Long positions	6,870	367	535	1,604	1,736	1,399	2,337	3,868	1,125	-
- Short positions	8,206	398	459	836	1,175	1,381	2,147	3,841	1,119	-
C.3 Deposits and loans to be received										
- Long positions	-	-	-	3	5	-	-	-	-	-
- Short positions	-	-	-	3	5	-	-	-	-	-
C.4 Commitments to disburse funds										
- Long positions	1,702	4	39	178	472	753	2,149	2,568	1,232	1,647
- Short positions	1,846	6	337	175	520	716	2,098	2,563	1,137	1,647
C.5 Financial guarantees given	16	3	11	109	429	535	729	1,146	401	-
C.6 Financial guarantees received	2,069	-	1	16	79	112	233	878	393	1,761
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	13	-	3	568	573	-	-
- Short positions	-	-	-	4	-	24	14	72	-	-
C.8 Credit derivatives without capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-

Part E - Information on risks and related hedging policies

2.5 Operational risks

Qualitative information

A. General aspects, operational processes and methods for measuring operational risk

Operational risk definition

Operational risk is the risk of loss due to errors, infringements, interruptions, damages caused by internal processes or personnel systems or caused by external events. This definition includes legal and compliance risks but excludes strategic and reputational risk.

For example, losses arising from the following can be defined as operational: internal or external fraud, employment practices and workplace safety, client claims, products distribution, fines and penalties due to regulation breaches, damages to the company's physical assets, business disruption and system failures, process management.

Group operational risk framework

UniCredit group sets the operational risk management framework as a combination of policies and procedures for the identification, the assessment and measurement, the addressing and mitigation, the monitoring and reporting of the operational risk of the Group and of the controlled entities.

In order to ensure that the Operational Risk framework is consistently applied throughout the Group, guaranteeing that an adequate and proportional oversight mechanism is adopted also with reference to smaller Entities the "Group Operational Risk Oversight "model has been defined.

The operational risk policies, applying to all Group Legal Entities, as defined by the Group Operational Risk Oversight model, are common principles defining the roles of the company bodies, the operational risk management function, as well as the relationship with other functions involved in the process.

The Parent Company coordinates the Group Legal Entities according to the internal regulation, Governance Mechanisms and Managerial Accountability and Organizational Book and Application. A specific Risks Committee, the Group Non-Financial Risks and Controls Committee (GNFRC) is set up to monitor risk exposure, mitigating actions, measurement, and control methods within the Group. With particular reference to UniCredit S.p.A. the Italy Non-Financial Risks and Controls Committee (INFRCC) supports the Head of Italy in the role of steering and monitoring of the Non-Financial Risks (NFRs) at Italy level, also overseeing the related Internal Control System (ICS). The methodologies for data classification and completeness verification, scenario analysis, risk indicators, monitoring and reporting, capital at risk measurement, Risk and Control Self Assessments and Operational Risks Mitigation Strategies are set by the Group Non-Financial Risks (GNFR) structure and applied by all Legal Entities. A pivot element of the risk control framework is the operational risk management application, allowing the collection of the data required for operational risk control and capital measurement.

The compliance of the Group Operational risk control and measurement system with external regulations and Group standards is assessed through an internal validation process, which is under the responsibility of the Group Internal Validation department of the Parent Company and is independent from the Group Non-Financial Risks structure.

Since March 2008 the UniCredit group applies the AMA model (Advanced Measurement Approach) for calculating operational risk capital. The use of this method has been rolled out to the main Legal Entities of the Group.

Organisational structure

Senior Management is responsible for approving all aspects related to the Group operational risk framework and verifying the adequacy of the measurement and control system; it is regularly updated on changes to the risk profile and operational risk exposure, with the support of the appropriate risk committees if required.

The Group Non-Financial Risks and Controls Committee (GNFRC) supports the CEO in the role of steering and monitoring the Non-Financial Risks (NFRs) at Group level, also overseeing the related internal control system (ICS).

The GNFRC enables the coordination among the "three lines of defence" with the aim to identify and share Group priorities concerning Non-Financial Risks (e.g., events, regulations or emerging risks), assessing and monitoring the effectiveness of initiatives put in place in order to address them.

Without prejudice to the role reserved to the Board of Directors by the provisions in being at the time, the GNFRC, in order to support the CEO in implementing the strategic guidelines and the Group general Risk Management policies is responsible for:

- defining and approving policies, operational limits and methodologies for the measurement, management and control of Non-Financial Risks, as well as for the definition of the methodologies for the measurement, management, and control of Non-Financial Risks (Operational and reputational Risk) on the internal capital;
- promoting the annual managerial self-assessment process and evaluating its results, in order to ensure a systematic approach to operational risk assessment and to the supervision of the Internal Control System;
- overseeing Group Non-Financial Risks profile, emerging threats as well as the internal control system robustness at Group level, through the monitoring of most relevant events and incidents, weaknesses and shortcomings, also addressing and prioritising, when needed, potential corrective actions;

Part E - Information on risks and related hedging policies

- evaluating and providing guidelines for the management of relevant risks (e.g., reputational, security, data protection) on single customer transactions or third party contracts, and for definition and implementation of business continuity plans.

With particular reference to the operational risk, GNFRC committee meets with approval, consulting and information functions for:
1) Approving:
- general governance policies for the different types of NFRs;
- Group policies and methodologies for the measurement, management and control of the NFRs as well as for the measurement and control of the related internal capital;
- Group insurance strategies proposed by the competent functions.

2) Consulting and information concerning:
- the main NFRs, for the industry and for the Group, and overall strategies for their optimisation;
- the relevant Group and local Legal Entities issues (also emerging by the activities carried out by local NFR Committees) concerning NFR and ICS topics, evaluating weaknesses and shortcomings and, if needed, recommending and prioritising corrective actions, as well as monitoring main implementation plans milestones;
- external events having potential impact on Group NFRs profile, and best practices and/or lessons learned deriving from events, assessments and action plans defined by the Group Legal Entities;
- the periodical reporting provided by Risk Management on operational losses (with particular focus on events having relevant financial impacts), near misses, Risk Weighted Exposure Amounts (RWEA), Indicators and Scenario Analysis;
- the Compliance and Risk Management evidences on second level controls carried out, as well as on current and expected impacts of regulations;
- the Group relevant risks/criticalities highlighted by Internal Audit function, for specific cases and in relation to specific areas or geographies;
- the strategic guidelines on Group Risk Appetite proposals including capitalisation targets and capital allocation criteria for Group Non-Financial Risks;
- the monitoring of information flows on the exercise of the powers sub-delegated by the CEO according to the current Delegation of Powers by the Board of Directors and on the new sub delegation granted;
- the Internal Validation annual Regulatory Report on operational risk.

In order to evaluate the strength and the potential criticalities related to the Group ICS, the GNFRC evaluates the significant or critical elements emerging from reports produced by External Regulators (i.e., ECB, SSM, Banca d 'Italia, Consob, etc.), by other Group Functions with control duties or operating within the ICS (e.g., ICT, Security, Operations, Procurement and Cost Management) and external Auditors.

Group Non-Financial Risks structure (GNFR) is responsible for the governance and control of non-financial risks of the Group and for evaluating its exposure to them, through the definition of the framework and the related methodologies.
The structure is also responsible for defining strategies to be submitted to the competent functions/bodies, in order to mitigate non financial risks and to limit the related losses and risk weighted assets, as well as for setting their continual and independent monitoring and control. The structure is responsible for ensuring integrated analysis and reporting, in alignment with the other control functions (i.e. Compliance, Audit) on the main non financial risks of the Group.
The structure is also responsible for the digital risks governance and control leveraging on the established framework methodology (i.e. the “Framework”), for the evaluations on mitigation measures’ adequacy on digital processes for UniCredit S.p.A., for the oversight of the Framework’s implementation across the Group Entities as well as for the periodic reporting to the Group Top Management to support risk-based decision making.

The structure is organised as follow:
- Operational and Reputational Risk Management is responsible to define principles and rules at Group level for identification, assessment, control and reporting of operational and reputational risks, monitoring their correct application by Legal Entities. The structure is also responsible for defining operational and reputational risk capital measurement methodologies, conducting analysis of the Group's exposure to operational risk also based on operational risks analytics models. Furthermore, the structure identifies the operational risk strategic priority areas, coordinating and monitoring the definition and planning of related relevant risks mitigation actions by the Legal Entities of the Group and it is responsible for the definition of Risk Appetite Framework/RAF metrics of competence as well as for the related periodical monitoring. The structure is also responsible for the definition of the principles and minimum requirements necessary to identify and address the risks deriving from the development of new products, together with the competent Compliance function. It also provides oversight and challenge on the execution of the operational risk assessments for the Holding and Global functions perimeter, ensuring a specific presidia on the identification, ruling and management of Group activities connected to Reputational Sensitive Sectors. Finally, the structure is responsible to define the methodologies for assessing the reputational risk related to activities performed by the Group, providing reputational risk assessments for UniCredit S.p.A. and Non-Binding opinions for the other Legal Entities of the Group.

- Digital and Third party Risk Management is responsible to define principles and rules at Group level for identification, assessment, control and reporting - leading to a group-wide evaluation, monitoring and supervision - of digital and Third Parties risks, with the aim to enable the Group as a safe, secure and resilient digital bank. Determines the most relevant areas within the operational risk framework in regard to the Group Digital perimeter of activity, in coherence with the Risk Appetite Framework/RAF and Group strategic objectives, as well as defines the guidelines for the control of the Digital risks (i.e. IT and Cyber) and Third Parties performed by the Group Legal Entities, monitoring their execution. The Structure is also responsible to identify, assess, respond, monitor and report Digital risks affecting processes belonging to the Group Digital & Information area.

Internal validation process
In compliance with regulations, an internal validation process for the operational risk control and measurement system has been set up for the Group and for the relevant Legal Entities in order to verify the compliance with regulations and Group standards. This process is under the responsibility of Group Internal Validation department. Group methodologies for measuring and allocating the capital at risk and the IT system are validated at Group level by the above-mentioned department, as well as the implementation of the operational risk control and management system within the relevant Entities, which is firstly analysed through a self-assessment performed by local Non-Financial Risk Management functions, following the technical instructions and policies issued by Group Internal Validation. The results of the local self-assessments are annually verified by Group Internal Validation, which also performs additional analysis on data and documentation. Such evidence is the basis for the release of specific Validation Reports to the relevant subsidiaries. The local self-assessment, together with the opinion of Group Internal Validation and Internal Audit report are submitted to the Legal Entities' competent governing bodies.
The validation outcomes on the operational risk control and measurement system, both at Group and Controlled Entities level, are annually consolidated with the annual validation report which, with the annual Internal Audit report, is presented to the UniCredit S.p.A. Board of Directors.

Reporting
A reporting system has been developed by the Parent Company to keep senior management and the Management Body regularly informed on the Group operational risk exposure and the risk mitigation actions.
In particular, weekly reports are provided on operational losses trend, the main initiatives undertaken to prevent or mitigate operational risk in the various business areas and main operational risk events. Quarterly updates are provided on capital-at-risk estimations and RAF metric monitoring. Operational loss reports, submitted to Group Non-Financial Risks and Controls Committee are periodically provided to Regulators.

Risk addressing and mitigation
On a yearly basis, NFR priorities are defined at Group and local level on the basis of both internal data (losses, scenarios, incidents, risk indicators) and external information (external events, market trends and emerging risks).
To address the identified NFR Priorities, the Mitigation Strategies are defined through the identification of Strategic Guidelines aimed at ensuring an effective presidium on Group and Local priorities.
NFR Priorities represent the basis for the identification and planning of the related Mitigation Strategies. NFR Priorities are yearly defined by GNFR and Local NFR functions through a qualitative evaluation on selected forward-looking key risk drivers, arising from internal and external data such as industry, market trends evolution and additional Group or Local drivers.
The defined NFR Priorities are analysed by GNFR and local NFR functions to identify the proper Group and Local Strategic Guidelines to mitigate such priorities and their main weaknesses/points of concern (overall referring to Group and Local Mitigation Strategies).
Group NFR Priorities and Mitigation Strategies, particularly, are aligned with Risk Appetite Framework (RAF), shared with the other Control Function for overall coherence and are provided to the local NFR Functions as reference for their further analysis and setting (with the goal to define the Group NFR Priorities and Strategies applicable at local level and to identify any specific NFR Priority and Strategy locally relevant).
The local NFR function analyses the relevance of each Group NFR Priority at local level to define if it is applicable also in its Legal Entity, consistently with the Group approach and any other methodological instructions potentially provided by GNFR.

Additionally, the local NFR management functions should identify and evaluate additional priorities affecting their own Legal Entity, considered relevant on the basis of the local market trends, the business evidences of the last and ongoing year and the specificities of the Legal Entity. For each locally relevant NFR Priority, the NFR function defines the local second level control activities (i.e. local Mitigation Strategies) addressing the related risk. Group/Local NFR Priorities and Mitigation Strategies are then submitted the Group/Local Non-Financial Risk Committee or designated risk Committee for approval.
Afterwards, the status of the related Group and Local mitigation actions is regularly monitored on a risk-based approach by GNFR and local NFR Functions, reporting any relevant deviation to the designated Committees. In particular, the monitoring is performed through:
- the second Level Controls, aimed at verifying that the actions defined through the NFR Strategic Guidelines in scope are effectively and timely carried out and in case of significative changes concerning the implementation timeline, mitigation action effectiveness or risk exposure, the local NFR function is responsible for finding the proper recovery, involving the relevant functions as needed, and/or escalating the issue to the designated Risk Committee. Same role is acted by GNFR for Group mitigation action. Local NFR function has also to timely inform GNFR;
- the oversight, during which GNFR checks the actions reported by NFR functions on a risk-based approach and in case of criticalities detected during the monitoring phase of Local and Group mitigation actions, GNFR and local NFR functions can agree on any recovery action and/ or any escalation to local or Group designated Risk Committees.

Part E - Information on risks and related hedging policies

Operational Risk Permanent WorkGroup (PWG)
The "global operational regulation Group Operational & Reputational Risk Mitigation Strategies" rules the PWG, an inter-functional working group established in the Legal Entities, which aims at identifying the root causes of Operational Risks and reduce the Operational Risk exposure of the Group Legal Entities, leveraging mainly on the expertise of the NFR management function and the other competent functions (e.g., Compliance, Security, Business functions, etc.) involved time by time.
The meetings, called at least quarterly, contribute to identify the risks, propose the mitigation actions, and monitor their implementation status.

Insurance as risk mitigation
GNFR/local NFR management function, respectively at Group/Local level, is involved in the decision process related to insurance coverage with analyses regarding the exposure to operational risks, effectiveness of deductibles and of policy limits. Such functions regularly inform management on insurance related matters connected to operational risks. The role of GNFR and the local NFR management function in insurance management is defined in in the "global operational regulation Group Operational & Reputational Risk Mitigation Strategies".
Any proposal of relevant change in the risk transfer strategy through insurance is submitted to the competent functions/Bodies for approval.
The operational risks commonly insured in the Group are damages to physical assets, frauds, and liability toward third parties.

On the basis of a risk classification, the Group has insurance policies according to the following forms:
- internal fraud: "Bankers Blanket Bond" (BBB) policy, according to Employee Dishonesty insuring clause;
- external fraud: BBB policy, according to the following insuring clauses premises and transit (including loss of property resulting directly from theft & robbery), forgery or alteration, computer manipulation, included the cases of "fraudulent impersonation of counterparty" aimed at the execution of fraudulent transactions (e.g., "the so-called CEO frauds");
- ICT and cyber breach: Cyber policy, coverage for liability claims (including legal expenses and customer notification costs) and business interruption costs (included also damages to UniCredit group caused by the system failure of the external IT providers). The coverage is extended also to Group multimedia liability (i.e., infringement of the copyright, defamation and general negligence in the course of publication);
- protection for the personal liabilities of the management including legal expenses: Directors and Officers Liability (D&O) policy;
- Employer's Liability: protection for the Bank's liability against claims for damages suffered by employees (compared to third-parties);
- third Party Liability Policy: protection for the Bank's general liability against claims for damages suffered by third parties;
- external occurrences: "Property all risks" policy as well as "EDP (Electronic Data Processing) all risks" policy are provided in respect of buildings and other assets, extended to natural events, catastrophic losses, vandalism and terrorism, Fine Art policy to cover entrusted or owned works of art.

AMA includes the effect of the BBB coverage on ET1 ("Event Type 1") "Internal Frauds". In particular, its impact is recognised by applying the following haircuts (aimed at considering uncertainty and mismatching elements theoretically linked to an insurance), which are updated on annual basis:
- residual Term of Policy - longer than 1 year aims to keep coverage stability;
- cancellation Terms - longer than 1 year aim to keep coverage stability (as well as for residual term);
- probability of Insurance Recovery (PoIR) - its calculation addresses uncertainties and responsiveness of insurance policies related to "mismatches in coverage";
- recovery Rate - it considers the split of fines and penalties in internal losses (other deviations from full recovery already included in PoIR);
- probability of Default of Insurers - it contributes to estimate the ability of insurer to pay in a timely manner, considering the potential credit risk associated with the insurance asset and the related time delay;
- discount factor - applied to the recoveries, considers that the final payment is expected with a delay defined by the time delay.

Non-Financial Risks Appetite (NFRs Appetite)
Non-Financial Risks Appetite metrics (Key Performance Indicators - KPIs) are reviewed annually and quarterly monitored; KPIs are cascaded to Legal Entities (in line with the perimeter defined by RAF).
ELOR (Expected Losses on Revenues) is an overarching NFRs metrics within Risk Appetite framework; in addition, Cyber Risk, ICT Risk, Financial Crime, Outsourcing & Third Parties Risks and Reputational Risk are monitored through dedicated KPIs and/or qualitative statements covering the main identified risk factors.
ELOR is a ratio estimated with a statistical model, based on the historical losses time series and forward-looking factors, as numerator, and the budget revenues, as denominator.
ELOR is monitored using the actual losses on actual revenues booked until end of quarters. The comparison between the thresholds estimated at the beginning of the year and the actual calculated on each quarter allows a close monitoring by the Parent Company of changes or reactions put in

place by the legal entities to reduce and prevent risks. These analyses are also used to evaluate the impact of mitigation actions implemented in the past and as a base for future strategies and mitigation activities, as well as the improvement of existing ones.
A disciplined approach in monitoring expected losses and implementing remedial actions will ensure consistency with best practice standards, increasing accountability and alignment between business and risk control functions.

Risk capital measurement and allocation mechanism
UniCredit group developed an internal model for measuring the capital requirements. It is based on internal loss data, external loss data (collected from the international consortium ORX - Operational Riskdata eXchange Association), scenario loss data and risk indicators. Capital requirement is calculated at Group level, considering the risk classes. For each risk class, severity and frequency of loss data are separately estimated to obtain the annual loss distribution.

The severity distribution is estimated on internal, external and scenario data, while the frequency distribution is determined using only the internal data. The severity distribution is selected among a portfolio of parametric distributions (truncated lognormal, truncated Weibull, truncated loglogistic, generalised Pareto, shifted lognormal) applying a decision tree on internal data to identify the set of distribution/threshold best describing the tail severity data for each risk class.

Frequency of loss data is modelled by a Poisson distribution. For each risk class, the annual loss distribution is obtained from severity and frequency through Monte Carlo simulation. An adjustment for key operational risk indicators is applied to the annual loss distribution estimated for each risk class.

Annual loss distributions of risk classes are aggregated considering correlation among monthly loss data of risk classes. Correlation is estimated through a Student-t copula function and the overall annual loss distribution is obtained though Monte Carlo simulation, considering also insurance coverage. Group AMA capital requirement is calculated at a confidence level of 99.9% on the overall loss distribution for regulatory purposes and for economic capital purposes. Expected loss, for each risk class, is calculated as the minimum between median of loss distribution and available specific provisions related to ordinary internal loss data. Deduction for expected loss is calculated summing up the expected losses of the risk classes without exceeding the median of overall distribution.

Through an allocation mechanism, the individual Group Legal Entities' capital requirements are identified, reflecting the Entities exposure to operational risk.
The allocation mechanism is based on two steps:
- the Group capital requirement is allocated to model Hubs (sets of similar Legal Entities, in terms of geographical area or business type) proportionally to their relative Standardised Approach (TSA), Operational losses and stand-alone capital at risk figure;
- the Hub capital at risk is then allocated to individual Legal Entities on the basis of their TSA, historical loss profile and scenarios.

AMA approved by the Supervisory Authority in 2008 has been upgraded and deeply revised (starting from 30 June 2014 reporting leading to a second-generation model newly approved by competent authorities in 2014. The findings resolution on second generation model led to the last model version, starting from 31 December 2015 reporting. Key operational risk indicators adjustment has been fine-tuned, from 31 December 2017 reporting, to incorporate some observations included in the letter by ECB "follow-up review of AMA 2 findings" submitted in July 2016. A model change has been applied from 31 December 2018 reporting date, in order to improve the accuracy and the risk sensitivity of the Operational Risk capital requirement calculation, including an add-on, while the Supervisory Authority was completing the investigation. This model change has been finalised from the 30 June 2019 reporting, in order to address the Supervisory Authority findings, remove the add-on, and make the model compliant with the EU Regulatory Technical Standards (EU Regulation 2018/959 of 14 March 2018).
The Legal Entities not yet authorised to use the advanced methods contribute to the consolidated capital requirement on the basis of the Standardised Approach (TSA) or Basic Indicator Approach (BIA) model.

Stress test
Since 2017, the Group has carried out regular stress analyses for operational risks. These include the stress test exercise for the Group, aimed at verifying, through the use of a statistical-econometric model, the impact in terms of operating losses, as well as the consequent repercussions on capital at risk, of the changes in the underlying macro-economic factors, using articulated economic scenarios discussed and defined by the Group Stress Test Council on the proposal of the Research Department. This exercise is carried out twice a year, or on request, whenever an analysis of this type is required, to assess the risks deriving from possible worsening of the macro-economic context.

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B. Legal risks

The parent company UniCredit S.p.A. and other UniCredit group companies are named as defendants in several legal proceedings. In particular, as at 31 December 2024, the parent company UniCredit S.p.A. and other UniCredit group companies were named as defendants in 34,805 legal proceedings, of which 5,676 involving the parent company UniCredit S.p.A. (excluding labour law cases, tax cases and credit recovery actions in which counterclaims were asserted or objections raised with regard to the credit claims of Group companies). In addition, from time to time, past and present directors, officers and employees may be involved in civil and/or criminal proceedings, the details of which UniCredit group may not lawfully know about or communicate.

The Group is also required to fulfil appropriately various legal and regulatory requirements in relation to certain aspects of its activity, such as conflicts of interest, ethical issues, anti-money laundering laws, EU, US and international sanctions, client assets, competition law, privacy and information security rules and others. Actual or alleged failure to do so may lead to additional litigation and investigations and subject the Group to damages claims, regulatory fines, other penalties and/or reputational damages. In addition, one or more Group companies and/or their current and/or former directors are subject or may in the future be subject to investigations by the relevant supervisory or prosecutorial authority in a number of countries in which the Group operates. These include investigations and/or proceedings relating, inter alia, to aspects of systems and controls and instances of actual and potential regulatory infringement by the relevant Group companies and/or its clients.

Given the nature of UniCredit group's business and its reorganisation over time, there is a risk that claims or matters that initially involve one Group company may affect or involve other Group entities.

In many cases, there is substantial uncertainty regarding the outcomes of the proceedings and the amount of possible losses. Where it is possible to estimate reliably the amount of possible losses and the loss is considered as more likely than not, provisions have been made in the financial statements to the extent the parent company UniCredit S.p.A., or any of the Group companies involved, deemed appropriate based on the circumstances of the case and in compliance with the International Accounting Standards (IAS).

To provide for possible liabilities and costs that may result from pending legal proceedings (excluding labour law and tax cases), as at 31 December 2024, UniCredit group set aside a provision for risks and charges of €969.04 million, of which €261.9 million for the parent company UniCredit S.p.A.

As at 31 December 2024, the total amount of claimed damages relating to judicial proceedings other than labour, tax and debt collections proceedings amounted to €7.7 billion, of which €4.6 billion for the proceedings involving the parent company UniCredit S.p.A.

This figure is affected by both the heterogeneous nature of the pending proceedings and the number of involved jurisdictions and their corresponding characteristics in which UniCredit group companies are named as defendants.

The estimate for reasonably possible liabilities and the provisions are based upon the available information, however, given the many uncertainties inherent in legal proceedings, they involve significant elements of judgment.

Therefore, any provision may not be sufficient to meet entirely the legal costs and the fines and penalties that may result from pending legal actions.

Set out below is a summary of information, including, if material and/or indicated, the single requests of the plaintiffs, relating to matters involving UniCredit group which are not considered groundless or in the ordinary course of the Group companies' business.

This section also describes pending proceedings against the parent company UniCredit S.p.A. and/or other UniCredit group companies and/or employees (even former employees) that the parent company UniCredit S.p.A. considers relevant and which, at present, are not characterized by a defined claim or for which the respective claim cannot be quantified.

Unless expressly mentioned below, labour law and tax claims or debt collections proceedings are excluded from this section and are described elsewhere in the notes of this section. In accordance with IAS37, information that would seriously prejudice the relevant company's position in the dispute may be omitted.

Proceedings which involve the parent company UniCredit S.p.A.

Proceedings arising out of the purchase of UniCredit Bank GmbH (formerly UniCredit Bank AG, "UCB") by the parent company UniCredit S.p.A. and the related Group reorganization

Squeeze-out of UCB minority shareholders (Appraisal Proceeding)

In 2008, approximately 300 former minority shareholders of UCB filed a request before the District Court of Munich to have a review of the price paid to them by the parent company UniCredit S.p.A., equal to €38 per share, in the context of the squeeze out of minority shareholders (Appraisal Proceeding). The dispute mainly concerns the valuation of UCB, which is the basis for the calculation of the price to be paid to the former minority shareholders. On 22 June 2022, the competent court in Munich rejected all applications for a higher compensation than that which the parent company UniCredit S.p.A. paid to the former minority shareholders of UCB hence dismissing all claims. Certain claimants have filed appeals.

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Squeeze-out of UniCredit Bank Austria AG's minority shareholders (Appraisal Proceeding)
In 2008, approximately 70 former minority shareholders of UCB Austria commenced proceedings before the Commercial Court of Vienna claiming that the squeeze-out price paid to them, equal to €129.4 per share, was inadequate, and asking the court to review the adequacy of the amount paid (Appraisal Proceeding). At present the proceeding is pending in the first instance. In parallel, one contentious proceeding in which the plaintiff claims damages is still pending, involving however only insignificant amounts in dispute.

Fino arbitration proceedings
In July 2022 Fino 1 Securitisation S.r.l. (Fino 1) commenced an ICC arbitration seeking damages in relation to, inter alia, the alleged breach of certain representations and warranties included in a transfer agreement for the sale of receivables entered into in 2017. The proceedings are ongoing.
In March 2023, Fino 2 Securitisation S.r.l. (Fino 2) also commenced an ICC arbitration seeking damages in relation to another transfer agreement for the sale of receivables also entered into in 2017. The proceedings are ongoing.

Euro-denominated bonds issued by EU countries
On 31 January 2019, the parent company UniCredit S.p.A. and UCB received a Statement of Objections from the European Commission referring to the investigation by the European Commission of a suspected violation of antitrust rules in relation to European government bonds. The subject matter of the investigation extended to certain periods from 2007 to 2011 and included activities by UCB between September and November 2011. The European Commission concluded its investigation by issuance of its decision on 20 May 2021. The decision provides for the imposition of a fine of €69 million on the parent company UniCredit S.p.A. and UCB. The parent company UniCredit S.p.A. and UCB contested the European Commission's findings and brought an action for the annulment of its decision before the General Court of the European Union on 30 July 2021. A decision is expected in 2025.

Proceeding relating to certain forms of banking operations
The UniCredit group is named as a defendant in several proceedings in matters connected to its operations with clients, which are not specific to UniCredit group, rather affect the financial sector in general.
In this regard, as at 31 December 2024 (i) proceedings against the parent company UniCredit S.p.A. pertaining to compound interest, typical of the Italian market, had a total claimed amount of €818 million, mediations included; (ii) proceedings pertaining to derivative products, mainly affecting the Italian market (for which the claimed amount against the parent company UniCredit S.p.A. was €344 million, mediations included); and (iii) proceedings relating to foreign currency loans, mainly affecting the CE&EE countries (for which the claimed amount was around €267 million).
The proceedings pertaining to compound interest mainly involve damages requests from clients arising from the alleged unlawfulness of the calculation methods of the amount of interest payable in connection with certain banking contracts. At present, the parent company UniCredit S.p.A. has made provisions that it deems appropriate for the risks associated with these claims.

With regard to the litigation connected to derivative products, several financial institutions, including UniCredit group companies, entered into a number of derivative contracts, both with institutional and non-institutional investors. In Germany and in Italy there are a number of pending proceedings against certain Group companies that relate to derivative contracts concluded by both institutional and non-institutional investors. The filing of such litigations affects the financial sector generally and is not specific to the parent company UniCredit S.p.A. and its Group companies. At present, the parent company UniCredit S.p.A. and the involved Group companies have made provisions deemed appropriate based on the best estimate of the impact which might derive from such proceedings.

With respect to proceedings relating to foreign currency (FX) loans, in the last decade, a significant number of customers in the Central and Eastern Europe area took out these types of loans and mortgages denominated in a foreign currency. In a number of instances customers, or consumer associations acting on their behalf, have sought to renegotiate the terms of such FX loans and mortgages, including having the loan principal and associated interest payments redenominated in the local currency at the time that the loan was taken out, and floating rates retrospectively changed to fixed rates. In addition, in a number of countries legislation that impacts FX loans was proposed or implemented. These developments resulted in litigation against subsidiaries of the parent company UniCredit S.p.A. in a number of CE&EE countries including Croatia, Slovenia and Serbia.
In 2015, the Republic of Croatia enacted amendments to the Consumer Lending Act and Credit Institutions Act mandating the conversion with retroactive effect of Swiss franc (CHF)-linked loans into Euro-linked (the "Conversion Amendments").
In 2019, the Supreme Court of the Republic of Croatia ruled that the CHF currency clause contained in certain loan and mortgage documentation was invalid (standing confirmed by the Constitutional Court in March 2021). In March 2020, the Supreme Court ruled that agreements entered into following the Conversion Amendments whereby customers converted their CHF mortgages and/or loans into EUR are valid and accordingly no additional payments are due. In May 2022, the European Court of Justice (ECJ) rendered a preliminary ruling in the court case against Zagrebacka banka d.d. (Zaba) taking the stand that the Directive on unfair terms in consumer contracts is not applicable in cases in which the conversion was based on national law (as it was in Croatia). The ECJ also referred to the local Croatian courts to decide on the conversion agreements and their effects.

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In December 2022, the Supreme Court publicly announced three legal standings related to CHF loan conversions:
- Customers who converted their loans under the Conversion Amendments are not entitled to damages;
- Customers who converted their loans are fully entitled to claim both interest and principal;
- Customers who converted their loans are entitled to penalty interest on overpayments made prior to the conversion.

The third legal standing, supported by a majority of 13 judges, was officially confirmed, and provisions were booked accordingly. In July 2024, the European Court of Justice (ECJ) ruled in the Hann Invest case (C-554/21) that the Croatian Supreme Court's procedure of withholding final judgments was invalid. Following this, in October 2024, the Supreme Court issued binding rulings on two of its December 2022 legal standings, affirming that:
- Customers who converted their CHF loans may be fully entitled to claim both interest and principal;
- Customers may also be entitled to penalty interest on overpayments made prior to the conversion.

These rulings introduced additional legal uncertainty and increased the risk of outflows for the bank. Provisions have been adjusted to reflect these developments and are deemed appropriate.

Lawsuit brought by "Paolo Bolici"
In May 2014, the company wholly owned by Paolo Bolici sued the parent company UniCredit S.p.A. in the Court of Rome asking for the return of €12 million for compound interest (including alleged usury component) and €400 million for damages. The company then went bankrupt. The parent company UniCredit S.p.A. won the case in the first instance and, in the course of the appeal, the parties reached a settlement, following which the case was definitively discontinued, also after the intervention by Mrs Beatrice Libernini, Mr Bolici's business partner, was declared inadmissible.
On 31 July 2020, Mrs Libernini sued the parent company UniCredit S.p.A., seeking damages based on analogous facts to those alleged in the 2014 proceedings. The Court ruled in favour of the parent company UniCredit S.p.A. The appeal filed by the other party is pending.
In February 2023, Mr Bolici and Mrs Libernini commenced new proceedings before the Court of Rome, in which, recalling most of the claims already put forward by both of them and identifying the Bank as the main architect of the Group's financial collapse, they claim further damages for various reasons, invoking new allegations whose merits are currently being assessed. In January 2023 the Court of Rome ruled in favour of the Bank, fully dismissing the claims by the plaintiffs. The appeal filed by the other party is pending.

Giovanni Lombardi Stronati
In June 2023 Mr Giovanni Lombardi Stronati commenced proceedings before the Court of Rome seeking a declaration that the Bank is contractually liable for having ordered the sale of securities in his name, which had been seized in the context of criminal proceedings in which he was charged and then acquitted for embezzlement and fraudulent bankruptcy. The claim amounts to €420 million. In September 2024, the Court ruled in favor of the Bank, rejecting the claimant's arguments. The claimant has since appealed the decision, and the appeal is currently pending.

Mazza
In 2005 the parent company UniCredit S.p.A. filed a criminal complaint against a Notary, Mr. Mazza, representatives of certain companies and disloyal employees of the parent company UniCredit S.p.A. in relation to unlawful lending transactions in favour of certain clients for €84 million. The criminal court of first instance acquitted the defendants.
The Court of Appeal of Rome reversed this decision and found all the defendants guilty. Following a further appeal, while stating that some accusations were time-barred, the Supreme Court confirmed the decisions of the Court of Appeal in respect of the damages sought by the Bank. In May 2022, the insurance company indemnified the parent company UniCredit S.p.A. under the applicable policy, paying an amount of €33 million in relation to the losses suffered by the bank.
Following the acquittal in the first-instance criminal proceedings, Mr. Mazza and other persons involved in the criminal proceedings filed two lawsuits for compensation claims against the parent company UniCredit S.p.A.: (i) the first (commenced by Mr. Mazza with a claimed amount of €15 million) was won by the Bank at first-instance and the judgment is now final; (ii) in the second (commenced by Como S.r.l. and Mr. Colella with a claimed amount of €379 million) case the Court of Rome ruled in favour of the parent company UniCredit S.p.A. Plaintiffs have appealed and reduced the claimed amount to €100 million.

Criminal proceedings
Certain entities within UniCredit group and certain of its representatives (including those no longer in office), are involved in various criminal proceedings and/or, as far as the parent company UniCredit S.p.A. is aware, are under investigation by the competent authorities with regard to various cases linked to banking transactions.
At present, these criminal proceedings have had no significant negative impact on the operating results and capital and financial position of the parent company UniCredit S.p.A. and/or the Group, however there is a risk that, if the parent company UniCredit S.p.A. and/or other UniCredit group entities or their representatives (including those no longer in office) were to be convicted, these events could have an impact on the reputation of the parent company UniCredit S.p.A. and/or UniCredit group.

Part E - Information on risks and related hedging policies

In relation to the criminal proceedings pertaining to the Diamonds offer topic reference is made to the paragraph "E. Other claims by customers - Diamond offer", Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section - 5 Operational risks, Qualitative information.

Other proceedings

Claims in relation to guarantee payments and sanctions

In August 2023, UCB was named as a defendant in a lawsuit pertaining to guarantee claims commenced by a Russian energy company before a court in Saint Petersburg, Russia. UCB had issued part of a guarantee package in favour of the Russian company on behalf of a German guarantee client. The Russian company had drawn down the guarantees by making payment claims to UCB, which UCB could not fulfil under the applicable EU sanctions. UCB sought and obtained an anti-suit injunction from the English courts (English ASI), which was granted by the English Court of Appeal on 29 January 2024 and upheld by the UK Supreme Court on 23 April 2024. Notwithstanding the English ASI, the Russian company continued the litigation in Russia, including by securing certain injunction measures against UCB and joining AO UniCredit Bank (a member of the UniCredit group and a bank operating in Russia, AO Bank) as a co-defendant in the lawsuit. On 26 June 2024, the Russian court fully satisfied the Russian company's claims. Both UCB and AO Bank have appealed against the ruling. On 19 February 2025 the appeal was rejected. UCB and AO are entitled to a further appeal (cassation) within two months upon publication of the full decision, which does not affect the enforceability of the existing judgment. In December 2024 the Russian company obtained an anti-suit injunction from the Russian court (Russian ASI) obliging UCB to refrain from any legal action against the Russian company in any jurisdiction and to take steps to annul the English ASI. In the event of violations of the Russian ASI, UCB could become liable to pay a court fine to the Russian company. In light of the obligation in the Russian ASI, on 11 February 2025, UCB obtained a judgment from the English Court of Appeal amending its order of 29 January 2024 and setting aside the English ASI.

Claims in relation to counter guarantees and sanctions

In April 2024, UCB was named as a defendant in a lawsuit brought by AO Bank before a court in Moscow, Russia, in connection with guarantee claims. UCB issued counter-guarantees to AO Bank for guarantees issued by AO Bank to a Russian company. When AO Bank made a payment under the guarantees to the Russian company, AO Bank demanded payment under the counter-guarantees from UCB, which UCB was unable to perform due to applicable EU sanctions. In October 2024, the Russian court ordered UCB to pay the guarantee amounts plus interest. UCB has appealed against the ruling. In January 2025 the appeal was rejected. UCB has the right to file a further appeal (cassation) within two months of publication of the full decision, which will not affect the enforceability of the existing judgment.

Proceedings related to claims for withholding tax credits

On 31 July 2014 the Supervisory Board of UCB concluded its internal investigations into the so-called "cum-ex" transactions (the short selling of equities around dividend dates and claims for withholding tax credits on German share dividends) at UCB. In this context, criminal investigations have been conducted against current or former employees of UCB and UCB itself as an ancillary party by the Prosecutors in Frankfurt/Main, Cologne and Munich. With respect to UCB, all proceedings originally initiated by the aforesaid prosecution offices were finally closed with payment of a fine or the payment of a forfeiture.

In December 2018, in connection with an ongoing investigation against other financial institutions and former Bank employees, UCB was informed by the Cologne Prosecutor of the initiation of a new investigation in connection with an administrative offence regarding "cum-ex" transactions involving Exchange Traded Funds (ETF). In April 2019 these investigations were extended to so-called ex/ex-transactions, in which an involvement of the Bank in the sourcing of cum/ex transactions of other market participants on the ex-day is suspected. The facts are being examined internally. UCB is cooperating with the authorities.

On 28 July 2021, the Federal Criminal Court (BGH) rendered a decision through which the principle of criminal liability of cum/ex structures was determined for the first time. With its decisions of 6 April 2022, 17 November 2022, 20 September 2023 and 24 October 2024, the BGH confirmed four criminal judgements in other cum/ex cases of the Regional Court of Bonn and the Regional Court of Wiesbaden, thus further solidifying its case law. The Federal Constitutional Court rejected several complaints against decisions of the BGH, thereby confirming the case law of the BGH. UCB is monitoring the development.

In June 2023, the Munich tax authorities completed a regular field audit of UCB for the years 2013 to 2016 which includes, among other things, a review of transactions in equities around the dividend record date (so-called cum/cum transactions). During these years UCB performed, among other things, securities-lending transactions with different domestic counterparties which include, but are not limited to, different types of cum/cum transactions. It still remains to be clarified whether, and under which circumstances, tax credits can be obtained or taxes refunded with regard to different types of cum/cum transactions. Some of the taxes credited from the cum/cum transactions are currently not recognised for tax purposes by the tax audit. UCB appealed against the tax assessments for 2013 to 2015, which were amended based on the findings of the tax audit regarding cum/cum transactions. Moreover, with respect to cum/cum transactions in which the counterparty of UCB claimed tax credits in the past, it cannot be ruled out that UCB might be exposed to third party claims under civil law.

Claims in relation to a syndicated loan

UCB, together with several other financial institutions, has been named as a defendant in complaints filed by the judicial administrator and foreign representative of a Brazilian oil and gas conglomerate in July 2021 in the United States before the Southern District of New York court claiming damages in connection with the repayment of a syndicated loan for two oil drilling rigs in which UCB participated that defendants are alleged to have unlawfully obtained.

Part E - Information on risks and related hedging policies

VIP 4 Medienfonds

Various investors in “Film & Entertainment VIP Medienfonds 4 GmbH & Co. KG” to whom UCB issued loans to finance their participation, brought legal proceedings against UCB. In the context of the conclusion of the loan agreements, the plaintiffs claim that the Bank provided inadequate disclosure about the fund structure and the related tax consequences. A settlement was reached with the vast majority of the plaintiffs. An outstanding final decision with respect to the question of UCB's liability for the prospectus in the proceeding pursuant to the Capital Markets Test Case Act (Kapitalanleger-Musterverfahrensgesetz) which is pending at Munich Higher Regional Court, will affect only a few pending cases.

Alpine Holding GmbH

Legal proceedings against UCB Austria arose from bondholders’ claims commenced in June/July 2013. The claims stemmed from the insolvency of Alpine Holding GmbH, as UCB Austria acted as joint lead manager, together with another bank, for the undertaking of Alpine Holding GmbH bond issues in 2010 and 2011. Bondholders’ claims are mainly referred to prospectus liability of the joint lead manager, whereas a minority of the cases is based on misselling due to allegedly unlawful investment advice. The damage claims amount to €19 million in total. These proceedings are mainly pending in the first instance and may be adverse to UCB Austria.

In the proceedings, the courts of first and second instance confirmed the legal position of UCB Austria and the other issuing banks that the prospectuses were correct and complete and fully rejected the bondholders’ claims based on prospectus liability. To date, the Supreme Court has not issued any legally binding decisions against UCB Austria regarding prospectus liability. Therefore, the final outcome of the lawsuits cannot be assessed as of yet.

In addition to the ongoing proceedings against UCB Austria stemming from the Alpine insolvency, further Alpine-related actions have been threatened and may be filed in the future. The pending or future actions may have negative consequences for UCB Austria. Despite the favourable developments mentioned above, at the moment it is impossible to estimate reliably the timing and results of the various lawsuits, nor determine the level of liability, if any.

Bitminer Litigation in the Republic of Srpska, Bosnia and Herzegovina

In 2019, a local customer, Bitminer Factory d.o.o. Gradiška (Bitminer), filed a lawsuit before the District Commercial Court in Banja Luka claiming damages for unjustified termination of its current bank accounts by UniCredit Bank a.d. Banja Luka (UCBL), a subsidiary of the parent company UniCredit S.p.A. in Bosnia and Herzegovina, Republic of Srpska. Bitminer alleged that termination of the accounts obstructed its Initial Coin Offering (ICO) relating to a start-up renewable-energy-powered cryptocurrency mining project in Bosnia and Hercegovina.

On 30 December 2021, the first instance court adopted most of Bitminer's claims and ordered UCBL to pay damages in the amount of BAM 256,326,152 (€131 million) (the “Judgment”). The appeal was filed in January 2022. On 18 April 2023, the High Commercial Court reversed the Judgment in its entirety, and issued a final, binding, and enforceable second instance judgement (the "Second-Instance Judgment"). The second instance court established that Bitminer's claim is unfounded and that UCBL is not liable for any damages. Bitminer duly filed a revision, an extraordinary legal remedy, to the Supreme Court of the Republic of Srpska. The revision proceedings do not suspend or otherwise affect the finality and enforceability of the Second-Instance Judgement. In April 2024, the Supreme Court of the Republic of Srpska issued the ruling and rejected the revisions. Bitminer filed an appeal with the Constitutional Court of Bosnia and Herzegovina.

C. Risks arising from employment law cases

UniCredit is involved in employment law disputes. In general, all employment law disputes are supported by provisions made to meet any disbursements incurred and anyway UniCredit does not believe that any liabilities relating to the outcome of the pending proceedings could have a significant impact on its economic and/or financial standing.

Lawsuits filed against UniCredit S.p.A. by members of the former Cassa di Risparmio di Roma Fund

Lawsuits brought against UniCredit S.p.A. aimed to reconstitute the patrimony of the fund, ascertain and quantify social security individual position of each member, are pending before the Supreme Court following previous degree decisions favourable towards the Bank. Claims’ value is about €384 million. No disbursement and no provisions have been made as these claims are considered groundless.

Part E - Information on risks and related hedging policies

D. Risks arising from tax disputes

The following disclosure concerns the most significant disputes that arose in 2024 as well as those that were already outstanding at the beginning of the fiscal year for which decisions or other definitions have been reached. For what is not mentioned here, please refer to previous financial statements.

Pending cases arising during the period

In relation to the new disputes, the following should be noted:

Dispute instituted by the Bank before the First Instance Court of Tax Justice of Rome following the tacit denial of the request for reimbursement of IRES paid on dividends distributed by the Banca d'Italia in relation to the 2014 tax year, value of dispute 21.9 million, awaiting a hearing.

Dispute instituted by the Bank before the First Instance Court of Tax Justice of Rome following the tacit denial of the request for reimbursement of IRES paid on dividends distributed by the Banca d'Italia in relation to the 2015 tax year, dispute value 19.6 million, awaiting a hearing.

For events in the first half of the year, please refer to paragraph "D. Risks deriving from tax disputes" of the consolidated half-yearly financial report as at June 30, 2024.

Updates on pending disputes and tax audits

In relation to the dispute initiated by the Bank before the Court of Tax Justice of first instance of Rome following the tacit refusal of the request for reimbursement of the IRES and IRAP substitute tax (and related additional taxes), relating to the revaluation of the participation shares in the capital of the Banca d'Italia in relation to the 2014 tax year, disputed value 399.6 million, the hearing before the Tax Court of Justice of first instance in Rome was held on 22 November 2024. The sentence is pending.

In relation to the litigation initiated by the Bank, in its capacity as the incorporating company of Pioneer Global Asset Management S.p.A., before the First Instance Tax Court of Justice of Milan following the tacit denial of the request for reimbursement of IRAP on dividends in relation to the tax year 2014, dispute value 2.6 million, concluded in first instance with a ruling unfavorable to the Bank, the hearing before the Court of Tax Justice of second instance of Lombardy has been set for 13 January 2025.

The proceedings instituted by UniCredit following the partial denial of the IRES refund request in relation to the 2007, 2008 and 2009 tax years, with a disputed value of 1.9 million in capital, was concluded in the second instance with a ruling filed on 19 January 2024 which partially accepted the Bank's appeal. Both the Bank and the Office appealed the sentence before the Court of Cassation on the unfavorable side. Waiting for the hearing to be scheduled.

In relation to the proceedings initiated by UniCredit S.p.A. in its capacity as the incorporating company UniCredit Services S.C.p.A., following the denial of the VAT refund requests, relating to the 2016 and 2017 tax years (OGSE), total dispute value 5.3 million, concluded at second instance with a ruling unfavorable to the Bank, the hearing before the Court of Cassation was held on 11 December 2024. Awaiting filing of sentence.

In relation to the dispute introduced by the former Banco di Sicilia (then UniCredit), as the incorporating company Sicilcassa, against the silent refusal formed on the request for reimbursement of the IRPEG credit for the year 1984, total dispute value 69.13 million, the second instance Tax Court of Justice of Sicily, upon referral from the Court of Cassation, with a sentence filed on 4 October 2024, rejected the appeal of the Bank which is evaluating the opportunity to continue the proceedings with an appeal to the Supreme Court.

Within the group of active cases pending against UniCredit S.p.A. following the retrocession, on 29 June 2020, of the receivables previously transferred to the Banca Farmafactoring company. S.p.A., the following updates are noted.

Denial of reimbursement of the 1989 IRPEG credit of the former Cassa di Risparmio Reggio Emilia, disputed value 1.9 million as IRPEG and 1.82 million for interests; the Emilia-Romagna CTR, with sentence filed on 3 January 2022, rejected the Office's appeal, confirming the Bank's right to reimbursement of 1.9 million. The Office appealed to the Court of Cassation and the Bank filed a counter-appeal with a cross-appeal. Awaiting fixation hearing.

Denial of reimbursement of 1997 IRPEG credit of the former Banca di Roma S.p.A. total litigation value 43.5 million; the ruling of the Court of Justice Second instance tax court of Lazio which rejected the Bank's appeal was challenged both in the Court of Cassation and with an appeal for revocation before the same Court of Justice of second instance. The hearing has not yet been scheduled at the Court of Cassation. The second instance Tax Court of Justice of Lazio, with a ruling filed on 10 December 2024, accepted the Bank's appeal, and ordered a new investigation, appointing a technical consultant to examine the documentation in the documents and report to the panel. The hearing for the oath of the consultant has been set for 29 January 2025. By 8 January 2025, the Bank will appoint the party consultant to assist in the expert operations and provide his observations on the technical investigations.

Denial of reimbursement of IRPEG credit for the years 1994-1997 and ILOR 1996, disputed value 31 million of the former Banca Mediterranea S.p.A.; the 2nd Tax Court of Justice of Basilicata, with sentence filed on 22 January 2024, rejected the Bank's appeal. The Bank has challenged the sentence with an appeal to the Court of Cassation, pending the setting of a hearing.

Part E - Information on risks and related hedging policies

In relation to the settled disputes, it is noted that: the dispute introduced by UniCredit, as transferee of Palmaria s.c.r.l. against the silent rejection of the request for reimbursement of the 1992 IRPEG credit, with a total litigation value of 1.48 million, was concluded before the Second Instance Tax Court of Justice of Sicily, during the referral from the Court of Cassation, with a sentence filed on 4 October 2024 which rejected the Bank's appeal. There are no valid reasons to continue the litigation.

There are currently no tax audits underway.

As of December 31, 2023, the total amount set aside by UniCredit S.p.A. to cover tax risks for disputes and tax audits amounted to 146.89 million, of which 2.23 million for legal expenses. As of 31 December 2024, the provision for risks and charges amounted to 88.38 million, of which 1.92 million for legal expenses.

Tax proceedings in Germany

No updates on disputes relating to UniCredit Bank GmbH.

It should be noted that following the tax audit for the years 2009-2012, some findings were made to the Bank for which the pre-litigation administrative phase is underway.

In extreme summary, the payments made as part of the tax proceedings are: (i) Corporate income tax/Commercial Tax: distribution of cum/ex transaction costs and "Roth case" referring to the London branch 14.8 million (ii) three small claims 0.5 million (iii) calculation of the pro-rata VAT deductibility not accepted 22.2 million.

E. Other claims by customers

Reference is made to the paragraph “E. Other claims by customers” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part E - Information on risks and related hedging policies, Section 5 - Operational risk, Qualitative information, which is herewith quoted entirely.

Diamond offer

Reference is made to the paragraph “E.Other claims by customers - Diamond offer” of the Company financial statements of UniCredit S.p.A., Notes to the accounts Part E - Information on risks and related hedging policies, Section 5 - Operational risk, Qualitative information, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

Quantitative information

UniCredit group mainly uses the advanced method (AMA) for calculating the capital against operational risks. Companies not yet authorised to use the advanced method contribute to the consolidated capital requirement on the basis of the Standardised Approach (TSA) or Basic Indicator Approach (BIA) method.

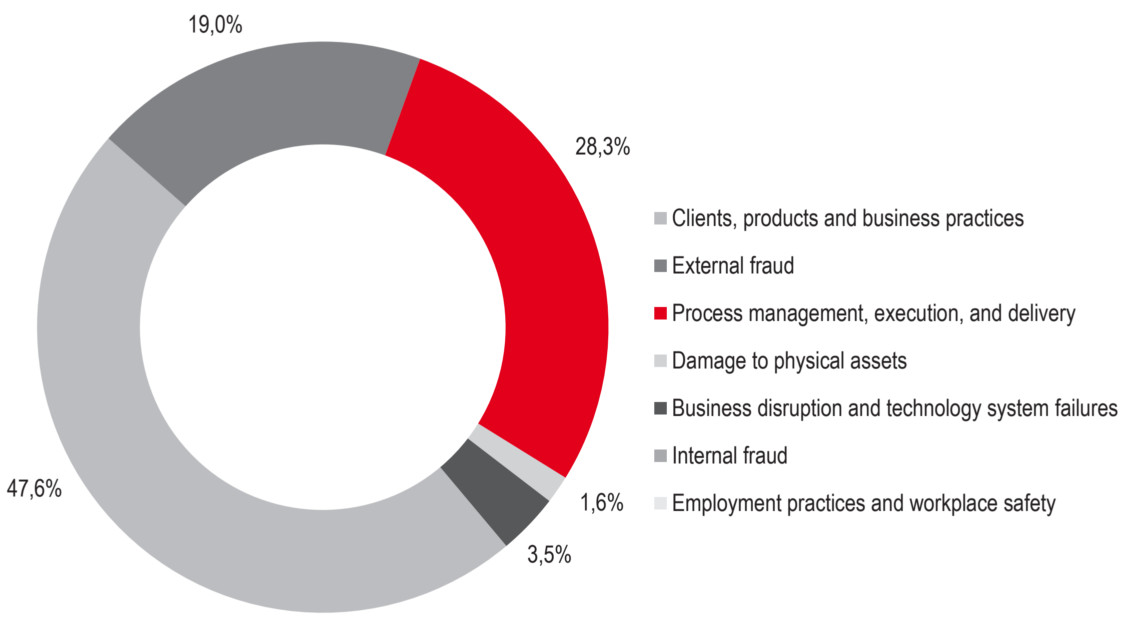
The weight of the different methods, expressed in terms of contribution to the total relevant indicator of the Group, is as follows: AMA 87.23%, TSA 9.22%, BIA 3.55%.

The AMA perimeter embeds Group main legal entities in Italy, Germany, Austria. AMA is also applied to main legal entities of CEE countries including Slovenia, Czech Republic, Slovakia, Romania, Croatia, Bulgaria and Hungary.
Main TSA and BIA legal entities are AO UniCredit Bank (Russia) and UniCredit Factoring S.p.A.

Detailed below is the percentage composition at Group Level, by type of event, of operational risk sources as defined by the New Basel Capital Accord and acknowledged by the Regulations for the Prudential Supervision of Banks issued by Banca d'Italia in December 2013 (Circular No.285/2013 and following updates).

The risk categories for event type are the following:
- internal fraud: losses owing to unauthorised activity, fraud, embezzlement or violation of laws, regulations or business directives that involve at least one internal member of the bank;
- external fraud: losses owing to fraud, embezzlement or violation of laws by subjects external to the bank;
- employment practices and workplace safety: losses arising from actions in breach of employment, health and workplace safety laws or agreements, from personal injury compensation payments or from cases of discrimination or failure to apply equal treatment;
- clients, products and business practices: losses arising from non-fulfilment of professional obligations towards clients or from the nature or characteristics of the products or services provided;
- damage to physical assets: losses arising from external events, including natural disasters, acts of terrorism and vandalism;
- business disruption and system failures: losses owing to business disruption and system failures or interruptions;
- process management, execution, and delivery: losses owing to operational or process management shortfalls, as well as losses arising from transactions with commercial counterparties, sellers and suppliers.

Operational losses 2024 divided by risk category



Part E - Information on risks and related hedging policies

"Employment practices and workplace safety" and "internal fraud" are not shown in the chart since they recorded overall positive impacts in the reference period due to the effects of recoveries and releases of funds.

In 2024, the main source of operational risk was "clients, products and business practices", which includes losses arising from the non-fulfilment of professional obligations towards clients or from the nature or characteristics of the products or services provided.
The second largest contribution is the category is "process management execution and delivery" due to operational or process management shortfalls.

There were also, in decreasing order, losses stemming from "external fraud" (for this purpose, the positive effect, due to a relevant release of provisions on an external fraud case, has not been considered), "business disruption and technology system failures" and "damage to physical assets".

Information on Operational risk is reported in paragraph 2.5 "Operational risks", Part B "Legal risks", Part C "Risks arising from employment law cases" and Part D "Risks arising from tax disputes", Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 "Risks of the prudential consolidated perimeter".

2.6 Other risks

Other risks included in Economic Capital
As reported in the paragraph "Introduction", Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, among the Group's risks there are other risks relating to Pillar II that are Business Risk, Real Estate Risk, Financial Investment Risk and Reputational Risk (the latter is described in the paragraph Reputational Risk, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies 2.6 Other risks). For each risk, the Economic Capital calculation is performed adopting a confidence level equal to the regulatory level (99.90%) and a one-year time horizon.

1. Business risk
Business Risk is defined as adverse, unexpected changes in business volumes and/or margins on a one-year time horizon; in this context the margin is defined as the difference between earnings and costs not explained by risk factors already included, e.g., in credit, market, operational risk. Business risk can result, above all, from changes in the competitive situation or customer behaviour, but may also result from changes in the reference regulatory framework.
The exposure data used to calculate Business risk are taken from the income statements of each Entity of the Group for which the risk is significant. Volatility and correlations are estimated from the time series of the relevant items of the Income statement reports.
The Business Risk calculation is performed on a quarterly basis for monitoring and for planning purposes according to the relevant time schedule.

2. Real estate risk
Real Estate Risk is defined as the potential loss resulting from market value fluctuations of the Group's real estate portfolio, including real estate Special purpose vehicles. It does not take into consideration properties held as collateral which are evaluated inside credit risk.
The relevant data for the Real Estate Risk calculation includes general information relating to properties and area or regional rental price indexes for each property to enable calculation of volatility and correlation in the model.
The Real Estate Risk calculation is performed on a quarterly basis for monitoring purposes and for planning purposes according to the relevant time schedule.

3. Financial investments risk
Financial investments risk stems from the equity investments held in companies not included in the Group consolidation perimeter and not encompassed in the Market Risk managerial framework.
The relevant portfolio mainly includes listed and unlisted shares, private equity, units of mutual, hedge and private equity funds. For all the Group equity positions, capital charges may be calculated using either a PD/LGD-based approach or a market-based one. Listed equity holdings and funds, which are a subset of Financial Investment risk are treated relying on the Market Risk Internal Model infrastructure.

The unlisted component is evaluated into the Group Credit Portfolio Model (GCPM). The calculation of the risk is based on a Value at Risk (VaR) model calculated at 99.90% confidence level and is executed inside credit and market risk models according to the nature of the underlying portfolio.
The Financial Investments Risk is calculated on a quarterly basis for monitoring and for planning purposes according to the relevant time schedule.

Part E - Information on risks and related hedging policies

Risk measurement methods

1.Economic Capital
As described in the paragraph Introduction, Notes to the consolidates accounts, Part E - Information on risks and related hedging policies, within the Internal Capital Adequacy Assessment Process (ICAAP) and in line with the proportionality principle defined in Pillar II of Basel II, the risk profile of the Group and the main Group legal entities is assessed for all the Pillar II risk types (Credit, Market, Operational, Reputational, Business, Financial Investments and Real Estate risks).

The Economic Capital represents the capital needed to face the potential losses inherent in the Group's business activities and takes into consideration all the Pillar II risk types reported above that are quantifiable in terms of Economic Capital. The effect of the diversification among risk types ("inter-risk diversification") and of the diversification at portfolio level ("intra-risk diversification") is also considered. In addition, a Capital add-on is calculated as prudential cushion in order to account for Model Risk uncertainty.

As for its components, the Economic Capital is calculated on a one-year time horizon and adopting a confidence level equal to the regulatory level (99.90%). For monitoring purposes, the Economic Capital is calculated quarterly and disclosed to Senior Management quarterly through RAF Monitoring & Integrated Risk reporting; it is also calculated for planning purposes according to the relevant time schedule.

Consistently with the corporate governance system, the function Strategic & Integrated Risks of UniCredit S.p.A. is responsible for the Group Economic methodology development and its measurement, as well as for the setting and implementation of the Group related processes.

The "Group Rules", after the approval, are submitted to relevant Legal Entities for local approval and implementation.

2. Stress Testing
The multidimensional nature of risk requires to supplement the measurement of economic capital with stress testing, not only in order to estimate losses in certain scenarios, but also to assess their impacts in terms of capital requirements. Stress testing is a key risk management tool for the management of the relevant risks in order to assess the bank's vulnerability with respect to exceptional but plausible events, providing additional information to the monitoring activities.
Stress testing activities, in compliance with regulatory requirements, are performed on the basis of a set of internally defined stress scenarios, that include the Group main geographies where the Group is active and are carried out at least twice a year.

In the context of the activities of risk measurement prescribed by Pillar II, the Group stress test methodology considers the impacts on the various risks generated from the materialization of the macroeconomic adverse scenarios. These scenarios are drawn analysing both current macroeconomic events and plausible future events that could take place and that are considered penalizing for the Group.

The stress test exercise is performed both with reference to single risk types and as an overall considering possible interactions. The results of the exercise are represented by the additional expected losses and by the stressed Economic Capital. The overall results consider both the single risk variations as well as any possible benefit of diversification.

Since 2017, two complementary approaches are considered in stress testing activities: the so-called "Normative Perspective" focuses on the impacts of stressed scenarios on regulatory capital metrics while the "Economic Perspective" quantifies impacts of scenarios on the Economic Capital.

The Group Senior Management is involved in the Group-wide stress test in the following phases:
- macro-economic stressed scenarios approval used to estimate the impacts on regulatory and economic capital;
- after the exercise is finalised, with the approval of the results and impacts and a potential discussion of actions to return into the predetermined limits of capital.

The adequacy of the risk measurement methodologies supporting the ICAAP, including stress testing and risk aggregation, is checked by internal validation functions.

Part E - Information on risks and related hedging policies

Reputational risk

Reputational risk is defined as the current or prospective risk to earnings or capital decrease arising from the adverse perception of the image of the financial institution on the part of customers, counterparties (also including debtholders, market analysts, other relevant parties, such as civil society, NGOs, media, etc.), shareholders/investors, regulators or employees (stakeholders).
Reputational risk is a secondary risk generated as a "knock-on effect" from risk categories, such as credit, market, operational and liquidity risks and all others risks types (e.g., business risk, strategy risk, ESG risk which considers the environmental, social and governance aspects of responsible investments). Reputational risk could also be generated from material events.

Since 2010 UniCredit group has ruled the reputational risk and the policy currently in place is the Group Reputational Risk management policy which aims at defining a general set of principles and rules for assessing and controlling reputational risk. On top of the Global Policy Regulation, a set of sensible sectors policies has been issued during the years, in order to mitigate specific reputational risks that arise from having relationships with counterparties operating in these sectors. The current policies are “Defense Industry”, “Nuclear Energy”, “Mining”, “Water Infrastructure (dam)”, “Thermal Coal” and “Oil &Gas”. In 2022, the “Defence Industry” policy has been reviewed, the main improvements refer to the introduction of client’s classification based on their activity, the explicit inclusion of key components and key infrastructures in the scope of the regulation as well as the update of the forbidden countries, refining the guideline that deals are not supported if addressed to countries involved in an active conflict or internal repression against civil population or subject to embargo, and the update of controversial weapons (e.g. depleted uranium). Also, it has been refreshed the approach of the “Mining” policy, in order to introduce the client’s classification as the other sensitive sectors policies, to assess its adequacy to the current context and climate requirements and to better clarify the overall set of principles referring to prohibited extraction activities, sites and behaviors, considering both the best practices (i.e., prohibition on asbestos) and the principles stated in other UCG Policies (i.e., prohibition on Arctic extractions). Also, in first half 2022 a new Tobacco Commitment with the guidelines to exit the tobacco industry by the end of 2025 has been issued.

In March 2024 the "Civil Nuclear Sector" and "Water Infrastructure Sector (Large Dams)" policies were updated and are now in line with the other regulations of sensitive sectors.
Finally, in June 2024, the "Commitment to Human Rights" document was updated, it describes the general approach, the impact measurement model, the "DE&I - Diversity, Equity & Inclusion" initiatives and the social strategies.

The reputational risk management is in charge to the Group Non-Financial Risks Department of UniCredit S.p.A. and to dedicated functions within the Group legal entities.

Since 2021 the Group Non-Financial Risks and Controls Committee (GNFRC) - Reputational Risk dedicated session has been established.
The Committee meets with approval functions, according to the regulations in place, for the following topics:
- Governance policies and guidelines for the management of the reputational risk on sensitive sectors and customer relationships;
- Binding Opinions, whenever a relevant reputational risk is present on specific single transactions/relationships - as foreseen by the Internal Regulations - to be provided to UniCredit S.p.A. functions;
- Non-Binding Opinions, whenever a relevant reputational risk is present on specific single transactions/relationships - as foreseen by the Internal Regulations - on cases submitted by Local NFRC, to be provided to other Group Legal Entities.

The Committee meets with consulting and information functions for the following topics, evaluating and providing guidelines with reference to:
- Reputational risk relevant emerging trends or material events, for their implications on Group and Local strategies, initiatives, transactions, projects, customers or other business activities, leveraging on evidences and assessments provided by Risk Management, Compliance, Legal, Group ESG Strategy & Impact Banking, Group Institutional Affairs and Group Identity and Communication;
- Group relevant risks/criticalities highlighted by Internal Audit function, for specific cases and in relation to specific areas or geographies;
- Periodical reporting provided by Group competent structures on the business activities and decisions taken in relation to the defined sensitive sectors.

In addition, UniCredit group developed a proprietary methodology for the quantification of reputational risk and the consequent calculation of the Value-at-Risk (VaR) for such a risk.
The methodology estimates the semi-elasticity between the “media sentiment” referred to UniCredit (summarised into the Media Tonality Index, provided by an external company, CISION Ltd, qualified in Reputation Intelligence and Media Monitoring) and the market expectations regarding the Group expected future profits, which are derived from equity prices via the reverse engineering of a dividend discount model, once sterilised from the effects affecting the whole European banking sector.
The Reputational VaR represents the maximum (at 99.9% confidence level) potential reduction of future earnings as derived from the estimated model parameters and the distribution of the Media Tonality Index.

Part E - Information on risks and related hedging policies

Top and emerging risks

In UniCredit, the management and monitoring of risks is based on a dynamic approach; Top Management is promptly informed on top risks and/or emerging risks through a strict monitoring process embedded in the risk assessment process.
The Risk Management identifies and estimates these risks and submits them regularly to Senior/Top management and Board of Directors which take the appropriate actions to manage and mitigate them.
The following top and/or emerging risks have been considered relevant during 2024:
1. Ongoing conflicts;
2. Macroeconomic and (geo-)political challenges;
3. Cyber security risks;
4. Risks stemming from the current European Regulatory developments.

1. Ongoing conflicts

Russia-Ukraine conflicts persist in 2024, with Middle East conflict still ongoing since October 2023.
These conflicts had negative consequences on inflation, market volatility, energy cost.
Furthermore, the following effects need to be considered: 1) intensification of sanctions to Russia by United states and Western countries 2) energy policy rotation towards secure access and source diversification; 3) intensified competition for critical materials, equipment, and commodities. High level of the uncertainty about the evolution and outcome of the conflict persists, along with the risk of escalation with potentially larger humanitarian, political and economic impacts hindering global post-pandemic recovery.
Over the years, Europe has come to depend heavily on Russian energy sources: coal, crude oil, fuel oil, and, especially, natural gas.
European countries are taking actions to lower further their demand, increasing gas supplies from countries other than Russia, importing more Liquefied Natural Gas (LNG) and generating more biofuel. Middle East conflict has added pressure on supply chains due to shipping re-routing and higher costs.
For additional information about the update of macro-economic scenarios and its effects on valuation of Group's asset refer to "Section 2 - General preparation criteria", Notes to the consolidated accounts, Part A - Accounting policies.
Cyber-attacks remain an important risk factor. Since the beginning of the conflict, several cyber-attacks took place also at banking industry level. Depending on the evolution of the conflict, cyber threat is expected to continue to be relevant.

2. Macroeconomic and (geo-)political challenges

Macroeconomic environment shows persisting level of uncertainty amid Russia-Ukraine and Middle East conflicts, even worsened by an increasingly fragmented political and economic scene that could undermine external demand and consumer confidence. Protracted conflicts and escalation risk, low growth and increasing fragmentation, markets volatility and monetary policy tightening, are among main drawbacks to economic recovery.
Corporate and households' vulnerabilities persist as financial conditions have tightened and economic outlook weakened. Households' savings buffer has been largely reduced; disposable income has been negatively affected both by high inflation and high interest rates.
Phasing out of central banks facilities put in place in 2020 in mitigation of Covid-19 crisis being completed. Further potential drawbacks include the following: 1) Non-Bank Financial Intermediation (NBFI) sector structural vulnerabilities' in the form of liquidity mismatch and leverage, considering the strict interconnection with the banking system; 2) technological advances in Artificial Intelligence (AI) that could erode social trust and disrupt businesses and markets; 3) impact of higher rates on both residential and commercial housing markets, particularly in countries with high debt and overvalued property values; 4) impacts from climate change as further detailed within "The Climate-related and environmental risks" section, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies.
In addition to the above-mentioned factors, the following trends and challenges on the geopolitical arena are relevant:
- US-China tensions over Taiwan;
- trade tariffs tensions (US/EU/China);
- significant wave of elections in 2024/2025, including presidential elections in the United States set to impact the geo-economic landscape amid increasing geopolitical tensions.

Part E - Information on risks and related hedging policies

3. Cyber security risk
In an era where banking services are increasingly digitized, the increasing relevance of cyber threats and the dynamic regulatory environment continue to place digital risks at the forefront spanning cybercrime, the integration of emergent technologies, and the fortification of IT resilience and disaster recovery protocols. Cyber threats have not only grown more sophisticated, leveraging artificial intelligence and exploiting third-party and internal vulnerabilities, but the ongoing Russia-Ukraine conflict also amplifies concerns over service disruptions. The role of third-party entities as providers of critical business services has emerged sharply within our risk perimeter, in continuity necessitating a comprehensive supplier risk management approach in line with regulatory expectations. Additionally, the landscape of new regulations across countries and the complexity of regulatory divergence poses significant challenges for compliance, especially for firms operating internationally. This complex regulatory scenario mandates a resilient infrastructure capable of rapidly adapting systems and processes to new regulations, ensuring continuous compliance and the safeguarding of data integrity and service continuity. While the pervasive nature of cyber threats generates a key risk that could have significant potential impact to overall financial stability, regulatory compliance, and reputation, and also despite UniCredit group facing challenges throughout 2024, such as DDoS (Distributed Denial of Service) attempts and industry-wide global IT outages, UniCredit group successfully mitigated any material impact to our operations.

4. Developments in the European regulatory framework
Over the last few years, the regulatory framework in which financial institutions act has become increasingly complex and strict. This complexity has further increased following the introduction of new financial regulations, some of which being still under discussion, and by the ECB central role in the supervision of a large portion of the European banking system.
All these changes might significantly affect UniCredit and introduce additional challenges for the general banking sector profitability and capital requirements.

The most relevant changes are the following:
- on 27 March 2020, the Basel Committee's oversight body, the group of central bank Governors and Heads of Supervision (GHOS) changed the implementation timeline of the outstanding Basel 3 standards. In particular the implementation date of the Basel 3 standards finalised in December 2017 and January 2019 (credit risk, operational risk, output floor and market risk) has been deferred by one year to 1 January 2023;
- the EU Commission, published on 27 October 2021 the Banking Package 2021, which includes the proposals for the final implementation of Basel 3 in the European Union through a legislative package introducing amendments to Capital Requirements Regulation 2013/575/EU (CRR), to the Directive 2013/36/UE (Capital Requirements Directive), and also a proposal to amend the Capital Requirements Regulation in the area of resolution (the so-called “daisy chain” proposal). In June 2023, the EU Council and the European Parliament found a provisional agreement on the revisions to the Commission proposal. In line with the Basel standards, the EU Co-legislators agreed in restricting the usage of internal models for measuring credit risk on some specific portfolios and to return to a more stringent standardised approach as well as to eliminate internal models for operational risks. They also agreed to introduce the output floor, applied at “solo” level. The agreement shows that the Co-Legislators have taken into account some important European specificities that could mitigate the impact on the sector. In addition to the implementation of the Basel standards, part of the legislative package also aims to strengthen the resilience of the banking sector to environmental, social and governance (ESG) risks and to improve the Fit and Proper assessment framework. Following the approval by the European Parliament and the Council of the EU, between April and May 2024, the package entered into force July 9. Most of the CRR3 provisions are applicable from 1 January 2025, although for some measures there are different application dates, transitional periods or phase-in application. With regards to the CRD6, Member States will have 18 months to transpose the Directive starting from its entry into force (by 9 January 2026);
- in May 2020 the European Banking Authority (EBA) published its Guidelines on loan origination and monitoring that require institutions to develop robust and prudent standards to ensure newly originated loans are assessed properly. The Guidelines also aim to ensure that the institutions' practices are aligned with consumer protection rules and respect fair treatment of consumers. The Guidelines apply from 30 June 2021. But positively, institutions may benefit from a series of transitional arrangements: (1) the application to the already existing loans and advances that require renegotiation applies from 30 June 2022, and (2) institutions are allowed to address possible data gaps and adjust their monitoring frameworks and infrastructure until 30 June 2024;
- on 1 July 2020 the European Banking Authority (EBA) published its final Guidelines on the treatment of structural FX positions, applicable from 1 January 2022. The aim of these Guidelines is to establish a harmonised framework for the application of the structural FX waiver and identify objective criteria to assist Competent Authorities in their assessment of the structural nature of a foreign-exchange position and to understand whether such position has been deliberately taken for hedging the capital ratio;
- entry into force of the liquidity requirements envisaged in Basel 3: a short-term indicator (Liquidity Coverage Ratio - LCR), with the goal to have banks maintain a liquidity buffer to survive a 30-days period of stress, and a structural liquidity indicator (the Net Stable Funding Ratio - NSFR) referring to a time horizon over one year, introduced to ensure that assets and liabilities have a sustainable structure in terms of maturity. While the LCR has been in force for some time now, the NSFR has been introduced as a requirement in the CRR2 published in June 2019 and applied since June 2021;
- MREL: “Pillar 2” MREL is bank-specific and was introduced by the BRRD in 2014 and later amended in June 2019 (BRRD2). MREL is defined annually by the EU Resolution Authorities, also in its subordinated component, i.e., to be met with subordinated instruments;

- discussion on the preferential treatment of sovereign exposure in banks' banking book: banks' exposures to the home sovereign currently benefit of a zero-risk weight. There is no concrete proposal under consultation yet, but policy makers and regulators are discussing which approach to adopt, if any, to remove this preferential treatment (e.g., the Revision of the Treatment of Sovereign Exposure - RTSE, might foresee an application of concentration charges);
- as announced in July 2022, in January 2023 the EBA kicked-off a new stress test exercise aiming to assess the resilience of EU banks to a common set of negative economic shocks. The results were published at the end of July 2023;
- climate risk and environmental risk regulation updates:
  - ECB issued in November 2020 a Guide with supervisory expectations, based on current regulations, on how banks should incorporate climate-related and environmental risks into business strategy, governance, credit-granting process, Risk Appetite Frameworks, risk management framework, liquidity and capital adequacy processes, through dedicated stress testing scenarios;
  - the ECB conducted the Stress Test exercise in 2022 exclusively regarding Climate Risks, with the aim of evaluating the exposure of the Euro Area financial sector to natural disasters (floods or episodes of intense drought and heat) and to a faster-than-expected ecological transition (e.g., rapid increase in the price of CO_2 from 2022). The results of the Stress Test have been integrated into the 2022 Supervisory Review and Evaluation Process (SREP) letter as a qualitative evaluation and have no quantitative impact on the P2R;
  - based on the final agreement between the Council and the European Parliament on the revisions to the European Commission proposal on the Regulation on Capital Requirements 2013/575/EU (CRR) and on the Capital Requirements Directive 2013/36/EU (CRD) published in the Banking Package 2021, additional measures are foreseen to deal with climate-related environmental risks. Accordingly, banks are required to fully include, for the obsolescence of physical collateral, the climate related valuation considerations and take into consideration the long-term impact of climate related risks when defining their business strategy and processes. Additionally, several mandates were assigned to EBA to: i) issue guidelines for credit risks stress testing to include climate-related environmental factors by 2025 (potential Pillar 2 impact) ii) define minimum standards for banks for the assessment of these risks in their portfolios, iii) propose targeted enhancements that could be considered within the current prudential framework to integrate climate risks (Pillar 1 impact) and iv) assess the effective riskiness of exposures impacted by environmental factors and a dedicated prudential treatment associated to these exposures by end of 2027 (Pillar 1 impact);
  - on 30 November 2022, the EU Commission adopted the implementing technical standards on Pillar 3 which requires large credit institutions to disclose information on Environmental, Social and Governance (ESG) risks. The new rules aim to ensure comparable quantitative disclosures on climate change risks, including transition and physical risks, as well as qualitative disclosure regarding the inclusion of ESG factors into banks' governance and business strategies and foreseen a phase-in period for disclosing information as follows: i) from January 2023, banks must disclose qualitative info on ESG risks and information related with the credit quality of their exposures; ii) from January 2024 the exposures towards EU counterparties and households on Taxonomy-aligned activities that are contributing to environmental objectives (Green Asset Ratio), while from January 2025, on a voluntary basis, the exposures towards non-EU counterparties and SMEs (Banking Book Taxonomy Alignment Ratio); and iii) Scope 3 emissions (financed greenhouse gas emissions associated with banks' investment and lending activities to counterparties) from June 2024;
- capital markets, payments and digital finance regulation updates:
  - in June 2023, the European Commission published a legislative proposal on the establishment of a digital euro (d€). Such currency would be an electronic form of cash for the digitalised world. It would give consumers the option to use central bank money in a digital format, complementing banknotes and coins. Under the proposal, i) banks will be obliged to provide free of charge basic digital euro payments services upon request of their clients, but they will be compensated for the costs incurred, even though fees will be subject to a cap; ii) the ECB should develop instruments to limit the use of the d€ as a store of value, including holding limits, in order to address financial stability risks. In October 2021, the Governing Council of the ECB launched an investigation phase, aimed at exploring the opportunity to issue this currency. From November 2023, the ECB has launched a preparation phase of the project in which different technical solutions will be developed and tested. Only after these steps, and only after the European Parliament and the Council have adopted the Commission's legislative proposal, the ECB will take the final decision on whether to issue or not a digital euro;
  - in October 2022, the European Commission adopted a legislative proposal to make instant payments in euro available to all citizens and businesses holding a bank account in the EU and in EEA countries. The EU Council and the European Parliament found a provisional agreement in September 2023. It foresees that all credit institutions should offer (and receive) instant payments to all their customers through all channels (digital and traditional), already offered for SEPA Credit Transfer (SCT). Moreover, the price of an instant payment transaction should be aligned to the one of a regular credit transfer. All Payment Service Providers (PSPs) offering the service of sending euro IPs (Instant Payments) are required to check that the payee's IBAN matches the payee's name (so-called IBAN-name check) and must notify the customer of any detected discrepancy. The text was published in the EU Official Journal in March 2024 and entered into force on April 9; since January 9, 2025, PSPs shall offer their clients the reception of transactions in only 10 seconds. Other measures (sending IPS and IBAN-name check) will follow in 2025.
  - in April 2021, the European Commission presented a proposal for a 'Regulation laying down harmonised rules on Artificial Intelligence' (the Artificial Intelligence Act), which will create a comprehensive, harmonised, regulatory framework for Artificial Intelligence (AI) in the EU but will also impact use and development of AI systems globally, including within the financial services sector. The regulation introduces a strict regime and mandatory requirements for 'high risk' AI systems, such as those used to evaluate creditworthiness of natural persons. The regulation entered into force on 1 August 2024;

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- Capital Markets Union regulation updates:
  - in May 2023, the European Commission published its Retail Investment Strategy (RIS) legislative package with the aim of ensuring that the legal framework for retail investments sufficiently empowers consumers, encourages improved and fairer market outcomes and ultimately creates the necessary conditions to grow retail investor participation in capital markets. The Package mainly presents amendments to the Directive on Markets in Financial Instruments (MiFID II), the Directive on Insurance Distribution (IDD), and to the Regulation on key information documents for Packaged Retail and Insurance-based investment Products (PRIIPS). In particular the proposal i) introduces a partial ban on inducements paid from manufacturers to distributors in relation to the reception and transmission of orders, or the execution of orders to or on behalf of retail clients (where no advice relationship exists between the investment firm and the client); ii) Value for Money (VfM): amends product oversight and governance rules to ensure that undue costs are not charged and that products deliver Value for Money to retail investors, with specific comparability tools (benchmarks); iii) foresees the standardization of information on costs and charges, with a greater degree of detail. The legislative process is ongoing. As both the EU Council and Parliament finalised their own position within the first half of 2024, reviewing several parts of the proposal, the negotiations aimed at reaching an agreement on a final legislative text are expected to take place over 2025. The entry into force of the new package is not expected before the end of 2026.

The climate-related and environmental risks

E1- Climate Change:
Climate change has gained increasing importance in recent years and this is reflected in global frameworks such as the Paris Agreement and the UN's 2030 Agenda for Sustainable Development, which UniCredit has always supported. Specifically, the process to identify and assess impacts, risks and opportunities related to climate change and GHG emissions has been based on recognising that climate change has consistently been one of the most significant issues for UniCredit, both internally and in terms of financing. In fact, as highlighted in previous years reporting, UniCredit constantly monitors its own emissions and financed counterparties', which represent actual impacts that the Bank has on the environment. In parallel, UniCredit fosters climate-related awareness across counterparties and its commitment is concretized through the support towards energy efficiency initiatives and renewables sources financial projects.

As described in the chapter Strategy - Material impacts, risks and opportunities and their interaction with strategy and business model, UniCredit's approach to climate and other environmental topics is based on tangible actions that generate direct and indirect impacts. The Group is committed to limiting negatives and generating positive impacts to preserve natural capital for the benefit of the communities in which UniCredit operates and itsself.
The Group strategic approach is based on the double materiality concept which considers both an inside-out and an outside-in perspective.

Inside-out perspective: manage the direct and indirect impacts that Group operations and lending have on the environment:

Indirect impacts - accompany Group clients on their green transition journey by:
- assessing and monitoring Group portfolio exposure towards most climate-related sectors;
- identifying and evaluating the impacts on climate;
- adopting a sector policy framework;
- defining the journey towards Net Zero on portfolio emissions.

Direct impacts - reduce our environmental footprint by:
- steering Group behaviour towards Net Zero on Group own emissions;
- procuring electricity from renewable sources;
- improving energy and space efficiency;
- fostering the efficient use of resources.

Outside-in perspective - prepare to measure the business consequences of climate stress and the associated socio-economic transition and take advantage of emerging opportunities by:
- executing Group strategy;
- correctly managing climate and environmental risks, in line with the agreed Risk Appetite Framework (RAF) and the ECB climate stress test requirement.

UniCredit's strategy incorporates identifying and understanding climate and environmental risks (C&E) and opportunities that the Group may encounter. C&E factors are related to the quality and functioning of the natural environment and its systems (Natural Capital) and include factors such as climate change, biodiversity, energy consumption, pollution and waste management.

The table below provides an overview of each identified climate-related risk, its potential impacts, the corresponding time horizons (short, medium and long-term) and the actions undertaken to monitor and mitigate these risks.

Part E - Information on risks and related hedging policies

<table>
<tr><th>POTENTIAL CLIMATE-RELATED RISKS</th><th>TIME HORIZON</th><th>MAIN POTENTIAL IMPACTS</th><th>SPECIFIC ACTIONS</th><th>OVERARCHING ACTIONS</th></tr>
<tr><td>Transition risks
Changes in or introduction of public policies and/or environmental regulations</td><td>Short and medium/long- term</td><td>Reduction of business for corporate clients with potential drawbacks on creditworthiness/ solvency
Financial implications arising from environmental/ESG regulations and GHG emission limits and/or taxes applied to clients operating in specific economic sectors
Reduction of Group profits deriving from concentration on sectors more sensitive to climate-related risks</td><td rowspan="3">Inclusion of ESG risks considering both counterparty scoring (including the use of an internally developed questionnaire) and energy performance certificates (EPC) when assessing credit applications
Enhancement of Market and Liquidity risk framework to incorporate the assessment, monitoring and control of ESG risks
Integration of industry steering signals within the Credit Risk Strategies framework, based on relevant Climate & Environmental (C&E) factors</td><td rowspan="2">Definition of data governance processes and related IT investments to integrate ESG risks into the risk management framework
Participation in international working groups and commitments related to climate, such as the Net Zero Banking Alliance, stakeholder engagement initiatives and active collaboration with policy makers
Risk identification process and materiality assessment, including stress tests, to evaluate the significance of climate-related risks in the short, medium and long-term horizons</td></tr>
<tr><td>Transition risks
Technological changes</td><td>Short and medium/long- term</td><td>Increase in costs for corporate clients with potential drawbacks on creditworthiness/ solvency</td></tr>
<tr><td>Transition risks Changes in customer/ consumer preferences</td><td>Short and medium/long- term</td><td>Reduction of business for corporate clients with potential drawbacks on creditworthiness/ solvency
Potential changes to the offering of products and services to clients</td><td rowspan="2">Inclusion of specific KPIs related to transition and physical risks within the Risk Appetite Framework. The risk appetite is then cascaded to more granular levels via risk strategies and policies
Promoting a sustainable culture within the organisation by developing ESG training courses and workshops</td></tr>
<tr><td>Transition risks Changes in customer or community perceptions</td><td>Short and medium/long- term</td><td>Reputational impacts or negative perceptions from the community or Stakeholders due to inadequate management of climate-related risks</td><td>Environmental sector policies and their subsequent implementation
Reputational Risk assessment to evaluate the positioning of clients and specific projects in relation to climate-related topics</td></tr>
</table>

Part E - Information on risks and related hedging policies

POTENTIAL CLIMATE-RELATED RISKS	TIME HORIZON	MAIN POTENTIAL IMPACTS	SPECIFIC ACTIONS	OVERARCHING ACTIONS
Physical risks **Acute** Extreme weather events, such as floods, droughts, heavy rainfalls, heatwaves, fires and hail **Chronic** Chronic weather events, such as variations in average temperatures and sea level rise	Short and medium/long-term	Financial implications resulting from corporate /retail clients being damaged by extreme weather events, potentially impacting their creditworthiness/ solvency Potential damage to the Group's infrastructure and the potential disruption of activities Increase in energy supply costs due to higher heat/electricity demand Potential fires, driven by rising temperatures, affecting areas in proximity to the Group's buildings Potential impact of sea level rise on buildings located near the sea Reduced productivity due to higher temperatures	Inclusion of ESG risks considering counterparty scoring Monitoring of physical risks both on counterparties within portfolio and individual collaterals	Definition of data governance processes and related IT investments to integrate ESG risk into the risk management framework Participation in international working groups and commitments related to climate, such as the Net Zero Banking Alliance, stakeholder engagement initiatives and active collaboration with policymakers Risk identification process and materiality assessment, including stress tests, to evaluate the significance of climate-related risks in the short, medium and long-term horizons Inclusion of specific KPIs related to transition and physical risks within the Risk Appetite framework. The risk appetite is then cascaded to more granular levels via risk strategies and policies Promoting a sustainable culture within the organisation by developing ESG training courses and workshops Signing (2022) of the Finance for Biodiversity Pledge (FfB) and participation as member to the working table on Biodiversity of the UNEP FI (United Nations Environment Programme Finance Initiative)

Part E - Information on risks and related hedging policies

Climate Risk Management
UniCredit recognises Climate and Environmental Risk factors as crucial elements in safeguarding its clients' portfolios and assets from climate-related risks. To achieve this goal, UniCredit is integrating climate and environmental factors into its risk management processes and procedures. Climate Risk management encompasses the identification, measurement, and monitoring of these risks as well as the implementation of mitigation measures. The Group actively engages and supports its corporate clients in transitioning to a lower carbon business model, fully exploiting green business opportunities. Furthermore, the Group aims to assist its clients in achieving a just transition, ensuring fairness throughout the process.

Risk Identification
As reported in section "Internal Capital Adequacy Assessment Process (ICAAP) and Risk Appetite", UniCredit's first step is the identification and mapping of all the risks embedded in the Group and in the relevant legal entities, with particular focus on the risks not explicitly covered by the Pillar I framework.

This process, defined as the risk identification process, is a comprehensive framework to proactively identify all potential risks the Group may encounter and is performed on an annual basis. The primary outcome of this activity is UniCredit's risk inventory, which comprises a comprehensive list of the quantitative and qualitative risks to which the Group is or may be exposed. The risk identification process enables UniCredit to assess which risks are, or are likely to be, material considering their exposures. Material risks are determined annually using a quantitative approach that involves assessing the risk level against the materiality threshold.

In line with the European Banking Authority's (EBA) and the European Central Bank's (ECB) expectations, UniCredit's risk identification process covers ESG risks dimensions considering that these could positively or negatively affect the risk types already incorporated in UniCredit's risk management framework.

Environmental, Social & Governance (ESG) risks pertain to any adverse financial consequences that may arise for the Group due to the existing or prospective impacts of ESG factors on its counterparties or invested assets;
Climate and Environmental (C&E) factors are related to the quality and functioning of the natural environment and its systems and include factors such as climate change, biodiversity, energy consumption, water, pollution, and waste management.
Social and Governance factors, for which the Group assigned an impact on reputational risk, revolve around the rights, well-being and interests of individuals and communities and include governance arrangements for the environmental and social factors in the policies and procedures of counterparties.

In coherence with the "Recommendations of the Task Force on Climate-related Financial Disclosures" (2017), climate related risks can be divided into two major categories: (i) risks related to the transition to a lower-carbon economy and (ii) risks related to the physical impacts of climate change, described in detail below.

Transition risks refer to the risks arising from the transition to a lower-carbon economy, which may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, pace, and focus of these changes, transition risks can pose different levels of financial and reputational risk for organisations.
- policy and legal risks stemming from continuously evolving policy actions, attempting to either constrain actions that contribute to the adverse effects of climate change or seeking to promote adaptation to climate change, and from litigation or legal risks;
- technology risk stemming from technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system and that can have a significant impact on organisations to the extent that new technology replaces old systems and disrupts some parts of the existing economic system;
- Market risk stemming from the potential shifts in supply and demand for certain commodities, products and services;
- Reputational risks stemming from changing client or community perceptions of the organisation's contribution to or detraction from the transition to a lower-carbon economy.

Physical risks refer to the risks related to the physical impact of climate change. These types of risk can be event driven (acute) or long-term shifts (chronic) in climate patterns and, as such, their effects can be felt both in the short and medium/long-term horizon.
- Acute physical risks are event-driven, including increased severity of extreme weather events (e.g., droughts, floods, etc.);
- Chronic risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures).

The connections between climate risk drivers and the risks faced by banks are referred to as transmission channels.

Understanding these transmission channels is crucial for assessing the impact of climate risk drivers in UniCredit's risk management framework. The figure below illustrates the climate-related risk drivers, relevant transmission channels and risk types that may be affected.

Part E - Information on risks and related hedging policies

CLIMATE-RELATED RISK DRIVERS

- **Physical** risk drivers
  - Acute
  - Chronic
- **Transition** to low carbon Economy risk drivers
  - Policy changes
  - Technological changes
  - Behavioural/consumer preferences changes
  - Client or community perception changes

TRANSMISSION CHANNELS

- Carbon price/carbon tax
- New climate-related regulations
- Stranded assets
- Damages to property
- Shifts in prices and asset values
- Increased volatility of asset prices
- Lower asset performance
- Operational disruption
- Productivity changes
- Losses of business opportunity
- Dispute, claims
- Interest rates level
- Changes in individuals' habits
- Changes in clients' expectations
- Political decisions
- Energy Performance Certificates
- Insurance availability/affordability/pricing

RISK TYPES POTENTIALLY IMPACTED

- Credit Risk
- Market Risk
- Operational Risk
- Reputational Risk
- Business Risk
- Real Estate Risk
- Inter-risk diversification

IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities
With particular reference to the identification and monitoring of Climate Change, an annual portfolio materiality assessment, integrated into the Double Materiality Assessment according to the process described in section "Material impacts, risks and opportunities and their interaction with strategy and business model", is performed to identify the climate-related risk drivers which may materially impact the portfolio at single risk category level, leveraging on common metrics and a unique threshold for risks and time horizons, through scenario analysis. For each risk and under the short- (12 months), medium- (2030) and long-term (up to 2050), the metrics are defined according to an annualized unexpected loss concept, while the threshold for a risk driver to be identified as material is set consistently with the internal ICAAP materiality threshold.

The set of climate scenarios considered for the analysis is provided by a qualified external provider and is meant to assess and quantify potential vulnerabilities for the short and medium/long-term horizons. The main climate assumptions embedded in the scenarios in terms of transition policies and level of emissions/temperature are consistent with the NGFS/IEA[92]'s ones to ensure consistency with scientific climate change pathways to properly assess the impact of physical and transition risk drivers. The scenarios are extended with a more comprehensive set of variables (climate and macro-economic related) disaggregated at higher level of granularity to better fit the Bank's risk profile.

In particular, a central scenario (namely, Baseline), which considers the current Transition policies, the central macro-economic outlook and climate assumptions similar to the International Energy Agency (IEA) STEPS scenario incorporating policies deemed sufficiently credible to materialize into action, as well as two polarized stressed scenarios with very low probability of occurrence are considered.

To account for the pure climate risk impact, a Baseline Counterfactual scenario is considered, removing from the Baseline scenario any impact deriving from climate risk.

92 Network for Greening the Financial System/International Energy Agency

Part E - Information on risks and related hedging policies

The scenarios' narratives for 2024 climate-risk scenario analysis are described below.

BASELINE

Central scenario.

Narrative: Projection of commitment and measures currently adopted by different countries. Climate assumptions aligned with the IEA's Stated Policies Scenario

DELAYED TRANSITION

Transition risk stressed scenario.

Narrative: policies are introduced in 2030, starting the transition. The delayed start implies that a more stringent policy is required to achieve similar climate outcomes by 2050, resulting in greater economic impacts. Aggressive and uncertain carbon taxation policies cause substantial inflationary pressures, stranded assets and financial instability. Government carbon tax revenues are sufficient to cover the fiscal costs of the transition

ENERGY DISORDER

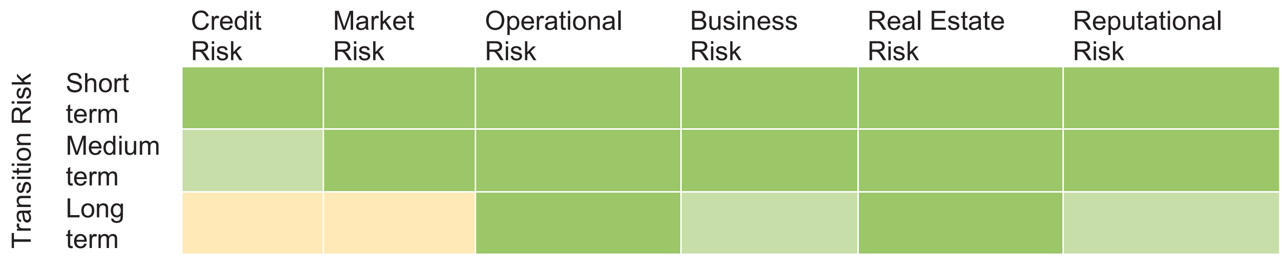
Physical risk stressed scenario.

Narrative: Increased protectionism in energy, whose demand primarily met with fossil fuels, and other strategic sectors on top of no effective policy actions to address climate change, resulting in high emissions and severe temperature increase

The scenario also considers physical damage estimates attributed to changes in temperature volatility and the increasing likelihood of acute events.

The Baseline scenario and the polarized stressed scenarios are modelled as deviations from the Baseline Counterfactual scenario's macroeconomic outlook and, as such, are meant to capture climate risk driven outcomes, with varying mixes of physical (main driver of Energy Disorder scenario) and transition risk (main driver of Delayed Transition scenario) or both (Baseline).

The outcomes of the 2024 portfolio materiality assessment suggest a limited impact of climate-related risk drivers in the short-term, while they show material impact of physical risk in the long-term for Credit Risk. Physical risk is hence to be considered a relevant risk driver for UniCredit portfolio.



Medium-term = 2030
Long-term = up to 2050

- Low
- Medium Low
- Medium
- **Material**

Part E - Information on risks and related hedging policies

The outcome on the Baseline scenario, not reported above, shows the low magnitude of transition and physical risks in all the three considered horizons.

As described above, the portfolio materiality assessment is the starting point allowing to identify the risk drivers which shall be included in the overall risk management framework to properly manage, monitor and mitigate them.

Within the overall risk management framework, the potential impacts of climate risks have been incorporated in methodology IFRS9 provisioning (please refer to the Notes to the accounts, part E – information on risks and related hedging policies, "2.3.4 Scenarios and Sensitivity") and into the Internal Capital Adequacy Assessment Process to evaluate the capital adequacy of the bank relative to climate-related risks. The latter, performed through scenario analysis, envisages the full coverage of risk types (e.g., credit risk, market risk, etc) and the integration of forward-looking elements. The impact on capital need estimates shows that the Bank's resilience is ensured in the short-, medium- and long-term.

The integration of transition risk and physical risk into RAF and into credit portfolio is described in the sections below. Moreover, additional details are reported also for Financial and Non-Financial risks, considering their relevance for UniCredit group.

Integration of climate risk into RAF
UniCredit's Risk Appetite provides an integrated view of business and risk strategy ensuring strategic plan execution within the risk capacity a bank is willing to assume. It establishes the Group's desired risk profile, driving short-term and long-term strategic objectives, and is supervised by the UniCredit Board of Directors.

The Risk Appetite Framework (RAF) is composed of three key elements:
- Risk Appetite Statement (RAS) - provides a strategic view of and guidance on the target risk profile and is expressed via qualitative statements;
- Risk Appetite Dashboard - quantitative KPIs with related targets and risk tolerance thresholds for proactive risk steering;
- Risk Strategies - ensure the cascading of the Risk Appetite to more granular levels via operative indicators, limits and controls.

Since 2020, dedicated Risk Appetite Statements are drawn up regarding Climate & Environmental (C&E) risks, including the definition of UniCredit's commitment to assist its clients in a just and fair transition and the continuous integration of C&E risks within the Risk Management framework. Dedicated quantitative C&E risk related KPIs have been included in the Risk Appetite Dashboard since 2022, addressing both transitional and physical C&E risks. As of 2024, the following C&E KPIs are included in the Risk Appetite Dashboard and quarterly monitored at Group level and main Legal Entities High Transition risk exposure KPI - aimed at measuring the Group's exposure against largest counterparties that appear more vulnerable along the transition path towards a lower-carbon economy, based on information retrieved through Climate and Environmental Questionnaire during credit application.

Physical risk KPI - designed to measure potential damages that extreme climate-related acute physical risks events could cause to the Group's collateral portfolio. Net Zero KPI has been defined on the following 3 priority sectors with the same metrics used to set 2030 targets (financed emissions and physical intensity), to steer the portfolio accordingly in 2024:
- Oil & Gas: Financed Emissions (MtCO2e);
- Power generation: Physical intensity (gCO2e/kWh);
- Automotive: Physical intensity (gCO2/vkm).

As of 2025 RAF Dashboard, the KPI Net Zero will also include the following sectors:
- Commercial Real Estate: Physical intensity (KgCO2e/m2);
- Residential Real Estate: Physical intensity (KgCO2e/m2)

Specifically, in 2025, the KPI will be monitored at Group level and cascaded to all relevant Legal Entities for the 3 priority sectors, while for Commercial Real Estate only to Italy, Germany and Austria (being this the scope of Net Zero commitment) and for Residential Real Estate only for Monitoring purposes (no RAF target/thresholds), being the 2030 target not externally communicated as for other sectors.
Being an integral part of the Group Risk Appetite monitoring process, C&E KPIs are subject to an escalation process (in the case of risk tolerance threshold breaches) with related corrective/mitigation actions to be defined, when needed. The Group Board of Directors is informed of the breach and remedy actions (if any) on a quarterly basis in the periodical information sharing process.
As of today, no breach in any of the defined thresholds happened.
In the following sections, the integration of transition risk and physical risk into credit portfolio will be further described. Additional details are reported also for Financial and Non-Financial risks, considering their relevance for UniCredit group.

Integration of transition risk into credit portfolio – Credit Risk strategy and counterparty level.
UniCredit has been working on the identification, measurement, monitoring and mitigation of transition risk. The transition risk of the portfolio is measured with different metrics, also including the distribution of the credit portfolio by industry.

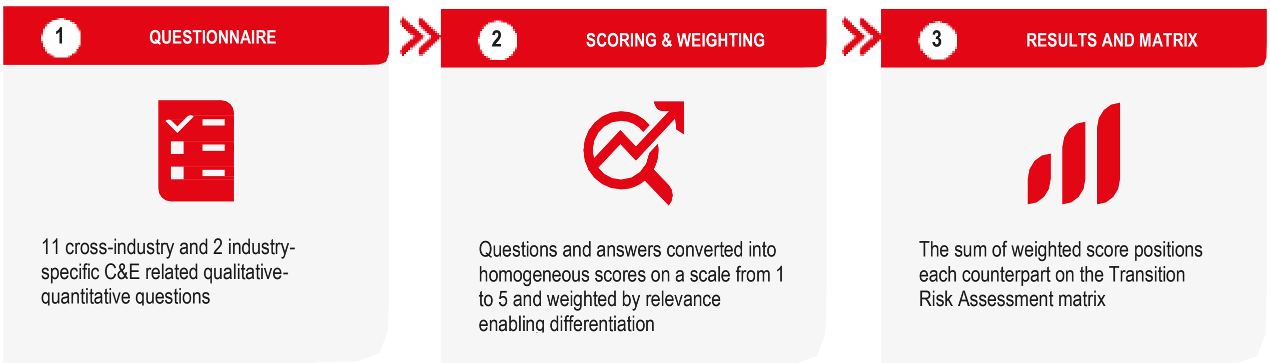
Part E - Information on risks and related hedging policies

A comprehensive approach has been developed to assess and manage transition risk; the Risk Management framework defined is fully consistent with the RAF and is based on 3 pillars:
- specific reputation risk policies set-up (refer to subparagraph "Non-Financial Risks" below);
- dedicated Industry steering signals, based on relevant C&E factors (linked to transition risk) included in the Credit Risk Strategies framework reviewed at least once a year;
- assessment at customer group or single client level, mainly leveraging a dedicated C&E questionnaire/external provider score.

In particular, the Industry steering signals (i.e. underweight, neutral, overweight) and the related industry limits embed relevant C&E factors, mainly leveraging a heatmap based on harmonized transition risk scores (integrating C&E questionnaire where available) by economic activity.
Further principles are also integrated within qualitative guidelines (including Net zero indication where relevant) for the business to assess and mitigate the risks for each specific industry. The cascading to the legal entities of the Group, together with the monitoring and escalation processes at local and Parent company level, steer different credit portfolios in alignment with the RAF.
To determine the extent to which the Bank's credit counterparties (subject to the C&E questionnaire perimeter) are exposed to Climate and Environmental risks, the C&E questionnaire is based on a set of both cross-industry questions (in total 11 considering the different sections) and industry-specific questions (an additional 2 for specific sectors), measuring qualitative and quantitative current and forward-looking key indicators across the following three main drivers.

The three main drivers of the C&E questionnaire are:
- C&E exposure - the 5 questions allow an analysis of the current level of exposure of the Economic Group under assessment: (i) level of Greenhouse Gas (GHG) emission (Scope 1, 2 and 3); (ii) Water consumption, (iii) Energy consumption; (iv) Waste production and recycling;
- C&E vulnerability - the 4 questions allow
- an analysis of the climate change management maturity level on a forward-looking basis, covering: (i) Company's investment plan to shift to lower emission level business model, (ii) GHG emissions reduction target;
- Economic Impact - the 2 questions allow an analysis of the potential impacts on corporate clients' financial and industrial performance in terms of cost and revenues.

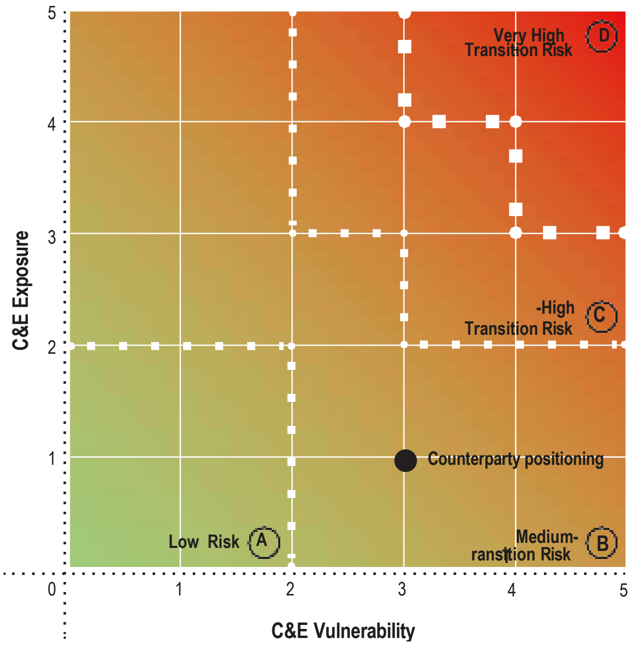
Three steps are applied in order to determine the questionnaire result as shown below:



In detail:
- calculation of question-specific indicators based on the answers provided (a penalty system is in place and applied when information could not be retrieved);
- conversion of indicators, related to single questions, to standardize the scores of different responses and guarantee comparability of results;
- weighting of question-specific scores according to a pre-defined table (that takes into account the relevance of the questions) and calculation of the summary score for the different dimensions:
  - sum of question-specific scores (and penalties if necessary) for each question in the Exposure cluster; the result is plotted on the vertical axis of the matrix;
  - sum of question-specific scores (and penalties if necessary) for each question in the Vulnerability cluster; the result is plotted on the horizontal axis of the matrix;
- determination of C&E score ratings (1-Low; 2-Medium; 3-High; 4-Very High Risk), as shown in the matrix below.

Part E - Information on risks and related hedging policies

Scoring methodology matrix



High C&E Transition Risk
Risk counterparts

A	**Low**	Clients with no/limited Climate and Environmental Transition risk
B	**Medium**	Clients with moderate Climate and Environmental Transition risk
C	**High**	Clients with tangible Climate and Environmental Transition risk
D	**Very High**	Clients with important level of Climate and Environmental Transition risk

- c.1,500 approximate number of counterparties mapped by the C&E Questionnaire;
- 45%-50% approximate corporate portfolio coverage;
- Risk of our clients:
  - **90%** Medium/Low
  - **10%** High/Very high

In order to guarantee the robustness of the model and the correctness of the data collected, specific controls have been put in place and a window dedicated to the uploading of documents used by the relationship manager to collect the data has been set up in order to verify the sources and correctness of the information The results of the climate and environmental assessment are integrated in the credit application, allowing the decision maker to effectively take climate and environmental factors into account during the credit decision phase. A specific process, factoring in transition risk and physical risk evaluation (together with reputational risk and Net Zero whenever relevant), has been designed and cascaded to the Group Legal entities through a dedicated Group Operational regulation in order to address the inclusion of Climate and Environmental considerations into the overall evaluation of the client. Leveraging on transition risk score, the process application results in specific strategies (in terms of eligible products) to steer the corporate portfolio's exposure fostering the clients' green transition and reducing at the same time UniCredit’s exposure to C&E Risks. More in details, in case the client is subject to high or very high transition risk, the strategy foresees prevalence or exclusivity of ESG related products, respectively. Outcome of physical risk assessment at counterparty level is meant to complement the strategy with the request of physical risk mitigation action whenever deemed necessary. The adoption of the foreseen process in the various Group Legal entities rule is progressing, also according to the availability of ESG Group’s infrastructure in the different Group LEs.

Transition risk at collateral level

With the aim of measuring transition risk associated with assets accepted as collateral to fulfill regulatory obligations (Pillar 3, EU Taxonomy, Stress Tests) and meet managerial needs, a collection of Energy Performance Certification (EPC) data has been conducted in the various Group Legal Entities:
- for the stock, where the data could not be punctually retrieved, the Group leveraged on external specialised providers, which developed an estimation model.
- for the new flows, the following transition risk KPIs are collected and properly taken in consideration during origination phase:
  Energy Performance Certification label (EPC) with flag indicating estimated/reported;
  Primary Energy Demand (PED) measured as kWh/sqm;
  CO2 emissions;
  Energy Performance Certification label issuance year.

Such information has been integrated into the ESG Global IT Infrastructure and is available on the local underwriting platforms at the origination stage.

Part E - Information on risks and related hedging policies

Physical risk in the credit portfolio

Physical risk is carefully monitored for both counterparties within the Group's portfolio and individual collateral assets. This involves the assessment of a wide range of hazard events, with particular attention given to the following:

- material hazard events related to physical risk at counterparty level; and
- material hazard events related to physical risk at collateral level.

Material hazard events related to physical risk at counterparty level:

TYPE OF PHYSICAL RISK (ACUTE/ CHRONIC)	MATERIAL PHYSICAL RISK HAZARD EVENT	DESCRIPTION OF THE PHYSICAL RISK HAZARD EVENT	METRIC/APPROACH	SPATIAL RESOLUTION	SOURCE
Acute	Landslides	Risk of landslide events, long historical data	Annual probability of event with high severity	grid 200 metres/census cell	Third party Data & Bundesanstalt für Geowissenschaften und Rohstoffe & Istituto di Ricerca per la Protezione Idrogeologica
Acute	Floods	Risk of flood events, related to waterways and heavy rain events, predictive model	Annual probability of event with high severity, return period 50y	grid 100 metres/census cell	Third party Data & Istituto Superiore per la Protezione e la Ricerca Ambientale (ISPRA)
Acute	Wind (Extreme wind-related events)	Probability of extreme wind events based on storm footprint, measured on Beaufort scale, return period 50y	Annual probability of extreme events (11-12 Beaufort scale)	grid H3	Third party Data
Acute	Wildfire	Risk classes depending on days with high fire risk subject to the type of environment in which the company is located, Representative Concentration Pathways (RCP) 4.5 scenario	Average days/year with high fire risk, subject to type of environment	grid 4 kilometres	Third party Data & European Space Agency (ESA) Data & Copernicus Data
Acute	Extreme waves (extreme waves, storm surges)	Probability of having storm surges and high energy waves	Wave height in RCP 8.5 with a return period of 50y	grid 25 kilometres	Third party Data
Acute	Frost occurrence	Probability of cold events (frost, even of short duration), predictive model	Average number of events by years	grid 10 kilometres	Third party Data
Acute	Heat occurrence	Probability of hot events (even of short duration), predictive model	Average number of events by years	grid 10 kilometres	Third party Data

Part E - Information on risks and related hedging policies

TYPE OF PHYSICAL RISK (ACUTE/ CHRONIC)	MATERIAL PHYSICAL RISK HAZARD EVENT	DESCRIPTION OF THE PHYSICAL RISK HAZARD EVENT	METRIC/APPROACH	SPATIAL RESOLUTION	SOURCE
Acute	Heat waves	Probability of heat waves (extreme hot event > 3 days), historical data	Number of events (> 3 days) observed in a 60y period	grid 10 kilometres	Third party Data
Acute	Aridity	Probability of aridity phenomena (ratio precipitation/ evaporation), predictive model	Mean annual precipitation (P)/mean annual evapotranspiration (ETP)	grid 500 metres	Third party Data
Chronic	Sea level rise	Estimates the sea level with various meteorological models	Max wave height in 2050, return period in 50y	grid 25 kilometres	Third party Data

Part E - Information on risks and related hedging policies

Material hazard events related to physical risk at collateral level:

TYPE OF PHYSICAL RISK (ACUTE/ CHRONIC)	MATERIAL PHYSICAL RISK HAZARD EVENT	DESCRIPTION OF THE PHYSICAL RISK HAZARD EVENT	METRIC/APPROACH	SPATIAL RESOLUTION	SOURCE
Chronic	Sea level rise	Estimates the sea level with various meteorological models	Sea level rise hazard zones defined on Elevation Index (driven by coastal topography) and sea level rise Index (driven by sea level rise). The sea level rise hazard information is available for different scenarios	30 metres resolution for flooding hazard by sea level rise globally	Third party data: Sea level rise zones were modelled based on high- resolution elevation data from elevation model and sea level rise projections from climate models
Acute	Flood: • River Floods • Flash Floods	• River floods: Risk of river flood events, related to waterways and heavy rain events • Flash floods are short-term events which can be produced by multiple thunderstorms with heavy rain over one area	• River floods: global climate model and global land surface models estimate changes in peak water runoff at hydrological basin resolution. These changes in peak runoff are then used to scale current river flood maps. The projections are available in different scenarios • Flash floods: the flash flood map is based on meteorological data, as well as soil, terrain and hydrographic data (slope and flow accumulation). The meteorological data includes the amount, variability, and extreme behaviour of rainfall	• River floods: 30 metres • Flash floods: approximately 250 metres	Third party data: • River floods: Geoweb natural hazard maps • Flash floods: soil-sealing maps (detected by looking at impervious surfaces), curvature (from global multi-resolution terrain elevation data), slope and flow accumulation (from conditioned terrain data) as modifiers to generate the final flash flood map

Part E - Information on risks and related hedging policies

TYPE OF PHYSICAL RISK (ACUTE/ CHRONIC)	MATERIAL PHYSICAL RISK HAZARD EVENT	DESCRIPTION OF THE PHYSICAL RISK HAZARD EVENT	METRIC/APPROACH	SPATIAL RESOLUTION	SOURCE
Acute	Storms	Storms (including blizzards, dust and sandstorms): extratropical storms and storm surges	• Extratropical storms: The main variables of the exposure analysis are forward wind, maximum wind speed, minimum central pressure, radius of maximum wind speeds, track of the centre (eye) in 3 to 6 hourly intervals • Storm surges: multiple wave heights are simulated for each coast and the maximum expansion calculated. Wind speeds and bathymetry data were also taken into account	• Extratropical storms: approximately 5 kilometres • Storm surges: approximately 30 metres	Third party data
Acute	WildFire	Risk classes depending on days with high fire risk subject to the type of environment in which the company is located, RCP 4.5 scenario	Fire Weather Index (FWI) combining the probability of ignition, the speed and likelihood of fire spread and the availability of fuel.	Approximately 1 kilometre	Third party data: modelled according to daily information on temperature, precipitation, humidity and wind
Acute	Hail	Heavy hailstorms are usually triggered by wide cold fronts. Occasionally, local hot weather thunderstorms – a result of intense insolation over land or mountain slopes – also lead to severe localized hailstorms.	Global standardized records of meteorological data. hailstorm map is based on a number of atmospheric conditions with the potential to create a hailstorm. The following parameters were taken into account for the calculation: • Average annual evapotranspiration [mm] • Average annual temperature gradient [°C/km] • Average annual potential height of fall of hail [m]		Third party data

The Group's guidelines to integrate physical risk and transition risk KPIs into collateral evaluation, issued through a CRO Letter in 2023, have been transposed and embedded in a Group Operational Regulation published in January 2024 and properly cascaded to all the Legal Entities.

Part E - Information on risks and related hedging policies

According to the guidelines, the appraiser is delegated to evaluate, based on own independent assessment, the extent of transition risk (leveraging on EPC) and physical risk (through a homogeneous set of hazards to be assessed and evaluated with a dedicated taxonomy provided by the guidelines) and to embed also these components in the overall assessment and final value assigned to the collateral.

Financial Risk

With regards to financial risks (market risk, liquidity risk and counterparty credit risk), several concrete initiatives have been implemented over the last years to further integrate C&E risk into the financial risk management framework. The key pillars of the approach followed include:

- an overall methodological approach for incorporating C&E drivers within the Financial Risk framework has been refined, leveraging on a combination of assessment methodologies already employed by the Group. The methodological framework measures transition and physical risks within the Financial Risk relevant perimeter. For this purpose, both internal (transition) risk scores as well as externally sourced scores are applied. For the purpose of transition risk these scores are complemented by industry scores to further increase the data coverage. For the relevant market risk perimeter (Corporates&Financials) in the trading book for transition risk a very high coverage can be accomplished (almost 100%) and for physical risk about >60% coverage can be obtained. For the investment portfolio relevant perimeter (Corporates&Financials) for transition risk an almost full coverage and for physical risk about 50% coverage can be obtained, similarly also for the purpose of counterparty credit risk and liquidity risk (Counterbalancing Capacity - CBC);
- C&E KPIs are included within market risk \ counterparty credit risk strategy in line with Group ESG strategy; a dedicated limits and warning levels are applied. Specifically:
  - Granular Market Limits (GMLs) for equities and credit exposure vs high transition and physical risk score in the trading-book;
  - Granular Market Limits (GMLs) for non-sovereign debt securities exposure vs high transition and physical risk score in the investment portfolio, i.e., in the banking book;
  - Early Warning for sovereign debt securities exposure vs high transition and physical risk score in the investment portfolio, i.e., in the banking book;
  - Stress Test Warning Levels (STWL) on dedicated climate scenarios;
  - Early Warnings on Pre-Settlement exposure for counterparties with High Transition and Physical Risk score;
- the assessment of C&E drivers is incorporated into the process for evaluating new financial products within the Group. When assessing new products, LEs are responsible for verifying whether any C&E risk is embedded in the product's payoff/structure and for ensuring consistency with Group's ESG strategy by involving the local competent function if needed;
- specific inclusion and exclusion criteria for investment process and transaction due diligence in coherence with Coal and Oil & Gas sector policies.

Concerning Monitoring and Reporting, the Financial Risk function monitors and reports monthly to competent corporate governing bodies the concentration towards climate risk with reference to equity risk and corporate and financial bonds in the trading book, corporate and financial bonds in the investment portfolio, counterparty credit risk exposures and counterbalancing capacity. The monitoring framework includes physical and transition risks within the Financial Risk relevant perimeter complemented also by an analysis with respect to physical risk hazards. Additionally, also a Carbon Foot printing analysis for the corporates and financial bonds in the investment portfolio is included.
In April 2022, the market risk stress testing program was enhanced with a dedicated climate risk scenario which extends the ECB short-term disorderly transition scenario. Moreover, since October 2022, the monthly reporting and monitoring framework has been enhanced by incorporating transition and physical risks and in December 2022 the Climate risk stress test scenarios were further increased. In September 2024 the Baseline Counterfactual scenario, which does not include any impact from Climate risk, was introduced. This scenario is used to identify the climate risk which may materially impact the portfolio in the Stressed Scenarios, as well as in the Baseline scenario, by neutralizing the pure macro-economic outlook from the estimates.

Investment Portfolio:

Direct Transition and Physical Risk Scores are available for 100% and 45% respectively of the relevant perimeter of the Investment Portfolio (Corporates and Financials exposure). The distribution of the investment portfolio is mainly concentrated in Medium-Low category (54%) for Transition Risk and in Low category (71%) for Physical Risk. Not material exposure with high transition risk score and no high risk score for physical risk.

Transition Risk:
High – 0%
Medium High – 44%
Medium Low – 54%
Low – 2%

Physical Risk:
High – 0%
Medium High – 14%
Medium Low – 15%
Low – 71%

Trading Portfolio:
The overall materiality of climate-related exposure is very low. The split between equity-related and credit-related risk in the trading book is illustrated below:

Equity risk in the trading book:
Direct Transition and Physical Risk Scores are available for 99% and 91% respectively of the relevant perimeter of the Portfolio (Corporates and Financials exposure). Risk distribution is mainly concentrated in the Medium-Low category for both Transition (48%) and Physical (45%) Risk. Currently there is almost no exposure for a high-risk score for either transition or physical risk.

Transition Risk:
High – 1%
Medium High – 27%
Medium Low – 48%
Low – 23%

Physical Risk:
High – 1%
Medium High – 15%
Medium Low – 45%
Low – 29%

Credit risk in the trading book:
Direct Transition and Physical Risk Scores are available for 99% and 76% respectively of the relevant perimeter of the Portfolio (Corporates and Financials exposure).
Risk distribution is mainly concentrated in the Medium-High category (67%) for Transition Risk and in the Low category (57%) for Physical Risk. Currently there is almost no exposure for a high-risk score for either transition or physical risk.

Transition Risk:
High – 0.5%
Medium High – 67%
Medium Low – 29%
Low – 3%

Physical Risk:
High – 0.2%
Medium High – 13%
Medium Low – 30%
Low – 57%

The materiality for financial risk is assessed via the standard ICAAP framework as described earlier and is complemented by further concentration analyses and stress scenarios. Based on these assessments, combined also with qualitative considerations on UniCredit's trading business model, appears to be no materiality of climate & environmental drivers on market risk exposures.
Similarly, the outcome of the liquidity impact of climate risks reveals a limited materiality of the exposures to these risks also in ILAAP.

Climate risk could cause material net cash outflows or depletion of liquidity buffers, mainly stemming from the financial impact on the held assets of a changing climate (i.e., physical risk) or the institution's financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy (i.e., transition risk). According to the definition of physical and transitional risk, the transmission of climate risk to liquidity comes through the following channels:

- Counterbalancing Capacity (CBC): risk premia on securities of carbon-intensive issuers (transitional risk) or issuers particularly exposed to extreme climate events (physical risk) could increase, deteriorating the market value of the liquidity buffer;
- Deposits: withdrawals of deposits mainly due to high liquidity needs and credit losses that could stem from corporate clients with high CO2 emissions, which could have to adapt their technologies and production plants to more carbon-neutral economies (transitional risk) or from customers hit by severe weather events (physical risk), which reduce profitability and potentially increase credit risk and liquidity needs;
- Undrawn credit and liquidity facilities, whose usage might increase for the same reasons listed for deposits;
- Market valuation changes on derivatives transactions climate related price shocks and increased market volatility may result in increased derivative exposures and related margin-calls.

Additionally, the transition risk might appear if UniCredit itself fails in adapting its practices to the new climate regulations, thus leading to reputational impacts. Such a risk is regularly monitored through the name crisis scenario of the liquidity stress test.
In order to assess the materiality of the liquidity risk arising from climate factors related with deposits and committed lines, UniCredit's customers are classified according to a climate risk score defined through an internal questionnaire or acquired by external information providers. A stressed liquidity outflow ratio (from granted committed lines or from outstanding deposits) is applied on those customers labelled with high or medium high risk: the underlying assumptions of the impact analysis is that these customers will have increased liquidity needs comparable to those simulated in the severe internal liquidity stress test analysis.

The potential deterioration or the value of the counterbalancing capacity or the change in the value of derivatives (generating margin calls) is estimated by applying specific climate scenarios to the most relevant market variables (the same scenarios used in the ICAAP analysis).
The above-described effects are applied to the operative maturity ladder and the liquidity coverage ratio to assess the climate risk impact on the short-term perspective. Similarly, the effects are applied to the net stable funding ratio to simulate the structural liquidity changes produced by the above-described simulations.
The resulting impact is compared with the internal inherent risk severity thresholds.

In general, longer-term effects (on the balance sheet structure) are low both for transitional and physical risk, as the liquidity structure of the Group balance sheet is sound and ensures enough time to absorb potential climate related changes. In case physical risk materializes the channel through which the risk would transmit to liquidity is mostly from the potential deposit outflows.

As far as the short-term effects (direct impacts on liquidity) are concerned, the exposure to physical risk is classified as medium-low: the impact of deposit outflows has a higher weight on short term metrics.

Also for transitional risks the impacts are negligible on the longer term horizon. Short term metrics are instead more impacted both by the potential higher usage of deposits from customers with high or medium high exposure to transition risk and from the potential margin calls connected with the higher volatility of commodity prices. The overall impact for the Group will remain anyway medium low, according to the internal severity scale. Both for physical and transitional risks the identified impacts (classified as medium-low) can be easily absorbed by the liquidity buffers available in the Group.

Non-financial risk
Non-financial risks can be influenced by environmental factors in general and by the climate change in two different ways:

- Reputational risk - Risk for the Group of being perceived and criticized for supporting activities and projects through its financial products and services that harm the environment and contribute to worsening the climate change scenario;
- Operational risk - Risk for the Group of facing temporary disruption or unavailability of key premises (e.g., data centres, operational centres, headquarters) or for the discontinuity of services suffered by some of its third-party service providers due to adverse extreme climate conditions.

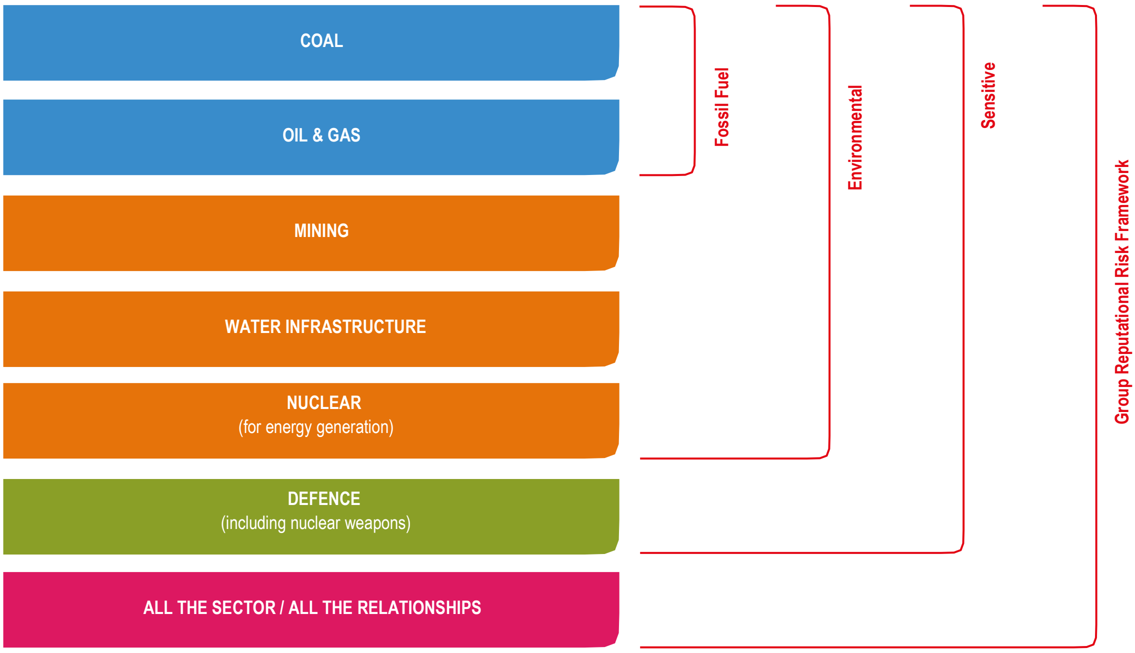
The Group has implemented adequate processes to mitigate the above-mentioned risks.
With regards to **reputational risk**, the Group defines Reputational Risk as the current or prospective risk to earnings and capital resulting from the negative perception of the Financial Institution's image by various stakeholders including clients, shareholders/investors, regulators, employees, debtholders, market analysts, civil society, NGOs, media and other relevant parties.

Part E - Information on risks and related hedging policies

The management of reputational risk relies on:

- setting clear general rules and guidelines for:
  - defining the profile of relationships (with clients as well as with other relevant counterparties such as suppliers) and operations (mainly financial support, but also investments and other financial products and services offered) that the Group is available to manage and develop;
  - defining the profile of what the Group does not consider to be in line with its foundation principles and reputational standards. These rules and guidelines are designed to ensure alignment with laws, internal and external regulations, best practices within the sector and reflect the risk appetite and the sensitivity of the Group;
- setting additional specific rules and guidelines for sectors considered sensitive (Coal, Oil & Gas, Defence, Nuclear, Mining, Water Infrastructures) and contributing to the Group commitments for specific topics (Rainforest, Tobacco, Human Rights, Natural Capital/Biodiversity);
- requiring for each relationship the evaluation of the conformity to the rules and guidelines mentioned above;
- ensuring respect of the rules mentioned above for each operation, performing a specific Reputational Risk Assessment involving the dedicated Reputational Risk function and other specialist/competent functions (e.g., ESG, Compliance, Legal) in cases of potential deviation and rejecting operations in breach of such rules;
- setting conditions, controls or limitations, where deemed necessary, in order to reduce the material residual Reputational Risk for Group, regardless of the sector connected to the case;
- independently from the sector, evaluation of the liability/litigation risk that can derive from supporting a deal which could produce a negative environmental or social impact, when the deal is under the Equator Principles (EP) framework;
- taking the right decisions at the right level of authorization in cases of potential reputational risk, involving the Group Non-Financial Risks Committee (GNFRC) for the highest risk cases and/or for strategic decisions.

The Group, in its continuous monitoring of the market and stakeholder's expectations, has identified six «sensitive sectors» for which it has adopted a dedicated additional set of provisions and rules described in specific internal regulations listed below:



In addition, UniCredit group has signed specific commitments regarding the exit from Tobacco industry and from activities that favor deforestation or forest degradation and also reinforced its positioning on Human Rights commitment.

The inclusion of a sector among the sensitive ones and the provisions of the existing ones are renewed on a continuous basis, taking into account the evolution of the market and the sensitivity of the Group towards these sectors.

Global policy on Reputational risk sets minimum requirements for subjects and deals regardless the sector of belonging (e.g. no operation is UNESCO/protected areas IUCN I-IV,…).

Part E - Information on risks and related hedging policies

For each sensitive sector, the specific regulation covers the following aspects:
- the scope of the sector (type of subjects and activities);
- the forbidden activities (activities that the Group is not available to support with its financial products and services, e.g., controversial weapons, nuclear weapons, coal-related activities, oil & gas activities in the Arctic region);
- the classification of clients:
  - Class A - clients completely in line with the provisions and for which the Group is available to provide full financial support;
  - Class B - clients partially in line with positive transitions and moving in the right direction. The Group is available to support these clients with its financial products and services, refraining from providing other types of financial products and services that do not align with the transition towards more sustainable practices;
  - Class C - clients not aligned with the provisions of the Group or moving in a different direction and for which the Group is not available to provide any kind of financial support. In these cases, a phase-out of the relationship may be considered.

UniCredit group has defined a process for assessing Reputational Risk, identifying cases where a dedicated assessment is necessary.
The decision-making bodies responsible for assessing cases of reputational risk can vary according to the relevance of the case and alignment with the policy provisions.
For UniCredit S.p.A., cases that envisage a potential high relevance with appetite already set are brought to the attention of Head of Group Non financial risks (with the support of RRO[93], if the case).

Cases that envisage a potential high relevance with appetite not set yet are brought to the attention and decision of the Group Non-Financial Risks Committee (GNFRC) chaired by the Group CEO.

Similar structures have been established at local level within each Legal Entity of the Group. At local level, RRO and GNFRC are collapsed in the LNFRC (Local Non-Financial Risk Committee), chaired by the local CEO.
Cases where reputational risks are deemed to be of significant relevance within a specific Legal Entity are submitted to the Holding company for further validation (Non Binding Opinion - NBO).

A Reputational Risk decision taken at local level also requires an NBO by the Parent Company in two specific situations:
- when the case, authorised by the Local NFR Committee, presents a High Reputational Risk and has to be submitted to a Group Credit Committee (GCC or GTCC);
- when explicitly requested by the policy. e.g.,exceptions granting, Green Project Financing in the Oil & Gas or Coal sectors, granted to a B class client, requires an NBO to double check that the Green project is currently aligned with the EU Taxonomy.

Whenever a further scrutiny of a case is deemed necessary, Legal Entities can ask the Parent Company for an NBO for cases other than the two mentioned above.
Any unplanned and unforeseen situations related to a specific relationship or deal and not aligned with the standard provisions of the policy are evaluated case by case. Expert judgement is required for evaluating the alignment of the case with UniCredit general principles on Reputational Risk. Any decisions must diligently consider the provisions of the applicable policy and the characteristics and context of the case under examination.

- **Decision makers/number of cases evaluated**
  - Transactions evaluated in 2024: 1,690
    - 15 cases discussed in the Group Non-financial Risks Committee (GNFRC)
    - 39 cases discussed in Reputational Risk Office (RRO)
    - 1,521 cases discussed in Reputational Risk function

- **Reputational Risk assessment by geography**
  - Transactions evaluated at local level in 2024: 1,575
    - Central Europe: 521
    - Eastern Europe: 308
    - Germany: 132
    - Italy: 608
    - Russia: 6

93 Reputational Risk Office, which includes the representatives of the Group Specialist Functions.

Part E - Information on risks and related hedging policies

- **Reputational Risk assessment by Sectors**
  - Transactions evaluated by sectors in 2024: 1,690
    - Coal: 135
    - Defence: 412
    - Mining: 161
    - Nuclear: 66
    - Oil & Gas: 181
    - Water Infrastructures: 41
    - Tobacco: 3
    - Human Rights: 5
    - ESG issues (including legal proceedings): 362
    - Sensitive sector locally regulated: 297
    - Other sectors: 17
    - Liability risk: 10

- **Annual clearance released at group level**
  - Transactions evaluated in 2024: 740
    - Central Europe: 341
    - Eastern Europe: 216
    - Germany: 99
    - Italy: 80
    - Russia: 4

- **Single deal decisions taken at group level**
  - Transactions evaluated in 2024: 835
    - Central Europe: 180
    - Eastern Europe: 92
    - Germany: 33
    - Italy: 528
    - Russia: 2

With regard to **Operational risk**, for all Legal Entities the Group carries out an assessment aimed at identifying critical locations where unavailability could harm business continuity (e.g., data centres, headquarters, operational centres).
103 buildings were selected for the assessment. Each location has been classified according to current risks from extreme adverse climate conditions (river floods, flash floods and wildfire) that could affect the location itself.

Among those selected, 10 buildings resulted as potentially exposed to high or medium-high risk; the related business continuity plan was assessed to check the effectiveness of protection in cases of adverse climate conditions.
Wherever the business continuity plan highlighted the inadequacy of the backup building (e.g., exposed to the same risk as the primary location), adequate mitigants were identified (e.g. definition of a new backup location, full smart-working implementation, etc). For one building a formal taking risk has been taken by the Legal Entity Management Board, considering that additional mitigants were not identified.

Moreover, exposure to the perceived risk in a scenario of +4°C in 2030 has been considered. In this case, 7 additional buildings have been identified currently not exposed to such risks but potentially exposed to them considering this additional scenario. Devoted KPIs have been put in place in collaboration with Group Real Estate in order to monitor future climate event comparing them with the location history, with the aim to put in place immediate actions in case of climate risk exposure worsening. The KPI is monitored every six months, and in both the 2024 detections no deviations from the history of these buildings has been detected.

In order to assess the resilience of third-party service providers with regard to climate change, the Third-Party Assessment (performed during onboarding of new suppliers, then yearly) has been enhanced by also considering the business continuity plans adopted to manage potential adverse climate events.

With reference to Group involvement in green financing, it should be noted that the Group, in coherence with Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022, identifies as environmentally sustainable those exposures that finance activities that contribute or enable the environmental objective of Climate Change Mitigation (CCM) in accordance with articles 10 and 16 of Regulation (EU) 2020/852 and subsequent amendments.

Part E - Information on risks and related hedging policies

In detail, article 10 of the mentioned Regulation establishes that an economic activity qualifies as contributing substantially to climate change mitigation where that activity contributes substantially to the stabilisation of greenhouse gas concentrations in the atmosphere at a level which prevents dangerous anthropogenic interference with the climate system consistent with the long-term temperature goal of the Paris Agreement through the avoidance or reduction of greenhouse gas emissions or the increase of greenhouse gas removals, including through process innovations or product innovations, by (a) generating, transmitting, storing, distributing or using renewable energy; (b) improving energy efficiency; (c) increasing clean or climate-neutral mobility; (d) switching to the use of sustainably sourced renewable materials; (e) increasing the use of environmentally safe Carbon Capture and Utilisation (CCU) and Carbon Capture and Storage (CCS) technologies that deliver a net reduction in greenhouse gas emissions; (f) strengthening land carbon sinks, including through avoiding deforestation and forest degradation, restoration of forests, sustainable management and restoration of croplands, grasslands and wetlands, afforestation, and regenerative agriculture; (g) establishing energy infrastructure required for enabling the decarbonisation of energy systems; (h) producing clean and efficient fuels from renewable or carbon-neutral sources; or (i) enabling any of the activities listed in points (a) to (h).
Article 16 establishes that economic activities are contributing substantially to one or more of the environmental objectives indicated at article 9 by directly enabling other activities to make a substantial contribution to one or more of those objectives, provided that such economic activity: a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and has b) has a substantial positive environmental impact, on the basis of life-cycle considerations.

CCM exposures were identified by collecting the data reported by companies in their non-financial disclosures, considering the % of alignment, weighted by the Bank's exposure. The collection of non-financial disclosures was done leveraging on the external provider support.

On the basis of the above-mentioned definitions, it should be noted that the gross carrying amount of these exposures is equal to €3.3 billion (€1.7 billion related to UniCredit S.p.A.) with an associated coverage ratio of approx. 1%. The maturity of these exposures is for approx. 80% within 5 years; the remaining part has a maturity over 5 years, mainly between 5 and 10 years.

Part F - Consolidated shareholders' equity

Section 1 - Consolidated Shareholders' Equity

A. Qualitative information

UniCredit group deems as priority the activities of capital management and capital allocation based on the risks taken, with the aim of expanding the Group's operations in a value creation perspective. These activities are structured in the different phases of the Group planning and monitoring process and, in particular:

- planning and budgeting processes:
  - proposals of risks propensity and capitalisation targets;
  - analysis of risks associated with value drivers and allocation of capital to the different businesses;
  - assignment of risk-adjusted performance objectives;
  - analysis of the impact on the Group's value and the creation of value for shareholders;
  - preparation and proposal of the capital plan and dividend policy;
- monitoring processes:
  - analysis of performance achieved at Group and business unit level and preparation of managerial reports for internal and external use;
  - analysis and monitoring of targets achievements and limits respect;
  - analysis and performance monitoring of the capital ratios of the Group and of its main entities.

The Group has committed itself to generate income in excess of cost of equity creating value for its shareholders by allocating capital to the various business areas and business units on the basis of specific risk profiles. In order to support the planning and monitoring processes, the Group adopts a methodology based on risk-adjusted performance measurement (RAPM) which provides a number of indicators that combine and summarise the operating, financial and risk-related variables to be considered.

Therefore, the Group capital and its allocation are of paramount importance in the definition of corporate strategies, as, on the one hand, the Group Capital represents the shareholders' investment in the Group, which needs to be adequately remunerated, and on the other hand, it is a scarce resource subject to the external constraints set by the regulatory requirements.

In the allocation process, the definitions of capital adopted are the following:

- risk or employed capital: this is the equity component provided by shareholders (employed capital) which must be remunerated through an income generation higher than or equal to expectations (cost of equity);
- capital at risk: this is the portion of capital and reserves that is used (the budgeted amount or allocated capital) or was used to cover (at period-end, absorbed capital) the risks taken to pursue the objective of creating value.

The capital at risk is measured both in terms of capital requirements (RWEA), and in terms of Economic Capital (EC). Economic Capital is subject to Group own definitions and criteria, at such a level to cover adverse events with a high level of probability, while capital at risk based on regulatory requirements is quantified on the basis of a CET1 target ratio and taking into account the supervisory regulations in force. Capital Allocated to Business Segment is quantified by capital at risk based on regulatory requirements.

The capital management activity aims at defining the target level of capitalisation for the Group and its companies in line with supervisory regulations and the risk appetite.
UniCredit group has identified a Common Equity Tier 1 Ratio target of 12.5-13 per cent, as announced during the "UniCredit Unlocked" Strategy Day held on 9 December 2021 (https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/Strategy-day/UniCredit_2021_Strategy-Day_PR_ENG.pdf).

The capital management activities envisage the development of the capital plan and the monitoring the regulatory capital ratios.
The monitoring activity is focused on the one hand, on capital, according to both accounting and regulatory definition (Own Funds composed by Common Equity Tier 1, Additional Tier 1, Tier 2 Capital, and liabilities eligible for MREL), and, on the other hand, on the planning and performance of Risk Weighted Exposure Amounts (RWEA) and of total exposures (the denominator of the Leverage ratio).
The capital management is intended as dynamic activity continuously aiming at identifying the most suitable investment and capital instruments (ordinary shares and other capital instruments) for achieving the defined targets and strategies. If there is a capital shortfall, the gaps to be filled and the capital generation measures that can be used are identified, and their cost and efficiency are measured through the RAPM methodology. In this context, value analysis is enhanced by the aspects regarding, among others, regulatory, accounting, financial, tax-related and risk management issues; in this way, is possible to perform the necessary assessments and to provide with the necessary instructions to the functions of the Parent Company or of the Group companies asked to implement the actions identified.

Part F - Consolidated shareholders' equity

B. Quantitative information

B.1 Consolidated Shareholders' Equity: breakdown by type of company

(€ million)

	AMOUNT AS AT 31.12.2024				
NET EQUITY ITEMS	BANKING GROUP	INSURANCE COMPANIES	OTHER COMPANIES	CONSOLIDATION ADJUSTMENTS AND ELIMINATIONS	TOTAL
1. Share Capital	**21,468**	**-**	**8**	**-**	**21,476**
2. Share premium reserve	**66**	**-**	**-**	**-**	**66**
3. Reserves	**33,470**	**236**	**1,519**	**(1,771)**	**33,454**
4. Equity instruments	**4,958**	**-**	**-**	**-**	**4,958**
5. Treasury shares	**-**	**-**	**-**	**-**	**-**
6. Revaluation reserves	**(5,448)**	**(11)**	**58**	**(46)**	**(5,447)**
- Equity instruments designated at fair value through other comprehensive income	152	-	-	-	152
- Hedge accounting of equity instruments designated at fair value through other comprehnsive income	-	-	-	-	-
- Financial assets (different from equity instruments) at fair value through other comprehnsive income	(463)	-	-	-	(463)
- Property, plant and equipment	1,551	-	7	-	1,558
- Intangible assets	-	-	-	-	-
- Foreign investments hedging	(189)	-	-	-	(189)
- Cash flow hedging	(257)	-	-	-	(257)
- Hedging instruments (non-designated items)	-	-	-	-	-
- Foreign Exchange differences	(3,750)	-	-	-	(3,750)
- Non-current assets and disposal groups classified as held for sale	32	-	-	-	32
- Financial liabilities designated at fair value through profit or loss (own creditworthiness changes)	(95)	-	-	-	(95)
- Actuarial gains (losses) on defined benefit plans	(2,752)	-	-	-	(2,752)
- Part of valuation reserves from investments valued at equity method	46	(11)	51	(46)	40
- Special revaluation laws	277	-	-	-	277
7. Advanced dividends	**(1,440)**	**-**	**-**	**-**	**(1,440)**
8. Profit (Loss) of the year (+/-) Minority interests	**9,775**	**137**	**312**	**(450)**	**9,774**
Total	**62,849**	**362**	**1,897**	**(2,267)**	**62,841**

B.2 Revaluation reserves of financial assets at fair value through other comprehensive income: breakdown

(€ million)

	AMOUNTS AS AT 31.12.2024									
	PRUDENTIAL CONSOLIDATED		INSURANCE COMPANIES		OTHER COMPANIES		CONSOLIDATION ADJUSTMENTS AND ELIMINATIONS		TOTAL	
ASSETS/VALUES	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE
1. Debt securities	320	(783)	-	-	-	-	-	-	320	(783)
2. Equity securities	506	(354)	-	-	-	-	-	-	506	(354)
3. Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2024	**826**	**(1,137)**	**-**	**-**	**-**	**-**	**-**	**-**	**826**	**(1,137)**
Total 31.12.2023	**654**	**(1,083)**	**-**	**-**	**2**	**-**	**-**	**-**	**656**	**(1,083)**

Part F - Consolidated shareholders' equity

B.3 Revaluation reserves of financial assets at fair value through other comprehensive income: annual change

(€ million)

	CHANGES IN 2024		
ASSETS/VALUES	DEBT SECURITIES	EQUITY SECURITIES	LOANS
1. Opening balance	**(323)**	**(104)**	**-**
2. Positive changes	**913**	**326**	**-**
2.1 Fair value increases	597	228	-
2.2 Net losses on impairment	13	X	-
2.3 Reclassification through profit or loss of negative reserves: following disposal	290	X	-
2.4 Transfers to other comprehensive shareholders' equity (equity instruments)	-	75	-
2.5 Other changes	13	23	-
3. Negative changes	**(1,053)**	**(70)**	**-**
3.1 Fair value reductions	(734)	(60)	-
3.2 Recoveries on impairment	(5)	-	-
3.3 Reclassification throught profit or loss of positive reserves: following disposal	(299)	X	-
3.4 Transfers to other comprehensive shareholders' equity (equity instruments)	-	(9)	-
3.5 Other changes	(15)	(1)	-
4. Closing balance	**(463)**	**152**	**-**

B.4 Revaluation reserves related to defined benefit plans: annual changes

(€ million)

	CHANGES IN 2024				
	BANKING GROUP	INSURANCE COMPANIES	OTHER COMPANIES	CONSOLIDATION ELIMINATIONS AND ADJUSTMENTS	TOTAL
1. Opening balance	**(2,591)**	**-**	**-**	**-**	**(2,591)**
2. Increases	**3**	**-**	**-**	**-**	**3**
2.1 Increases in fair value	3	-	-	-	3
2.2 Transfers to other net equity items	-	-	-	-	-
2.3 Other changes	-	-	-	-	-
3. Decreases	**(164)**	**-**	**-**	**-**	**(164)**
3.1 Decreases in fair value	(164)	-	-	-	(164)
3.2 Transfers to other net equity items	-	-	-	-	-
3.3 Other changes	-	-	-	-	-
4. Closing balance	**(2,752)**	**-**	**-**	**-**	**(2,752)**

Part F - Consolidated shareholders' equity

Section 2 - Own funds and banking regulatory ratios

Group transitional Own Funds and capital ratios

DESCRIPTION	AS AT 31.12.2024	AS AT 31.12.2023
Common Equity Tier 1 Capital (€ million)	44,221	45,913
Tier 1 Capital (€ million)	49,176	50,756
Total Own Funds (€ million)	56,554	59,472
Total RWEA (€ million)	277,093	284,548
Common Equity Tier 1 Capital ratio	**15.96%**	**16.14%**
Tier 1 Capital ratio	**17.75%**	**17.84%**
Total Capital ratio	**20.41%**	**20.90%**

Notes:
Transitional own funds and capital ratios including all transitional adjustments according to the yearly applicable percentages.
Furthermore, starting from 30 June 2020, UniCredit group has decided to apply the IFRS9 transitional approach as reported in article 473a of the Regulation (UE) 873/2020 that amends the Regulation (EU) 575/2013 and Regulation (EU) 876/2019. Therefore, the values here reported reflect the impact of the transitional arrangements provisioned in such Regulation.

Regulation (EU) 876/2019. Therefore, the values here reported reflect the impact of the transitional arrangements provisioned in such Regulation.

The minimum capital requirements applicable to the Group as at 31 December 2024 in coherence with CRR article 92 are the following (Pillar 1):
- Common Equity Tier 1 Capital: **4.50%**
- Tier 1 Capital: **6.00%**
- Total Capital: **8.00%**

In addition to such requirements, for 2024 the Group shall also meet the following additional requirements:
- **2.00%,** as Pillar 2 Requirements in coherence with SREP results;
- **2.50%,** as Capital Conservation buffer (CCB) according to CRD IV article 129;
- **1.50%,** as Other Systemically Important Institutions (O-SII) buffer[94];
- **0.46%,** as Countercyclical Capital buffer[95] (CCyB) according to the CRDIV article 130, to be calculated on a quarterly basis;
- **0.20%,** as Systemic Risk Capital buffer[96] (SyRB) according to the CRDIV article 133, to be calculated on a quarterly basis.

Moreover, the article 104a.4 of CRDV allows banks to partially use capital instruments that do not qualify as CET1 capital (e.g., Additional Tier 1 or Tier 2 instruments) to meet the Pillar 2 Requirements (P2R). As consequence, in line with Pillar 2 Requirements, required in coherence with 2023 SREP results and equal to 2.00%, UniCredit group shall meet:
- at least the 1.13% of such requirement through Common Equity Tier 1 Capital;

at least the 1.50% of such requirement through Tier 1 Capital.

As at 31 December 2024, the Group shall meet the following overall capital requirements:
- Common Equity Tier 1 Capital: **10.28%**
- Tier 1 Capital: **12.16%**
- Total Capital: **14.66%**

94 According to the Press Release issued by the FSB on 27 November 2023, UniCredit group has been removed from the list of Global Systemically Important Banks (G-SIBs) which is updated annually by the Financial Stability Board (FSB). Following this decision, which implements the international standards for G SIBs, and of Italian Circular 285 which disciplines the relevant powers, Banca d'Italia stated that UniCredit was still subject to the G-SIB requirements until 31 December 2023. Following the Press Release issued by Banca d'Italia on 24 November 2023, "Identification for 2024 of other systemically important institutions authorized to operate in Italy", the Group is identified as a national systemically important institution and has to apply a Capital O-SII buffer of 1.50% starting from 1 January 2024.
95 Amount rounded to two decimal numbers. With reference to 31 December 2024: (I) the following rates related to countercyclical capital buffer have been applied: Armenia (1.50%); Australia (1.00%); Belgium (1.00%); Bulgaria (2.00%); Chile (0.50%); Croatia (1.50%); Cyprus (1.00%); Czech Republic (1.25%); Denmark (2.50%); Estonia (1.50%); France (1.00%); Germany (0.75%); Hong Kong (0.50%); Hungary (0.50%); Iceland (2.50%); Ireland (1.50%); Latvia (0.50%); Lithuania (1.00%); Luxembourg (0.50%); Netherlands (2.00%); Norway (2.50%); Romania (1.00%); Slovakia (1.50%); Slovenia (0.50%); South Korea (1.00%); Sweden (2.00%); United Kingdom (2.00%) (II) with reference to the exposures towards Italian counterparties, Banca d'Italia has set the rate equal to 0%.
96 As at 31 December 2024 CET1 Systemic Risk buffer (aimed at preventing and mitigating long-term, non-cyclical, systemic or macro-prudential risks that are not provided for by the CRR) has entered into force in Italy, more over Banca d'Italia reciprocated the CET1 Systemic risk buffer measure defined by the German Federal Financial Supervisory Authority (BaFin), making it applicable starting from the 1 of February 2023 to all the Italian institutions.

Part F - Consolidated shareholders' equity

Here below a scheme of the UniCredit group capital requirements and buffers which also provides evidence of the "Total SREP Capital Requirement" (TSCR) and the "Overall Capital Requirement" (OCR) related to the outcome of the SREP process held in 2023 and applicable for 2024.

Capital requirements and buffers for UniCredit group

REQUIREMENT	CET1	T1	TOTAL CAPITAL
A) Pillar 1 requirements	**4.50%**	**6.00%**	**8.00%**
B) Pillar 2 requirements	**1.13%**	**1.50%**	**2.00%**
C) TSCR (A+B)	**5.63%**	**7.50%**	**10.00%**
D) Combined capital buffer requirement:	**4.66%**	**4.66%**	**4.66%**
of which:			
1. Capital Conservation Buffer (CCB)	*2.50%*	*2.50%*	*2.50%*
2. Other Systemically Important Institution buffer (O-SII)	*1.50%*	*1.50%*	*1.50%*
3. Institution-specific Countercyclical Capital buffer (CCyB)	*0.46%*	*0.46%*	*0.46%*
4. Systemic risk buffer for UniCredit (SyRB)	*0.20%*	*0.20%*	*0.20%*
E) OCR (C+D)	**10.28%**	**12.16%**	**14.66%**

The above-mentioned requirements are the ones which are relevant for MDA purposes for UniCredit group as at 31 December 2024.

As at 31 December 2024, UniCredit group's ratios are compliant with all the above requirements.

- The Group consolidated net profit as at 31 December 2024 is equal to €9,719 million.
- As at 31 December 2024, the amount of the Group consolidated net profit to be included in the Own Funds is equal to €3,824 million; the reduction for €5,895 million is related to the approval by the UniCredit S.p.A. Board of Directors of the following items:
  (i) cash dividend for €2,286 million that, summed up with €1,440 million interim dividend previously approved by the Board of Directors and paid in November 2024, stands at 40% of Net Profit[97], as per 2024 Dividend Policy;
  (ii) ordinary share buy-back for €3,574 million (additional to the €1,700 million Share Buy-back already executed), classified as foreseeable charge as of 31 December 2024, in line with the EBA Q&A #6887;
  (iii) allocation for €35 million to support social, cultural and charity initiatives.

For further details refer to the publication of the own funds disclosure and capital adequacy reported into the UniCredit group disclosure (Pillar III) as at 31 December 2024.

97 Defined as accounting net profit rectified for tax-losses carried forward sustainability test results, potentially adjusted for one-offs related to strategic items.

Part G - Business combinations

Section 1 - Business combinations completed in the year

1.1 Business combinations

External Business Combination
Business combinations with counterparties outside the Group are carried out using the “purchase method” prescribed by the accounting standard IFRS3 “Business Combinations”, cited in the disclosure of “A.2 - Main items of the accounts”, Notes to the consolidated accounts, Part A - Accounting policies.

In 2024 the Group has performed no relevant business combinations outside the Group, except for the purchase of 90.1% of Alpha Bank Romania S.A (“Alpha Bank”) detail below.
For further details refer to the paragraph “Section 3 - Consolidation scope and methods”, Notes to the consolidated accounts, Part A - Accounting policies, A.1 - General.

Acquisition of Alpha Bank Romania S.A.

(€ million)

NAME	ACQUISITION DATE	ACQUISITION COST	VOTING EQUITY INTERESTS ACQUIRED %	OPERATIVE INCOME	PROFIT (LOSS) OF THE YEAR/PERIOD	OPERATING INCOME FROM ACQUISITION DATE	PROFIT (LOSS) FROM ACQUISITION DATE
Alpha Bank Romania S.A.	04.11.2024	434	90.10	196	(22)	39	(37)

On the 4 November 2024, UniCredit S.p.A. has finalised the purchase of 90.1% of Alpha Bank from Alpha International Holdings S.M.S.A. (“Alpha Holding”), which is part of the group held by Alpha Services and Holdings S.A., acquiring the control.

The integration process foresees the subsequent merger through absorption of Alpha Bank within UniCredit Bank S.A. (banking institution controlled by UniCredit S.p.A. and operating in Romania; “UniCredit Romania”), currently estimated to take place in the second part of 2025. The merger will bring together two complementary banks, both with long-standing relationships and expertise in the Romanian market, both in the corporate and retail segments.

The transaction is part of the strategic partnership between UniCredit and Alpha Services and Holdings announced on 23 October 2023 and further strengthens the position of UniCredit in the country, which sees now on the third place in the market and with a combined market share of around 12% in terms of total assets. Romania represents strategic importance within the growing Region of Eastern Europe.

The transaction is qualified as an external business combination, booked according to the accounting standard IFRS3 which stated the need to account the operation applying the purchase method, that involves the following steps:
i) identifying an acquirer;
ii) measuring the cost of the business combination;
iii) allocating, at the acquisition date, the cost of the business combination to the assets acquired and liabilities and contingent liabilities assumed (Purchase Price Allocation - PPA).

Particularly, related to the business combination cost:
- it is the aggregate of the fair value of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for control of the acquiree, recorded at the date of exchange, (the acquisition date is the date on which the acquirer effectively obtains control of the acquiree);
- it is allocated by recognising the assets, the liabilities and the identifiable contingent liabilities of the acquired company at their acquisition-date fair value.

Exceptions to this principle are deferred income tax assets and liabilities, employee benefits, indemnification assets, reacquired rights, non-current assets held for sale, and share-based payment transactions that are subject to review in accordance with the principle applicable to them.
Positive difference between the cost of the business combination and the acquirer’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities so recognised is accounted for as goodwill.

Part G - Business combinations

With reference to the above bullet i) (identifying an acquirer) UniCredit S.p.A. was identified as the acquirer of Alpha Bank having acquired 90.1% of voting rights and, then, obtaining the control of the company.

Related to the above bullet ii) (measuring the cost of the business combination), Alpha Bank acquisition was made through the payment, to the counterpart Alpha Holding, of an overall amount equal approximately to €434 million composed of: (a) cash for €254 million; (b) 9.9% of the share capital of UniCredit Romania which has been assigned a fair value equal to €180 million determined, residually, on the basis of the fair value of 100% Alpha Bank, defined using: (a) trading multiples of similar companies; (b) similar transactions taken place on the market, (c) internal valuation models.
The contract signed with the counterparty does not foresee clauses providing for adjustment of the purchase price. As of market practice, warranty clauses are included in the contract, with the possibility to receive a refund from Alpha Holding in case of violation. It should be noted that no activity representing the right of refund has been detected.

Related to the above bullet iii) (Purchase Price Allocation - PPA) assets and liabilities of Alpha Bank[98] were identified on acquisition date fair value according to IFRS3 principle. The acquisition date was identified on monthly balance as of 31 October 2024, considering that the acquisition of control occurred on Monday 4 November 2024 and no relevant transactions were made by the acquired company on 1 November.

Following tables show Alpha Bank's assets and liabilities at individual level, the adjustments to define the first time booking of Alpha Bank's assets and liabilities in the Consolidated Financial Statement and the mentioned value of the first time booking.

(€ million)

	AMOUNTS AS AT ACQUISITION DATE		
ASSETS	**BALANCE SHEET VALUE OF THE ACQUIREE**	**PPA ADJUSTMENTS**	**CONSOLIDATED BALANCE SHEET VALUE**
10. Cash and cash balances	520	-	520
20. Financial assets at fair value through profit or loss	7	-	7
a) financial assets held for trading	-	-	-
b) financial assets designated at fair value	-	-	-
c) other financial assets mandatorily at fair value	7	-	7
30. Financial assets at fair value through other comprehensive income	341	4	345
40. Financial assets at amortised cost:	3,403	(82)	3,321
a) loans and advances to banks	285	-	285
b) loans and advances to customers	3,118	(82)	3,036
50. Hedging derivatives	-	-	-
60. Changes in fair value of portfolio hedged items (+/-)	-	-	-
70. Equity investments	-	-	-
80. Insurance assets	-	-	-
a) insurance contracts issued that are assets	-	-	-
b) reinsurance contracts held that are assets	-	-	-
90. Property, plant and equipment	54	6	60
100. Intangible assets	15	7	22
110. Tax assets	4	9	13
a) current	-	-	-
b) deferred	4	9	13
120. Non-current assets and disposal groups classified as held for sale	-	-	-
130. Other assets	18	-	18
Total assets	**4,362**	**(56)**	**4,306**

98 For the determination of this value, an external independent advisor (EY) support the Group.

Part G - Business combinations

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT ACQUISITION DATE		
	BALANCE SHEET VALUE OF THE ACQUIREE	PPA ADJUSTMENTS	CONSOLIDATED BALANCE SHEET VALUE
10. Financial liabilities at amortised cost:	3,800	-	3,800
a) deposits from banks	351	-	351
b) deposits from customers	3,449	-	3,449
c) debt securities in issue	-	-	-
20. Financial liabilities held for trading	-	-	-
30. Financial liabilities designated at fair value	-	-	-
40. Hedging derivatives	-	-	-
50. Value adjustment of hedged financial liabilities (+/-)	-	-	-
60. Tax liabilities	3	-	3
a) current	3	-	3
b) deferred	-	-	-
70. Liabilities associated with assets classified as held for sale	-	-	-
80. Other liabilities	58	-	58
90. Provision for employee severance pay	-	-	-
100. Provisions for risks and charges:	13	(7)	6
a) commitments and guarantees given	11	(7)	4
b) post-retirement benefit obligations	-	-	-
c) other provisions for risks and charges	2	-	2
110. Insurance liabilities	-	-	-
a) insurance contracts issued that are liabilities	-	-	-
b) reinsurance contracts held that are liabilities	-	-	-
Shareholders' equity	488	(49)	439
Group shareholders' equity	488	(49)	439
Minority shareholders' equity	-	-	-
Total liabilities and shareholders' equity	**4,362**	**(56)**	**4,306**

Contingent liability recognized on acquisition date		-	-

Related to the main PPA adjustments the following is specified:
- Loans and advances to customers: the assets were valuated at fair value throw “discounted cash flow analysis” which provides the discounting cash flow, contractual or estimated, based on the technical form of the instrument, at discount rate considering current rates observed on the local market for similar instruments. After this valuation process, the PPA adjustment was equal to €82 million with the consequently booking of total Financial assets at amortised cost for €3,321 million.
- Intangible assets: the process led to the booking of new intangible assets made by “Customer Relationship” for €7 million, valuated with the “with or without” method that identify the fair value throw the comparison between (i) expected cash flow of a company with a stable basis of relationship with the costumers, and (ii) expected cash flow of a company without this kind of relationship.
- Provisions for risks and charges: the process led to the cancellation of the provisions related to off balance items. After this valuation, an adjustment of €7 million has been recognized, with booking of Provisions for risks and charges for €6 million.
- Tax assets: considering the adjustments mentioned above, an adjustment of €9 million for temporary deferred tax assets was booked.

The overall evaluation process led to the recognition, in the Consolidated Financial Statement of UniCredit, of net assets related to Alpha Bank equal to €439 million. The goodwill was defined as the difference between the price (€434 million) and the 90.1% of these net assets (€396 million), corresponding to the share of UniCredit group, with the consequent recognition of goodwill for €38 million. To be notice that this goodwill, recognised in the consolidated financial statement, is not tax deductible. The minority related to Alpha Bank are equal to €43 million.

Finally, the below table, related to Alpha Bank’s loans, shows the fair value (at first time booking in consolidated balance sheet) the gross book value and loans loss provisions booked by Alpha Bank.

Part G - Business combinations

(€ million)

	LOANS - RECEIVABLES	AMOUNTS AS AT ACQUISITION DATE		
		FAIR VALUE	GROSS BOOK VALUE	LOAN LOSS PROVISION
20c.	**Mandatorily at fair value**	**-**	**-**	**-**
	1. Reverse Repos	-	-	-
	2. Other	-	-	-
30.	**Fair value through other comprehensive income**	**-**	**-**	**-**
	1. Reverse Repos	-	-	-
	2. Other	-	-	-
40.	**Amortized Cost**	**3,321**	**3,472**	**69**
	A. Loans and advances to Central Banks	**257**	**257**	**-**
	1. Time deposits	-	-	-
	2. Compulsory reserves	257	257	-
	3. Reverse Repos	-	-	-
	4. Other	-	-	-
	B. Loans and advances to banks	**28**	**28**	**-**
	1.1 Current accounts	-	-	-
	1.2 Time deposits	28	28	-
	1.3 Other loans	-	-	-
	C. Loans and advances to customers	**3,036**	**3,187**	**69**
	1.1 Current accounts	86	92	5
	1.2 Reverse repos	-	-	-
	1.3 Mortgages	1,628	1,721	23
	1.4 Credit cards and personal loans, including wage assignment	240	266	24
	1.5 Lease loans	-	-	-
	1.6 Factoring	14	14	-
	1.7 Other loans	1,068	1,094	17

Internal Business Combination

Under its reorganization process, in 2024 the Group carried out business combinations involving companies or businesses which were already directly or indirectly controlled by UniCredit S.p.A. These transactions have no economic substance and are accounted for in the acquirer's and acquired entity's accounts in accordance with the continuity principle. These transactions have no effect on consolidated level.

Specifically, it should be noted that the following transactions have been carried out:

- on July 2024 the transfer of the securities and financial derivatives portfolio on interest rates was completed through the sale by UniCredit Bank GmbH to UniCredit S.p.A.; in November 2024 the transfer of the brokerage business followed;
- on 1 November 2024, the sale by UniCredit Services GmbH to UniCredit S.p.A. of the business unit representing the management and supply of information systems and technical infrastructures became effective.

Reference is made to the paragraph "1.1 Business combinations" of the Company financial statements of UniCredit S.p.A., Notes to the accounts, Part G Business combinations, Section 1 Business combinations completed in the year which is herewith quoted entirely.

Part G - Business combinations

Section 2 - Business combinations completed after year-end
No business combinations were complited after year-end.

Section 3 - Retrospective adjustments
No retrospective adjustments have been applied in 2024 on business combinations competed in previous years.

Part H - Related-party transactions

Introduction

For the purposes of financial disclosure, in accordance with the Commission Regulation (EU) No.632/2010 of 19 July 2010, the text of IAS24 applies, which defines the concept of related party and identifies the relations between that party and the entity producing the financial statements; in addition, it is clarified that the disclosure should include, among others, transactions entered into with subsidiaries of associates and subsidiaries of joint ventures.

Pursuant to IAS24, UniCredit S.p.A.'s related parties include:
- companies belonging to UniCredit group and companies controlled by UniCredit but not consolidated;
- associates and joint ventures, as well as their subsidiaries;
- UniCredit's "Key management personnel";
- close family members of "key management personnel" and companies controlled, or jointly controlled, by key management personnel or their close family members;
- UniCredit group employee post-employment benefit plans.

Also for the management of related-party transactions refer to the discipline established by Consob Regulation No.17221/2010 as subsequently amended by Resolution No.21624 of 10 December 2020 (deriving from the provisions of Art.2391-bis of the Italian Civil Code) and by Banca d'Italia Circular No.285/2013 (Part III, Chapter 11, Section I) as well as the provisions pursuant to Art.136 of Legislative Decree No.385/1993, under which corporate officers may assume obligations towards the bank they manage, direct or control, only upon unanimous approval of the board of the bank and positive opinion of the Audit Committee.

In this regard, UniCredit, as a listed issuer and subject to Banca d'Italia regulations, has adopted the Global Policy "Transactions with related parties, associated persons and Corporate Officers ex Art.136 CBA[99] (Consolidated Banking Act)", approved by UniCredit's Board of Directors with the positive opinion of the Related Parties Committee and of the Audit Committee, which is published on UniCredit website (www.unicreditgroup.eu), designed to define preliminary and conclusive rules with respect to transactions executed by UniCredit, including those conducted through subsidiaries, with related parties, considering the specificities of the provisions mentioned above, and the manner in which information is disclosed to corporate bodies, the supervisory authorities and the market.
Specific guidelines contained in the Global Policy have been distributed to the company's functions and Group Legal Entities in order to systematically abide to the above-mentioned reporting requirements.
The Board of Directors set up the Related Parties Committee, in compliance with CONSOB regulatory provisions and the Banca d'Italia's supervisory regulations, consisting only of independent Directors pursuant to the Italian Corporate Governance Code.
In addition, UniCredit applies specific procedures regarding internal controls on risk activities with subjects in conflict of interests regulated in the Global Policy "Transactions with related parties, associated persons and Corporate Officers ex Art.136 CBA[99]".

During 2024, transactions carried out with related parties reported in the data streams provided by the reference standards, were executed and carried out based on assessments of the economic convenience and interests of the Group.

99 Corresponding to Italian Testo Unico Bancario.

Part H - Related-party transactions

1. Details of Key management personnels' compensation

Details of key management personnel's 2024 remuneration are given below pursuant to IAS24 and to the Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments) requiring that also the Statutory Auditors' compensation be included.
Key management personnel are persons having authority and responsibility for planning, directing, and controlling UniCredit's activities, directly or indirectly. This category includes the Chief Executive Officer and the other members of the Board of Directors, the Statutory Auditors, the Chief Audit Executive and the Group Executive Committee (GEC) members, body that reports directly to the Chief Executive Officer, excluding the Heads of Group Strategy & ESG, Group Stakeholder Engagement and, starting from April 2024, Group Legal.

Remuneration paid to key management personnel (including directors)

(€ million)

	YEAR 2024	YEAR 2023
a) short-term employee benefits	22	22
b) post-retirement benefits	1	1
of which: under defined benefit plans	-	-
of which: under defined contribution plans	*1*	*1*
c) other long-term benefits	-	-
d) termination benefits	3	-
e) share-based payments	11	12
Total	**37**	**35**

The information reported above include the compensation paid to Directors (€9 million), Statutory Auditors (€0.3 million) and other Managers with strategic responsibilities (€12 million), as shown in the document "Information Tables Pursuant Art.84 -quarter (Annual Report - Section II) of the Regulation 11971 Issued by Consob" attached to the "2024 Group Remuneration Policy", and about €15 million relating to other costs (the company share of social security contributions, accruals to severance pay funds and share-based payments using UniCredit and its subsidiaries' equity instruments).

The compensation paid shows an increase compared to fiscal year 2023, mainly in relation to the payment of benefits related to the termination of employment relations during the year.

Part H - Related-party transactions

2. Related-party transactions

The following table sets out the assets, liabilities, guarantees and commitments, for each group of related parties, pursuant to IAS24.

Related-party transactions: balance sheet items

(€ million)

	AMOUNTS AS AT 31.12.2024								
	CONTROLLED NOT CONSOLIDATED ENTITIES	JOINT VENTURES	ASSOCIATED COMPANIES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON ACCOUNTS ITEM	SHAREHOLDERS	% ON ACCOUNTS ITEM
Cash and cash balances	-	-	17	-	-	17	0.04%	-	-
Financial assets at fair value through profit or loss	-	-	84	-	9	93	0.15%	253	0.41%
a) Financial assets held for trading	-	-	21	-	-	21	0.04%	253	0.46%
c) Other financial assets mandatorily at fair value	-	-	63	-	9	72	1.13%	-	-
Financial assets at fair value through other comprehensive income	-	-	76	-	-	76	0.10%	-	-
Financial assets at amortised cost	6	14	926	-	-	946	0.17%	-	-
a) Loans and advances to banks	-	-	216	-	-	216	0.32%	-	-
b) Loans and advances to customers	6	14	710	-	-	730	0.15%	-	-
Non-current assets and disposal groups classified as held for sale	-	-	6	-	-	6	1.52%	-	-
Other assets	2	-	66	-	-	68	0.49%	-	-
Total assets	**8**	**14**	**1,175**	**-**	**9**	**1,206**	**0.16%**	**253**	**0.03%**
Financial liabilities at amortised cost	36	1	6,106	13	11	6,167	0.93%	-	-
a) Deposits from banks	-	-	5,383	-	-	5,383	7.93%	-	-
b) Deposits from customers	36	1	723	13	11	784	0.16%	-	-
Financial liabilities held for trading and designated at fair value	-	-	39	-	-	39	0.09%	-	-
Other liabilities	15	-	15	-	-	30	0.20%	4	0.03%
Total liabilities	**51**	**1**	**6,160**	**13**	**11**	**6,236**	**0.87%**	**4**	**-**
Guarantees given and commitments	1	-	2,715	-	86	2,802	0.77%	-	

Notes:
Shareholders and related companies holding more than 3% of voting shares in UniCredit.
The "Total assets" and "Total liabilities" values refer only to the items shown in this table.
It should be noted that the item "Commitments and guarantees given" includes revocable commitments.

The value of the percentage on accounts Item, with reference to "Commitments and guarantees given", has been calculated on the total of the tables "1. Commitments and financial guarantees given (different from those designated at fair value)" and "2. Others commitments and others guarantees given" in Notes to the consolidated accounts, Part B - Consolidated balance sheet, Liabilities, Other information.

Part H - Related-party transactions

The following table sets out the impact of transactions, for each group of related parties, on Income statements, pursuant to IAS24.

Related-party transactions: profit and loss items

(€ million)

	AMOUNTS AS AT 31.12.2024								
	CONTROLLED NOT CONSOLIDATED ENTITIES	JOINT VENTURES	ASSOCIATED COMPANIES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON ACCOUNTS ITEM	SHAREHOLDERS	% ON ACCOUNTS ITEM
10. Interest income and similar revenues	8	1	34	-	-	43	0.12%	1	0.00%
20. Interest expenses and similar charges	(1)	-	(172)	-	-	(173)	0.86%	(27)	0.13%
30. Net interest margin	**7**	**1**	**(138)**	**-**	**-**	**(130)**	**0.89%**	**(26)**	**0.18%**
40. Fees and commissions income	3	-	793	-	-	796	9.04%	19	0.22%
50. Fees and commissions expenses	(1)	-	(1)	-	-	(2)	0.11%	(3)	0.17%
60. Net fees and commissions	**2**	**-**	**792**	**-**	**-**	**794**	**11.28%**	**16**	**0.23%**
70. Dividend income and similar revenues	8	-	-	-	-	8	1.71%	33	7.05%
190. Administrative expenses	(9)	-	(355)	(1)	(4)	(369)	3.55%	(4)	0.04%
a) Staff costs	(3)	-	3	(1)	-	(1)	0.01%	-	-
b) Other administrative expenses	(6)	-	(358)	-	(4)	(368)	9.88%	(4)	0.11%
230. Other operating expenses/income	2	-	(36)	-	-	(34)	3.99%	(3)	0.35%

Note:
Shareholders and related companies holding more than 3% of voting shares in UniCredit.
Administrative expenses - Staff costs: positive amount indicates the prevalence of costs' recoveries.

For additional information regarding gains and losses of equity investments in associated companies, reference is made to the item "17.1 Gains (Losses) of equity investments: breakdown", Notes to the consolidated accounts, Part C - Consolidated income statement, Section 17 - Gains (Losses) of equity investments - Item 250.

The "Other related-parties IAS" category includes:
- close family members of key management personnel (i.e. those family members who, as is expected, may influence, or be influenced by, the person in question);
- companies controlled (or jointly controlled) by key management personnel or their close family members;
- Group employee post-employment benefit plans.

Part H - Related-party transactions

With reference to the main related-party transactions, it is worth to note the following considerations:

- starting from 2012 the subsidiary UniCredit Services S.C.p.A. (UCS) formerly UniCredit Business Integrated Solutions S.C.p.A. (UBIS), assumed the role of operating sub-holding to provide the Group's support services both in Italy and abroad.
  On 19 April 2013, the Board of Directors of UCS approved the executive plan of the project aimed at establishing a joint venture with another major player in the industry, IBM Italia S.p.A. (IBM), for the provision of technological infrastructure services (hardware, data center, etc.) to Commercial Banking. The transaction was completed when UCS transferred, with effect from 1 September 2013, of "Information Technology" business unit to the company "Value Transformation Services S.p.A." (V-TServices), formed and controlled by IBM Italia S.p.A. Following the transaction, UCS holds 49% of V-TServices's share capital; the remaining 51% is held by IBM (which is therefore the controlling shareholder).
  On 23 December 2016, the "Restatement and Amendment Agreement" was signed between UniCredit Services and V-TS with the aim of increasing value creation and ability to catch new opportunities from technological evolution, with the extention of the term until 2026.
  The "Second Restatement and Amendment Agreement" between UniCredit Services and V-TS was signed on 22 December 2019, with effectiveness from 1 January 2020, with the extension of the term of the 3-year contract until 2029. It should be noted that starting from 1 October 2022 with effectiveness starting from 1 January 2022, UniCredit Services S.C.p.A. (UCS) has been merged in UniCredit S.p.A. and the latter has become entitled to the contracts mentioned above.
- in 2018, through a competitive auction process, UniCredit S.p.A. has signed long-term partnership with Allianz[100] for the exclusive distribution of Life and Non-Life bancassurance products (excluding Credit Protection products) in Bulgaria, Croatia, Hungary, Romania, Slovenia, Czech Republic and Slovakia.
- in 2022, UniCredit and Allianz[101] have signed a multi-country framework agreement setting the basis for enhanced collaboration. With specific focus on Italy, the agreement mainly involves: (i) the renewal of the arrangements both in the life and non-life businesses; (ii) full access to Allianz's products, (iii) support in developing an integrated platform and service model and (iv) enhancement of training and increased marketing support. In Germany, the agreement includes further initiatives to strengthen digital bancassurance and marketing.
- It should be noted that distribution agreements concerning insurance products were signed with the following associates:
  - CNP UniCredit Vita S.p.A.;
  - UniCredit Allianz Assicurazioni S.p.A.;
  - UniCredit Allianz Vita S.p.A.

  It should be noted that as at 31 December 2024, the Group started the process to internalize its life bancassurance business in Italy through the termination of (i) the shareholders' agreement with CNP Assurances S.A. and the consequent commitment to acquire the entire stake (51%) in CNP UniCredit Vita S.p.A. held by CNP Assurances S.A.; and (ii) the shareholders' agreement with Allianz S.p.A. and consequent commitment to acquire the entire stake (50%) held by Allianz S.p.A. in UniCredit Allianz Vita S.p.A.
  The closing of each transactions is expected in 2025, following the standard authorizations by the competent authorities; upon the closing, the Group will hold 100% in CNP UniCredit Vita S.p.A. and UniCredit Allianz Vita S.p.A.
- The relationships with other related parties include the relationships with external pension funds (for UniCredit S.p.A. employees), since they have separate legal personality. These transactions were conducted on the same terms and conditions as those applied to transactions with independent third parties. The relationships with these pension funds are almost entirely represented by the relationships included in Deposits from customers (and related interests).

100 It is worth to note that starting from the 1 of July 2024 Allianz Group ceased to be a Related Party of UniCredit S.p.A.
101 See the previous note.

Part I - Share-based payments

Qualitative information

1. Description of payment agreements based on own equity instruments

1.1 Outstanding instruments

Group Medium & Long Term Incentive Plans for selected employees of Group subsidiaries include the following categories:
- **Equity-Settled Share Based Payments** (Equity-Settled SBP), which provide for the delivery of shares;
- **Cash-Settled Share Based Payments** (Cash-Settled SBP), which provide for the delivery of monetary settlement linked to the economic value of UniCredit share (so-called "phantom share").

The first category, Equity-Settled SBP, includes the following grants of:
- **Group Executive Incentive System (Bonus Pool)** that offer to eligible Group executives and relevant employees identified following regulatory rules, a bonus structure composed by upfront (following the moment of performance evaluation) and deferred payments in cash and in UniCredit ordinary shares, to be paid over a period of ranging from 1 to 7 years. This payment structure will guarantee the alignment to shareholder interest and will be subjected to corporate malus conditions (which applies in case specific profitability, capital and liquidity thresholds are not met at both Group and country/division level), individual malus and claw-back conditions (as legally enforceable) according to the plan rules (both non-market vesting conditions);
- **Long Term Incentive 2017-2019** that offers to eligible executives and key players of the Group an incentive 100% based on ordinary UniCredit shares, subject to 3-years deferral and to malus and claw-back conditions, as legally enforceable, according to the plan rules. The plan is structured on 3-years performance period, aligned to the UniCredit strategic plan and provides for the allocation of an award based on gateway conditions on profitability, liquidity, capital and risk position and a set of performance conditions focused on Group targets, aligned with Transform 2019;
- **Long Term Incentive 2020-2023** that provides for the allocation of incentives based on free ordinary shares, subject to the achievement of specific performance conditions to the Strategic Plan Team 23. The Plan is structured over a four-year performance period, consistent with UniCredit's Strategic Plan, and provides for the granting of the possible award in 2024. The award is subject to a 4-year deferral period, after the performance period, and to the respect during the performance period of the minimum conditions of profitability, capital requirements and liquidity as well as positive assessment of Risk Appetite Framework. According to Banca d'Italia and EBA requirements and to further strengthen the governance framework, the Plan includes rules of compliance breaches management, as well as their related impact on remuneration components, through the application of malus and claw-back clauses.

The second category, Cash-Settled SBP, includes the following grant of:
- **Group Executive Incentive System (Bonus Pool)** that offer to eligible Group executives and relevant employees of the subsidiary AO UniCredit Bank identified following regulatory rules, a bonus structure composed by upfront (determined on the basis of the performance evaluation) and deferred payments in cash and phantom share (i.e., "Share Appreciation Rights" linked to the share-value of UniCredit), to be paid over a period of time ranging from 1 to 6 years. This payment structure will guarantee the alignment to shareholder interest and will be subjected to corporate malus conditions (which applies in case specific profitability, capital and liquidity thresholds are not met at both Group and country/division level), individual malus and claw back conditions (as legally enforceable) according to the plan rules (both non-market vesting conditions).

It is also noted that, according to Banca d'Italia Circular 285 (as at 17 December 2013 and subsequent updates concerning "Remuneration and incentive policies and practices"), the equity-settled share based payments, represented by deferred payments in UniCredit ordinary shares not subject to vesting conditions, are used for the settlement of the so-called golden parachute (e.g. severance) for the relevant employees.

1.2 Measurement model

1.2.1 Group Executive Incentive System (Bonus Pool)

The economic value of performance shares, for the category Equity-Settled SBP, is measured considering the share market price at the grant date less the present value of the future dividends during the vesting period.
For Cash-Settled SBP the amount delivered to beneficiaries is based on the economic value of the phantom shares, which is measured considering the arithmetic mean of the official market price of UniCredit ordinary shares during the month preceding each Board resolution executing the payment of each shares' installment after the end of the mandatory retention period. In financial statements, during the vesting period, the cash-settled SBP is measured considering the share market price at each reporting date less the present value of the future dividends.
For both categories, the economic effect and the respective reserve/liability will be accrued on a basis of instruments' vesting period.

Part I - Share-based payments

Group Executive Incentive System "Bonus Pool 2024" - Shares and Phantom Share

The new Group Incentive System 2024 is based on a bonus pool approach, aligned with regulatory requirements and market practices, which defines:

- the connection among profitability, risk and reward by linking directly the bonus pool with company results, cost of capital and risk profiles relevant for the Group as stated in the Group Risk Appetite Framework;
- the definition of the bonus pool based on Group performance, with following cascading to Divisions according to risk-adjusted performance indicators and distributed to employees according to individual performance;
- bonuses allocated to Group Material Risk Takers, identified on a basis of regulatory provisions, embedded in CRD V and in Commission Delegated Regulation (EU) 923/2021 and to other specific roles identified according to local regulations;
- payment structure has been defined in accordance with regulatory provisions qualified by Directive 2013/36/EU (CRD IV) and further updates and will be distributed in a period of maximum seven years by using a mix of shares, phantom shares and cash.

All profit and loss and net equity/liabilities effects related to the plan will be booked during the vesting period.

The plan is divided into clusters, each of which can have three or six installments of share-based payments spread over a period defined according to plan rules.

1.2.2 Long Term Incentive Plan 2017-2019

The economic value of performance shares is measured considering the share market price at the grant date less the present value of the future dividends during the vesting period.

The plan is divided into clusters, based on the beneficiary position, each of which can have from one to four installments of share-based payments spread over a period defined according to plan rules.

1.2.3 Long Term Incentive Plan 2020-2023

The economic value of performance shares is measured considering the share market price at the grant date less the present value of the future dividends during the vesting period.

The plan is divided into clusters, based on the beneficiary position, each of which can have from one to five installments of share-based payments spread over a period defined according to plan rules.

Quantitative information

1. Annual changes

Other UniCredit equity instruments: Performance Shares

ITEMS/NUMBER OF OTHER EQUITY INSTRUMENTS AND EXERCISE PRICE		YEAR 2024 NUMBER OF OTHER EQUITY INSTRUMENTS	YEAR 2024 AVERAGE EXERCISE PRICE [€]	YEAR 2024 AVERAGE MATURITY	YEAR 2023 NUMBER OF OTHER EQUITY INSTRUMENTS	YEAR 2023 AVERAGE EXERCISE PRICE [€]	YEAR 2023 AVERAGE MATURITY
A.	**Outstanding at beginning of period**	**24,368,363**	**-**	**set-24**	**24,700,199**	**-**	**nov-23**
B.	**Increases**	**715,378**	**-**		**8,659,946**	**-**	
B.1	New issues	715,378	-		8,659,946	-	
B.2	Other	-	-		-	-	
C.	**Decreases**	**8,087,383**	**-**		**8,991,782**	**-**	
C.1	Forfeited	545,209	-		3,483,615	-	
C.2	Exercised	7,227,514	-		5,508,167	-	
C.3	Expired	314,660	-			-	
C.4	Other	-	-			-	
D.	**Outstanding at end of period**	**16,996,358**	**-**	**jul-25**	**24,368,363**	**-**	**set-24**
E.	**Vested instruments at end of period**	**6,321,058**	**-**		**7,282,469**		

Notes:
As far as the 2024 movement is concerned, the average market price at the exercise date is equal to €28.825 (€19.43 was the price observed at exercise date for 2023 dynamic).
UniCredit undertakes to grant, conditional upon achieving performance targets set in the strategic plan 16,996,358 ordinary shares at the end of 2023 (24,368,363 ordinary shares at the end of 2023).

Part I - Share-based payments

2. Other Information

Effects on Profit and Loss

All Share-Based Payment granted after 7 November 2002 whose vesting period ends after 1 January 2005 are included within the scope of the IFRS2.

Financial statement presentation related to share based payments

(€ million)

	2024		2023	
	TOTAL	VESTED PLANS	TOTAL	VESTED PLANS
(Costs)/Revenues	**(74)**		**(76)**	
- connected to equity-settled plans	*(69)*		*(72)*	
- connected to cash-settled plans	*(5)*		*(4)*	
Debts for cash-settled plans	**8**	**-**	**6**	**-**

Note:
The sub-item "connected to equity-settled plans" includes costs for €4.7 million related to golden parachute.

Part L - Segment reporting

Organisational structure

The organizational structure of the Group is divided into geographical areas as follows:
- Italy;
- Germany;
- Central Europe (including Austria, Czech Republic and Slovakia, Hungary, Slovenia);
- Eastern Europe (including Bosnia and Herzegovina, Bulgaria, Croatia, Romania, Serbia);
- Russia.

Starting from the first quarter of 2022, the Group's organizational structure has been updated by isolating activities in Russia and cross-border exposure booked in UniCredit S.p.A. towards this country in a specific segment of Segment Reporting.
In addition to Russia, also Central Europe and Eastern Europe includes cross-border exposure booked in UniCredit S.p.A.
This organization ensures Country and local Banks autonomy on specific activities granting proximity to the customers (for all client segment, Retail and Corporate) and efficient decisional processes.
All standalone geographies of the Group have dedicated support and control functions such as: People and Culture, Finance, Digital & Information Office, Operations, Compliance, Legal and Risk.
Alongside the new five geographical areas there is Group Corporate Centre with the objective to lead, control and support the management of the assets and related risks of the Group as a whole and of the single Group companies in their respective areas of competence; it also includes the Group's Legal Entities that are going to be dismissed.

The Segment Reporting is shaped according to the described Group organization.

Part L - Segment reporting

A - Primary segment

A.1 - Breakdown by business segment: income statement

	ITALY	GERMANY	CENTRAL EUROPE	EASTERN EUROPE	RUSSIA	GROUP CORPORATE CENTRE	CONSOLIDATED GROUP TOTAL 31.12.2024
Net interest	6,668	2,594	2,720	2,027	818	(468)	14,358
Dividends	142	3	286	7	0	32	470
Fees	4,374	1,574	1,255	746	249	(59)	8,139
Trading income	129	1,197	6	57	224	126	1,739
Other expenses/income	42	95	53	36	1	(87)	139
Revenue	**11,354**	**5,462**	**4,320**	**2,872**	**1,292**	**(456)**	**24,844**
HR costs	(2,384)	(1,226)	(872)	(473)	(113)	(785)	(5,853)
Non HR costs	(1,313)	(926)	(616)	(329)	(76)	665	(2,596)
Recovery of expenses	38	8	2	2	-	57	106
Amortisations and depreciations	(256)	(75)	(117)	(105)	(36)	(473)	(1,062)
Operating Costs	**(3,914)**	**(2,220)**	**(1,604)**	**(905)**	**(226)**	**(537)**	**(9,405)**
GROSS OPERATING PROFIT (LOSS)	**7,440**	**3,242**	**2,716**	**1,967**	**1,067**	**(993)**	**15,439**
Loan loss provisions (LLPs)	(501)	(273)	(33)	22	144	0	(641)
OPERATING NET PROFIT	**6,939**	**2,969**	**2,683**	**1,989**	**1,211**	**(993)**	**14,798**
Other charges and provisions	(255)	(9)	(207)	(95)	(499)	(3)	(1,069)
Integration costs	(384)	(140)	(103)	(63)	(44)	(107)	(841)
Net income from investments	(127)	(33)	76	3	52	0	(29)
PROFIT (LOSS) BEFORE TAX	**6,173**	**2,787**	**2,449**	**1,834**	**719**	**(1,102)**	**12,860**

The figures refer to the Reclassified income statement.

A.2 - Breakdown by business segment: balance sheet amounts and RWEA

BALANCE SHEET AMOUNTS	ITALY	GERMANY	CENTRAL EUROPE	EASTERN EUROPE	RUSSIA	GROUP CORPORATE CENTRE	CONSOLIDATED GROUP TOTAL 31.12.2024
CUSTOMERS LOANS (NET REPOS AND IC)	144,590	125,773	91,988	40,614	1,192	162	**404,319**
CUSTOMERS DEPOS (NET REPOS AND IC)	183,922	138,266	96,899	53,338	3,480	(5)	**475,900**
TOTAL RISK WEIGHTED EXPOSURE AMOUNTS (BASEL 3)	101,083	64,989	58,559	34,710	10,819	6,933	**277,093**

A.3 - Staff

	ITALY	GERMANY	CENTRAL EUROPE	EASTERN EUROPE	RUSSIA	GROUP CORPORATE CENTRE	CONSOLIDATED GROUP TOTAL 31.12.2024
STAFF							
Employees (FTE)	26,902	8,983	9,844	14,641	2,590	6,762	**69,722**

Part L - Segment reporting

A.1 - Breakdown by business segment: income statement

	ITALY	GERMANY	CENTRAL EUROPE	EASTERN EUROPE	RUSSIA	GROUP CORPORATE CENTRE	CONSOLIDATED GROUP TOTAL 31.12.2023
Net interest	6,373	2,689	2,742	1,855	799	(453)	14,005
Dividends	125	3	304	6	2	18	459
Fees	4,077	1,527	1,159	664	198	(60)	7,565
Trading income	382	1,164	10	60	42	85	1,743
Other expenses/income	(53)	34	47	6	143	(123)	54
Revenue	**10,904**	**5,417**	**4,261**	**2,591**	**1,185**	**(532)**	**23,826**
HR costs	(2,353)	(1,341)	(876)	(438)	(120)	(734)	(5,861)
Non HR costs	(1,324)	(971)	(626)	(306)	(68)	692	(2,603)
Recovery of expenses	19	7	1	0	-	55	81
Amortisations and depreciations	(258)	(95)	(121)	(106)	(38)	(459)	(1,078)
Operating Costs	**(3,917)**	**(2,400)**	**(1,622)**	**(850)**	**(226)**	**(446)**	**(9,460)**
GROSS OPERATING PROFIT (LOSS)	**6,987**	**3,017**	**2,639**	**1,741**	**959**	**(978)**	**14,366**
Loan loss provisions (LLPs)	(403)	(183)	(41)	72	(8)	3	(560)
OPERATING NET PROFIT	**6,584**	**2,835**	**2,598**	**1,813**	**952**	**(975)**	**13,806**
Other charges and provisions	(471)	(192)	(244)	(80)	(23)	(13)	(1,023)
Integration costs	(354)	(335)	(211)	(28)	(10)	(122)	(1,060)
Net income from investments	(148)	(188)	87	9	(31)	(1)	(272)
PROFIT (LOSS) BEFORE TAX	**5,612**	**2,119**	**2,230**	**1,713**	**888**	**(1,110)**	**11,451**

The figures refer to the Reclassified income statement.

A.2 - Breakdown by business segment: balance sheet amounts and RWEA

(€ million)

BALANCE SHEET AMOUNTS	ITALY	GERMANY	CENTRAL EUROPE	EASTERN EUROPE	RUSSIA	GROUP CORPORATE CENTRE	CONSOLIDATED GROUP TOTAL 31.12.2023
CUSTOMERS LOANS (NET REPOS AND IC)	152,120	125,107	95,367	33,570	3,152	162	**409,478**
CUSTOMERS DEPOS (NET REPOS AND IC)	188,434	138,192	93,450	47,104	7,208	(5)	**474,383**
TOTAL RISK WEIGHTED EXPOSURE AMOUNTS (BASEL 3)	108,073	69,473	60,492	28,743	14,283	3,484	**284,548**

A.3 - Staff

	ITALY	GERMANY	CENTRAL EUROPE	EASTERN EUROPE	RUSSIA	GROUP CORPORATE CENTRE	CONSOLIDATED GROUP TOTAL 31.12.2023
STAFF							
Employees (FTE)	27,528	9,819	10,191	13,019	3,153	7,041	**70,752**

Part L - Segment reporting

B - Secondary segment

The Secondary segment Reporting is presented by client segment (Retail and Corporate).

(€ million)

AMOUNTS AS AT 31.12.2024	REVENUE	CUSTOMERS LOANS(*)	TOTAL RWEA Eop
Retail	12,159	139,305	65,262
Corporates	12,557	259,486	160,062
Central Functions	128	5,528	51,769
Total	**24,844**	**404,319**	**277,093**

Note:
(*) The "customers loans" are net of repos and intercompany transactions.

(€ million)

AMOUNT AS AT 31.12.2023	REVENUE	CUSTOMERS LOANS(*)	TOTAL RWEA Eop
Retail	11,664	140,606	65,932
Corporates	12,487	265,978	168,609
Central Functions	(325)	2,893	50,006
Total	**23,826**	**409,478**	**284,548**

Note:
(*) The "customers loans" are net of repos and intercompany transactions.

The figures refer to the Reclassified income statement.
Figures as of 2023 were recast, where necessary, on a like-to-like basis to consider changes in scope of business segment and methodological reporting.

Part M - Information on leases

Section 1 - Lessee

Qualitative information

The Group in conducting its business, signs lease contracts for which accounts for rights of use that mainly relate to the following type of tangible assets:
- lands;
- buildings;
- others (e.g., cars).

These contracts are accounted for in accordance with rules set in accounting standard IFRS16 further detailed in Part A - Accounting policies, A.2 - Main items of the accounts (refer to this section).
The rights of use deriving from these lease contracts are mainly used to provide for services or for administrative purposes and accounted for according to the cost method. If these rights of use are sub-leased to third parties, a financial or operating lease contract is booked based on their characteristics.

As allowed by the accounting standard, the Group has decided not to account for rights of use or lease liabilities in case of:
- short-term leases, lower than 12 months; and
- lease of low value assets. In this regard, an asset is considered as low value if its fair value when new is equal to or lower than €5 thousand. This category mainly includes office machines (PCs, monitors, tablets, etc.) as well as fixed and mobile telephony devices.

The lease payments deriving from this type of activity are booked in item "190. Administrative expenses" on an accrual basis.

Quantitative information

The book value of the rights of use arising from lease contracts are exposed in the paragraph "Section 9 - Property, plant and equipment - Item 90", Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.
During the year, these rights of use resulted in the recognition of depreciations for €274.4 million of which:
- €0.7 million relating to lands;
- €259.9 million relating to buildings;
- €13.8 million relating to the category other (e.g., electronic systems, cars).

In addition, impairment (net of reversal) for approx. €13 million has been booked.

With reference to lease liabilities, the related book value is shown in the paragraph "Section 1 - Financial liabilities at amortised cost - Item 10", Notes to the consolidated accounts, Part B - Consolidated balance sheet, Liabilities.
During the year, these lease liabilities led to the recognition of interest expenses shown in the paragraph "Section 1 - Interests - Items 10 and 20", Notes to the consolidated accounts, Part C - Consolidated income statement.

With reference to short-term leases and leases of low value assets, it should be noted that during the year, rentals were accounted for €86 million. It should be note that such amount also includes VAT on rentals which is not included in the lease liability calculation.

Finally, with reference to the sublease contracts, it should be noted that these contracts determined interest income for €3.1 million during the year if classified as financial leases and other operating income for €4.2 million if classified as operating leases.
For the purposes of determining the lease term, the Group considers the non-cancellable period established by the contract, during which the lessee has the right to use the underlying asset as well as any renewal options where the lessee has reasonable expectation to proceed with the renewal.
In particular, with reference to contracts that provide the lessee with the option to automatically renew the lease at the end of a first period, the lease term is determined considering elements such as the duration of the first period, the existence of any plan leading to the disposal of the asset leased as well as any other circumstance indicating the reasonable certainty of renewal.
Therefore, the amount of cash flows, not reflected in the calculation of the lease liability, to which the Group is potentially exposed, is essentially due to the possible renewal of lease contracts and the subsequent extension of the lease term not included in the original calculation of the lease liabilities taking into account the information available and expectations existing as at 1 January 2019 (date of initial application of IFRS16) or on the starting date of the lease.

Part M - Information on leases

Section 2 - Lessor

Qualitative information

Financial leasing activities are exposed through the recognition of a credit for financial leases recognised in item “40. Financial assets at amortised cost”, of the related income on an accrual basis in item "10. Interest income and similar revenues" and of the impairment for the expected credit loss in item “130. Net losses/recoveries on credit impairment”.

Operating leasing activities, on the other hand, are essentially attributable to the leasing to parties external to the Group of owned properties and other tangible assets (mainly cars).
These contracts are represented through the recognition, on an accrual basis, of the rentals received in item “230. Other operating expenses/income”.

Quantitative information

1. Balance sheet and Income statement information

With reference to financial lease contracts, the book value of credit for financial leases is shown in the paragraph “Section 4 - Financial assets at amortised cost - Item 40”, Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.
Such loans determined, during the year, interest income shown in the paragraph “Section 1 - Interests - Items 10 and 20”, Notes to the consolidated accounts, Part C - Consolidated income statement.

With reference to operating lease contracts, it should be noted that the book value of the owned assets granted under operating lease is composed as follows:
- lands: €133.7 million;
- buildings: €278.5 million;
- other: €600.3 million.

Rentals recognised on an accrual basis during the year for leasing of these activities are shown in the paragraph “Section 16 - Other operating expenses/income“, Notes to the consolidated accounts, Part C - Consolidated income statement.

2. Financial leases

2.1 Classification for time bucket of Payments to be received and Reconciliation with Lease Loans booked in the Assets

(€ million)

TIME BUCKET	31.12.2024 PAYMENTS TO BE RECEIVED FOR LEASE	31.12.2023 PAYMENTS TO BE RECEIVED FOR LEASE
Up to 1 year	3,248	3,422
1 year to 2 years	2,633	2,762
2 year to 3 years	2,169	2,340
3 year to 4 years	1,672	1,813
4 year to 5 years	1,359	1,376
Over 5 years	2,260	3,100
Total Payments to be received for lease	**13,341**	**14,813**
RECONCILIATION WITH LOANS		
Unpaid Financial Profits (-)	1,396	1,633
Not guaranteed Residual Amount (-)	-	-
Lease Loans	**11,945**	**13,180**

The value shown in the table represents the gross exposure, this value is decreased by impairment, equal to €453 million on a cumulated basis, leading to the amount of €11,492 million shown in the paragraph “Section 4 - Financial assets at amortised cost - Item 40”, Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.

Part M - Information on leases

2.2 Other information

With regard to financial leases, the credit risk associated with the contract is managed according to what is stated in the paragraph "2.1 Credit risk", Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated, refer to this section.

The classification of the contract as a financial lease is determined by the fact that the risks and rewards of ownership of the asset are transferred to the lessee for the whole lease term and the contract contains an option to purchase the asset at conditions that determines non-economic the non-exercise of the option, or the contract has a duration substantially aligned with the useful life of the asset leased. Such condition is also satisfied in case of contracts that do not contain an option to purchase the asset or have a lease term significantly lower than useful life of the asset leased, but are complemented by agreements with third parties that guarantee the purchase of the asset at the end of the lease contract.

3. Operating leases

3.1 Classification for time bucket of Payments to be received

(€ million)

TIME BUCKET	31.12.2024 PAYMENTS TO BE RECEIVED FOR LEASE	31.12.2023 PAYMENTS TO BE RECEIVED FOR LEASE
Up to 1 year	136	138
1 year to 2 years	92	96
2 year to 3 years	68	72
3 year to 4 years	45	49
4 year to 5 years	31	28
Over 5 years	53	64
Total	**425**	**447**

3.2 Other information

There is no further significant information to report compared to the above.

Consolidated Financial Statements Certification pursuant to Art.81-ter of Consob Regulation No.11971/99, as amended

1. The undersigned Andrea Orcel (as Chief Executive Officer) and Bonifacio Di Francescantonio (as the Manager charged with preparing the financial reports) of UniCredit S.p.A., also in compliance with Art.154-bis, (paragraphs 3 and 4) of Italian Legislative Decree No.58 of 24 February 1998, hereby certify:
   - the adequacy in relation to the Legal Entity's features and
   - the actual application of the administrative and accounting procedures employed to draw up the 2024 Consolidated Financial Statements.

2. The adequacy of administrative and accounting procedures employed to draw up the 2024 Consolidated Financial Statements has been evaluated by applying a model developed by UniCredit S.p.A., in accordance with the "Internal Control - Integrated Framework (CoSO)" and the "Control Objective for IT and Related Technologies (Cobit)", which represent generally accepted international standards for internal control system and for financial reporting in particular.

3. The undersigned also certify that:
   3.1 the 2024 Consolidated Financial Statements:
      a) were prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation No.1606/2002 of 19 July 2002;
      b) correspond to the results of the accounting books and records;
      c) are suitable to provide a fair and correct representation of the economic and financial situation of the issuer and of the group of companies included in the scope of consolidation;
   3.2 the Report on Operations includes a reliable analysis of the operating trend and results, as well as of the situation of the issuer and of the Legal Entities included in the scope of consolidation, together with a description of the main risks and uncertainties they are exposed to.

Milan, 20 February 2025

Andrea ORCEL	Bonifacio DI FRANCESCANTONIO

Sustainability Statements Certification

The undersigned Andrea Orcel, as Chief Executive Officer of UniCredit S.p.A., and Giuseppe Zammarchi, as the Sustainability Reporting Manager of UniCredit S.p.A., attest(*), pursuant to Art.154-bis, paragraph 5-ter, of the Italian Legislative Decree No.58 of 24 February 1998, that the Sustainability Statements included in the Consolidated Report on Operations were drawn up:

- in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and of Legislative Decree 6 September 2024, No.125;
- with the specifications adopted pursuant to Article 8.4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Milan, 20 February 2025

Andrea ORCEL

Giuseppe ZAMMARCHI

(*) Certification issued according to the form defined in the Consob document for the consultation of 13 December 2024.

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
UniCredit S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the UniCredit Group (the "group"), which comprise the balance sheet as at 31 December 2024, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the UniCredit Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of UniCredit S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of loans and receivables with customers recognised under financial assets at amortised cost

Notes to the consolidated accounts "Part A - Accounting policies": paragraph A.2.3 "Financial assets at amortised cost"

Notes to the consolidated accounts "Part B - Consolidated balance sheet - Assets": section 4 "Financial assets at amortised cost"

Notes to the consolidated accounts "Part C - Consolidated income statement": section 8 "Net losses/recoveries on credit impairment"

Notes to the consolidated accounts "Part E - Information on risks and related hedging policies": paragraph 2.1 "Credit risk"

Key audit matter	Audit procedures addressing the key audit matter
Lending to customers is one of the group's core activities. Loans and receivables with customers recognised under financial assets at amortised cost totalled €496,626 million at 31 December 2024, accounting for 63% of total assets. Net impairment losses on loans and receivables with customers recognised in profit or loss during the year totalled €746 million. For classification purposes, the directors make analyses that are sometimes complex in order to identify those positions that show evidence of both a significant increase in credit risk and impairment after disbursement. To this end, they consider both internal information about the performance of exposures and external information about the reference sector or the borrowers' overall exposure to banks. Measuring loans and receivables with customers is a complex activity, with a high degree of uncertainty and subjectivity, with respect to which the directors apply internal valuation models that consider many quantitative and qualitative factors, including historical collection flows, expected cash flows and related estimated collection dates, the existence of any indicators of impairment, an assessment of any guarantees, the impact of macroeconomic variables, future scenarios and risks of the sectors in which the parent's and the group companies' customers operate. The complexity of the directors' estimation process is affected by the heightened geopolitical uncertainties, which have worsened current economic conditions and the outlook for future macroeconomic scenarios and have had a strong impact on the energy market, supply	Our audit procedures included: • gaining an understanding of the parent's and group companies' processes and IT environments in relation to the disbursement, monitoring, classification and measurement of loans and receivables with customers; • assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls, especially in relation to the identification of exposures with indicators of impairment and the calculation of impairment losses; • analysing the classification criteria used for allocating loans and receivables with customers to the IFRS 9 categories (staging); • analysing the individual and collective impairment assessment policies and models used and checking the reasonableness of the main assumptions and variables included therein, as well as the adjustments made as a result of the financial effects of the geopolitical situation. We carried out these procedures with the assistance of experts of the KPMG network; • selecting a sample of exposures tested collectively, checking the application of the measurement models applied and checking that the impairment rates applied complied with those provided for in such models; • selecting a sample of exposures tested individually and checking the reasonableness of the indicators

Key audit matter	Audit procedures addressing the key audit matter
chains, inflationary pressure and its effect on monetary policies, leading central banks to raise interest rates in the main economies, and the property market's trends and indicators. This required the directors to revisit the valuation processes and methods. For the above reasons, we believe that the measurement of loans and receivables with customers recognised under financial assets at amortised cost is a key audit matter.	of impairment identified and of the assumptions about their recoverability, including considering the guarantees received; • analysing the significant changes in the loan and receivable categories and in the related impairment rates compared to the previous years' figures and discussing the results with the relevant internal departments; • assessing the appropriateness of the disclosures about loans and receivables with customers recognised under financial assets measured at amortised cost.

Measurement of financial assets and liabilities at fair value levels 2 and 3

Notes to the consolidated accounts "Part A – Accounting policies": paragraphs A.2.1 "Financial assets at fair value through profit or loss", A.2.2 "Financial assets at fair value through other comprehensive income", A.2.4 "Hedge accounting", A.2.12 "Financial liabilities held for trading", A.2.13 "Financial liabilities designated at fair value" and A.4 "Information on fair value"

Notes to the consolidated accounts "Part B - Consolidated balance sheet - Assets": sections 2 "Financial assets at fair value through profit or loss", 3 "Financial assets at fair value through other comprehensive income" and 5 "Hedging derivatives"

Notes to the consolidated accounts "Part B - Consolidated balance sheet - Liabilities": sections 2 "Financial liabilities held for trading", 3 "Financial liabilities designated at fair value" and 4 "Hedging derivatives"

Notes to the consolidated accounts "Part C - Consolidated income statement": sections 4 "Gains (Losses) on financial assets and liabilities held for trading", 5 "Fair value adjustments in hedge accounting" and 7 "Net gains (losses) on other financial assets/liabilities at fair value through profit or loss"

Notes to the consolidated accounts "Part E - Information on risks and related hedging policies": paragraphs 2.2 "Market risks" and 2.3 "Derivative instruments and hedging policies"

Key audit matter	Audit procedures addressing the key audit matter
Trading and holding financial instruments are two of the parent's and group companies' core activities. The consolidated financial statements at 31 December 2024 include financial assets measured at fair value of €141,047 million and financial liabilities measured at fair value of €46,207 million. A portion thereof, equal to €47,932 million and €40,281 million, respectively, is made up of financial assets and liabilities at fair value without a quoted price on an active market. The parent's and group companies' directors have classified them in levels 2 and 3 of the fair value hierarchy. Measuring fair value levels 2 and 3 financial instruments requires a high level of judgement given the complexity of the models and parameters used.	Our audit procedures included: • gaining an understanding of the parent's and group companies' processes and IT environments in relation to the trading, classification and measurement of financial instruments; • assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls, especially in relation to the measurement of financial instruments with fair value levels 2 and 3, also in the light of the financial effects of the geopolitical situation; • for a sample of financial instruments with fair value levels 2 and 3, assessing the reasonableness of

Key audit matter	Audit procedures addressing the key audit matter
Such complexity is affected by the heightened geopolitical uncertainties and their impact on the main economic and financial variables. For the above reasons, we believe that the measurement of financial assets and liabilities at fair value levels 2 and 3 is a key audit matter.	the parameters used by the directors for their measurement, also in the light of the financial effects of the geopolitical situation; we carried out these procedures with the assistance of experts of the KPMG network; • analysing the changes in the composition of the financial instrument portfolios compared to the previous year end and discussing the results with the relevant internal departments; • assessing the appropriateness of the disclosures about financial instruments and related fair value levels.

Trading centralisation project

Notes to the consolidated accounts "Part G - Business combinations": section 1 "Business combinations completed in the year"

Key audit matter	Audit procedures addressing the key audit matter
During the accounting period ended as at 31 December 2024, the group launched the TEC (trading engine centralisation) project. The project aims to transfer the entire business unit related to the trading of financial instruments from UniCredit Bank GmbH to UniCredit S.p.A., thereby centralising the management of trading business and the related risks with UniCredit S.p.A. and revising the Client Risk Management department's business model. The project envisages the transfer of both financial assets and liabilities and business units from UniCredit Bank GmbH to UniCredit S.p.A. in waves from 2024 to 2026. Accordingly, the securities and interest rate derivatives portfolio and the brokerage business were transferred on 15 July 2024 and 1 November 2024, respectively. The project involves the transfer of additional portfolios in 2025 and 2026. During our audit, we paid particular attention to the legal and accounting aspects of the transaction, as well as the 2024 asset and liability transfer process. This was necessary given the operating complexity of the process and the possible impact on the financial statements of the potential risk of incomplete and inaccurate migration of the assets and liabilities transferred in 2024.	Our audit procedures included: • gaining an understanding of the transaction and assessing compliance with applicable regulations and the correct application of the relevant standards; • analysing the contract documents relating to the transaction; • assessing the effects of the transaction on the parent's processes and internal controls; we carried out these procedures with the assistance of experts of the KPMG network; • assessing the design and implementation of controls and testing the operating effectiveness of material controls, especially checking whether the transferred financial instruments had been correctly and accurately recognised in the accounting and management records; • checking the completeness and accuracy of the accounting records prepared by the parent at the date of the transfer, including the reconciliation with the closing balances prepared by UniCredit Bank GmbH and UniCredit Bank GmbH - Milan branch and with management accounts; • assessing the appropriateness of the disclosures about the transaction.

Responsibilities of the parent's directors and audit committee for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 9 April 2020, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2022 to 31 December 2030.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the audit committee prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's reports on operations and on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the consistency of the report on operations, excluding the section that includes the sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2024.

Moreover, in our opinion, except for the section which includes the sustainability statement, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the report on operations' section which includes the sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Milan, 24 February 2025

KPMG S.p.A.

Bruno Verona
Director of Audit

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

To the shareholders of
UniCredit S.p.A.

Conclusion

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2024 consolidated sustainability statement of the UniCredit Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the report on operations (the "sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2024 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)" section required by article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the "taxonomy regulation") of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of the taxonomy regulation.

Basis for conclusion

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under that standard are further described in the "*Auditors' responsibilities for the consolidated sustainability assurance engagement*" section of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

Other matters

In the specific section "Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)" in accordance with article 8 of the taxonomy regulation, the 2024 consolidated sustainability statement presents the 2023 comparative information required by article 8 of the taxonomy regulation, which has not been subjected to an assurance engagement.

Responsibilities of the directors and audit committee of UniCredit S.p.A. (the "parent") for the consolidated sustainability statement

The directors are responsible for designing and implementing the procedures to identify the information included in the consolidated sustainability statement in accordance with the ESRS (the "materiality assessment process") and for the description of these procedures in the "Impact, risk and opportunity management – IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities" section of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in the "Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)" section with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The audit committee is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Inherent limitations in preparing the consolidated sustainability statement

As discussed in section "ESRS 2 – General information - BP-2 – Disclosures in relation to specific circumstances", for the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group's actions that are not necessarily expected to occur. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

As discussed in section "E1 – Climate changes – Metrics and targets", disclosures about greenhouse gas Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative Scope 3 information from value chain.

Auditors' responsibilities for the consolidated sustainability assurance engagement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to address disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the consolidated sustainability limited assurance engagement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the consolidated sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement, including the reporting boundary;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities, based on the double materiality principle, and checking the related disclosures presented in the consolidated sustainability statement;
- we identified disclosures where a material misstatement was likely to occur, whether due to fraud or error;

- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible exposures and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the consolidated sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with the those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or the accounting management figures;
- we checked the structure and presentation of disclosures included in consolidated sustainability statement in accordance with the ESRS;
- we obtained the representation letter.

Milan, 25 February 2025

KPMG S.p.A.

Domenico Donato
Director of Audit

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

A reconciliation of the reclassified balance sheet and profit and loss account to the mandatory reporting schedules, is provided below.
Further details about the restatement of comparative figures are provided in the previous sections.

Consolidated balance sheet

(€ million)

	AMOUNTS AS AT	
ASSETS	**31.12.2024**	**31.12.2023**
Cash and cash balances	41,442	61,000
Item 10. Cash and cash balances	*41,442*	*61,000*
Financial assets held for trading	55,083	57,274
Item 20. Financial assets at fair value through profit or loss: a) Financial assets held for trading	*55,083*	*57,274*
Loans to banks	50,678	39,434
Item 40. Financial assets at amortised cost: a) Loans and advances to banks	*66,540*	*53,389*
less: Debt securities	*(15,903)*	*(14,004)*
less: Leasing assets IFRS16	*(1)*	*(1)*
+ Loans (from Item 20 c)	*41*	*50*
Loans to customers	418,378	429,452
Item 40. Financial assets at amortised cost: b) Loans and advances to customers	*496,626*	*503,589*
less: Debt securities	*(79,730)*	*(75,746)*
less: Leasing assets IFRS16	*(111)*	*(85)*
+ Loans (from Item 20 c)	*1,593*	*1,696*
Other financial assets	183,118	162,953
Item 20. Financial assets at fair value through profit or loss: b) Financial assets designated at fair value	*247*	*220*
Item 20. Financial assets at fair value through profit or loss: c) Other financial assets mandatorily at fair value	*6,347*	*7,520*
less: Loans (to Loans to banks)	*(41)*	*(50)*
less: Loans (to Loans to customers)	*(1,593)*	*(1,696)*
Item 30. Financial assets at fair value through other comprehensive income	*78,019*	*63,097*
Item 70. Equity investments	*4,393*	*4,025*
+ Debt securities (from Item 40 a)	*15,903*	*14,004*
+ Debt securities (from Item 40 b)	*79,730*	75,746
+ Leasing assets IFRS16 (from Item 40 a)	*1*	*1*
+ Leasing assets IFRS16 (from Item 40 b)	*111*	*85*
Hedging instruments	(351)	(1,340)
Item 50. Hedging derivatives	*1,351*	*1,925*
Item 60. Changes in fair value of portfolio hedged items (+/-)	*(1,702)*	*(3,264)*
Property, plant and equipment	8,794	8,628
Item 90. Property, plant and equipment	*8,794*	*8,628*
Goodwill	38	-
Item 100. Intangible assets of which: goodwill	*38*	-
Other intangible assets	2,191	2,272
Item 100. Intangible assets net of goodwill	*2,191*	*2,272*
Tax assets	10,273	11,818
Item 110. Tax assets	*10,273*	*11,818*
Non-current assets and disposal groups classified as held for sale	394	370
Item 120. Non-current assets and disposal groups classified as held for sale	*394*	*370*
Other assets	13,966	13,112
Item 130. Other assets	*13,968*	*13,111*
Total assets	**784,004**	**784,974**

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

continued: Consolidated balance sheet

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024	31.12.2023
Deposits from banks	67,903	71,042
Item 10. Financial liabilities at amortised cost: a) Deposits from banks	*67,919*	*71,069*
less: Leasing liabilities IFRS16	*(16)*	*(27)*
Deposits from customers	499,505	495,716
Item 10. Financial liabilities at amortised cost: b) Deposits from customers	*500,970*	*497,394*
less: Leasing liabilities IFRS16	*(1,466)*	*(1,677)*
Debt securities issued	90,709	89,845
Item 10. Financial liabilities at amortised cost: c) Debt securities in issue	*90,709*	*89,845*
Financial liabilities held for trading	31,349	38,022
Item 20. Financial liabilities held for trading	*31,349*	*38,022*
Other financial liabilities	15,228	13,751
Item 30. Financial liabilities designated at fair value	*13,746*	*12,047*
+ Leasing liabilities IFRS16 (from Item 10 a)	*16*	*27*
+ Leasing liabilities IFRS16 (from Item 10 b)	*1,466*	*1,677*
Hedging instruments	(8,134)	(10,573)
Item 40. Hedging derivatives	*1,112*	*2,359*
Item 50. Value adjustment of hedged financial liabilities (+/-)	*(9,247)*	*(12,932)*
Tax liabilities	1,708	1,483
Item 60. Tax liabilities	*1,708*	*1,483*
Liabilities included in disposal groups classified as held for sale	0	(0)
Item 70. Liabilities associated with assets classified as held for sale	-	-
Other liabilities	22,895	21,445
Item 80. Other liabilities	*14,687*	*13,566*
Item 90. Provision for employee severance pay	*294*	*335*
Item 100. Provisions for risks and charges	*7,916*	*7,543*
Minorities	400	164
Item 190. Minority shareholders' equity (+/-)	*400*	*164*
Group shareholders' equity:	62,441	64,079
- Capital and reserves	52,722	54,572
Item 120. Valuation reserves	*(5,422)*	*(4,928)*
Item 140. Equity instruments	*4,958*	*4,863*
Item 150. Reserves	*33,235*	*35,063*
Item 155. Advanced dividends (-)	*(1,440)*	*-*
Item 160. Share premium	*23*	*23*
Item 170. Share capital	*21,368*	*21,278*
Item 180. Treasury shares (-)	*-*	*(1,727)*
- Group stated net profit (loss)	9,719	9,507
Item 200. Profit (Loss) of the year (+/-)	9,719	9,507
Total liabilities and shareholders' equity	**784,004**	**784,974**

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

Consolidated income statement

(€ million)

	YEAR	
	2024	2023
Net interest	14,358	14,005
Item 30. Net interest margin	*14,671*	*14,348*
less: Reclassification net Interest contribution deriving from Trading Book instruments	*(107)*	*(188)*
+ Interest on DBO/TFR/Jubilee (from Item 190)	*(115)*	*(119)*
+ Derivatives instruments - Economic Hedges - Others - Interest component	*(67)*	*(36)*
+ Costs for issued Credit Linked notes guaranteeing a credit portfolio (from item 60)	*(25)*	*-*
Dividends	470	459
Item 70. Dividend income and similar revenues	*468*	*305*
less: Dividends from held for trading equity instruments included in Item 70	*(345)*	*(221)*
less: Dividends on equity investments, shares and equity instruments mandatorily at fair value	*(66)*	*(45)*
less: Recovery of expenses	*(1)*	*(0)*
Item 250. Gains (Losses) of equity investments - of which: Profit (Loss) of equity investments valued at equity	*414*	*421*
Fees	8,139	7,565
Item 60. Net fees and commissions	*7,042*	*6,604*
less: Settlement of specific accruals referred to previous years operations	*12*	*1*
less: Amounts related to credit card distribution agreements	*7*	*-*
less: Discount associated with services on agreements for credit card distribution and payment services	*(11)*	*-*
less: Costs for issued Credit Linked notes guaranteeing a credit portfolio	*25*	*-*
+ Non-recoverable expenses incurred for customers financial transactions taxes (from Item 190 b)	*(19)*	*(15)*
+ Structuring and mandate fees on issued or placed certificates by the Group (from Item 110)	*111*	*52*
+ Structuring and mandate fees on issued or placed certificates by the Group and connected derivatives (from Item 80)	*87*	*104*
+ Mark-up fees on client hedging activities (from Item 80)	*883*	*820*
Trading income	1,739	1,743
Item 80. Net gains (losses) on trading	*2,888*	*2,264*
less: Derivatives instruments - Economic Hedges - Others - Interest component	*67*	*36*
less: Structuring and mandate fees on issued or placed certificates by the Group and connected derivatives	*(87)*	*(104)*
less: Mark-up fees on client hedging activities	*(883)*	*(820)*
Item 90. Net gains (losses) on hedge accounting	*(530)*	*(201)*
Item 100. Gains (Losses) on disposal and repurchase of: c) financial liabilities	*5*	*66*
Item 100. Gains (Losses) on disposal and repurchase of: b) financial assets at fair value through other comprehensive income	*74*	*145*
Item 110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss	*(286)*	*(502)*
less: Structuring and mandate fees on issued or placed certificates by the Group	*(111)*	*(52)*
less: Net Result on Financial Assets mandatorily at fair value - Debt securities related to non-performing loans, included securitizations	*50*	*-*
+ Gains (Losses) on disposal and repurchase of financial assets at amortised cost - debt securities (from Item 100 a)	*20*	*28*
+ Dividends from held for trading equity instruments (from Item 70)	*345*	*221*
+ Dividends on equity investments, shares and equity instruments mandatorily at fair value (from Item 70)	*66*	*45*
+ Gain/losses on commodities held with a trading intent (from Item 230)	*14*	*428*
+ Reclassification net Interest contribution deriving from Trading Book instruments	*107*	*188*
Other expenses/income	139	54
Item 230. Other operating expenses/income	*853*	*972*
less: Integration costs	*6*	*8*
less: Recovery of expenses excluded amounts related to credit card distribution agreements	*(629)*	*(542)*
less: Net value adjustments/write-backs on leasehold improvements (on non-separable assets)	*45*	*47*
less: Gain (losses) on commodities held with a trading intent and on precious stones	*(4)*	*(422)*
less: Other operating income other - reversal of invoices to be received related to tangible asset	*(0)*	*(7)*
+ Settlement of specific accruals referred to previous years operations	*(12)*	*(1)*
+ Result of industrial companies	*(0)*	*(1)*
+ Gains (Losses) on disposal and repurchase of financial assets at amortised cost - performing loans (from Item 100 a)	*(5)*	*119*
+ Net value adjustments/write-backs of tangible in operating lease assets (from Item 210)	*(110)*	*(106)*
+ Gains (Losses) on disposals of investments in operating lease assets (from Item 280)	*2*	*4*
+ Amounts related to credit card distribution agreements (from item 60)	*(7)*	*-*
+ Amounts related to credit card distribution agreements (from item 190)	*(27)*	*-*
+ Amounts related to asset management distribution agreements (from Item 200 b)	*26*	*(17)*
Revenue	**24,844**	**23,826**

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

continued: Consolidated income statement

(€ million)

	YEAR	
	2024	2023
Revenue	**24,844**	**23,826**
HR costs	(5,853)	(5,861)
Item 190. Administrative expenses: a) staff costs	*(6,684)*	*(6,877)*
less: Integration costs	*717*	*897*
less: Interest on DBO/TFR/Jubilee	*115*	*119*
Non HR costs	(2,596)	(2,603)
Item 190. Administrative expenses: b) other administrative expenses	*(3,724)*	*(4,025)*
less: Administrative expenses: b) other administrative expenses of industrial companies	*0*	*1*
less: Contributions to Resolution Funds (SRF), Deposit Guarantee Schemes (DGS), Bank Levy, Life Insurance Guarantee Fund and Guarantee fees for DTA	*515*	*949*
less: Integration costs	*39*	*32*
less: Other administration costs - Withholding tax on intercompany/IMREL issuances	*1*	*1*
less: Non-recoverable expenses incurred for customers financial transactions taxes	*19*	*15*
less: Variable portion of the outsourced NPE recovery costs not recovered from the clients	*38*	*11*
less: Amounts related to credit card distribution agreements	*27*	*-*
+ Discount associated with services on agreements for credit card distribution and payment services (from item 60)	*11*	*-*
+ Tax recovery (from Item 230)	*524*	*460*
+ Net value adjustments/write-backs on leasehold improvements on non-separable assets (from Item 230)	*(45)*	*(47)*
Recovery of expenses	106	81
+ Recovery of expenses excluded amounts related to credit card distribution agreements and Tax recovery (from Item 230)	*106*	*81*
Amortisations and depreciations	(1,062)	(1,078)
Item 210. Net value adjustments/write-backs on property, plant and equipment	*(695)*	*(842)*
less: Impairment/writebacks of inventories assets (IAS2) obtained from recovery procedures of NPE	*35*	*124*
less: Revaluation arising from IFRS5 non-current assets and disposal groups related to equity investment consolidated line by line and at net equity method	*5*	*-*
less: Net value adjustments/write-backs of tangible in operating lease assets	*110*	*106*
less: Impairment/write backs of right of use of land and buildings used in the business	*11*	*36*
less: Integration costs	*11*	*17*
Item 220. Net value adjustments/write-backs on intangible assets	*(589)*	*(626)*
less: Integration costs	*50*	*100*
+ Other operating income other - reversal of invoices to be received related to tangible asset (from Item 230)	*0*	*7*
Operating costs	**(9,405)**	**(9,460)**
GROSS OPERATING PROFIT (LOSS)	**15,439**	**14,366**
Loan Loss Provisions (LLPs)	(641)	(560)
Item 100. Gains (Losses) on disposal and repurchase of: a) financial assets at amortised cost	*(62)*	*199*
less: Gains (Losses) on disposal and repurchase of financial assets at amortised cost - performing loans	*5*	*(119)*
less: Gains (Losses) on disposal and repurchase of financial assets at amortised cost - debt securities	*(20)*	*(28)*
Item 130. Net losses/recoveries on credit impairment relating to: a) financial assets at amortised cost	*(750)*	*(661)*
less: Net losses/recoveries on impairment relating to: a) financial assets at amortised cost - debt securities	*(48)*	*(1)*
Item 130. Net losses/recoveries on credit impairment relating to: b) Financial assets at fair value through other comprehensive income	*(13)*	*(2)*
less: Net losses/recoveries on impairment relating to: b) Financial assets at fair value through other comprehensive income - debt securities	*13*	*2*
Item 140. Gains/Losses from contractual changes with no cancellations	*6*	*(13)*
Item 200. Net provisions for risks and charges: a) commitments and financial guarantees given	*267*	*74*
+ Variable portion of the outsourced NPE recovery costs not recovered from the clients (from item 190)	*(38)*	*(11)*
NET OPERATING PROFIT (LOSS)	**14,798**	**13,806**

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

continued: Consolidated income statement

(€ million)

	YEAR 2024	YEAR 2023
NET OPERATING PROFIT (LOSS)	**14,798**	**13,806**
Other charges and provisions	(1,069)	(1,023)
Item 200. Net provisions for risks and charges: b) other net provisions	*(545)*	*(91)*
less: Tax disputes relating to income tax (interests and sanctions excluded)	*(1)*	*-*
less: Integration costs	*18*	*5*
less: Amounts related to asset management distribution agreements	*(26)*	*17*
+ Contributions to Resolution Funds (SRF), Deposit Guarantee Schemes (DGS), Bank Levy, Life Insurance Guarantee Fund and Guarantee fees for DTA (from Item 190 b)	*(515)*	*(949)*
+ Windfall tax - Bank Levy	*-*	*(6)*
Integration costs	(841)	(1,060)
+ Payroll costs - Administrative expenses - of which a) staff costs - integration costs (from Item 190)	*(717)*	*(897)*
+ Other administrative expenses - Administrative expenses - of which b) other administrative expenses - integration costs (from Item 190)	*(39)*	*(32)*
+ Amortisation, depreciation and impairment losses on intangible and tangible assets - Net value adjustments/write-backs on property, plant and equipment - integration costs (from Item 210)	*(11)*	*(17)*
+ Amortisation, depreciation and impairment losses on intangible and tangible assets - Net value adjustments/write-backs on intangible assets - integration costs (from Item 220)	*(50)*	*(100)*
+ Other charges and provisions - Net provisions for risks and charges - integration costs (from Item 200)	*(18)*	*(5)*
+ Net other expenses/income - Other operating expenses/income - integration costs (from Item 230)	*(6)*	*(8)*
Net income from investments	(29)	(272)
Item 250. Gains (Losses) of equity investments - of which: write-backs/impairment losses and gains/losses on disposal of associates valued at equity	*69*	*39*
Item 260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	*(22)*	*(157)*
Item 280. Gains (Losses) on disposals on investments	*3*	*11*
less: Gains (Losses) on disposals on investments in operating lease assets	*(2)*	*(4)*
+ Net losses/recoveries on impairment relating to: of which: a) financial assets at amortised cost - debt securities (from Item 130)	*48*	*1*
+ Net losses/recoveries on impairment relating to: of which: b) financial assets at fair value through other comprehensive income - debt securities (from Item 130)	*(13)*	*(2)*
+ Impairment/writebacks of inventories assets (IAS2) obtained from recovery procedures of NPE	*(35)*	*(124)*
+ Revaluation arising from IFRS5 non-current assets and disposal groups related to equity investment consolidated line by line	*(5)*	*-*
+ Gain/losses on precious stones (from Item 230)	*(10)*	*(6)*
+ Impairment/write backs of right of use of land and buildings used in the business (from Item 210)	*(11)*	*(36)*
+ Net Result on Financial Assets mandatorily at fair value - Debt securities related to non-performing loans, included securitizations (from item 110)	*(50)*	*-*
less: Purchase Price Allocation effect	*-*	*5*
PROFIT (LOSS) BEFORE TAX	**12,860**	**11,451**
Income taxes	(3,085)	(1,914)
Item 300. Tax expenses (income) of the year from continuing operations	*(3,086)*	*(1,917)*
less: Windfall tax - Bank Levy	*-*	*6*
+ Other administration costs - Withholding tax on intercompany/IMREL issuances	*(1)*	*(1)*
+ Other changes and provisions - Tax disputes relating to income tax (interests and sanctions excluded) - (from Item 200 b)	*1*	*-*
less: Purchase Price Allocation effect	*-*	*(2)*
Profit (Loss) of discontinued operations	-	-
Item 320. Profit (Loss) after tax from discontinued operations	*-*	*-*
NET PROFIT (LOSS) FOR THE PERIOD	**9,775**	**9,537**
Minorities	(55)	(27)
Item 340. Minority profit (loss) of the year	*(55)*	*(27)*
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**9,719**	**9,510**
Purchase Price Allocation (PPA)	-	(4)
Goodwill impairment	-	-
Item 270. Goodwill Impairment	*-*	*-*
GROUP STATED NET PROFIT (LOSS)	**9,719**	**9,507**

Annex 2 - Audit fees and other non-audit services

UniCredit group 2024 - KPMG Network

As prescribed by Art.149-duodecies of the Consob Issuers Regulation, the following table gives fees paid in 2024 for services rendered by KPMG S.p.A. and firms in its network.

(€ million)

SERVICE TYPE	SERVICE PROVIDER	USER	FEES
Audit	KPMG S.p.A.	Parent Company - UniCredit S.p.A.	3.8
	KPMG S.p.A.	Subsidiaries	0.7
	KPMG Network	Subsidiaries	13.7
Attestation services	KPMG S.p.A.	Parent Company - UniCredit S.p.A.	3.3
	KPMG S.p.A.	Subsidiaries	0.1
	KPMG Network	Parent Company - UniCredit S.p.A.	0.1
	KPMG Network	Subsidiaries	6.4
Other services	KPMG S.p.A.	Parent Company - UniCredit S.p.A.	0.1
	KPMG S.p.A.	Subsidiaries	0.0
	KPMG Network	Parent Company - UniCredit S.p.A.	0.0
	KPMG Network	Subsidiaries	0.2
Total			**28.4**

Notes:

The fees are calculated excluding VAT and expenses.

The item "Audit" does not include fees for audits of investment funds.

The "Attestation services" are mainly verification services provided to UniCredit S.p.A. (e.g Limited Assurance on sustainability statement 2024 according to CSRD, Limited review on Q1 2024 and Q3 2024 Company and Consolidated Reports, Comfort Letter for the inclusion of year-end net profit in Common Equity Tier 1 Capital, Assurance Engagement ISAE 3402, Issuing Comfort Letters concerning bond issues, Supervisory Fees ECB ISA 805, ISAE 3000R Reasonable Assurance on Mifid II, Statutory audit of foreign branches financial statements according to local regulations), other verification services required by regulations/local Supervisory Authorities in Germany, Austria and other Central and Eastern Europe Countries.

The "Other services" are mainly other services provided to UniCredit S.p.A. (e.g. AUP on quarterly calculation foreign exchange risk of CIUs, AUP on contributions to the Single Resolution Fund) and to other subsidiaries of the Group.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Traditional securitisations of Performing

STRATEGIES, PROCESSES AND GOALS:	The initiatives are a part of the Group's strategies, one of the objectives of which is to finance, at competitive rates (and in large amounts), the development of medium and long-term through the disposal of existing "Performing" loan portfolios and also creating eligible securities for refinancing operations with the ECB and/or with third parties (counterbalancing capacity). The main advantages of the transactions can be summarised as follows: - risk weighted assets optimitation and ROAC improving - improvement in the matching of asset maturities; - diversification of sources of financing; - broadening of investor base and resulting optimisation of funding cost; - creating counterbalancing capacity. Moreover, securitisation transactions can also be implemented for purposes related to business projects (for better management of assets), corporate restructuring or deleveraging projects.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	UniCredit S.p.A. acts as "Servicer" for almost all transactions concerned for which is Originator. As per the agreements entered into with issuing companies (special purpose vehicles - SPV), servicing consists of performing, on behalf of these companies, administrative, collection and securitised loan collection activities as well as the management of any recovery procedures for impaired loans. Thus, as Servicer, UniCredit S.p.A. is charged with continually tracking cash flows from securitised loans and constantly monitoring their collection, with the assistance of third party companies (especially for the recovery of impaired loans; the company involved is DoValue S.p.A., which operates as an assistant to the Servicer, governed by a special agreement). The Servicer provides the Special Purpose Vehicle (and other counterparties indicated in the servicing agreements) information on the activity performed by, periodically reports that indicate, among other things, the collection and transfer of the income stream sold, the amount of default positions and recoveries completed, overdue installments, etc., with all information broken down in relation to specific transactions. These reports (which are usually quarterly) are periodically checked (if contractually required) by an auditing firm.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	From a strategic point of view, Capital & Portfolio Management is responsible for central coordination. In this context, the above structure plays: a) in the launch phase of the operation the role of proposer and provides support to the other Bank's Divisions and to the individual Legal Entities in conducting transactions, cooperating with all the other departments (Planning & Control Italy, Group Risk Management, Group M&A and Corporate Development , ecc..) in identifying the characteristics and the distinctive features of "true sale" securitisations loans in order to achieve the targets set in the Group's Funding Plan and in the Contingency Funding Plan, approved by the Board of Directors, in the ordinary plan of creating counterbalancing capacity, as well as in organisational strategy and business of Top Management. Specific transactions are subject to prior approval by the competent departments of the Holding and of the Originator Bank (during approval, among other things, the structure, costs and impacts in terms of liquidity, counterbalancing capacity, organisational, business and/or any capital relief are discussed and analysed), and to final approval by the Board of Directors of the Originator Bank; b) in the management phase of the operation, the monitoring role of the securitised portfolios performances and any rating action published by Ratings Agencies, the interactions with the Ratings Agencies in order to submit regular information on portfolios and, more generally, the role of coordination of the Originator Bank to facilitate the solution of events relating to the securitised portfolios (management of actions of payments holidays, downgrading, restructurings, etc.). The Bank has established a special coordination unit (Individual Financial Statements Italy) within the Financial & Regulatory Disclosure Department. This unit has been tasked with administrative activities connected to the Servicer and Account Bank related-duties, and to carry out these duties, it works in close cooperation with specific, qualified areas of the Bank (Group Risk Management, Finance Italy , ecc.) and the Group. It also provides a technical and operational support to network units.
HEDGING POLICIES:	By agreement, securitised portfolios can be protected from interest rate risk by means of the Special Purpose Vehicle entering into Interest Rate Swap (IRS) agreements to hedge a fixed-rate portfolio, and Basis Swaps to hedge an indexed rate portfolio. In connection with these swaps, always if required by agreements, related back-to-back swap contracts are entered into between the Swap counterparty and UniCredit S.p.A. as Originator, interfaced in some cases by UniCredit Bank GMBH (ex UniCredit Bank AG).
OPERATING RESULTS:	At the end of December 2024, the operating results related to existing securitisation transactions essentially reflected the performance of underlying portfolios and the resulting cash flows, and obviously are affected by the amount of defaults and prepayments during the period, which, moreover, are in line with the performance seen in other assets of this kind that are not securitised. The exercise of the option to repurchase the securitized portfolios underlying operation "Consumer 3" did not result in significant additional economic impacts.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Transaction from previous years

NAME:	ARTS CONSUMER 2023	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Arts Consumer 2023 S.r.l.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank GMBH (ex UniCredit Bank AG)	
Target transaction :	Funding/Counterbalancing capacity	
Type of asset:	Personal loans	
Quality of Asset:	Performing	
Closing date:	11.10.2023	
Nominal Value of disposal portfolio :	847	
Net amount of preexinting writedown/writebacks :	-	
Disposal Profit & Loss realized :	-	
Portfolio disposal price:	847	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties :	-	
Bank Lines of Credit :	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	0 €	
Other relevant information :	UniCredit S.p.A. has granted SPV a cash reserve subordinated loan of €12 million. At the end of accounting period €2 million of the principal amount has been repaid.	
Rating Agencies:	Moody's/DBRS	
Amount of CDS or other supersenior risk transferred :	-	
Amount and Condition of tranching:		
. ISIN	IT0005562530	IT0005562548
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	Aa3/AAA	A1/AAA
. Reference Position	670	15
. Reference Position at the end of accounting period	497	15
. ISIN	IT0005562555	IT0005562563
. Type of security	Mezzanine	Mezzanine
. Class	C	D
. Rating	A3/AA	Ba1/AH
. Reference Position	49	28
. Reference Position at the end of accounting period	49	28
. ISIN	IT0005562571	IT0005562589
. Type of security	Junior	Junior
. Class	E	F
. Rating	-	-
. Reference Position	86	0.1
. Reference Position at the end of accounting period	86	0.1

The "Closing date" is the date when the securitisation transaction was completed, i.e. the date when all contractual documents were signed.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Transaction from previous years

NAME:	ARTS CONSUMER	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Arts Consumer S.r.l.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank GMBH (ex UniCredit Bank AG)	
Target transaction :	Funding/Counterbalancing capacity	
Type of asset:	Personal loans	
Quality of Asset:	Performing	
Closing date:	24.11.2022	
Nominal Value of disposal portfolio :	846	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties :	-	
Bank Lines of Credit :	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	0 €	
Other relevant information :	UniCredit S.p.A. subscribed the Class Z security for an amount of 12 million euro in order to create a liquidity reserve in favor of the SPV	
Rating Agencies:	Moody's/DBRS	
Amount of CDS or other supersenior risk transferred :	-	
Amount and Condition of tranching:		
. ISIN	IT0005514481	IT0005514499
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	Aa3/AAA	A1/AAA
. Nominal value issued (€ million):	668	15
. Nominal value at the end of accounting period (€ million):	217	15
. ISIN	IT0005514507	IT0005514515
. Type of security	Mezzanine	Mezzanine
. Class	C	D
. Rating	A1/AA	Baa2/AAL
. Nominal value issued (€ million):	49	27
. Nominal value at the end of accounting period (€ million):	49	27
. ISIN	IT0005514523	IT0005514531
. Type of security	Mezzanine	Junior
. Class	E*	F
. Rating	-	-
. Nominal value issued (€ million):	86	0.1
. Nominal value at the end of accounting period (€ million):	86	0.1
. ISIN	IT0005514549	
. Type of security	Junior (Cash Reserve funding)	
. Class	Z	
. Rating	-	
. Nominal value issued (€ million):	12	
. Nominal value at the end of accounting period (€ million):	12	

Note:
* In Offering Circular is definited as Junior title.

The "Closing date" is the date when the securitisation transaction was completed, i.e. the date when all contractual documents were signed.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Transaction from previous years

NAME:	CAPITAL MORTGAGE 2007 - 1	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A. (ex Banca di Roma S.p.A.)	
Issuer:	Capital Mortgage S.r.l.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank GMBH (ex UniCredit Bank AG)	
Target transaction:	Funding/Counterbalancing capacity	
Type of asset:	Residential Mortgage Loans	
Quality of Asset:	Performing	
Closing date:	14.05.2007	
Nominal Value of disposal portfolio (€ million):	2,183	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of €37 million (as equity). At the end of accounting period €8 million of the principal amount has been repaid.	
Other relevant information:	Tranching based on an original assets portfolio €2,479 million, reduced to €2,183 million due to checks after closing date. Following its downgrade by debt-rating agencies, UniCredit S.p.A. paid funds into an eligible entity (amounting to €156 million at 31 December 2016) to maintain its role as Account Bank; during the 2017, as a result of the contractual amendment and the contextual outsourcing of the role of the Account Bank, the fund was fully repaid.	
Rating Agencies:	S & P/Moody's/Fitch	
Amount of CDS or other supersenior risk transferred (€ million):	-	
Amount and Conditions of tranching:		
. ISIN	IT0004222532	IT0004222540
. Type of security	Senior	Senior
. Class	A1	A2
. Rating	AA/Aa3/A+	AA/Aa3/A+
. Nominal value issued (€ million):	1,736	644
. Nominal value at the end of accounting period (€ million):	52	79
. ISIN	IT0004222557	IT0004222565
. Type of security	Mezzanine	Junior
. Class	B	C
. Rating	AA/Aa3/A+	AA-/A1/BBB
. Nominal value issued (€ million):	74	25
. Nominal value at the end of accounting period (€ million):	74	25

The "Closing date" is the date when the securitisation transaction was completed, i.e. the date when all contractual documents were signed.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Transaction from previous years

NAME:	F-E MORTGAGES 2005	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A. (ex FinecoBank S.p.A.)	
Issuer:	F-E Mortgages S.r.l.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A. (ex MCC S.p.A. - Capitalia Gruppo Bancario)	
Target transaction:	Funding/Counterbalancing capacity	
Type of asset:	Residential Mortgage Loans	
Quality of Asset:	Performing	
Closing date:	06.04.2005	
Nominal Value of disposal portfolio (€ million):	1,029	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of €15 million (as Equity). At the end of accounting period the amount of capital tranche is fully reimboursed	
Other relevant information:	-	
Rating Agencies:	S & P/Moody's/Fitch	
Amount of CDS or other supersenior risk transferred (€ million):	-	
Amount and Conditions of tranching:		
. ISIN	IT0003830418	IT0003830426
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	AA/Aa3/AA
. Nominal value issued (€ million):	952	41
. Nominal value at the end of accounting period (€ million):	-	16
. ISIN	IT0003830434	
. Type of security	Junior	
. Class	C	
. Rating	AA/Aa3/AA	
. Nominal value issued (€ million):	36	
. Nominal value at the end of accounting period (€ million):	32	

The "Closing date" is the date when the securitisation transaction was completed, i.e. the date when all contractual documents were signed.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Transaction from previous years

STRATEGIES, PROCESSES AND GOALS:	The following initiatives, called Pillarstone Italy, were undertaken to allow the Group to improve the management of loan restructuring, also through the innovative use (for this purpose) of securitisation. The goal is to facilitate and increase recoveries of the exposures under securitisation thanks to: - restructuring with long-term industrial logic, focusing on introducing new finance (by third parties) in favour of the debtors sold, with focus on concrete needs and opportunities for the companies involved; - efficient and targeted restructuring and turnaround processes. Shared acceptance of the economic principles that guide the transactions in question and a strong alignment of the interests between the parties involved, ensures the asset manager 's commitment to maximize the value of the said assets, optimising therefore the expected recovery on the junior notes bought by UniCredit S.p.A., through the transferred management of the securitised portfolio.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	UniCredit S.p.A. does not act as Servicer. The business of servicing is carried out by third parties outside the Group, as per the contracts stipulated with the Special Purpose Vehicle issuing the ABS securities, and involves the administration, encashment, restructuring and collection of securitised loans, on behalf thereof, as well as managing any recovery proceedings on Non-Performing loans. The Servicer of the assets, therefore, has the task, on an ongoing basis, of following the financial flows arising from the securitised loans, constantly monitoring the encashment, also where appropriate making use of third party companies. For each specific transaction, the Servicer provides the Special Purpose Vehicle (in addition to other counterparties as defined in the servicing contracts, including UniCredit S.p.A.) with information on the activities carried out via periodic reports which show, inter alia, the collection and realization of the assigned receivables, the number of defaulted positions and the successfully completed recoveries, the instalments in arrears, restructuring activities, etc. Where contractually provided for, these reports are periodically checked by an independent auditors' firm.
ORGANIZATIONAL STRUCTURE:	The Servicer provides UniCredit S.p.A. with a series of reports that enable the evaluation and monitoring of the underlying portfolios. On a quarterly basis the performances are also presented in the reference internal Credit Committees.
HEDGING POLICIES:	There are no risk hedging derivatives.
OPERATING RESULTS:	We implemented a set of monitoring initiatives, focused on one side on the single company performances and, on the other side, on the evolution of the Pillartsone project as a whole.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Transaction from previous years

NAME:	PILLARSTONE ITALY - PREMUDA	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Pillarstone Italy SPV S.r.l.	
Servicer:	Securitisation Services S.p.A.	
Arranger:	-	
Target transaction:	Innovative structure of securitisation to manage and overcome the temporary difficulties of the debtor sold, in order to optimise the reimbursement of the securitised portfolio	
Type of asset:	Corporate loans	
Quality of Asset:	Unlikely to pay	
Closing date:	14.07.2016	04.04.2017
Nominal Value of disposal portfolio (million):	$78 + €31	$3
Net amount of pre-existing write-down/write-backs:	-	
Disposal Profit & Loss realised (million):	-	
Portfolio disposal price (million):	$78 + €31	$3
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit :	-	
Third Parties Lines of Credit (€ million):	2	
Other Credit Enhancements (€ million):	-	
Other relevant information:	-	
Rating Agencies:	-	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Condition of tranching:		
. ISIN	IT0005203937	IT0005203952
. Type of security	Senior(*)	Mezzanine(*)
. Class	A	B
. Rating	-	-
. Quotation	-	-
. Issue date	14.07.2016	14.07.2016
. Legal maturity	20.10.2030	20.10.2030
. Call option	-	
. Expected duration (years)	5.0	5.0
. Rate	8.50%	2.67%
. Subordinated level	-	Sub A
. Nominal value issued (million)	€3	$58
. Nominal value at the end of accounting period (million)	0	$56
. Security subscribers		
. ISIN	IT0005246712	IT0005246761
. Type of security	Mezzanine(*)	Junior(*)
. Class	B	C
. Rating	-	-
. Quotation	-	-
. Issue date	04.04.2017	04.04.2017
. Legal maturity	20.10.2030	20.10.2030
. Call option	-	
. Expected duration (years)	3.4	3.4
. Rate	3.43%	EUR6M(360) +1000pb
. Subordinated level	Sub A	Sub A,B
. Nominal value issued (million)	€0,3	€3
. Nominal value at the end of accounting period (million)	€0,3	€3
. Security subscribers		
. ISIN	IT0005204125	IT0005204133
. Type of security	Junior(*)	Junior(*)
. Class	C	C
. Rating	-	-
. Quotation	-	-
. Issue date	14.07.2016	14.07.2016
. Legal maturity	20.10.2030	20.10.2030
. Call option	-	
. Expected duration (years)	5.0	5.0
. Rate	EUR6M(360) +1000pb	LIBOR6M(360) +1000pb
. Subordinated level	Sub A,B	Sub A,B
. Nominal value issued (million)	€25	$21
. Nominal value at the end of accounting period (million)	€25	$21
. Security subscribers		

Note:
(*) The classification of the field "Type of security" refers to Banca d'Italia Circular 262 dated 22 December 2005 (and subsequent amendments) "The Bank's Financial Statements" - Chapter 1 General principles - Section 5 Definitions - 5.23 - Securitisations: senior, mezzanine and junior exposures.

Annex 3 - Securitisations - qualitative tables

Pillarstone is a multioriginator securitisation, with claims transferred by UniCredit and other banks. For representation purposes, securities reported in the table are those issued in light of the portfolio transferred by UniCredit.
The "Closing date" is the date when the securitisation vehicle has issued the securities of the transaction.

ORIGINATOR: UniCredit S.p.A.

Transaction from previous years

NAME:	PILLARSTONE ITALY - RAINBOW	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Pillarstone Italy SPV S.r.l.	
Servicer:	Securitisation Services S.p.A.	
Arranger:	-	
Target transaction:	Innovative structure of securitisation to manage and overcome the temporary difficulties of the debtor sold, in order to optimise the reimbursement of the securitised portfolio	
Type of asset:	Corporate loans	
Quality of Asset:	Unlikely to pay	
Closing date:	10.12.2015	22.01.2019
Nominal Value of disposal portfolio (€ million):	74	17
Net amount of pre-existing write-down/write-backs (€ million):	-	-
Disposal Profit & Loss realised (€ million):	-	-
Portfolio disposal price (€ million):	74	17
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit (€ million):	4	2
Other Credit Enhancements:	-	
Other relevant information:	-	The new issue of securities, occurred on 22 January 2019, resulted in an increase of mezzanine notes for €2 million and junior notes for €15 million
Rating Agencies:	-	
Amount of CDS or other supersenior risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005154833	IT0005155103
. Type of security	Senior(*)	Mezzanine(*)
. Class	A	B
. Rating	-	-
. Quotation	-	-
. Issue date	10.12.2015	10.12.2015 - 22.01.2019 (size increase)
. Legal maturity	20.10.2030	20.10.2030
. Call option	-	
. Expected duration (years)	5.0	5.0
. Rate	8.50%	EUR6M(360) + 144pb
. Subordinated level	-	SUB A
. Nominal value issued (€ million)	1	19
. Nominal value at the end of accounting period (€ million)	-	19
. ISIN	IT0005155111	
. Type of security	Junior(*)	
. Class	C	
. Rating	-	
. Quotation	-	
. Issue date	10.12.2015 - 22.01.2019 (size increase)	
. Legal maturity	10.20.2030	
. Call option	-	
. Expected duration (years)	5.0	
. Rate	EUR6M(360)+1000pb	
. Subordinated level	SUB A-B	
. Nominal value issued (€ million)	71	
. Nominal value at the end of accounting period (€ million)	71	

Nota:
(*) The classification of the field "Type of security" refers to Banca d'Italia Circular 262 dated 22 December 2005 (and subsequent amendments) "The Bank's Financial Statements" - Chapter 1 General principles - Section 5 Definitions - 5.23 - Securitisations: senior, mezzanine and junior exposures.

Pillarstone is a multioriginator securitisation, with claims transferred by UniCredit and other banks. For representation purposes, securities reported in the table are those issued considering the portfolio transferred by UniCredit.
The "Closing date" is the date when the securitisation vehicle has issued the securities of the transaction.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Traditional securitisations of non-performing loans

STRATEGIES, PROCESSES AND GOALS:	UniCredit S.p.A., through the transfer of its non-performing exposures to SPV pursuant to 130 Law on securitization, has set itself the objective of reducing the stock of Non Performing Exposures, in line with the Group's strategy of a complete rundown of this perimeter.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The performance of securitisations is subject to continuous monitoring by the bank, with specific focus on the recovery performance and the evolution of the Gross Book Value (GBV) of the underlying portfolio and on the progressive repayment of the principal and payment of interest of the ABS securities issued by the SPV, based on the information provided by the servicer (also through specific periodic reports foreseen in the transaction documentation).
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The execution of the securitization transactions of non performing exposures is approved by the Board or delegated internal commitees. Credit reviews of the transactions are scheduled on an annual basis and discussed in specific committees with the participation of top management, during which updates are given on the progress of transactions as a whole.
HEDGING POLICIES:	None
OPERATING RESULTS:	Every six months, or more frequently if necessary, information relating to the performance of securitisations (with specific focus on the evolution of the Gross Book Value of the transferred portfolio, the recovery performances and the redemption of ABS securities) is made available to the various functions of the bank for the performance of their respective roles on monitoring and representation in the financial statements.

Annex 3 - Securitisations - qualitative tables

New transactions 2024

NAME:	Leopard	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Kreos SPV S.r.l.	
Servicer:	Prelios Credit Servicing S.p.A.	
Arranger:	-	
Target transaction:	UniCredit S.p.A. non performing exposure stock reduction	
Type of asset:	Secured and unsecured loans granted to small and medium enterprises	
Quality of Asset:	Bad Loans, Unlikely To Pay	
Closing date:	26.11.2024	
Nominal Value of reference portfolio (€ million):	296	
Net amount of preexisting write-down/write-backs (€ million):	130	
Disposal Profit & Loss realised (€ million)(*):	-59	
Portfolio disposal price (€ million):	107	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	UniCredit S.p.A. has underwritten 100% of the senior notes and 5% of the mezzanine and junior notes. The remaining 95% of mezzanine and junior nots has been subscribed by a third-party investor.	
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005623324	IT0005623332
. Type of security	Senior	Mezzanine
. Class	A	M1
. Rating	-	-
. Quotation	-	-
. Issue date	26.11.2024	26.11.2024
. Legal maturity	30/12/2039	30/12/2039
. Call option	-	-
. Expected duration (years)	2.07	3.03
. Rate	4.20%	10.00%
. Subordination level	-	SUB A
. Nominal Value Issued (€ million)	85	25
. Nominal value at the end of accounting period (€ million)	85	25
. Security subscribers	UniCredit SpA	UniCredit Spa, Christofferson, Robb & Company, LLC
. ISIN	IT0005623340	
. Type of security	Junior	
. Class	J	
. Rating	-	
. Quotation	-	
. Issue date	26.11.2024	
. Legal maturity	30/12/2039	
. Call option	-	
. Expected duration (years)	7.71	
. Rate	Variable return	
. Subordination level	SUB A-M1	
. Nominal Value Issued (€ million)	3	
. Nominal value at the end of accounting period (€ million)	3	
. Security subscribers	UniCredit Spa, Christofferson, Robb & Company, LLC	

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

Continued: Leopard

NAME:	**Leopard**
Distribution of securitised assets by area (€ million):	
Italy - Northwest	93
Italy - Northeast	80
Italy - Central	102
Italy - South and Islands	21
Other European Countries - E.U. countries	-
Other European Countries - non-E.U. countries	-
America	-
Rest of the World	-
Total	**296**
Distribution of securitised assets by business sector of the borrower (€ million):	
Governments	-
Other public-sector entities	-
Banks	-
Financial Companies	23
Insurance Companies	-
Non-financial Companies	257
Other entities	16
Total	**296**

Annex 3 - Securitisations - qualitative tables

Transactions from previous years

NAME:	TAHITI	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Tahiti SPV S.r.l.	
Servicer:	Bayview Italia 106 S.p.A.	
Arranger:	-	
Target transaction:	UniCredit S.p.A. Non performing exposure stock reduction	
Type of asset:	Secured loans granted to individuals	
Quality of Asset:	Bad Loans, Unlikely To Pay	
Closing date:	16.05.2023	
Nominal Value of reference portfolio (€ million):	52	
Net amount of preexisting write-down/write-backs (€ million):	37	
Disposal Profit & Loss realised (€ million)(*):	-11	
Portfolio disposal price (€ million):	27	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	On 22 May 2023 UniCredit S.p.A. has initially underwritten the whole set of notes issued by the SPV, simultaneously the 95% of junior and mezzanine notes was sold on the market.	
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005546640	IT0005546657
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Quotation	-	-
. Issue date	22.05.2023	22.05.2023
. Legal maturity	30.04.2043	30.04.2043
. Call option	-	-
. Expected duration (years)	5.99	5.99
. Rate	3.50%	9.50%
. Subordination level	-	Sub A
. Nominal Value Issued (€ million)	20	5
. Nominal value at the end of accounting period (€ million)	19	5
. ISIN	IT0005546665	
. Type of security	Junior	
. Class	J	
. Rating	-	
. Quotation	-	
. Issue date	22.05.2023	
. Legal maturity	30.04.2043	
. Call option	-	
. Expected duration (years)	13.68	
. Rate	Variable	
. Subordination level	Sub A-B	
. Nominal Value Issued (€ million)	1	
. Nominal value at the end of accounting period (€ million)	1	

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	ITACA	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Itaca SPV S.r.l.	
Servicer:	doNext S.p.A. (Master Servicer), doValue S.p.A. (Special Servicer)	
Arranger:	UniCredit Bank GmbH	
Target transaction:	UniCredit S.p.A. NPL stock reduction	
Type of asset:	Secured and unsecured loans granted to small and medium enterprises and individuals	
Quality of Asset:	Bad loans	
Closing date:	03.05.2022	
Nominal Value of reference portfolio (€ million):	1,100	
Net amount of preexisting write-down/write-backs (€ million):	193	
Disposal Profit & Loss realised (€ million)(*):	-38	
Portfolio disposal price (€ million):	155	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	On 7 May 2022 a request was submitted to the MEF and Consap for the issuing of the state guarantee on the senior notes (so-called GACS). The GACS was issued on 10 June 2022	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	UniCredit Bank GmbH has granted a credit facility of €21,75 million to the SPV, super-senior in the priority of payment.	
Other Credit Enhancements:	-	
Other relevant information:	UniCredit S.p.A. has initially underwritten the whole set of notes issued by the SPV. On 8 June 2022, 95% of junior and mezzanine notes was sold on the market.	
Rating Agencies:	Scope Ratings GmbH (Scope), Moody's Italia S.r.l.	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005494221	IT0005494247
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	BBB, Baa2	-
. Quotation	-	-
. Issue date	06.05.2022	06.05.2022
. Legal maturity	01.07.2045	31.07.2045
. Call option	-	-
. Expected duration (years)	4.85	9.71
. Rate	6M Eur +1,50%	6M Eur +9,50%
. Subordination level	-	SUB A
. Nominal Value Issued (€ million)	125	24
. Nominal value at the end of accounting period (€ million)	30	24
. ISIN	IT0005494254	
. Type of security	Junior	
. Class	C	
. Rating	-	
. Quotation	-	
. Issue date	06.05.2022	
. Legal maturity	31.07.2045	
. Call option	-	
. Expected duration (years)	14.52	
. Rate	Variable	
. Subordination level	SUB A-B	
. Nominal Value Issued (€ million)	6	
. Nominal value at the end of accounting period (€ million)	6	

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	Project Panthers	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Altea SPV S.r.l.	
Servicer:	Prelios Credit Servicing S.p.A.	
Arranger:	UniCredit Bank GmbH	
Target transaction:	UniCredit S.p.A. Non performing exposure stock reduction	
Type of asset:	Secured and unsecured loans granted to small and medium enterprises and individuals	
Quality of Asset:	Bad Loans, Unlikely To Pay	
Closing date:	20.06.2022	
Nominal Value of reference portfolio (€ million):	1,895	
Net amount of preexisting write-down/write-backs (€ million):	756	
Disposal Profit & Loss realised (€ million)(1):	-46	
Portfolio disposal price (€ million)(2):	710	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	78 €mln (limited recourse Loan)	
Other Credit Enhancements:	-	
Other relevant information:	UniCredit S.p.A. has initially underwritten 100% of notes issued by the SPV. On 30 June 2022, 95% of junior and mezzanine notes was sold on the market.	
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005499030	IT0005499048
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Quotation	-	-
. Issue date	21.06.2022	21.06.2022
. Legal maturity	30.06.2037	30.06.2037
. Call option	-	-
. Expected duration (years)	6.11	5.78
. Rate	2%	10%
. Subordination level	-	SUB A
. Nominal Value Issued (€ million)	552	162
. Nominal value at the end of accounting period (€ million)	249	86
. ISIN	IT0005499055	
. Type of security	Junior	
. Class	C	
. Rating	-	
. Quotation	-	
. Issue date	21.06.2022	
. Legal maturity	30.06.2037	
. Call option	-	
. Expected duration (years)	10.17	
. Rate	Variable	
. Subordination level	SUB A-B	
. Nominal Value Issued (€ million)	22	
. Nominal value at the end of accounting period (€ million)	22	

Note:
(1) Amount gross of initial transaction's costs and loss of €4 million on off-balance exposures.
(2) The overall amount issued is equal to the disposal price plus €26 million related to securitisation reserves directly credited by UniCredit S.p.A. to the SPV.

Annex 3 - Securitisations - qualitative tables

NAME:	OLYMPIA	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Olympia SPV S.r.l.	
Servicer:	Italfondiario S.p.A. (Master Servicer), doValue S.p.A. (Special Servicer)	
Arranger:	UniCredit Bank GmbH	
Target transaction:	UniCredit S.p.A. NPL stock reduction	
Type of asset:	Secured and unsecured loans granted to small and medium enterprises and individuals	
Quality of Asset:	Bad loans	
Closing date:	25.11.2021	
Nominal Value of reference portfolio (€ million):	2,136	
Net amount of preexisting write-down/write-backs (€ million):	312	
Disposal Profit & Loss realised (€ million)(*):	-22	
Portfolio disposal price (€ million):	290	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	On 24 December 2021 a request was submitted to the MEF and Consap for the issuing of the state guarantee on the senior notes (so-called GACS).	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	UniCredit Bank GmbH has granted a credit facility of €26 million to the SPV, super-senior in the priority of payment.	
Other Credit Enhancements:	-	
Other relevant information:	UniCredit S.p.A. has initially underwritten the whole set of notes issued by the SPV. On 9 December 2021, 95% of junior and mezzanine notes was sold on the market.	
Rating Agencies:	Moody's Italia S.r.l.,Scope Ratings GmbH and S&P Global Ratings Europe Limited	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005468365	IT0005468373
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	(Moody's) Baa2 - (Scope) BBB - (S&P) BBB	-
. Quotation	-	-
. Issue date	25.11.2021	25.11.2021
. Legal maturity	01.07.2044	01.07.2044
. Call option	-	-
. Expected duration (years)	4.7	7.7
. Rate	6M Eur +1,50%	6M Eur +9,50%
. Subordination level	-	SUB A
. Nominal Value Issued (€ million)	261	26
. Nominal value at the end of accounting period (€ million)	109	26
. ISIN	IT0005468381	
. Type of security	Junior	
. Class	J	
. Rating	-	
. Quotation	-	
. Issue date	25.11.2021	
. Legal maturity	01.07.2044	
. Call option	-	
. Expected duration (years)	8.2	
. Rate	variabile	
. Subordination level	SUB A-B	
. Nominal Value Issued (€ million)	3	
. Nominal value at the end of accounting period (€ million)	3	

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	PRISMA	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Prisma SPV S.r.l.	
Servicer:	Italfondiario S.p.A. (Master Servicer), doValue S.p.A. (Special Servicer)	
Arranger:	UniCredit Bank GmbH	
Target transaction:	Decrease of exposure to non-performing residential mortgages (bad-loans)	
Type of asset:	Residential mortgages granted to retail customers	
Quality of Asset:	Bad loans	
Closing date:	18.10.2019	
Nominal Value of reference portfolio (€ million):	6,101	
Net amount of preexisting write-down/write-backs (€ million):	1,357	
Disposal Profit & Loss realised (€ million)(*):	-37	
Portfolio disposal price (€ million):	1,320	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	Government guarantee is effective on senior notes (i.e. GACS)	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	UniCredit Bank GmbH has granted a credit facility of €66 million to the SPV, super-senior in the priority of payment.	
Other Credit Enhancements:	-	
Other relevant information:	UniCredit S.p.A. has originally underwritten the whole of notes issued by the SPV. On 12 November 2019, 95% of junior and mezzanine notes was sold on the market.	
Rating Agencies:	Moody's and Scope	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005387904	IT0005387912
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	(Moody's) Baa1 - (Scope) BBB+	(Moody's) B3 - (Scope) B-
. Quotation	-	-
. Issue date	18.10.2019	18.10.2019
. Legal maturity	01.11.2039	01.11.2039
. Call option	-	-
. Expected duration (years)	3.4	8.1
. Rate	6M Eur +1,50%	6M Eur +9%
. Subordination level	-	SUB A
. Nominal Value Issued (€ million)	1,210	80
. Nominal value at the end of accounting period (€ million)	475	80
. ISIN	IT0005387920	
. Type of security	Junior	
. Class	J	
. Rating	-	
. Quotation	-	
. Issue date	18.10.2019	
. Legal maturity	01.11.2039	
. Call option	-	
. Expected duration (years)	9.1	
. Rate	variable	
. Subordination level	SUB A-B	
. Nominal Value Issued (€ million)	30	
. Nominal value at the end of accounting period (€ million)	30	

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	FINO 1	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A/Arena Npl ONE S.r.l.	
Issuer:	FINO 1 Securitisation S.r.l.	
Servicer:	Italfondiario S.p.A. (Master Servicer), doValue S.p.A. (Special Servicer)	
Arranger:	Morgan Stanley International Plc - UniCredit Bank GmbH	
Target transaction:	UniCredit S.p.A. bad loans stock reduction	
Type of asset:	Secured and unsecured loans granted to small and medium enterprises and individuals	
Quality of Asset:	Bad loans	
Closing date:	31.07.2017	
Nominal Value of disposal portfolio (€ million):	5,376	
Net amount of pre-existing write-down/write-backs (€ million):	890	
Disposal Profit & Loss realised (€ million)(*):	-96	
Portfolio disposal price (€ million):	794	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Government guarantee is effective on senior notes (i.e. GACS)	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	Moody's - DBRS	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005277311	IT0005277337
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	(Moody's) A2/BBB+ - (DBRS) A2/BBB+	(Moody's) Ba3/BB+ - (DBRS) Ba3 /BB+
. Quotation	-	-
. Issue date	31.07.2017	31.07.2017
. Legal maturity	01.10.2045	01.10.2045
. Call option	-	
. Expected duration (years)	2.2	4.1
. Rate	3M Eur + 1.5%	3M Eur + 4%
. Subordinated level	-	SUB A
. Nominal value issued (€ million)	650	30
. Nominal value at the end of accounting period (€ million)	-	-
. ISIN	IT0005277345	IT0005277352
. Type of security	Mezzanine	Junior
. Class	C	D
. Rating	(Moody's) B1/BB - (DBRS) B1/BB	-
. Quotation	-	-
. Issue date	31.07.2017	31.07.2017
. Legal maturity	01.10.2045	01.10.2045
. Call option	-	
. Expected duration (years)	4.2	6.8
. Rate	3M Eur + 6%	12.00%
. Subordinated level	SUB A-B	SUB A-B-C
. Nominal value issued (€ million)	40	50
. Nominal value at the end of accounting period (€ million)	-	1

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	FINO 2	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A/Arena Npl ONE S.r.l.	
Issuer:	FINO 2 Securitisation S.r.l.	
Servicer:	Italfondiario S.p.A. (Master Servicer), doValue S.p.A. (Special Servicer)	
Arranger:	Morgan Stanley International Plc - UniCredit Bank GmbH	
Target transaction:	UniCredit S.p.A. Bad loans stock reduction	
Type of asset:	Secured and unsecured loans granted to small and medium enterprises and individuals	
Quality of Asset:	Bad loans	
Closing date:	31.07.2017	
Nominal Value of disposal portfolio (€ million):	7,841	
Net amount of pre-existing write-down/write-backs (€ million):	822	
Disposal Profit & Loss realised (€ million)(*):	-181	
Portfolio disposal price (€ million):	640	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit :	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005277378	IT0005277394
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Quotation	-	-
. Issue date	31.07.2017	31.07.2017
. Legal maturity	01.10.2045	01.10.2045
. Call option	-	-
. Expected duration (years)	1.6	3.6
. Rate	3M Eur + 2%	3M Eur + 6%
. Subordinated level	-	SUB A
. Nominal value issued (€ million)	400	125
. Nominal value at the end of accounting period (€ million)	180	125
. ISIN	IT0005277402	IT0005277410
. Type of security	Mezzanine	Junior
. Class	C	D
. Rating	-	-
. Quotation	-	-
. Issue date	31.07.2017	31.07.2017
. Legal maturity	01.10.2045	01.10.2045
. Call option	-	-
. Expected duration (years)	4.3	6.2
. Rate	3M Eur + 8%	3M Eur + 12%
. Subordinated level	SUB A-B	SUB A-B-C
. Nominal value issued (€ million)	76	40
. Nominal value at the end of accounting period (€ million)	76	40

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	ONIF	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Onif Finance S.r.l.	
Servicer:	Zenith Service S.p.A. (Master Servicer) - Phoenix Asset Management S.p.A. (Special Servicer)	
Arranger:	Morgan Stanley International Plc - UniCredit Bank GmbH	
Target transaction:	UniCredit S.p.A. bad loans stock reduction	
Type of asset:	Secured and unsecured loans granted to large enterprises	
Quality of Asset:	Bad loans	
Closing date:	26.07.2017	
Nominal Value of disposal portfolio (€ million):	2,994	
Net amount of pre-existing write-down/write-backs (€ million):	402	
Disposal Profit & Loss realised (€ million)(*):	-84	
Portfolio disposal price net of Lock Box Cash (€ million):	318	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	2	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	Cash reserve for €0,7 million	
Other relevant information:	-	
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005277014	IT0005277022
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Quotation	-	-
. Issue date	26.07.2017	26.07.2017
. Legal maturity	31.10.2042	31.10.2042
. Call option	-	-
. Expected duration (years)	2.0	4.5
. Rate	2.00%	5.00%
. Subordinated level	-	SUB A
. Nominal value issued (€ million)	150	100
. Nominal value at the end of accounting period (€ million)	-	-
. ISIN	IT0005277030	
. Type of security	Junior	
. Class	C	
. Rating	-	
. Quotation	-	
. Issue date	26.07.2017	
. Legal maturity	31.10.2042	
. Call option	-	
. Expected duration (years)	6.7	
. Rate	10.00%	
. Subordinated level	SUB A-B	
. Nominal value issued (€ million)	80	
. Nominal value at the end of accounting period (€ million)	80	

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Traditional securitisations of performing exposures

Transactions from previous years

STRATEGIES, PROCESSES AND GOALS:	These initiatives are part of the Group strategic guidelines, which has, among its objectives, the optimization of risk-weighted average assets and improving ROAC also through the accounting derecognition of the assets securitized
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The portfolio of the securitization transaction is subject to continuous monitoring by third parties with respect to the bank and quarterly reports are prepared as envisaged by the contractual documentation of the transaction, with evidence of the status of the receivables and the trend of the collections. Furthermore UniCredit S.p.A. performs the role of "Sub Servicer" in charge of the administration and collections activities of securitized loans, as well as the management of any procedures for the recovery of non-performing loans. Finally UniCredit S.p.A. underwrites and maintains, in accordance with the retention rule, at least 5% of each securitized loan, thus directly monitoring their performance.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	Although the securitized portfolio has been derecognised from the balance sheet, UniCredit constantly monitors the securitized portfolio and therefore its own investment in the senior note through the management of securitized portfolio collections through the same structures that manage the own portfolio and continuing to directly manage the portfolio not sold in order to maintain the net economic interest required by law. In this context, it ensures adequate overall monitoring of the portfolio also in favor of Top Management.
HEDGING POLICIES:	There is no interest rate swap agreement in charge since this was not requested by the investor.
OPERATING RESULTS:	The economic results achieved by the transaction are substantially in line with the expectations subject to the relative initial approvals

Annex 3 - Securitisations - qualitative tables

NAME:	ARTS PEVA	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	ARTS Large Corporate Srl	
Servicer:	Banca Finint	
Arranger:	UniCredit Bank GmbH	
Target transaction:	Capital Relief	
Type of asset:	Large Corporate	
Quality of Asset:	Performing	
Closing date:	07.04.2022	
Nominal Value of reference portfolio (€ million):	1,315	
Net amount of preexisting write-down/write-backs (€ million):	1,315	
Disposal Profit & Loss realised (€ million)(*):	-24	
Portfolio disposal price (€ million):	1,291	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	-	
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005491045	IT0005491052
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Quotation	-	-
. Issue date	07.04.2022	07.04.2022
. Legal maturity	25.01.2041	25.01.2041
. Call option	Clean-up call	
. Expected duration (years)	1.98	4.68
. Rate	EUR3M+0,90%	Variable return
. Subordination level	A	sub A
. Nominal Value Issued (€ million)	1,187	103
. Nominal value at the end of accounting period (€ million)	267	29

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

STRATEGIES, PROCESSES AND GOALS:	The securitizations aim at facilitating the access to long term financing opportunities for the small and medium enterprises ("SMEs"), through minibonds subscription by SMEs and purchase of it by SPV, in addition to the traditional bank credit lines, thus supporting the real economy and achieving a significant transfer risk on institutional qualified investors.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each portfolio is monitored on an ongoing basis by external third counterparty and is described in biannual reports (required by the agreements) with a breakdown of loans by status and the trend of repayments. Moreover compliant to the retention rule UniCredit S.p.A. maintained at least a 5% of minibonds issued by SMES, so is able to monitor directly performance of the portfolio.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The BoD approved a plafond for similar transactions and each new securitization is submitted to the top management and internal of UniCredit S.p.A. deputated committes approval. The bank's annual/interim report contains details information on the specific ABS transactions achieved.
HEDGING POLICIES:	There is no swap on interest rates in force since the interest rates of the assets are matched with interest rates of the liabilities.
OPERATING RESULTS:	The results achieved up to the present are broadly in line with expectations and approved at inception.

NAME:	**BASKET BOND PUGLIA**
Type of securitisation:	Traditional
Originator:	UniCredit S.p.A.
Issuer:	Garibaldi Tower Basket Bond S.r.l.
Servicer:	Banca Finint S.p.A.
Arranger:	UniCredit S.p.A./UniCredit Bank GmbH London Branch
Target transaction:	Funding to SMEs
Type of asset:	Minibonds
Quality of Asset:	Performing
Closing date:	18.06.2020
Nominal Value of reference portfolio (€ million):	140
Net amount of preexisting write-down/write-backs (€ million):	-
Disposal Profit & Loss realised (€ million)(*):	-
Portfolio disposal price (€ million):	140
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	35
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	-
Rating Agencies:	-
Amount of CDS or other risk transferred (€ million):	-
Amount and Condition of tranching:	
. ISIN	IT0005414120
. Type of security	Senior
. Class	A
. Rating	-
. Quotation	-
. Issue date	18.06.2020
. Legal maturity	17.06.2030
. Call option	-
. Expected duration (years)	4.2
. Rate	0.5% + Variable
. Subordination level	-
. Nominal Value Issued (€ million)	140
. Nominal value at the end of accounting period (€ million)	95

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit S.p.A.

Synthetic securitisations of performing loans

STRATEGIES, PROCESSES AND GOALS:	The main purpose of structuring synthetic securitizations is the relief of Regulatory Capital.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each securitised portfolio is monitored by the Servicing Department on an ongoing basis and disclosed in the form of quarterly reports (Investor Report), providing a breakdown of the status of underlying loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	A first-level Committee approves each new transaction and any other related decisions and is informed about expected and actual performances of already existing transactions. The bank's annual report features information about all originated synthetic securitizations.
HEDGING POLICIES:	None
OPERATING RESULTS:	The performances of synthetic securitizations are monitored on a semi-annual basis with dedicated reports addressed to the competent first-level Committee.

Annex 3 - Securitisations - qualitative tables

New Transactions 2024

NAME:	**TC Mini-Bond**	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Bonds - maturity not higher than 120 months - issued by small and medium enterprises	
Quality of Asset:	Performing	
Closing date (§):	31.12.2024	
Nominal Value of disposal portfolio (€ million):	17	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to partially hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date (§)	31.12.2024	31.12.2024
. Legal maturity	31.08.2031	31.08.2031
. Call option	-	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	13	3
. Reference Position at the end of accounting period (€ million)	13	3
. Risk holder	UniCredit S.p.A.	Fondo di Garanzia per le Piccole e Medie Imprese
Distribution of securitised assets by area (€ million):		
Italy - Northwest	9	
Italy - Northeast	4	
Italy - Central	2	
Italy - South and Islands	2	
Other European Countries - E.U. countries	-	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**17**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	-	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	17	
Other entities	-	
Total	**17**	

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.
(§) Date of first reporting for regulatory purposes.

Annex 3 - Securitisations - qualitative tables

NAME:	TC Italia 2	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity between 18 and 84 months - to small and medium enterprises	
Quality of Asset:	Performing	
Closing date (§):	31.12.2024	
Nominal Value of disposal portfolio (€ million):	210	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to partially hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date (§)	31.12.2024	31.12.2024
. Legal maturity	30.09.2032	30.09.2032
. Call option	-	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	192	18
. Reference Position at the end of accounting period (€ million)	192	18
. Risk holder	UniCredit S.p.A.	Fondo di Garanzia per le Piccole e Medie Imprese
Distribution of securitised assets by area (€ million):		
Italy - Northwest	54	
Italy - Northeast	67	
Italy - Central	46	
Italy - South and Islands	43	
Other European Countries - E.U. countries	-	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**210**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	-	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	147	
Other entities	63	
Total	**210**	

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.
(§) Date of first reporting for regulatory purposes.

Annex 3 - Securitisations - qualitative tables

NAME:	TC Italia	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity between 18 and 84 months - to small and medium enterprises	
Quality of Asset:	Performing	
Closing date:	21.10.2024	
Nominal Value of disposal portfolio (€ million):	155	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to partially hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	21.10.2024	21.10.2024
. Legal maturity	31.03.2030	31.03.2030
. Call option	-	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	141	14
. Reference Position at the end of accounting period (€ million)	139	14
. Risk holder	UniCredit S.p.A.	Fondo di Garanzia per le Piccole e Medie Imprese
Distribution of securitised assets by area (€ million):		
Italy - Northwest	45	
Italy - Northeast	42	
Italy - Central	38	
Italy - South and Islands	30	
Other European Countries - E.U. countries	-	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**155**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	-	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	105	
Other entities	50	
Total	**155**	

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	A.R.T.S. ReMo 2024	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Residential mortgages	
Quality of Asset:	Performing	
Closing date:	11.12.2024	
Nominal Value of disposal portfolio (€ million):	1,505	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Insurance policy to hedge the mezzanine and upper junior risk	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Issue date	11.12.2024	11.12.2024
. Legal maturity	11.12.2032	11.12.2032
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	1,354	68
. Reference Position at the end of accounting period (€ million)	1,332	68
. Risk holder	UniCredit S.p.A.	Insurance Companies
. ISIN	-	-
. Type of security	Upper Junior	Lower Junior
. Class	C	D
. Rating	-	-
. Issue date	11.12.2024	11.12.2024
. Legal maturity	11.12.2032	11.12.2032
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	SUB A-B	SUB A-B-C
. Reference Position (€ million)	75	8
. Reference Position at the end of accounting period (€ million)	75	8
. Risk holder	Insurance Companies	UniCredit S.p.A.
Distribution of securitised assets by area (€ million):		
Italy - Northwest	497	
Italy - Northeast	290	
Italy - Central	361	
Italy - South and Islands	357	
Other European Countries - E.U. countries	-	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**1,505**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	-	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	-	
Other entities	1,505	
Total	**1,505**	

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	ARTS Large Corporate 2024	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank G.m.b.H.	
Target transaction:	Credit risk hedging	
Type of asset:	Loans to Large Corporates	
Quality of Asset:	Performing	
Closing date:	19.09.2024	
Nominal Value of disposal portfolio (€ million):	2,301	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Junior risk cash collateralised	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	19.09.2024	19.09.2024
. Legal maturity	30.06.2031	30.06.2031
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	2,163	138
. Reference Position at the end of accounting period (€ million)	1,999	138
. Risk holder	UniCredit S.p.A.	Private Investor
Distribution of securitised assets by area (€ million):		
Italy - Northwest	1,149	
Italy - Northeast	506	
Italy - Central	422	
Italy - South and Islands	7	
Other European Countries - E.U. countries	217	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**2,301**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	-	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	1,955	
Other entities	346	
Total	**2,301**	

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	ARTS Corporate 2024	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank G.m.b.H.	
Target transaction:	Credit risk hedging	
Type of asset:	Loans to Small and Mid Corporates	
Quality of Asset:	Performing	
Closing date:	06.06.2024	
Nominal Value of disposal portfolio (€ million):	2,150	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Mezzanine risk cash collateralised	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	06.06.2024	06.06.2024
. Legal maturity	31.08.2044	31.08.2044
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	2,031	113
. Reference Position at the end of accounting period (€ million)	1,819	113
. Risk holder	UniCredit S.p.A.	Private Investors
. ISIN	-	
. Type of security	Junior	
. Class	C	
. Rating	-	
. Issue date	06.06.2024	
. Legal maturity	31.08.2044	
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	
. Rate	-	
. Subordinated level	SUB A-B	
. Reference Position (€ million)	6	
. Reference Position at the end of accounting period (€ million)	6	
. Risk holder	UniCredit S.p.A.	
Distribution of securitised assets by area (€ million):		
Italy - Northwest	735	
Italy - Northeast	672	
Italy - Central	466	
Italy - South and Islands	277	
Other European Countries - E.U. countries	-	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**2,150**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	-	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	2,150	
Other entities	-	
Total	**2,150**	

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

Transactions from previous years

NAME:	ARTS Large Corporate 2023	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank A.G.	
Target transaction:	Credit risk hedging	
Type of asset:	Loans to Large Corporates	
Quality of Asset:	Performing	
Closing date:	06.06.2023	
Nominal Value of disposal portfolio (€ million):	3,073	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Junior risk cash collateralised	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	06.06.2023	06.06.2023
. Legal maturity	31.01.2033	31.01.2033
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	2,888	184
. Reference Position at the end of accounting period (€ million)	1,984	184

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	A.R.T.S. ReMo 2023	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Residential mortgages	
Quality of Asset:	Performing	
Closing date:	28.07.2023	
Nominal Value of disposal portfolio (€ million):	1,448	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to hedge the mezzanine risk in the form of personal guarantee and insurance policy to hedge the junior risk	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Issue date	28.07.2023	28.07.2023
. Legal maturity	28.07.2031	28.07.2031
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	1,304	65
. Reference Position at the end of accounting period (€ million)	1,134	65
. ISIN	-	-
. Type of security	Junior	Equity
. Class	C	D
. Rating	-	-
. Issue date	28.07.2023	28.07.2023
. Legal maturity	28.07.2031	28.07.2031
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	SUB A-B	SUB A-B-C
. Reference Position (€ million)	72	7
. Reference Position at the end of accounting period (€ million)	72	7

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	ARTS Large Corporate 2022	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank GmbH	
Target transaction:	Credit risk hedging	
Type of asset:	Loans to Large Corporates	
Quality of Asset:	Performing	
Closing date:	14.12.2022	
Nominal Value of disposal portfolio (€ million):	2,943	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Cash collateral for junior risk	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	14.12.2022	14.12.2022
. Legal maturity	31.12.2033	31.12.2033
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	2,744	199
. Reference Position at the end of accounting period (€ million)	1,236	125

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	MidCap 2022	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank GmbH	
Target transaction:	Credit risk hedging	
Type of asset:	Loans to Small and Mid Corporates	
Quality of Asset:	Performing	
Closing date:	09.06.2022	
Nominal Value of disposal portfolio (€ million):	1,662	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	09.06.2022	09.06.2022
. Legal maturity	31.12.2035	31.12.2035
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	1,534	128
. Reference Position at the end of accounting period (€ million)	482	71

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	A.R.T.S. Remo 2022	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Residential mortgages	
Quality of Asset:	Performing	
Closing date:	13.07.2022	
Nominal Value of disposal portfolio (€ million):	1,605	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Insurance policy to hedge the mezzanine and upper junior risk	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Issue date	13.07.2022	13.07.2022
. Legal maturity	14.07.2030	14.07.2030
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	1,404	88
. Reference Position at the end of accounting period (€ million)	1,013	88
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Upper Junior	Lower Junior
. Class	C	D
. Rating	-	-
. Issue date	13.07.2022	13.07.2022
. Legal maturity	14.07.2030	14.07.2030
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	SUB A-B	SUB A-B-C
. Reference Position (€ million)	96	16
. Reference Position at the end of accounting period (€ million)	96	13

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	A.R.T.S. Remo 2022/2	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Residential mortgages	
Quality of Asset:	Performing	
Closing date:	15.12.2022	
Nominal Value of disposal portfolio (€ million):	1,272	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Insurance policy to hedge the mezzanine and upper junior risk	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Issue date	15.12.2022	15.12.2022
. Legal maturity	15.12.2030	15.12.2030
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	1,145	51
. Reference Position at the end of accounting period (€ million)	927	51
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Upper Junior	Lower Junior
. Class	C	D
. Rating	-	-
. Issue date	15.12.2022	15.12.2022
. Legal maturity	15.12.2030	15.12.2030
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	SUB A-B	SUB A-B-C
. Reference Position (€ million)	64	13
. Reference Position at the end of accounting period (€ million)	64	13

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	A.R.T.S. Re.Mo. 2021	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Residential mortgages	
Quality of Asset:	Performing	
Closing date:	20.12.2021	
Nominal Value of disposal portfolio (€ million):	586	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Insurance policy to hedge the junior risk	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	20.12.2021	20.12.2021
. Legal maturity	20.12.2029	20.12.2029
. Call option	Clean-up call, Regulatory call, SRT call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	539	47
. Reference Position at the end of accounting period (€ million)	397	46

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) No.2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No.575/2013 (Capital Requirements Regulation – CRR) on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	A.R.T.S. MidCap 2021	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank GmbH	
Target transaction:	Credit risk hedging	
Type of asset:	Loans to Small and Mid Corporates	
Quality of Asset:	Performing	
Closing date:	26.11.2021	
Nominal Value of disposal portfolio (€ million):	1,998	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to hedge the mezzanine risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Issue date	26.11.2021	26.11.2021
. Legal maturity	31.12.2035	31.12.2035
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	1,844	120
. Reference Position at the end of accounting period (€ million)	551	62
. ISIN	-	
. Type of security	Junior	
. Class	C	
. Rating	-	
. Issue date	26.11.2021	
. Legal maturity	31.12.2035	
. Call option	Clean-up call, regulatory call, SRT call, Time call	
. Expected duration (years)	-	
. Rate	-	
. Subordinated level	SUB A-B	
. Reference Position (€ million)	34	
. Reference Position at the end of accounting period (€ million)	34	

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) No.2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No.575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	**Bond Italia 8 Investimenti**	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity between 24 and 60 months - to small and medium enterprises	
Quality of Asset:	Performing	
Closing date:	16.12.2020	
Nominal Value of disposal portfolio (€ million):	76	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to partially hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	16.12.2020	16.12.2020
. Legal maturity	31.07.2026	31.07.2026
. Call option	-	-
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	68	8
. Reference Position at the end of accounting period (€ million)	2	8

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) No.2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No.575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	ArtgianCredito Toscano	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity up to 54 months - to small and medium enterprises mainly located in Tuscany	
Quality of Asset:	Performing	
Closing date:	14.07.2020	
Nominal Value of disposal portfolio (€ million):	21	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Junior risk partially cash collateralised	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	14.07.2020	14.07.2020
. Legal maturity	31.12.2028	31.12.2028
. Call option	-	-
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	19	2
. Reference Position at the end of accounting period (€ million)	2	2

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) No.2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No.575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	EaSi MicroCredito 2	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity up to 60 months - to micro enterprises	
Quality of Asset:	Performing	
Closing date:	31.03.2020	
Nominal Value of disposal portfolio (€ million):	27	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	31.03.2020	31.03.2020
. Legal maturity	01.01.2030	01.01.2030
. Call option	-	-
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	23	4
. Reference Position at the end of accounting period (€ million)	9	7

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) No.2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No.575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	TC EaSI Micro Credito	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity between 6 and 55 months - to micro enterprises	
Quality of Asset:	Performing	
Closing date:	25.11.2019	
Nominal Value of disposal portfolio (€ million):	27	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	25.11.2019	25.11.2019
. Legal maturity	10.12.2025	10.12.2025
. Call option	-	-
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	24	3
. Reference Position at the end of accounting period (€ million)	-	3

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) No.2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No.575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	Bond Italia 6 Investimenti	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity between 24 and 60 months - to small and medium enterprises	
Quality of Asset:	Performing	
Closing date:	21.11.2019	
Nominal Value of disposal portfolio (€ million):	88	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to partially hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	21.11.2019	21.11.2019
. Legal maturity	31.05.2026	31.05.2026
. Call option	-	-
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	79	9
. Reference Position at the end of accounting period (€ million)	3	8

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) No.2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No.575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	**Bond Italia 5-bis**	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity between 18 and 60 months - to small and medium enterprises located in Southern Italy	
Quality of Asset:	Performing	
Closing date:	19.10.2018	
Nominal Value of disposal portfolio (€ million):	34	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to partially hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	19.10.2018	19.10.2018
. Legal maturity	31.08.2025	31.08.2025
. Call option	-	-
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	32	2
. Reference Position at the end of accounting period (€ million)	-	1

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

NAME:	Agribond 2	
Type of securitisation:	Tranched Cover	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Credit risk hedging	
Type of asset:	Unsecured loans - maturity 72 months - to small and medium enterprises pertaining to the agricolture sector	
Quality of Asset:	Performing	
Closing date:	05.09.2018	
Nominal Value of disposal portfolio (€ million):	166	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee to partially hedge the junior risk in the form of personal guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	05.09.2018	05.09.2018
. Legal maturity	31.12.2026	31.12.2026
. Call option	Clean-up call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	154	12
. Reference Position at the end of accounting period (€ million)	-	11

Note:
(*) Synthetic securitisations carried out using the SEC-IRBA approach as required by Art.258-259 of Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit Leasing S.p.A.

Synthetic securitisations of performing loans

STRATEGIES, PROCESSES AND GOALS:	The main purpose of structuring synthetic securitizations is the relief of Regulatory Capital.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each securitised portfolio is monitored on an ongoing basis and disclosed in the form of quarterly reports (Investor Report), providing a breakdown of the status of underlying loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The company Board approves each new transaction and any other related decisions related. The competent corporate body is informed about expected and actual performances of already existing transactions. The bank's annual report features information about all originated synthetic securitizations.
HEDGING POLICIES:	None
OPERATING RESULTS:	The performances of synthetic securitizations are monitored on a semi-annual basis with dedicated reports addressed to the competent corporate body.

Annex 3 - Securitisations - qualitative tables

New transactions 2024

NAME:	**A.R.T.S. Leasing 2024**	
Type of securitisation:	Synthetic securitisation	
Originator:	UniCredit Leasing SpA	
Issuer:	UniCredit Leasing SpA	
Servicer:	UniCredit Leasing S.p.A. - UCI SpA	
Arranger:	Marsh S.p.A.	
Target transaction:	Relief of Regulatory Capital.	
Type of asset:	Real estate leasing contracts	
Quality of Asset:	Bonis	
Closing date:	26.06.2024	
Nominal Value of disposal portfolio (€ million):	2,471	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Insurance policy to hedge the mezzanine and the upper junior risk	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agencies, used SEC-SA approach for capital framework Standardised Approach)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Issue date	26.06.2024	26.06.2024
. Legal maturity	31.12.2038	31.12.2038
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	2,187	136
. Reference Position at the end of accounting period (€ million)	1,978	123
. Risk holder	UniCredit Leasing S.p.A.	Investors
. ISIN	-	-
. Type of security	Upper Junior	Lower Junior
. Class	C	D
. Rating	-	-
. Issue date	26.06.2024	26.06.2024
. Legal maturity	31.12.2038	31.12.2038
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	SUB A - B	SUB A -B -C
. Reference Position (€ million)	124	25
. Reference Position at the end of accounting period (€ million)	112	25
. Risk holder	Investors	UniCredit Leasing S.p.A.
Distribution of securitised assets by area (€ million):		
Italy	2,471	
Other European Countries - E.U. countries	-	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**2,471**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	1	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	2,470	
Other entities	-	
Total	**2,471**	

Annex 3 - Securitisations - qualitative tables

Transactions from previous years

NAME:	**A.R.T.S. Leasing 2023**	
Type of securitisation:	Synthetic securitisation	
Originator:	UniCredit Leasing SpA	
Issuer:	UniCredit Leasing SpA	
Servicer:	UniCredit Leasing SpA	
Arranger:	Unicredit Bank GmbH	
Target transaction:	Relief of Regulatory Capital.	
Type of asset:	Mainly leasing contracts related photovoltaic plants	
Quality of Asset:	Bonis	
Closing date:	06.12.2023	
Nominal Value of disposal portfolio (€ million):	396	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial Guarantee of the Junior Tranche	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agencies, used SEC-SA approach for capital framework Standardised Approach)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	06.12.2023	06.12.2023
. Legal maturity	12.06.2035	12.06.2035
. Call option	Clean-up call, Regulatory call, SRT call, Time call	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	SUB A
. Reference Position (€ million)	339	57
. Reference Position at the end of accounting period (€ million)	263	44
. Risk holder	UniCredit Leasing S.p.A.	Investor

Annex 3 - Securitisations - qualitative tables

Traditional securitisations of non-performing loans

STRATEGIES, PROCESSES AND GOALS:	UniCredit Leasing S.p.A., through the transfer of its credit exposures to an SPV pursuant to 130 Law on securitization, has set itself the objective of reducing the stock of Non Performing Exposures of the Non Core perimeter, in line with the Group's strategy of a complete rundown of this perimeter.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The performance of securitisations is subject to continuous monitoring by the company, with specific focus on the recovery performance and the evolution of the Gross Book Value (GBV) of the underlying portfolio and on the progressive repayment of the principal and payment of interest of the ABS securities issued by the SPV, based on the information provided by the servicer (also through specific periodic reports foreseen in the transaction documentation).
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The execution of the securitization transactions of non performing exposures is approved by the Board, based on the prior positive opinion of the proper committees within the company. Credit reviews of the transactions are scheduled on an annual basis and discussed in specific committees with the participation of top management, during which updates are given on the progress of transactions as a whole.
HEDGING POLICIES:	None
OPERATING RESULTS:	Every six months, or more frequently if necessary, information relating to the performance of securitisations (with specific focus on the evolution of the Gross Book Value of the transferred portfolio, the recovery performances and the redemption of ABS securities) is made available to the various company functions for the performance of their respective roles on monitoring and representation in the financial statements.

Annex 3 - Securitisations - qualitative tables

Transactions from previous years

NAME:	RELAIS 2020	
Type of securitisation:	Traditional	
Originator:	UniCredit Leasing S.p.A.	
Issuer:	Relais Spv S.r.l.	
Servicer:	Do Value S.p.A.	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	Run down of non-core portfolio	
Type of asset:	Mainly real estate contracts	
Quality of Asset:	Bad exposures	
Closing date:	01.12.2020	
Nominal Value of reference portfolio (€ million):	1,533	
Net amount of preexisting write-down/write-backs (€ million):	574	
Disposal Profit & Loss realised (€ million)(*):	-7	
Portfolio disposal price (€ million):	567	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	€51.85 millions - grant by UniCredit Bank GmbH	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	UniCredit Leasing S.p.A. has originally underwritten the whole of notes issued by Relais Spv. Subsequently 95% of junior and mezzanine notes was sold to Do Value S.p.A.	
Rating Agencies:	Moody's/Scope	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	IT0005429128	IT0005429144
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	Baa2 | Baa2	-
. Quotation	-	-
. Issue date	11.12.2020	11.12.2020
. Legal maturity	31.07.2040	31.07.2040
. Call option	-	
. Expected duration (years)	3.0	6.4
. Rate	Euribor 6M + Spread 1.50%	Euribor 6M + Spread 9.50%
. Subordination level	-	sub A
. Nominal Value Issued (€ million)	466	91
. Nominal value at the end of accounting period (€ million)	218	91
. ISIN	IT0005429151	
. Type of security	Junior	
. Class	J	
. Rating	-	
. Quotation	-	
. Issue date	11.12.2020	
. Legal maturity	31.07.2040	
. Call option	-	
. Expected duration (years)	7.4	
. Rate	variable	
. Subordination level	sub A-B	
. Nominal Value Issued (€ million)	10	
. Nominal value at the end of accounting period (€ million)	10	

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit Bank GmbH

New transactions 2024

STRATEGIES, PROCESSES AND GOALS:	The main reason for the Bank's securitisation program "Arabellapark 2024" is the reduction of RWA.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The portfolio is monitored by the servicing department on an ongoing basis and it is illustrated in the form of quarterly report (investor report), which provides a breakdown of the status of loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The BoD of the Bank approves the synthetic transaction and any other related decision and they are informed on the expected performances and on those in the final balance.
HEDGING POLICIES:	No hedging activities
OPERATING RESULTS:	The results achieved up to the present are broadly in line with expectations.

NAME:	**Arabellapark 2024**	
Type of securitisation:	Synthetic	
Originator:	UniCredit Bank GmbH	
Issuer:	-	
Servicer:	UniCredit Bank GmbH	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	RWEA relief	
Type of asset:	Large Corporate and SME corporate loans	
Quality of Asset:	Performing	
Closing date:	20.08.2024	
Nominal Value of disposal portfolio (€ million):	3,420	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	100% of junior tranche	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:		
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	DE000A383TR4
. Type of security	Senior	Junior
. Class	-	-
. Rating	-	-
. Issue date	20.08.2024	20.08.2024
. Legal maturity	30.11.2032	30.11.2032
. Call option	Time Call & Clean-Up Call	
. Expected duration (years)	8	8
. Rate	-	11,50% + 1 month EURIBOR
. Subordinated level	-	sub A
. Reference Position (€ million)	3,180	239
. Reference Position at the end of accounting period (€ million)	3,180	239
. Risk holder	UniCredit Bank GmbH	EIF

Annex 3 - Securitisations - qualitative tables

Transactions from previous years

STRATEGIES, PROCESSES AND GOALS:	The main reason for the Bank's securitisation program "Arabellapark 2023" is the reduction of RWA.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The portfolio is monitored by the servicing department on an ongoing basis and it is illustrated in the form of quarterly report (investor report), which provides a breakdown of the status of loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The BoD of the Bank approves the synthetic transaction and any other related decision and they are informed on the expected performances and on those in the final balance.
HEDGING POLICIES:	No hedging activities
OPERATING RESULTS:	The results achieved up to the present are broadly in line with expectations.

NAME:	**Arabellapark 2023**	
Type of securitisation:	Synthetic	
Originator:	UniCredit Bank GmbH	
Issuer:	-	
Servicer:	UniCredit Bank GmbH	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	RWEA relief	
Type of asset:	Large Corporate and SME corporate loans	
Quality of Asset:	Performing	
Closing date:	15.12.2023	
Nominal Value of disposal portfolio (€ million):	1,875	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	100% of Junior Tranche	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:		
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	DE000A352EV3
. Type of security	Senior	Junior
. Class	-	-
. Rating	-	-
. Issue date	15.12.2023	15.12.2023
. Legal maturity	31.12.2030	31.12.2030
. Call option	Time Call & Clean-Up Call	
. Expected duration (years)	7	7
. Rate	-	10.00% + 1 month EURIBOR
. Subordinated level	-	sub A
. Reference Position (€ million)	1,725	150
. Reference Position at the end of accounting period (€ million)	1,697	148
. Risk holder	UniCredit Bank GmbH	EIF

Annex 3 - Securitisations - qualitative tables

STRATEGIES, PROCESSES AND GOALS:	The main reason for the Bank's securitisation program "Tucherpark 2022" is the reduction of RWA.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The portfolio is monitored by the servicing department on an ongoing basis and it is illustrated in the form of quarterly report (investor report), which provides a breakdown of the status of loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The BoD of the Bank approves the synthetic transaction and any other related decision and they are informed on the expected performances and on those in the final balance.
HEDGING POLICIES:	No hedging activities
OPERATING RESULTS:	The results achieved up to the present are broadly in line with expectations.

NAME:	**Tucherpark 2022**	
Type of securitisation:	Synthetic	
Originator:	UniCredit Bank GmbH	
Issuer:	-	
Servicer:	UniCredit Bank GmbH	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	RWEA relief	
Type of asset:	Large Corporate and SME corporate loans	
Quality of Asset:	Performing	
Closing date:	14.12.2022	
Nominal Value of disposal portfolio (€ million):	1,949	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	100% of junior tranche	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	Tucherpark 2022 has been established under the programme of EIF and EIB under the Pan-European Guarantee Fund in response to Covid-19 for support of and providing new finance for SME's. The financial guarantee providing credit protection will be fronted by EIF and backed by a back-to-back arrangement by EIB in favour of EIF, supported by EGF resources.	
Rating Agencies:	-	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	-	-
. Rating	-	-
. Issue date	14.12.2022	14.12.2022
. Legal maturity	30.06.2035	30.06.2035
. Call option	Time Call & Clean-Up Call	
. Expected duration (years)	5	5
. Rate	-	8.00%
. Subordinated level	-	sub A
. Reference Position (€ million)	1,803	146
. Reference Position at the end of accounting period (€ million)	811	85

Annex 3 - Securitisations - qualitative tables

STRATEGIES, PROCESSES AND GOALS:	The main reason for the Bank's securitisation programs is the Funding for True Sale Transactions.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each portfolio is monitored by the servicing department on an ongoing basis and it is illustrated in the form of quarterly report (investor report), which provides a breakdown of the status of loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The BoD of the Bank approves each new transaction and any other related decision and is informed on the expected performances and on those in the final balance. The bank's annual report contains information on the bank's own ABS transactions.
HEDGING POLICIES:	No hedging activities
OPERATING RESULTS:	The results achieved up to the present are broadly in line with expectations; payments received from the portfolio ensured punctual and full payment to security holders and other parties to the transaction.

NAME:	ROSENKAVALIER 2022	
Type of securitisation:	Traditional	
Originator:	UniCredit Bank GmbH	
Issuer:	Rosenkavalier 2022 UG	
Servicer:	UniCredit Bank GmbH	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	Liquidity	
Type of asset:	Large Corporate and SME corporate loans	
Quality of Asset:	Performing	
Closing date:	18.11.2022	
Nominal Value of reference portfolio (€ million):	3,000	
Net amount of preexisting write-down/write-backs (€ million):	-	
Disposal Profit & Loss realised (€ million)(*):	-	
Portfolio disposal price (€ million):	3,000	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	Transaction executed to create ECB collateral	
Rating Agencies:	Moodys/DBRS	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	DE000A30V2F3	DE000A30V2G1
. Type of security	Senior	Junior
. Class	A	B
. Rating	A(high)/A2	-
. Quotation	Munich	Munich
. Issue date	18.11.2022	18.11.2022
. Legal maturity	30.05.2028	30.05.2028
. Call option	Any Payment Date	
. Expected duration (years)	30.05.2028	30.05.2028
. Rate	Fixed Coupon 0.25%	Fixed Coupon 1.00%
. Subordination level	-	sub A
. Nominal Value Issued (€ million)	2,505	495
. Nominal value at the end of accounting period (€ million)	2,505	495

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	ROSENKAVALIER 2020	
Type of securitisation:	Traditional	
Originator:	UniCredit Bank GmbH	
Issuer:	Rosenkavalier 2020 UG	
Servicer:	UniCredit Bank GmbH	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	Liquidity	
Type of asset:	Consumer Loans	
Quality of Asset:	Performing	
Closing date:	30.09.2020	
Nominal Value of reference portfolio (€ million):	800	
Net amount of preexisting write-down/write-backs (€ million):	-	
Disposal Profit & Loss realised (€ million)(*):	-	
Portfolio disposal price (€ million):	800	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	Transaction executed to create ECB collateral	
Rating Agencies:	Moodys/DBRS	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	DE000A289ES3	DE000A289ET1
. Type of security	Senior	Junior
. Class	A	B
. Rating	Aa1/A	-
. Quotation	Munich	Munich
. Issue date	30.09.2020	30.09.2020
. Legal maturity	30.09.2035	30.09.2035
. Call option	Any Payment Date	
. Expected duration (years)	30.09.2035	30.09.2035
. Rate	Fixed Coupon 0.2%	Fixed Coupon 1.25%
. Subordination level	-	sub A
. Nominal Value Issued (€ million)	632	168
. Nominal value at the end of accounting period (€ million)	420	80

Note:
(*) Amount gross of initial transaction's costs.

Annex 3 - Securitisations - qualitative tables

NAME:	**ROSENKAVALIER 2015**	
Type of securitisation:	Traditional	
Originator:	UniCredit Bank GmbH	
Issuer:	Rosenkavalier 2015 UG	
Servicer:	UniCredit Bank GmbH	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	Liquidity	
Type of asset:	Large Corporate and SME corporate loans	
Quality of Asset:	Performing	
Closing date:	18.12.2015 (restructured on 30.11.2021)	
Nominal Value of disposal portfolio (€ million):	3,800	
Net amount of preexinting write-down/write-backs (€ million):	-	
Disposal Profit & Loss realised (€ million):	-	
Portfolio disposal price (€ million):	3,800	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	Transaction executed to create ECB collateral	
Rating Agencies:	Moody's/DBRS	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	DE000A1687E2	DE000A1687F9
. Type of security	Senior	Junior
. Class	A	B
. Rating	Aa2/A	-
. Quotation	Munich	Munich
. Issue date	18.12.2015	18.12.2015
. Legal maturity	31.08.2045	31.08.2045
. Call option	Any payment date	
. Rate	Fixed Coupon 0.35%	Fixed Coupon 3.25%
. Subordinated level	-	sub A
. Nominal value issued (€ million)	2,375	1,425
. Nominal value at the end of accounting period (€ million)	1,875	1,125

Annex 3 - Securitisations - qualitative tables

NAME:	ROSENKAVALIER 2008	
Type of securitisation:	Traditional	
Originator:	UniCredit Bank GmbH	
Issuer:	Rosenkavalier 2008 GmbH	
Servicer:	UniCredit Bank GmbH	
Arranger:	UniCredit Bank GmbH (UniCredit Markets & Investment Banking)	
Target transaction:	Liquidity	
Type of asset:	Mortgage loans	
Quality of Asset:	Performing	
Closing date:	12.12.2008	
Nominal Value of disposal portfolio at the end of the accounting period (€ million):	3,140	
Net amount of preexinting write-down/write-backs :	11,946	
Disposal Profit & Loss realized :	-	
Portfolio disposal price:	11,946	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	Transaction executed to create ECB collateral	
Rating Agencies:	FITCH/Moody's	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	DE000A0AEDB2	DE000A0AEDC0
. Type of security	Senior	Junior
. Class	A	B
. Rating	A+/A2	-
. Quotation	Munich	Munich
. Issue date	12.12.2058	12.12.2058
. Legal maturity	31.10.2058	31.10.2058
. Call option	Any Payment Date	
. Rate	Fixed Coupon 0.55%	Fixed Coupon 3.5%
. Subordinated level	-	SUB A
. Nominal value issued (€ million)	9,653	2,293
. Nominal value at the end of accounting period (€ million)	2,624	576

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit Bulbank AD

Transactions from previous periods

STRATEGIES, PROCESSES AND GOALS:	The main purpose of structuring synthetic securitizations is the relief of Regulatory Capital.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each securitised portfolio is monitored by the Strategic Risk Department on an ongoing basis and disclosed in the form of quarterly reports (Investor Report), providing a breakdown of the status of the underlying loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	Management Board approves each new transaction and any other related decisions and is informed about expected and actual performances of already existing transactions. The bank's annual report features information about all originated synthetic securitizations.
HEDGING POLICIES:	None
OPERATING RESULTS:	The performances of synthetic securitizations are monitored on a semi-annual basis with dedicated reports addressed to Bank's management.

NAME:	Bulbank Synthetic 2022	
Type of securitisation:	Synthetic	
Originator:	UniCredit Bulbank AD	
Issuer:	UniCredit Bulbank AD	
Servicer:	UniCredit Bulbank AD	
Arranger:	UniCredit Bank GmbH	
Target transaction:	Risk transfer and capital relief	
Type of asset:	SME and corporate loans	
Quality of Asset:	Performing	
Closing date:	30.11.2022	
Nominal Value of disposal portfolio (€ million):	999	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Financial guarantee issued by EIF	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	The structure of the transaction encompasses a senior and a junior tranche, the latter being fully covered by an unfunded Financial Guarantee provided by the EIF (being a 0% risk-weighted entity, no cash or collateral is required under the Financial Guarantee). As of closing date Junior tranche is 35% and Senior is 65% of the underlying portfolio. For the purposes of the Regulatory Requirements, the Bank is the Originator of the Reference Portfolio. As such, the Bank will retain, on an unhedged and unguaranteed basis, an exposure to each loan in the Reference Portfolio which will be at all times at least 5% of the notional amount of the Initial portfolio and which will not benefit from any of the Guarantee (the "Retained Exposure Amount") in compliance with Art. 6(3)(a) of Regulation (EU) 2017/2402.	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach(*)	
Amount of CDS or other risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	-
. Type of security	Senior	Junior
. Class	A	B
. Rating	-	-
. Issue date	30.11.2022	30.11.2022
. Legal maturity	25.09.2032	25.09.2032
. Call option	Clean-Up Call; Time Call; Regulatory Change; Significant Risk Transfer Failure; Tax Event.	
. Expected duration (years)	-	-
. Rate	-	-
. Subordinated level	-	Sub A
. Reference Position (€ million)	909	90
. Reference Position at the end of accounting period (€ million)	94	52

Note:
(*) Synthetic securitization carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) No.575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms.

Annex 3 - Securitisations - qualitative tables

ORIGINATOR: UniCredit Bank Czech Republic and Slovakia A.S.

New transactions 2024

STRATEGIES, PROCESSES AND GOALS:	The deal is part of UniCredit Bank Czech Republic and Slovakia A.S. plan for capital and RWEA optimization.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The portfolio is monitored by the servicing department on an ongoing basis and it is illustrated in the form of quarterly report (investor report), which provides a breakdown of the status of loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	UniCredit Bank Czech Republic and Slovakia A.S. BoD approved the synthetic transaction and any other related decision and they are informed on the expected performances and on those in the final balance.
HEDGING POLICIES:	Not in place.
OPERATING RESULTS:	The results achieved up to the present are broadly in line with the deal's business case.

Annex 3 - Securitisations - qualitative tables

NAME:	ARTS Morava	
Type of securitisation:	Synthetic	
Originator:	UniCredit Bank Czech Republic and Slovakia A.S.	
Issuer:	UniCredit Bank Czech Republic and Slovakia A.S.	
Servicer:	UniCredit Bank Czech Republic and Slovakia A.S.	
Arranger:	UniCredit Bank GmbH	
Target transaction:	capital optimization	
Type of asset:	MID corporate and SME loans	
Quality of Asset:	performing	
Closing date:	27.11.2024	
Nominal Value of disposal portfolio (€ million):	1,670	
Guarantees issued by the Bank:	CLN direct issuance by the Bank	
Guarantees issued by Third Parties:	no	
Bank Lines of Credit:	-	
Third Parties Lines of Credit :	-	
Other Credit Enhancements :	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory SEC-IRBA Approach (*)	
Amount of CDS or other supersenior risk transferred (€ million):	-	
Amount and Condition of tranching:		
. ISIN	-	XS2940446557
. Type of security	Senior	Mezzanine
. Class	A	B
. Rating	-	-
. Issue date	27.11.2024	27.11.2024
. Legal maturity	30.06.2053	30.06.2053
. Call option	Yes	
. Expected duration (years)	4.8	4.8
. Rate	-	9.75%
. Subordinated level	-	sub A
. Reference Position (€ million)	1,558	100
. Reference Position at the end of accounting period (€ million)	1,406	90
. Risk holder	UniCredit Bank Czech Republic and Slovakia A.S.	PGGM
. ISIN	-	
. Type of security	Junior	
. Class	C	
. Rating	-	
. Issue date	27.11.2024	
. Legal maturity	30.06.2053	
. Call option	Yes	
. Expected duration (years)	4.8	
. Rate	-	
. Subordinated level	sub A, B	
. Reference Position (€ million)	12	
. Reference Position at the end of accounting period (€ million)	12	
. Risk holder	UniCredit Bank Czech Republic and Slovakia A.S.	
Distribution of securitised assets by area (€ million):		
Italy - Northwest	-	
Italy - Northeast	-	
Italy - Central	-	
Italy - South and Islands	-	
Other European Countries - E.U. countries	1,670	
Other European Countries - non-E.U. countries	-	
America	-	
Rest of the World	-	
Total	**1,670**	
Distribution of securitised assets by business sector of the borrower (€ million):		
Governments	-	
Other public-sector entities	-	
Banks	-	
Financial Companies	-	
Insurance Companies	-	
Non-financial Companies	1,670	
Other entities	-	
Total	**1,670**	

Note:
(*) Synthetic securitization carried out using the SEC-IRBA approach as required by Artt.258-259 of Regulation (EU) No.575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms.

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

ORIGINATOR: UniCredit S.p.A.

New transactions 2024

GOALS - STRATEGIES - PROCESSES:	UniCredit S.p.A., by selling its loans to the fund, aims to facilitate borrowers classified as "unlikely to pay" to improve access to the capital market.
ROLE:	Once the loans have been sold to the fund and UniCredit S.p.A. become a holder of Fund's units, the bank no longer has a role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit S.p.A. has all the risks arising from the performance of the fund's units and therefore from the management of the assets performed by the asset manager.
MONITORING SYSTEMS:	UniCredit S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	ELEUTERIA
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit S.p.A.
Investment Fund underwritten:	Eleuteria
Target transaction:	The objective of the transaction is to optimize access to the capital market for borrowers (private individuals in financial difficulties) sold from UniCredit to the fund, leveraging on an industrial and strategic partner as Prelios.
Type of asset:	Mortage loans
Quality of Asset:	Unlikely to Pay
Closing date:	24.05.2024
Nominal Value of reference portfolio (million):	61
Net amount of preexisting write-down/write-backs (€ million):	44
Disposal Profit & Loss realised (€ million):	(7)
Portfolio disposal price (million):	37
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten	
. Units subscriber	UniCredit S.p.A.
. ISIN	IT0005625204
. No. of units at the subscription	86
. Book Value at the subscription (million)	37
. No. of units at the end of accounting period	86
. Book value at the end of accounting period (million)	37
Distribution of financial assets sold by area (€ million):	
Italy - Northwest	18
Italy - Northeast	9
Italy - Central	11
Italy - South and Islands	23
Other European Countries - E.U. countries	-
Other European Countries - non-E.U. countries	-
America	-
Rest of the World	-
Total	**61**
Distribution of financial assets sold by business sector of the borrower (€ million):	
Governments	-
Other public-sector entities	-
Banks	-
Financial Companies	-
Insurance Companies	-
Non-financial Companies	-
Other entities	61
Total	**61**

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	PERSEFONE
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit S.p.A.
Investment Fund underwritten:	Persefone
Target transaction:	The objective of the transaction is to optimize access to the capital market for borrowers (private individuals in financial difficulties) sold from UniCredit to the fund, leveraging on an industrial and strategic partner as Prelios.
Type of asset:	Mortage loans
Quality of Asset:	Unlikely to Pay
Closing date:	18.03.2024
Nominal Value of reference portfolio (million):	83
Net amount of preexisting write-down/write-backs (€ million):	64
Disposal Profit & Loss realised (€ million):	(3)
Portfolio disposal price (million):	61
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten	
. Units subscriber	UniCredit S.p.A.
. ISIN	IT0005561862
. No. of units at the subscription	61,105,138
. Book Value at the subscription (million)	61
. No. of units at the end of accounting period	61,105,138
. Book value at the end of accounting period (million)	61
Distribution of financial assets sold by area (€ million):	
Italy - Northwest	23
Italy - Northeast	10
Italy - Central	20
Italy - South and Islands	30
Other European Countries - E.U. countries	-
Other European Countries - non-E.U. countries	-
America	-
Rest of the World	-
Total	**83**
Distribution of financial assets sold by business sector of the borrower (€ million):	
Governments	-
Other public-sector entities	-
Banks	-
Financial Companies	-
Insurance Companies	-
Non-financial Companies	-
Other entities	83
Total	**83**

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

GOALS - STRATEGIES - PROCESSES:	UniCredit S.p.A., thanks to the contribution to the Backtobonis Fund managed by Prelios SGR of the loans, contracts and units held in a Real Estate Fund has achieved the following goals: (i) being quota-holder of a larger and more granular platform, reducing the idiosyncratic risk; (ii) derecognize the credit exposures sold; (iii) reduce operational and managerial complexity.
ROLE:	Once the loans have been sold to the fund and UniCredit S.p.A. become a holder of Fund's units, the bank no longer has a role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit S.p.A. has all the risks arising from the performance of the fund's units and therefore from the management of the assets performed by Prelios.
MONITORING SYSTEMS:	UniCredit S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	RENAISSANCE
Type of transaction:	Disposal of receivables, contracts and units held in a Real Estate Fund to another Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit S.p.A.
Investment Fund underwritten:	BACK2BONIS
Target transaction:	The objective of the transaction is to optimize the access to the capital market for the UniCredit's borrower (a Real Estate Fund), leveraging on an industrial and strategic partner as Prelios.
Type of asset:	Loans, contracts, and Fund units towards a single name represented by a Real Estate Fund.
Quality of Asset:	Unlikely to pay
Closing date:	04.09.2024
Nominal Value of reference portfolio (million):	23
Net amount of preexisting write-down/write-backs (€ million):	4
Disposal Profit & Loss realised (€ million):	4
Portfolio disposal price (million):	9
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten	
. Units subscriber	UniCredit S.p.A.
. ISIN	IT0005396327
. No. of units at the subscription	21
. Book Value at the subscription (million)	9
. No. of units at the end of accounting period	21
. Book value at the end of accounting period (million)	9
Distribution of financial assets sold by area (€ million):	
Italy - Northwest	-
Italy - Northeast	-
Italy - Central	-
Italy - South and Islands	23
Other European Countries - E.U. countries	-
Other European Countries - non-E.U. countries	-
America	-
Rest of the World	-
Total	**23**
Distribution of financial assets sold by business sector of the borrower (€ million):	
Governments	-
Other public-sector entities	-
Banks	-
Financial Companies	23
Insurance Companies	-
Non-financial Companies	-
Other entities	-
Total	**23**

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

GOALS - STRATEGIES - PROCESSES:	UniCredit S.p.A., thanks to the contribution to the CCR II Fund managed by Dea Capital SGR of the loans and contracts held in a corporate single name has achieved the following goals: (i) being quota-holder of a larger and more granular platform, reducing the idiosyncratic risk; (ii) derecognize the credit exposures sold; (iii) reduce operational and managerial complexity.
ROLE:	Once the loans have been sold to the fund and UniCredit S.p.A. become a holder of Fund's units, the bank no longer has a role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit S.p.A. has all the risks arising from the performance of the fund's units and therefore from the management of the assets performed by Dea Capital.
MONITORING SYSTEMS:	UniCredit S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

NAME OF THE TRANSACTION	**TABASCO**
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit S.p.A.
Investment Fund underwritten:	iDEA CCR II
Target transaction:	The objective of the transaction is to optimize the access to the capital market for the UniCredit's borrower (a Corporate single name), leveraging on an industrial and strategic partner as Dea Capital.
Type of asset:	Loans and legal relationships towards a corporate single name
Quality of Asset:	Unlikely to pay
Closing date:	20.12.2024
Nominal Value of reference portfolio (million):	73
Net amount of preexisting write-down/write-backs (€ million):	36
Disposal Profit & Loss realised (€ million):	31
Portfolio disposal price (million):	68
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten	
. Units subscriber	UniCredit S.p.A.
. ISIN	IT0005276065
. No. of units at the subscription	3,745
. Book Value at the subscription (million)	68
. No. of units at the end of accounting period	3,745
. Book value at the end of accounting period (million)	68
Distribution of financial assets sold by area (€ million):	
Italy - Northwest	73
Italy - Northeast	-
Italy - Central	-
Italy - South and Islands	-
Other European Countries - E.U. countries	-
Other European Countries - non-E.U. countries	-
America	-
Rest of the World	-
Total	**73**
Distribution of financial assets sold by business sector of the borrower (€ million):	
Governments	-
Other public-sector entities	-
Banks	-
Financial Companies	-
Insurance Companies	-
Non-financial Companies	73
Other entities	-
Total	**73**

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

Transactions from previous years

GOALS - STRATEGIES - PROCESSES:	UniCredit S.p.A., thanks to the contribution to the Olympus funds of the Yanez SPV notes held in the context of the Sandokan 1 and Sandokan 2 projects (with no accounting derecognition and therefore maintening of the assets sold to the SPV in the bank's balance-sheet), has achieved the following goals: (i) being quota-holder of a larger and more granular platform, reducing the idiosyncratic risk; (ii) derecognize the credit exposures sold and avoid impacts on the NPE ratio due to the BPs review by the Servicer (with no control by UniCredit); (iii) reduce operational complexity.
ROLE:	UniCredit S.p.A., as fund quota-holder, has no role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit S.p.A. has all the risks arising from the performance of the fund's units and therefore from the management of the assets performed by the asset manager FININT and by the servicer Arec Neprix.
MONITORING SYSTEMS:	UniCredit S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

NAME OF THE TRANSACTION	OLYMPUS FUND 1
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit S.p.A.
Investment Fund underwritten:	Olympus 1
Target transaction:	The transaction goals are: (i) being quota-holder of a larger and more granular platform, reducing the idiosyncratic risk; (ii) derecognize the credit exposures sold and avoid impacts on the NPE ratio due to the BPs review by the Servicer (with no control by UniCredit); (iii) reduce operational complexity.
Type of asset:	SPV notes
Quality of Asset:	Mainly unlikely to pay. Also some performing and bad loans are included
Closing date:	10.10.2023
Nominal Value of reference portfolio (million):	297
Net amount of preexisting write-down/write-backs (€ million):	157
Disposal Profit & Loss realised (€ million):	12
Portfolio disposal price (million):	210
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten	
. Units subscriber	UniCredit S.p.A.
. ISIN	IT0005567034
. No. of units at the subscription	210,072,216
. Book Value at the subscription (million)	210
. No. of units at the end of accounting period	210,072,216
. Book value at the end of accounting period (million)	172

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	OLYMPUS FUND 2
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit S.p.A.
Investment Fund underwritten:	Olympus 2
Target transaction:	The transaction goals are: (i) being quota-holder of a larger and more granular platform, reducing the idiosyncratic risk; (ii) derecognize the credit exposures sold and avoid impacts on the NPE ratio due to the BPs review by the Servicer (with no control by UniCredit); (iii) reduce operational complexity.
Type of asset:	SPV notes
Quality of Asset:	Mainly unlikely to pay. Also some performing and bad loans are included
Closing date:	10.10.2023
Nominal Value of reference portfolio (million):	440
Net amount of preexisting write-down/write-backs (€ million):	170
Disposal Profit & Loss realised (€ million):	(56)
Portfolio disposal price (million):	193
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten	
. Units subscriber	UniCredit S.p.A.
. ISIN	IT0005566952
. No. of units at the subscription	192,834,193
. Book Value at the subscription (million)	193
. No. of units at the end of accounting period	192,834,193
. Book value at the end of accounting period (million)	190

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

GOALS - STRATEGIES - PROCESSES:	UniCredit S.p.A., by selling its loans to the fund, aims to facilitate companies classified as "unlikely to pay" to improve their strategic positioning in their relevant industrial sector.
ROLE:	Once the loans have been sold to the fund and UniCredit S.p.A. become a holder of Fund's units, the bank no longer has a role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit S.p.A. has all the risks arising from the performance of the fund's units and therefore from the management of the assets performed by Prelios.
MONITORING SYSTEMS:	UniCredit S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

NAME OF THE TRANSACTION	**BACK2BONIS**	
Type of transaction:	Sale of financial assets to an Investment Fund with underwriting of units issued by the same Fund + purchase of units held by UCL	
Originator:	UniCredit S.p.A.+ UniCredit Leasing	
Investment Fund underwritten:	BACK2BONIS	
Target transaction:	The objective of the transaction is to optimize access to the capital market for borrowers (medium-sised companies, in financial difficulties, but with solid industrial fundamentals) sold from UniCredit group to the Fund, leveraging on an industrial and strategic partner as Prelios and improving their strategic positioning in their respective industrial sectors.	
Type of asset:	Corporate loans	Corporate loans
Quality of Asset:	Unlikely to pay	Unlikely to pay
Closing date:	17.03.2023	24.07.2023
Nominal Value of reference portfolio (million):	74	263
Net amount of preexisting writedown/writebacks (€ million):	17	142
Disposal Profit & Loss realised (€ million):	0	-2
Portfolio disposal price (million):	17	144
Issued guarantees by the Bank:	-	-
Issued guarantees by third parties:	-	-
Bank Lines of Credit:	-	-
Third Parties Lines of Credit:	-	-
Other Credit Enhancements:	-	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten		
. Units subscriber	UniCredit S.p.A.	UniCredit S.p.A. (initially UniCredit Leasing S.p.A.)
. ISIN	IT0005396327	IT0005396327
. N°. of units at the subscription	39	347
. Book Value at the subscription (million)	17	144
. N°. of units at the end of accounting period	39	347
. Book value at the end of accounting period (million)	17	148

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

GOALS - STRATEGIES - PROCESSES:	UniCredit S.p.A., through the sale of its receivables from Private Individuals to the fund, aims to diversify and therefore reduce the risk of its assets.
ROLE:	Once the loans have been sold to the fund and UniCredit S.p.A. become a holder of Fund's units, the bank no longer has a role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit S.p.A. has all the risks arising from the performance of the fund's units and therefore from the management of the assets performed by the asset manager Sagitta and by the Advisor Intrum.
MONITORING SYSTEMS:	UniCredit S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

NAME OF THE TRANSACTION	UTP ITALIA
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit S.p.A.
Investment Fund underwritten:	UTP ITALIA
Target transaction:	The objective of the transaction is to diversify and therefore reduce the risk of the assets, improving their returns.
Type of asset:	Loans to Private Individuals
Quality of Asset:	Unlikely to pay and Bad loans
Closing date:	19.06.2023
Nominal Value of reference portfolio (million):	74
Net amount of preexisting write-down/write-backs (€ million):	49
Disposal Profit & Loss realised (€ million):	(1)
Portfolio disposal price (million):	47
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	-
Units of Investment Fund underwritten	
. Units subscriber	UniCredit S.p.A.
. ISIN	IT0005480519
. No. of units at the subscription	47,733,199
. Book Value at the subscription (million)	47
. No. of units at the end of accounting period	47,733,199
. Book value at the end of accounting period (million)	40

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

GOALS - STRATEGIES - PROCESSES:	UniCredit S.p.A., by selling its loans to the fund, aims to facilitate companies classified as "unlikely to pay" to improve their strategic positioning in their relevant industrial sector.
ROLE:	Once the loans have been sold to the fund and UniCredit S.p.A. become a holder of Fund's units, the bank no longer has a role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit S.p.A. has all the risks arising from the performance of the fund's units and therefore from the management of the assets performed by the asset manager.
MONITORING SYSTEMS:	UniCredit S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	EFESTO					
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund					
Originator:	UniCredit S.p.A.					
Investment Fund underwritten:	EFESTO					
Target transaction:	The objective of the transaction is to optimize access to the capital market for borrowers (medium-sised companies, in financial difficulties, but with solid industrial fundamentals) sold from UniCredit to the fund, leveraging on an industrial and strategic partner as Italfondiario (now DoNext).					
Type of asset:	Corporate loans	Corporate loans	Corporate loans	Corporate loans	Corporate loans	Corporate and private individual loans
Quality of Asset:	Unlikely to pay	Unlikely to pay	Unlikely to pay	Revoked unlikely to pay and bad loans	Revoked unlikely to pay and bad loans	Revoked unlikely to pay and bad loans
Closing date:	27.10.2020	27.03.2021	09.12.2021	14.03.2023	24.07.2023	22.10.2024
Nominal Value of reference portfolio (million):	188	25	6	138	212	173
Net amount of preexisting write-down/write-backs (€ million):	92	6	4	48	85	86
Disposal Profit & Loss realised (€ million):	(1)	3	-	-	-0.5	2
Portfolio disposal price (million):	91	9	4	48	87	88
Issued guarantees by the Bank:	-	-	-	-	-	-
Issued guarantees by third parties:	-	-	-	-	-	-
Bank Lines of Credit:	-	-	-	-	-	-
Third Parties Lines of Credit:	-	-	-	-	-	-
Other Credit Enhancements:	-	-	-	-	-	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten						
. Units subscriber	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A. (formerly UniCredit Leasing S.p.A.)	UniCredit S.p.A.
. ISIN	IT0005419509	IT0005419509	IT0005419509	IT0005419509	IT0005419509	IT0005419509
. No. of units at the subscription	90,561,794	9,305,715	4,962,649	58,095,964	108,635,928	149,132,507
. Book Value at the subscription (million)	91	9	4	48	87	88
. No. of units at the end of accounting period	90,561,794	9,305,715	4,962,649	58,095,964	108,635,928	149,132,507
. Book value at the end of accounting period (million)	52	5	3	33	62	86
Distribution of financial assets sold by area (€ million):						
Italy - Northwest						38
Italy - Northeast						37
Italy - Central						44
Italy - South and Islands						54
Other European Countries - E.U. countries						-
Other European Countries - non-E.U. countries						-
America						-
Rest of the World						-
Total						**173**
Distribution of financial assets sold by business sector of the borrower (€ million):						
Governments						-
Other public-sector entities						-
Banks						-
Financial Companies						-
Insurance Companies						-
Non-financial Companies						173
Other entities						-
Total						**173**

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	RSCT			
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund			
Originator:	UniCredit S.p.A.			
Investment Fund underwritten:	RSCT			
Target transaction:	The objective of the transaction is to optimize access to the capital market for borrowers (medium-sised companies, in financial difficulties, but with solid industrial fundamentals) sold from UniCredit to the fund, leveraging on an industrial and strategic partner as Pillarstone.			
Type of asset:	Corporate loans	Corporate loans	Corporate loans	Corporate loans
Quality of Asset:	Unlikely to pay	Unlikely to pay	Unlikely to pay	Unlikely to pay
Closing date:	13.05.2020	09.06.2020	21.01.2021	29.06.2021
Nominal Value of reference portfolio (million):	110	105	12	1
Net amount of preexisting write-down/write-backs (€ million):	49	2	5	-
Disposal Profit & Loss realised (€ million):	(3)	13	-	-
Portfolio disposal price (million):	47	15	5	0
Issued guarantees by the Bank:	-	-	-	-
Issued guarantees by third parties:	-	-	-	-
Bank Lines of Credit:	-	-	-	-
Third Parties Lines of Credit:	-	-	-	-
Other Credit Enhancements:	-	-	-	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten				
. Units subscriber	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.
. ISIN	IT0005407975	IT0005407975	IT0005407975	IT0005407975
. No. of units at the subscription	46,870,925	14,500,000	4,992,704	181,268
. Book Value at the subscription (million)	47	15	5	0
. No. of units at the end of accounting period	46,870,925	14,500,000	4,992,704	181,268
. Book value at the end of accounting period (million)	45	14	5	0.2

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	DEA CAPITAL CORPORATE CREDIT RECOVERY II					
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund					
Originator:	UniCredit S.p.A.					
Investment Fund underwritten:	Dea Capital Corporate Credit Recovery II					
Target transaction:	The objective of the transaction is to optimize access to the capital market for borrowers (medium-sized companies, in financial difficulties, but with solid industrial fundamentals) sold from UniCredit to the fund, leveraging on an industrial and strategic partner as Dea Capital.					
Type of asset:	Corporate loans	Corporate loans	Corporate loans	Corporate loans	Corporate loans	Corporate loans
Quality of Asset:	Unlikely to pay	Unlikely to pay	Unlikely to pay	Unlikely to pay	Unlikely to pay	Unlikely to pay
Closing date:	31.01.2018	19.12.2019	07.08.2020	23.03.2021	12.04.2021	22.12.2023
Nominal Value of reference portfolio (€ million):	88	66	66	30	7	61
Net amount of preexisting writedown/writebacks (€ million):	49	22	22	20	2	53
Disposal Profit & Loss realised (€ million):	6	11	11	-	3	1
Portfolio disposal price (€ million):	55	33	27	20	5	54
Issued guarantees by the Bank:	-	-	-	-	-	-
Issued guarantees by third parties:	-	-	-	-	-	-
Bank Lines of Credit:	-	-	-	-	-	-
Third Parties Lines of Credit:	-	-	-	-	-	-
Other Credit Enhancements:	-	-	-	-	-	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten						
. Units subscriber	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.
. ISIN	IT0005276065	IT0005276065	IT0005276065	IT0005276065	IT0005276065	IT0005276065
. N°. of units at the subscription	1,122	816	816	575	155	2,687
. Book Value at the subscription (€ million)	55	33	27	20	5	54
. N°. of units at the end of accounting period	1,122	816	699	575	155	2,687
. Book value at the end of accounting period (€ million)	20	15	13	10	3	49

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	DEA CAPITAL CORPORATE CREDIT RECOVERY I	
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund	
Originator:	UniCredit S.p.A.	
Investment Fund underwritten:	Dea Capital Corporate Credit Recovery I	
Target transaction:	The objective of the transaction is to optimize access to the capital market for borrowers (medium-sized companies, in financial difficulties, but with solid industrial fundamentals) sold from UniCredit to the fund, leveraging on an industrial and strategic partner as Dea Capital.	
Type of asset:	Corporate loans	Corporate loans
Quality of Asset:	Unlikely to pay	Unlikely to pay
Closing date:	31.05.2016	04.07.2019
Nominal Value of reference portfolio (€ million):	90	4
Net amount of preexisting writedown/writebacks (€ million):	52	2
Disposal Profit & Loss realised (€ million):	23	2
Portfolio disposal price (€ million):	76	4
Issued guarantees by the Bank:	-	-
Issued guarantees by third parties:	-	-
Bank Lines of Credit:	-	-
Third Parties Lines of Credit:	-	-
Other Credit Enhancements:	-	-
Other relevant information:	The assets sold have been derecognised from the balance sheet. The disposal price also includes the portion of equity instruments transferred (18%).	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten		
. Units subscriber	UniCredit S.p.A.	UniCredit S.p.A.
. ISIN	IT0005126062	IT0005126062
. N°. of units at the subscription	1,593.698	144.672
. Book Value at the subscription (€ million)	76	4
. N°. of units at the end of accounting period	1,593.698	144.672
. Book value at the end of accounting period (€ million)	17	2

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	F.I.NAV			
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund			
Originator:	UniCredit S.p.A.			
Investment Fund underwritten:	F.I.NAV			
Target transaction:	The objective of the transaction is to optimize access to the capital market for debtors sold by UniCredit to the fund, leveraging on an industrial and strategic partner such as FINAV and on the sector expertise of Pillarstone and the Private Equity Fund KKR.			
Type of asset:	Shipping loans	Shipping loans	Shipping loans	Shipping loans
Quality of Asset:	Unlikely to pay	Unlikely to pay	Unlikely to pay	Unlikely to pay
Closing date:	19.02.2019	11.07.2019	02.08.2019	18.02.2020
Nominal Value of reference portfolio (million):	183$; 3€	15$; 6€	36€	42$
Net amount of preexisting writedown/writebacks (€ million):	114	8	12	31
Disposal Profit & Loss realised (€ million):	(1)	7	1	3
Portfolio disposal price (million):	131$	17$	14$	38$
Issued guarantees by the Bank:	-	-	-	-
Issued guarantees by third parties:	-	-	-	-
Bank Lines of Credit:	-	-	-	-
Third Parties Lines of Credit:	-	-	-	-
Other Credit Enhancements:	-	-	-	-
Other relevant information:	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.	The assets sold have been derecognised from the balance sheet.
Units of Investment Fund underwritten				
. Units subscriber	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.	UniCredit S.p.A.
. ISIN	IT0005359754	IT0005359754	IT0005359754	IT0005359754
. N°. of units at the subscription	130,932,648	17,367,908	14,150,677	38,277,000
. Book Value at the subscription (million)	131$	17$	14$	38$
. N°. of units at the end of accounting period	130,932,648	17,367,908	14,150,677	38,277,623
. Book value at the end of accounting period (million)	27	4	3	8

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

ORIGINATOR: UniCredit Leasing S.p.A.

GOALS - STRATEGIES - PROCESSES:	UniCredit Leasing S.p.A., through the sale of debtors to the fund, aims to reduce the stock of non-performing exposures of the Non Core perimeter, consistently with the Group's strategy of full rundown of this perimeter.
ROLE:	UniCredit Leasing S.p.A., once the loans have been sold to the fund and UniCredit Leasing S.p.A. become a holder of Fund's units, has no longer a role in managing the debtor, remaining a financial investor with no possibility of governance and management interference.
RISKS RELATED TO THE TRANSACTION:	UniCredit Leasing S.p.A. has all the risks arising from the units of the fund and therefore from the performances of the Asset Manager.
MONITORING SYSTEMS:	UniCredit Leasing S.p.A. monitors the manager's performance through quarterly management reports and participation in supervisory committees (Advisory Board) without voting mechanisms and therefore without the possibility of management or administrative interference in the fund.

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

Transactions from previous years

NAME OF THE TRANSACTION	RSCT FUND COMPARTO CREDITI - IQ EQ FUND MANAGEMENT
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit Leasing S.p.A.
Investment Fund underwritten:	RSCT FUND COMPARTO CREDITI - IQ EQ FUND MANAGEMENT
Target transaction:	NPL Reduction
Type of asset:	Nr. 1 leasing transaction
Quality of Asset:	Unlikely to pay
Closing date:	13.07.2022
Nominal Value of reference portfolio (million):	25
Net amount of preexisting writedown/writebacks (€ million):	4
Disposal Profit & Loss realised (€ million):	-
Portfolio disposal price (million):	4
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	-
Units of Investment Fund underwritten	
. Units subscriber	UniCredit Leasing S.p.A.
. ISIN	IT0005407975
. N°. of units at the subscription	4,106,776
. Book Value at the subscription (million)	4
. N°. of units at the end of accounting period	4,106,776
. Book value at the end of accounting period (million)	4

Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds – qualitative tables

NAME OF THE TRANSACTION	BACK2BONIS - PRELIOS
Type of transaction:	Sale of financial assets to Investment Fund with underwriting of units issued by the same Fund
Originator:	UniCredit Leasing S.p.A.
Investment Fund underwritten:	BACK2BONIS - PRELIOS SGR S.p.A.
Target transaction:	NPL Reduction
Type of asset:	No. 1 real estate leasing contract
Quality of Asset:	Unlikely to pay
Closing date:	04.12.2020
Nominal Value of reference portfolio (million):	20
Net amount of preexisting write-down/write-backs (€ million):	5
Disposal Profit & Loss realised (€ million):	-
Portfolio disposal price (million):	8
Issued guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	-
Other relevant information:	-
Units of Investment Fund underwritten	
. Units subscriber	UniCredit Leasing S.p.A.
. ISIN	IT0005396327
. No. of units at the subscription	16.764
. Book Value at the subscription (million)	5
. No. of units at the end of accounting period	16.764
. Book value at the end of accounting period (million)	4

Annex 5 - Country by Country

UniCredit Group
Financial Institutions, Insurance Institutions, Banks, Other Non Financial Institutions

(€ million)

	b	c	d	e	f
INFORMATION/COUNTRY	TURNOVER	NUMBER OF EMPLOYEES ON A FULL TIME EQUIVALENT BASIS (UNIT)	PROFIT OR LOSS BEFORE TAX(*)	TAX ON PROFIT OR LOSS(**)	PUBLIC SUBSIDIES RECEIVED(***)
ITALY	11,991	34,086	5,948	(1,563)	-
GERMANY	3,593	8,740	2,007	(648)	-
AUSTRIA	2,633	4,478	1,490	(293)	-
CZECH REPUBLIC	952	2,971	525	(111)	-
RUSSIA	1,187	2,607	687	(126)	-
CROATIA	765	3,143	553	(100)	-
ROMANIA	807	5,169	356	(65)	-
BULGARIA	735	3,691	503	(75)	-
HUNGARY	543	1,749	241	(37)	-
SERBIA	335	1,310	237	(30)	-
BOSNIA AND HERCEGOVINA	229	1,470	133	(12)	-
IRELAND	172	-	(1)	-	-
SLOVENIA	136	476	53	(11)	-
LUXEMBOURG	108	87	29	(7)	-
SLOVAKIA	41	127	16	(3)	-
U.S.A.	22	2	20	-	-
UNITED KINGDOM	24	-	64	(3)	-
JERSEY	-	-	-	-	-
BERMUDA	(3)	-	-	-	-
NETHERLANDS	-	-	-	-	-
LATVIA	-	-	-	-	-
TOTAL	**24,271**	**70,106**	**12,861**	**(3,086)**	-

Notes:
(*) Item d) includes the sum of P&L items 290 and 320;
(**) Item e) includes P&L item 300;
(***) With regard to item f), no new guarantees/contributions have been received or utilization of pre-existing guarantees in 2024. There is a pre-existing guarantee for a total value of 3,423,863 € thousand for 2024. It is a guarantee by the City of Vienna in favor of UniCredit Bank Austria AG (UCBA AG) on certain exposures (the main ones relate to "pension funds" and "subordinated securities issued"). This guarantee can only be exercised following insolvency proceedings concerning UCBA AG.

Data reported by individual country have the following criteria:
- they refer to UniCredit's Consolidated Financial Statements as of December 31, 2024; they have been audited by KPMG S.p.A., so no further review has been expressly requested from the aforementioned auditing firm regarding this report;
- they are derived from the reporting package contributed by each company for the purpose of preparing UniCredit's Consolidated Financial Statements as of December 31, 2024;
- due to the number of consolidated companies, the data have been aggregated by company typology;
- they are net of intercompany transactions and consolidation entries;
- they have been aggregated by registered office of the company's country;
- for some countries, the "Number of Employees" equal to zero results from the following circumstances: i) companies accounted according to the equity method; ii) companies liquidated or sold during the period; iii) Foreign Branches, whose personnel are conventionally allocated to the parent country of reference; iv) in some special purpose vehicles, the related activities are carried out by the personnel of other Group companies.

Please also note that the data stated in the Report have been presented using different criteria than other officially approved financial documents published by UniCredit and do not reflect the managerial view for commercial purposes.

The notes above are valid for the same quantities as those given in the tables below.

Annex 5 - Country by Country

Banks

(€ million)

	b	c	d	e	f
INFORMATION/COUNTRY	TURNOVER	NUMBER OF EMPLOYEES ON A FULL TIME EQUIVALENT BASIS (UNIT)	PROFIT OR LOSS BEFORE TAX	TAX ON PROFIT OR LOSS	PUBLIC SUBSIDIES RECEIVED
ITALY	10,937	33,472	5,530	(1,711)	-
GERMANY	3,573	8,333	2,041	(656)	-
AUSTRIA	2,348	4,015	1,314	(282)	-
RUSSIA	1,175	2,572	680	(125)	-
CZECH REPUBLIC	843	2,776	492	(101)	-
CROATIA	733	3,017	533	(97)	-
ROMANIA	633	4,855	307	(56)	-
BULGARIA	580	3,187	426	(65)	-
HUNGARY	524	1,670	245	(36)	-
SERBIA	326	1,277	229	(29)	-
BOSNIA AND HERCEGOVINA	229	1,470	133	(12)	-
SLOVENIA	136	476	53	(11)	-
LUXEMBOURG	32	72	1	-	-
UNITED KINGDOM	24	-	64	(3)	-
TOTAL	**22,094**	**67,191**	**12,049**	**(3,186)**	**-**

Financial Institutions

(€ million)

	b	c	d	e	f
INFORMATION/COUNTRY	TURNOVER	NUMBER OF EMPLOYEES ON A FULL TIME EQUIVALENT BASIS (UNIT)	PROFIT OR LOSS BEFORE TAX	TAX ON PROFIT OR LOSS	PUBLIC SUBSIDIES RECEIVED
ITALY	1,054	529	340	133	-
AUSTRIA	288	447	157	(18)	-
IRELAND	172	-	(1)	-	-
ROMANIA	174	315	50	(9)	-
BULGARIA	155	497	76	(10)	-
CZECH REPUBLIC	109	195	31	(9)	-
GERMANY	32	215	(28)	4	-
LUXEMBOURG	76	15	28	(7)	-
SLOVAKIA	41	127	15	(3)	-
RUSSIA	12	34	6	(1)	-
U.S.A.	22	2	20	-	-
HUNGARY	20	80	(5)	(1)	-
CROATIA	33	126	19	(2)	-
SERBIA	9	33	5	(1)	-
UNITED KINGDOM	-	-	-	-	-
NETHERLANDS	(3)	-	-	-	-
BERMUDA	-	-	-	-	-
TOTAL	**2,194**	**2,615**	**714**	**76**	**-**

Annex 5 - Country by Country

Insurance Companies

(€ million)

	b	c	d	e	f
INFORMATION/COUNTRY	TURNOVER	NUMBER OF EMPLOYEES ON A FULL TIME EQUIVALENT BASIS (UNIT)	PROFIT OR LOSS BEFORE TAX(****)	TAX ON PROFIT OR LOSS	PUBLIC SUBSIDIES RECEIVED
ITALY	-	-	137	-	-
TOTAL	**-**	**-**	**137**	**-**	**-**

Note:
(****) It refers to the contribution from Insurance Associated Companies accounted for equity method.

Non Financial Institutions

(€ million)

	b	c	d	e	f
INFORMATION/COUNTRY	TURNOVER	NUMBER OF EMPLOYEES ON A FULL TIME EQUIVALENT BASIS (UNIT)	PROFIT OR LOSS BEFORE TAX	TAX ON PROFIT OR LOSS	PUBLIC SUBSIDIES RECEIVED
HUNGARY	(1)	-	1	-	-
CZECH REPUBLIC	-	-	1	(1)	-
SERBIA	-	-	3	-	-
RUSSIA	-	-	1	-	-
BULGARIA	-	7	1	-	-
CROATIA	-	-	1	(1)	-
SLOVAKIA	-	-	1	-	-
ITALY	-	85	(59)	15	-
ROMANIA	-	-	(1)	-	-
AUSTRIA	(3)	16	19	7	-
GERMANY	(12)	193	(6)	4	-
TOTAL	**(16)**	**301**	**(38)**	**25**	**-**

2024 Company Report and Accounts of UniCredit S.p.A.
GENERAL MEETING DRAFT

Setting the benchmark for excellence

Company report and accounts 2024 of UniCredit S.p.A.

Setting the benchmark for excellence

See our microsite for more information on how we have progressed against our UniCredit Unlocked plan across our key focus areas

Introduction and highlights

Introduction to Report on operations of UniCredit S.p.A.

This Report on operations illustrates the performance of UniCredit S.p.A. ("Company" or "Bank") and the related amounts and results. It includes financial information such as Highlights, Reclassified accounts and their quarterly figures as well as a comment on the Results of the year.

The information in this report is supported, in order to provide further information about the performance achieved by the Company, by some Alternative Performance Indicators (API) such as: Cost/Income ratio, Net bad loans to customers/Loans to customers, Net Non-Performing loans to customers/Loans to customers, Return On Assets (ROA), Cost of risk.
Although some of this information, including certain APIs, is neither extracted nor directly referred to with Company financial statements, the Report on operations, the Annexes and the Glossary provide explanatory descriptions of the contents and, in case, the calculation methods used, in accordance with European Securities and Markets Authority Guidelines (ESMA/2015/1415) of 5 October 2015.
In particular in Annex 1 is included the reconciliation between the reclassified accounts and the mandatory reporting schedule, as required by Consob Notice No.6064293 of 28 July 2006.

The amounts related to year 2023 Reclassified income statement differ from the ones published at that time. For further details about the reasons of these restatement, refer to following paragraphs relating to the reconciliation principles followed for the Reclassified income statement and Balance sheet.
For information relating to related-party relations and transactions refer to the Notes to the accounts, Part H - Related party transactions.
For a complete description of risks and uncertainties that the Bank has to face in the current market situation refer the Notes to the accounts, Part E - Information on risks and related hedging policies.

Introduction and highlights

Highlights, alternative performance indicators and other measures

Income statement figures

(€ million)

	YEAR		
	2024	2023	% CHANGE
Revenue	16,769	14,477	+ 15.8%
of which:			
- Net interest	*6,052*	*5,822*	*+ 4.0%*
- Dividends	*5,054*	*3,069*	*+ 64.7%*
- Fees	*4,371*	*4,045*	*+ 8.1%*
Operating costs	(5,229)	(5,192)	+ 0.7%
Gross operating profit (loss)	11,539	9,285	+ 24.3%
Loan Loss Provisions (LLPs)	(486)	(181)	n.m.
Net operating profit (loss)	11,054	9,104	+ 21.4%
Profit (Loss) before tax	9,607	11,900	- 19.3%
Stated net profit (loss)	**8,106**	**11,264**	**- 28.0%**

The figures in this table refer to the Reclassified income statement. The amounts related to year 2023 differ from the ones published at that time. For further details refer to "Reconciliation principles followed for the Reclassified income statement". The Annex 1 includes the reconciliation between the reclassified accounts and the mandatory reporting schedule.

Balance sheet figures

(€ million)

	AMOUNTS AS AT		
	31.12.2024	31.12.2023	% CHANGE
Total assets	397,510	382,110	+ 4.0%
Financial assets held for trading	46,265	15,384	n.m.
Loans and receivables with customers	159,558	172,661	- 7.6%
Financial liabilities held for trading	38,052	14,311	n.m.
Deposits from customers and debt securities issued	248,068	253,217	- 2.0%
of which:			-
- deposits from customers	*201,008*	*206,660*	*- 2.7%*
- debt securities issued	*47,061*	*46,557*	*+ 1.1%*
Shareholders' equity	**57,729**	**60,303**	**- 4.3%**

Profitability ratios

	YEAR		
	2024	2023	CHANGE
EPS (€)	4.847	6.067	-1.220
Cost/Income ratio	31.2%	35.9%	- 4.7%
ROA	2.0%	2.9%	- 0.9%

Notes:
Earnings per share. For further details refer to Part C - Section 22.
Ratio between operating expenses and operating income.
Return on assets calculated as the ratio between Net profit (loss) and Total assets pursuant to Art.90 of CRD IV.

Introduction and highlights

Risk ratios

	AS AT		
	31.12.2024	31.12.2023	% CHANGE
Net bad loans to customers/Loans to customers	0.23%	0.20%	0.04%
Net non-performing loans to customers/Loans to customers	1.40%	1.28%	0.12%

For further details refer to table “Loans to customers - Credit quality” reported in paragraph “Credit quality” in this Report on operations.

Staff and branches

	AS AT		
	31.12.2024	31.12.2023	CHANGE
Number of employees	33,346	34,041	- 694
Number of branches	2,266	2,281	- 15
of which:			
- Italy	*2,256*	*2,270*	*- 14*
- Abroad	*10*	*11*	*- 1*

Notes:
Number of employees counted for the rate of presence (FTEs - Full Time Equivalent).
Number of branches includes only Retail branches.

Transitional capital ratios

	AS AT		
DESCRIPTION	**31.12.2024**	**31.12.2023**	**CHANGE**
Total Own Funds (€ million)	52,356	55,330	- 2,974
Total RWEA (€ million)	166,114	164,162	1,952
Common Equity Tier 1 Capital ratio	**24.66%**	**26.02%**	**-1.36%**
Total Capital ratio	**31.52%**	**33.70%**	**-2.19%**

Notes:
- Transitional own funds and capital ratios including all transitional adjustments according to the yearly applicable percentages.
- It should be noted that UniCredit S.p.A. decided to not apply the IFRS9 transitional approach as reported in article 473a of the Regulation 575/2013/EU (CRR).

For more details refer to paragraph "Capital and value management - Capital ratios" of this Report on operations.

Reclassified company accounts

Reconciliation principles followed for the reclassified balance sheet

The main reclassifications, whose amounts are provided analytically in the tables enclosed with this report, involve:

- the inclusion in “Loans to banks” of item “Financial assets at amortised cost: a) loans and advances to banks”, net of debt securities and lease assets in accordance with IFRS16 accounting standard reclassified in “Other financial assets”, and of loans related to item “Financial assets at fair value through profit or loss: c) other financial assets mandatorily at fair value”;
- the inclusion in “Loans to customers” of item “Financial assets at amortised cost: b) Loans and advances to customers”, net of debt securities and of IFRS16 leasing assets reclassified in “Other financial assets”, and of loans related to item “Financial assets at fair value through profit or loss: c) other financial assets mandatorily at fair value”;
- the aggregation as “Other financial assets” of items (i) “Financial assets at fair value through profit or loss: b) financial assets designated at fair value and c) other financial assets mandatorily at fair value”, net of loans reclassified in “Loans to banks and to customers”, of (ii) “Financial assets at fair value through other comprehensive income”, of (iii) “Equity investments”, besides reclassifications of (iv) debt securities from item “Financial assets at amortised cost: a) loans and advances to banks and b) loans and advances to customers” and of (v) IFRS16 leasing assets from item “Financial assets at amortised cost: a) loans and advances to banks and b) loans and advances to customers”;
- the inclusion in “Other financial liabilities” of leasing liabilities pursuant to accounting standard IFRS16 relating to item “Financial liabilities at amortised cost: a) deposits from banks and b) deposits from customers”;
- grouping under “Hedging instruments”, both assets and liabilities, of items “Hedging derivatives” and “Changes in fair value of portfolio hedged items” in the assets and “Value adjustment of hedged financial liabilities” in the liabilities;
- the inclusion of items “Provision for employee severance pay” and “Provisions for risks and charges” under “Other liabilities”.

Reclassified company accounts

Reclassified balance sheet

(€ million)

ASSETS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023	CHANGE AMOUNT	CHANGE %
Cash and cash balances	13,223	12,301	+ 922	+ 7.5%
Financial assets held for trading	46,265	15,384	+ 30,881	n.m.
Loans to banks	19,843	17,908	+ 1,935	+ 10.8%
Loans to customers	159,558	172,661	- 13,103	- 7.6%
Other financial assets	137,322	131,294	+ 6,028	+ 4.6%
Hedging instruments	(351)	8,887	- 9,238	n.m.
Property, plant and equipment	3,632	3,730	- 98	- 2.6%
Goodwill	-	-	-	-
Other intangible assets	1,707	1,580	+ 127	+ 8.1%
Tax assets	8,502	9,714	- 1,212	- 12.5%
Non-current assets and disposal groups classified as held for sale	39	299	- 260	- 87.0%
Other assets	7,771	8,352	- 581	- 7.0%
Total assets	**397,510**	**382,110**	**+ 15,400**	**+ 4.0%**

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023	CHANGE AMOUNT	CHANGE %
Deposits from banks	36,909	32,584	+ 4,325	+ 13.3%
Deposits from customers	201,008	206,660	- 5,652	- 2.7%
Debt securities issued	47,061	46,557	+ 504	+ 1.1%
Financial liabilities held for trading	38,052	14,311	+ 23,741	n.m.
Other financial liabilities	11,034	8,182	+ 2,852	+ 34.9%
Hedging instruments	(4,341)	4,547	- 8,888	n.m.
Tax liabilities	9	2	+ 7	n.m.
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Other liabilities	10,050	8,964	+ 1,086	+ 12.1%
Shareholders' equity	57,729	60,303	- 2,574	- 4.3%
of which:				
- capital and reserves	*49,622*	*49,039*	*+ 583*	*+ 1.2%*
- stated net profit (loss)	*8,106*	*11,264*	*- 3,158*	*- 28.0%*
Total liabilities and shareholders' equity	**397,510**	**382,110**	**+ 15,400**	**+ 4.0%**

Reclassified company accounts

Reclassified balance sheet - Quarterly figures

(€ million)

ASSETS	AMOUNTS AS AT 31.12.2024	30.09.2024	30.06.2024	31.03.2024	AMOUNTS AS AT 31.12.2023	30.09.2023	30.06.2023	31.03.2023
Cash and cash balances	13,223	10,305	8,814	14,307	12,301	21,439	23,643	62,435
Financial assets held for trading	46,265	50,442	10,077	11,616	15,384	16,703	20,523	19,328
Loans to banks	19,843	24,639	20,897	20,424	17,908	23,785	21,375	17,923
Loans to customers	159,558	171,189	175,305	176,422	172,661	176,134	189,655	189,328
Other financial assets	137,322	137,310	133,639	131,267	131,294	123,004	121,876	121,902
Hedging instruments	(351)	(760)	9,158	9,172	8,887	9,544	8,926	8,789
Property, plant and equipment	3,632	3,590	3,626	3,709	3,730	3,743	3,802	3,877
Goodwill	-	-	-	-	-	-	-	-
Other intangible assets	1,707	1,490	1,517	1,532	1,580	1,581	1,588	1,618
Tax assets	8,502	8,340	8,759	9,204	9,714	9,295	9,616	10,160
Non-current assets and disposal groups classified as held for sale	39	256	327	202	299	460	443	174
Other assets	7,771	7,883	8,471	9,848	8,352	8,399	7,532	7,670
Total assets	**397,510**	**414,686**	**380,591**	**387,703**	**382,110**	**394,087**	**408,979**	**443,204**

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024	30.09.2024	30.06.2024	31.03.2024	AMOUNTS AS AT 31.12.2023	30.09.2023	30.06.2023	31.03.2023
Deposits from banks	36,909	43,624	29,618	34,913	32,584	37,885	37,219	72,602
Deposits from customers	201,008	206,802	209,865	207,567	206,660	213,559	219,134	222,834
Debt securities issued	47,061	45,933	48,694	48,475	46,557	49,893	48,684	46,128
Financial liabilities held for trading	38,052	40,290	10,347	11,673	14,311	16,696	20,813	21,065
Other financial liabilities	11,034	11,073	10,011	8,995	8,182	7,543	7,359	7,009
Hedging instruments	(4,341)	(4,610)	3,425	4,026	4,547	3,094	3,364	3,239
Tax liabilities	9	52	23	3	2	5	5	19
Liabilities included in disposal groups classified as held for sale	-	-	-	-	-	-	-	-
Other liabilities	10,050	11,954	9,583	9,664	8,964	9,033	15,996	11,703
Shareholders' equity	57,729	59,567	59,026	62,386	60,303	56,379	56,405	58,605
of which:								
- capital and reserves	*49,622*	*52,399*	*52,933*	*59,197*	*49,039*	*50,548*	*51,706*	*55,498*
- stated net profit (loss)	*8,106*	*7,168*	*6,093*	*3,189*	*11,264*	*5,831*	*4,699*	*3,107*
Total liabilities and shareholders' equity	**397,510**	**414,686**	**380,591**	**387,703**	**382,110**	**394,087**	**408,979**	**443,204**

Reclassified company accounts

Reconciliation principles followed for the reclassified income statement

The main reclassifications, whose amounts are provided analytically in the tables enclosed with this report, involve:

- the inclusion in the "Net interest" of (i) the interest component of the DBO (Defined Benefit Obligation), TFR (Trattamento di Fine Rapporto) from "Staff costs", (ii) interest component on derivatives related to the economical hedging on banking book positions from item "Net gains (losses) on trading";
- the inclusion in "Dividends" of "Profit (Loss) of equity investments valued at equity";
- the inclusion in the "Fees" (i) of the structuring and mandate fees on certificates and the connected derivatives, issued or placed by the Group and (ii) of Mark-up fees on client hedging activities;
- the inclusion among "Trading income" (i) of the net gains (losses) on trading, (ii) of the net gains (losses) on hedge accounting, (iii) of the net gains/losses on other financial assets/liabilities at fair value through profit or loss, (iv) of the gains/losses on disposal or repurchase of financial assets at fair value through other comprehensive income, (v) of gains/losses on disposal and repurchase of financial assets at amortised cost represented by debt securities, (vi) of gains/losses on disposal and repurchase of financial liabilities at amortised cost, (vii) of the interest income and expenses deriving from Trading Book instruments,", (viii) dividends from held for trading equity instruments and (ix) dividends on equity investments, shares and equity instruments mandatorily at fair value;
- the inclusion in the "Other expenses/income" of (i) "Other operating expenses/income", excluding recovery of expenses not related to credit card distribution agreement, (ii) gains/losses on disposal and repurchase of financial assets at amortised cost represented by performing loans;
- the inclusion in the "Non HR costs" (i) of tax recovery reclassified from "Other operating expenses/income" (ii) the costs for net value adjustments on leasehold improvements from "Other operating expenses/income" and (iii) the component of discount associated with the accrual of the right to require specific services recognized in the context of agreements for credit card distribution and payment services from "Net fees and commissions";
- the presentation under its own item of "Recovery of expenses" different than the tax recovery and not related to credit card distribution agreement from "Other operating expenses/income";
- in "Loan Loss Provisions", the inclusion (i) of net losses/recoveries on financial assets at amortised cost and at fair value through other comprehensive income net of debt securities, (ii) of the gains (losses) on disposal and repurchase of financial assets at amortised cost net of debt securities and of performing loans, (iii) of the net provisions for risks and charges related to commitments and financial guarantees given, (iv) of credit recovery expenses for the variable portion of the outsourced NPE recovery costs not recovered from the clients and charged to the bank based on the recovered volumes, reclassified from item "Other administrative expenses";
- the inclusion in the "Other charges and provisions" of contributions to the resolution funds (SRF), the deposit guarantee schemes (DGS), the Bank Levy, the life insurance Guarantee Fund and the Guarantee fees for DTA reclassified from item "Other administrative expenses";
- the inclusion in the "Integration costs" of impact relating to the reorganization operations of "Other expenses/income", "HR costs", "Non HR costs", "Amortisations and depreciations" and "Other charges and provisions";
- the inclusion in "Net income from investments" of (i) net losses/recoveries on financial assets at amortised cost and at fair value through other comprehensive income - debt securities, (ii) gains (losses) on tangible and intangible assets measured at fair value, (iii) gains (losses) of equity investments and on disposal on investments, (iv) net Result on Financial Assets mandatorily at fair value related to debt securities referred to non-performing loans (included securitizations), and (v) impairment/write backs of rights of use of land and buildings used in the business.

Figures of Reclassified income statement relating to 2023 have been restated, starting from March 2024, with the effects of the:

- extension of shift from Trading Income to Fees of the client hedging mark-up for some additional derivatives non-linear product: Equity derivatives, FX derivatives and prepaid forward carbon trades;
- shift from Non HR Costs to Loan Loss Provisions of Credit recovery expenses for the variable portion of the outsourced NPE recovery costs not recovered from the clients and charged to the bank based on the recovered volumes;
- shift from Other charges and provision to Other expenses/income of amounts related to asset management distribution agreements.

Figures of Reclassified income statement have been restated starting from June 2024, with reference to 2023 and first quarter 2024, for the reclassification of "Tax Recovery" from Recovery of expenses to Non HR Costs.

Reclassified company accounts

Reclassified income statement

(€ million)

	YEAR		CHANGE	
	2024	2023	P&L	%
Net interest	6,052	5,822	+ 230	+ 4.0%
Dividends	5,054	3,069	+ 1,985	+ 64.7%
Fees	4,371	4,045	+ 326	+ 8.1%
Trading income	502	648	- 146	- 22.6%
Other expenses/income	789	893	- 104	- 11.6%
Revenue	**16,769**	**14,477**	**+ 2,292**	**+ 15.8%**
HR costs	(3,136)	(3,052)	- 84	+ 2.8%
Non HR costs	(1,500)	(1,539)	+ 39	- 2.5%
Recovery of expenses	97	84	+ 13	+ 15.6%
Amortisations and depreciations	(691)	(685)	- 6	+ 0.8%
Operating costs	**(5,229)**	**(5,192)**	**- 37**	**+ 0.7%**
GROSS OPERATING PROFIT (LOSS)	**11,539**	**9,285**	**+ 2,254**	**+ 24.3%**
Loan Loss Provisions (LLPs)	(486)	(181)	- 305	n.m.
NET OPERATING PROFIT (LOSS)	**11,054**	**9,104**	**+ 1,950**	**+ 21.4%**
Other charges and provisions	(243)	(478)	+ 235	- 49.1%
of which: systemic charges	*(255)*	*(457)*	*+ 202*	*- 44.2%*
Integration costs	(534)	(541)	+ 7	- 1.2%
Net income from investments	(669)	3,815	- 4,484	n.m.
PROFIT (LOSS) BEFORE TAX	**9,607**	**11,900**	**- 2,293**	**- 19.3%**
Income taxes	(1,500)	(636)	- 864	n.m.
Profit (Loss) of discontinued operations	-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD	**8,106**	**11,264**	**- 3,158**	**- 28.0%**
Goodwill impairment	-	-	-	-
STATED NET PROFIT (LOSS)	**8,106**	**11,264**	**- 3,158**	**- 28.0%**

Reclassified company accounts

Reclassified income statement - Quarterly figures

(€ million)

	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net interest	1,634	1,414	1,517	1,487	1,621	1,475	1,434	1,292
Dividends	382	193	2,218	2,261	34	131	592	2,312
Fees	1,033	1,048	1,156	1,135	971	951	1,023	1,100
Trading income	5	148	90	259	229	102	319	(2)
Other expenses/income	192	186	226	186	359	155	200	179
Revenue	**3,246**	**2,989**	**5,206**	**5,327**	**3,214**	**2,814**	**3,568**	**4,881**
HR costs	(859)	(760)	(757)	(760)	(850)	(744)	(731)	(727)
Non HR costs	(412)	(346)	(380)	(361)	(451)	(359)	(382)	(347)
Recovery of expenses	24	17	35	21	26	21	20	17
Amortisations and depreciations	(178)	(171)	(167)	(175)	(144)	(175)	(184)	(182)
Operating costs	**(1,426)**	**(1,260)**	**(1,269)**	**(1,274)**	**(1,419)**	**(1,257)**	**(1,277)**	**(1,239)**
GROSS OPERATING PROFIT (LOSS)	**1,819**	**1,729**	**3,938**	**4,053**	**1,795**	**1,557**	**2,291**	**3,642**
Loan Loss Provisions (LLPs)	(182)	(114)	(20)	(170)	43	(53)	(54)	(117)
NET OPERATING PROFIT (LOSS)	**1,638**	**1,615**	**3,918**	**3,883**	**1,838**	**1,504**	**2,237**	**3,525**
Other charges and provisions	(18)	(35)	(11)	(179)	(3)	(229)	(19)	(227)
of which: systemic charges	*(25)*	*(20)*	*(17)*	*(193)*	*(14)*	*(209)*	*(24)*	*(210)*
Integration costs	(485)	(18)	(20)	(11)	(320)	(18)	(197)	(6)
Net income from investments	(234)	(53)	(353)	(29)	3,348	246	85	136
PROFIT (LOSS) BEFORE TAX	**901**	**1,509**	**3,533**	**3,664**	**4,863**	**1,503**	**2,106**	**3,428**
Income taxes	38	(434)	(630)	(475)	570	(371)	(514)	(321)
Profit (Loss) of discontinued operations	-	-	-	-	-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD	**938**	**1,075**	**2,904**	**3,189**	**5,433**	**1,132**	**1,592**	**3,107**
Goodwill impairment	-	-	-	-	-	-	-	-
STATED NET PROFIT (LOSS)	**938**	**1,075**	**2,904**	**3,189**	**5,433**	**1,132**	**1,592**	**3,107**

Results of the year

Macroeconomic situation, banking and financial markets

Reference is made to the paragraph "Macroeconomic situation, banking and financial markets" of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Group results, which is herewith quoted entirely.

Main results and performance for the period

The income statement

Breakdown of Net operating profit (loss)

Net operating profit (loss) on 31 December 2024 totaled €11,054 million with a high increase (+€1,950 million) compared to the previous year.
Gross operating profit (loss) totaled €11,539 million (+€2,254 million year on year, +24.3%) and Net write-downs of loans amounted to -€486 million (-305 million versus December 2023).
The annual increase in the Gross operating profit (loss) compared to December 2023 is mainly attributable to the increase of Revenues (+€2,292 million) mainly linked to Dividends (+1,985 million).

In 2023 UniCredit group decided to simplify the structure of its trading activities bundled previously in UniCredit Bank GmbH and to centralize them at UniCredit S.p.A. To ensure an orderly and smooth transfer during the centralisation process, trading activities in UniCredit Bank HVB were divided into five tranches starting from 3 quarter 2024 and until 2026. In the initial tranche, occurred in July 2024, bond and interest rate derivative transactions were transferred while in the second tranche, occurred in November 2024 the brokerage business with non-German customers was transferred.

Net operating profit (loss)

(€ million)

	YEAR		CHANGE	
	2024	2023	P&L	%
REVENUE	**16,769**	**14,477**	**+ 2,292**	**+ 15.8%**
Operating costs	(5,229)	(5,192)	- 37	+ 0.7%
GROSS OPERATING PROFIT (LOSS)	**11,539**	**9,285**	**+ 2,254**	**+ 24.3%**
Net write-downs of loans and provisions for guarantees and commitments	(486)	(181)	- 305	n.m.
NET OPERATING PROFIT (LOSS)	**11,054**	**9,104**	**+ 1,950**	**+ 21.4%**

Revenue

At 31 December 2024 Revenues totaled €16,769 million, up €2,292 million (+15.8%) on the previous year. The increase was mainly attributable to the increase of Net Interest (+€230 million), Fees (+€326 million) and Dividends (+€1,985 million). Compared to the previous year there has been a reduction in the Trading profit (-€146 million) and Other expenses/income (-€104 million).

Net interest at December 2024 amounted to €6,052 million, up +4% (€230 million) compared to the previous year. This growth was supported by the favorable interest rate environment combined with prudent deposit beta management.
The average customer loans interest rates recorded overall an increase versus 2023. The growth was mainly attributable to short term loans and loans to enterprises, for which increase was also influenced by the maturity of state guarantees loans provided by Covid-19 measures. At the same time there was a decrease in the stock of loans, mainly linked to the general reduction in the demand for credit by customers resulting from the increase in interest rates together and from the progressive maturity of mortgages granted under Covid-19 guarantee schemes, partially offset by the commercial development actions on the positive sEva clients.

Average interest rates on deposits show an increase, in particular for corporate customers. During the 2024, there was also a reduction in the volumes of customer deposits: the decline reflects the Bank's attention to pricing, a greater diversification of savings by customers with a rotation towards other forms of asset under custody as well as a reduction in Individuals influenced by higher placements in government bonds (BTPs).

During the year, the Bank executed its medium/long term Financial Plan adopting the usual approach of using a variety structures/currencies/maturities to avoid concentration risk and to benefit a large degree of name recognition with Investors.
For additional details reference is made to the paragraph "Other information on Group activities" of Consolidated annual report.

Results of the year

Dividends recorded in 2024 totaled €5,054 million, up €1,985 million compared to previous year. This trend is mainly explained by the growth of dividends of the banks in the CEE area (+658 million) mainly AO UniCredit Bank (+278 million), UniCredit Bank Czech Republic and Slovakia A.S. (+228 million) and UniCredit Bank S.A. (+128 million) and of UniCredit Bank Austria AG (+598 million) and UniCredit Bank GmbH (+565 million).

Fees at 31 December 2024 amounted to €4,371 million, up to €326 million (+8.1%) compared to the previous year. The increase is attributable for €276 million to commissions on investment products, mainly sustained by higher investment funds placements that benefited from the greater commercial push and a more favorable macroeconomic scenario, for €40 million to increase in commissions on loans, for €55 million to the growth recorded on payment services and cards, which more than offset the higher costs related to securitization transactions for -€21 million and the lower contribution of commissions on current accounts, penalized in the year-on-year comparison by the repricing maneuvers resulting from the changed market interest rate scenario, for -€51 million. Commissions on insurance products recorded an increase of €42 million compared last year, mainly supported by the casualty insurance component as well as the positive result of credit protection insurance.

Trading income at December 2024 (+€502 million) was essentially attributable to the unrealized effects related to equity instruments mandatorily at fair value (€132 million), to the effects of the revaluation of the issuance of Additional Tier1 of UniCredit Bank GmbH (+€121 million), to the gains from investment portfolio (+€97 million) and to the effects of the revaluation of the issuance of Additional Tier 1 of UniCredit Bank Austria AG (+€75 million). In addition, realized effects related to equity investments in Visa Inc (+€20 million) and Webuild S.p.A. (+€19 million) were recorded.
Finally, losses related to XVA - Credit, Funding and Debt Value Adjustment and relative hedging activity amounting to -€19 million.
Overall, Trading income decreased by -€146 million compared to the previous year. The main changes in comparison with 2023 are mainly attributable to the losses from investment portfolio (-€101 million) and to effects of the evaluation of OICR quotes mandatorily at fair value (-€50 million).

Other expenses/income at December 2024 amounted to €789 million, decreasing by -€104 million compared to the previous year. The main impacts in 2024 are attributable to income for services, ICT projects and software provided to other Group companies. The figure for the year 2024 includes, among other things, the positive effects deriving from the signing of the Global Partnership Agreement with Nexi in the second quarter of 2024, which updates the previous agreement, as well as those deriving from the renegotiation of the contract with Amundi and the new business agreement with Mastercard.

Operating costs

Operating costs at December 2024 amounted to -€5,229 million, increasing of €37 million (+0.7%) compared to the previous year. HR costs, amounted to -€3,136 million, increased compared to 2023 (-84 million, +2.8%) mainly due to the effect of CCNL renewal and higher accrual on variable for improved results balanced by lower FTEs.
Full Time Equivalent (FTE) evolution stands at 33,361 at 31 December 2024 and showed a decrease of about 680 FTE year-on-year thanks to multiyear personnel exit plan linked with “UniCredit Unlocked”.

Non HR costs in 2024 amounted to -€1,500 million, down by €39 million (-2.5%) compared to 2023. The decrease was concentrated on ICT efficiencies.

Recovery of expenses, amounting to €97 million, are increasing compared to the previous year (+€13 million, +15.6%) mainly for credit recovery activity.

Amortization and depreciation amounted to -€691 million, decreasing (-€6 million, +0.8%) compared to the previous year connected to initiatives of rationalization of real estate assets and to the modification of the useful life of the properties.

Results of the year

Loan Loss Provisions (LLPs)

At December 2024 Loan Loss Provisions (LLPs) sum up to -€486 million, growing for €305 million (+168%) in respect of previous year.
Net of the Russian, which showed recoveries of €35 million, LLPs amounted to -€521 million, higher than the -257 million in 2023.

With reference to the activities of Russia perimeter, the result recorded in the 2024 is essentially attributable to the contraction of receivables in the Russia perimeter as a result of repayments as per the amortization schedule.

With regard to the other segments, the amount of LLPs in December 2024 amounted to -€521 million and were mainly determined by the combined effect of the following events: (i) mainly due to: -66 million LLPs increase for maintaining of the "overlay"; €20 millions of LLPs decrease connected to IFRS9 macro-economic scenario update, write back for 49 million main Rating Model credit risk parameters calibration (PD, LGD and EAD), (ii) -€173 million of LLPs write down due to Non Performing Portfolio disposals and € 20 million decrease LLPs for update of the selling scenario (iii) -€370 million of LLPs increase mainly connected to credit portfolio dynamics like recoveries, Inflows and Outflows to NPE.

Cost of Risk in 2024 was 28 basis points. Excluding Russia, Cost of Risk was 30 basis point, slightly increasing versus 14 basis points versus previous year.

For more details on the actions taken to address the current macroeconomic scenario both with reference to direct risks to Russian exposures and indirect risks, please refer to Section 4- Other aspects, Notes to the Accounts, Part A- Accounting policies, A.1 General.

For more details on measurement methods for expected losses reference is made to the paragraph 2.3 Measurement methods for expected losses, Notes to the consolidated account, Part E - Information on risks and on hedging policies, Section 2 - Risks on the prudential consolidate perimeter, 2.1 Credit Risk - Qualitative information.

Net profit (loss)

In the table below, the data showing the transition to Stated Net profit (loss) for illustrative purposes.
Net Profit of the current year amounted to €8,106 million compared to €11,264 million of the previous year, down -€3,158 million. The figure includes a positive result of €34 million attributable to the activities of Russia perimeter which in the year 2023 had recorded a net profit of €173 million.

Net profit (loss)

(€ million)

	YEAR		CHANGE	
	2024	2023	P&L	%
NET OPERATING PROFIT (LOSS)	**11,054**	**9,104**	**+ 1,950**	**+ 21.4%**
Other charges and provisions	(243)	(478)	+ 235	- 49.1%
Integration costs	(534)	(541)	+ 7	- 1.2%
Net income from investments	(669)	3,815	- 4,484	n.m.
PROFIT (LOSS) BEFORE TAX	**9,607**	**11,900**	**- 2,293**	**- 19.3%**
Income taxes	(1,500)	(636)	- 864	n.m.
Profit (Loss) of discontinued operations	-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD	**8,106**	**11,264**	**- 3,158**	**- 28.0%**
Goodwill impairment	-	-	-	-
STATED NET PROFIT (LOSS)	**8,106**	**11,264**	**- 3,158**	**- 28.0%**

Results of the year

Other charges and provisions

Other charges and provisions, amounting to -€243 million, down compared to -€478 million in 2023, include the Deposit Guarantee Scheme (DGS) ordinary and additional contribution to Fondo Interbancario di Tutela dei Depositi - FITD (-€171 million), the contribution to the new Fondo di Garanzia per l'Assicurazione Vita (-€5 million) and other provisions and release for litigations, lawsuits, disputes, incidents and claims in which the Bank is passive subject.

Integration costs

Integration costs amounted to -€534 million, decrease by 7 million (-1.2%) compared to 2023, related to ICT write off in 2023 partially balanced also by severance accrual in 2024.

Net income from investments

Net income from investments was -€669 million, down compared to €3,815 million in 2023.
In particular, in 2024 write-downs on equity regarding AO UniCredit Bank (-483 million), UniCredit Leasing S.p.A. (-92 million), in UniCredit International Bank Luxembourg S.A. (-41 million) and in Pioneer Alternative Investment Management LTD (-33 million) were recorded, partially offset by write-backs on equity regarding UniCredit Bank S.A. Romania (+95 million).
For further information on the methodology, results and base assumptions used in the impairment test of investments in subsidiaries refer to "Section 7 - Equity investments - Item 70", Notes to the accounts, Part B - Balance sheet - Assets.

Taxes on income

Taxes on income for 2024 report a negative amount of €1,500 million, with respect to the negative amount of €636 million in 2023, this amount is mainly composed by:

- IRES (current and deferred taxes) negative value of €1,057 million. The amount of the current IRES is negative for €174 million. The handling of deferred tax assets and liabilities of the period is negative for €883 million, mainly determined by write-up of TLCF DTA, the recovery of temporary convertible DTA, provisions for risks and charges DTA and from previous tax losses carried forward reimbursed by the provisional liquidation of the italian Tax Group;
- IRAP negative (current and deferred taxes) of €416 million. The amount of the current IRAP is negative for €281 million (negative €273 million produced by tax cases from Income statement and negative €8 million produced by tax cases from Net equity) while IRAP deferred taxes negative for €143 million (mainly determined by the recovery of temporary convertible DTA and provisions for personnel fund DTA);
- a provision for a negative amount of €1 million related to the taxation on a transparent basis of controlled foreign companies (CFC);
- non-deductible withholding tax for a negative amount of €76 million suffered in Italy and abroad;
- net amount of previous years current and deferred taxes positive of €39 million;
- tax accrual referred to foreign branches and permanent establishment for a negative amount equal to €5.5 million;
- tax credits positive amount of € 0,5 million related to Art bonus (D.L. 34/2014);
- tax credit deriving from the conversion of the "ACE" benefit into IRAP tax credit for a positive amount €21 million (related to previous years);
- a provision for a negative amount of €5 million related to Pillar Two regulation.

For further details refer to the Notes to the accounts, Part B - Balance Sheet - Assets, Section 10 - Tax assets and Tax liabilities and Part C - Income Statement, Section 19 - Tax expense (income) related to profit or loss from continuing operations.

Results of the year

The balance sheet

Loans to Customers
As at 31 December 2024, loans to customers totalled €159,558 million, a decrease of -€13,103 million (-7.6%) compared to 31 December 2023.

Loans to customers

(€ million)

	AMOUNT AS AT		CHANGE	
	31.12.2024	31.12.2023	AMOUNT	%
Performing loans	145,018	151,480	- 6,463	- 4.3%
Repos	12,308	18,965	- 6,657	- 35.1%
Non-performing exposures	2,232	2,216	+ 16	+ 0.7%
Total loans to customers	**159,558**	**172,661**	**- 13,103**	**- 7.6%**

More specifically:
- **performing loans** recorded a decrease of -€-6,463 million (-4.3%);
- **reverse repos** recorded a decrease of -€6,657 million (-35.1%);
- **impaired assets** recorded a slight increase of €16 million (0.7%).

The reduction of **performing loans** is mainly due to the prevalence of reimbursements over new disbursements.
Performing loans (€145,018 million at 31 December 2024) included €110 million due to Special Purpose Vehicles (SPVs), attributable mainly to liquidity which UniCredit S.p.A., following the downgrading from 2012 by the rating agencies involved in the transactions, had to transfer (based on the contractual documentation signed) to other banks, still considered "eligible", in favor of the SPVs granting loans as part of the transactions originated by UniCredit S.p.A. in relation to securitisations and covered bond issue programmes.
During 2024 the aforementioned receivables from Special Purpose Vehicle (S.P.V.) decreased by €252 million compared to 31 December 2023, partly attributable to the closure of the Consumer Three transaction, partly to the partial repurchase of receivables from UniCredit BPC Mortgage Srl and partly related to the normal management of securitization transactions.

Reverse repos, whose performance are strictly linked to liquidity management, amounted to €12,308 million at 31 December 2024 (€18,965 million at the end of 2023), and consisted almost entirely of transactions with Cassa di Compensazione e Garanzia, with Cassa Depositi e Prestiti.

Impaired loans at the end of December 2024 amounted to €2,232 million and came to 1.4% of the total amount of loans to customers.They mainly referred to the business segment.
The increase of €16 million (0.7% in comparison to €2,216 million at the end of December 2023) is mainly attributable to the normal default flows, offset by the Bank's intense activity aimed at reducing impaired credit exposures, carried out mainly through disposal operations.

Credit quality
As at 31 December 2024, the gross book value (GBV) of the Non-Performing Exposures (NPE) amounts to €4,090 million, representing 2.5% of total GBV loans to customers, a slight decreased, compared to 2023. The decrease is mainly due to sales operations carried out during the year both on loans classified as bad exposures and on loans classified as unlikely to pay.

The ratio of bad exposures loans (GBV) amounted to 0.7% of total loans to customers (0.65% at 31 December 2023) loans classified as unlikely to pay amounted to 1.55% of total loans (1.54% at 31 December 2023), while impaired past due exposures amounted to 0.26% of total loans (0.27% at 31 December 2023).

The coverage ratio of impaired loans (specific write-downs to face value) came to around 45.4%, a decrease compared to the 48.9% recorded on 31 December 2023, in detail the coverage ratio is equal to 67.2% for bad exposures loans, 38.3% for loans classified as unlikely to pay and 29.9% for impaired past due exposures.

Performing loans, which amounted to €159,009 million at GBV (€172,287 million at 31 December 2023), were written down, at 31 December 2024, by a total of €1,683 million, with a coverage ratio of 1.06%, including written down in the Russian segment net of which the coverage ratio stands at 1.00% (1.07% at 31 December 2023).

Results of the year

For additional information on the methodological developments that impacted the determination of write-downs, refer to the paragraph "2.3 Methods for measuring expected losses" of the Consolidated financial statements of UniCredit group, Notes to the consolidated account, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information.

Therefore, overall, total Loans to customers on 31 December 2024 stood at €163,099 million, with value adjustments of €3,541 million taking the general level of coverage for Loans to Customers to 2.2% (2.2% at 31 December 2023).

For the management and recovery of problematic loans, the Bank uses also the services offered by doValue S.p.A., a bank specialised in loan recovery (bad exposures loans and unlikely-to-pay loans) and Prelios Credit Servicing S.p.A., a company specializing in the management of unlikely to pay loans.

The summary table below provides additional details:

Loans to customers - Asset quality

(€ million)

	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE	TOTAL NON-PERFORMING	PERFORMING	TOTAL LOANS
As at 31.12.2024						
Gross exposure	1,135	2,529	426	**4,090**	159,009	**163,099**
as a percentage of total loans	*0.70%*	*1.55%*	*0.26%*	***2.51%***	*97.49%*	
Writedowns	763	968	127	**1,858**	1,683	**3,541**
as a percentage of gross value	*67.20%*	*38.27%*	*29.86%*	***45.42%***	*1.06%*	
Carrying value	372	1,561	298	**2,232**	157,326	**159,558**
as a percentage of total loans	*0.23%*	*0.98%*	*0.19%*	***1.40%***	*98.60%*	
As at 31.12.2023						
Gross exposure	1,141	2,728	470	**4,340**	172,287	**176,627**
as a percentage of total loans	*0.65%*	*1.54%*	*0.27%*	***2.46%***	*97.54%*	
Writedowns	802	1,171	151	**2,124**	1,842	**3,966**
as a percentage of gross value	*70.28%*	*42.93%*	*32.05%*	***48.94%***	*1.07%*	
Carrying value	339	1,557	320	**2,216**	170,445	**172,661**
as a percentage of total loans	*0.20%*	*0.90%*	*0.19%*	***1.28%***	*98.72%*	

Note:
Total loans to customers exclude the receivables arising from subleases recognised due to the application of IFRS16.

Deposits from customers and debt securities in issue

Deposits from customers and debt securities in issue decrease in respect of 2023 for the combined effect of decrease attributable to operating units in Italy (-€4,999 million) and decrease due to operating units abroad (€150 million).

Deposits from customers and debt securities in issue

(€ million)

	AMOUNTS AS AT		CHANGE	
	31.12.2024	31.12.2023	AMOUNT	%
Deposits from customers	201,008	206,660	- 5,652	- 2.7%
Debt securities in issue	47,061	46,557	+ 504	+ 1.1%
Total deposits from customers and debt securities in issue	**248,068**	**253,217**	**- 5,149**	**- 2.0%**

Deposits from customers change due to:
- current accounts and demand deposits, decreased by €1,724 million;
- time deposits, decreased by €387 million;
- repurchase agreements with customers, decreased by €1,106 million;
- other types of deposits, decreased by €2,435 million, mainly driven by operativity in hot money transactions.

Debt securities in issue, only managed by operating units in Italy, increase mainly driven by bond issues (€627 million), repos on own issued bonds (-€117 million), certificates of deposit (-€5 million) and to "buoni fruttiferi" (-€2 million).

Results of the year

Other financial assets

In 2024 financial investments showed an increase mainly attributable to bonds and equity investments.

Other financial assets

(€ million)

	AMOUNT AS AT		CHANGE	
	31.12.2024	31.12.2023	AMOUNT	%
Financial assets at fair value through profit or loss - Other financial assets designated at fair value	132	132	+ 0	+ 0.1%
Financial assets at fair value through profit or loss - Other financial assets mandatorily at fair value	6,029	5,548	+ 480	+ 8.7%
Financial assets at fair value through other comprehensive income	39,813	31,636	+ 8,177	+ 25.8%
Debt securities and loans at amortised cost	49,007	51,460	- 2,453	- 4.8%
Equity investments	42,341	42,517	- 176	- 0.4%
Total other financial assets	**137,322**	**131,294**	**+ 6,028**	**+ 4.6%**

More specifically:

- financial assets designated at fair value are composed by few government bonds;
- financial assets mandatory at fair value are mainly composed by units in investment funds (€3,097 million) and bonds (€2,540 million), whose changes in respect of December 2023 are mainly originated by the combination of buy/sell and maturities dynamic and fair value evaluation. Equity investments decrease by €223 million mainly due to some sales realized during the year;
- financial assets at fair value through other comprehensive income included €36,182 million in debt (increased by €5,901 million primarily due to government and bank bonds) and €3,631 million in equity interests that have undergone an annual increase of €2,276 million, mainly attributable to:
  - new purchase of quotes in bank and insurance companies, including Commerzbank Ag for €1.749;
  - fair value changes, of which ABH Holding (-€31 million) and Alpha Services and Holding SA (+€10 million);
- debt securities and loans at amortised cost mainly include (i) government and bank securities, increased due to combination of buy/sell and maturities dynamic in the year and (ii) receivables for subleases deriving from the application of the IFRS16 standard;
- the value of equity investments increased mainly driven by the combined effects arising from:
  - the write-downs of the investment, of which: AO UniCredit Bank (-€483 million), UniCredit Leasing S.p.A. (-€92 million), UniCredit International Luxembourg S.A. (-€41 million), Pioneer Alternative Investment Management Ltd (-€33 million), UniCredit Services Gmbh (-€7 million);
  - the write-up of the investment, of which: UniCredit RE Services S.p.A. (€2 million), Unicredit Turn Around Management Cee Gmbh (€1 million), Nuova Compagnia di Partecipazioni S.p.A. (€1 million).

Interbank position

The Bank recorded, under its financial activities, a net interbank position at the end of 2024 of assets (€19,843 million) and liabilities (€36,909 million) equal to -€17,065 million. Compared with the corresponding figures at the end of 2023 (net equal to -€14,676 million), the balance showed a slight increase in the net liabilities of €2,389 million due to the small increase of Deposits from banks (+€4,325 million) not totally balanced by the increase of Loans and receivables with banks (+€1,935 million).
As regards the slight increase in Debts to banks, this trend is mainly due to the increase in the REPO activity increased also to replace the last tranche of the ECB TLTRO for a total of 5,129 million expired in March 2024.

Interbank position

(€ million)

	AMOUNTS AS AT		CHANGE	
	31.12.2024	31.12.2023	AMOUNT	%
Loans and receivables with banks	19,843	17,908	+ 1,935	+ 10.8%
Deposits from banks	36,909	32,584	+ 4,325	+ 13.3%
NET INTERBANK POSITION	**(17,065)**	**(14,676)**	**- 2,389**	**+ 16.3%**

Results of the year

Capital and Value Management

Principles of value creation and disciplined capital allocation

Reference is made to the paragraph "Principles of value creation and disciplined capital allocation" of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Results of the year, Capital and Value Management, which is herewith quoted entirely.

Capital ratios

Transitional Own Funds and capital ratios

DESCRIPTION	AS AT 31.12.2024	31.12.2023
Common Equity Tier 1 Capital (€ million)	40,971	42,721
Tier 1 Capital (€ million)	45,899	47,553
Total Own Funds (€ million)	52,356	55,330
Total RWEA (€ million)	166,114	164,162
Common Equity Tier 1 Capital ratio	**24.66%**	**26.02%**
Tier 1 Capital ratio	**27.63%**	**28.97%**
Total Capital ratio	**31.52%**	**33.70%**

Notes:
Transitional own funds and capital ratios including all transitional adjustments according to the yearly applicable percentages.
UniCredit S.p.A. has decided to not apply the IFRS9 transitional approach as reported in article 473a of the Regulation 575/2013/EU (CRR).

For further information refer to the Notes to the accounts, Part F - Shareholders' equity, Section 2 - Own funds and regulatory ratios.

Capital strengthening

Reference is made to the paragraph "Capital strengthening", of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Results of the year, Capital and Value Management, which is herewith quoted entirely.

Results of the year

Shareholders’ equity

Shareholders' equity

(€ million)

	AMOUNT AS AT		CHANGE	
	31.12.2024	31.12.2023	AMOUNT	%
Share capital	21,368	21,278	+ 90	+ 0.4%
Share premium	23	23	- 0	- 1.8%
Equity instruments	4,958	4,863	+ 95	+ 2.0%
Reserves	23,899	23,944	- 45	- 0.2%
Advanced dividends	(1,440)	-	- 1,440	-
Revaluation reserves	815	658	+ 157	+ 23.9%
Treasury shares	-	(1,727)	+ 1,727	- 100.0%
Total capital and reserves	**49,623**	**49,039**	**+ 584**	**+ 1.2%**
Net profit (loss)	8,106	11,264	- 3,158	- 28.0%
Total shareholders' equity	**57,729**	**60,303**	**- 2,574**	**- 4.3%**

Shareholders' equity as at 31 December 2024 amounted to €57,729 million, with an decrease of €2,574 million compared to previous year attributable to:

- -€3,015 million for distribution of cash dividend from allocation of 2023 net profit as approved by Shareholders' Meeting of 12 April 2024;
- -€1,440 million for distribution of the 2024 interim dividend based on the results of the 2024 Financial Year approved by the Board of Directors on 5 November 2024;
- -€30 million in favor of UniCredit Foundation for social, charity and cultural initiatives as approved by Shareholders' Meeting of 12 April 2024;
- +€12 million to the statutory reserve for shares repurchased after November 4 and held in the portfolio at the record date for which the interim dividends are not due;
- -€452 million consisting of the allocation to the reserves of the coupon paid to subscribers of Additional Tier 1 notes, net of related tax effects and transaction costs on redeemed issues (-204 million) and the exchange rate difference (-248 million);
- -€247 million from the allocation to the reserves of the cash-out related to the usufruct contract connected to the “Cashes” financial instruments;
- +€69 million from the adjustment to the reserve dedicated to Equity Settled Share Based Payments;
- +€95 million from the issue in September of Additional Tier 1 (AT1) instruments net of the related placement costs (+993 million) and from the early termination of the Additional Tier 1 (AT1) instruments issued in 2014, net of the related placement costs, by exercising the repayment option provided for by the terms and conditions of the securities (-898 million);
- -€76 million for allocation to equity of realized net gains and losses from disposal of financial assets and liabilities at fair value through other comprehensive income;
- -€4 million to the allocation of costs connected to the execution of buyback operations on own shares;
- +€122 million for IRES impairment on tax losses;
- -€1,086 million for the purchase of the additional 37,815,422 shares to complete the First Tranche of the 2023 Buy-Back Program started on 30 October 2023 and concluded on 7 March 2024;
- -€1,585 million for the purchase of 44,859,171 shares in execution of the "Second Tranche of the 2023 Buy-Back Program" started on 9 May 2024 and concluded on 20 June 2024;
- -€1,500 million for the purchase of 42,242,975 shares in execution of the Third Tranche of the 2023 Buy-Back Program started on 24 June 2024 and concluded on 19 August 2024;
- -€1,700 million for the purchase of 43,313,675 shares in execution of the advance of the 2024 Buy-Back Program, started on 16 September 2024 and concluded on 14 November 2024;
- +€8,106 million to the net result for the period;
- +€158 million to the net effect deriving from revaluation reserves, of which: +€119 million from financial assets at fair value through other comprehensive income; +€10 million from financial liabilities designated at fair value through profit or loss, due to changes in their creditworthiness; +€49 million from cash flow hedges; -€16 million from revaluation of real estate properties following the tax realignment of the properties used in business under IAS16 with impact on equity and -€4 million from defined benefit plans.

Results of the year

Note also the following significant changes occurred in 2024 within the components of shareholders' equity which did not lead to a change in the overall amount of the same:

- the Share Capital increased by 90 million, with withdrawal from the specifically established reserve, for the issue of shares connected to the medium-term incentive plan for Group personnel, as per the resolution of the Board of Directors of 4 February 2024;
- following the resolutions of the Shareholders' Meeting of 12 April 2024 occurred: (i) the allocation of the net profit of the year 2023 to the establishing of a specific Reserve for windfall tax (€1,125 million), for social, charity and cultural initiatives (€5 million), to the Reserve for the issue of the shares connected to the medium term incentive plan for Group personnel (€100 million) and to the Statutory reserve (€6,989 million); ii) coverage of the negative reserves totaling €445 million, partly buy use of the IFRS3 Business Combination Reserve (270 million) to cover the reserve relating to the payment of AT1 coupons (263 million) and the reserve relating to payments of the Equity Settled Share Based Payments plans settled in cash (7 million), partly through the use of the Statutory Reserve to cover the reserve deriving from payments connected to the usufruct contract related to the “Cashes” financial instruments (175 million); iii) the establishment of the specific unavailable reserve of 3,085 million for the execution of the 2023 Buy-Back Program and of 1,700 million for the execution of the first part of the 2024 Buy-Back Program, with withdrawal from the statutory reserve;
- with the cancellation operations of the shares purchased in execution of the buyback programs (completion of Buyback 2022, Buyback 2023 and Buyback 2024 first tranche) carried out on 16 January 2024, 26 March 2024, 26 June 2024 and 18 December 2024, the constrained reserve for the buyback was used to eliminate the item Treasury shares for a total of 7,598 million.

Shareholders

The share capital, subscribed and paid up, amounts to €21,367,680,521.48 divided into No.1,551,419,850 ordinary shares with no face value.
As at 31 December 2024, according to the analyses performed using data from the content of the Register of Shareholders:

- shareholders were approximately 189,000;
- resident shareholders held around 13.44% of the capital and foreign shareholders 86.56%;
- 94.60% of the share capital is held by legal entities, the remaining 5.40% by natural persons.

At the same date, on the basis of the communications pursuant to Art.120 of the Consolidated Law on Finance (TUF), the relevant direct or indirect investments in the share capital are listed below. The shareholders listed below hold more than 3% and they are not exempted from the reporting provided for by Art.119-bis of the CONSOB Regulation 11971/99.

Principal UniCredit shareholders

SHAREHOLDER	ORDINARY SHARES	% OWNED
BlackRock Group	114,907,383	7.407%(*)
FMR LLC	48,134,003	3.102%(*)

Notes:
The table shows the information notified by the shareholders pursuant to Art.120 of the Consolidated Law on Finance (TUF) following the update disclosed on the Consob website on 27 December 2024. The percentages here indicated are calculated on the number of shares representing the share capital as at 31 December 2024, which takes into account the cancellation of treasury shares carried out on 18 December 2024. It should be noted that, in the cases provided for by the Issuers' Regulations, management companies and qualified entities that have acquired, as part of their management activities, shareholdings less than 5% are not required to make disclosures.

(*) Non-discretional asset management.

Results of the year

Treasury shares

The 2022-2024 Strategic Plan “UniCredit Unlocked” presented to the market on 9 December 2021 set among the objectives a shareholders' distribution to be implemented in part through treasury share buyback programs with the with the aim to ensure higher and progressively growing remuneration over the course of the plan.

In this context, during the year 2022, in force of the authorization granted by the Shareholders' Meeting on 8 April 2022, a program for the purchase of UniCredit ordinary shares was implemented as part of the distribution to the shareholders for the year 2021 for a total expenditure of €2,580 million and which involved the purchase in two distinct tranches (“First and Second Tranche of the 2021 Buy-Back Programme”) of a total of No.249,134,870 treasury shares. The treasury shares purchased were entirely canceled during the same year at the completion of the two tranches with no reduction of share capital but exclusively through a reduction in the number of existing shares and with a consequent increase in their accounting par value of the shares issued by the Company.

On 31 March 2023 the Shareholders' Meeting, in line with the targets envisaged by the Strategic Plan in terms of shareholder remuneration, for the year 2022 authorized a share buyback program for a total expenditure of €3,343 million, entirely carried out during 2023 in two distinct tranches ("First and Second Tranche of the 2022 Buy-Back Programme"). The first tranche of purchases of treasury shares was launched on 3 April 2023 and concluded on 29 June 2023 with the purchase of a total of No.125,036,173 shares for a total expenditure equal to the maximum amount authorised (€2,343 million); the second tranche of purchases of treasury shares was started on 30 June 2023 and completed on 29 September 2023 with the purchase of a total of No.45,138,320 UniCredit ordinary shares for a total expenditure equal to the residual authorized amount available (€1,000 million).

On 12 September 2023, with the aim of submitting to the approval of the Shareholders' Meeting the launch already in 2023 of a first tranche of a share buyback program from distribution for the year 2023, the treasury shares purchased up to date under the 2022 Buy-Back Programme (No.156,114,828 for a total amount of €3,031 million) were cancelled without reduction of the share capital.

On 27 October 2023 the Shareholders' Meeting of the Company approved a fist tranche of purchase of treasury shares for a maximum amount of €2.5 billion and not exceeding No.160 million of UniCredit shares to be entirely carried out during 2024 (the “First Tranche of the Buy-Back Programme 2023"). The initiative, previously authorized by the ECB on 26 October 2023, is part of the overall distribution expected for the year 2023, equal to or greater than 6.5 billion announced in the context of the presentation of the results for the first half of 2023 which highlighted a significant organic generation of capital. On 7 March 2024, the “First Tranche of the 2023 Buy-Back Program” launched on 30 October 2023 was completed with the total purchase of No.95,995,258 treasury shares for a total value of €2,500 million equal to the total authorised disbursement. On 26 March 2024, the cancellation of the additional No.37,815,422 treasury shares purchased in the current financial year to complete the program was ordered.

On 16 January 2024, the cancellation of 72,239,501 treasury shares was carried out without reducing the share capital pursuant to the resolutions adopted by the Shareholders' Meeting on 31 March and 27 October 2023. The cancellation refers to the total number of treasury shares held in the portfolio at the end of the 2023 financial year resulting from the purchases made to complete the 2022 Buy-Back Program (No.14,059,665) and from the purchases made under the "First Tranche of the 2023 Buy-Back Program" from the start date of the program (30 October 2023) to the end of the financial year (No.58,179,836).

On 12 April 2024, the Company's Shareholders' Meeting authorised the share buyback programme as part of the distributions to shareholders: a first distribution for a maximum disbursement of €3,085 million made in several tranches during the 2024 financial year relating to the residual part of the overall payout for the 2023 financial year (the "2023 SBB Residual") and a second distribution for a maximum disbursement of €1,700 million as an advance on the expected distributions for the 2024 financial year ("2024 SBB Advance") defined on the basis of the Company's results in the first half of 2024.
On 9 May 2024, the execution of the "Second Tranche of the 2023 Buy-Back Program" was started and concluded on 20 June 2024 with the purchase of a total of No.44,859,171 treasury shares for a total value equal to the maximum authorized disbursement (€1,585 million). The purchased shares were cancelled without reduction of the share capital on 26 June 2024.
On 24 June 2024, the third and final tranche of the share buy-back program (the Third Tranche of the 2023 Buy-Back Program) was launched and concluded on 19 August 2024 with the purchase of a total of No.42,242,975 treasury shares for a total value equal to the maximum authorised disbursement (€1,500 million).
On 16 September 2024, the execution of the first part of the advance of the Buy-Back Program 2024 (the SBB 2024 advance) was started and was completed on 14 November 2024 with the total purchase of No.43,313,675 treasury shares for a total value equal to the maximum authorized disbursement (€1,700 million).
On 18 December 2024, the cancellation of No.85,556,650 treasury shares was carried out without reduction of the share capital in execution of the resolution adopted by the Shareholders' Meeting on 12 April 2024. The number of cancelled shares is equal to the sum of the shares purchased in execution of the "Third Tranche of the 2023 Buy-Back Programme" (No.42,242,975) and the shares purchased in execution of the "SBB Advance 2024" (No.43,313,675).
The treasury shares outstanding at end of the year 2024 were entirely cancelled.

Company activities

The commercial network

Operating structure in Italy

During 2024, UniCredit domestic Retail Commercial Banking Network was subject to the closure of 7 branches.

The structure of the domestic network at 31 December 2024 consisted of a total of 2,256 branches, of which 1,943 belonging to Retail Commercial Banking Network.
On that date, following the initiatives described above and a small-scale branch re-organization and optimization resulting from the ongoing streamlining process of organizational units, the Italian distribution network was structured as follows.

Italian network

REGION	NUMBER OF BRANCHES AT 31.12.2024	%
- Abruzzo	24	1.1%
- Basilicata	7	0.3%
- Campania	115	5.1%
- Calabria	19	0.8%
- Emilia Romagna	300	13.3%
- Friuli Venezia Giulia	71	3.1%
- Lazio	281	12.5%
- Liguria	45	2.0%
- Lombardy	269	11.9%
- Marche	44	2.0%
- Molise	15	0.7%
- Piedmont	233	10.3%
- Puglia	89	3.9%
- Sardinia	35	1.6%
- Sicily	229	10.2%
- Tuscany	99	4.4%
- Trentino Alto Adige	36	1.6%
- Umbria	55	2.4%
- Valle d'Aosta	12	0.5%
- Veneto	278	12.3%
Total branches	**2,256**	**100.0%**

Company activities

Branches and Representatives abroad

As at 31 December 2024 UniCredit S.p.A. is present abroad through ten Branches, one Permanent Establishment and two Representative offices. Below the detail:

Foreing branches:
- Germany - Munich;
- United Kindom - London;
- United States - New York;
- France - Paris;
- Spain - Madrid;
- Czech Republic - Prague[102];
- Slovakia - Bratislava[102];
- Romania - Bucarest[102];
- Poland - Szczecin[102];
- Hungary - Budapest[102].

Foreing Permanent Establishment:
- Austria - Wien.

Foreing Representative offices:
- Belgium - Bruxelles;
- PRC - Beijing.

102 Branch that carries out only digital/operations activities, without banking license.

Company activities

Resources

Personnel trend

As at 31 December 2024, the workforce of UniCredit S.p.A. amounted to 33,346 FTEs, compared to 34,041 FTEs as at 31 December 2023. The decrease in resources is mainly due to exits for Restructuring Plan.

Breakdown by category

	31.12.2024		31.12.2023		CHANGE	
	NUMBER	*OF WHICH: ABROAD*	NUMBER	*OF WHICH: ABROAD*	AMOUNT	%
Senior management	573	*4*	596	*4*	(23)	-3.8%
Management - grade 4 and 3	7,015	*371*	7,286	*355*	(272)	-3.7%
Management - grade 2 and 1	11,058	*1,055*	11,075	*1,014*	(17)	-0.2%
Other staff	14,701	*1,821*	15,084	*1,749*	(383)	-2.5%
Total	**33,346**	***3,251***	**34,041**	***3,122***	**(694)**	**-2.0%**
of which: part-time	*3,416*	*-*	*3,586*	*174*	*(170)*	*-4.7%*

The composition of the workforce by seniority and by age bracket is shown in the following tables. With respect to educational level, 57% of UniCredit S.p.A. employees have university degrees (mostly in the areas of economics and banking, or law).
Women make up 48% of personnel.

Breakdown by seniority

	31.12.2024		31.12.2023		CHANGE	
	NUMBER	%	NUMBER	%	AMOUNT	PERCENT
Up to 10 years	7,245	21.7%	8,204	24.1%	(959)	-11.7%
From 11 to 20 years	8,552	25.6%	9,112	26.8%	(560)	-6.1%
From 21 to 30 years	9,911	29.7%	8,949	26.3%	962	10.8%
Over 30 years	7,639	22.9%	7,776	22.8%	(138)	-1.8%
Total	**33,346**	**100.0%**	**34,041**	**100.0%**	**(694)**	**-2.0%**

Breakdown by age

	31.12.2024		31.12.2023		CHANGE	
	NUMBER	%	NUMBER	%	AMOUNT	PERCENT
Up to 30 years	3,259	9.8%	2,940	8.6%	319	10.8%
From 31 to 40 years	4,797	14.4%	4,867	14.3%	(70)	-1.4%
From 41 to 50 years	10,535	31.6%	11,185	32.9%	(650)	-5.8%
Over 50 years	14,756	44.3%	15,049	44.2%	(293)	-1.9%
Total	**33,346**	**100.0%**	**34,040**	**100.0%**	**(694)**	**-2.0%**

With regard to training, managerial growth, union relations, environment and occupational safety, refer to the Sustainability Statements of Consolidated report on operation of UniCredit group.

Other information

Share information
Reference is made to the paragraph "Share information" of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Group and UniCredit share historical data series, which is herewith quoted entirely.

Report on corporate governance and ownership structure
Within the meaning of Art.123-bis par.3 of the Legislative Decree 58 dated 24 February 1998, the "Report on corporate governance and ownership structure" is available in the "Governance/Our Governance System" section of the UniCredit website (https://www.unicreditgroup.eu).
An explanatory chapter on the corporate governance structure is likewise included in the Consolidated report and accounts ("Corporate Governance").

Report on remuneration
Pursuant to Art.123-ter of the Legislative Decree 58, dated 24 February 1998 and of Art.84-quater, of the Consob Issuers' Regulations, the "Group Remuneration Policy and Report" is available on UniCredit's website (https://www.unicreditgroup.eu).

Research and development projects
Reference is made to the paragraph "Research and development projects" of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Other information, which is herewith quoted entirely.

Other information

Group activities development operations and other corporate transactions
With specific regard to events relating to the parent company UniCredit S.p.A., reference is made to the paragraph “Group activities development operations and other corporate transactions” of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Other information, which is herewith quoted entirely.

Organisational model
Reference is made to the paragraph “Organisational model” of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Other information, which is herewith quoted entirely.

Conversion of Deferred tax assets (DTAs) into tax credits
The 2023 and 2024 financial year closed with a profit (€11,264 million financial year 2023 and €8,106 million financial year 2024) therefore, the conditions to carry out a new transformation of deferred tax assets, for IRES and IRAP, into tax credits are not verified.

Certifications and other communications
Reference is made to the paragraph “Certifications and other communications” of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Other information, which is herewith quoted entirely.
For more information on related-party transactions refer to the Notes to the accounts, Part H - Related-party transactions.

Information on risks
For a complete description of the risks and uncertainties that the Bank must face under the current market conditions, refer to Part E - Information on risks and related hedging policies of the Notes to the accounts.

Subsequent events and outlook

Subsequent events[103]

With specific regard to events relating to the parent company UniCredit S.p.A., reference is made to the paragraph "Subsequent events" of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Subsequent events and outlook, which is herewith quoted entirely.

103 Up to the date of approval by the Board of Directors' Meeting of 20 February 2025 which, on the same date, authorised the publication also in accordance with IAS10.

Subsequent events and outlook

Outlook

Reference is made to the paragraph “Outlook”, of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Subsequent events and outlook, which is herewith quoted entirely.

Milan, 20 February 2025

THE BOARD OF DIRECTORS

CHAIRMAN
PIETRO CARLO PADOAN

CEO
ANDREA ORCEL

Proposal to Shareholders' Meeting

For the proposals to Shareholders' Meeting refer to the specific Board of Directors' reports in relation to the allocation of the 2024 result.

Company accounts

Balance sheet

(€)

ASSETS	AMOUNTS AS AT 31.12.2024	31.12.2023
10. Cash and cash balances	13,222,691,584	12,300,646,051
20. Financial assets at fair value through profit or loss:	52,621,823,830	21,267,989,561
a) financial assets held for trading	46,265,010,259	15,383,565,674
b) financial assets designated at fair value	131,923,703	131,799,109
c) other financial assets mandatorily at fair value	6,224,889,868	5,752,624,778
30. Financial assets at fair value through other comprehensive income	39,813,244,469	31,636,271,633
40. Financial assets at amortised cost:	228,212,154,578	241,824,989,251
a) loans and advances to banks	37,485,993,252	34,249,206,255
b) loans and advances to customers	190,726,161,326	207,575,782,996
50. Hedging derivatives	550,637,401	10,842,783,352
60. Changes in fair value of portfolio hedged items (+/-)	(902,064,729)	(1,955,951,795)
70. Equity investments	42,340,962,282	42,517,221,538
80. Property, plant and equipment	3,631,861,543	3,730,489,182
90. Intangible assets	1,707,338,013	1,580,047,133
of which: goodwill	-	-
100. Tax assets:	8,501,697,288	9,714,047,808
a) current	720,445,869	811,207,169
b) deferred	7,781,251,419	8,902,840,639
110. Non-current assets and disposal groups classified as held for sale	38,854,261	299,375,469
120. Other assets	7,770,699,918	8,352,197,584
Total assets	**397,509,900,438**	**382,110,106,767**

Company accounts

continued: Balance sheet

(€)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024	31.12.2023
10. Financial liabilities at amortised cost:	285,739,249,798	286,723,579,156
a) deposits from banks	36,913,093,429	32,608,235,210
b) deposits from customers	201,765,525,129	207,558,139,239
c) debt securities in issue	47,060,631,240	46,557,204,707
20. Financial liabilities held for trading	38,052,113,672	14,311,299,296
30. Financial liabilities designated at fair value	10,271,456,615	7,260,356,965
40. Hedging derivatives	316,466,511	11,950,477,886
50. Value adjustment of hedged financial liabilities (+/-)	(4,657,672,040)	(7,403,173,362)
60. Tax liabilities:	9,440,198	2,350,490
a) current	9,440,198	2,350,490
b) deferred	-	-
70. Liabilities associated with assets classified as held for sale	-	-
80. Other liabilities	7,882,433,780	6,950,304,070
90. Provision for employee severance pay	289,472,469	330,090,848
100. Provisions for risks and charges:	1,878,012,331	1,681,598,523
a) commitments and guarantees given	431,570,688	466,262,365
b) post-retirement benefit obligations	36,100,152	34,154,805
c) other provisions for risks and charges	1,410,341,491	1,181,181,353
110. Valuation reserves	815,284,427	658,187,274
120. Redeemable shares	-	-
130. Equity instruments	4,958,159,059	4,862,697,736
140. Reserves	23,898,750,823	23,944,526,253
145. Advanced dividends (-)	(1,440,000,000)	-
150. Share premium	22,580,466	22,580,466
160. Share capital	21,367,680,521	21,277,874,388
170. Treasury shares (-)	-	(1,726,850,405)
180. Profit (Loss) of the year (+/-)	8,106,471,808	11,264,207,183
Total Liabilities and Shareholders' Equity	**397,509,900,438**	**382,110,106,767**

Company accounts

Income statement

(€)

ITEMS	YEAR 2024	2023
10. Interest income and similar revenues	15,040,326,914	14,680,432,711
of which: interest income calculated with the effective interest method	*11,531,060,761*	*11,199,480,459*
20. Interest expenses and similar charges	(8,870,525,363)	(8,758,159,380)
30. Net interest margin	**6,169,801,551**	**5,922,273,331**
40. Fees and commissions income	5,001,781,689	4,751,591,616
50. Fees and commissions expenses	(796,166,053)	(817,636,022)
60. Net fees and commissions	**4,205,615,636**	**3,933,955,594**
70. Dividend income and similar revenues	5,090,330,214	3,086,391,025
80. Net gains (losses) on trading	837,335,931	501,635,998
90. Net gains (losses) on hedge accounting	(402,049,562)	4,646,856
100. Gains (Losses) on disposal and repurchase of:	12,030,305	414,024,831
a) financial assets at amortised cost	(59,640,355)	201,433,819
b) financial assets at fair value through other comprehensive income	69,665,795	147,162,009
c) financial liabilities	2,004,865	65,429,003
110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss:	(50,337,747)	(111,981,736)
a) financial assets/liabilities designated at fair value	(329,852,481)	(421,539,372)
b) other financial assets mandatorily at fair value	279,514,734	309,557,636
120. Operating income	**15,862,726,328**	**13,750,945,899**
130. Net losses/recoveries on credit impairment relating to:	(428,924,696)	(210,316,882)
a) financial assets at amortised cost	(413,615,469)	(199,136,084)
b) financial assets at fair value through other comprehensive income	(15,309,227)	(11,180,798)
140. Gains/Losses from contractual changes with no cancellations	10,492,605	6,609,865
150. Net profit from financial activities	**15,444,294,237**	**13,547,238,882**
160. Administrative expenses:	(5,862,298,848)	(5,903,841,788)
a) staff costs	(3,619,212,187)	(3,518,992,873)
b) other administrative expenses	(2,243,086,661)	(2,384,848,915)
170. Net provisions for risks and charges:	66,323,585	(37,216,496)
a) commitments and financial guarantees given	34,691,677	840,819
b) other net provisions	31,631,908	(38,057,315)
180. Net value adjustments/write-backs on property, plant and equipment	(315,904,130)	(368,921,821)
190. Net value adjustments/write-backs on intangible assets	(419,736,622)	(436,240,907)
200. Other operating expenses/income	1,277,094,522	1,229,717,326
210. Operating costs	**(5,254,521,493)**	**(5,516,503,686)**
220. Gains (Losses) of equity investments	(557,340,357)	3,889,361,619
230. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(24,652,467)	(19,945,926)
240. Goodwill impairment	-	-
250. Gains (Losses) on disposals on investments	(851,904)	(261,139)
260. Profit (Loss) before tax from continuing operations	**9,606,928,016**	**11,899,889,750**
270. Tax expenses (income) for the year from continuing operations	(1,500,456,208)	(635,682,567)
280. Profit (Loss) after tax from continuing operations	**8,106,471,808**	**11,264,207,183**
290. Profit (Loss) after tax from discontinued operations	-	-
300. Profit (Loss) of the year	**8,106,471,808**	**11,264,207,183**

Company accounts

Statement of other comprehensive income

(€)

ITEMS	YEAR 2024	YEAR 2023
10. Profit (Loss) of the year	**8,106,471,808**	**11,264,207,183**
Other comprehensive income after tax not reclassified to profit or loss	**228,620,566**	**(4,635,754)**
20. Equity instruments designated at fair value through other comprehensive income	239,392,646	39,190,888
30. Financial liabilities designated at fair value through profit or loss (own creditworthiness changes)	9,838,462	(34,820,534)
40. Hedge accounting of equity instruments designated at fair value through other comprehensive income	-	-
50. Property, plant and equipment	(12,709,115)	(9,306,962)
60. Intangible assets	-	-
70. Defined-benefit plans	(4,448,311)	56,500
80. Non-current assets and disposal groups classified as held for sale	(3,453,116)	244,354
90. Portion of valuation reserves from investments valued at equity method	-	-
Other comprehensive income after tax reclassified to profit or loss	**(71,523,413)**	**(49,161,584)**
100. Foreign investments hedging	-	-
110. Foreign exchange differences	-	-
120. Cash flow hedging	49,343,258	(33,836,793)
130. Hedging instruments (non-designated items)	-	-
140. Financial assets (different from equity instruments) at fair value through other comprehensive income	(120,866,671)	(15,324,791)
150. Non-current assets and disposal groups classified as held for sale	-	-
160. Part of valuation reserves from investments valued at equity method	-	-
170. Total other comprehensive income after tax	**157,097,153**	**(53,797,338)**
180. Other comprehensive income (Item 10+170)	**8,263,568,961**	**11,210,409,845**

Company accounts

Statement of changes in the shareholders' equity as at 31 December 2024

(€)

	BALANCE AS AT 31.12.2023	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2024	PREVIOUS YEAR PROFIT (LOSS) ALLOCATION		CHANGES IN THE YEAR									
							SHAREHOLDERS' EQUITY TRANSACTIONS								
				RESERVES	DIVIDENDS AND OTHER ALLOCATIONS	CHANGES IN RESERVES	ISSUE OF NEW SHARES	PURCHASE OF TREASURY SHARES	ADVANCED DIVIDENDS	DIVIDENDS EXTRAORDINARY DISTRIBUTION	CHANGE IN EQUITY INSTRUMENTS	TREASURY SHARES DERIVATIVES	STOCK OPTIONS	OTHER COMPREHENSIVE INCOME 2024	SHAREHOLDERS' EQUITY AS AT 31.12.2024
Share capital:	21,277,874,388	-	21,277,874,388	-	-	-	89,806,133	-	-	-	-	-	-	-	21,367,680,521
- ordinary shares	*21,277,874,388*	-	*21,277,874,388*	-	-	-	*89,806,133*	-	-	-	-	-	-	-	*21,367,680,521*
- other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium	22,580,466	-	22,580,466	-	-	-	-	-	-	-	-	-	-	-	22,580,466
Reserves:	23,944,526,253	-	23,944,526,253	8,219,469,863	-	(8,244,349,238)	(89,806,133)	-	-	-	-	-	68,910,078	-	23,898,750,823
- from profits	*17,191,341,011*	-	*17,191,341,011*	*8,219,469,863*	-	*(5,016,236,655)*	*(89,806,133)*	-	-	-	-	-	-	-	*20,304,768,086*
- other	*6,753,185,242*	-	*6,753,185,242*	-	-	*(3,228,112,583)*	-	-	-	-	-	-	*68,910,078*	-	*3,593,982,737*
Valuation reserves	658,187,274	-	658,187,274	-	-	-	-	-	-	-	-	-	-	157,097,153	815,284,427
Advanced dividends	-	-	-	-	-	-	-	-	(1,440,000,000)	-	-	-	-	-	(1,440,000,000)
Equity instruments	4,862,697,736	-	4,862,697,736	-	-	-	-	-	-	-	95,461,323	-	-	-	4,958,159,059
Treasury shares	(1,726,850,405)	-	(1,726,850,405)	-	-	-	7,597,676,238	(5,870,825,833)	-	-	-	-	-	-	-
Profit (Loss) for the year	11,264,207,183	-	11,264,207,183	(8,219,469,863)	(3,044,737,320)	-	-	-	-	-	-	-	-	8,106,471,808	8,106,471,808
Shareholders' equity	**60,303,222,895**	**-**	**60,303,222,895**	**-**	**(3,044,737,320)**	**(8,244,349,238)**	**7,597,676,238**	**(5,870,825,833)**	**(1,440,000,000)**	**-**	**95,461,323**	**-**	**68,910,078**	**8,263,568,961**	**57,728,927,104**

The changes in the year of the item "Treasury shares" refer to the purchases of UniCredit ordinary shares executed under the share buy-back programs and the subsequent cancellation of the shares purchased with no reduction in the nominal share capital; the positive change due to the cancellation of the treasury shares is conventionally reported in the column “issue of new shares”.
The amounts disclosed in column “Stock Options” represent the effects of the delivery of shares connected with the ESOP Plans and other Group Executive Incentive Plans.

Company accounts

Statement of changes in the shareholders' equity as at 31 December 2023

(€)

				PREVIOUS YEAR PROFIT (LOSS) ALLOCATION		CHANGES IN THE YEAR									
							SHAREHOLDERS' EQUITY TRANSACTIONS								
	BALANCE AS AT 31.12.2022	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2023	RESERVES	DIVIDENDS AND OTHER ALLOCATIONS	CHANGES IN RESERVES	ISSUE OF NEW SHARES	PURCHASE OF TREASURY SHARES	ADVANCED DIVIDENDS	DIVIDENDS EXTRAORDINARY DISTRIBUTION	CHANGE IN EQUITY INSTRUMENTS	TREASURY SHARES DERIVATIVES	STOCK OPTIONS	OTHER COMPREHENSIVE INCOME 2023	SHAREHOLDERS' EQUITY AS AT 31.12.2023
Share capital:	21,220,169,840	-	21,220,169,840	-	-	-	57,704,548	-	-	-	-	-	-	-	21,277,874,388
- ordinary shares	*21,220,169,840*	-	*21,220,169,840*	-	-	-	*57,704,548*	-	-	-	-	-	-	-	*21,277,874,388*
- other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium	2,516,382,837	-	2,516,382,837	-	-	(2,493,802,371)	-	-	-	-	-	-	-	-	22,580,466
Reserves:	23,706,970,948	-	23,706,970,948	1,212,066,067	-	(988,225,427)	(57,704,548)	-	-	-	-	-	71,419,213	-	23,944,526,253
- from profits	*18,617,664,875*	-	*18,617,664,875*	*1,212,066,067*	-	*(2,580,685,383)*	*(57,704,548)*	-	-	-	-	-	-	-	*17,191,341,011*
- other	*5,089,306,073*	-	*5,089,306,073*	-	-	*1,592,459,956*	-	-	-	-	-	-	*71,419,213*	-	*6,753,185,242*
Valuation reserves	711,984,612	-	711,984,612	-	-	-	-	-	-	-	-	-	-	(53,797,338)	658,187,274
Advanced dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	6,099,697,039	-	6,099,697,039	-	-	-	-	-	-	-	(1,236,999,303)	-	-	-	4,862,697,736
Treasury shares	-	-	-	-	-	-	3,031,011,692	(4,757,862,097)	-	-	-	-	-	-	(1,726,850,405)
Profit (Loss) for the year	3,106,674,500	-	3,106,674,500	(1,212,066,067)	(1,894,608,433)	-	-	-	-	-	-	-	-	11,264,207,183	11,264,207,183
Shareholders' equity	**57,361,879,776**	**-**	**57,361,879,776**	**-**	**(1,894,608,433)**	**(3,482,027,798)**	**3,031,011,692**	**(4,757,862,097)**	**-**	**-**	**(1,236,999,303)**	**-**	**71,419,213**	**11,210,409,845**	**60,303,222,895**

Company accounts

Cash flow statement (indirect method)

(€)

	YEAR 2024	YEAR 2023
A. OPERATING ACTIVITIES		
1. Operations:	**8,402,925,415**	**7,383,039,081**
- profit (loss) for the year (+/-)	8,106,471,808	11,264,207,183
- gains/losses on financial assets held for trading and on other financial assets/liabilities at fair value through profit or loss (-/+)	(174,271,225)	(1,072,080,177)
- gains (losses) on hedge accounting (-/+)	402,049,562	(4,646,856)
- net impairment losses/writebacks on impairment for credit risk (+/-)	1,494,368,356	1,684,315,991
- net value adjustments/write-backs on property, plant and equipment and intangible assets (+/-)	760,293,219	825,108,654
- net provisions for risks and charges and other expenses/income (+/-)	(162,710,248)	11,962,264
- unpaid duties, taxes and tax credits (+/-)	1,230,075,508	605,144,623
- impairment/write-backs after tax on discontinued operations (+/-)	-	-
- other adjustments (+/-)	(3,253,351,565)	(5,930,972,601)
2. Liquidity generated/absorbed by financial assets:	**1,287,712,619**	**9,765,193,151**
- financial assets held for trading	(5,159,772,433)	(1,578,756,486)
- financial assets designated at fair value	(36,461)	80,721,832
- other financial assets mandatorily at fair value	(239,793,601)	(915,992,793)
- financial assets at fair value through other comprehensive income	(8,064,834,487)	(4,699,524,073)
- financial assets at amortised cost	12,404,996,252	16,107,041,201
- other assets	2,347,153,349	771,703,470
3. Liquidity generated/absorbed by financial liabilities:	**(1,704,793,267)**	**(53,635,440,655)**
- financial liabilities at amortised cost	(984,329,352)	(53,272,115,514)
- financial liabilities held for trading	(2,346,256,326)	(336,644,032)
- financial liabilities designated at fair value	2,849,163,833	1,516,991,111
- other liabilities	(1,223,371,422)	(1,543,672,220)
Net liquidity generated/absorbed by operating activities	**7,985,844,767**	**(36,487,208,423)**
B. INVESTMENT ACTIVITIES		
1. Liquidity generated by:	**5,047,344,980**	**3,160,101,819**
- sales of equity investments	6,678,683	87,397,943
- collected dividends on equity investments	5,018,279,254	3,044,099,631
- sales of property, plant and equipment	22,387,043	24,554,110
- sales of intangible assets	-	4,050,135
- sales of business units	-	-
2. Liquidity absorbed by:	**(1,204,038,689)**	**(625,836,947)**
- purchases of equity investments	(404,818,973)	(95,301,601)
- purchases of property, plant and equipment	(251,986,638)	(150,317,918)
- purchases of intangible assets	(547,233,078)	(380,217,428)
- purchases of business units	-	-
Net liquidity generated/absorbed by investment activities	**3,843,306,291**	**2,534,264,872**
C. FUNDING ACTIVITIES		
- issue/purchase of treasury shares	(5,878,381,625)	(4,762,935,009)
- issue/purchase of equity instruments	(162,436,154)	(1,250,000,000)
- dividend distribution and other	(4,929,075,367)	(2,417,652,641)
Net liquidity generated/absorbed by funding activities	**(10,969,893,146)**	**(8,430,587,650)**
NET LIQUIDITY GENERATED/ABSORBED IN THE YEAR	**859,257,912**	**(42,383,531,201)**

Key:
(+) generated;
(-) absorbed.

Company accounts

Reconciliation

(€)

ITEMS	YEAR 2024	YEAR 2023
Cash and cash balances at the beginning of the year	**12,300,646,051**	**54,713,168,717**
Net liquidity generated/absorbed in the year	859,257,912	(42,383,531,201)
Cash and cash balances: foreign exchange effect	62,787,621	(28,991,465)
Cash and cash balances at the end of the year	**13,222,691,584**	**12,300,646,051**

The item "Cash and cash balances" refers to the definition according to Banca d’Italia (Circular 262 of 22 December 2005 and subsequent amendments) and is mainly related to “Current accounts and Demand deposits with Central Banks” for €10 billion.

Part A - Accounting policies

A.1 - General

Section 1 - Statement of compliance with IFRS

These Company financial statements have been prepared in accordance with the IFRS issued by the International Accounting Standards Board (IASB), including the interpretation documents issued by the SIC and the IFRIC, and endorsed by the European Commission up to 31 December 2024, pursuant to EU Regulation 1606/2002 which was incorporated into Italian legislation through Legislative Decree 38 of 28 February 2005 (refer also to Section 4 - Other matters).

These financial statements are an integral part of the Annual financial statements as required by Art.154-ter, par.1 of the Single Finance Act (Consolidated Law on Finance - TUF, Legislative Decree 58 of 24 February 1998).

In Circular 262 of 22 December 2005 (and subsequent amendments), with regard to the banks and financial institutions subject to supervision, Banca d'Italia has established the formats for the financial statements and Notes to the accounts used to prepare these Company financial statements.

Part A - Accounting policies

Section 2 - General Preparation Criteria

As mentioned above, these "Company financial statements as at 31 December 2024" have been prepared in accordance with the international accounting standards endorsed by the European Commission.

The following documents have been used to interpret and support the application of IAS/IFRS, even though they have not all been endorsed by the European Commission:

- the Conceptual Framework for Financial Reporting;
- Implementation Guidance, Basis for Conclusions, IFRICs and the documents prepared by either the IASB or the International Financial Reporting Interpretations Committee (IFRIC) supplementing the IFRS;
- Interpretative documents on the application of the IAS/IFRS in Italy prepared by the Organismo Italiano di Contabilità (the Italian Standard Setter; OIC) and Associazione Bancaria Italiana (Italian Banking Association, that is the trade association of Italian banks; ABI);
- Coordination Table between Banca d'Italia, Consob and Ivass with regard to the application of IAS/IFRS, in particular the Document No.9, dated 5 January 2021, Accounting Treatment of tax credits connected with the "Cura Italia" and "Rilancio" Law Decrees purchased following the sale without recourse by the direct beneficiaries or previous buyers ("Trattamento contabile dei crediti d'imposta connessi con i Decreti Legge "Cura Italia" e "Rilancio" acquistati a seguito di cessione da parte dei beneficiari diretti o di precedenti acquirenti"); such document was subsequently updated by Banca d'Italia on 24 July 2023 with the clarification note "Credit risk - Standardised method and IRB - Clarification note" ("Rischio di credito - Metodo Standardizzato e IRB - Nota di chiarimenti");
- ESMA (European Securities and Markets Authority), European Banking Authority, European Central Bank and Consob documents on the application of specific IAS/IFRS provisions also with specific reference to the presentation of the effects arising from geopolitical tensions and their effects on the evaluation processes. In particular, it shall be made reference to the ESMA statements dated 29 October 2021, 14 March 2022, 13 May 2022, 28 October 2022, 25 October 2023 and 24 October 2024; and to Consob "Call for attention" dated 18 March 2022 and 19 May 2022. The content of such communications, when relevant, has been reported in "Section 4. Other matters" of Notes to the accounts, Part A - Accounting policies, A.1 - General, in the context of valuation choices performed by the Bank as at 31 December 2024.

The Company financial statements include the Balance sheet, the Income statement, the Statement of other comprehensive income, the Statement of changes in shareholders' equity, the Cash flow statement (compiled using the "indirect method") and the Notes to the accounts, together with the Report on operations and Annexes. The schemes and Notes of the Company financial statements as at 31 December 2024 are in line with Banca d'Italia templates as prescribed by Circular 262 dated 22 December 2005 (and subsequent amendments) as well as 14 March 2023 communication on impacts of Covid-19 and measures to support the economy, and they present comparative figures, as at 31 December 2023.

Unless otherwise specified, figures in the Company accounts are given in units of euro and the Notes to the accounts in millions of euros.

Risks and uncertainty relating to the use of estimates

Under the IFRS, management must make judgments, estimates and assumptions that affect the application of accounting principles and the amounts of assets/liabilities and income and expenses reported in the accounts, as well as the disclosure concerning contingent assets and liabilities.
Estimates and related assumptions are based on previous experience and on the available information framework with reference to the current and expected context and have been used to estimate the carrying values of assets and liabilities not readily available from other sources.
Estimates and assumptions are regularly reviewed. Any change resulting from these reviews is recognised in the period in which the review was carried out, provided the change only concerns that period. If the review concerns both current and future periods, it is recognised accordingly in both current and future periods.
In particular, estimated figures have been used for the recognition and measurement of some of the main items in the Company financial statements as at 31 December 2024, as required by the accounting policies, statements and regulations described above.

The current market environment continues to be affected by uncertainty stemming from geopolitical tension. In this respect, according to ECB macroeconomic projections updated in December 2024[104] remark that the economic outlook continues to be surrounded by uncertainty considering tensions in the Middle East, the war in Ukraine, the lingering weakness in the Chinese real estate market and the possibility that the next US Administration will turn more inward-looking. Therefore, the outlook for Gross Domestic Product (GDP) growth was slightly revised downward compared to September 2024 projections; in detail, the outlook for GDP was negatively revised mainly following data revisions on investment, expectations of weaker export growth in 2025, downward revision to the projected expansion of domestic demand in 2026.

104 ECB staff macroeconomic projections for the euro area, December 2024.

Part A - Accounting policies

With regard to the inflation, following a rise in late 2024, it is projected to decline and hover around ECB's 2% inflation target from second quarter 2025. Base effects in energy component are expected to be the main driver of the temporary increase in inflation at the start of the projection horizon. Based on assumptions of declining oil and gas prices, energy inflation is likely to remain negative until the second quarter 2025 and stay subdued thereafter, except for an uptick in 2027 owing to the introduction of new climate change mitigation measures.

The outlook for headline HICP[105] inflation, compared to September 2024 projections, was revised slightly down for 2024 and 2025, mainly owing to lower oil and electricity price assumptions.
Moreover, although high uncertainty, fiscal policies are assumed to be on a consolidation path overall, despite funds from Next Generation EU (NGEU) programme should support growth until its expiry in 2027.

In the context of persisting uncertainty explained above, UniCredit bank defined different macro-economic scenarios, to be used for the purposes of the evaluation processes related to the 2024 Company financial statements.
In particular, in addition to the "Base" scenario, which reflects the expectations considered most likely concerning macro-economic trends, an "Alternative/Recession" and a "Positive" scenario were outlined, these reflecting respectively a downward and an upward forecast of the macroeconomic parameters and consequently in the expected profitability of the business.

The paragraphs below provide a detailed description of the characteristics associated with the above scenarios.

Features of the scenarios

- Base: it is the main reference scenario, underlying the approved budget for 2025, and the projections for 2026 and 2027. Such scenario assumes, in terms of macro-economic conditions: (i) moderate GDP growth expected for 2025 impacted by manufacturing sector; improving trend in 2026-2027 mainly underpinned by internal demand; (ii) inflation declining in 2025 and stabilizing in 2026-2027; (iii) ECB monetary policy consistent with inflation normalization; ECB Deposit Facility Rate equal to 300 bps at year end 2024, and assumed equal to 2% at year-end 2025; (iv) 3M Euribor assumed to decrease in 2025, landing to approx. 200 bps at year-end 2025 and remaining broadly stable in 2026; (v) Russia Sovereign Rating at CCC.
  In Italy and Germany, the GDP is expected to expand in 2025 but still at a low pace, consistently with weak manufacturing sector and slow recovery in global trade; improving growth expected in 2026 and 2027, benefiting from lower inflation and internal demand.
  For Central and Eastern Europe (including Austria and excluding Russia), the Real GDP is expected to increase by 1.9% in 2025 and close to ca. 2.4% in the following 2 years.
  For Russia, minor growth is assumed in 2025 (after two strong years), improving trends are expected in 2026-2027.
  With reference to the FX rates, the Base scenario assumes the Russian Ruble depreciation over time, from current levels to 149 as at year-end 2027, reflecting decreasing energy prices and gas export.
  Average Inflation (excluding Russia) will decrease in 2025, remaining close to 2% in 2025-2027; still above 2% in CE&EE.
  Uncertainties/risks in the short/medium term persist, both for inflation/rates and for growth (mainly for US elections impact).
  Furthermore, potential pressure is assumed on BTP-Bund spread (150 bps year-end 2025, 175 bps year-end 2026-2027), to factor-in volatility and uncertainties on Italian Sovereign debt and macro-economic developments.

- Alternative/Recession: this scenario embeds downward forecast of macro-economic parameters and consequently in the expected profitability of the business and assumes an intensification of geopolitical tensions in the Middle East and Ukraine with negative supply. Activity starts contracting in 2025 with deepen recession in 2026. Weaker demand resulting in lower inflation vs. Base. Central Banks respond to the shocks by cutting rates more aggressively than in the Base.
  For Italy and Germany, GDP would contract in 2025-2026, turning positive in 2027 (supply chains normalization).
  For Central and Eastern Europe (including Austria and excluding Russia), the growth shock is assumed to be about -5.7% (cumulated in 2025-2027).
  For Russia, the growth shock is assumed to be -3.3% (cumulated in 2025-2027).
  Expected inflation is lower than in the Base case as disinflation forces prevail overall (stronger impact by weaker demand). Concerning the ECB monetary policy, Central banks cut interest rates more aggressively than in the baseline scenario (3M Euribor equal to 129 bps at year-end 2025, close to 1% in subsequent years).
  In addition, the pressure on BTP-Bund spread is higher compared to the Base case (223 bps for year-end 2025, 232 bps for year-end 2026), reflecting deteriorated economic conditions.

105 Harmonised Indices of Consumer Prices.

Part A - Accounting policies

- Positive: it exhibits upward forecast of macro-economic parameters and assumes a de-escalation of geopolitical tensions and US trade policies less restrictive than expected. Such a scenario foresees an improved labour market, wage growth and a relatively stable inflation leading, therefore, to a stronger consumer spending and better economic growth. On the other side, favourable risk repricing and higher demand accelerate investment activity.
  For Italy and Germany, GDP increases constantly through the 3-year forecast period by 4.8% and 5.6% respectively on cumulative basis.
  For Central and Eastern Europe (including Austria and excluding Russia), GDP is expected to rise by 10.6% (cumulated in 2025-27).
  For Russia, GDP would increase, by 5.8% (2025-2027), at a low pace compared to the CE&EE area.
  With reference to inflation, it is expected higher when compared to the Base scenario, due to the better economic growth leading to a higher demand.
  In addition, the pressure on BTP-Bund spread is lower compared to Base case (125 bps in 2025, 150 bps in 2026 and 2027), reflecting improved economic conditions.

The table below shows the most significant macro-economic data featuring the Base, Alternative/Recession and Positive scenarios.

INTEREST RATES, INFLATION AND YIELD ENVIRONMENT		2024	2025	2026	2027
Base Scenario 2024	Euribor 3M (EoP, bps)	271	204	202	202
	Spread BTP - Bund (EoP, bps)	116	150	175	175
	Real GDP growth y/y, %				
	Italy	0.5	0.8	1.0	1.0
	Germany	(0.2)	0.7	1.2	1.4
	CE & EE (excl. Russia)	1.2	1.9	2.4	2.4
	Russia	3.7	0.5	1.3	1.6
	Inflation average %				
	Italy	1.0	1.5	1.6	2.0
	Germany	2.3	1.5	1.7	1.8
	CE & EE (excl. Russia)	3.4	3.4	2.8	2.7
	Russia	8.4	5.8	4.3	4.1
Alternative/Recession Scenario 2024	Euribor 3M (EoP, bps)	-	129	104	102
	Spread BTP - Bund (EoP, bps)	-	223	232	222
	Real GDP growth y/y, %				
	Italy	-	(0.8)	(2.1)	0.2
	Germany	-	(1.0)	(2.0)	0.5
	CE & EE (excl. Russia)	-	0.2	(0.5)	1.5
	Russia	-	(0.2)	(1.1)	1.3
	Inflation average %				
	Italy	-	1.3	1.0	1.6
	Germany	-	1.3	0.9	1.5
	CE & EE (excl. Russia)	-	3.3	2.3	2.4
	Russia	-	5.6	3.8	3.7
Positive Scenario 2024	Euribor 3M (EoP, bps)	-	289	307	307
	Spread BTP - Bund (EoP, bps)	-	125	150	150
	Real GDP growth y/y, %				
	Italy	-	1.5	1.9	1.4
	Germany	-	1.3	2.3	2.0
	CE & EE (excl. Russia)	-	2.5	3.5	3.0
	Russia	-	1.2	2.5	2.2
	Inflation average %				
	Italy	-	1.7	1.8	2.2
	Germany	-	1.9	2.0	2.0
	CE & EE (excl. Russia)	-	3.7	3.1	2.8
	Russia	-	6.0	4.6	4.2

Part A - Accounting policies

Measurement of credit exposures

With reference to the credit exposures as at 31 December 2024, the macroeconomic scenarios used for calculation of credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default) were updated according to the Bank policies, on the basis of the features highlighted above.

Starting from December 2024, while the Base scenario was kept at 60%, the weights of positive and alternative scenarios were reviewed, by setting them respectively at 5% and 35% (vs 0% and 40% in the previous period).

In this regard, it shall be noted that the amount of loan loss provisions is determined by considering: (i) the classification (current and expected) of credit exposures as non-performing; (ii) the sale prices, for those non-performing exposure whose recovery is expected through sale to external counterparties; and (iii) credit parameters (Probability of Default, Loss Given Default and Exposure at Default) which, in accordance with the IFRS9, incorporate forward looking information and the expected evolution of the macro-economic scenario.
Therefore, also in this case, the measurement is affected by the mentioned degree of uncertainty on the evolution of the geopolitical tension as well as the evolution of the macroeconomic conditions.

Indeed, the evolution of these factors may require - in future financial years - the classification of additional credit exposures as non-performing, thus determining the recognition of additional loan loss provisions, also related to performing exposures, following the update in credit parameters. In addition, adjustments to the loan loss provisions might derive from the occurrence of a macro-economic scenario different from the one estimated for the calculation of the credit risk parameters, or by the prevalence on the market of non-performing exposures of prices different from those used in the measurement.
The evolution of the real estate market, in terms of downward correction of real estate prices, might impact (i) the value of properties received as collateral requiring an adjustment to the loan loss provisions or (ii) the ability of certain counterparties operating in the real estate sector to serve their debt.
Eventually, starting from 2024 the measurement of credit exposures reflects Climate and Environmental risk by incorporating such risk in the evolution of Credit Risk parameters (Probability of Default, Loss Given Default as applicable) which have been calibrated considering different assumptions in terms of implementation of transition policies and severity on physical risk. Therefore, adverse changes in climate risks which may result in a tightening of transition policies and associated cost or in an increase severity of physical risk may require the recognition of additional loan loss provisions.

For additional information on the measurement of credit exposures refer to the paragraph "2.1 Credit risk" of the Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter.

Investments in subsidiaries and deferred tax assets

With reference to equity investments in subsidiaries and deferred tax assets, the measurement is significantly influenced by assumptions about future cash flows, which in turn incorporate assumptions on the evolution of the macro-economic scenario. As a result, for the measurement purposes, and with the aim to reflect the uncertainty, the "Base" and the "Alternative/Recession" scenarios above outlined were considered for the estimation of future cash flows, weighting them respectively for 65% and 35% (respectively at 60% and 40% in the previous period). These weights were applied in coherence with the weights applied for the measurement of credit exposures, by converging the positive scenario into the "Base".

Moreover, considering that - further to the cash flows - additional parameters are relevant in the calculation approach underlying the DTA sustainability test, the evaluation of the following parameters was reviewed taking into consideration the ESMA statements on recognition of deferred tax assets arising from the carry-forward of unused tax losses[106]: (i) volatility parameter, calculated on the historical series since 2007 of the pre-tax results of a significant sample of European Banks[107]; (ii) confidence level used in the MonteCarlo calculation.

The results of these evaluations might be subject to changes depending on the evolution of the underlying parameters, mainly Profit Before Tax, volatility parameter, and confidence level used in the MonteCarlo calculation, whose changes, which may also be driven by change in macro-economic scenario, might determine a change in the valuation.

For further information on the methodology, results and base assumptions used in the impairment test of investments in subsidiaries and deferred tax assets, refer respectively to sections "Section 7 - Equity investments - Item 70" and "Section 10 - Tax assets and tax liabilities - Item 100 (Assets) and Item 60 (Liabilities)" of the Notes to the accounts, Part B - Balance sheet - Assets.

106 ESMA Public Statement. Consideration on recognition of deferred tax assets arising from the carry-forward of unused tax losses, issued on 15 July 2019.
107 Data from European Central Bank (ECB) Statistical Datawarehouse.

Part A - Accounting policies

Measurement of real estate portfolio

Always with reference to the valuation of non-financial assets, the valuation of the real estate portfolio has become relevant following the adoption, starting from 31 December 2019, of the fair value model (assets held for investment) and the revaluation model (assets used in the business). For these assets, on 31 December 2024, the fair value was determined by making recourse to external appraisals, following the Group guidelines.
In this context, it is worth to note that, in upcoming financial years, the fair value of these assets might be different from the fair value observed as at 31 December 2024, as a result of the possible evolution of real estate market, which also depends on the evolution of the macro-economic scenario, including but not limited to the geo-political tensions as well as the evolution of the macroeconomic conditions.

For additional information on the measurement of the real estate portfolio, refer to the paragraph "Section 8 - Property, plant and equipment - Item 80" of the Notes to the accounts Part B - Balance sheet - Assets.

Russia

UniCredit S.p.A. is exposed to Russia through (i) its investments in AO UniCredit Bank; and (ii) exposures toward Russian Counterparties.
Geopolitical tensions have been arising from the conflict between Russia and Ukraine, leading to sanctions and countersanctions among the parties; the Russian administration also took actions towards western investors, in terms of, e.g.,: (i) temporary management by Russian entities of subsidiaries of western investors; (ii) lack of procedures for capital repatriation from Russia; (iii) limiting ability for Russian subsidiaries to distribute dividends towards western investors; (iv) ruling of Russian Courts which considered local subsidiaries of western investors jointly and severally liable in legal cases.
The evolution of such geopolitical tensions may affect, also significantly, the value of these assets and liabilities possibly determining the need to recognise additional losses.

Regarding the Russian Ruble FX rate, the ECB stopped the quotation of EUR/RUB exchange rate since 2 March 2022. Therefore, as at 31 December 2024 and in coherence with the previous year, the Bank is applying an OTC foreign exchange rate provided by Electronic Broking Service (EBS[108]). In this regard it cannot be excluded that, once the ECB will restart listing RUB/EUR FX rate, these quotes might be different from EBS quotes, thus requiring the recognition of an impact in Net Equity and in P&L.
For additional information on the FX rate, refer to the "Section 4 - Other matters", Notes to the accounts, Part A - Accounting policies, A.1 General.

Other measurements

The following additional Balance sheet items might be significantly affected in their evaluation by risks and uncertainties, even if not directly connected with the slow-down of the economic activity and the associated uncertainty level of the economic recovery:
- fair value of financial instruments not listed in active markets;
- severance pay (in Italy) and other employee's benefits (including defined benefit obligation);
- provisions for risks and charges.

While evaluations have been made on the basis of information deemed to be reasonable and supportable as at 31 December 2024, they might be subject to changes not foreseeable at the moment, as a result of the evolution in the parameters used for the evaluation.
Furthermore, the following factors, in addition to those illustrated above, might influence the future results of the Bank and cause outcomes materially different from those deriving from the valuations: (1) general economic and industrial conditions of the regions in which the Bank operates or holds significant investments; (2) exposure to various market risks (e.g., foreign exchange risk); (3) political instability in the areas in which the Bank operates or holds significant investments; (4) legislative, regulatory and tax changes, including regulatory capital and liquidity requirements, also taking into account increased regulation in response to the financial crisis; (5) adverse change in climate which may affect the value of the assets held and/or the ability of customers to serve their debts[109]. Other unknown and unforeseeable factors could determine material deviations between actual and expected results.

Statement of going concern

In their joint Document No.4 of 3 March 2010, Banca d'Italia, Consob and ISVAP made observations on the situation of the markets and businesses and requested that information essential for a better understanding of business trends and outlook be disclosed in financial reports. Also following such guideline, the present statement of going concern is released.

UniCredit Directors observed that during the 2024 the geopolitical tensions between Russian Federation and Ukraine and in the middle - east persisted. Such events determined a relevant uncertainty in the macroeconomic outlook, in terms of GDP, inflation rates and interest rates.
The Directors assessed such circumstances, and concluded, with reasonable certainty, that the Bank will be able to operate profitably in the foreseeable future; as a result, in accordance with the provisions of IAS1, the Company reports as at 31 December 2024 was prepared on a going concern basis.

108 EBS is a wholesale electronic trading platform used to trade on the foreign exchange market (FX) with market-making banks. It is part of CME Group (Chicago Mercantile Exchange).
109 For additional information about climate risk and how the Group affects it refer to Part E - Information on risks and related hedging policies - Climate-related and environmental risks.

Part A - Accounting policies

For releasing such statement and the connected evaluations, the main Group regulatory ratios were also taken into account at 31 December 2024, in terms of: (i) actual figures as at 31 December 2024 (CET1 Ratio Transitional equal to 15.96%; MREL Ratio equal to 32.73% in terms of RWEA and 10.33% in terms of Leverage Exposure; Liquidity Coverage Ratio at 144% based on monthly average on 12 months); (ii) the related buffer versus the minimum requirements at the same reference date (CET1 Ratio Transitional: excess of 559 basis points; MREL Ratio: excess of 523 basis points in terms of RWEA and 424 in terms of Leverage Exposure; Liquidity Coverage Ratio: excess of about 44 percentage points); iii) the expected evolution of the same ratios during 2025 (in particular, it is expected to stay well above the capital requirements, consistently with the UniCredit Unlocked CET1 ratio target of 12.5-13 per cent).

On 12 April 2024 the Shareholders meeting has authorised the purchase of a maximum No.200,000,000 of UniCredit S.p.A. shares, to be carried out, even in more transactions, within the earliest of: (i) the date which will fall after 18 (eighteen) months from the date of the authorisation of the shareholders' meeting; and (ii) the date of the shareholders' meeting which will be called to approve the financial statements for the year ending on 31 December 2024. The request for authorisation to purchase treasury shares was proposed by the Board of Directors as a part of the activities envisaged in the 2022-2024 Strategic Plan ("UniCredit Unlocked") presented to the market on 9 December 2021.
In particular, the following distributions were envisaged:

- a first distribution, for a maximum disbursement of €3,085,250,000, relating to the residual part of the overall payout for the 2023 financial year (the "2023 SBB Residual");
- a second distribution as an anticipation of the expected distributions for the 2024 financial year, for an amount to be defined by the Board of Directors of the Company in accordance with certain criteria (the "2024 SBB Anticipation").

The shares purchased pursuant to the aforementioned programmes were subject to cancellation.
The purchase programmes were subject to the prior permissions of the European Central Bank (ECB). These permissions have been granted on 11 April 2024 and on 13 September 2024, respectively for "2023 SBB Residual" and for "2024 SBB Anticipation".
The "2023 SBB Residual" buy-back programme has been executed in two tranches during 2024:

- a tranche for an amount of €1,585,250,000 denominated "Second Tranche of the Buy-Back Programme 2023", was initiated on 9 May 2024 and completed on 20 June 2024;
- the final tranche for an amount of €1,500,000,081.14, denominated "Third Tranche of the Buy-Back Programme 2023", was initiated on 21 June 2024 and completed on 19 August 2024.

The execution of "2024 SBB Anticipation" for an amount of €1,700,000,000 has been launched on 16 September 2024 and initiated on the same date, as per the authorisation granted by the Shareholders' Meeting of the Company held on 12 April 2024. On 14 November 2024 UniCredit S.p.A. announced the completion of such share buy-back programme.

For the sake of completeness, it is worth to note that on 5 November 2024 a proposal for the distribution of interim cash dividend for €1.4 billion was submitted for approval to UniCredit S.p.A. the Board of Directors, which approved on the same date such a distribution.

The measurement criteria adopted are therefore consistent with this assumption and with the principles of accrual-based accounting, the relevance and materiality of accounting information, and the prevalence of economic substance over legal form.
These criteria have not changed with respect to the previous year.

Section 3 - Subsequent events

No material events[110] have occurred after the Balance sheet date that would make it necessary to change any of the information given in the Company financial statements as at 31 December 2024.
For a description of the significant events[111] after year-end, refer to the information evidenced in the paragraph "Subsequent events" of the Consolidated financial statements of UniCredit group, Consolidated report on operations, Subsequent events and outlook.

110 Events happened subsequently to Financial Statements' reporting date that are adjusting events in accordance with IAS10.
111 Events happened subsequently to Financial Statements' reporting date that are non adjusting events in accordance with IAS10.

Part A - Accounting policies

Section 4 - Other matters

In 2024 the following standards, amendments or interpretations of the existing accounting standards came into force:

- amendments to IFRS16 Leases: Lease Liability in a Sale and Leaseback (EU Regulation 2023/2579);
- amendments to IAS1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date and Non-current Liabilities with Covenants (EU Regulation 2023/2822);
- amendments to IAS7 Statement of Cash Flows and IFRS7 Financial Instruments: Disclosures: Supplier Finance Arrangements (EU Regulation 2024/1317).

The entry into force of these new standards, amendments or interpretations has not determined substantial effects on the amounts recognised in balance sheet or income statement.

As at 31 December 2024, the following document, applicable to reporting starting from 1 January 2025, has been endorsed by the European Commission:

- amendments to IAS21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (EU Regulation 2024/2862).

The Bank does not expect significant impacts arising from the entry into force of such amendments.

As at 31 December 2024 the IASB issued the following accounting standards, amendments or interpretations of the existing accounting standards, whose application is subject to completion of the endorsement process by the competent bodies of the European Union:

- IFRS18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024);
- IFRS19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024);
- amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7) (issued on 30 May 2024);
- Annual Improvements Volume 11 (issued on 18 July 2024);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS9 and IFRS7 (issued on 18 December 2024).

With regard to the amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7) the Bank is assessing the impacts of new requirements and it expects to update the Group policies coherently.

Implications of geopolitical tensions between Russia and Ukraine on Company financial statements

UniCredit S.p.A. holds assets and liabilities potentially exposed to the consequences of the geopolitical tensions between Russia and Ukraine, specifically: (i) the financial assets held by UniCredit S.p.A. towards Russian counterparties; (ii) its Russian Subsidiary.

1. Financial assets held by UniCredit S.p.A. toward Russian counterparties

The present section provides information about the credit exposures subject to Russian risk held by UniCredit S.p.A. (i.e., such exposures do not include Letters of Credit).

The overall Gross Book Value for €331 million is composed by:

- on-balance exposures for an amount of €279 million, and off-balance exposures equal to approx. €52 million;
- overall coverage for approx. 35%.

The reduction for -€49 million compared to year-end 2023 (gross exposure for €380 million and overall write down for -€129 million) is mainly attributable to redemptions occurred in the period.

	PERFORMING ASSETS		
	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURES
Deposits	-	-	-
Financial assets held for trading	-	-	-
Financial assets at FV through OCI	-	-	-
Financial assets at amortized cost	279	102	177
Total on balance exposures	**279**	**102**	**177**
Off Balance	52	15	37
Total 31.12.2024	**331**	**117**	**214**
Total 31.12.2023	380	129	251

Note:
Non-performing assets report a gross exposure (GBV) of €36 million and overall writedowns (LLP) of -€20 million (o/w Non-ECA amounting to €32 million in terms of GBV and -€19 million in terms of LLP).

Part A - Accounting policies

1.1 Classification and re-rating of loans toward Russian counterparties held by UniCredit S.p.A.
In the course of 2022, the credit exposures toward Russian counterparties by UniCredit S.p.A. were downgraded and classified into Stage 2. Such Stage 2 classification was removed since June 2024.
Furthermore, an analysis was performed on the amount of LLPs to grant that they would be able to reflect in the measurement the differentiation in asset valuation between onshore and offshore investors, where the latter are penalized in their ability to recover the claims against investments in Russia. Indeed, in the perspective of an offshore investor exposed towards obligors with direct risk on Russia, such exposures are expected to suffer from higher risk of missed fulfilment of credit obligation, as a consequence of sanctioning limitations and potential accelerated de-leveraging actions.

Such analysis is still valid as at 31 December 2024; indeed, the persisting sanctions against Russia indicates that the mentioned differentiation in asset valuation observed in 2022 continues to exist.

In this regard, the additional LLPs were quantified by assuming a coverage ratio comparable with the proactive classification of these exposures as unlikely to pay. As at 31 December 2024 the stock of overall writedowns is equal to -€117 million (-€129 million as of year-end 2023).

1.2 Geopolitical overlay resulting from Russia-Ukraine crisis
For further information on geopolitical overlay refer to the paragraph "2.3.1 Staging allocation and Expected Credit Losses calculation" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.3 Measurement methods for expected losses, where the amounts related to UniCredit S.p.A. are also available.

2. Russian subsidiary
With reference to the investment in AO UniCredit Bank, write downs for -€161 million have been recognised.
For further details on the valuation of equity investments refer to Part B - Balance sheet - Assets, Section 7 - Equity investments - Item 70.

3. FX rate used as at 31 December for the conversion of exposures denominated in Rubles
As a result of the geopolitical tension, the ECB suspended the EUR/RUB listing since 2 March 2022 (last fixing on 1 March 2022), while Central Bank of Russia (CBR) continued to provide a fixing versus other currencies. Despite such suspension, the availability of RUB FX rate is needed for preparing the Company financial statements for the conversion into EUR of RUB denominated exposures.

In light of the IAS21 requirements (which establish that when several exchange rates are available, the rate used is the one at which the future cash flows represented by the transaction could have been settled if those cash flows had occurred at the measurement date), the Bank decided to adopt the RUB quotes listed by the Electronic Broking Service (EBS) in substitution of the lacking EUR/RUB quote. The choice of the provider was executed following qualitative and quantitative assessment, which reported the following outcome: (i) the RUB quotes published by the platform are representative of effective transactions between participants to the market; (ii) the FX quotes are substantially aligned with those provided by other sources; (iii) the EBS RUB quotes resulted from actual transactions by non-Russian based operators, thus granting that such quote effectively represents a market participant assessment of the value of the RUB and therefore of the economic conditions of Russia[112].

112 Such conclusions are also corroborated by the meeting held by ECB - Foreign Exchange Contact Group during May 2022 in which EBS representative reported that EBS EUR/RUB Market continue to function, and that liquidity in the Russian ruble is below pre-invasion levels, with activity concentrated mostly among larger banks in offshore markets.

Part A - Accounting policies

4. Claims in relation to guarantees and sanctions

UniCredit S.p.A. has made an application to the General Court of European Union (GCEU) to obtain definitive legal clarification of the obligations set by the European Central Bank's (ECB) requirements to further reduce the risks associated with UniCredit's activities in Russia, carried out by subsidiaries including AO UniCredit Bank. In this regard it should be noted that since Russia's invasion of Ukraine in February 2022, UniCredit has been adopting a series of strategies to reduce its Russian presence resulting in a significant reduction of its cross-border and domestic exposures. However, the unprecedented circumstances, the complexities inherent in the geo-political and economic scenario the lack of a harmonized regulatory framework applicable to it and the potential for serious unintended consequences of implementing the decision that would impact not only the Russian subsidiaries but UniCredit S.p.A., have compelled the Board of Directors of UniCredit to seek for clarity and certainty of the duties and of the actions to be undertaken. To this purpose, UniCredit filed the application to the GCEU to get clarity about the obligations that UniCredit shall abide by. This application has been made in the full knowledge of the ECB. While this application is being heard, UniCredit has requested an interim suspension of the Decision pending the proceeding, which was denied by the GCEU in November 2024. The proceedings on the merits are ongoing.

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The Company financial statements of UniCredit S.p.A. and the Consolidated financial statements of UniCredit group as at 31 December 2024 are audited by KPMG S.p.A. pursuant to Legislative Decree No.39 of 27 January 2010 and to the resolution passed by the Shareholder’s Meeting on 9 April 2020.

UniCredit group prepared and published within the time limits set by law and in manner required by Consob, the Consolidated first half financial report as at 30 June 2024, subject to limited scope audit, as well as the Consolidated interim reports as at 31 March and 30 September 2024, both as press releases.

The Company financial statements of UniCredit S.p.A. and the Consolidated financial statements of UniCredit group as at 31 December 2024 have been approved by the Board of Directors’ meeting of 20 February 2025, which authorised its disclosure to the public also pursuant to IAS10.

Directive 2004/109/EC (the "Transparency Directive") and Delegated Regulation (EU) 2019/815 introduced the obligation for issuers of securities listed on regulated markets of the European Union to draw up the annual financial report in the language XHTML, based on the European Single Electronic Format (ESEF), approved by ESMA.

The whole document is filed in the competent offices and entities as required by law.

Part A - Accounting policies

A.2 - Main items of the accounts

1 - Financial assets at fair value through profit or loss

a) Financial assets held for trading
Reference is made to the paragraph “a) Financial assets held for trading” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 1 - Financial assets at fair value through profit or loss, which is herewith quoted entirely.

b) Financial assets designated at fair value through profit or loss
Reference is made to the paragraph “b) Financial assets designated at fair value through profit or loss” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 1 - Financial assets at fair value through profit or loss, which is herewith quoted entirely.

c) Other financial assets mandatorily at fair value
Reference is made to the paragraph “c) Other financial assets mandatorily at fair value” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 1 - Financial assets at fair value through profit or loss, which is herewith quoted entirely.

2 - Financial assets at fair value through other comprehensive income
Reference is made to the paragraph “2 - Financial assets at fair value through other comprehensive income” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

3 - Financial assets at amortised cost
Reference is made to the paragraph “3 - Financial assets at amortised cost” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

4 - Hedge accounting
Reference is made to the paragraph “4 - Hedge accounting” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

5 - Equity investments
Equity investments are equity instruments and consequently defined as financial instruments under IAS32.

Investments in equity instruments made with the intention of establishing or maintaining a long-term operational relationship with the investee are strategic investments.

The following are the types of equity investment:

Subsidiaries
Entities, including structured entities, over which the Bank has direct or indirect control, are considered subsidiaries. Control over an entity entails the Bank's ability to exercise power in order to influence the variable returns to which the Bank is exposed through its relationship with them.

In order to verify the existence of control, the following factors are considered:
- the purpose and establishment of the investee, in order to identify which are the entity's objectives, the activities that determine its returns and how these activities are ruled;
- the power, in order to understand whether the Bank has contractual rights that attribute the ability to govern the relevant activities; to this end only substantial rights that provide practical ability to govern are considered;
- the exposure held in relation to the investee, in order to assess whether the Bank has relationships with the investee, the returns of which are subject to changes deriving from variations in the investee's performance;
- the existence of potential principal - agent relationships.

Part A - Accounting policies

If the relevant activities are ruled through voting rights, the existence of control is verified considering the voting rights held, including the potential ones, and the existence of any shareholders' or other agreements which attribute the right to control the majority of the voting rights, to appoint the majority of the governing body or in any case the power to determine the entity's financial and operating policies.

Subsidiaries may also include any “structured entity” in which the voting rights are not significant for establishing control, including special purpose entities and investment funds.

In the case of structured entities, the existence of control is ascertained considering both the contractual rights that enable governance of the relevant activities (or those that contribute most to the results) and the Bank’s exposure to the variability of returns deriving from these activities.

Joint venture

A joint venture is an entity in which the Bank has:
- a joint control agreement;
- rights on the net assets of the entity.

In detail a joint control exists when the decisions over the relevant activities require the unanimous consent of all the parties that share control.

Associates

An associate is an entity over which the investor has significant influence and which are not subsidiaries or joint ventures.

Significant influence is presumed when the investor:
- holds, directly or indirectly, at least 20% of the share capital of another entity; or
- is able, also through shareholders' agreements, to exercise significant influence through:
  - representation on the governing body of the company;
  - participation in the policy-making process, including participation in decisions about dividends or other distributions;
  - the existence of significant transactions;
  - interchange of managerial personnel;
  - provision of key technical information.

It should be noted that only companies which are governed through voting rights can be classified as associates.

Investments in subsidiaries, associates and joint ventures are measured at cost.

The purchase price of an equity investment is the sum of:
- the fair value, at the date of acquisition, of the assets sold, liabilities assumed and equity instruments issued by the purchaser in exchange for control of the investee; and
- any cost directly attributable to the acquisition.

If there is evidence that an equity investment may have become impaired, its carrying value is compared with its recoverable value, which is determined on the basis of its value in use, in turn calculated by means of valuation models in general use in financial business, which discount expected future cash flow from the equity investment (methodology Discounted Cash Flow).
If it is not possible to obtain sufficient information the value in use is considered to be the net worth of the company.

If the recoverable value is less than the carrying value, the difference is recognised through profit or loss in item “220. Gains (Losses) of equity investments”. If the reasons for impairment are removed following a subsequent event occurring after the recognition of impairment, write-backs are made through same profit or loss item.
Equity investments considered strategic investments not covered by the above definitions and not recognised in item “110. Non-current assets and disposal groups classified as held for sale” are classified as financial assets at fair value through other comprehensive income or other financial assets mandatorily at fair value and accordingly treated.

Part A - Accounting policies

6 - Property, plant and equipment (Tangible assets)

Reference is made to the paragraph "6 - Property, plant and equipment (Tangible assets)" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

7 - Intangible assets

An intangible asset is an identifiable non-monetary without physical substance which is expected to be used for more than one period, controlled by the Bank and from which future economic benefits are probable.

Intangible assets are principally represented by software.

Intangible assets other than goodwill are recognised at purchase cost, i.e. including any cost incurred to bring the asset into use, less accumulated amortisation and impairment losses.

Costs sustained after purchase are:
- added to initial cost, provided they increase future economic benefits arising from the underlying asset (i.e., if they increase its value or productive capacity);
- in other cases (i.e., when they do not increase the asset's original value, but are intended merely to preserve its original functionality) are taken to profit or loss in a single amount in the year in which they have been borne.

In case of internally generated software the expenses incurred to develop the project are recognised under intangible assets only if the following elements are demonstrated: (i) the technical feasibility of the project, (ii) the intention to complete the intangible asset, (iii) its future usefulness, (iv) the availability of adequate technical, financial and other resources to complete the development and (v) the ability to measure reliably the expenditure attributable to the intangible asset during its development.
An intangible asset with a finite life is subject to straight-line amortisation over its estimated useful life. If expectations differ from previous estimates, the depreciation amount for the current and subsequent periods is adjusted accordingly.

Residual useful life is usually assessed as follows:
- software up to 7 years;
- other intangible assets up to 20 years.

If there is clear evidence that an asset has been impaired, the carrying amount of the asset is compared with its recoverable value, equal to the greater of its fair value less selling cost and its value in use, i.e. the present value of future cash flows expected to be originated from the asset. Any impairment loss is recognised in profit and loss item "190. Net value adjustments/write-backs on intangible assets".

If the value of a previously impaired intangible asset, other than goodwill is restored, its increased carrying amount cannot exceed the net carrying amount it would have had if there were no losses recognised on the prior-year impairment.

An intangible asset is derecognised (i) on disposal or (ii) when no further future economic benefits are expected from its use or sale in the future and any difference between sale proceeds or recoverable value and carrying value is recognised in the profit and loss item "250. Gains (Losses) on disposal of investments" or "190. Net value adjustments/write-backs on intangible assets", respectively.

8 - Non-current assets and disposals groups classified as held for sale

Reference is made to the paragraph "8 - Non-current assets and disposal group classified as held for sale" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

9 - Current and deferred tax

Reference is made to the paragraph "9 - Current and deferred tax" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

Part A - Accounting policies

10 - Provisions for risks and charges

Committments and guarantees given
Reference is made to the paragraph "Commitments and guarantees given" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 10 - Provision for risks and charges, which is herewith quoted entirely.

Retirement payments and similar obligations
Reference is made to the paragraph "Retirement payments and similar obligations" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 10 - Provision for risks and charges, which is herewith quoted entirely.

Other provisions
Reference is made to the paragraph "Other provisions" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 10 - Provision for risks and charges, which is herewith quoted entirely.

11 - Financial liabilities measured at amortised cost
Reference is made to the paragraph "11 - Financial liabilities measured at amortised cost" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

12 - Financial liabilities held for trading
Reference is made to the paragraph "12 - Financial liabilities held for trading" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

13 - Financial liabilities designated at fair value
Reference is made to the paragraph "13 - Financial liabilities designated at fair value" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

14 - Foreign currency transactions
Reference is made to the paragraph "14 - Foreign currency transactions" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, which is herewith quoted entirely.

15 - Other information

Impairment
Reference is made to the paragraph "Impairment" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Renegotiations
Reference is made to the paragraph "Renegotiations" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Business combinations
Reference is made to the paragraph "Business combinations" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Derecognition of financial assets
Reference is made to the paragraph "Derecognition of financial assets" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Repo transactions and securities lending
Reference is made to the paragraph "Repo transactions and securities lending" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Part A - Accounting policies

Equity instruments
Reference is made to the paragraph “Equity instruments” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Treasury shares
Reference is made to the paragraph “Treasury shares” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Leases
Reference is made to the paragraph “Leases” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Factoring
Reference is made to the paragraph “Factoring” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Italian staff severance pay (Trattamento di fine rapporto - “TFR”)
Reference is made to the paragraph “Italian staff severance pay (Trattamento di fine rapporto - “TFR”)” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Share-based payment
Reference is made to the paragraph “Share-based payments” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Guarantees and credit derivatives in the same class
Reference is made to the paragraph “Guarantees and credit derivatives in the same class” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Offsetting financial assets and financial liabilities
Reference is made to the paragraph “Offsetting financial assets and liabilities” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Amortised cost
Reference is made to the paragraph “Amortised cost” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

ESG instruments
Reference is made to the paragraph “ESG instruments” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, which is herewith quoted entirely.

Recognition of income and expenses

Interest income and expenses
Reference is made to the paragraph “Interest income and expenses” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts, 16 - Other information, Recognition of income and expenses, which is herewith quoted entirely.

Fees and commissions income and other operating income
Reference is made to the paragraph “Fees and commissions income and other operating income” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts,16 - Other information, Recognition of income and expenses, which is herewith quoted entirely.

Dividends
Reference is made to the paragraph “Dividends” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.2 - Main items of the accounts,16 - Other information, Recognition of income and expenses, which is herewith quoted entirely.

Part A - Accounting policies

A.3 - Information on transfers between portfolios of financial assets

There were no transfers between portfolios of financial assets in 2024.

A.4 - Information on fair value

Qualitative information

Reference is made to the paragraph "Qualitative information" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, which is herewith quoted entirely.

A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used

Reference is made to the paragraph "A.4.1 Fair value Levels 2 and 3: valuation techniques and input used" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, which is herewith quoted entirely.

Assets and liabilities measured at fair value on a recurring basis

Reference is made to the paragraph "Assets and liabilities measured at fair value on a recurring basis" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used, which is herewith quoted entirely.

Fair Value Adjustments (FVA)

Unless the info, reported below, reference is made to the paragraph "Fair Value Adjustments (FVA)" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used, which is herewith quoted entirely.

As at 31 December 2024, net CVA/DVA cumulative adjustment, relating to Performing counterparts, amounts to €8.5 million negative; in addition, the adjustment related to own credit spread evolution on own financial liabilities measured at fair value, which is filtered out from regulatory capital (accordingly to CRDIV), amounts to €65.2 million negative.

As at 31 December 2024 the Fair Value Adjustment component (FundVA) reflected into P&L amounts to €1.1 million negative.

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis

Reference is made to the paragraph "Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used, which is herewith quoted entirely.

Description of the valuation techniques

Reference is made to the paragraph "Description of the valuation techniques" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used, which is herewith quoted entirely.

Description of the inputs used to measure the fair value of items categorised in Level 2 and 3

Reference is made to the paragraph "Description of the inputs used to measure the fair value of items categorised in Level 2 and 3" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used, which is herewith quoted entirely.

Part A - Accounting policies

Quantitative information on significant unobservable inputs used in the fair value measurement: accounting portfolios measured at fair value categorised as Level 3

The following table shows the relevant unobservable parameters for the valuation of financial instruments classified at fair value level 3 according to the IFRS13 definition.

(€ million)

PRODUCT CATEGORIES			FAIR VALUE ASSETS	FAIR VALUE LIABILITIES	VALUATION TECHNIQUES	UNOBSERVABLE PARAMETERS	UNCERTAINTY RANGES	
Derivatives								
	Financial							
		Foreign Exchange	11	22	Option Pricing Model	Volatility	0%	45%
					Discounted Cash Flows	Interest rate (bps)	0	587
		Interest Rate	443	864	Discounted Cash Flows	Swap Rate (bps)	0	587
						Inflation Swap Rate (bps)	3	12
		Equity & commodities	919	581	Option Pricing Model	Volatility	1%	18%
						Correlation	2%	25%
	Credit		10	12	Hazard Rate Model	Credit Spread (bps)	1	67
						Recovery rate	0%	5%
Debt Securities and Loans		Corporate/Government/Other	47	501	Market Approach	Credit Spread (bps)	1	809
		Mortgage & Asset Backed Securities	1,052	-	Discounted Cash Flows	Credit Spread (bps)	62	992
						Recovery rate	0%	70%
						Default Rate	0%	3%
						Prepayment Rate	0%	30%
Equity Securities		Unlisted Equity & Holdings	618	-	Market Approach	Price (% of used value)	0%	3%
					Gordon Growth Model	Ke	9%	22%
						Growth Rate	1%	4%
Units in Investment Funds		Real Estate & Other Funds	3,097	-	Adjusted Nav	PD	1%	30%
						LGD	35%	60%

A.4.2 Valuations processes and sensitivities

Reference is made to the paragraph “A.4.2 Valuations processes and sensitivities” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, which is herewith quoted entirely.

Part A - Accounting policies

Fair value sensitivity to variations in unobservable inputs used in the fair value computation for instruments categorised as Level 3

Unless the info, reported below, reference is made to the paragraph "Fair Value sensitivity to variations in unobservable inputs used in the fair value computation for instruments categorised as Level 3" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, A.4.2 Valuation processes and sensitivities, which is herewith quoted entirely.

(€ million)

PRODUCT CATEGORIES			FAIR VALUE MOVEMENTS	
Derivatives				
	Financial			
		Equities & Commodities	+/-	34.19
		Foreign Exchange	+/-	0.04
		Interest Rate	+/-	0.52
	Credit		+/-	0.05
Debt Securities and Loans				
		Corporate/Government/Other	+/-	0.02
		Mortgage & Asset Backed Securities	+/-	0.40
Equity Securities				
		Unlisted Equity & Holdings	+/-	6.18
Units in investment funds				
		Real Estate & Other Funds	+/-	0.38

Within the unlisted Level 3 Units in Investment Funds, measured using a model, the shares in Atlante and Italian Recovery Fund, former Atlante II, (€225 million at 31 December 2024) are classified. For further information refer to Notes to accounts, Part B - Balance sheet - Assets, Section 2 - Financial assets at fair value through profit or loss: c) other financial assets mandatorily at fair value.

Amongst the financial instruments subject of valuation methods and sensitivity analysis, there are also included ABS issued by securitisation vehicles as per Italian law 130/99 where the Bank is both originator and underwriter of some issues and quotes of open investment funds acquired through credit disposal.

A.4.3 Fair value hierarchy

Reference is made to the paragraph "A.4.3 Fair value hierarchy" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, which is herewith quoted entirely.

Transfers between hierarchy levels

The main drivers to transfers in and out the fair values levels (both between Level 1 and Level 2 and in/out Level 3) include changes in market conditions (among which liquidity parameter) and enhancements to valuation techniques and weights for unobservable inputs used for the valuation itself.
Quantitative and qualitative details about transfers between fair value levels occurred in the period are presented in the following paragraph "A.4.5 Fair value hierarchy", Quantitative information.

A.4.4 Other information

Reference is made to the paragraph "A.4.4 Other information" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies, A.4 - Information on fair value, Qualitative information, which is herewith quoted entirely.

Part A - Accounting policies

Quantitative information

A.4.5 Fair value hierarchy

The following tables show the portfolios breakdown in terms of (i) financial assets and liabilities valued at fair value as well as (ii) assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis, according to the above-mentioned levels.

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value levels

(€ million)

FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Financial assets at fair value through profit or loss	3,747	44,081	4,794	6,808	11,192	3,268
a) Financial assets held for trading	3,203	41,681	1,381	6,035	8,857	492
b) Financial assets designated at fair value	132	-	-	132	-	-
c) Other financial assets mandatorily at fair value	412	2,400	3,413	641	2,335	2,776
2. Financial assets at fair value through other comprehensive income	36,785	1,628	1,400	26,791	3,187	1,658
3. Hedging derivatives	-	549	2	81	10,758	4
4. Property, plant and equipment	-	-	2,565	-	-	2,538
5. Intangible assets	-	-	-	-	-	-
Total	**40,532**	**46,258**	**8,761**	**33,680**	**25,137**	**7,468**
1. Financial liabilities held for trading	2,217	34,358	1,477	4,580	9,043	688
2. Financial liabilities designated at fair value	-	9,770	501	-	6,704	556
3. Hedging derivatives	-	314	2	124	11,799	27
Total	**2,217**	**44,442**	**1,980**	**4,704**	**27,546**	**1,271**

The item "1. c) Financial assets mandatorily at fair value" at Level 3 as at 31 December 2024 includes the investments in Atlante and Italian Recovery Fund (IRF - former Atlante II) carrying value €225 million.
As at 31 December 2024 the fair value for Atlante and Italian Recovery Fund (former Atlante II) has been determined adopting an internal model in which credit risk changes of single ABS in which Atlante fund is invested are considered.
For futher information refer to the paragraph "2.5 Other financial assets mandatorily at fair value: breakdown by product" of the Notes to the accounts, Part B - Balance sheets - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20.

Transfers between level of fair value occurring during the year mainly reflect the evolution of reference market and the enhancement of processes for fair value level attribution.

Besides the transfers related to financial assets and liabilities carried at Level 3 detailed in the sections below during the year the following transfers occurred:
- from Level 2 to Level 1 owing to an improvement of the liquidity and price reliability indicators (based on the bid-ask spread, relative size and applicability of the published prices) collected by third parties as calculated and recorded in the context of the Global Bond IPV process:
  - of financial assets measured at fair value through profit or loss (financial assets held for trading, designed at fair value and mandatorily at fair value) for €1 million;
  - of financial assets measured at fair value through reserves (financial assets at fair value through other comprehensive income) for €294 million.

Part A - Accounting policies

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (Level 3)

(€ million)

	CHANGES IN 2024							
	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS							
	TOTAL	OF WHICH: A) FINANCIAL ASSETS HELD FOR TRADING	OF WHICH: B) FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	OF WHICH: C) OTHER FINANCIAL ASSETS MANDATORILY AT FAIR VALUE	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	HEDGING DERIVATIVES	PROPERTY, PLANT AND EQUIPMENT	INTANGIBLE ASSETS
1. Opening balances	**3,268**	**492**	**-**	**2,776**	**1,658**	**4**	**2,538**	**-**
2. Increases	**6,050**	**4,343**	**-**	**1,707**	**242**	**211**	**165**	**-**
2.1 Purchases	3,150	1,583	-	1,567	25	102	86	-
2.2 Profits recognised in	2,645	2,574	-	71	51	88	44	-
2.2.1 Income statement	2,645	2,574	-	71	4	88	15	-
- of which unrealised gains	*1,122*	*1,055*	-	*67*	-	*2*	*15*	-
2.2.2 Equity	X	X	X	X	47	-	29	-
2.3 Transfers from other levels	192	186	-	6	-	20	-	-
2.4 Other increases	63	-	-	63	166	1	35	-
3. Decreases	**4,524**	**3,454**	**-**	**1,070**	**500**	**213**	**138**	**-**
3.1 Sales	1,747	1,519	-	228	57	87	-	-
3.2 Redemptions	665	-	-	665	261	-	-	-
3.3 Losses recognised in	1,999	1,828	-	171	174	126	102	-
3.3.1 Income statement	1,999	1,828	-	171	16	126	73	-
- of which unrealised losses	*398*	*246*	-	*152*	-	*24*	*40*	-
3.3.2 Equity	X	X	X	X	158	-	29	-
3.4 Transfers to other levels	113	107	-	6	-	-	36	-
3.5 Other decreases	-	-	-	-	8	-	-	-
of which: business combinations	-	-	-	-	-	-	-	-
4. Closing balances	**4,794**	**1,381**	**-**	**3,413**	**1,400**	**2**	**2,565**	**-**

The sub-items "2.2.1 Profits recognised in Income statement" and "3.3.1 Losses recognised in Income statement" in financial assets are included in the following items:
- Item 80: Net gains (losses) on trading;
- Item 90: Net gains (losses) on hedge accounting;
- Item 110: Net gains (losses) on other financial assets/liabilities at fair value through profit or loss.

The sub-item "2.2.2 Profits recognised in Equity" and the sub-item "3.3.2 Losses recognised in Equity" reports the profits and the losses arising from fair value changes on financial assets at fair value through other comprehensive income and tangible assets used in business, with reference to land and buildings, according to the rules explained below.
With reference to financial assets at fair value through other comprehensive income these profits and losses are accounted in item "110. Valuation reserves" of shareholder's equity until the financial assets is not sold, instant in which cumulative gains and losses are reported: i) if referred to debt securities in Income statement under item "100. Gains (Losses) on disposal and repurchase of: b) financial assets at fair value through other comprehensive income" and ii) if referred to equity instruments in the shareholder's equity under item "140. Reserves"; the exception regards the case of impairment and gains and losses on exchange rates on monetary assets (debt securities) which are reported respectively under item "130. Net losses/recoveries on credit impairment relating to: b) financial assets at fair value through other comprehensive income" and item "80. Net gains (losses) on trading".
With reference to tangible assets used in business, the profits arising from the valuation are recognised in item "110. Valuation reserves" of shareholder's equity for the portion exceeding the cumulated losses recognised in item "230. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value". Losses arising from the valuation are recognised in item "110. Valuation reserves" up to the cumulated profits recognised in the same item. Further losses are recognised in item "230. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value". On disposal the cumulated profits reported in item "110. Valuation reserves" are recycled to item "140. Reserves".

A.4.5.3 Annual changes in liabilities measured at fair value on a recurring basis (Level 3)

(€ million)

	CHANGES IN 2024		
	FINANCIAL LIABILITIES HELD FOR TRADING	FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	HEDGING DERIVATIVES
1. Opening balances	**688**	**556**	**27**
2. Increases	**5,759**	**475**	**626**
2.1 Issuance	2,261	384	602
2.2 Losses recognised in	3,264	62	24
2.2.1 Income statement	3,264	58	24
- of which unrealised losses	*1,037*	*32*	*2*
2.2.2 Equity	X	4	-
2.3 Transfers from other levels	234	15	-
2.4 Other increases	-	14	-
3. Decreases	**4,970**	**530**	**651**
3.1 Redemptions	2,228	-	22
3.2 Purchases	-	311	-
3.3 Profits recognised in	2,597	13	612
3.3.1 Income statement	2,597	10	612
- of which unrealised gains	*336*	*10*	*10*
3.3.2 Equity	X	3	-
3.4 Transfers to other levels	145	192	16
3.5 Other decreases	-	14	1
of which: business combinations	-	-	-
4. Closing balances	**1,477**	**501**	**2**

The sub-items “2.2.1 Losses recognised in Income statement” and “3.3.1 Profits recognised in Income statement” in financial liabilities are included in the profit and loss in the following items:
- Item 80: Net gains (losses) on trading;
- Item 90: Net gains (losses) on hedge accounting;
- Item 110: Net gains (losses) on other financial assets/liabilities at fair value through profit or loss.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value levels

(€ million)

ASSETS/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Financial assets at amortised cost	228,212	33,838	97,915	92,410	241,825	37,783	81,776	117,778
2. Property, plant and equipment held for investment	-	-	-	-	-	-	-	-
3. Non-current assets and disposal groups classified as held for sale	39	-	26	-	299	-	13	-
Total	**228,251**	**33,838**	**97,941**	**92,410**	**242,124**	**37,783**	**81,789**	**117,778**
1. Financial liabilities at amortised cost	285,742	33,093	55,659	196,824	286,724	28,715	58,212	198,269
2. Liabilities associated with assets classified as held for sale	-	-	-	-	-	-	-	-
Total	**285,742**	**33,093**	**55,659**	**196,824**	**286,724**	**28,715**	**58,212**	**198,269**

The changes occurred between 31 December 2023 and 31 December 2024 in the ratio between fair value and book value for financial assets at amortised cost reflect the enhancement of the methodology and the parameters adopted for the fair value calculation for disclosure and the evolution in the benchmark interest rate, in the risk premium and in the probability of default depending on or deriving from markets trend. These events together with the evolution of the approach to identify the significance of non-observable inputs have been reflected in fair value hierarchy level distribution.

Part A - Accounting policies

The book value of item "3. Non-current assets and disposal groups classified as held for sale" (Assets) includes amounts referred to assets measured on Balance sheet on the basis of their cost for €13 million. For further details on this item refer to the table "11.1 Non-current assets and disposal groups classified as held for sale: breakdown by asset type", Notes to the accounts, Part B - Balance sheet - Assets, Section 11 - Non-current assets and disposal groups classified as held for sale and Liabilities associated with classified as held for sale - Item 100 (Assets) and Item 70 (Liabilities).

A.5 - Information on "day one profit/loss"

The value at which financial instruments are recognised is equal to their fair value on the same date.

The fair value of financial instruments, other than those designated at fair value through profit or loss, at their recognition date is usually assumed to be equal to the amount collected or paid.

For financial instruments held for trading (refer to Sections 1.a) and 12 of part A.2 above) and instruments designated at fair value (refer to Sections 1.b) and 13 of part A.2 above), any difference from the amount collected or paid is posted under the appropriate items of the Income statement.

The use of conservative valuation models, the processes described above for revising the models used and related parameters and value adjustments to reflect model risk ensure that the amount recognised in the Income statement is not derived from the use of valuation parameters that cannot be observed.
More specifically, the calculation of fair value adjustments to reflect model risk ensures that the fair value portion of these instruments relating to the use of subjective parameters is not recognised in the profit and loss account but changes the Balance sheet value of these instruments.
The presence of further "day one profit" leads to the recognition of a distinct asset component that is the object of linear competition.
Recognition of this portion in the profit and loss account is then made only when objective parameters are applied and therefore the adjustments are derecognised.

The overall fair value adjustments to reflect these adjustments (amount not recognised in the Income statement) amounts to +€6 million as at 31 December 2024 (+€6 million as at 31 December 2023).

Part B - Balance sheet - Assets

Assets

Section 1 - Cash and cash balances - Item 10

1.1 Cash and cash balances: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
a) Cash	1,483	1,394
b) Current accounts and demand deposits with Central Banks	10,295	9,166
c) Current accounts and demand deposits with Banks	1,445	1,741
Total	**13,223**	**12,301**

The change in the item "Current accounts and demand deposits with Central Banks" (equal to about €1.1 billion) is mainly attributable to the increase of liquidity invested into overnight deposits with Banca d'Italia, in addition to the part that is maintained in the Compulsory Reserves.

Section 2 - Financial assets at fair value through profit or loss - Item 20

2.1 Financial assets held for trading: breakdown by product

(€ million)

	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
ITEMS/VALUES	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
A. Financial assets (non-derivatives)						
1. Debt securities	**3,194**	**81**	**-**	**6,027**	**1**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	3,194	81	-	6,027	1	-
2. Equity instruments	**-**	**-**	**-**	**-**	**-**	**-**
3. Units in investment funds	**9**	**-**	**-**	**-**	**-**	**-**
4. Loans	**-**	**-**	**-**	**-**	**-**	**-**
4.1 Reverse Repos	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	**3,203**	**81**	**-**	**6,027**	**1**	**-**
B. Derivative instruments						
1. Financial derivatives	**-**	**41,600**	**1,381**	**8**	**8,856**	**492**
1.1 Trading	-	40,294	475	8	8,546	159
1.2 Linked to fair value option	-	300	476	-	264	321
1.3 Other	-	1,006	430	-	46	12
2. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Trading	-	-	-	-	-	-
2.2 Linked to fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
Total (B)	**-**	**41,600**	**1,381**	**8**	**8,856**	**492**
Total (A+B)	**3,203**	**41,681**	**1,381**	**6,035**	**8,857**	**492**
Total Level 1, Level 2 and Level 3			**46,265**			**15,384**

The sub-item "Financial assets (non-derivatives)" consists mainly of Italian Government bonds from Market Making activity.
The sub-item "Derivative instruments - Financial derivatives - Other" comprises derivatives that, for economic purposes, relate to banking book entries.
Fair value evolution of outstanding derivatives, further to volumes, is also influenced by growing dynamic of interest rates. Further, in 2024, following the start of execution of Trading Centralization project (for which refer to Part G – Business Combination), volumes in derivatives have significatively increased in respect of 2023.
Changes in respect of 2023 final figures are also due to application, for the first time in 2024, of accounting offsetting ex IAS32.

Part B - Balance sheet - Assets

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information refer to the paragraph "A.4 - Information on fair value", Notes to the accounts, Part A - Accounting policies.

2.2 Financial assets held for trading: breakdown by borrowers/issuers/counterparties

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
A. Financial assets (non-derivatives)		
1. Debt securities	**3,275**	**6,028**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	2,219	6,028
c) Banks	1,042	-
d) Other financial companies	4	-
of which: insurance companies	-	-
e) Non-financial companies	10	-
2. Equity instruments	**-**	**-**
a) Banks	-	-
b) Other financial companies	-	-
of which: insurance companies	-	-
c) Non-financial companies	-	-
d) Other issuers	-	-
3. Units in investment funds	**9**	**-**
4. Loans	**-**	**-**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total A	**3,284**	**6,028**
B. Derivative instruments		
a) Central counterparties	-	1,389
d) Other	42,981	7,967
Total B	**42,981**	**9,356**
Total (A+B)	**46,265**	**15,384**

2.3 Financial assets designated at fair value: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**132**	**-**	**-**	**132**	**-**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	132	-	-	132	-	-
2. Loans	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	-	-
2.2 Other	-	-	-	-	-	-
Total	**132**	**-**	**-**	**132**	**-**	**-**
Total Level 1, Level 2 and Level 3			132			132

The item is mainly composed of government debt securities.

Part B - Balance sheet - Assets

2.4 Financial assets designated at fair value: breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Debt securities	**132**	**132**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	132	132
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
2. Loans	**-**	**-**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**132**	**132**

2.5 Other financial assets mandatorily at fair value: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**53**	**2,400**	**86**	**66**	**2,335**	**124**
1.1 Structured securities	-	72	-	-	-	-
1.2 Other debt securities	53	2,328	86	66	2,335	124
2. Equity instruments	**359**	**-**	**34**	**575**	**-**	**41**
3. Units in investment funds	**-**	**-**	**3,097**	**-**	**-**	**2,407**
4. Loans	**-**	**-**	**196**	**-**	**-**	**204**
4.1 Reverse Repos	-	-	-	-	-	-
4.2 Other	-	-	196	-	-	204
Total	**412**	**2,400**	**3,413**	**641**	**2,335**	**2,776**
Total Level 1, Level 2 and Level 3			**6,225**			**5,752**

The sub-item "Debt securities" changes in respect of previous year due to fair value changes in purchased Additional Tier 1 instruments and includes investments qualified as Level 3 in FINO Project's Mezzanine and Junior Notes with a value of €12 million, in Mezzanine and Junior bonds of Prisma securitisation for €0.1 million and in Mezzanine, Junior bonds of Olympia for €1 million, in Mezzanine and Junior bonds of Itaca securitisation for €1 million and in Mezzanine and Junior bonds of Altea securitisation for €6 million.

Into the item "Equity instruments", the investment in a "Schema Volontario" (presented among Level 3 instruments) has been fully impaired in 2022. Changes in respect of December 2023 are mainly driven by purchases of new stakes.

The item "3 Unit in investment funds" includes the investments in Atlante and Italian Recovery Fund, former Atlante II (presented among Level 3) instruments, with a value of €225 million.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input.
For further information refer to the paragraph "A.4 - Information on fair value", Notes to the accounts, Part A - Accounting policies.

Part B - Balance sheet - Assets

Exposures to securities relating to Securitisation transactions

(€ million)

TRANCHING	AMOUNTS AS AT 31.12.2024
Senior	-
Mezzanine	22
Junior	18
Total	**40**

Information about the units of Atlante Fund and Italian Recovery Fund (former Atlante II)

Atlante is a closed-end alternative investment fund (FIA) ruled by Italian law reserved to professional investors and managed by DeA Capital Alternative Funds SGR S.p.A. (DeA). The size of the fund was equal to €4,249 million, of which UniCredit S.p.A. invested for about 19.9%.
The investment policy of Atlante foresees that the fund may be invested (i) in banks with regulatory capital ratios lower than the minimum level set down in the SREP process and, thus, realise, upon request of the supervisory authority, actions of capital strengthening through capital increases and (ii) in Non-Performing Loans (NPLs) of a plurality of Italian banks.
With reference to Atlante fund, as at 31 December 2024 UniCredit S.p.A. holds shares classified as financial assets mandatory at fair value with a carrying value of €111 million. The year-to-date overall cash investments are equal to €844 million against which impairments for €684 million and positive fair value changes for €6 million were carried out. Received reimbursement amount to €55 million. In addition, UniCredit S.p.A. has a residual commitment to invest in the fund for an amount less than €2 million.
On August 2016, it was launched the Atlante II fund, redenominated Italian Recovery Fund since 27 October 2017, a closed-end investment alternative fund reserved to professional investors, also managed by DeA, which, unlike the Atlante fund, may invest only in NPL and instruments linked to NPL transactions (such as warrants) in order to reduce the risk in line with the parameters used by the largest world institutional investors.
With reference to Italian Recovery Fund, as at 31 December 2024 UniCredit S.p.A. holds shares with a carrying value of €114 million, classified as financial assets mandatory at fair value. The year-to-date overall cash investments are equal to €187 against which positive fair value changes for €0 million were carried out. Received reimbursement amount to €73 million. In addition, UniCredit S.p.A. has a residual commitment to invest in Italian Recovery Fund for about €8 million.
As at 31 December 2024 the book value (fair value) of these funds has been determined adopting an internal model in which credit risk changes of single ABS in which Atlante fund is invested are considered. This fair value valuation resulted in a lower value of €15 million in the year, accounted in the profit and loss.
Under a regulatory perspective, the treatment of the quotes held by UniCredit S.p.A. in the Atlante Fund and Italian Recovery Fund foresees the application of article 128 of the CRR (Items associated with particular high risk). With reference to the residual commitments, the regulatory treatment foresees the application of a Credit Conversion Factor equal to 100% ("full risk" according to the Annex I of CRR), for the calculation of the related Risk Weighted Assets.

Information about the investment in the Schema Volontario

In November 2015 UniCredit S.p.A. has joined the "Schema Volontario" (hereafter SV), a private entity introduced by Fondo Interbancario di Tutela dei Depositi (FITD), with appropriate modification of its statute.
SV is an instrument for the resolution of bank crises through supporting measures in favour of its member banks, if specific conditions laid down by the legislation occur. SV has an independent funding and the participating banks are committed to supply the relevant resources upon demand, when resources are needed to fund interventions. The initial participating size of the SV has been set up to €700 million (of which €110 million referred to UniCredit S.p.A.).
Here follow the main transactions carried out by SV.

Cassa di Risparmio di Cesena (CariCesena)

In June 2016 the SV approved an action supporting CariCesena, in relation to a capital increase approved by the bank itself on 8 June 2016 for €280 million of which €44 million referred to UniCredit S.p.A. On 30 September 2016 this commitment was converted into a monetary payment which has led to the recognition of capital instruments classified, on the basis of the pre-existing accounting standard IAS39, as "available for sale" for €44 million for UniCredit S.p.A. (in line with the monetary payment). The update of the evaluation of the instruments as at 31 December 2016, according to an internal evaluation model based on multiples of a banking basket integrated with estimates on Cassa di Risparmio di Cesena's credit portfolio and the related equity/capital needs, brought to the full impairment of the position.

Part B - Balance sheet - Assets

CariCesena, Cassa di Risparmio di Rimini (Carim) e Cassa di Risparmio di San Miniato (Carismi)

In September 2017, in order to face Crédit Agricole CariParma intervention in favour of CariCesena, Carim and Carismi, based on a capital increase of €464 million and on the subscription of bonds from NPL securitisation of these banks for €170 million, the Fund increased its capital endowment for €95 million (to an overall amount of €795 million), increasing the residual commitment referred to UniCredit S.p.A. to €81 million. Hence, in the same month UniCredit S.p.A. paid €9 million in respect of the part of the intervention relating to the capital increase of Carim and Carismi, and in December 2017, UniCredit S.p.A. paid the remaining €72 million (of which €45 million referred to the capital increase of the banks and €27 million referred to the subscription of securitisations). Following these events, UniCredit group's residual commitment towards SV was substantially nil.

All the payments referred to the capital increase of the banks brought to the recognition of capital instruments classified, on the basis of the pre-existing accounting standard IAS39, as "available for sale" and amounting to €54 million for UniCredit S.p.A., entirely cancelled in 2017 financial statements due to the sale of the banks to Crédit Agricole CariParma at a symbolic price.

Regarding the portion of investment referred to the subscription of SV of Junior and Mezzanine quotes of the securitisation, the initial value (€27 million for UniCredit S.p.A.) was rectified in 2017 to reflect fair value valuation declared by the SV (€4 million for UniCredit S.p.A.) resulting from the analysis conducted by the advisors in charge of the underlying credits evaluation, conducted according to a Discounted Cash Flow model based on recovery plans elaborated by SPV's special servicer.

Following the update of the assessment received from the SV (supported by the analysis of the appointed advisor), as at 31 December 2022 UniCredit S.p.A. recognised an accumulated impairment of €4.4 million. Thus, since 31 December 2022, UniCredit S.p.A. carrying value of investments related to securitisation is nil.

Banca Carige

On 30 November 2018, the Shareholders' Meeting of the SV decided to intervene in favour of Banca Carige S.p.A. by subscribing a Tier 2 subordinated loan (for a maximum amount of €320 million) issued by Banca Carige S.p.A. and addressed to the conversion into capital to the extent necessary to allow an expected capital increase of €400 million.

On the same date, within the framework of the agreement stipulated with SV, Banca Carige S.p.A. placed bonds for €320 million, of which €318.2 million subscribed directly through the SV itself. The bonds were issued at par (100% of the nominal value), with a fixed rate coupon of 13% and a maturity of 10 years (maturity 30 November 2028).

Considering the failure to provide by 22 December 2018 the delegation to the Board of Directors by the Extraordinary Shareholders' Meeting of Banca Carige S.p.A. to increase by payment the share capital for a maximum total amount of €400 million, with retroactive effect interests on the principal amount of outstanding bonds from time to time mature at a nominal fixed rate of 16% starting from the date of issue.

With reference to the intervention in favour of Banca Carige S.p.A., UniCredit S.p.A. contribution to the SV at the recognition date amounts to €53 million, and it has been identified as a financial instrument classified, on the basis of the existing accounting standard IFRS9, under item "20.c) Financial assets mandatorily at fair value through profit or loss".

As at 31 December 2018, following the evaluation process of the investment, UniCredit S.p.A. recognised impairments for €16 million, thus bringing the carrying value of the instrument to €37 million.

As at 31 December 2019 UniCredit S.p.A. has evaluated instrument's fair value according to internal models (Market Multiples and Multi-Scenario Analysis) for €13 million, also considering the occurred reimbursement of interests for €9 million.

Update of evaluation at 31 December 2020 has determined a fair value of €5.1 million, subsequently zeroed since 31 December 2021.

Part B - Balance sheet - Assets

2.6 Other Financial assets mandatorily at fair value:breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	31.12.2023
1. Equity instruments	**393**	**616**
of which: banks	*313*	*449*
of which: other financial companies	*68*	*67*
of which: non-financial companies	*12*	*100*
2. Debt securities	**2,539**	**2,525**
a) Central banks	-	-
b) Governments and other Public Sector Entities	57	57
c) Banks	2,327	2,334
d) Other financial companies	154	119
of which: insurance companies	*43*	*44*
e) Non-financial companies	1	15
3. Units in investment funds	**3,097**	**2,407**
4. Loans and advances	**196**	**204**
a) Central banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	196	204
f) Households	-	-
Total	**6,225**	**5,752**

Part B - Balance sheet - Assets

Section 3 - Financial assets at fair value through other comprehensive income - Item 30

3.1 Financial assets at fair value through other comprehensive income: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**34,113**	**1,253**	**816**	**26,441**	**2,812**	**1,028**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other	34,113	1,253	816	26,441	2,812	1,028
2. Equity instruments	**2,672**	**375**	**584**	**350**	**375**	**630**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**36,785**	**1,628**	**1,400**	**26,791**	**3,187**	**1,658**
Total Level 1, Level 2 and Level 3			**39,813**			**31,636**

Changes in debt securities is mainly determined by new purchases of government and banking bonds net of sales and maturities.
Item “Debt Securities” includes FINO Project’s investments in Senior and in part in Mezzanine notes for €32 million, in Senior bonds of Prisma securitisation for €430 million, in Senior bonds of Olympia securitisation for €111 million, in Senior bonds of Relais for €211 million, in Senior bonds of Itaca securitisation for €30 million, all qualified as Level 3 instruments.

Item “Equity instruments” includes Banca d’Italia stake (presented among Level 2 instruments), with a value of €375 million, ABH Holding SA investments (presented among Level 3 instruments) acquired in contemplation of the sale of PJSC Ukrsotbank to Alfa Group, with a value of €263 million, equal to the consideration of the put option of the shares exercised by UniCredit S.p.A. on 9 November 2021, and Commerzbank Ag stake for €1.749.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input. For further information see the paragraph “A.4 - Information on fair value”, Notes to the accounts, Part A - Accounting policies.

Exposures to securities relating to Securitisation transactions

(€ million)

TRANCHING	AMOUNTS AS AT 31.12.2024
Senior	807
Mezzanine	9
Junior	-
Total	**816**

Information about the shareholding in Banca d'Italia

As at 31 December 2024, UniCredit has a shareholding of 5.0% in the share capital of Banca d’Italia, with a carrying value of €375 million.
The current stake is the result of the disposal process started at the end of 2015, when UniCredit owned 22.1% (€1,659 million) of Banca d’Italia share capital. All the transactions occurred at a consideration corresponding to the carrying value, equal to €7,500 million for a 100% stake.
UniCredit did not finalized any disposals in 2024.

Part B - Balance sheet - Assets

3.2 Financial assets at fair value through other comprehensive income: breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Debt securities	**36,182**	**30,281**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	29,994	25,592
c) Banks	3,312	1,711
d) Other financial companies	1,974	2,127
of which: insurance companies	-	-
e) Non-financial companies	902	851
2. Equity instruments	**3,631**	**1,355**
a) Banks	2,211	463
b) Other issuers	1,420	892
- Other financial companies	1,324	776
of which: insurance companies	*564*	-
- Non-financial companies	96	116
- Other	-	-
3. Loans and advances	**-**	**-**
a) Central Banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**39,813**	**31,636**

The item “2. Equity instruments a) Banks” includes Banca d’Italia stake.

3.3 Financial assets at fair value through other comprehensive income: gross value and total accumulated impairments

(€ million)

	GROSS VALUE					TOTAL ACCUMULATED IMPAIRMENTS				
	STAGE 1									
		OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	PARTIAL ACCUMULATED WRITE-OFFS(*)
Debt securities	35,362	35,174	793	114	-	4	1	82	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-
Total 31.12.2024	**35,362**	**35,174**	**793**	**114**	**-**	**4**	**1**	**82**	**-**	**-**
Total 31.12.2023	**30,251**	**29,351**	**100**	**2**	**-**	**70**	**-**	**2**	**-**	**-**

Note:
(*) Value shown for information purposes.

Part B - Balance sheet - Assets

Section 4 - Financial assets at amortised cost - Item 40

4.1 Financial assets at amortised cost: breakdown by product of loans and advances to banks

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024						AMOUNTS AS AT 31.12.2023					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3
A. Loans and advances to Central Banks	**2,381**	**-**	**-**	**-**	**419**	**1,960**	**1,834**	**-**	**-**	**-**	**-**	**1,834**
1. Time deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserves	1,946	-	-	X	X	X	1,813	-	-	X	X	X
3. Reverse repos	422	-	-	X	X	X	-	-	-	X	X	X
4. Other	13	-	-	X	X	X	21	-	-	X	X	X
B. Loans and advances to banks	**35,105**	**-**	**-**	**3,977**	**22,927**	**8,193**	**32,415**	**-**	**-**	**4,534**	**19,252**	**8,457**
1. Loans	17,473	-	-	-	13,490	3,933	16,091	-	-	-	12,256	3,679
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Time deposits	310	-	-	X	X	X	394	-	-	X	X	X
1.3 Other loans	17,163	-	-	X	X	X	15,697	-	-	X	X	X
- Reverse repos	14,222	-	-	X	X	X	11,730	-	-	X	X	X
- Lease Loans	11	-	-	X	X	X	17	-	-	X	X	X
- Other	2,930	-	-	X	X	X	3,950	-	-	X	X	X
2. Debt securities	17,632	-	-	3,977	9,437	4,260	16,324	-	-	4,534	6,996	4,778
2.1 Structured	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other	17,632	-	-	3,977	9,437	4,260	16,324	-	-	4,534	6,996	4,778
Total	**37,486**	**-**	**-**	**3,977**	**23,346**	**10,153**	**34,249**	**-**	**-**	**4,534**	**19,252**	**10,291**
Total Level 1, Level 2 and Level 3						**37,476**						**34,077**

Loans and Advances with Central Banks include into compulsory reserve temporary retained liquidity to be invested in a short term.

Into Loans and advances to banks, debt securities increase due to purchases of bonds mainly issued by legal entities belonging to the Group.

Loans and receivables with banks are not managed on the basis of their fair value, which is only shown in order to meet financial disclosure requirements. Fair value measurements have been classified according to a hierarchy of levels reflecting the observability of the valuations input. For further information refer to the paragraph “A.4 - Information on fair value”, Notes to the accounts, Part A - Accounting policies.

It should be noted that securities lending transactions collateralised by other securities or not collateralised are shown under “off-Balance sheet” exposures in table reported in the paragraph “A.1.6 On and off-Balance sheet credit exposure with banks: gross and net values”, Notes to the accounts, Part E - Information on risks and related hedging policies, Section 1 - Credit risk, A. Credit quality, Quantitative information.

Part B - Balance sheet - Assets

4.2 Financial assets at amortised cost: breakdown by product of loans and advances to customers

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024						AMOUNTS AS AT 31.12.2023					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3
1. Loans	**157,214**	**2,206**	**10**	**-**	**74,222**	**81,155**	**170,331**	**2,195**	**-**	**-**	**62,177**	**106,075**
1.1 Current accounts	5,686	189	-	X	X	X	5,663	160	-	X	X	X
1.2 Reverse repos	12,308	-	-	X	X	X	18,965	-	-	X	X	X
1.3 Mortgages	83,417	1,359	10	X	X	X	90,800	1,306	-	X	X	X
1.4 Credit cards and personal loans, including wage assignment	13,319	195	-	X	X	X	12,428	143	-	X	X	X
1.5 Lease loans	69	-	-	X	X	X	68	-	-	X	X	X
1.6 Factoring	154	1	-	X	X	X	152	2	-	X	X	X
1.7 Other loans	42,261	462	-	X	X	X	42,255	584	-	X	X	X
2. Debt securities	**31,294**	**2**	**-**	**29,861**	**347**	**1,102**	**35,049**	**1**	**-**	**33,249**	**347**	**1,412**
2.1 Structured securities	263	-	-	165	-	93	71	1	-	-	-	75
2.2 Other debt securities	31,031	2	-	29,696	347	1,009	34,978	-	-	33,249	347	1,337
Total	**188,508**	**2,208**	**10**	**29,861**	**74,569**	**82,257**	**205,380**	**2,196**	**-**	**33,249**	**62,524**	**107,487**
Total Level 1, Level 2 and Level 3						**186,687**						**203,260**

The decrease of impaired loans to customers (Stage 3) is mainly due to the sale initiatives carried out during the 2024.
For further information refer to Section 1 - Credit risk, Qualitative information, Notes to the accounts, Part E - Information on risks and related hedging policies.

Debt securities decrease due to buy, sell and maturity dynamic, mainly in bonds issued by Governments.
The item “2.2 Other debt securities" include securities related to securitisation transactions shown in the following table.

It should be noted that during the period, the sales performed out of Item “40. Financial assets at amortised cost” have been non-significant being below the threshold established internally.

The fair value of impaired loans was estimated by considering that the realizable value expressed by the net book value is the best estimate of the future expected cash flows discounted at the valuation date, further adjusted to incorporate, when available, a premium derived from significant market’s transaction for similar instruments. According to this assumption, impaired loans were classified as Level 3 in the fair value hierarchy.

Loans and receivables with customers are not managed on the basis of their fair value, which is only shown in order to meet disclosure requirements. Fair value measurements have been classified according to a hierarchy of levels reflection the observability of the valuations input.
For further information refer to the paragraph “A.4 - Information on fair value”, Notes to the accounts, Part A - Accounting policies.

Exposures to securities relating to Securitisation transactions

(€ million)

TRANCHING	AMOUNTS AS AT 31.12.2024
Senior	680
Mezzanine	-
Junior	-
Total	**680**

Part B - Balance sheet - Assets

4.3 Financial assets at amortised cost: breakdown by borrowers/issuers of loans and advances to customers

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	STAGE 1 OR STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1 OR STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS
1. Debt securities	**31,294**	**2**	**-**	**35,049**	**1**	**-**
a) Governments and other Public Sector Entities	28,888	-	-	32,107	-	-
b) Other financial companies	936	-	-	1,199	-	-
of which: insurance companies	-	-	-	-	-	-
c) Non-financial companies	1,470	2	-	1,743	1	-
2. Loans	**157,214**	**2,206**	**10**	**170,331**	**2,195**	**-**
a) Governments and other Public Sector Entities	3,413	143	-	3,368	201	-
b) Other financial companies	38,164	2	-	44,287	5	-
of which: insurance companies	*236*	-	-	*220*	-	-
c) Non-financial companies	59,268	1,181	10	63,014	1,168	-
d) Households	56,369	880	-	59,662	821	-
Total	**188,508**	**2,208**	**10**	**205,380**	**2,196**	**-**

4.4 Financial assets at amortised cost: gross value and total accumulated impairments

(€ million)

	GROSS VALUE					TOTAL ACCUMULATED IMPAIRMENTS				PARTIAL ACCUMULATED WRITE-OFFS(*)
	STAGE 1	OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	
1. Debt securities	48,872	48,420	68	5	-	11	3	3	-	-
2. Loans	165,356	60,199	13,413	4,054	10	395	1,306	1,848	-	429
Total 31.12.2024	**214,228**	**108,619**	**13,481**	**4,059**	**10**	**406**	**1,309**	**1,851**	**-**	**429**
Total 31.12.2023	**220,865**	**111,992**	**20,638**	**4,308**	**-**	**322**	**1,552**	**2,112**	**-**	**434**

Note:
(*) Value shown for information purposes.

For additional information on this section refer to the paragraph "A. Credit quality", Note to the accounts, Part E - Information on risks and related hedging policies, Quantitative information.

4.4a Financial assets at amortised cost subject to Covid-19 measures: gross value and total accumulated impairments

(€ million)

	GROSS VALUE					TOTAL ACCUMULATED IMPAIRMENTS				PARTIAL ACCUMULATED WRITE-OFFS(*)
	STAGE 1	OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED	
Loans guaranteed by public guarantee Covid 19	7,281	-	923	332	-	2	4	57	-	-
Total 31.12.2024	**7,281**	**-**	**923**	**332**	**-**	**2**	**4**	**57**	**-**	**-**
Total 31.12.2023	**11,674**	**-**	**2,642**	**358**	**-**	**6**	**8**	**83**	**-**	**-**

Part B - Balance sheet - Assets

Section 5 - Hedging derivatives - Item 50

5.1 Hedging derivatives: breakdown by hedged risk and fair value hierarchy

(€ million)

	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial derivatives	**-**	**549**	**2**	**224,186**	**81**	**10,758**	**4**	**236,312**
1) Fair value	-	54	2	212,325	81	9,060	-	221,390
2) Cash flows	-	495	-	11,861	-	1,698	4	14,922
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**549**	**2**	**224,186**	**81**	**10,758**	**4**	**236,312**
Total Level 1, Level 2 and Level 3			**551**				**10,843**	

Fair value evolution of outstanding derivatives, further to volumes, is also influenced by the dynamic of interest rates.
Changes in respect of 2023 final figures are also due to application, for the first time in 2024, of accounting offsetting ex IAS32.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the inputs used in the measurements.
For further information refer to paragraph "A.4 - Information on fair value", Notes to the accounts, Part A - Accounting policies.

5.2 Hedging derivatives: composition for covered portfolios and by type of hedging

(€ million)

	AMOUNTS AS AT 31.12.2024									
	FAIR VALUE							CASH FLOW		
	MICRO-HEDGE									
TRANSACTIONS/TYPE OF HEDGES	DEBT SECURITIES AND INTEREST RATES RISK	EQUITY INSTRUMENTS AND EQUITY INDICES RISK	CURRENCY AND GOLD	CREDIT RISK	COMMODITIES	OTHERS	MACRO-HEDGE	MICRO-HEDGE	MACRO-HEDGE	FOREIGN INVESTMENTS
1. Financial assets at fair value through other comprehensive income	2	-	8	-	X	X	X	-	X	X
2. Financial assets at amortised cost	-	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	26	X	408	X
4. Other transactions	-	-	8	-	-	-	X	-	X	-
Total assets	**2**	**-**	**16**	**-**	**-**	**-**	**26**	**-**	**408**	**-**
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	12	X	87	X
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**12**	**-**	**87**	**-**
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

Part B - Balance sheet - Assets

Section 6 - Changes in fair value of portfolio hedged items - Item 60

6.1 Changes to macro-hedged financial assets: breakdown by hedged portfolio

(€ million)

CHANGES TO HEDGED ASSETS/GROUP COMPONENTS	AMOUNTS AS AT	
	31.12.2024	31.12.2023
1. Positive changes	**1,250**	**1,153**
1.1 Of specific portfolios	22	26
a) Financial assets at amortised cost	22	26
b) Financial assets at fair value through other comprehensive income	-	-
1.2 Overall	1,228	1,127
2. Negative changes	**2,152**	**3,109**
2.1 Of specific portfolios	69	141
a) Financial assets at amortised cost	69	141
b) Financial assets at fair value through other comprehensive income	-	-
2.2 Overall	2,083	2,968
Total	**(902)**	**(1,956)**

Change in the item is attributable to the evolution of hedged volumes and markets interest rate curves.

Part B - Balance sheet - Assets

Section 7 - Equity investments - Item 70

7.1 Equity: information on shareholder's equity

	COMPANY NAME	MAIN OFFICE LEGAL	MAIN OFFICE OPERATIVE(*)	EQUITY %	VOTING RIGHTS %
A. Subsidiaries					
1	ALPHA BANK ROMANIA S.A.	BUCHAREST	BUCHAREST	90.10%	
2	AO UNICREDIT BANK	MOSCOW	MOSCOW	100.00%	
3	CORDUSIO SOCIETA' FIDUCIARIA PER AZIONI	MILAN	MILAN	100.00%	
4	EBS FINANCE S.R.L.	MILAN	MILAN	100.00%	
5	NUOVA COMPAGNIA DI PARTECIPAZIONI- SOCIETA' A RESPONSABILITA' LIMITATA	ROME	ROME	100.00%	
6	PAI (BERMUDA) LIMITED	HAMILTON	HAMILTON	100.00%	
7	PAI MANAGEMENT LTD	DUBLIN	DUBLIN	100.00%	
8	PIRTA VERWALTUNGS GMBH	VIENNA	VIENNA	100.00%	
9	UNICREDIT BANK A.D. BANJA LUKA	BANJA LUKA	BANJA LUKA	99.64%	
10	UNICREDIT BANK AUSTRIA AG	VIENNA	VIENNA	100.00%	
11	UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S.	PRAGUE	PRAGUE	100.00%	
12	UNICREDIT BANK GMBH	MUNICH	MUNICH	100.00%	
13	UNICREDIT BANK HUNGARY ZRT.	BUDAPEST	BUDAPEST	100.00%	
14	UNICREDIT BANK S.A.	BUCHAREST	BUCHAREST	88.73%	
15	UNICREDIT BANK SERBIA JSC	BELGRADE	BELGRADE	100.00%	
16	UNICREDIT BANKA SLOVENIJA D.D.	LJUBLJANA	LJUBLJANA	100.00%	
17	UNICREDIT BPC MORTGAGE S.R.L.	VERONA	VERONA	60.00%	
18	UNICREDIT BULBANK AD	SOFIA	SOFIA	99.45%	
19	UNICREDIT CONSUMER FINANCING IFN S.A.	BUCHAREST	BUCHAREST	49.90%	
20	UNICREDIT FACTORING SPA	MILAN	MILAN	100.00%	
21	UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	LUXEMBOURG	LUXEMBOURG	100.00%	
22	UNICREDIT LEASING SPA	MILAN	MILAN	100.00%	
23	UNICREDIT MYAGENTS SRL	BOLOGNA	BOLOGNA	100.00%	
24	UNICREDIT OBG S.R.L.	VERONA	VERONA	60.00%	
25	UNICREDIT RE SERVICES S.P.A.	MILAN	MILAN	100.00%	
26	UNICREDIT SERVICES GMBH I.L. (IN LIQUIDATION)	VIENNA	VIENNA	100.00%	
27	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	VIENNA	VIENNA	100.00%	
28	VISCONTI SRL	MILAN	MILAN	76.00%	
29	ZAGREBACKA BANKA D.D.	ZAGREB	ZAGREB	96.19%	

Part B - Balance sheet - Assets

continued: 7.1 Equity: information on shareholder's equity

COMPANY NAME		MAIN OFFICE LEGAL	MAIN OFFICE OPERATIVE(*)	EQUITY %	VOTING RIGHTS %
C. Companies under significant influence					
1	ASSET BANCARI II	MILAN	MILAN	21.55%	
2	CAMFIN S.P.A.	MILAN	MILAN	8.53%	15.82%
3	CNP UNICREDIT VITA S.P.A.	MILAN	MILAN	49.00%	
4	COMPAGNIA AEREA ITALIANA S.P.A.	ROME	ROME	36.59%	
5	EUROPROGETTI & FINANZA S.R.L. IN LIQUIDAZIONE	ROME	ROME	39.79%	
6	UNICREDIT ALLIANZ ASSICURAZIONI S.P.A.	MILAN	MILAN	50.00%	
7	UNICREDIT ALLIANZ VITA S.P.A.	MILAN	MILAN	50.00%	
8	UNIQLEGAL SOCIETA' TRA AVVOCATI PER AZIONI	MILAN	MILAN	9.00%	
9	VALUE TRANSFORMATION SERVICES SPA	VERONA	SEGRATE (MI)	49.00%	

Notes:
(*) Also meaning the administrative office.
AO UNICREDIT BANK: It should be noted that as at 31 December 2024 the voting rights that can be exercised directly or indirectly relating to subsidiaries based in Russia, or companies subject to significant influence by them, are enforceable and there are no indications that lead to reconsider the effectiveness of the shareholding relationship with these companies on the same date.
UNICREDIT BANK AUSTRIA AG: a fractional share is held by third parties.
UNICREDIT CONSUMER FINANCING IFN S.A.: the remaining share of 50.10% is held indirectly by UniCredit Bank S.A.
UNICREDIT RE SERVICES S.P.A.: formerly UNICREDIT SUBITO CASA S.P.A.
ASSET BANCARI II: It is a real estate closed-end investment fund.

With reference to section “B. Companies subject to joint control”, UniCredit S.p.A. does not hold stakes in jointly controlled companies.

Valuation of investment in subsidiaries

The item Equity investments is equal to €42,341 million of which €751 million related to investments in associates and €41,590 million related to investments in subsidiaries.

In accordance with the IAS27 standard these investments are held at cost net of impairment losses determined in compliance with the IAS36 principle. According to this International Accounting Standard, equity investments must be subject to an impairment test whenever there is objective evidence that events have taken place which may have decreased their value. According to the relevant standard, the impairment test shall be carried out by comparing the carrying amount of each equity investments with its recoverable amount. If the latter value is found to be lower than the carrying amount an impairment must be recognised. On the contrary, should the recoverable amount be found to be higher than the carrying amount, the latter cannot be modified unless an impairment was recognised in previous periods. In this case, a reversal of previous impairment must be recognised for the difference between the recoverable amount and carrying amount and the reversal cannot exceed impairment recognised in previous periods.

With reference to investments in subsidiaries, it should be noted that the recoverable amount is generally determined through the discounting of future cash flows at an appropriate discount rate as explained in the section “Estimating cash flows to determine the value in use of investments in subsidiaries”.
For some investments, the future cash flows expected to be received from the subsidiary are not deemed to be appropriate for the computation of the recoverable amount, generally due to the fact that their contribution to Group profitability is not expected to take place through the distribution of dividends but rather through the provision of specific services to other companies in the Group with the aim of reducing the costs that these companies incur into in order to perform their business. In cases such as these the recoverable amount has been generally determined based on the net equity of the investment.
On 31 December 2024 net write downs were recognised on investments in subsidiaries for -€653 million, due to the write down recognised mainly on AO UniCredit Bank (-€483 million), UniCredit Leasing S.p.A. (-€92 million), UniCredit International Luxembourg (-€41 million) e Pioneer Alternative Investment Management (-€33 million).

With reference to investments in associates net write downs were recognized for an amount not significant.

Part B - Balance sheet - Assets

Estimating cash flows to determine the value in use of investments in subsidiaries

Projections

The set of projections employed for the impairment test of investments in subsidiaries as at 31 December 2024 was based around two alternative scenarios, to reflect the volatility and uncertainty underlying the current macroeconomic environment. The two scenarios were articulated as follows and were weighted respectively for 65% and 35%:

- "Baseline" scenario based on the financial forecasts (Net Profit and RWEA) underlying the 2025 budget and the 2026 and 2027 multi-year projections;
- "Adverse" scenario less favourable than the "Baseline" scenario, reflecting lowered 2025-2027 macroeconomic forecasts to take into account the higher risks part of the current uncertain context.

For a description of the assumptions underlying the "Baseline" and "Adverse" scenarios refer to the paragraph "Section 2 - General preparation criteria" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part A - Accounting policies.

Impairment test model

The calculation of the value in use for impairment testing purposes was carried out using a Dividend Discount Model (DDM). The free cash flows to equity were determined by subtracting from Net Profit (gross of minority interests) the annual capital requirement generated by changes in risk-weighted exposure amounts (RWEA). The capital requirement is defined as the level of capitalisation that the Group aims to achieve in the long term, also in light of the minimum regulatory capital requirements currently in place.

The DDM model employed is based on three stages with an explicit forecast period, an intermediate period and a terminal value. Due to the employment of the two scenarios described above the model was set-up in different ways in the various stages.

PERIOD	"BASE" SCENARIO	"ADVERSE" SCENARIO
Explicit forecast (2025 - 2027)	Financial forecasts underlying the 2025 budget and the 2026, 2027 multi-year projections	Financial forecasts derived from the macroeconomic scenario underlying the "Adverse" scenario.
Intermediate (2028 - 2032)	Financial projections extrapolated by applying to the last year of the explicit forecast period (2027) growth rates converging to that of the "terminal value". The application of an intermediate period aims to allow a normalisation in the nominal growth rate of Net Profit and RWEA before their convergence to terminal value, since the Group operates in different geographical areas and business segments and these are characterised by different risk profiles and growth prospects. For subsidiaries in Italy, Germany and Austria the growth rates for the intermediate period are defined considering a conservative cap.	Financial projections extrapolated by applying to the last year of the explicit forecast period (2027) a fixed growth rate equal to the nominal long term growth rate.
Terminal value	Derived through a nominal long term growth rate of 2%. The average growth rate of real GDP in the Eurozone from 2003 to 2023 was 1.1%. The nominal rate of 2%, corresponding to approximately 0% in real terms, was chosen for cautionary reasons.	Derived through a nominal long term growth rate of 2%.

With specific reference to AO UniCredit Bank valuation, it should be noted that the basic assumptions for the definition of the Value in Use have been adjusted to consider the persisting geo-political context and, in particular, the sanctions and counter-sanctions regime in place, affecting the hypothesis on the determination of the cash flows used for test purposes, on the expected growth rate and on the discount rate considered.

Discount rates and regulatory capital targets

Future financial flows were discounted using an estimate of the discount rate incorporating in the cost of equity the various risk factors linked to each business sector. This discount rate is a nominal rate, net of taxes.
In particular, the cost of equity for each subsidiary is assessed with the Capital Asset Pricing Model as the sum of the following items:

- Risk Free Rate: equal to the expected one-year average yield of the benchmark government bond of the reference country (local currency approach, maturity: 10 years), alternative references are used for countries lacking appropriate government issuances;
- Equity Risk Premium: given by the product of the following items:
  - UniCredit Beta (β): measures the sensitivity of UniCredit shares to variations in the reference market, assessed over a 5 year period;
  - Market Risk Premium: estimated by Professor Damodaran as the difference between the return of US stock and bond markets since 1928 (geometric mean).

A further parameter used to determine the initial allocated capital and its evolution over time is the Common Equity Tier 1 ratio target. A target Common Equity Tier 1 ratio coherent with the Group target was employed for all subsidiaries.

Part B - Balance sheet - Assets

Results of the impairment test

The results of the two scenarios were weighted differently to reflect their different probability of taking place. Specifically, the results from the "Baseline" scenario, considered the most probable scenario, were weighted at 65% while the "Adverse" scenario was weighted at 35%.

The investment in subsidiaries impairment test performed in the 2024 period led to a write-down of €254 million.
The table below shows the result of the test for the subsidiaries with carrying value before the test above €1 billion, plus AO UniCredit Bank.

(€ million)

COMPANY NAME	CARRYING AMOUNT AS AT 31 DECEMBER 2024	IMPAIRMENT/REVERSAL OF IMPAIRMENT FOLLOWING THE IMPAIRMENT TEST	CARRYING AMOUNT AFTER THE IMPAIRMENT TEST
UNICREDIT BANK GMBH	19,334	-	19,334
UNICREDIT BANK AUSTRIA AG	12,422	-	12,422
UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA	2,042	-	2,042
AO UNICREDIT BANK	504	(161)	343
ZAGREBACKA BANKA D.D. ZAGREB	2,005	-	2,005
UNICREDIT BULBANK AD	1,291	-	1,291

It must be underlined that the parameters and information used to verify the recoverability of carrying values (in particular, the expected cash flows for the various subsidiaries, and the discount rates applied) are significantly influenced by the macroeconomic and market situation, which may be subject to changes which are not currently predictable. In the coming reporting periods the effect of such changes, alongside potential changes in corporate strategies, could therefore lead to a review of the estimated cash flows of the various subsidiaries and of the assumptions on the main financial parameters (discount rates, expected growth rates, Common Equity Tier 1 ratio, etc.) and these could impact the results of future impairment tests.

Sensitivity analysis

Following the employment of two scenarios for the impairment test of investments in subsidiaries as at 31 December 2024, an analysis on the sensitivity of the test result to changes in the weights of the two scenarios was carried out. The results of this analysis for subsidiaries with carrying value before the test above €1 billion are reported below.

(€ million)

COMPANY NAME	CHANGE IN THE IMPAIRMENT/REVERSAL OF IMPAIRMENT OF THE SUBSIDIARY WITH AN INCREASE OF 5% IN THE WEIGHT OF THE "BASE" SCENARIO
UNICREDIT BANK GMBH	-
UNICREDIT BANK AUSTRIA AG	-
UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA	-
AO UNICREDIT BANK	-
ZAGREBACKA BANKA D.D. ZAGREB	-
UNICREDIT BULBANK AD	-

Part B - Balance sheet - Assets

7.5 Equity investments: annual changes

(€ million)

	CHANGES IN	
	2024	2023
A. Opening balance	**42,517**	**38,569**
B. Increases	**686**	**4,271**
of which: business combinations	*576*	*-*
B.1 Purchases	582	95
B.2 Write-backs	4	4,131
B.3 Revaluation	-	-
B.4 Other changes	100	45
C. Decreases	**862**	**323**
of which: business combinations	*-*	*3*
C.1 Sales	195	81
C.2 Write-downs	657	242
C.3 Impairment	-	-
C.4 Other changes	10	-
D. Closing balance	**42,341**	**42,517**
E. Total revaluation	**-**	**-**
F. Total write-downs	**7,377**	**6,738**

Part B - Balance sheet - Assets

Section 8 - Property, plant and equipment - Item 80

With reference to the description of effects produced by update of appraisals conducted for fair value evaluation of respective assets, reference is made to the paragraph "Section 9 - Property, plant and equipment - item 90" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, which is herewith quoted entirely for the information related to UniCredit S.p.A.

8.1 Property, plant and equipment used in the business: breakdown of assets carried at cost

(€ million)

ASSETS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Owned assets	**440**	**421**
a) Land	-	-
b) Buildings	-	-
c) Office furniture and fitting	47	48
d) Electronic systems	329	317
e) Other	64	56
2. Right of use of Leased Assets	**627**	**771**
a) Land	-	-
b) Buildings	611	759
c) Office furniture and fitting	-	-
d) Electronic systems	-	-
e) Other	16	12
Total	**1,067**	**1,192**
of which: obtained by the enforcement of collateral	-	-

8.2 Property, plant and equipment held for investment: breakdown of assets carried at cost

No data to be disclosed.

Part B - Balance sheet - Assets

8.3 Property, plant and equipment used in the business: breakdown of revalued assets

(€ million)

ASSETS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Owned assets	**-**	**-**	**2,349**	**-**	**-**	**2,276**
a) Land	-	-	865	-	-	820
b) Buildings	-	-	1,484	-	-	1,456
c) Office furniture and fitting	-	-	-	-	-	-
d) Electronic systems	-	-	-	-	-	-
e) Other	-	-	-	-	-	-
2. Right of use of Leased Assets	**-**	**-**	**-**	**-**	**-**	**-**
a) Land	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-
c) Office furniture and fitting	-	-	-	-	-	-
d) Electronic systems	-	-	-	-	-	-
e) Other	-	-	-	-	-	-
Total	**-**	**-**	**2,349**	**-**	**-**	**2,276**
of which: obtained by the enforcement of collateral	-	-	-	-	-	-
Total Level 1, Level 2 and Level 3			**2,349**			**2,276**

8.4 Property, plant and equipment held for investment: breakdown of assets designated at fair value

(€ million)

ASSETS/VALUES	AMOUNTS AS AT 31.12.2024			AMOUNTS AS AT 31.12.2023		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Owned assets	**-**	**-**	**216**	**-**	**-**	**262**
a) Land	-	-	69	-	-	85
b) Buildings	-	-	147	-	-	177
2. Right of use of Leased Assets	**-**	**-**	**-**	**-**	**-**	**-**
a) Land	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-
Total	**-**	**-**	**216**	**-**	**-**	**262**
of which: obtained by the enforcement of collateral	-	-	-	-	-	-
Total Level 1, Level 2 and Level 3			**216**			**262**

8.5 Inventories of tangible assets regulated by IAS2: breakdown

The Company does not have tangible assets to be recorded according to IAS2.

Part B - Balance sheet - Assets

8.6 Tangible assets used in the business: annual changes

(€ million)

	CHANGES IN 2024					
	LANDS	BUILDINGS	OFFICE FURNITURE AND FITTINGS	ELECTRONIC SYSTEMS	OTHER	TOTAL
A. Gross opening balance	**820**	**3,721**	**716**	**2,198**	**489**	**7,944**
A.1 Total net reduction in value	-	(1,506)	(668)	(1,881)	(421)	(4,476)
A.2 Net opening balance	820	2,215	48	317	68	3,468
B. Increases	**61**	**200**	**7**	**101**	**36**	**405**
B.1 Purchases	48	116	7	101	36	308
of which: business combinations	-	*2*	-	*3*	-	*5*
B.2 Capitalised expenditure on improvements	-	31	-	-	-	31
B.3 Write-backs	-	5	-	-	-	5
B.4 Increases in fair value	10	27	-	-	-	37
a) In equity	5	24	-	-	-	29
b) Through profit or loss	5	3	-	-	-	8
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Transfer from properties held for investment	1	3	X	X	X	4
B.7 Other changes	2	18	-	-	-	20
C. Reductions	**16**	**320**	**8**	**89**	**24**	**457**
C.1 Disposals	-	22	-	-	-	22
of which: business combinations	-	-	-	-	-	-
C.2 Depreciation	-	189	8	87	22	306
C.3 Impairment losses	-	13	-	2	-	15
a) In equity	-	-	-	-	-	-
b) Through profit or loss	-	13	-	2	-	15
C.4 Reduction of fair value	13	25	-	-	-	38
a) In equity	8	21	-	-	-	29
b) Through profit or loss	5	4	-	-	-	9
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Transfer to	3	8	-	-	-	11
a) Property, plant and equipment held for investment	3	8	X	X	X	11
b) Non-current assets and disposal groups classified as held for sale	-	-	-	-	-	-
C.7 Other changes	-	63	-	-	2	65
D. Net final balance	**865**	**2,095**	**47**	**329**	**80**	**3,416**
D.1 Total net reduction in value	-	(1,575)	(671)	(1,859)	(420)	(4,525)
D.2 Gross closing balance	865	3,670	718	2,188	500	7,941
E. Carried at cost	**715**	**893**	**-**	**-**	**-**	**1,608**

Part B - Balance sheet - Assets

8.7 Tangible assets held for investment: annual changes

(€ million)

	CHANGES IN 2024		
	LANDS	BUILDINGS	TOTAL
A. Opening balances	**85**	**177**	**262**
B. Increases	**8**	**17**	**25**
B.1 Purchases	2	1	3
of which: business combinations	-	-	-
B.2 Capitalised expenditure on improvements	-	3	3
B.3 Increases in fair value	2	5	7
B.4 Write-backs	-	-	-
B.5 Positive exchange differences	-	-	-
B.6 Transfer from properties used in the business	3	8	11
B.7 Other changes	1	-	1
C. Reductions	**24**	**47**	**71**
C.1 Disposals	-	-	-
of which: business combinations	-	-	-
C.2 Depreciation	-	-	-
C.3 Reductions in fair value	11	20	31
C.4 Impairment losses	-	-	-
C.5 Negative exchange differences	-	-	-
C.6 Transfer to	13	27	40
a) Properties used in the business	1	3	4
b) Non-current assets and disposal groups classified as held for sale	12	24	36
C.7 Other changes	-	-	-
D. Closing balances	**69**	**147**	**216**
E. Measured at fair value	**-**	**-**	**-**

8.8 Inventories of tangible assets regulated by IAS2: annual changes

No data to be disclosed.

8.9 Commitments to purchase property, plant and equipment

At Financial Statement date, Commitments for the purchase of tangible assets do not exist.

Section 9 - Intangible assets - Item 90

9.1 Intangible assets: breakdown by asset type

(€ million)

	AMOUNTS AS AT 31.12.2024		AMOUNTS AS AT 31.12.2023	
ASSETS/VALUES	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE
A.1 Goodwill	**X**	**-**	**X**	**-**
A.2 Other intangible assets	**1,707**	**-**	**1,580**	**-**
of which: software	*1,707*	-	*1,580*	-
A.2.1 Assets carried at cost	1,707	-	1,580	-
a) Intangible assets generated internally	1,573	-	1,424	-
b) Other assets	134	-	156	-
A.2.2 Assets measured at fair value	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	**1,707**	**-**	**1,580**	**-**
Total finite and indefinite life		**1,707**		**1,580**

Part B - Balance sheet - Assets

9.2 Intangible assets: annual changes

(€ million)

	CHANGES IN 2024					
		OTHER INTANGIBLE ASSETS				
		GENERATED INTERNALLY		OTHER		
	GOODWILL	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE	TOTAL
A. Gross opening balance	**-**	**4,477**	**-**	**1,949**	**-**	**6,426**
A.1 Total net reduction in value	-	(3,053)	-	(1,793)	-	(4,846)
A.2 Net opening balance	**-**	**1,424**	**-**	**156**	**-**	**1,580**
B. Increases	**-**	**522**	**-**	**26**	**-**	**548**
B.1 Purchases	-	206	-	26	-	232
B.2 Increases in intangible assets generated internally	X	316	-	-	-	316
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- In equity	X	-	-	-	-	-
- Through profit or loss	X	-	-	-	-	-
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
of which: business combinations	-	*206*	-	*6*	-	*212*
C. Reduction	**-**	**373**	**-**	**48**	**-**	**421**
C.1 Disposals	-	-	-	-	-	-
C.2 Write-downs	-	372	-	48	-	420
- Amortisation	X	344	-	44	-	388
- Write-downs	-	28	-	4	-	32
+ In equity	X	-	-	-	-	-
+ Through profit or loss	-	28	-	4	-	32
C.3 Reduction in fair value	-	-	-	-	-	-
- In equity	X	-	-	-	-	-
- Through profit or loss	X	-	-	-	-	-
C.4 Transfer to non-current assets held for sale	-	-	-	-	-	-
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Other changes	-	1	-	-	-	1
of which: business combinations	-	-	-	-	-	-
D. Net closing balance	**-**	**1,573**	**-**	**134**	**-**	**1,707**
D.1 Total net write-down	-	(3,924)	-	(1,889)	-	(5,813)
E. Gross closing balance	**-**	**5,497**	**-**	**2,023**	**-**	**7,520**
F. Carried at cost	**-**	**-**	**-**	**-**	**-**	**-**

The increases mainly include:
- third parties software, whose amount represents capitalized other administrative expenses;
- internally developed software, whose amount represents capitalized personnel costs;
- the remain part consists of licences and software developed by third parties based on technical specifications provided by the Company.

The decreases mainly include:
- depreciation for internally developed software and other software licences;
- impairments on internally developed software.

9.3 Intangible assets: other information

No data to be disclosed.

Part B - Balance sheet - Assets

Section 10 - Tax assets and tax liabilities - Item 100 (Assets) and Item 60 (Liabilities)

10.1 Deferred tax assets: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deferred tax assets arising from Italian law 214/2011	**2,962**	**4,298**
Deferred tax assets arising from tax losses (*)	**3,778**	**3,552**
Deferred tax assets arising from temporary differences	**1,369**	**1,291**
Financial assets and liabilities (different from loans and deposits)	66	37
Loans and deposits to/from banks and customers	393	490
Hedging and hedged item revaluation	65	65
Property, plant and equipment and intangible assets different from goodwill	115	100
Goodwill and equity investments	66	-
Current assets and liabilities held for sale	-	-
Other assets and Other liabilities	40	37
Provisions, pension funds and similar	624	562
Other	-	-
Accounting offsetting	**(328)**	**(238)**
Total	**7,781**	**8,903**

The item "Deferred tax assets arising from tax losses" also includes the IRAP tax credit deriving from the conversion of the ACE benefit.

10.2 Deferred tax liabilities: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deferred tax liabilities arising from temporary differences	**328**	**238**
Financial assets and liabilities (different from loans and deposits)	126	89
Loans and deposits to/from banks and customers	-	-
Hedging and hedged item revaluation	82	57
Property, plant and equipment and intangible assets different from goodwill	119	91
Goodwill and equity investments	-	-
Assets and liabilities held for sale	1	-
Other assets and Other liabilities	-	-
Other	-	1
Accounting offsetting	**(328)**	**(238)**
Total	**-**	**-**

Part B - Balance sheet - Assets

Deferred tax assets deriving from Law No.214/2011

The item includes:

- the amount of €1,617 million related to deferred tax assets (for IRES and IRAP) due to the tax release of the value of the equity investments pursuant to Art.23 of D.L. No.98/2011;
- the amount of €657 million related to deferred tax assets (for IRES and IRAP) arising from goodwill tax redemption;
- the amount of €688 million related to deferred tax assets (for IRES and IRAP) arising from impairment losses on receivables.

As at 31 December 2024, the total amount of deferred tax assets convertible into tax credits is equal to €2,962 million of which €2,538 million for IRES and €424 million for IRAP.

Deferred tax assets for the carry-forward of unused tax losses - DTA TLCF

The possibility to book DTA TLCF, against future taxable income, implies an estimate of future economic results; this estimate is based on the execution of a sustainability test, in accordance with the provisions of IAS12.

With reference to the Italian tax group perimeter, starting from 31 December 2019, the sustainability test for both IRES and IRAP has been developed on a 10 years-time length, for testing the DTA on TLCF, deemed coherent to assess sufficient taxable base generation to be used for the offsetting of said deferred taxes given: (i) the absence in Italy of legal time-limits for the use of DTAs TLCF, and (ii) a reasonable time limitation given that lengthening of forecast horizon increases the uncertainty.

Considered the 10 years-time horizon and in order to mitigate the effects of the uncertainty inherent the adoption of an approach based also on estimates beyond the plan horizon, a model incorporating a probabilistic component was adopted; in particular, in line with ESMA recommendation issued on 15 July 2019[113], the sustainability test for the determination of future taxable incomes envisages:

- a deterministic approach for the years for which official projections are available;
- a statistical approach for the years beyond official projections; for this purpose, also aiming to adhere to the ESMA recommendation, the projections after the deterministic period rely on a concept of stochastic approach, performed through the Monte-Carlo method.

Furthermore, in line with IAS12, as well as taking into consideration the ESMA document, a confidence interval - which reflects a probability greater than 50% in relation to the expected tax incomes - has been selected.

As per the Group internal regulations, the definition of the confidence interval requires to assess the macroeconomic conditions and the coherence of the forecasted cash flows estimated through the scenario itself; with reference to 2024 test, the market environment still features a certain degree of uncertainty of macro-economic indicators, following geopolitical tensions, which are, nonetheless, stabilizing. Indeed, persisting uncertainty is highlighted in the ECB Macro-economic projections issued in December 2024, which acknowledge that the economic outlook continues to be surrounded by uncertainty given the tensions in Middle East, war in Ukraine, lingering weakness in Chinese real estate market and the possibility that next US Administration will turn more inward-looking.

However, the main macroeconomic indicators in the last quarters proved a lower degree of volatility compared to previous years (2020-2023) and a certain stabilizing path; indeed, GDP growth both in EU and Italy is stabilizing converging to a range of 1-2% more consistent with long-term growth. Interest rates are normalizing, as a result of a more dovish monetary policy, and the inflation is expected to converge to the 2% European Central Bank target.

Furthermore, in the recent years, UniCredit Group has proved the ability to exceed the profitability targets set by Multiyear Plan UniCredit Unlocked; in addition, the structural and strategic initiatives put in place aimed at supporting future growth, allowing the Group to face potential challenges that could emerge. These elements are indicative of an increased reliability of Group future projections.

For additional information about macroeconomic scenarios, refer to Part A - Accounting policies, A.1 General, Section 2 - General preparation criteria of the Consolidated Accounts.

Regarding the multiyear projections underlying the sustainability test:

- the expected tax base for 2025 was determined in coherence with the budget for year 2025, approved by the Board of Directors during the meeting held on 12 December 2024;
- the expected tax base for the periods 2026 and 2027 were determined according to the projections for such years, acknowledged by the Board of Directors in the same meeting;
- the test considers the updates introduced by Law 207 of 30 December 2024, related to (i) the postponement of the reversal of convertible DTAs to 2026 – 2029 with reference to DTAs convertible in 2025 and to 2027 – 2029 with reference to DTAs convertible in 2026 and (ii) the reduction of the limit to utilization of tax loss carried forward in 2025;
- for determining the Profit before tax for the years 2028-2034: (iii) the nominal future growth rate was set with a 4% cap, applied to pre-tax profit for the first year of projections beyond the deterministic period, converging in subsequent years to the long-term annual growth rate; (ii) the long-term annual growth rate was set at 2%, incorporating an assumption of growth at 0% in real terms, as 2% represents the target rate of price stability.

113 ESMA32-63-743 - Public Statement - Considerations on recognition of deferred tax assets arising from the carryforward of unused tax losses (15 July 2019).

Part B - Balance sheet - Assets

Regarding the cash-flows projections used to determine the expected tax results, two macroeconomic scenarios - i.e., “Base” and “Alternative” - were used, and respectively weighted 65% and 35%[114]. With specific reference to the “Alternative” scenario, the methodological adjustments for the years beyond the deterministic period (i.e. beyond 2027), were confirmed assuming a growth rate stable at 2% equal to the European Central Bank target inflation rate.

Regarding the parameters, the following items are worth to be specified:
- the confidence interval was set to 60% in line with the sustainability test executed as of 31 December 2022 (as of 31 December 2023 a confidence interval of 80% was applied);
- the volatility multiplier applied in the stochastic model has been updated to 4.6 so to reflect the update in the historical series of European Central Bank data on pre-tax profits of the main European banks and financial institutions (as of 31 December 2023 the volatility multiplier was set to 7.3).

Under a quantitative perspective, the sustainability test executed as of 31 December 2024 (for the Italian tax group perimeter by applying the current ordinary tax rate of 24%, and for UniCredit S.p.A. by applying the additional tax rate of 3.5%) resulted in the recognition of additional DTA TLCF for €319 million, of which €130 million related to the IRES tax rate and €189 million corresponding to the IRES additional tax rate 3.5%. As a result, the amount of DTA TLCF booked is equal to €3,661 million (of which €2,897 million deriving from accounting items originated in the Income statement and €764 million from Net equity components). As a result of the test all the DTAs TLCF were recognized and no such unrecognized DTAs remain.

Regarding the sensitivity analysis, disclosed as per ESMA recommendation:
- with reference to the test results derived from the statistical approach, a sensitivity analysis was run on volatility parameter and on confidence interval; the outcomes of such analysis are the following: (i) +0.1 increase of volatility parameter would originate an amount of sustainable DTA TLCF equal to €7,149 million; (ii) a 10% increase in the confidence interval would result in an amount of sustainable DTA TLCF equal to €6,773 million;
- with reference to the weight assigned to the scenarios adopted (“Base” and “Alternative”), the analysis pointed out that a 5% reduction in “Base” scenario weight (meaning 60% weight for “Base” and 40% “Alternative”) would result in an amount of sustainable DTA TLCF equal to €6,996 million.

The sensitivity analysis evidences that in all the considered scenarios the amount of sustainable DTAs TLCF would be above the amount of € 3,661 million recognized on the basis of the test executed as of 31 December 2024.

Regarding the regulatory capital, the DTA TLCF write-up is basically neutral given its deduction from the Common Equity Tier 1.

Further risk elements related to the approach above outlined are linked to a possible significant reduction in the tax rate, as well as to any time limits on the recovery of tax assets that may be introduced by changes in the current legislation.

Deferred tax assets from temporary differences
With reference to the deferred tax assets due to temporary differences (€1,486 million booked before the offset against the corresponding deferred tax liabilities), the sustainability test caused the total sustainability of deferred tax assets due to temporary differences, of which: (i) €1,310 million recognised through Income statement and (ii) €176 million recognised through Net equity originated from transactions accrued to Net equity due to IFRS principles.

114 Consistently with the evaluation performed for the macro-economic scenario and investments in subsidiaries and in compliance with ESMA Public Statement "European common enforcement priorities for 2023 Annual Financial Reports" which makes reference to its previous 2022 and 2021 public statements recommending, given the uncertainty, the use of multiple scenarios for the impairment of assets.

Part B - Balance sheet - Assets

10.3 Deferred tax assets: annual changes (balancing P&L)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**8,117**	**8,722**
2. Increases	**1,199**	**1,912**
2.1 Deferred tax assets arisen during the year	892	1,640
a) Relating to previous years	44	171
b) Due to change in accounting criteria	-	-
c) Write-backs	427	980
d) Other	421	489
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	307	272
3. Decreases	**2,474**	**2,517**
3.1 Deferred tax assets derecognised during the year	2,101	2,044
a) Reversals	2,013	1,930
b) Write-downs of non-recoverable items	-	-
c) Change in accounting criteria	-	-
d) Other	88	114
3.2 Reduction in tax rates	-	-
3.3 Other decreases	373	473
a) Conversion into tax credit under Italian Law 214/2011	27	158
b) Other	346	315
4. Closing balance	**6,842**	**8,117**

For the portion of deferred tax assets arising from tax losses carried forward to subsequent years, please refer to the table 10.1 of these section of the Notes to the accounts.
The sub-item “2.1 c) Write-backs” reports mainly the effects of the recognition in the Income statement of DTA TLCF arising from the results of the sustainability test; the sub-items “2.3 Other increases” and “3.3 Other decreases” b) Other” include the effect of netting DTA/DTL of previous and current year.

Part B - Balance sheet - Assets

10.3bis Deferred tax assets (Italian Law 214/2011): annual changes

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**4,298**	**5,691**
2. Increases	**-**	**4**
3. Decreases	**1,336**	**1,397**
3.1 Reversals of temporary differences	1,309	1,239
3.2 Conversion into tax credits	27	158
a) Due to loss positions arisen from P&L	-	-
b) Due to tax losses	27	158
3.3 Other decreases	-	-
4. Closing balance	**2,962**	**4,298**

In accordance with the Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments), starting from 31 December 2018, the table shows the deferred tax asset annual changes of which L.214/2011 both equity balancing and Income statement balancing.

10.4 Deferred tax liabilities: annual changes (balancing P&L)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**-**	**-**
2. Increases	**48**	**22**
2.1 Deferred tax liabilities arisen during the year	31	1
a) Relating to previous years	-	-
b) Due to change in accounting criteria	-	-
c) Other	31	1
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	17	21
3. Decreases	**48**	**22**
3.1 Deferred tax liabilities derecognised during the year	4	6
a) Reversals of temporary differences	4	5
b) Due to change in accounting criteria	-	-
c) Other	-	1
3.2 Reduction in tax rates	-	-
3.3 Other decreases	44	16
4. Closing balance	**-**	**-**

The items "2.3 Other increases" and "3.3 Other decreases" include the effect of netting DTA/DTL of previous and current year.

Part B - Balance sheet - Assets

10.5 Deferred tax assets: annual changes (balancing Net Equity)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**786**	**787**
2. Increases	**154**	**21**
2.1 Deferred tax assets arisen during the year	154	21
a) Relating to previous years	-	-
b) Due to change in accounting criteria	-	-
c) Other	154	21
2.2 New taxes or increase in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**1**	**22**
3.1 Deferred tax assets derecognised during the year	1	22
a) Reversals of temporary differences	1	22
b) Write-downs of non-recoverable items	-	-
c) Due to change in accounting criteria	-	-
d) Other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**939**	**786**

10.6 Deferred tax liabilities: annual changes (balancing Net Equity)

(€ million)

	CHANGES IN	
	2024	2023
1. Opening balance	**-**	**-**
2. Increases	**301**	**266**
2.1 Deferred tax liabilities arisen during the year	79	13
a) Relating to previous years	-	-
b) Due to change in accounting criteria	-	-
c) Other	79	13
2.2 New taxes or increase in tax rates	-	-
2.3 Other increases	222	253
3. Decreases	**301**	**266**
3.1 Deferred tax liabilities derecognised during the year	17	44
a) Reversal of temporary differences	16	42
b) Due to change in accounting criteria	-	-
c) Other	1	2
3.2 Reduction in tax rates	-	-
3.3 Other decreases	284	222
4. Closing balance	**-**	**-**

The items “2.3 Other increases” and “3.3 Other decreases” include the effect of netting DTA/DTL of previous and current year.

Part B - Balance sheet - Assets

10.7 Other information

Italian Tax Group
The Tax Group regime was introduced in Italy by Legislative Decree of 12 December 2003 No.344, that implemented the Italian corporate income tax (IRES) reform.
The regime of italian Tax Group is optional, with a duration bound for three financial years and certain conditions (controlling relationship, same operating period) to be met.

The participation to the Tax Group regime allows the offsetting between taxable income and tax losses generated by the companies participating to such regime.

For financial year 2024 the following legal entities adhered to the Italian Tax Group with UniCredit S.p.A.:
- UniCredit Factoring S.p.A. - Milan;
- UniCredit Leasing S.p.A.- Milan;
- Cordusio Fiduciaria S.p.A.- Milan;
- UniCredit Bank GmbH Milan Branch;
- UniCredit Leased Asset Management S.p.A.- Milano.

The number of the legal entities adhered to the italian Tax Group has remained unchanged in the year 2024.
Considering the italian Tax Group the financial year 2024 closed with an income amount equal to €1,206 million. Tax due on income is equal to €289 million, this amount has been partially reduced due to residual tax losses of €231 million and the utilization of ACE of €0,07 million. Therefore, the tax on income of the italian Tax Group is equal to €58 million.
The amount of deferred tax assets arising from tax losses related to the legal entities adhered to the italian Tax Group fully booked is equal to €3,406 million (of which €3,148 million for UniCredit S.p.A., €257 million for UniCredit Leasing S.p.A. and €1 million for UniCredit Leased Asset Management S.p.A.).

Deferred tax assets due to tax losses carried forward
The amount of individual residual deferred tax assets arising from tax losses carried forward is equal to €3,661 million (of which €2,897 million deriving from accounting items originated in the Income statement and €764 million from Net equity components). Following the sustainability test the residual amount of deferred tax assets not booked has been registered for an amount of €319 million can be registered of which €130 related to 24% IRES ordinary tax rate, €189 million related to the 3.5% IRES.
The deferred tax assets arising from tax losses are originated as follows:
- €3,148 million related to the IRES tax rate (of which €2,485 million deriving from accounting items originated in the Income statement and €663 million from Net equity components);
- €513 million related to IRES additional tax rate 3.5% (of which €412 million deriving from accounting items originated in the Income statement and €101 million from Net equity components).

In respect of foreign branches, relevant tax losses not utilized are equal to €7,553 million, due to start-up expenses or other operating costs. These tax losses can only be used to offset the taxable income of each single branch for taxes due in the relevant country of establishment.

Part B - Balance sheet - Assets

Section 11 - Non current assets and disposal groups classified as held for sale and Liabilities associated with assets classified as held for sale - Item 110 (Assets) and Item 70 (Liabilities)

11.1 Non-current assets and disposal groups classified as held for sale: breakdown by asset type

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
A. Assets held for sale		
A.1 Financial assets	7	278
A.2 Equity investments	6	8
A.3 Property, plant and equipment	26	13
of which: obtained by the enforcement of collateral	-	-
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total (A)	**39**	**299**
of which: carried at cost	*13*	*286*
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	*26*	*13*
of which: designated at fair value - level 3	-	-
B. Discontinued operations		
B.1 Financial assets at fair value through profit or loss	-	-
- Financial assets held for trading	-	-
- Financial assets designated at fair value	-	-
- Other financial assets mandatorily at fair value	-	-
B.2 Financial assets at fair value through other comprehensive income	-	-
B.3 Financial assets at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: obtained by the enforcement of collateral	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total (B)	**-**	**-**
of which: carried at cost	-	-
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	-	-
of which: designated at fair value - level 3	-	-
C. Liabilities associated with assets classified as held for sale		
C.1 Deposits	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total (C)	**-**	**-**
of which: carried at cost	-	-
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	-	-
of which: designated at fair value - level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities at amortised cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total (D)	**-**	**-**
of which: carried at cost	-	-
of which: designated at fair value - level 1	-	-
of which: designated at fair value - level 2	-	-
of which: designated at fair value - level 3	-	-

Sub-item “A.1 Financial assets” mainly includes non-performing loans that will be sold during 2025.
Sub-item “A.2 Equity investments” is composed by stake into Risanamento S.p.A. (€6 million).

Part B - Balance sheet - Assets

11.2 Other information
No data to be disclosed.

Section 12 - Other assets - Item 120

12.1 Other assets: breakdown

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
Margin with derivatives clearers (non-interest bearing)	-	-
Gold, silver and precious metals	39	49
Accrued income and prepaid expenses other than capitalised income	437	324
Positive value of management agreements (so-called servicing assets)	-	-
Cash and other valuables held by cashier	112	110
- Current account cheques being settled, drawn on third parties	112	110
- Current account cheques payable by group banks, cleared and in the process of being debited	-	-
- Money orders, bank drafts and equivalent securities	-	-
- Coupons, securities due on demand, revenue stamps and miscellaneous valuables	-	-
Interest and changes to be debited to	-	-
- Customers	-	-
- Banks	-	-
Items in transit between branches not yet allocated to destination accounts	2	-
Items in processing	82	158
Items deemed definitive but not-attributable to other items	1,645	1,683
- Securities and coupons to be settled	35	121
- Other transactions	1,610	1,562
Adjustments for unpaid bills and notes	3	430
Tax items other than those included in item 110	4,817	5,000
Commercial credits pursuant to IFRS15	263	252
Other items	371	347
Total	**7,771**	**8,353**

As at 31 December 2024, into the item "Gold, silver and precious metals" are recognised, at their fair value of €39 million, the precious stones (diamonds) repurchased from customers within the "customer care" initiative promoted by the Bank regarding this topic.

Item “Accrued income and prepaid expenses other than capitalised income” includes the contract assets recognised in accordance with IFRS15.
In this context accrued income represents the portion of the performance obligation already satisfied through the services provided by the Bank and that will be settled in the future periods in accordance with contractual provisions.
The aggregate amount of revenues from services to customers related to the portion of performance obligations not yet satisfied, and therefore not represented in the table above, is of a non-material amount and relates to performance obligations expected to be satisfied by the following year end reporting date.
It should be noted that during the period the change in the item “accrued income and prepaid expenses not included in the carrying amount of the relevant financial assets” is mainly due to the entry into force of a new contract with a payment services company.

Item “Tax items other than those included in item 110” includes tax credits deriving from Decree-laws “Cura Italia” and “Rilancio” Law Decrees for €3.5 billion.

Part B - Balance sheet - Assets

Periodic change of accrued income/expenses and prepaid expenses/income

(€ million)

	AMOUNTS AS AT 31.12.2024	
	ACCRUED INCOME AND PREPAID EXPENSES	ACCRUED EXPENSES AND DEFERRED INCOME
Opening balance	**324**	**199**
Increases	**127**	**67**
a) Changes due to business combinations	-	-
b) Cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability, including adjustments arising from a change in the measure of progress, a change in an estimate of the transaction price (including any changes in the assessment of whether an estimate of variable consideration is constrained) or a contract modification (IFRS15 Par. 118.b)	-	-
c) Reversal of impairment of a contract asset (IFRS15 Par. 118.c)	-	X
d) Change in the time frame for a right to consideration to become unconditional (ie for a contract asset to be reclassified to a receivable) (IFRS15 Par. 118.d)	-	-
e) Change in the time frame for a performance obligation to be satisfied (ie for the recognition of revenue arising from a contract liability (IFRS15 Par. 118.e)	-	-
f) Other	127	67
Decreases	**14**	**50**
a) Changes due to business combinations	-	-
b) Cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability, including adjustments arising from a change in the measure of progress, a change in an estimate of the transaction price (including any changes in the assessment of whether an estimate of variable consideration is constrained) or a contract modification (IFRS15 Par. 118.b)	-	-
c) Impairment of a contract asset (IFRS15 Par. 118.c)	-	X
d) Change in the time frame for a right to consideration to become unconditional (ie for a contract asset to be reclassified to a receivable) (IFRS15 Par. 118.d)	-	-
e) Change in the time frame for a performance obligation to be satisfied (ie for the recognition of revenue arising from a contract liability (IFRS15 Par. 118.e)	-	-
f) Other	14	50
Closing balance	**437**	**216**

Note that the item “f) other” include (i) the deferral of income and expenses related to performance obligation that have already been paid but not yet satisfied as well as the recognition in P&L of the amount previously deferred in accordance with the progressive satisfaction of the performance obligation and (ii) the accrual in P&L of the amounts due as a result of the satisfaction of a performance obligation for which the payment is contractually postponed as well as their subsequent settlement.

Part B - Balance sheet - Liabilities

Liabilities

Section 1 - Financial liabilities at amortised cost - Item 10

1.1 Financial liabilities at amortised cost: breakdown by product of deposits from banks

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Deposits from central banks	**975**	X	X	X	**5,836**	X	X	X
2. Deposits from banks	**35,938**	X	X	X	**26,773**	X	X	X
2.1 Current accounts and demand deposits	7,715	X	X	X	3,303	X	X	X
2.2 Time deposits	2,749	X	X	X	3,651	X	X	X
2.3 Loans	25,458	X	X	X	19,788	X	X	X
2.3.1 Repos	23,879	X	X	X	17,933	X	X	X
2.3.2 Other	1,579	X	X	X	1,855	X	X	X
2.4 Liabilities relating to commitments to repurchase treasury shares	-	X	X	X	-	X	X	X
2.5 Lease deposits	4	X	X	X	24	X	X	X
2.6 Other deposits	12	X	X	X	7	X	X	X
Total	**36,913**	**-**	**24,939**	**11,954**	**32,609**	**-**	**23,661**	**8,401**
Total Level 1, Level 2 and Level 3				**36,893**				**32,062**

"Deposits from central banks" no more include TLTRO III facilities subscribed in March 2021 and outstanding as at December 2023 for €5 billion, due to their full reimbursement during the year.

Deposits from banks are not carried based at their fair value, which is only shown in order to meet disclosure requirements. Fair value measurements have been classified according to a hierarchy of levels reflecting the observability of the valuations input. For further information refer to the paragraph "A.4 - Information on fair value", Notes to the accounts Part A - Accounting policies.

1.2 Financial liabilities at amortised cost: breakdown by product of deposits from customers

(€ million)

TYPE OF TRANSACTION/VALUES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Current accounts and demand deposits	176,168	X	X	X	178,214	X	X	X
2. Time deposits	4,911	X	X	X	6,586	X	X	X
3. Loans	18,808	X	X	X	20,310	X	X	X
3.1 Repos	16,994	X	X	X	18,100	X	X	X
3.2 Other	1,814	X	X	X	2,210	X	X	X
4. Liabilities relating to commitments to repurchase treasury shares	-	X	X	X	21	X	X	X
5. Lease deposits	758	X	X	X	898	X	X	X
6. Other deposits	1,121	X	X	X	1,529	X	X	X
Total	**201,766**	**-**	**21,880**	**179,789**	**207,558**	**-**	**23,195**	**184,266**
Total Level 1, Level 2 and Level 3				**201,669**				**207,461**

The item "Liabilities relating to commitments to repurchase treasury shares" reported in 2023 the amounts to be settled in respect of shares purchased in execution of the share buy-back programs aimed at remunerating the shareholders.

Part B - Balance sheet - Liabilities

Deposits from customers are not carried at fair value, which is presented solely for the purpose of fulfilling financial disclosure requirements.
Fair value measurements have been classified according to a hierarchy of levels reflecting the observability of the valuations input. The fair value of demand items was estimated to be equal to their net book value by exercising the option provided for by IFRS7.29. According to this assumption, demand items were classified as Level 3 in the fair value hierarchy. For further information refer to the paragraph "A.4 - Information on fair value", Notes to the accounts, Part A - Accounting policies.

1.3 Financial liabilities at amortised cost: breakdown by product of debt securities in issue

(€ million)

	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	BOOK	FAIR VALUE			BOOK	FAIR VALUE		
TYPE OF SECURITIES/VALUES	VALUE	LEVEL 1	LEVEL 2	LEVEL 3	VALUE	LEVEL 1	LEVEL 2	LEVEL 3
A. Debt securities								
1. Bonds	41,855	33,093	8,778	-	40,881	28,715	11,299	-
1.1 Structured	1,081	-	1,050	-	581	-	551	-
1.2 Other	40,774	33,093	7,728	-	40,300	28,715	10,748	-
2. Other securities	5,206	-	62	5,081	5,676	-	57	5,602
2.1 Structured	47	-	47	-	47	-	47	-
2.2 Other	5,159	-	15	5,081	5,629	-	10	5,602
Total	**47,061**	**33,093**	**8,840**	**5,081**	**46,557**	**28,715**	**11,356**	**5,602**
Total Level 1, Level 2 and Level 3				**47,014**				**45,673**

Sub-items "1.1 structured" of bonds and "2.1. Structured" of other securities totally amount to €1,128 million and represent 2.4% of the total. They mainly relate to interest-rate linked instruments with highly correlated derivative component, identified in accordance with the Mifid classification rules.

Issued bonds change due to joint effect of maturities and new issuances and as a consequence of buy - backs realised in the period.

The fair value of derivatives embedded in structured securities, presented in item 20 of Assets and item 20 of Liabilities and included in Trading derivatives - Others, amounted to a net balance of €13 million negative.

Fair value measurements solely for financial disclosure purposes only are classified according to a hierarchy of levels reflecting the observability of the inputs used. For further information refer to the paragraph "A.4 - Information on fair value", Notes to the accounts, Part A - Accounting policies.

1.4 Breakdown of subordinated debts/securities

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deposits from banks	-	-
Deposits from customers	-	-
Debt securities	5,988	7,016
Total	**5,988**	**7,016**

Part B - Balance sheet - Liabilities

1.5 Breakdown of structured debts

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Deposits from banks	-	-
Deposits from customers	-	1
Total	**-**	**1**

The debts are taken as part of ordinary operations with customers.

1.6 Amounts payable under finance leases

(€ million)

	31.12.2024		31.12.2023	
	CASH OUTFLOWS		CASH OUTFLOWS	
TIME BUCKET	FINANCE LEASES	OPERATING LEASES	FINANCE LEASES	OPERATING LEASES
Up to 1 year	-	202	-	214
1 year to 2 years	-	187	-	200
2 year to 3 years	-	149	-	185
3 year to 4 years	-	96	-	142
4 year to 5 years	-	82	-	88
Over 5 years	-	108	-	168
Total Lease Payments to be made	**-**	**824**	**-**	**997**
RECONCILIATION WITH DEPOSITS				
Unearned finance expenses (-) (Discounting effect)	-	62	-	75
Lease deposits	**-**	**762**	**-**	**922**

It should be noted that table “1.6 Amounts payable under finance leases” reports the maturity analysis based on time bucket of the lease liability as requested by IFRS16 and the concurrent Circular 262 of 22 December 2005 of Banca d’Italia (and subsequent amendments).

Part B - Balance sheet - Liabilities

Section 2 - Financial liabilities held for trading - Item 20

2.1 Financial liabilities held for trading: breakdown by product

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024					AMOUNTS AS AT 31.12.2023				
	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*
		LEVEL 1	LEVEL 2	LEVEL 3			LEVEL 1	LEVEL 2	LEVEL 3	
A. Cash liabilities										
1. Deposits from banks	-	1,759	-	-	1,759	-	596	-	-	596
2. Deposits from customers	-	458	-	-	458	-	3,968	-	-	3,968
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total (A)	**-**	**2,217**	**-**	**-**	**2,217**	**-**	**4,564**	**-**	**-**	**4,564**
B. Derivatives instruments										
1. Financial derivatives	X	-	34,358	1,477	X	X	16	9,043	688	X
1.1 Trading derivatives	X	-	33,028	340	X	X	16	8,482	178	X
1.2 Linked to fair value option	X	-	479	601	X	X	-	546	498	X
1.3 Other	X	-	851	536	X	X	-	15	12	X
2. Credit derivatives	X	-	-	-	X	X	-	-	-	X
2.1 Trading derivatives	X	-	-	-	X	X	-	-	-	X
2.2 Linked to fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	**X**	**-**	**34,358**	**1,477**	**X**	**X**	**16**	**9,043**	**688**	**X**
Total (A+B)	**X**	**2,217**	**34,358**	**1,477**	**X**	**X**	**4,580**	**9,043**	**688**	**X**
Total Level 1, Level 2 and Level 3				**38,052**					**14,311**	

Note:
Fair value* = Fair value calculated excluding the value changes due to the change of credit worthiness of the issuer compared to the issue date.

"Deposit from banks" and "Deposit from customers" are referred to technical overdrafts in respect of which no nominal amount was attributed. They are fed by the recognition of technical overdrafts typical of primary dealer and market-maker transactions in government bonds.

"Financial derivatives: other" comprises derivatives that, for economic purposes are associated with Banking Book instruments.
Fair value evolution of outstanding derivatives, further to volumes, is also influenced by interest rates dynamic. Further, in 2024, following the start of execution of Trading Centralization project (for which refer to Part G - Business Combination), volumes in derivatives have significatively increased in respect of 2023.
Changes in respect of 2023 final figures are also due to application, for the first time in 2024, of accounting offsetting ex IAS32.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input. For further information refer to the paragraph "A.4 - Information on fair value", Notes to the accounts, Part A - Accounting policies.

2.2 Detail of financial liabilities held for trading: subordinated liabilities
Subordinated trading financial liabilities do not exist.

2.3 Detail of financial liabilities held for trading: structured debts
Structured trading financial liabilities do not exist.

Part B - Balance sheet - Liabilities

Section 3 - Financial liabilities designated at fair value - Item 30

3.1 Financial liabilities designated at fair value: breakdown by product

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2024					AMOUNTS AS AT 31.12.2023				
	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*
		LEVEL 1	LEVEL 2	LEVEL 3			LEVEL 1	LEVEL 2	LEVEL 3	
1. Deposits from banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- loan commitments given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
- financial guarantees given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
2. Deposits from customers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- loan commitments given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
- financial guarantees given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
3. Debt securities	**10,448**	**-**	**9,770**	**501**	**10,175**	**7,579**	**-**	**6,704**	**556**	**7,149**
3.1 Structured	10,448	-	9,770	501	X	7,579	-	6,704	556	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**10,448**	**-**	**9,770**	**501**	**10,175**	**7,579**	**-**	**6,704**	**556**	**7,149**
Total Level 1, Level 2 and Level 3				**10,271**					**7,260**	

Note:
Fair value* = Fair value calculated excluding the value changes due to the change of credit worthiness of the issuer compared to the issue date.

Item "Debt securities - Structured" includes "Certificates" (structured debt securities) issued by UniCredit S.p.A. starting from the first quarter of 2016. These securities are classified as measured at fair value their embedded derivative component not being separable.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the valuations input. For further information refer to the paragraph "A.4 - Information on fair value", Notes to the accounts, Part A - Accounting policies.

3.2 Detail of financial liabilities designated at fair value: subordinated liabilities

Subordinated financial liabilities designated at fair value do not exist.

Part B - Balance sheet - Liabilities

Section 4 - Hedging derivatives - Item 40

4.1 Hedging derivatives: breakdown by type of hedging and by levels

(€ million)

	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial derivatives	**-**	**314**	**2**	**154,167**	**124**	**11,799**	**27**	**281,867**
1) Fair value	-	94	2	145,463	124	11,275	17	271,342
2) Cash flows	-	220	-	8,704	-	524	10	10,525
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**314**	**2**	**154,167**	**124**	**11,799**	**27**	**281,867**
Total Level 1, Level 2 and Level 3			**316**				**11,950**	

Fair value evolution of outstanding derivatives, further to volumes, is also influenced by the dynamic of interest rates.
Changes in respect of 2023 final figures are also due to application, for the first time in 2024, of accounting offsetting ex IAS32.

Valuations at fair value were classified according to a hierarchy of levels reflecting the observability of the inputs used in the measurements.
For further information refer to the paragraph “A.4 - Information on fair value”, Notes to the accounts, Part A - Accounting policies.

4.2 Hedging derivatives: breakdown by hedged portfolios and type of hedging

(€ million)

	AMOUNTS AS AT 31.12.2024									
	FAIR VALUE							CASH FLOW		
	MICRO-HEDGE									
TRANSACTIONS/HEDGE TYPES	DEBT SECURITIES AND INTEREST RATES RISK	EQUITY INSTRUMENTS AND EQUITY INDICES RISK	CURRENCY AND GOLD	CREDIT RISK	COMMODITIES	OTHER	MACRO-HEDGE	MICRO-HEDGE	MACRO-HEDGE	FOREIGN INVESTMENTS
1. Financial assets at fair value through other comprehensive income	33	-	9	-	X	X	X	-	X	X
2. Financial assets at amortised cost	-	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	26	X	220	X
4. Other transactions	-	-	7	-	-	-	X	-	X	-
Total assets	**33**	**-**	**16**	**-**	**-**	**-**	**26**	**-**	**220**	**-**
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	21	X	-	X
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**21**	**-**	**-**	**-**
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

Part B - Balance sheet - Liabilities

Section 5 - Value adjustment of hedged financial liabilities - Item 50

5.1 Changes to hedged financial liabilities

(€ million)

CHANGES TO HEDGED LIABILITIES/GROUP COMPONENTS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Positive changes to financial liabilities	1,253	931
2. Negative changes to financial liabilities	(5,911)	(8,334)
Total	**(4,658)**	**(7,403)**

Change in the item is attributable to the evolution of hedged volumes and markets interest rate curves.

Section 6 - Tax liabilities - Item 60

Refer to the paragraph “Section 10 - Tax assets and tax liabilities - Item 100 (Assets) and Item 60 (Liabilities)”, Notes to the accounts, Part B - Balance sheet - Asset.

Section 7 - Liabilities associated with assets classified as held for sale - Item 70

Refer to the paragraph “Section 11 - Non current assets and disposal groups classified as held for sale and Liabilities associated with assets classified as held for sale- Item 110 (Assets) and Item 70 (Liabilities)”, Notes to the accounts, Part B - Balance sheet - Asset.

Part B - Balance sheet - Liabilities

Section 8 - Other liabilities - Item 80

8.1 Other liabilities: breakdown

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
Liabilities in respect of financial guarantees issued	-	-
Accrued expenses and deferred income other than those to be capitalised for the financial liabilities concerned	216	199
Negative value of management agreements (so-called servicing assets)	-	-
Payment agreements based on the value of own capital instruments classified as liabilities pursuant to IFRS2	-	-
Other liabilities due to employees	1,258	1,507
Other liabilities due to other staff	1	1
Other liabilities due to Directors and Statutory Auditors	-	-
Interest and amounts to be credited to	-	-
- Customers	-	-
- Banks	-	-
Items in transit between branches and not yet allocated to destination accounts	12	9
Available amounts to be paid to others	-	-
Items in processing	435	357
Entries relating to securities transactions	420	87
Definitive items but not attributable to other lines	2,576	3,490
- Accounts payable - suppliers	623	690
- Provisions for tax withholding on accrued interest, bond coupon payments or dividends	6	4
- Other entries	1,947	2,796
Liabilities for miscellaneous entries related to tax collection service	-	-
Adjustments for unpaid portfolio entries	1,375	-
Tax items different from those included in item 60	1,478	1,178
Other entries	111	122
Total	**7,882**	**6,950**

Item "Accrued expenses and deferred income other than those to be capitalised for the financial liabilities" includes the contract liabilities recognised in accordance with IFRS15.
In this context, deferred income represents the portion of performance obligations not yet satisfied through the services provided by the Bank but already settled during the period or in previous periods.
The majority of this amount relates to performance obligations expected to be satisfied by the following year end reporting date.

For information about the changes in deferred income and accrued expenses occurred in the period refer to "Section 12 - Other assets - Item 120", Notes to the accounts, Part B - Balance sheet - Assets.

Part B - Balance sheet - Liabilities

Section 9 - Provision for employee severance pay - Item 90

The “TFR” provision for Italy-based employee benefits is to be constructed as a “post-retirement defined benefit”. Its recognition in financial statements has required the estimate, through actuarial techniques, of the amount of benefit accrued by employees and its discount to present value. The calculation of this benefit has been performed by an external actuary using “projected unit credit” method (refer to the paragraph “Part A.2 - Main items of the accounts”, Notes to the accounts, Part A - Accounting policies).

9.1 Provisions for employee severance pay: annual changes

(€ million)

	CHANGES IN	
	2024	2023
A. Opening balance	**330**	**361**
B. Increases	**13**	**33**
B.1 Provisions for the year	11	14
B.2 Other increases	2	19
of which: business combinations	-	-
C. Reductions	**54**	**64**
C.1 Severance payments	54	64
C.2 Other decreases	-	-
of which: business combinations	-	-
D. Closing Balance	**289**	**330**

9.2 Other information

(€ million)

	CHANGES IN	
	2024	2023
Cost Recognised in P&L:	**11**	**14**
- Current Service Cost	-	-
- Interest Cost on the DBO	11	14
- Settlement (gains)/losses	-	-
- Past Service Cost	-	-
Remeasurement Effects (Gains) Losses Recognised in OCI	**1**	**19**
Annual weighted average assumptions		
- Discount rate	3.30%	3.50%
- Price inflation	1.45%	1.75%

The financial duration of the commitments is 9 years; the balance of the negative Revaluation reserves, net of tax, changed from -€101 million at 31 December 2023 to -€102 million at 31 December 2024.

A change of -25 basis points in the discount rate would result in an increase in liabilities of €6 million (+2.07%); an equivalent increase in the rate, on the other hand, would result in a reduction in liabilities of €6 million (-2.02%). A change of -25 basis points in the inflation rate would result in a reduction in liabilities of €4 million (-1.28%); an equivalent increase in the rate, on the other hand, would result in an increase in liabilities of €4 million (+1.30%).

Part B - Balance sheet - Liabilities

Section 10 - Provisions for risks and charges - Item 100

10.1 Provisions for risks and charges: breakdown

(€ million)

ITEMS/COMPONENTS	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
1. Provisions for credit risk on commitments and financial guarantees given	432	466
2. Provisions for other commitments and other guarantees given	-	-
3. Pensions and other post-retirement benefit obligations	36	34
4. Other provisions for risks and charges	1,410	1,182
4.1 Legal and tax disputes	270	266
4.2 Staff expenses	920	551
4.3 Other	220	365
Total	**1,878**	**1,682**

To cover liabilities that may result from pending lawsuits (excluding labor disputes and tax cases), UniCredit S.p.A. has set aside a provision for risks and charges of €258 million (€253 million at 31 December 2023). More details are included in “Part E - Information on risks and risks of hedging policies”, Notes to the accounts.

10.2 Provisions for risks and charges: annual changes

(€ million)

	CHANGES IN 2024			
	PROVISIONS FOR OTHER OFF-BALANCE SHEET COMMITMENTS AND OTHER GUARANTEES GIVEN	PENSION AND POST-RETIREMENT BENEFIT OBLIGATIONS	OTHER PROVISIONS FOR RISKS AND CHARGES	TOTAL
A. Opening balance	**-**	**34**	**1,182**	**1,216**
B. Increases	**-**	**21**	**726**	**747**
B.1 Provisions for the year	-	4	619	623
B.2 Changes due to the passing time	-	1	8	9
B.3 Differences due to discount-rate changes	-	-	2	2
B.4 Other changes	-	16	97	113
of which: business combinations	-	-	-	-
C. Decreases	**-**	**19**	**498**	**517**
C.1 Use during the year	-	-	398	398
C.2 Differences due to discount-rate changes	-	-	1	1
C.3 Other changes	-	19	99	118
of which: business combinations	-	*1*	-	*1*
D. Closing balance	**-**	**36**	**1,410**	**1,446**

More details about annual changes for pensions and post-retirement benefit obligation are presented in the paragraph “10.5 - Pensions and other postretirement defined benefit obligations”, Notes to the accounts, Part B - Balance sheet - Liabilities, Section 10 - Provision for risks and charges - Item 100.

10.3 Provisions for credit risk on commitments and financial guarantees given

(€ million)

	AMOUNTS AS AT 31.12.2024 - PROVISIONS FOR CREDIT RISK ON COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL
Loan commitments given	16	34	41	-	91
Financial guarantees given	16	66	258	-	340
Total	**32**	**100**	**299**	**-**	**431**

Part B - Balance sheet - Liabilities

More details on provisions for commitments and guarantees given are presented in the paragraph “10.3 Provisions for credit risk on commitments and financial guarantees given” and “10.4 Provisions on other commitments and other issued guarantees”, Notes to the accounts, Part B - Balance sheet - Liabilities, Section 10 - Provision for risks and charges - Item 100.

10.4 Provisions on other commitments and other issued guarantees
No data to be disclosed.

10.5 Pensions and other post-retirement defined-benefit obligations

1. Pensions and other post-retirement benefit obligations
According to IAS19, obligations arising from defined-benefit plans are determined using the “Projected Unit Credit” method, while segregated assets are measured at fair value at Balance sheet reporting date. The Balance sheet obligation is the result of the deficit or surplus (i.e. the difference between obligations and assets) net of any impacts of the asset ceiling; actuarial gains and losses are recognised in shareholders’ equity and shown in a specific item of revaluation reserves in the financial year in which they are recorded.

The actuarial assumptions used to determine obligations vary from country to country and from plan to plan; the discount rate is determined, depending on the currency of denomination of the commitments and the maturity of the liability, by reference to market yields at the Balance sheet date on a basket of “high quality corporate bonds”.

In light of evolving common interpretation about “high quality corporate bonds” identification, UniCredit group refined its Discount Rate setting methodology by referencing AA rated corporate bonds basket. In addition, it is worth to mention that, instead of econometric models, a Nelson Siegel methodology has been applied since years in modelling the yield-curve expressed by the basket of securities (adjusted above the last liquid point, defined as the average maturity of the last 5 available bonds, relying on the slope of a Treasury curve build with AA Govies).

The balance of the negative Revaluation reserves, net of deferred taxes, changed from -€113 million as at 31 December 2023 to -€115 million as at 31 December 2024.

The Annexes provide details of Internal Fund movements and include statements of changes in funds with segregated assets pursuant to Art.2117 of the Italian Civil Code, as well as explanatory notes thereto.

Part B - Balance sheet - Liabilities

2. Changes of net defined benefit liability/asset and any reimbursement rights

2.1 Breakdown of defined benefit net obligation

(€ million)

	31.12.2024	31.12.2023
Current value of the defined benefit obligation	430	423
Current value of the plan assets	(394)	(389)
Deficit/(Surplus)	**36**	**34**
Irrecoverable surplus (effect of asset ceiling)	-	-
Net defined benefit liability/(asset) as of the period end date	**36**	**34**

2.2 Changes in defined benefit obligations

(€ million)

	31.12.2024	31.12.2023
Initial defined benefit obligation	423	424
Current service cost	4	4
Settlement (gain)/loss	-	-
Past service cost	-	-
Interest expense on the defined benefit obligation	15	16
Write-downs for actuarial (gains)/losses on defined benefit plans	13	9
Employees' contributions for defined benefit plans	-	-
Disbursements from plan assets	(20)	(21)
Disbursements directly paid by the fund	(5)	(4)
Settlements	-	-
Other increases (decreases)	-	(5)
Net defined benefit liability/(asset) as of the period end date	**430**	**423**

2.3 Changes to plan assets

(€ million)

	31.12.2024	31.12.2023
Initial fair value of plan assets	389	359
Interest income on plan assets	14	14
Administrative expenses paid from plan assets	-	-
Write-downs on the fair value of plan assets for actuarial gains (losses) on the discount rate	10	4
Employer contributions	5	-
Disbursements from plan assets	(20)	(21)
Settlements	-	-
Other increases (decreases)	(4)	33
Final fair value of plan assets	**394**	**389**

3. Information on plan assets' fair value

(€ million)

	31.12.2024	31.12.2023
1. Shares	49	56
2. Bonds	94	86
3. Units in investment funds	219	218
4. Real estate properties	1	1
5. Derivative instruments	-	-
6. Other assets	31	28
Total	**394**	**389**

Part B - Balance sheet - Liabilities

4. Description of major actuarial assumptions

	31.12.2024 %	31.12.2023 %
Discount rate	3.54	3.60
Expected return on plan assets	3.54	3.60
Expected compensation increase rate	2.51	2.50
Future increases relating to pension treatments	1.75	1.94
Expected inflation rate	1.99	2.10

5. Information of amounts, timing and uncertainties of disbursement cash flows

(€ million)

	31.12.2024
- Impact of changes in financial/demographic assumptions on DBOs	
A. Discount rate	
A1. -25 basis points	14
	3.15%
A2. +25 basis points	(13)
	-2.98%
B. Future increase rate relating to pension treatments	
B1. -25 basis points	(9)
	-1.98%
B2. +25 basis points	9
	2.06%
C. Mortality	
C.1 Life expectancy + 1 year	16
	3.68%
- Financial duration (years)	12.7

10.6 Provisions for risks and charges - other provisions

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
4.3 Other provisions for risks and charges - other		
Real estate risks/charges	-	-
Restructuring costs	-	-
Allowances payable to agents	7	6
Disputes regarding financial instruments and derivatives	5	6
Costs for liabilities arising from equity investment disposals	1	13
Other	207	340
Total	**220**	**365**

Other Provisions include:
- the ones posted in order to cope with the probable risks of loss related to the purchases of diamonds, that could be carried out under action of "customer care" promoted by the Bank. To complete the information more details are included in the paragraph "E. Other claims by customers", Notes to the accounts, Part E - Information about risks and hedging policies, Section 5 - Operational risk, Qualitative information;
- those referring to cover the risks related to certain standard contractual terms contained in the documentary frameworks (i.e. reps & warranties), including securitisation transactions with derecognition of non-performing loans, signed with the SPVs, of which UniCredit S.p.A. is Originator, pending the analysis and assessments to be completed within the deadlines established.

Section 11 - Redeemable shares - Item 120

No data to be disclosed.

Part B - Balance sheet - Liabilities

Section 12 - Shareholders' equity - Item 110, 130, 140, 150, 160, 170 and 180

Further information about shareholders' equity is disclosed in the paragraph "Part F - Shareholders' equity", Notes to the accounts.

12.1 "Share capital" and "treasury shares": breakdown

(€ million)

	AMOUNTS AS AT 31.12.2024		AMOUNTS AS AT 31.12.2023	
	ISSUED SHARES	UNDERWRITTEN SHARES	ISSUED SHARES	UNDERWRITTEN SHARES
A. Share capital				
A.1 Ordinary shares	21,368	-	21,278	-
A.2 Savings shares	-	-	-	-
Total A	**21,368**	**-**	**21,278**	**-**
B. Treasury shares				
B.1 Ordinary shares	-	-	(1,727)	-
B.2 Savings shares	-	-	-	-
Total B	**-**	**-**	**(1,727)**	**-**

Share capital, which as at 31 December 2023 was represented by No.1,784,663,080 ordinary shares, in 2024 changed due to a free share capital increase by €90 million resolved on 04 February 2024 by UniCredit's Board of Directors by issuing No.7,227,514 ordinary shares to be granted to the employees of UniCredit group.
In terms of the number of shares representing the share capital, during 2024 No.240,470,744 shares, the cancellation was carried out with no reduction in the amount of the share capital, but exclusively through a reduction in the number of existing shares, with a consequent increase in their accounting par value.
As a result of the above as at 31 December 2024 the share capital of UniCredit S.p.A. amounts to €21,368 million represented by No.1,551,419,850 ordinary shares with no nominal value, as also reported on section 12.2 below.
The treasury shares in the portfolio at the end of the 2024 financial year have been entirely cancelled.

Part B - Balance sheet - Liabilities

12.2 Share capital - Number of shares: annual changes

ITEMS/TYPES	CHANGES IN 2024 ORDINARY	CHANGES IN 2024 SAVINGS
A. Issued shares as at the beginning of the year	**1,784,663,080**	**-**
- Fully paid	1,784,663,080	-
- Not fully paid	-	-
A.1 Treasury shares (-)	(72,239,501)	-
A.2 Shares outstanding: opening balance	1,712,423,579	-
B. Increases	**7,227,514**	**-**
B.1 New issues	7,227,514	-
- Against payment	-	-
- Business combinations	-	-
- Bonds converted	-	-
- Warrants exercised	-	-
- Other	-	-
- Free	7,227,514	-
- To employees	7,227,514	-
- To directors	-	-
- Other	-	-
B.2 Sales of treasury shares	-	-
B.3 Other changes	-	-
C. Decreases	**168,231,243**	**-**
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	168,231,243	-
C.3 Business tranferred	-	-
C.4 Other changes	-	-
of which: business combinations	-	-
D. Shares outstanding: closing balance	**1,551,419,850**	**-**
D.1 Treasury shares (+)	-	-
D.2 Shares outstanding as at the end of the year	1,551,419,850	-
- Fully paid	1,551,419,850	-
- Not fully paid	-	-

The item “Purchase of treasury shares” recognize the shares purchased during the year 2024 in execution of the share buy-back programs aimed at remunerating the shareholders and in particular:

- the purchase of No.124,917,568 treasury shares in execution of the "Buy-Back Programme 2023" (First and Second Tranche) resolved by the Shareholders' Meeting on 12 April 2024 and relating to the distribution for the year 2023;
- the purchase of No.43,313,675 treasury shares in execution of the “First Tranche of the “Buy-Back Programme 2024” authorized by the Shareholders’ Meeting on 12 April 2024 and relating to the distribution for the year 2024.

The treasury shares in the portfolio at the end of the 2024 financial year have been entirely cancelled.

12.3 Capital: other information

Shares have no face value pursuant to the resolution passed by the Extraordinary Shareholders' Meeting on 15 December 2011.
Outstanding ordinary shares relating to the usufruct contract signed with Mediobanca S.p.A. on UniCredit shares for the issuance of convertible securities denominated “Cashes” amount to No.9,675,640 (issued in the context of the 2009 capital increase) provides for Euribor-linked discretionary payments contingent also on the payment of dividends on ordinary shares. The voting right cannot be exercised on these shares.

Part B - Balance sheet - Liabilities

12.4 Reserves from profits: other information

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
Legal reserve	1,618	1,618
Statutory reserve	16,052	13,917
Other reserves	2,634	1,656
Total	**20,304**	**17,191**

The Legal reserve in overall includes, in addition to the amount of €1,618 million, also the amount of €2,738 million classified among other reserves (not from profits) through a withdrawal from the “Share premium reserve” as resolved by the Shareholders’ Meeting of 11 May 2013, 13 May 2014, 14 April 2016 and 15 April 2021 in order to replenish the Legal reserve above the limit set by Art.2430 of the Italian Civil Code.

12.5 Equity instruments: composition and annual changes

The item is entirely composed by Additional Tier 1 bond issuances placed between 2014 and 2024 net of the related issue costs. During 2024 an early repayment of equity instruments placed in 2014 was carried out for a total nominal value of $1,250 million and a new Additional Tier 1 bond issuance was placed for a total nominal value of €1,000 million.

12.6 Other Information

Valuation reserves: breakdown

(€ million)

	AMOUNTS AS AT	
ITEM/TYPES	31.12.2024	31.12.2023
1. Equity instruments designated at fair value through other comprehensive income	48	(192)
2. Financial assets (other than equity instruments) at fair value through other comprehensive income	26	148
3. Hedging of equity instruments at fair value through other comprehensive income	-	-
4. Financial liabilities at fair value through profit or loss (changes in own credit risk)	(70)	(80)
5. Hedging instruments (non-designated elements)	-	-
6. Property, plant and equipment	711	729
7. Intangible assets	-	-
8. Hedges of foreign investments	-	-
9. Cash-flow hedges	33	(16)
10. Exchange differences	-	-
11. Non-current assets classified as held for sale	5	3
12. Actuarial gains (losses) on defined-benefit plans	(215)	(211)
13. Part of valuation reserves of investments valued at net equity	-	-
14. Special revaluation laws	277	277
Total	**815**	**658**

The following table, in accordance with article 2427, paragraph 7-bis, of the Italian Civil Code, provides details on the origin, possible uses and availability of distribution of shareholders’ equity, as well as the summary of its use in the three previous financial years.

Part B - Balance sheet - Liabilities

Breakdown of Shareholders' Equity (with indication of availability and distribution)

(€ million)

ITEMS	AMOUNT	PERMITTED USES(*)		AVAILABLE PORTION	SUMMARY OF USE IN THE THREE PREVIOUS FINANCIAL YEARS: TO COVER LOSSES	OTHER REASONS	
Share capital	**21,368**	**-**		**-**			
Share premium	**23**	A, B, C		**23**	**-**	**5,424**	(1)
Reserves:	**23,899**						
Legal reserve	4,356	B	(2)	4,356	-	-	
Reserve for treasury shares	0	-		-	-	-	
Statutory reserves	16,053	A, B, C		16,053	-	7,937	(3)
Reserves arising out of transfer of assets	420	A, B, C	(4)	420	-	-	
Reserves related to the medium-term incentive programme for Group staff	114	-	(5)	-	-	234	(14)
Reserve related to equity-settled plans	1,097	A, B, C	(6)	880	-	-	
Reserve related to business combinations (IFRS3)	671	A, B, C	(7)	671	-	1,152	(15)
Reserve pursuant to Art.1, C.984 Legislative Decree 145/2018	145	A, B, C	(8)	145			
Reserve related to business combinations within the Group	701	A, B, C	(9)	701	-	-	
Reserve pursuant to Art.6, paragraph 2 Legislative Decree 38/2005	654	B	(10)	654	-	-	
Reserve for share purchase transactions	0	-		-			
Other reserves	95	A, B, C		88	-	-	
Reserve for extra profits tax Banks L.135 of 091020 art 26c 5 BIS	1,125	0	(15)	-	-	-	
Negative components of shareholders' equity	(1,532)	-	(11)	(1,532)	-	-	
Revaluation reserves:	**815**						
Monetary equalisation reserve under L.576/75	4	A, B, C	(12)	4	-	-	
Monetary revaluation reserve under L.72/83	85	A, B, C	(12)	85	-	-	
Asset revaluation reserve under L.408/90	29	A, B, C	(12)	29	-	-	
Property revaluation reserve under L.413/91	159	A, B, C	(12)	159	-	-	
Financial assets and liabilities at fair value through other comprehensive income	4	-	(13)	-	-	-	
Reserve for property plant and equipment	711	-	(13)	-			
Cash-flow hedges reserve	33	-	(13)	-	-	-	
Asset held for sale	5	-		-	-	-	
Reserve for actuarial gains (losses) on employee defined -benefit plans	(215)	-	(13)	-	-	-	
Total	**46,105**			**22,736**	-	14,747	
Portion not allowed in distribution				**5,010**			
Remaining portion available for distribution(**)				**17,726**			

Notes:
(*) A: for capital increase; B: to cover losses; C: distribution to shareholders.
(**) The distributable portion is net of negative items.
(1) Reserve used for coverage negative reserves (€653 million) and for the allocation to the unavailable reserve for buyback (€4,771 million).
(2) Reserve available to cover losses only after the use of other reserves, except for the reserves pursuant to article 6, paragraph 2, of Legislative Decree 38/2005; the reserve includes €2,738 million from Share premium reserve as approved by the Ordinary Shareholders' Meetings of 11 May 2013, 13 May 2014, 14 April 2016 and 15 April 2021.
(3) Reserve used to cover negative reserves (€279 million), for allocation to the reserve pursuant to Art. 6 of Legislative Decree 38/2005 (€286 million), for allocation to the reserve related to the medium-term incentive plan for Group staff (€87 million) and for the allocation to the unavailable reserve for buyback (€7,285 million).
(4) The reserve includes €215 million distributable according to the procedure provided for by article 2445 of the Italian Civil Code and in case of utilization to cover losses, profits may not be distributed until the reserve is restored to its full amount or is reduced by the corresponding amount.
(5) The Shareholders' meeting can resolve the removal of the constraint making it available and distributable.
(6) These reserves set up in application of the accounting standard IFRS2 are unavailable until the related plans are vested.
(7) The Reserve from business combination (IFRS3), generated with the acquisition of the shareholdings UniCredit Bank GmbH and UniCredit Bank Austria AG, is fully available due to the write-downs recognised through profit and loss in the previous years on these shareholdings and covered without using the reserve in question. A portion of this reserve equal to €653 million is restricted in tax suspension due to the tax realignment of the properties carried out pursuant to Art.110 of the D.L.2020/104. In the event of distribution of the reserve, the related restricted portion will be subject to taxation at the ordinary rate.
(8) Reserve in suspension of tax established with withdrawal of the Statutory reserve; in case of distribution will be subject to taxation at the ordinary rate.
(9) The reserve includes the surplus from the merger of controlled subsidiaries.
(10) Reserve from profit non distributable until the actual realization of the underlying gains; the reserve can be used to cover losses only after the use of the available reserves with constraint of subsequent reconstitution.
(11) Negative components affect the availability and distributability of positive reserves of the shareholders' equity.
(12) The reserve, if not recognised under shareholders' equity, may be reduced only in compliance with the provisions of paragraphs 2 and 3 of article 2445 of the Italian Civil Code. In case of use to cover losses, net income cannot be distributed unless the reserve is replenished or correspondingly reduced.
(13) The reserve, when positive, is not available pursuant to article 6 of Legislative Decree 38/2005.
(14) Reserve used for free capital increase with respect to allocation of performance shares connected to the personnel incentive plan.
(15) Reserve in tax suspension introduced as an alternative to the payment of the extraordinary tax 2023 due to article 26 of the Law Decree 10 August 2023, No.104, converted, with amendments, into the Law 9 October 2023, No.136. Reserve restricted in tax suspension due to D.L. 104/2023 converted, with amendments, into the Law 136/2003. In case of distribution of the reserve (even partial) to shareholders, the entire tax must be paid.

Part B - Balance sheet - Liabilities

In detail the composition of negative components of shareholders' equity:

(€ million)

ITEMS	31.12.2024
Reserve for payments of AT1 and Cashes	(699)
Reserve for capital increase costs	(316)
Reserve for the unsustainable deferred tax assets relating to tax losses carried forward linked to equity items	0
Financial instruments at fair value through other comprehensive income	(378)
Reserve relating to business combination within the Group and other negative reserves	(139)
Total	**(1,532)**

The negative reserve connected to capital transactions also include the costs related to the execution of treasury share buyback programs; the negative reserve from business combinations within the Group consists of the negative equity impact arising from merger transactions, transfer of business unit carried out with subsidiaries.

Part B - Balance sheet - Liabilities

Other information

1. Commitments and financial guarantees given (different from those designated at fair value)

(€ million)

	AMOUNTS AS AT 31.12.2024					AMOUNTS AS AT 31.12.2023
	NOTIONAL AMOUNTS OF COMMITMENTS AND FINANCIAL GUARANTEES GIVEN					
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL	TOTAL
1. Loan commitments given	**20,522**	**1,008**	**188**	**-**	**21,718**	**28,584**
a) Central Banks	11	-	-	-	11	13
b) Governments and other Public Sector Entities	1,286	293	10	-	1,589	1,942
c) Banks	259	-	-	-	259	138
d) Other financial companies	3,266	73	-	-	3,339	9,831
e) Non-financial companies	15,574	636	176	-	16,386	16,502
f) Households	126	6	2	-	134	158
2. Financial guarantees given	**35,581**	**2,675**	**931**	**-**	**39,187**	**39,540**
a) Central Banks	1	-	-	-	1	1
b) Governments and other Public Sector Entities	223	-	-	-	223	189
c) Banks	4,533	287	-	-	4,820	5,632
d) Other financial companies	5,828	7	1	-	5,836	5,965
e) Non-financial companies	24,853	2,375	929	-	28,157	27,593
f) Households	143	6	1	-	150	160

2. Others commitments and others guarantees given

(€ million)

	AMOUNTS AS AT	
	31.12.2024	31.12.2023
	NOTIONAL AMOUNTS	NOTIONAL AMOUNTS
1. Others guarantees given	**-**	**-**
of which: non-performing loans	-	-
a) Central Banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
2. Others commitments	**98,639**	**98,162**
of which: non-performing loans	*706*	*412*
a) Central Banks	388	404
b) Governments and other Public Sector Entities	1,050	994
c) Banks	8,588	9,714
d) Other financial companies	23,429	23,454
e) Non-financial companies	61,186	59,340
f) Households	3,998	4,256

Table “1. Commitments and financial guarantees given (different from those designated at fair value)” shows commitments and guarantees evaluated according to the IFRS9 requirements.
Table “2. Other commitments and others guarantees given” shows commitments and guarantees that are not evaluated according to the IFRS9 requirements.
According to the Circular 262 of 22 December 2005 of Banca d’Italia (and subsequent amendments), the tables also include the revocable commitments, and the item “financial guarantees” also includes the commercial ones.

Part B - Balance sheet - Liabilities

3. Assets used to guarantee own liabilities and commitments

(€ million)

PORTFOLIOS	AMOUNTS AS AT 31.12.2024	31.12.2023
1. Financial assets at fair value through profit or loss	1,327	663
2. Financial assets at fair value through other comprehensive income	12,563	8,350
3. Financial assets at amortised cost	26,476	38,585
4. Property, plant and equipment	-	-
of which: inventories of property, plant and equipment	-	-

4. Asset management and trading on behalf of others

(€ million)

TYPE OF SERVICES	AMOUNTS AS AT 31.12.2024	31.12.2023
1. Execution of orders on behalf of customers		
a) Purchases	3,313	-
1. Settled	3,309	-
2. Unsettled	4	-
b) Sales	2,564	-
1. Settled	2,564	-
2. Unsettled	-	-
2. Individual portfolio management	6,797	6,190
3. Custody and administration of securities		
a) Third party securities on deposits: relating to depositary bank activities (excluding portfolio management)	-	-
1. Securities issued by companies included in consolidation	-	-
2. Other securities	-	-
b) Third party securities held in deposits (excluding portfolio management): other	108,036	101,764
1. Securities issued by companies included in consolidation	10,605	8,353
2. Other securities	97,431	93,411
c) Third party securities deposited with third parties	107,582	101,269
d) Property securities deposited with third parties	104,754	106,869
4. Other transactions	**6,459**	**6,297**

5. Financial assets subject to accounting offsetting or under master netting agreements and similar agreements

(€ million)

INSTRUMENT TYPE	GROSS AMOUNTS OF FINANCIAL ASSETS (A)	FINANCIAL LIABILITIES OFFSET IN BALANCE SHEET (B)	NET BALANCE SHEET VALUES OF FINANCIAL ASSETS (C=A-B)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: FINANCIAL INSTRUMENTS (D)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: CASH COLLATERAL RECEIVED (E)	NET AMOUNT 31.12.2024 (F=C-D-E)	NET AMOUNT 31.12.2023
1. Derivatives	171,019	127,918	43,101	34,909	5,913	2,279	498
2. Reverse repos	26,497	-	26,497	26,447	50	-	96
3. Securities lending	-	-	-	-	-	-	-
4. Others	5,516	4,984	532	428	-	104	-
Total 31.12.2024	**203,032**	**132,902**	**70,130**	**61,784**	**5,963**	**2,383**	**X**
Total 31.12.2023	**50,089**	**-**	**50,089**	**47,797**	**1,698**	**X**	**594**

UniCredit S.p.A. applied for the first time in 2024 accounting offsetting according to IAS32.
The amount of financial assets offset in Balance sheet by financial liabilities (column "B" item 1. Derivatives and column "B" item 4. Others) refers to derivatives contracts and cash collateral settled with Central Clearing Counterparties (CCPs).

Part B - Balance sheet - Liabilities

6. Liabilities subject to accounting offsetting or under master netting agreements and similar ones

(€ million)

INSTRUMENT TYPE	GROSS AMOUNTS OF FINANCIAL LIABILITIES (A)	FINANCIAL ASSETS OFFSET IN BALANCE SHEET (B)	NET BALANCE SHEET VALUES OF FINANCIAL LIABILITIES (C=A-B)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: FINANCIAL INSTRUMENTS (D)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING: CASH COLLATERAL PLEDGED (E)	NET AMOUNT 31.12.2024 (F=C-D-E)	NET AMOUNT 31.12.2023
1. Derivatives	168,356	132,642	35,714	34,909	428	377	608
2. Reverse repos	40,526	-	40,526	40,368	103	55	64
3. Securities lending	-	-	-	-	-	-	-
4. Others	6,251	296	5,955	5,913	-	42	-
Total 31.12.2024	**215,133**	**132,938**	**82,195**	**81,190**	**531**	**474**	**X**
Total 31.12.2023	**55,940**	**-**	**55,940**	**52,785**	**2,483**	**X**	**672**

UniCredit S.p.A. applied for the first time in 2024 accounting offsetting according to IAS32.
The amount of financial liabilities offset in Balance sheet by financial assets (column "B" item 1. Derivatives and column "B" item 4. Others) refers to derivatives contracts and cash collateral settled Central Clearing Counterparties (CCPs).

7. Security borrowing transactions

(€ million)

TYPE OF LENDER	AMOUNTS AS AT 31.12.2024 - AMOUNTS OF THE SECURITIES BORROWED/TRANSACTION PURPOSES: GIVEN AS COLLATERAL IN OWN FUNDING TRANSACTIONS	SOLD	SOLD IN REPO TRANSACTIONS	OTHER PURPOSES
A. Banks	-	-	759	1,241
B. Financial companies	-	-	665	2,839
C. Insurance companies	-	-	-	-
D. Non-financial companies	-	-	-	1,139
E. Others	-	-	423	2,098
Total	**-**	**-**	**1,847**	**7,317**

Part C - Income statement

Section 1 - Interests - Items 10 and 20

1.1 Interest income and similar revenues: breakdown

(€ million)

ITEMS/TYPES	YEAR 2024 DEBT SECURITIES	YEAR 2024 LOANS	YEAR 2024 OTHER TRANSACTIONS	YEAR 2024 TOTAL	YEAR 2023 TOTAL
1. Financial assets at fair value through profit or loss	**245**	**17**	**-**	**262**	**319**
1.1 Financial assets held for trading	76	-	-	76	128
1.2 Financial assets designated at fair value	1	-	-	1	1
1.3 Other financial assets mandatorily at fair value	168	17	-	185	190
2. Financial assets at fair value through other comprehensive income	**1,000**	**-**	**X**	**1,000**	**818**
3. Financial assets at amortised cost	**1,309**	**9,222**	**X**	**10,531**	**10,381**
3.1 Loans and advances to banks	747	1,072	X	1,819	2,178
3.2 Loans and advances to customers	562	8,150	X	8,712	8,203
4. Hedging derivatives	**X**	**X**	**3,045**	**3,045**	**2,970**
5. Other assets	**X**	**X**	**199**	**199**	**185**
6. Financial liabilities	**X**	**X**	**X**	**3**	**7**
Total	**2,554**	**9,239**	**3,244**	**15,040**	**14,680**
of which: interest income on impaired financial assets	*3*	*209*	*-*	*212*	*246*
of which: interest income on financial lease	*X*	*3*	*X*	*3*	*2*

The interests on financial assets mandatory at fair value include €99 million referred to the coupon settlement of Additional Tier 1 instruments issued by UniCredit Bank GmbH subsidiary and €14 million referred to the first coupon settlement of Additional Tier 1 instrument issued by UniCredit Bank Austria AG.

1.2 Interest income and similar revenues: other information

1.2.1 Interest income from financial assets denominated in currency

(€ million)

ITEMS	YEAR 2024	YEAR 2023
a) Assets denominated in currency	796	1,225

Part C - Income statement

1.3 Interest expenses and similar charges: breakdown

(€ million)

ITEMS/TYPES	YEAR 2024 DEBTS	YEAR 2024 SECURITIES	YEAR 2024 OTHER TRANSACTIONS	YEAR 2024 TOTAL	YEAR 2023 TOTAL
1. Financial liabilities at amortised cost	**(3,264)**	**(1,702)**	**X**	**(4,966)**	**(5,039)**
1.1 Deposits from central banks	(63)	X	X	(63)	(776)
1.2 Deposits from banks	(1,189)	X	X	(1,189)	(918)
1.3 Deposits from customers	(2,012)	X	X	(2,012)	(1,572)
1.4 Debt securities in issue	X	(1,702)	X	(1,702)	(1,773)
2. Financial liabilities held for trading	**-**	**(14)**	**(388)**	**(402)**	**(336)**
3. Financial liabilities designated at fair value	**-**	**(72)**	**-**	**(72)**	**(24)**
4. Other liabilities and funds	**X**	**X**	**(38)**	**(38)**	**(74)**
5. Hedging derivatives	**X**	**X**	**(3,391)**	**(3,391)**	**(3,276)**
6. Financial assets	**X**	**X**	**X**	**(2)**	**(9)**
Total	**(3,264)**	**(1,788)**	**(3,817)**	**(8,871)**	**(8,758)**
of which: interest expenses on lease deposits	*(20)*	*X*	*X*	*(20)*	*(21)*

The interests on financial liabilities with central banks include €49 million (€761 million in 2023) arising from TLTRO III facilities.

1.4 Interest expenses and similar charges: other information

1.4.1 Interest expenses on liabilities denominated in currency

(€ million)

ITEMS	YEAR 2024	YEAR 2023
a) Liabilities denominated in currency	(1,038)	(1,299)

1.5 Differentials relating to hedging operations

(€ million)

ITEMS	YEAR 2024	YEAR 2023
A. Positive differentials relating to hedging operations	7,444	6,980
B. Negative differentials relating to hedging operations	(7,790)	(7,286)
C. Net differential (A-B)	**(346)**	**(306)**

Part C - Income statement

Section 2 - Fees and commissions - Items 40 and 50

2.1 Fees and commissions income: breakdown

(€ million)

TYPE OF SERVICES/VALUES	YEAR 2024	YEAR 2023
a) Financial Instruments	1,519	1,337
1. Placement of securities	1,285	1,070
1.1 Underwriting and/or on the basis of an irrevocable commitment	-	-
1.2 Without irrevocable commitment	1,285	1,070
2. Reception and transmission of orders	188	220
2.1 Reception and transmission of orders of financial instruments	180	220
2.2 Execution of orders on behalf of customers	8	-
3. Other fees related to activities linked to financial instruments	46	47
of which: proprietary Trading	*1*	-
of which: individual portfolio management	*45*	*47*
b) Corporate Finance	20	16
1. M&A advisory	-	-
2. Treasury services	-	-
3. Other fee and commission income in relation to corporate finance activities	20	16
c) Fee based advice	14	10
d) Clearing and settlement	-	-
e) Custody and administration of securities	11	10
1. Custodian Bank	-	-
2. Other fee and commission income in relation to corporate finance activities	11	10
f) Central administrative services for collective investment	-	-
g) Fiduciary transactions	-	-
h) Payment services	1,188	965
1. Current accounts	95	-
2. Credit cards	115	70
3. Debits cards and other card payments	246	200
4. Transfers and other payment orders	306	288
5. Other fees in relation to payment services	426	407
i) Distribution of third party services	822	781
1.Collective portfolio management	-	-
2. Insurance products	821	779
3. Other products	1	2
of which: individual portfolio management	-	*1*
j) Structured finance	-	-
k) Loan servicing activities	36	34
l) Loan commitment given	29	29
m) Financial guarantees	228	228
of which: credit derivatives	-	-
n) Lending transaction	232	200
of which: factoring services	-	-
o) Currency trading	142	140
p) Commodities	-	-
q) Other fee income	761	1,002
of which: management of sharing multilateral trading facilities	-	-
of which: management of organized trading systems	-	-
Total	**5,002**	**4,752**

Part C - Income statement

Item "a) Financial instruments - 1. Placement of securities" includes placement management fees on investment funds for €1,240 million.
Item "q) other fee income" mainly comprise:

- fees for ancillary services linked to current accounts (e.g., token, debit card): €243 million in 2024, €286 million in 2023 (-15%);
- fees for immediate funds availability: €328 million in 2024, €328 million in 2023 (0%).

2.2 Fees and commissions income: distribution channels of products and services

(€ million)

CHANNELS/VALUES	YEAR 2024	YEAR 2023
A) Through bank branches	**2,152**	**1,898**
1. Portfolio management	45	47
2. Placement of securities	1,285	1,070
3. Others' products and services	822	781
B) Off-site offer	**-**	**-**
1. Portfolio management	-	-
2. Placement of securities	-	-
3. Others' products and services	-	-
C) Other distribution channels	**-**	**-**
1. Portfolio management	-	-
2. Placement of securities	-	-
3. Others' products and services	-	-

2.3 Fees and commissions expenses: breakdown

(€ million)

SERVICES/VALUES	YEAR 2024	YEAR 2023
a) Financial instruments	(21)	(14)
of which: trading in financial instruments	*(15)*	*(9)*
of which: placement of financial instruments	*(4)*	*(2)*
of which: individual Portfolio management	*(2)*	*(3)*
- own portfolio	-	-
- third party portfolio	(2)	(3)
b) Clearing and settlement	-	-
c) Custody and administration of securities	(41)	(33)
d) Collection and payment services	(445)	(422)
of which: debit credit card service and other payment cards	*(404)*	*(379)*
e) Loan securitization servicing activities	(2)	(3)
f) Loan commitment given	-	-
g) Financial guarantees received	(149)	(191)
of which: credit derivatives	-	-
h) Off-site distribution of financial instruments, products and services	(12)	(7)
i) Currencies trading	(1)	-
j) Other fees and commissions expenses	(125)	(148)
Total	**(796)**	**(818)**

Part C - Income statement

Section 3 - Dividend income and similar revenue - Item 70

3.1 Dividend income and similar revenues: breakdown

(€ million)

ITEMS/REVENUES	YEAR 2024		YEAR 2023	
	DIVIDENDS	SIMILAR REVENUES	DIVIDENDS	SIMILAR REVENUES
A. Financial assets held for trading	-	-	-	-
B. Other financial assets mandatorily at fair value	20	15	3	14
C. Financial assets at fair value through other comprehensive income	37	-	25	-
D. Equity investments	5,018	-	3,044	-
Total	**5,075**	**15**	**3,072**	**14**
Total dividends and similar revenues		**5,090**		**3,086**

Dividends are recognised in the Income statement when distribution is approved.

The item "B. Other financial assets mandatorily at fair value" includes €16 million from Investment Funds distributions (€14 million in 2023).
The item "C. Financial assets at fair value through other comprehensive income" includes mainly the dividends received relating to the shareholding in Banca d'Italia (€17 million, as in 2023).

Here below the breakdown of dividends on equity investments collected during 2024 and 2023.

Breakdown of dividends by investments

(€ million)

	YEAR 2024	YEAR 2023
UniCredit Bank GMBH	1,725	1,160
UniCredit Bank Austria AG	832	234
UniCredit Bank Czech Republic and Slovakia A.S.	604	376
Zagrebacka Banca DD	431	521
AO UniCredit Bank	415	137
UniCredit Bulbank AD	267	237
UniCredit Bank Hungary ZRT	195	132
UniCredit Bank SA	128	-
UniCredit Service GMBH I.L.	93	-
UniCredit Bank Serbia JSC	87	61
CNP UniCredit Vita S.p.A	74	23
UniCredit Factoring S.p.A	54	45
UniCredit Banka Slovenija D.D.	47	34
PAI Management LTD	32	-
UniCredit Allianz Assicurazioni S.p.A	17	15
UniCredit Bank A.D. Banja Luka	12	29
Pirta Verwaltungs GMBH	2	4
UniCredit Myagents S.r.l.	2	1
Uniqlegal S.p.A	1	-
Nuova Compagnia di Partecipazioni S.p.A	-	20
Incontra Assicurazioni S.p.A fusa in UniCredit Allianz Assicurazioni S.p.A	-	14
Camfin S.p.A	-	1
Total	**5,018**	**3,044**

Part C - Income statement

Section 4 - Gains (Losses) on financial assets and liabilities held for trading - Item 80

4.1 Net gains (losses) on trading: breakdown

(€ million)

TRANSACTIONS/INCOME ITEMS	YEAR 2024				
	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A+B)-(C+D)]
1. Financial assets held for trading	**35**	**190**	**(27)**	**(160)**	**38**
1.1 Debt securities	35	190	(27)	(160)	38
1.2 Equity instruments	-	-	-	-	-
1.3 Units in investment funds	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Deposits	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**(895)**
4. Derivatives	**36,559**	**50,833**	**(40,110)**	**(47,287)**	**1,694**
4.1 Financial derivatives	36,559	50,833	(40,110)	(47,287)	1,694
- On debt securities and interest rates	34,621	49,761	(38,442)	(46,368)	(428)
- On equity securities and share indices	1,505	222	(1,237)	(103)	387
- On currencies and gold	X	X	X	X	1,699
- Other	433	850	(431)	(816)	36
4.2 Credit derivatives	-	-	-	-	-
of which: economic hedges linked to the fair value option	*X*	*X*	*X*	*X*	-
Total	**36,594**	**51,023**	**(40,137)**	**(47,447)**	**837**

Financial derivatives include the ones connected to debt securities financial liabilities at fair value.
In 2024, following the start of execution of Trading Centralization project (for which refer to Part G – Business Combination), volumes in derivatives have significatively increased in respect of 2023, and consequently also their economic effects.

Part C - Income statement

Section 5 - Fair value adjustments in hedge accounting - Item 90

5.1 Net gains (losses) on hedge accounting: breakdown

(€ million)

INCOME COMPONENT/VALUES	YEAR 2024	YEAR 2023
A. Gains on		
A.1 Fair value hedging instruments	6,655	7,721
A.2 Hedged financial assets (in fair value hedge relationship)	1,903	4,284
A.3 Hedged financial liabilities (in fair value hedge relationship)	196	393
A.4 Cash-flow hedging derivatives	7,760	4
A.5 Assets and liabilities denominated in currency	-	-
Total gains on hedging activities (A)	**16,514**	**12,402**
B. Losses on		
B.1 Fair value hedging instruments	(6,235)	(6,624)
B.2 Hedged financial assets (in fair value hedge relationship)	(92)	(171)
B.3 Hedged financial liabilities (in fair value hedge relationship)	(2,819)	(5,601)
B.4 Cash-flow hedging derivatives	(7,770)	(1)
B.5 Assets and liabilities denominated in currency	-	-
Total losses on hedging activities (B)	**(16,916)**	**(12,397)**
C. Net hedging result (A-B)	**(402)**	**5**
of which: net gains (losses) of hedge accounting on net positions	-	-

The change in the items gain and losses on the hedging derivatives reflects the evolution in the markets interest rate curves that have been slightly descendent in 2024.
Further, in 2024, following the start of execution of Trading Centralization project (for which refer to Part G – Business Combination), the result reflects the economic impact of the new established operative model.

The item includes effects (-€1 million) of the market risks hedging strategy on the subsidiaries UniCredit Bank Hungary Zrt, UniCredit Bank Czech and UniCredit Bank SA.

Hedging derivatives evaluation include any eventual "model" adjustment needed to reflect the presence of guarantees and credit risk of counterparties.

Part C - Income statement

Section 6 - Gains (Losses) on disposals/repurchases - Item 100

6.1 Gains (Losses) on disposal/repurchase: breakdown

(€ million)

ITEMS/INCOME ITEMS	YEAR 2024			YEAR 2023		
	GAINS	LOSSES	NET PROFIT	GAINS	LOSSES	NET PROFIT
A. Financial assets						
1. Financial assets at amortised cost	164	(224)	(60)	381	(179)	202
1.1 Loans and advances to banks	1	(10)	(9)	9	(19)	(10)
1.2 Loans and advances to customers	163	(214)	(51)	372	(160)	212
2. Financial assets at fair value through other comprehensive income	475	(405)	70	867	(720)	147
2.1 Debt securities	475	(405)	70	867	(720)	147
2.2 Loans	-	-	-	-	-	-
Total assets (A)	**639**	**(629)**	**10**	**1,248**	**(899)**	**349**
B. Financial liabilities at amortised cost						
1. Deposits from banks	1	-	1	-	-	-
2. Deposits from customers	10	(9)	1	12	(6)	6
3. Debt securities in issue	20	(20)	-	61	(2)	59
Total liabilities (B)	**31**	**(29)**	**2**	**73**	**(8)**	**65**
Total financial assets/liabilities			**12**			**414**

Net results on financial assets at amortised cost mainly arise from sale of bonds (+€27 million) and from sale of non-performing customers loans (-€90 million) and performing customers loans (+€3 million).

Net gains on financial assets at fair value through other comprehensive income are essentially related to effects of the sale of government bonds, mainly Italian ones.

Net gains from repurchase of debts securities in issue arise from buyback of some issuances before their original maturity.

Part C - Income statement

Section 7 - Net gains (losses) on other financial assets/liabilities at fair value through profit or loss - Item 110

7.1 Net gains (losses) on other financial assets/liabilities at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

(€ million)

TRANSACTIONS/INCOME ITEMS	YEAR 2024				
	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A+B)-(C+D)]
1. Financial assets	**1**	**-**	**(1)**	**-**	**-**
1.1 Debt securities	1	-	(1)	-	-
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**142**	**107**	**(319)**	**(260)**	**(330)**
2.1 Debt securities	142	107	(319)	(260)	(330)
2.2 Deposits from banks	-	-	-	-	-
2.3 Deposits from customers	-	-	-	-	-
3. Financial assets and liabilities in foreign currency: exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**143**	**107**	**(320)**	**(260)**	**(330)**

Financial liabilities represented by debt securities show the economic result of “certificates” (structured debt securities) issued by UniCredit S.p.A. to which are also linked some financial derivatives for economic hedge purposes and whose economic results are included into table reported in the paragraph “4.1 Net gain (losses) on trading: breakdown”, Notes to the accounts, Part C - Income statement, Section 4 - Gain (Losses) on financial assets and liabilities held for trading - Item 80.

7.2 Net change in other financial assets/liabilities at fair value through profit or loss: breakdown of other financial assets mandatorily at fair value

(€ million)

TRANSACTIONS/INCOME ITEMS	YEAR 2024				
	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A+B)-(C+D)]
1. Financial assets	**400**	**54**	**(167)**	**(7)**	**280**
1.1 Debt securities	211	2	(94)	(4)	115
1.2 Equity securities	147	50	(15)	(1)	181
1.3 Units in investment funds	41	2	(50)	(2)	(9)
1.4 Loans	1	-	(8)	-	(7)
2. Financial assets: exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**400**	**54**	**(167)**	**(7)**	**280**

Debt securities into financial assets also include evaluation effects of Additional Tier 1 instruments subscribed by the Bank, among which, for +€121 million, the ones issued by the subsidiary UniCredit Bank GmbH and subscribed in the fourth quarter 2020 for a nominal amount of €1,700 million and, for +€75 million, the ones issued by the subsidiary UniCredit Bank Austria AG and subscribed in the fourth quarter 2021 for a nominal amount of €600 million.
Equity securities include effects of the evaluation of the interests held in the “Schema Volontario” for which refer to specific comment below table reported in the paragraph “2.5 Financial assets mandatory at fair value: breakdown by product”, Notes to the accounts, Part B - Balance sheet - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20.
Units in investment funds include economic effects from Atlante fund and Italian Recovery Fund (-€15 million), for which refer to specific disclosure below table reported in the paragraph “2.5 Financial assets mandatory at fair value: breakdown by product”, Notes to the accounts, Part B - Balance sheet - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20.

Part C - Income statement

Section 8 - Net losses/recoveries on credit impairment - Item 130

8.1 Net impairment losses for credit risk relating to financial assets at amortised cost: breakdown

(€ million)

TRANSACTIONS/INCOME ITEMS	YEAR 2024											YEAR 2023
	WRITE-DOWNS						WRITE-BACKS					
			STAGE 3		PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS							
	STAGE 1	STAGE 2	WRITE-OFF	OTHER	WRITE-OFF	OTHER	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL	TOTAL
A. Loans and advances to banks	**(5)**	**(1)**	**-**	**-**	**-**	**-**	**1**	**1**	**-**	**-**	**(4)**	**14**
- Loans	(1)	(1)	-	-	-	-	1	1	-	-	-	12
- Debt securities	(4)	-	-	-	-	-	-	-	-	-	(4)	2
B. Loans and advances to customers	**(172)**	**(702)**	**(63)**	**(936)**	**(1)**	**-**	**595**	**371**	**496**	**2**	**(410)**	**(213)**
- Loans	(170)	(700)	(63)	(934)	(1)	-	590	370	496	2	(410)	(209)
- Debt securities	(2)	(2)	-	(2)	-	-	5	1	-	-	-	(4)
Total	**(177)**	**(703)**	**(63)**	**(936)**	**(1)**	**-**	**596**	**372**	**496**	**2**	**(414)**	**(199)**

8.2 Net change for credit risk relating to financial assets at fair value through other comprehensive income: breakdown

(€ million)

TRANSACTIONS/INCOME ITEMS	YEAR 2024											YEAR 2023
	WRITE-DOWNS						WRITE-BACKS					
			STAGE 3		PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS							
	STAGE 1	STAGE 2	WRITE-OFF	OTHER	WRITE-OFF	OTHER	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	TOTAL	TOTAL
A. Debt securities	**(3)**	**(1)**	**-**	**(14)**	**-**	**-**	**1**	**-**	**2**	**-**	**(15)**	**(11)**
B. Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Loans and advances to customers	-	-	-	-	-	-	-	-	-	-	-	-
- Loans and advances to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**(3)**	**(1)**	**-**	**(14)**	**-**	**-**	**1**	**-**	**2**	**-**	**(15)**	**(11)**

As on 31 December 2024 LLPs impacts include:
- -€66 million of write - downs resulting from the maintenance overlay in the calculation of the expected loss mainly due to geopolitical energy - intensive risk and Commercial Real Estate risk;
- €20 million of write- backs connected to IFRS9 macro economic scenario update;
- €35 million of write backs due to the contraction of credits in the Russia perimeter due to reimbursements;
- -€59 million of write - downs as a linked effect to the adjustment of the sales price on impaired counterparties (Stage 3) which recovery is achieved through the related transfer to third party counterparties;
- -€340 million of net write - downs mainly connected to credit portfolio dynamics like recoveries, inflows and outflows to non performing exposures.

For further information on this section, please refer to paragraph “A. Credit quality" of the Company Financial Statements of UniCredit S.p.A., Notes to the accounts, Part E - Information on risks and related hedging policies, Information of a quantitative nature.

For further details regarding the calculation of write-downs, please refer to paragraph “2.3 Methods of measuring expected losses" of the Consolidated Financial Statements of the UniCredit group, Notes to the Consolidated Financial Statements, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidation, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies.

Part C - Income statement

Section 9 - Gains/Losses from contractual changes with no cancellations - Item 140

9.1 Gains (Losses) from contractual changes: breakdown

(€ million)

	YEAR 2024			YEAR 2023
	GAINS	LOSSES	TOTAL	TOTAL
A. Financial assets at amortised costs				
A.1 Debt securities	-	-	-	-
A.2 Loans to banks	-	-	-	-
A.3 Loans to customers	17	(7)	10	7
Total (A)	**17**	**(7)**	**10**	**7**
B. Financial assets at fair value through other comprehensive income				
B.1 Debt securities	-	-	-	-
B.2 Loans to banks	-	-	-	-
B.3 Loans to customers	-	-	-	-
Total (B)	**-**	**-**	**-**	**-**
Total (A+B)	**17**	**(7)**	**10**	**7**

Section 10 - Administrative expenses - Item 160

10.1 Staff expenses: breakdown

(€ million)

TYPE OF EXPENSES/VALUES	YEAR 2024	YEAR 2023
1) Employees	**(3,604)**	**(3,504)**
a) Wages and salaries	(2,179)	(2,115)
b) Social charges	(574)	(567)
c) Severance pay	(18)	(19)
d) Social security costs	-	-
e) Allocation to employee severance pay provision	(11)	(20)
f) Provision for retirements and similar provisions	(5)	(6)
- Defined contribution	-	-
- Defined benefit	(5)	(6)
g) Payments to external pension funds	(180)	(171)
- Defined contribution	(180)	(171)
- Defined benefit	-	-
h) Costs arising from share-based payments	(45)	(44)
i) Other employee benefits	(592)	(562)
2) Other non-retired staff	**(3)**	**(5)**
3) Directors and Statutory Auditors	**(5)**	**(5)**
4) Early retirement costs	**-**	**-**
5) Recoveries of payments for seconded employees to other companies	**43**	**47**
6) Refund of expenses for secunded employees to the company	**(50)**	**(52)**
Total	**(3,619)**	**(3,519)**

Part C - Income statement

10.2 Average number of employees by category

	YEAR 2024	YEAR 2023
	HEAD COUNT	HEAD COUNT
Employees	**35,144**	**36,407**
a) Senior managers	631	672
b) Managers	17,552	17,860
c) Remaining employees staff	16,962	17,875
Other non-retired staff	**136**	**210**
Total	**35,280**	**36,616**

Employees by category at year end

	YEAR 2024	YEAR 2023
	HEAD COUNT	HEAD COUNT
Employees	**34,777**	**35,511**
a) Senior managers	616	645
b) Managers	17,434	17,670
c) Remaining employees staff	16,727	17,196
Other non-retired staff	**112**	**159**
Total	**34,889**	**35,670**

The average number of employees in 2024 decreases about -4 percent over 2023 due to exits for restructuring plans only partly replaced by new hires.

10.3 Defined benefit company retirement funds: costs and revenues

(€ million)

	YEAR 2024	YEAR 2023
Current service cost	(4)	(4)
Settlement gains (losses)	-	-
Past service cost	-	-
Interest cost on the DBO	(15)	(15)
Interest income on plan assets	14	13
Other costs/revenues	-	-
Administrative expenses paid through plan assets	-	-
Total recognised in profit or loss	**(5)**	**(6)**

10.4 Other employee benefits

(€ million)

	YEAR 2024	YEAR 2023
- Seniority premiums	-	-
- Leaving incentives	(464)	(446)
- Other	(128)	(116)
Total	**(592)**	**(562)**

The net balance in the sub-item Leaving incentives for 2024 is mainly determined by the update of strategic plan that envisages a reduction of the workforce over the plan horizon and the recognition of restructuring costs as at 31 December 2024.
The exits for restructuring will be realised on a voluntary basis following the update of early-retirement plan, in this regard, the agreement with the Trade Unions has been signed in October 2024.

It should be noted that these expenses are initially recognised as provisions for risks and charges and will be reclassified to “Other liabilities” when a specific debt toward the employees will arise.

Part C - Income statement

10.5 Other administrative expenses: breakdown

(€ million)

TYPE OF EXPENSES/SECTORS	YEAR 2024	YEAR 2023
1) Indirect taxes and duties	**(500)**	**(451)**
1a. Settled	(500)	(451)
1b. Unsettled	-	-
2) Contributions to Resolution Funds, Deposit Guarantee Schemes (DGS) and Life Insurance Guarantee Fund	**(176)**	**(360)**
3) Guarantee fee for DTA conversion	**(79)**	**(97)**
4) Miscellaneous costs and expenses	**(1,488)**	**(1,477)**
a) Advertising marketing and communication	(63)	(49)
b) Expenses relating to credit risk	(80)	(41)
c) Indirect expenses relating to personnel	(38)	(41)
d) Information & Communication Technology expenses	(863)	(879)
Lease of ICT equipment and software	(38)	(39)
Software expenses: lease and maintenance	(264)	(229)
ICT communication systems	(16)	(16)
Services ICT in outsourcing	(504)	(561)
Financial information providers	(41)	(34)
e) Consulting and professionals services	(58)	(44)
Consulting	(36)	(31)
Legal expenses	(22)	(13)
f) Real estate expenses	(172)	(222)
Premises rentals	(21)	(23)
Utilities	(88)	(132)
Other real estate expenses	(63)	(67)
g) Operating costs	(214)	(201)
Surveillance and security services	(24)	(16)
Money counting services and transport	(24)	(19)
Printing and stationery	(6)	(5)
Postage and transport of documents	(20)	(18)
Administrative and logistic services	(72)	(73)
Insurance	(37)	(38)
Association dues and fees and contributions to the administrative expenses deposit guarantee funds	(21)	(23)
Other administrative expenses - other	(10)	(9)
Total (1+2+3+4)	**(2,243)**	**(2,385)**

Expenses related to personnel include the expenses that do not represent remuneration of the working activity of an employee in compliance with IAS19.

Contributions to Resolution and Guarantee funds

Reference is made to the paragraph "Contribution to Resolution and Guarantee funds" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part C - Consolidated income statement, Section 12 - Administrative expenses - Item 190, which is herewith quoted entirely.

Guarantee fees for DTA conversion

Reference is made to the paragraph "Guarantee fees for DTA conversion" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part C - Consolidated income statement, Section 12 - Administrative expenses - Item 190, which is herewith quoted entirely.

Part C - Income statement

Section 11 - Net provisions for risks and charges - Item 170

11.1 Net provisions for credit risk from loans commitments and financial guarantees given: breakdown

(€ million)

	YEAR 2024		
	PROVISIONS	SURPLUS REALLOCATIONS	TOTAL
Loan committments	(56)	60	**4**
Financial guarantees given	(143)	174	**31**

11.2 Net provisions for other commitments and guarantees given: breakdown

No data to be disclosed.

11.3 Net provisions for risks and charges: breakdown

(€ million)

	YEAR 2024			YEAR 2023
ASSETS/INCOME ITEMS	PROVISIONS	SURPLUS REALLOCATIONS	TOTAL	TOTAL
1. Other provisions				
1.1 Legal disputes	(82)	38	(44)	(28)
1.2 Staff costs	-	-	-	-
1.3 Other	(46)	121	75	(10)
Total	**(128)**	**159**	**31**	**(38)**

Provisions for legal disputes are posted to cover potential liabilities that may result from pending lawsuits.
More details on legal disputes are included into the paragraph “B. Legal risks”, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.5 Operational risks.

Part C - Income statement

Section 12 - Net value adjustments/write-backs on property, plant and equipment - Item 180

12.1 Impairment on property, plant and equipment: breakdown

(€ million)

ASSETS/INCOME ITEMS	YEAR 2024			
	DEPRECIATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)
A. Property, plant and equipment				
A.1 Used in the business	**(306)**	**(15)**	**5**	**(316)**
- Owned	(144)	(2)	-	(146)
- Right of use of Leased Assets	(162)	(13)	5	(170)
A.2 Held for investment	**-**	**-**	**-**	**-**
- Owned	-	-	-	-
- Right of use of Leased Assets	-	-	-	-
A.3 Inventories	**-**	**-**	**-**	**-**
Total A	**(306)**	**(15)**	**5**	**(316)**
B. Non-current assets and groups of assets held for sale	**X**	**-**	**-**	**-**
- Used in the business	X	-	-	-
- Held for investments	X	-	-	-
- Inventories	X	-	-	-
Total (A+B)	**(306)**	**(15)**	**5**	**(316)**

Section 13 - Net value adjustments/write-backs on intangible assets - Item 190

13.1 Net value adjustments/write-backs on intangible assets: breakdown

(€ million)

ASSETS/INCOME ITEMS	YEAR 2024			
	AMORTISATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)
A. Intangible assets				
of which: software	*(388)*	*(32)*	-	*(420)*
A.1 Owned	**(388)**	**(32)**	**-**	**(420)**
- Generated internally by the company	(344)	(28)	-	(372)
- Other	(44)	(4)	-	(48)
A.2 Right of use of Leased Assets	**-**	**-**	**-**	**-**
Total	**(388)**	**(32)**	**-**	**(420)**

For further datails, please refer to Section 9 - intangible assets - Item 90, Notes to the accounts, Part B - Balance sheet - Assets.

Part C - Income statement

Section 14 - Other operating expenses/income - Item 200

Other net operating income: breakdown

(€ million)

INCOME ITEMS/VALUE	YEAR 2024	YEAR 2023
Total of other operating expenses	(314)	(325)
Total of other operating income	1,591	1,555
Other operating expenses/income	**1,277**	**1,230**

14.1 Other operating expenses: breakdown

(€ million)

TYPE OF EXPENSE/VALUES	YEAR 2024	YEAR 2023
Costs for operating leases	-	-
Non-deductible tax and other fiscal charges	-	-
Write-downs on leasehold improvements	(28)	(29)
Costs relating to the specific service of financial leasing	-	-
Other	(286)	(296)
Total other operating expenses	**(314)**	**(325)**

The sub-item "Other" includes:
- settlements and indemnities for -€164 million (- €162 million in 2023);
- non-deductible VAT for -€41 million (-€67 million in 2023);
- additional costs relating to customer accounts for -€7 million (-€11 million in 2023).

14.2 Other operating income: breakdown

(€ million)

TYPE OF REVENUE/VALUES	YEAR 2024	YEAR 2023
A) Recovery of costs	**610**	**485**
B) Other revenues	**981**	**1,070**
Revenues from administrative services	820	865
Revenues from operating leases	5	6
Recovery of miscellaneous costs paid in previous years	3	1
Revenues on financial leases activities	-	-
Other	153	198
Total other operating income (A+B)	**1,591**	**1,555**

Items "revenues from administrative services" and "Other" also include revenues for services rendered to other Group legal entities.
The sub-item "Other" includes:
- revenues for software developed for Group entities for €30 million (€53 million in 2023);
- payments of indemnities and compensation for €31 million (€19 million in 2023).

Part C - Income statement

Section 15 - Gains (Losses) of equity investments - Item 220

15.1 Profit (Loss) of equity investments: breakdown

(€ million)

INCOME ITEMS/VALUES	YEAR 2024	YEAR 2023
A. Income	**100**	**4,131**
1. Revaluations	-	-
2. Gains on disposal	96	24
3. Writebacks	4	4,107
4. Other gains	-	-
B. Expenses	**(657)**	**(242)**
1. Writedowns	-	-
2. Impairment losses	(657)	(242)
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit	**(557)**	**3,889**

Gains on disposal include the results from the sale of quotes of UniCredit Bank S.A. for €95 million.

Impairment losses in subsidiaries include AO UniCredit Bank (-€483 million), UniCredit Leasing S.p.A. (-€92 million), UniCredit International Luxembourg S.A. (-€41 million), Pioneer Alternative Investment Management Ltd (-€33 million), UniCredit Services Gmbh (-€7 million).
Writebacks in subsidiaries include UniCredit Subito Casa S.p.A. (€2 million), Unicredit Turn Around Management Cee Gmbh (€1 million), Nuova Compagnia di Partecipazioni S.p.A. (€1 million).

Part C - Income statement

Section 16 - Net gains (losses) on property, plant and equipment and intangible assets measured at fair value - Item 230

16.1 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value: breakdown

(€ million)

ASSETS/INCOME ITEMS	YEAR 2024				
			EXCHANGE DIFFERENCES		
	REVALUATIONS (A)	WRITEDOWNS (B)	POSITIVE (C)	NEGATIVE (D)	NET PROFIT (A-B+C-D)
A. Property, plant and equipment	**15**	**(40)**	**-**	**-**	**(25)**
A.1 Used in the business	**8**	**(9)**	**-**	**-**	**(1)**
- Owned	8	(9)	-	-	(1)
- Right of use of Leased Assets	-	-	-	-	-
A.2 Held for investment	**7**	**(31)**	**-**	**-**	**(24)**
- Owned	7	(31)	-	-	(24)
- Right of use of Leased Assets	-	-	-	-	-
A.3 Inventories	**-**	**-**	**-**	**-**	**-**
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned	**-**	**-**	**-**	**-**	**-**
- Generated internally by the company	-	-	-	-	-
- Other	-	-	-	-	-
B.2 Right of use of Leased Assets	**-**	**-**	**-**	**-**	**-**
Total (A+B)	**15**	**(40)**	**-**	**-**	**(25)**

For further information about the description of effects produced by update of appraisals conducted for fair value evaluation of respective assets, reference is made to the paragraph "Section 9 - Property, plant and equipment - item 90" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets.

Section 17 - Goodwill impairment - Item 240

17.1 Impairment of goodwill: breakdown

No data to be disclosed.

Section 18 - Gains (Losses) on disposals on investments - Item 250

18.1 Gains and losses on disposal of investments: breakdown

(€ million)

INCOME ITEMS/SECTORS	YEAR 2024	YEAR 2023
A. Property		
- Gains on disposal	-	1
- Losses on disposal	-	-
B. Other assets		
- Gains on disposal	-	1
- Losses on disposal	(1)	(2)
Net profit	**(1)**	**-**

Part C - Income statement

Section 19 - Tax expenses (income) for the period from continuing operations - Item 270

Taxes on income are accounted in accordance with IAS12. The tax charge consists of current and deferred taxes, mainly determined in accordance with the applicable provisions on IRES and IRAP, and CFC separate taxation (Controlled Foreign Companies, i.e., foreign subsidiaries taxed on a transparency basis where specific conditions are met).

IRES is calculated by making specific upward or downward adjustments to the current year profit or loss as resulting from the Income statement for determining the taxable income. These tax adjustments are made as required by the provisions of the Italian Income Tax Code (TUIR), in relation to the non-deductibility of certain expenses or the non-taxability of certain revenues.
The IRES tax rate applied to the taxable income is 24%. An additional surcharge of 3.5% applies to banks and financial companies.
The above-mentioned tax adjustments may be “permanent” or “temporary”.
The “permanent” adjustments refer to expenses/revenues that are totally or partially non-deductible/non-taxable.
The “temporary” adjustments, on the other hand, relate to expenses or revenues whose deductibility or taxability is deferred to future tax periods on the occurrence of particular events, or distributed in equal quotas over a predefined number of years.
The presence of “temporary” adjustments leads to the recognition of deferred tax assets (for costs to be deducted) or deferred tax liabilities (for revenues to be taxed).
The purpose of the recognition of deferred tax assets and liabilities is to reconcile in the Financial statement the different tax period of relevance established by the TUIR compared to the accounting accrual principle.

For IRES purposes, subject to a specific election to be submitted to the “Agenzia delle Entrate”, this tax can be paid on a Tax Group level rather than on an individual basis.
All Italian companies that meet the control pre-requisite can adhere to the Tax Group regime, in order to compute the tax payment on a unique taxable base consisting of the algebraic sum of the taxable amounts of all the companies adhering to the Tax Group regime.
The tax rate applicable to the Tax Group is 24%.

For IRES purposes, is stated a separate taxation “for transparency” on incomes, calculated according to the provisions of the Italian Income Tax Code (TUIR), of the foreign direct and indirect subsidiaries (so-called CFCs: Controlled Foreign Companies) which have the following requirements:
- effective taxation lower than 50% of the effective tax rate that such companies would apply if they were resident in Italy (Effective tax rate);
- more than a third of the revenues derive from "passive income".

IRAP is levied on productive activities and relevant taxable base corresponds to the algebraic sum of certain items of the Income statement as specifically identified by Legislative Decree No.446 of 1997, which also states further upward and downward adjustments to be made (other than IRES ones).

The tax is calculated by apportioning the overall value of production among the various administrative regions where the productive activities are carried out (for banks the apportionment is made on the basis of the regional distribution of customer’s deposits) and applying the respective regional rate to each of the individual portions identified. A national rate of 4.65% is established, to which each region can autonomously add a surcharge up to 0.92%, with an overall theoretical rate of 5.57% (plus a further rate of 0.15% for regions with a deficit in spending on the local welfare sector).

Law No.136 of 9 October 2023 introduced the extraordinary windfall tax for banks, calculated on the increase in the interest margin relating to the fiscal years from 2021 to 2023. The Windfall tax can be fulfilled in two different ways: the payment of the amount due or opting to allocate to an extraordinary non-distributable capital reserve an amount not less than two and a half times the windfall tax due.
Following approval by the Shareholders’ meeting of the 2023 Annual Reports have been established a non-distributable Reserve for extra profits tax Banks for an amount equal to €1,125 million, as provided for by Law.

During 2024 the Regulator amended with Law 207 of 30 December 2024 the current tax laws in relation to the referral of write down on losses on loans and goodwill, as follow:
- the portion of write down on losses on loans to customers deductible, for IRES and IRAP, for 2025 is deferred to the tax period 2026 and to the following three tax periods in constant installments;
- the portion of write down on losses on loans to customers deductible, for IRES and IRAP, for 2026 is deferred to the tax period 2027 and to the following two tax periods in constant installments;
- the portion of referral of FTA IFRS9 deductible, for IRES and IRAP, for 2025 is deferred to the tax period 2026 and to the following three tax periods in constant installments. Therefore, the portion deductible, for IRES and IRAP, for 2026 is deferred to the tax period 2027 and to the following two tax periods in constant installments;
- the portions of depreciation (and write down) on goodwill not deducted until the tax period 2017, deductible, for IRES and IRAP, for 2025 are deferred to the tax period 2026 and to the following three tax periods in constant installments;
- the portions of depreciation (and write down) on goodwill not deducted until the tax period 2017, deductible, for IRES and IRAP, for 2026 are deferred to the tax period 2027 and to the following two tax periods in constant installments.

Part C - Income statement

Furthermore, in determining the IRES taxable base for 2025, the previous tax losses carried forward (art. 84 TUIR) and the ACE excess cumulated until 2023 can be deducted within the limits of 54 percent of the major taxable income determined, for the same tax period, as a consequence of the referral related to the previous points.

UniCredit S.p.A. in the previous years has accounted for a foreign tax credit not recovered in the year of accounting in the financial statements. Such foreign tax credit, which amounts to a total of €79 million (updated as for the usage as determined with the tax return related to fiscal year 2023), may be recovered in the future years if the requirements provided by the current tax legislation are verified.

As of fiscal year 2024, the UniCredit group, as a multinational group, will fall within the scope of the newly designed Pillar Two regulation, which is aimed at ensuring a global minimum taxation in every jurisdiction where the Group operates. In particular, Pillar 2 regulation has established the introduction of an additional tax in case the effective tax rate in a certain jurisdiction falls below 15%. During 2024 the provision done in application of the mentioned legislation is equal to €5 million. For further information refer to the paragraph "11.8 Other information", Notes to the consolidated accounts, Part B - Consolidated balance sheet - Assets, Section 11 - Tax assets and tax liabilities - Item 110 (Assets) and Item 60 (Liabilities).

Taxes on income for 2024 reports a negative amount of €1,500 million, in comparison with the negative amount of €636 million in 2023.
The amount of the current IRES is:
- IRES tax rate 24% is equal to a negative amount for €93 million (of which negative €164 million produced by tax cases from Income statement and positive €71 million produced by tax cases from Net equity) assigned to Italian tax group perimeter;
- IRES additional tax rate 3.5% not due since fully reduced thanks to the utilization of residual tax losses and the utilization of ACE from previous years.

During the year 2024, considering that UniCredit tax returns and the italian tax group perimeter declarations for 2023 have admitted only the partial use of the ACE benefit, as provided for by Law Decree 24 June 2014, No.91 (converted with modification by Law 11 August 2014, No.116), a transformation into an IRAP tax credit has been executed of the amount, not used in the italian tax group perimeter, of ACE benefit for 2023 for €54 million as already done in the previous years. The residual credit still to be used for IRAP purposes amounts to € 175 million (of which €60 million to be used to reduce the IRAP debit related to the period 2024 and €115 million to be used in the further years).
The amount of the current IRAP is negative for €281 million (negative €273 million produced by tax cases from Income statement and negative €8 million produced by tax cases from Net equity).

19.1 Tax expense (income) relating to profit or loss from continuing operations: breakdown

(€ million)

INCOME ITEMS/SECTORS		YEAR 2024	YEAR 2023
1.	Current taxes (-)	(561)	(294)
2.	Change of current taxes of previous years (+/-)	297	57
3.	Reduction of current taxes for the year (+)	-	-
3.bis	Reduction of current taxes for the year due tax credit under Law 214/2011 (+)	27	158
4.	Change of deferred tax assets (+/-)	(1,236)	(562)
5.	Change of deferred tax liabilities (+/-)	(27)	5
6.	**Tax expenses for the year (-) (-1+/-2+3+3bis+/-4+/-5)**	**(1,500)**	**(636)**

Part C - Income statement

19.2 Reconciliation of theoretical tax charge to actual tax charge

(€ million)

	YEAR 2024	YEAR 2023
Profit (Loss) before tax from continuing operations (income statement item)	**9,606**	**11,900**
Theoretical tax rate	27.5%	27.5%
Theoretical computed taxes on income	**(2,642)**	**(3,273)**
1. Different tax rates	-	-
2. Non-taxable income - permanent differences	1,417	1,992
3. Non-deductible expenses - permanent differences	(148)	(3)
4. Different fiscal laws/IRAP	(503)	(198)
a) IRAP (italian companies)	(416)	(203)
b) Other taxes (foreign companies)	(87)	5
5. Previous years and changes in tax rates	264	177
a) Effects on current taxes	93	23
- Tax loss carryforward/unused Tax credit	-	-
- Other effects of previous periods	93	23
b) Effects on deferred taxes	171	154
- Changes in tax rates	-	-
- New taxes incurred (+) previous taxes revocation (-)	-	-
- True-ups/adjustments of the calculated deferred taxes	171	154
6. Valuation adjustments and non-recognition of deferred taxes	192	669
a) Deferred tax assets write-down	-	(29)
b) Deferred tax assets recognition	197	699
c) Deferred tax assets non-recognition	-	-
d) Deferred tax assets non-recognition according to IAS12.39 and 12.44	-	-
e) Other	(5)	(1)
7. Amortisation of goodwill	-	-
8. Non-taxable foreign income	-	-
9. Other differences	(80)	-
Recognised taxes on income	**(1,500)**	**(636)**

Part C - Income statement

Section 20 - Profit (Loss) after tax from discontinued operations - Item 290

20.1 Profit (Loss) after tax from discontinued operations: breakdown

No data to be disclosed.

20.2 Breakdown of tax on discontinued operations

No data to be disclosed.

Section 21 - Other information

Disclosure regarding the transparency of public funding required by article 1, paragraph 125 of the Law 124/2017

Pursuant to Art.1, paragraph 125 of law 124/2017, during 2024 UniCredit S.p.A. collected the following public contributions granted by Italian entities:

Contributions for the recruitment/stabilization of personnel deriving from the application of the CCNL of the Credit in force from time to time

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Fondo Nazionale per il sostegno dell'occupazione nel settore del credito	UNICREDIT S.P.A.	3.97
Total		**3.97**

Contributions for new recruits/stabilizations, introduced by the stability Law 2018 (Law No.205/2017)

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Istituto Nazionale della Previdenza Sociale	UNICREDIT S.P.A.	0.68
Total		**0.68**

Article 8 of Legislative Decree 30 September 2005, 203 converted, with modifications, from the Law 2 December 2005, 248. Compensatory measures for companies that assign the TFR to supplementary pension schemes and/or to the Fund for the payment of the TFR

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Istituto Nazionale della Previdenza Sociale	UNICREDIT S.P.A.	9.38
Total		**9.38**

Result awards decontribution for year 2023 - Decree 50 of 24/4/2017 - Article 55; converted into Law 96 of 21 June 2017

(€ million)

LENDING ENTITY	LEGAL ENTITY BENEFICIARY	PUBLIC CONTRIBUTION AMOUNT
Istituto Nazionale della Previdenza Sociale	UNICREDIT S.P.A.	3.37
Total		**3.37**

For further information, refer to the National State Aid Register "Transparency".

Part C - Income statement

Section 22 - Earnings per share

22.1 and 22.2 Average number of diluted shares and other information

	YEAR 2024	YEAR 2023
Net profit (Loss) (€ million)	7,859	11,089
Average number of outstanding shares	1,621,646,008	1,827,892,681
Average number of potential dilutive shares	16,835,472	21,879,901
Average number of diluted shares	1,638,481,480	1,849,772,582
Earnings per share (€)	**4.847**	**6.067**
Diluted earnings per share (€)	**4.797**	**5.995**

€247 million has been deducted from the 2024 net profit of €8,106 million due to the disbursements (charged to net equity and referring to the results of the year 2023) in connection with the usufruct contract signed with Mediobanca S.p.A. on UniCredit shares supporting the issuance of convertible securities denominated “Cashes” (€175 million was deducted from 2023 net profit).

The average number of outstanding shares is net of the average number of treasury shares, considering the shares buyback made during the 2024 and totally cancelled, and of further average No.9,675,640 shares held under a contract of usufruct.

Part D - Other comprehensive income

Analytical statement of other comprehensive income

(€)

ITEMS	YEAR 2024	YEAR 2023
10. Profit (Loss) of the year	**8,106,471,808**	**11,264,207,183**
Other comprehensive income not reclassified to profit or loss	**228,620,566**	**(4,635,754)**
20. Equity instruments designated at fair value through other comprehensive income:	293,055,605	45,010,597
a) fair value changes	224,108,673	31,271,866
b) tranfers to other shareholders' equity items	68,946,932	13,738,731
30. Financial liabilities designated at fair value through profit or loss (own creditworthiness changes):	14,680,283	(51,955,592)
a) fair value changes	(6,603,231)	(58,261,719)
b) tranfers to other shareholders' equity items	21,283,514	6,306,127
40. Hedge accounting of equity instruments measured at fair value through other comprehensive income:	-	-
a) fair value change (hedged instrument)	-	-
b) fair value change (hedging instrument)	-	-
50. Property, plant and equipment	(14,307,645)	(7,731,139)
60. Intangible assets	-	-
70. Defined benefit plans	(6,205,760)	(24,269,675)
80. Non-current assets and disposal groups classified as held for sale	(3,453,116)	(727,684)
90. Part of valuation reserves from investments valued at equity method	-	-
100. Tax expenses (income) relating to items not reclassified to profit or loss	(55,148,801)	35,037,739
Other comprehensive income reclassified to profit or loss	**(71,523,413)**	**(49,161,584)**
110. Foreign investments hedging:	-	-
a) fair value changes	-	-
b) reclassification to profit or loss	-	-
c) other changes	-	-
120. Foreign exchange differences:	-	-
a) value changes	-	-
b) reclassification to profit or loss	-	-
c) other changes	-	-
130. Cash flow hedging:	73,626,082	(50,475,811)
a) fair value changes	73,626,082	(50,475,811)
b) reclassification to profit or loss	-	-
c) other changes	-	-
of which: net position	-	-
140. Hedging instruments (not designated items):	-	-
a) value changes	-	-
b) reclassification to profit or loss	-	-
c) other changes	-	-
150. Financial assets (different from equity instruments) at fair value through other comprehensive income:	(165,566,616)	(17,957,632)
a) fair value changes	(130,020,904)	164,403,073
b) reclassification to profit or loss:	(30,678,930)	(195,204,441)
- impairment losses	14,411,441	10,634,792
- gains/losses on disposals	(45,090,371)	(205,839,233)
c) other changes	(4,866,782)	12,843,736
160. Non-current assets and disposal groups classified as held for sale:	-	-
a) fair value changes	-	-
b) reclassification to profit or loss	-	-
c) other changes	-	-
170. Part of valuation reserves from investments valued at equity method:	-	-
a) fair value changes	-	-
b) reclassification to profit or loss:	-	-
- impairment losses	-	-
- gains/losses on disposals	-	-
c) other changes	-	-
180. Tax expenses (income) relating to items reclassified to profit or loss	20,417,121	19,271,859
190. Total other comprehensive income	**157,097,153**	**(53,797,338)**
200. Other comprehensive income (Item 10+190)	**8,263,568,961**	**11,210,409,845**

Part E - Information on risks and related hedging policies

Introduction

Reference is made to the paragraph "Introduction" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, which is herewith quoted entirely.

Section 1 - Credit risk

Qualitative information

1. General aspects

Credit policies

Reference is made to the paragraph "1. General aspects - Credit policies" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, which is herewith quoted entirely.

Credit strategies

Reference is made to the paragraph "1. General aspects - Credit strategies" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

2. Credit risk management policies

2.1 Organisational aspects

In credit risk management, the organisational structure as at 31 December 2024, envisages specific structures and responsibilities at Group and local level. Regarding the Organisational model of the Parent Company functions, reference is made to the paragraph "2.1 Organisational aspects" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, which is herewith quoted entirely.

With specific reference to the Italian perimeter of UniCredit S.p.A., the "Risk Italy" function is responsible for credit risk and non-financial risk oversight: it coordinates and manages the activities of competence regarding the credit granting, credit monitoring, restructuring and workout activities, it is also responsible for analysing and monitoring the riskiness and overall credit quality of the Italian loan portfolio, identifying anomalies in relation to expectations and identifying corrective actions, as well as for the definition and monitoring of the credit strategies both for performing and non-performing loans; it is also in charge of the definition of credit operating rules and policies, consistently with standards defined by Group Risk Management structures, as well as for the identification, management and monitoring of operational risks, supporting the related business functions. The structure is also responsible for the managerial coordination of the credit activities of UniCredit S.p.A. Italian Legal Entities.

The organisational units under "Risk Italy" are the following:

- the "Credit Risk Framework & Rules Italy" structure is responsible, for the Italian perimeter of UniCredit S.p.A. to contribute to credit risk management, through:
  - the definition and related cascading of credit rules and policies;
  - the definition of the lending process framework, designed and maintained by Italy Products COO structures;
  - the definition and ongoing maintenance of activities related to Credit Administration, Monitoring, Restructuring and Workout framework, coordinating for the areas of competence, with the Group and Italy Products COO structures that ensure the coherence of the E2E process;
  - the governance of credit decision engines, the management and development of risk and management models released from regulatory parameters, in the context of credit processes;
  - the management of the relevant supplier / outsourcer portfolio;
  - the execution of second-level controls on the correct application of the decision-making and disbursement processes;
  - in line with the risk strategies and guidelines defined by the dedicated Group Risk Management (GRM) structures and in collaboration with the Business, Italy - Products COO and IT structures.
- The structure consists of the following units:
  - "Managerial Models & Credit Engines";
  - "Origination & Credit Administration Framework";
  - "Monitoring & Npe Framework";
  - "Credit Products & Policies";
  - "Credit Processes Controls".
- the "Credit Risk Management Italy" structure whose responsibilities include the following activities for the Italian perimeter:
  - providing Top Management with a current view of credit risk;
  - definition and monitoring process of credit strategies (both for performing and non-performing loans), the monitoring, on a periodic basis, of the overall credit portfolio;
  - the AQ planning, the provisions, the RWAs and the capital absorption for performing and non-performing loans;
  - periodical analysis production in order to give to the Top Management a credit risk profile view;
  - performing second level controls on the perimeter of competence.

  The structure consists of the following units:
  - "Credit Risk Strategies & Planning Italy";
  - "Credit Risk Portfolio Monitoring Italy";
  - "Credit Risk Controls Italy";
  - "Risk Analysis & Strategy Italy".
- the "Non-Financial Risk Italy" structure whose responsibilities include the following activities for the Italian perimeter of UniCredit S.p.A.:
  - identification, management and monitoring of operational risks, also by executing specific risk assessment activities (e.g., on relevant transactions);
  - identifying, assessing and monitoring the ICT/Cyber and Third-party risks (including outsourcing contracts) in coherence with Group framework.
- the "Credit Underwriting Italy" structure is responsible for the "Italy" perimeter of UniCredit S.p.A., for Credit Underwriting activities related to Individuals/Freelancers credit products of competence as well as - for credit proposals above Credit Hub's approval authority, with reference to the Enterprises perimeter - for issuing risk opinions to the competent Business decision-making Bodies and registering their credit decisions in the system.

  Moreover, the structure is directly responsible for managing the activities related to the functioning of the Italy Transactional Credit Committee.

Part E - Information on risks and related hedging policies

The structure consists of the following units:
- "Enterprises Credit Transactions Italy";
- "Individuals Credit Underwriting Italy".

- the "Retail & Small Corporate Proactive Management Italy" structure is responsible for coordinating, heading, and managing the credit risk monitoring activities for all customers within the Italian perimeter of UniCredit S.p.A. supporting the activities aimed at improving the creditworthiness Retail and Small Corporate customers.
  The structure is furthermore responsible for managing and supporting Retail credit collection processes.
  The structure consists of the following functions:
  - "Monitoring Support & Quality Assurance";
  - "Small Corporate North Monitoring";
  - "Small Corporate Center Monitoring";
  - "Small Corporate South Monitoring";
  - "Retail Monitoring";
  - "Monitoring Analysis & Retail classification";
  - "Customer Recovery".
- the "Corporate Proactive Management Italy" structure is responsible for i) coordinating, directing and managing monitoring activities on positions falling within the perimeter of competence, also with a view to improving their creditworthiness, ii) offering the Business specialist support on a cluster of positions characterized by significant exposure and political or reputational risks and iii) coordinating and managing restructuring activities relating to Clients classified as Unlikely to Pay. The structure consists of the following functions:
  - "Large-Medium Corporate & PB-WM Monitoring";
  - "Specialised Direct Management";
  - "Specialised Indirect Management";
  - "Fronting";
  - "Corporate Proactive Management Support".
- the "Credit Recovery & Special Activities Italy" structure is responsible for managing and supporting credit collection processes for Individual and Corporate counterparts, managing the workout positions of the Italian perimeter of UniCredit S.p.A. The structure consists of the following functions:
  - "CRM Direct Workout";
  - "CRM Indirect Workout";
  - "Specialised Activities".
- in addition, with respect to credit risk, specific committee has been set up, the "Italy Transactional Credit Committee", which is responsible, within its assigned sub-delegated powers, to evaluate and approve the underwriting and the review of the credit lines and to evaluate and approve the loan loss provisions, asset value adjustments and releases of capital and/or capitalised interests related to performing and non-performing portfolio of UniCredit S.p.A., with the exclusion of Banks, Financial Institutions and Sovereign(FIBS), as well as of the "Investment Banking" segment;
- finally, with reference to non-Financial risks, the "Italy Non-Financial Risks and Controls Committee (INFRCC)" is active, which supports the Head of Italy in the role of steering and monitoring the Non-Financial Risks (NFRs) at Italy level also overseeing the related internal control system (ICS). The INFRCC enables the coordination among the three lines of defense with the aim to identify and share Italy priorities concerning Non-Financial Risks (e.g., events, regulations, or emerging risks), assessing and monitoring the effectiveness of initiatives put in place.

2.2 Credit risk management, measurement and control

2.2.1 Credit risk management
Reference is made to the paragraph "2.2.1 Credit risk management" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.2 Credit risk management, measurement and control, which is herewith quoted entirely.

2.2.2 Risk parameters
Reference is made to the paragraph "2.2.2 Risk parameters" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.2 Credit risk management, measurement, and control, which is herewith quoted entirely.

2.2.3 Rating systems
Reference is made to the paragraph "2.2.3 Rating systems" of the Consolidated financial statements of UniCredit Group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.2 Credit risk management, measurement and control, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

2.2.4 Stress Test
Reference is made to the paragraph "2.2.4 Stress test" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.2 Credit risk management, measurement, and control, which is herewith quoted entirely.

2.3 Measurement methods for expected losses

Risk management practices

2.3.1 Staging allocation and Expected Credit Losses calculation
Reference is made to the paragraph "2.3.1 Staging allocation and Expected Credit Losses calculation" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 – Risk of the prudential consolidated perimeter, 2.1 - Credit risk, Qualitative information, 2. Credit risk management policies, 2.3 Measurement methods for expected losses, which is herewith quoted entirely.

2.3.2 Non-performing exposures
Reference is made to the paragraph "2.3.2 Measurement methods for expected losses - Non-performing exposures" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 – Risks of the prudential consolidated perimeter, 2.1 - Credit risk, Qualitative information, 2. Credit risk management policies, 2.3.2 Measurement methods for expected losses, which is herewith quoted entirely.

2.3.3 Selling scenarios
Reference is made to the paragraph "2.3.3 Selling scenario" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.3 Measurement methods for expected losses, which is herewith quoted entirely.

2.3.4 Scenarios and Sensitivity
Reference is made to the paragraph "2.3.4 Scenarios and Sensitivity" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, 2.3 Measurement methods for expected losses, which is herewith quoted entirely.

2.4 Credit risk mitigation technique
Reference is made to the paragraph "2.4 Credit risk mitigation technique" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 2. Credit risk management policies, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

3. Non-performing credit exposures

3.1 Management strategies and policies
In order to ensure a homogeneous approach in the classification of credit exposures for regulatory and reporting purposes, UniCredit has defined guidelines at Group level for the classification of non-performing exposures that refer to the principles reported in the Implementing Technical Standards issued by the Authority European Banking in 2014. This definition of non-performing exposures complements the definition of “default” exposures, disciplined by EBA Guidelines on default definition in line with article 178 of Regulation (EU) 575/2013 of the European Parliament and of the Council (EBA/GL/2016/07) in force since 1 January 2021, and “impaired” exposures defined by IFRS9 Accounting Standards. A substantial alignment within the Group has been pursued between the three definitions, providing the Supervisory Authorities with a harmonized view of these concepts and strengthening the tools available to the Authorities for assessing the asset quality.

The default classification criteria in force since 1 January 2021 include, among the main aspects, harmonized thresholds at European level for past due materiality and additional Unlikely to Pay triggers further regulated by EBA/GL/2016/07 with respect to the high-level provisions of article 178 of Regulation (EU) 575/2013. In this regard, it is highlighted the Distressed Restructuring for credit obligation object of concession, where a maximum threshold for decreasing the Net Present Value of 1% has been set, as well as specific requirements on the contagion effects of default in the case of connected customers (mainly, groups of companies, joint headings between individuals and links between individuals and companies with unlimited liability). In addition, a mandatory minimum probation period before returning to the non-defaulted status has been defined.

Furthermore, in accordance with the provisions of Banca d’Italia in Circular 272/2008, non-performing credit exposures must be classified in one of the following risk classes:
- past-due and/or overdue exposures: problematic exposures that are more than 90 days past due on any material obligation (the latter assessed in line with article 178 (2d) of Regulation (EU) 575/2013 and the Technical Standards of the EBA);
- unlikely to pay: the classification in this category is the result of the judgment of the bank about the unlikeliness, without recourse to actions such as realising collaterals, that the obligor will pay in full (principal and/or interest) its credit obligations. This assessment should be carried out independently of the presence of any past due and unpaid amount;
- bad loans: exposures to borrowers in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation, regardless of any loss forecasts made by the bank.

According to the Group rules, all debtors in the Bank's portfolio must be mapped in the classes defined by Banca d’Italia, regardless of local reporting which has to be performed according to local accounting standards and/or local supervisory regulations or instructions.

These classification rules are further integrated by accounting principles defined in IFRS9, according to which credit exposures must be allocated in three "stages" (for details see section "Expected loss measurement method” - Section 2). With regard to non-performing exposures, the allocation to "Stage 3" occurs when the customer's status changes into "non-performing". This is a classification at counterparty level and not at transaction level based on specific regulations on the classification of non-performing exposures.

In accordance with article 156 EBA ITS, an exposure must remain classified as non-performing as long as the following criteria (exit criteria) are not met simultaneously:
- the situation of the debtor has improved to the extent that full repayment of the original due amount is likely to be made;
- the debtor does not have any amount past-due by more than 90 days.

Specific exit criteria must be applied in case the forbearance measures are extended to non-performing exposures, listed below:
- the starting date of the observation period of one year is the latest between the adoption of Forbearance measures and the classification as non-performing;
- any past due amount is verified if no past due occurs at debtor level;
- concerns regarding the “full repayment" refer to a judgmental evaluation by the empowered Bodies.

In the non-performing credit exposures management, UniCredit S.p.A. adopts certain strategies that operationally define the activities necessary to achieve the targets defined yearly.

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The aforementioned strategies concerning impaired loans include:
- an effective internal restructuring activity, supported by qualified resources with specific skills dedicated to the management of loans classified as unlikely to pay; within these activities, ad hoc approaches are then envisaged for positions considered strategic or referring to the Corporate and Real Estate segment;
- proactive portfolio management through judicial and extra-judicial procedures managed by internal Workout professionals or assigned to external agencies specialised in credit recovery;
- the recourse of alternative recovery strategies (which UniCredit was one of the first banks to use) based on formalised partnerships aimed at managing positions in the industrial or Real Estate sector;
- disposal of impaired loans as a further strategy for internal recovery both for individual positions and for portfolios of impaired loans, already classified as bad loans and unlikely to pay.

These strategies reflect the main levers for reducing the amount of impaired loans and have led to an important result during 2024, highlighting:
- write-off for €309 million;
- recoveries for €1,332 million;
- disposals for €1,626 million.

Non-Performing Credit stock reduction performed better than expectations underlying previous multiyear plan “UniCredit Unlocked”, achieving an improvement in asset quality with an NPE ratio of 2,5% (+5 bps vs NPE ratio 2023).

Regarding the management strategies and policies in force for the UniCredit group reference is made to the paragraph “3.1 Management strategies and policies” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 3. non-performing credit exposures, which is herewith quoted entirely.

3.2 Write-off

UniCredit group guidelines for write-offs on financial assets provides that whenever a loan is deemed to be uncollectable/unrecoverable it needs to be identified at the earliest possible opportunity and properly dealt with in accordance with financial regulations. Write-offs can relate to a financial asset in its entirety, or to a portion of it.
In assessing the recoverability of Non-Performing Exposures (NPE) and in determining internal NPE write-off approaches, the following cases, in particular, are taken into account:
- exposures with prolonged arrears: it is assessed the recoverability of an exposure that presents arrears for a prolonged period of time. If, following this assessment, an exposure or part of an exposure is deemed as non-recoverable, it should be written-off in a timely manner, adopting different thresholds predefined on the basis of the different portfolios;
- exposures under insolvency procedure: where the collateralisation of the exposure is low, legal expenses often absorb a significant portion of the proceeds from the bankruptcy procedure and therefore estimated recoveries are expected to be very low;
- a partial write-off may be warranted where there are reasonable elements to demonstrate the debtor's inability to repay the full amount of the debt, i.e. a significant level of debt, even following the implementation of a forbearance treatment and/or the execution of collateral.

Below a non-exhaustive list of hard evidences implying, with high likelihood, the not recoverability of the exposure, to be assessed, for the potential (total or partial) write-off:
- the Bank cannot call the guarantor(s), or his assets are not sufficient for the recovery of the debtor’s exposures;
- negative outcome of the judicial and/or out-of-court initiatives with absence of other assets that can be called in the event of un-recoverability of the debtor’s exposures;
- impossibility to initiate actions to recover credit;
- current insolvency procedure, from which the procedure itself states that the unsecured exposures will not have redress;
- loans not backed by mortgage security older than 3 years that have not registered repayments/collections during the first 3 years after the NPE classification;
- mortgage loans to private individuals with collaterals already executed or not recoverable (because of legal or administrative defects and if execution is considered not economically viable), if they have been classified as non-performing for more than 7 years, or between 2 and 7 years if the residual debt is less than €110,000.

Specifically, for UniCredit S.p.A. perimeter, write-offs on financial assets still subject to an enforcement procedure amount to €474 million as at 31 December 2024, of which partial write-offs amount to €430 million and total write-offs amount to €44 million. The amount of write-offs (both partial and total) related to the 2024 financial year is €70 million. 2024 write-offs cannot be compared with write-offs amount reported in gross changes in non-performing exposures, because the latter includes debt forgiveness.

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3.3 Acquired or originated impaired financial assets
Reference is made to the paragraph "3.3 Acquired or originated impaired financial assets" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 3. Non-performing credit exposures, which is herewith quoted entirely.

4. Financial assets subject to commercial renegotiations and forborne exposures
Renegotiation of existing financial instruments which determine a modification of contractual conditions might be the result of either:
- commercial initiatives, which may be specific for each customer or applied to portfolio of customers also as a result of dedicated initiatives sponsored by public authorities or banking associations, or
- concessions granted in light of debtor's financial difficulties (Forbearance).

Such changes are accounted on the basis of whether the modification is considered significant or not. In this regard, reference is made to the Part A - Accounting policies, A.2 - Main items of the accounts.

The concessions granted due to debtor's financial difficulties, so-called Forbearance initiatives, are usually considered not significant from an accounting perspective.

4.1 Loan categorisation in the risk categories and forborne exposures
Reference is made to the paragraph "4.1 Loan categorization in the risk categories and forborne exposures" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, 4. Financial assets subject to commercial renegotiations and forborne exposures, which is herewith quoted entirely.

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Quantitative information

In the following tables, the volume of impaired assets according to the IFRS definition is equivalent to the one for non-performing exposures referred to in the EBA standards.

A. Credit quality

For the purposes of the disclosure of quantitative information about credit quality, the term "credit exposures" does not include equity instruments and units in investment funds.

A.1 Non-performing and performing credit exposure: amounts, write-downs, changes, distribution by business activity

A.1.1 Breakdown of financial assets by portfolio and credit quality (carrying value)

(€ million)

PORTFOLIOS/QUALITY	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE EXPOSURES	PERFORMING PAST-DUE EXPOSURES	OTHER PERFORMING EXPOSURES	TOTAL
1. Financial assets at amortised cost	372	1,547	299	2,977	223,017	228,212
2. Financial assets at fair value through other comprehensive income	-	32	-	-	36,150	36,182
3. Financial assets designated at fair value	-	-	-	-	132	132
4. Other financial assets mandatorily at fair value	1	33	-	-	2,701	2,735
5. Financial instruments classified as held for sale	-	7	-	-	-	7
Total 31.12.2024	**373**	**1,619**	**299**	**2,977**	**262,000**	**267,268**
Total 31.12.2023	**362**	**1,837**	**321**	**3,557**	**269,168**	**275,245**

A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net values)

(€ million)

PORTFOLIOS/QUALITY	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (NET EXPOSURE)
	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)	GROSS EXPOSURE	OVERALL WRITEDOWNS	NET EXPOSURE	
1. Financial assets at amortised cost	4,069	1,851	2,218	429	227,708	1,714	225,994	228,212
2. Financial assets at fair value through other comprehensive income	114	82	32	-	36,155	5	36,150	36,182
3. Financial assets designated at fair value	-	-	-	-	X	X	132	132
4. Other financial assets mandatorily at fair value	105	71	34	-	X	X	2,701	2,735
5. Financial instruments classified as held for sale	11	4	7	-	-	-	-	7
Total 31.12.2024	**4,299**	**2,008**	**2,291**	**429**	**263,863**	**1,719**	**264,977**	**267,268**
Total 31.12.2023	**5,016**	**2,496**	**2,520**	**434**	**271,853**	**1,943**	**272,725**	**275,245**

Note:
(*) Value shown for information purposes.

The reduction in impaired credit exposures is mainly due to the Non-performing disposal transactions performed during 2024.

For more details related to the evaluation of the credit exposure as at 31 December 2023" of the Consolidated financial, for what relates specifically to UniCredit S.p.A., refer to paragraph Section 2 - Risks of the prudential consolidated financial statements, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies.

(€ million)

PORTFOLIOS/QUALITY	ASSETS OF EVIDENT LOW CREDIT QUALITY		OTHER ASSETS
	CUMULATED LOSSES	NET EXPOSURE	NET EXPOSURE
1. Financial assets held for trading	1	8	46,248
2. Hedging derivatives	-	-	551
Total 31.12.2024	**1**	**8**	**46,799**
Total 31.12.2023	**1**	**1**	**26,226**

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A.1.3 Breakdown of financial assets by past-due buckets (carrying value)

(€ million)

PORTFOLIOS/RISK STAGES	STAGE 1			STAGE 2			STAGE 3			PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		
	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS
1. Financial assets at amortised cost	1,684	36	22	932	272	31	934	157	1,116	10	-	-
2. Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	32	-	-	-	-	-
3. Financial instruments classified as held for sale	-	-	-	-	-	-	7	-	-	-	-	-
Total 31.12.2024	**1,684**	**36**	**22**	**932**	**272**	**31**	**973**	**157**	**1,116**	**10**	**-**	**-**
Total 31.12.2023	**1,584**	**26**	**68**	**1,583**	**240**	**56**	**1,174**	**244**	**1,057**	**-**	**-**	**-**

A.1.4 Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS											
	FINANCIAL ASSETS CLASSIFIED IN STAGE 1						FINANCIAL ASSETS CLASSIFIED IN STAGE 2					
	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT
Opening balance (gross amount)	**1**	**321**	**70**	**-**	**2**	**389**	**-**	**1,552**	**-**	**-**	**-**	**1,552**
Increases in acquired or originated financial assets	-	99	1	-	-	101	-	149	1	-	-	149
Reversals different from write-offs	-	(126)	(1)	-	-	(127)	-	(180)	-	-	-	(180)
Net losses/recoveries on credit impairment	-	111	(67)	-	-	44	1	(202)	-	-	-	(201)
Contractual changes without cancellation	-	-	-	-	-	-	-	(11)	-	-	-	(11)
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-off not recognised directly in profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	1	1	-	-	1	-	1	-	-	-	1
Closing balance (gross amount)	**1**	**406**	**4**	**-**	**2**	**408**	**1**	**1,309**	**1**	**-**	**-**	**1,310**
Recoveries from financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-off recognised directly in profit or loss	-	-	-	-	-	-	-	(10)	-	-	-	(10)

Part E - Information on risks and related hedging policies

continued: A.1.4 Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions

(€ million)

	OVERALL WRITE-DOWNS										
	ASSETS BELONGING TO THIRD STAGE						PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS				
SOURCES/RISK STAGES	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT
Opening balance (gross amount)	**-**	**2,112**	**2**	**305**	**1,422**	**997**	**-**	**-**	**-**	**-**	**-**
Increases in acquired or originated financial assets	-	117	-	-	49	68	-	-	-	-	-
Reversals different from write-offs	-	(638)	-	(645)	(501)	(781)	-	-	-	-	-
Net losses/recoveries on credit impairment	-	434	80	(9)	(1)	506	(2)	-	-	(1)	-
Contractual changes without cancellation	-	-	-	-	-	-	-	-	-	-	-
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-
Write-off not recognised directly in profit or loss	-	(229)	-	(15)	(227)	(18)	-	-	-	-	-
Other changes	-	55	-	369	234	190	2	-	-	1	-
Closing balance (gross amount)	**-**	**1,851**	**82**	**5**	**976**	**962**	**-**	**-**	**-**	**-**	**-**
Recoveries from financial assets subject to write-off	-	19	-	-	-	19	-	-	-	-	-
Write-off recognised directly in profit or loss	-	(63)	-	-	(54)	(9)	(1)	-	-	(1)	-

continued: A.1.4 Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions

(€ million)

	OVERALL WRITE-DOWNS				
	TOTAL PROVISIONS ON LOANS COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
SOURCES/RISK STAGES	STAGE 1	STAGE 2	STAGE 3	COMMITMENTS FUNDS AND FINANCIAL GUARANTEES PURCHASED OR ORIGINATED CREDIT-IMPAIRED	TOTAL
Opening balance (gross amount)	**24**	**143**	**299**	**-**	**4,829**
Increases in acquired or originated financial assets	16	9	20	-	412
Reversals different from write-offs	-	-	-	-	(1,590)
Net losses/recoveries on credit impairment	(7)	(53)	(19)	-	267
Contractual changes without cancellation	-	-	-	-	(11)
Changes in estimation methodology	-	-	-	-	-
Write-off not recognised directly in profit or loss	-	-	-	-	(244)
Other changes	(1)	1	(1)	-	428
Closing balance (gross amount)	**32**	**100**	**299**	**-**	**4,091**
Recoveries from financial assets subject to write-off	-	-	-	-	19
Write-off recognised directly in profit or loss	-	-	-	-	(74)

Part E - Information on risks and related hedging policies

A.1.5 Financial assets, loan commitments and financial guarantees given: transfers between risk stages (gross values and nominal values)

(€ million)

PORTFOLIOS/RISK STAGES	GROSS VALUES/NOMINAL VALUES					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
1. Financial assets at amortised cost	5,729	6,870	976	210	657	54
2. Financial assets at fair value through other comprehensive income	677	135	-	-	114	-
3. Financial instruments classified as held for sale	-	-	-	-	-	-
4. Loan commitments and financial guarantees given	1,391	4,850	282	20	34	49
Total 31.12.2024	**7,797**	**11,855**	**1,258**	**230**	**805**	**103**
Total 31.12.2023	**14,067**	**14,219**	**985**	**343**	**480**	**66**

A.1.5a Other loans and advances guaranteed by Covid-19 public guarantee: transfers between impairment stages (gross values)

(€ million)

PORTFOLIOS/RISK STAGES	GROSS VALUES					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
A. Financial assets at amortised cost	**373**	**797**	**157**	**22**	**79**	**2**
B. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**
Total at 31.12.2024	**373**	**797**	**157**	**22**	**79**	**2**

Part E - Information on risks and related hedging policies

A.1.6 On- and off-balance sheet credit exposures with banks: gross and net values

(€ million)

EXPOSURE TYPES/VALUES	AMOUNTS AS AT 31.12.2024											
	GROSS EXPOSURE					OVERALL WRITE-DOWNS AND PROVISIONS					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)
		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		
A. On-balance sheet credit exposures												
A.1 On Demand	**11,741**	**11,714**	**27**	**-**	**-**	**1**	**1**	**1**	**-**	**-**	**11,740**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	11,741	11,714	27	X	-	1	1	1	X	-	11,740	-
A.2 Other	**44,196**	**40,600**	**222**	**4**	**-**	**28**	**19**	**5**	**4**	**-**	**44,168**	**-**
a) Bad exposures	4	X	-	4	-	4	X	-	4	-	-	-
of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
c) Non-performing past due	-	X	-	-	-	-	X	-	-	-	-	-
of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
d) Performing past due	-	-	-	X	-	-	-	-	X	-	-	-
of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
e) Other performing exposures	44,192	40,600	222	X	-	24	19	5	X	-	44,168	-
of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
Total (A)	**55,937**	**52,314**	**249**	**4**	**-**	**29**	**20**	**6**	**4**	**-**	**55,908**	**-**
B. Off-balance sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	66,556	4,804	287	X	-	14	5	10	X	-	66,542	-
Total (B)	**66,556**	**4,804**	**287**	**-**	**-**	**14**	**5**	**10**	**-**	**-**	**66,542**	**-**
Total (A+B)	**122,493**	**57,118**	**536**	**4**	**-**	**43**	**25**	**16**	**4**	**-**	**122,450**	**-**

Note:
(*) Value shown for information purposes.

On-Balance sheet exposures to banks include all balance-sheet assets regardless of their belonging portfolio (held-for-trading, assets designed and mandatorily at fair value through profit or loss, assets at fair value through other comprehensive income, assets at amortised cost and assets held for sale). In more details columns Stage1, Stage 2, Stage 3 and Purchased or Originated Credit-Impaired financial assets include assets at amortised cost, assets at fair value through other comprehensive income, current accounts and demand deposits with banks and central banks and assets held for sale; the overall gross exposures also report held-for-trading, assets designed and mandatorily at fair value through profit or loss. Off-Balance sheet exposures to banks comprise guarantees given, irrevocable commitments, derivatives regardless of each transaction's classification category and the revocable commitments to disburse funds.

Part E - Information on risks and related hedging policies

A.1.7 On- and off-balance sheet credit exposures with customers: gross and net values

(€ million)

	AMOUNTS AS AT 31.12.2024											
	GROSS EXPOSURE					OVERALL WRITE-DOWNS AND PROVISIONS						
EXPOSURE TYPES/VALUES		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)
A. On-balance sheet credit exposures												
a) Bad exposures	1,138	X	-	1,135	-	764	X	-	762	-	374	422
of which: forborne exposures	*170*	*X*	-	*167*	-	*128*	*X*	-	*126*	-	*42*	*6*
b) Unlikely to pay	2,728	X	-	2,619	10	1,109	X	-	1,044	-	1,619	8
of which: forborne exposures	*1,070*	*X*	-	*1,060*	*10*	*397*	*X*	-	*397*	-	*673*	*1*
c) Non-performing past due	430	X	-	426	-	131	X	-	127	-	299	-
of which: forborne exposures	*4*	*X*	-	*4*	-	*1*	*X*	-	*1*	-	*3*	-
d) Performing past due	3,201	1,773	1,428	X	-	223	31	192	X	-	2,978	-
of which: forborne exposures	*143*	-	*143*	*X*	-	*23*	-	*23*	*X*	-	*120*	-
e) Other performing exposures	222,576	207,217	12,624	X	-	1,471	359	1,113	X	-	221,105	-
of which: forborne exposures	*3,860*	-	*3,824*	*X*	-	*293*	-	*293*	*X*	-	*3,567*	-
Total (A)	**230,073**	**208,990**	**14,052**	**4,180**	**10**	**3,698**	**390**	**1,305**	**1,933**	**-**	**226,375**	**430**
B. Off-balance sheet credit exposures												
a) Non-performing	1,825	X	-	1,119	-	300	X	-	300	-	1,525	-
b) Performing	150,223	51,298	3,396	X	-	118	28	90	X	-	150,105	-
Total (B)	**152,048**	**51,298**	**3,396**	**1,119**	**-**	**418**	**28**	**90**	**300**	**-**	**151,630**	**-**
Total (A+B)	**382,121**	**260,288**	**17,448**	**5,299**	**10**	**4,116**	**418**	**1,395**	**2,233**	**-**	**378,005**	**430**

Note:
(*) Value shown for information purposes.

On-Balance sheet exposures to customers include all balance-sheet assets regardless of their belonging portfolio (held-for-trading, assets designed and mandatorily at fair value through profit or loss, assets at fair value through other comprehensive income, assets at amortised cost and assets held for sale). In more details columns Stage1, Stage 2, Stage 3 and Purchased or Originated Credit-Impaired financial assets include assets at amortized cost, assets at fair value through other comprehensive income and assets held for sale; the overall gross exposures also report held-for-trading, assets designed and mandatorily at fair value through profit or loss.
Off-Balance sheet exposures to customers comprise guarantees given, irrevocable commitments, derivatives regardless of each transaction's classification category and the revocable commitments to disburse funds.

Part E - Information on risks and related hedging policies

A.1.7a Other loans and advances guaranteed by Covid-19 public guarantee: gross and net value

(€ million)

	AMOUNTS AS AT 31.12.2024											
	GROSS EXPOSURE					OVERALL WRITE-DOWNS						
EXPOSURE TYPES/VALUES		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT IMPAIRED	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)
A. Bad loans	1	-	-	1	-	-	-	-	-	-	1	-
B. Unlikely to pay loans	317	-	-	317	-	56	-	-	56	-	261	-
C. Non-performing past due loans	14	-	-	14	-	1	-	-	1	-	13	-
D. Performing past due loans	184	63	121	-	-	1	-	1	-	-	183	-
E. Other performing exposures loans	8,021	7,219	802	-	-	4	2	3	-	-	8,017	-

For further details refer to the table “A.1.5a Other loans and advances subject to Covid-19 measures: gross and net value”, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Quantitative information.

A.1.8 On-balance sheet exposures with banks: changes in gross non-performing exposures

(€ million)

	CHANGES IN 2024		
SOURCES/CATEGORIES	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST DUE
A. Opening balance (gross amount)	**4**	**-**	**-**
of which sold non-cancelled exposures	-	-	-
B. Increases	**-**	**-**	**-**
B.1 Transfers from performing loans	-	-	-
B.2 Transfers from acquired or originated impaired financial assets	-	-	-
of which: business combinations	-	-	-
B.3 Transfers from other categories of non-perforiming exposures	-	-	-
B.4 Contractual changes with no cancellations	-	-	-
B.5 Other increases	-	-	-
of which: business combinations - mergers	-	-	-
C. Reductions	**-**	**-**	**-**
C.1 Transfers to performing loans	-	-	-
C.2 Write-offs	-	-	-
C.3 Collections	-	-	-
C.4 Sale proceeds	-	-	-
C.5 Losses on disposal	-	-	-
C.6 Transfers to other non-performing exposures	-	-	-
C.7 Contractual changes with no cancellations	-	-	-
C.8 Other decreases	-	-	-
of which: business combinations	-	-	-
D. Closing balance (gross amount)	**4**	**-**	**-**
of which sold non-cancelled exposures	-	-	-

A.1.8bis Regulatory consolidation - On-balance sheet exposures with banks: changes by credit quality in gross forborne exposures

No data to be disclosed.

Part E - Information on risks and related hedging policies

A.1.9 On-balance sheet credit exposures with customers: changes in gross non-performing exposures

(€ million)

SOURCES/CATEGORIES	CHANGES IN 2024		
	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST DUE
A. Opening balance (gross amount)	**1,201**	**3,336**	**475**
of which sold non-cancelled exposures	*12*	*41*	*12*
B. Increases	**1,100**	**1,996**	**408**
B.1 Transfer from performing loans	566	1,383	362
B.2 Transfer from acquired or originated impaired financial assets	-	10	-
of which: business combinations	-	-	-
B.3 Transfer from other non-performing exposures	358	122	4
B.4 Contractual changes with no cancellations	-	1	-
B.5 Other increases	176	480	42
of which: business combinations - mergers	-	-	-
C. Decreases	**1,163**	**2,604**	**453**
C.1 Transfers to performing loans	1	209	86
C.2 Write-offs	117	192	-
C.3 Collections	373	805	192
C.4 Sale proceeds	208	481	-
C.5 Losses on disposals	32	89	-
C.6 Transfers to other non-performing exposures	6	304	174
C.7 Contractual changes with no cancellations	-	1	-
C.8 Other decreases	426	523	1
of which: business combinations	-	-	-
D. Closing balance (gross amount)	**1,138**	**2,728**	**430**
of which sold non-cancelled exposures	*25*	*18*	*20*

A.1.9bis On-balance sheet exposures with customers: changes by credit quality in gross forborne exposures

(€ million)

SOURCES/QUALITY	CHANGES IN 2024	
	FORBORNE EXPOSURES: NON-PERFORMING	FORBORNE EXPOSURES: PERFORMING
A. Opening balance (gross amount)	**2,045**	**4,041**
of which sold non-cancelled exposures	*35*	*7*
B. Increases	**719**	**2,920**
B.1 Transfers from performing non-forborne exposures	49	2,295
B.2 Transfers from performing forbone exposures	383	X
B.3 Transfers from non-performing forborne exposures	X	143
of which: business combinations	*X*	-
B.4 Transfers from non-performing non-forborne exposures	137	
B.5 Other increases	150	482
of which: business combinations - mergers	-	-
C. Reductions	**1,520**	**2,958**
C.1 Transfers to performing non-forborne exposures	X	923
C.2 Transfers to performing forbone exposures	143	X
C.3 Transfers to non-performing forborne exposures	X	383
C.4 Write-offs	124	-
C.5 Collections	376	1,641
C.6 Sale proceeds	424	-
C.7 Losses from disposal	60	-
C.8 Other reductions	393	11
of which: business combinations	-	-
D. Closing balance (gross amount)	**1,244**	**4,003**
of which sold non-cancelled exposures	*8*	*3*

Part E - Information on risks and related hedging policies

A.1.10 On-balance sheet non-performing credit exposures with banks: changes in overall write-downs

(€ million)

	CHANGES IN 2024					
	NON-PERFORMING LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE	
SOURCES/CATEGORIES	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES
A. Opening balance (gross amount)	**4**	**-**	**-**	**-**	**-**	**-**
of which sold non-cancelled exposures	-	-	-	-	-	-
B. Increases	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Write-downs of acquired or originated impaired financial assets	-	X	-	X	-	X
of which: business combinations	-	-	-	-	-	-
B.2 Other write-downs	-	-	-	-	-	-
B.3 Losses on disposal	-	-	-	-	-	-
B.4 Transfers from other categories of non-performing exposures	-	-	-	-	-	-
B.5 Contractual changes with no cancellations	-	X	-	X	-	X
B.6 Other increases	-	-	-	-	-	-
of which: business combinations - mergers	-	-	-	-	-	-
C. Reductions	**-**	**-**	**-**	**-**	**-**	**-**
C.1 Write-backs from valuation	-	-	-	-	-	-
C.2 Write-backs from collections	-	-	-	-	-	-
C.3 Gains from disposals	-	-	-	-	-	-
C.4 Write-offs	-	-	-	-	-	-
C.5 Transfers to other categories of non-performing exposures	-	-	-	-	-	-
C.6 Contractual changes with no cancellations	-	X	-	X	-	X
C.7 Other decreases	-	-	-	-	-	-
of which: business combinations	-	-	-	-	-	-
D. Closing balance (gross amount)	**4**	**-**	**-**	**-**	**-**	**-**
of which sold non-cancelled exposures	-	-	-	-	-	-

Part E - Information on risks and related hedging policies

A.1.11 On-balance sheet non-performing credit exposures with customers: changes in overall write-downs

(€ million)

	CHANGES IN 2024					
	NON-PERFORMING LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE	
SOURCES/CATEGORIES	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES	TOTAL	OF WHICH FORBORNE EXPOSURES
A. Opening balance (gross amount)	**839**	**158**	**1,499**	**818**	**155**	**1**
of which sold non-cancelled exposures	*9*	*1*	*17*	*16*	*2*	*-*
B. Increases	**687**	**77**	**896**	**345**	**102**	**1**
B.1 Write-downs of acquired or originated impaired financial assets	-	X	-	X	-	X
of which: business combinations	-	-	-	-	-	-
B.2 Other write-downs	440	36	536	215	65	1
B.3 Losses on disposal	32	9	89	51	-	-
B.4 Transfers from other categories of non-performing exposures	158	30	35	2	2	-
B.5 Contractual changes with no cancellations	-	X	1	X	-	X
B.6 Other increases	57	2	235	77	35	-
of which: business combinations - mergers	-	-	-	-	-	-
C. Reductions	**762**	**107**	**1,286**	**766**	**126**	**1**
C.1 Write-backs from valuation	106	9	285	136	1	-
C.2 Write-backs from collections	49	4	54	20	33	-
C.3 Gains from disposals	14	6	17	14	-	-
C.4 Write-offs	117	5	192	119	-	-
C.5 Transfers to other categories of non-performing exposures	4	1	141	30	50	1
C.6 Contractual changes with no cancellations	-	X	1	X	-	X
C.7 Other decreases	472	82	596	447	42	-
of which: business combinations	-	-	-	-	-	-
D. Closing balance (gross amount)	**764**	**128**	**1,109**	**397**	**131**	**1**
of which sold non-cancelled exposures	*12*	*1*	*1*	*1*	*1*	*-*

Part E - Information on risks and related hedging policies

A.2 Classification of credit exposure, of loan commitments and financial guarantees given based on internal and external ratings

A.2.1 Breakdown of financial assets, loan commitments and financial guarantees given by external rating classes (gross amounts)

(€ million)

	AMOUNT AS AT 31.12.2024							
	EXTERNAL RATING CLASSES							
EXPOSURES	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6	NO RATING	TOTAL
A. Financial assets at amortised cost								
- Stage 1	9,607	14,001	49,094	1,383	418	-	139,725	214,228
- Stage 2	23	-	133	191	14	-	13,120	13,481
- Stage 3	-	-	-	-	135	-	3,924	4,059
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	10	10
B. Financial assets at fair value through other comprehensive income								
- Stage 1	3,287	8,799	20,910	69	-	-	2,297	35,362
- Stage 2	-	-	-	151	-	-	642	793
- Stage 3	-	-	-	-	-	-	114	114
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-
C. Financial instruments classified as held for sale								
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	11	11
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-
Total (A+B+C)	**12,917**	**22,800**	**70,137**	**1,794**	**567**	**-**	**159,843**	**268,058**
D. Loan commitments and financial guarantees given								
- Stage 1	3,551	3,985	15,244	3,833	479	4	29,007	56,103
- Stage 2	-	1	44	549	70	2	3,017	3,683
- Stage 3	-	-	-	-	-	-	1,119	1,119
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-
Total (D)	**3,551**	**3,986**	**15,288**	**4,382**	**549**	**6**	**33,143**	**60,905**
Total (A+B+C+D)	**16,468**	**26,786**	**85,425**	**6,176**	**1,116**	**6**	**192,986**	**328,963**

The table details on- and off-Balance sheet credits granted to counterparties rated by external rating agencies, which provide brief assessments of the creditworthiness of different classes of borrowers such as Countries, Banks, Public-Sector Entities, Insurance Companies and (usually large) Enterprises.

The table refers to classification of Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments); then it provides, for external ratings, 6 classes of creditworthiness.
Rating agencies utilised to fill the table are: S&Ps and Fitch.

Where more than one rating agency is available, the most prudential rating is assigned.

Concerning the classification of credit exposure, of loan commitments and financial guarantees given based on internal and external ratings in force for the UniCredit Group is made to the paragraph "A.2 Classification of credit exposure based on internal and external ratings", Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Quantitative information, A. Credit quality, which is herewith quoted entirely.

Excluding unrated counterparties and non-performing loans, 95% of the exposure is concentrated on investment grade (from Class 1 to Class 3), referring to best-rated borrowers.

Unrated exposures, i.e. those with no external rating, is about 59% of the portfolio, due to considerable proportion of borrowers were private individuals or SMEs, which are not externally rated.

Part E - Information on risks and related hedging policies

A.2.2 Breakdown of financial assets, loan commitments and financial guarantees given by internal rating classes (gross amounts)

(€ million)

	AMOUNT AS AT 31.12.2024									
	INTERNAL RATING CLASSES									
EXPOSURES	1	2	3	4	5	6	7	8	NO RATING	TOTAL
A. Financial assets at amortised cost										
- Stage 1	17,895	56,851	22,589	28,887	25,351	13,834	4,558	1,449	42,814	214,228
- Stage 2	45	23	318	1,036	2,207	2,037	2,325	3,472	2,018	13,481
- Stage 3	-	-	-	-	-	-	-	-	4,059	4,059
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-	10	10
B. Financial assets at fair value through other comprehensive income										
- Stage 1	12,018	21,448	736	241	-	-	-	-	919	35,362
- Stage 2	-	-	-	99	52	-	-	-	642	793
- Stage 3	-	-	-	-	-	-	-	-	114	114
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-	-	-
C. Financial instruments classified as held for sale										
- Stage 1	-	-	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-	11	11
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-	-	-
Total (A+B+C)	**29,958**	**78,322**	**23,643**	**30,263**	**27,610**	**15,871**	**6,883**	**4,921**	**50,587**	**268,058**
D. Loan commitments and financial guarantees given										
- Stage 1	7,651	12,291	13,323	6,413	3,067	1,918	501	236	10,703	56,103
- Stage 2	-	29	496	923	889	401	273	159	513	3,683
- Stage 3	-	-	-	-	-	-	-	-	1,119	1,119
- Purchased or Originated Credit-Impaired Financial Assets	-	-	-	-	-	-	-	-	-	-
Total (D)	**7,651**	**12,320**	**13,819**	**7,336**	**3,956**	**2,319**	**774**	**395**	**12,335**	**60,905**
Total (A+B+C+D)	**37,609**	**90,642**	**37,462**	**37,599**	**31,566**	**18,190**	**7,657**	**5,316**	**62,922**	**328,963**

The table contains on-Balance and off-Balance sheet exposures grouped according to the counterparties' internal rating.
Ratings are assigned to individual counterparties using internally developed models included in their credit risk management processes.

The internal models validated by the regulators are both "local" and "group-wide" (e.g. for Banks, Multinationals, Countries).

The different rating scales of these models are mapped into a single Group master-scale of 8 classes (illustrated above) based on Probability of Default (PD). The internal models used are only the IRB ones approved for capital requirements calculation.

Excluding unrated counterparties and non-performing loans, "Investment Grade" portfolio (rating classes 1-3) represents 62% of the exposure managed with an internal regulatory rating model.

The exposures referring to counterparties without a specific internal regulatory rating model represent 19% of the overall exposure.

Part E - Information on risks and related hedging policies

A.3 Distribution of secured credit exposures by type of security

A.3.1 Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

	AMOUNT AS AT 31.12.2024					
			COLLATERALS (1)			
	GROSS EXPOSURE	NET EXPOSURE	PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	SECURITIES	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures						
1.1 Totally secured	14,708	14,708	-	-	14,446	-
of which non-performing	-	-	-	-	-	-
1.2 Partially secured	54	54	-	-	-	-
of which non-performing	-	-	-	-	-	-
2. Secured off-balance sheet credit exposures						
2.1 Totally secured	1,258	1,258	-	-	1,226	3
of which non-performing	-	-	-	-	-	-
2.2 Partially secured	233	233	-	-	-	-
of which non-performing	-	-	-	-	-	-

continued: A.3.1 Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

	AMOUNT AS AT 31.12.2024									
	GUARANTEES (2)									
	CREDIT DERIVATIVES					SIGNATURE LOANS (LOANS GUARANTEES)				
		OTHER CREDIT DERIVATIVES								
	CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	TOTAL (1)+(2)
1. Secured on-balance sheet credit exposures										
1.1 Totally secured	-	-	-	-	-	57	7	-	-	**14,510**
of which non-performing	-	-	-	-	-	-	-	-	-	**-**
1.2 Partially secured	-	-	-	-	-	26	26	-	-	**52**
of which non-performing	-	-	-	-	-	-	-	-	-	**-**
2. Secured off-balance sheet credit exposures										
2.1 Totally secured	-	-	-	-	-	-	6	1	21	**1,257**
of which non-performing	-	-	-	-	-	-	-	-	-	**-**
2.2 Partially secured	-	-	-	-	-	9	13	-	132	**154**
of which non-performing	-	-	-	-	-	-	-	-	-	**-**

A.3.2 Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

	AMOUNT AS AT 31.12.2024					
			COLLATERALS (1)			
	GROSS EXPOSURE	NET EXPOSURE	PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	SECURITIES	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures						
1.1 Totally secured	87,667	85,772	47,955	-	14,393	3,888
of which non-performing	*2,283*	*1,341*	*751*	-	*1*	*47*
1.2 Partially secured	15,751	15,439	3	-	347	291
of which non-performing	*509*	*344*	-	-	*5*	*1*
2. Secured off-balance sheet credit exposures						
2.1 Totally secured	27,954	27,876	1,700	-	8,092	314
of which non-performing	*403*	*353*	*15*	-	*3*	*11*
2.2 Partially secured	4,060	4,015	1	-	217	90
of which non-performing	*190*	*149*	-	-	*24*	*1*

Part E - Information on risks and related hedging policies

continued: A.3.2 Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

	AMOUNT AS AT 31.12.2024									
	GUARANTEES (2)									
	CREDIT DERIVATIVES					SIGNATURE LOANS (LOANS GUARANTEES)				
		OTHER CREDIT DERIVATIVES								
	CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	TOTAL (1)+(2)
1. Secured on-balance sheet credit exposures										
1.1 Totally secured	-	-	-	-	-	8,237	53	683	10,299	**85,508**
of which non-performing	-	-	-	-	-	*293*	-	*10*	*225*	***1,327***
1.2 Partially secured	-	-	-	-	-	5,607	150	69	4,241	**10,708**
of which non-performing	-	-	-	-	-	*134*	*1*	*2*	*139*	***282***
2. Secured off-balance sheet credit exposures										
2.1 Totally secured	-	-	-	-	-	2,519	123	964	14,119	**27,831**
of which non-performing	-	-	-	-	-	*87*	*20*	*42*	*174*	***352***
2.2 Partially secured	-	-	-	-	-	753	32	288	1,304	**2,685**
of which non-performing	-	-	-	-	-	*4*	*4*	*3*	*34*	***70***

A.4 Financial and non-financial assets obtained by taking possession of collaterals

(€ million)

	CANCELLED CREDIT EXPOSURE	GROSS AMOUNT	OVERALL WRITE-DOWNS	CARRYING VALUE	
					OF WHICH OBTAINED DURING THE YEAR
A. Property, plant and equipment	**-**	**-**	**-**	**-**	**-**
A.1 Used in business	-	-	-	-	-
A.2 Held for investment	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Equity instruments and debt securities	**157**	**72**	**49**	**23**	**-**
C. Other assets	**-**	**-**	**-**	**-**	**-**
D. Non-current assets and disposal groups classified as held for sale	**-**	**-**	**-**	**-**	**-**
D.1 Property, plant and equipment	-	-	-	-	-
D.2 Other assets	-	-	-	-	-
Total 31.12.2024	**157**	**72**	**49**	**23**	**-**
Total 31.12.2023	**168**	**115**	**50**	**65**	**-**

Part E - Information on risks and related hedging policies

B. Distribution and concentration of credit exposures

B.1 Distribution by segment of on-balance and off-balance sheet credit exposures with customers

(€ million)

EXPOSURES/COUNTERPARTIES	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES		FINANCIAL COMPANIES		FINANCIAL COMPANIES (OF WHICH INSURANCE COMPANIES)		NON-FINANCIAL COMPANIES		HOUSEHOLDS	
	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	-	-	-	2	-	-	269	534	105	228
of which: forborne exposures	-	-	-	-	-	-	*30*	*104*	*12*	*24*
A.2 Unlikely to pay	142	10	51	136	-	-	905	784	521	179
of which: forborne exposures	*7*	*6*	-	*1*	-	-	*379*	*299*	*287*	*91*
A.3 Non-performing past-due	1	1	-	4	-	-	44	17	254	109
of which: forborne exposures	-	-	-	-	-	-	*1*	-	*2*	*1*
A.4 Performing exposures	64,699	29	41,183	133	279	-	61,832	891	56,369	641
of which: forborne exposures	*13*	-	*484*	*58*	-	-	*2,887*	*203*	*303*	*55*
Total (A)	**64,842**	**40**	**41,234**	**275**	**279**	**-**	**63,050**	**2,226**	**57,249**	**1,157**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	86	4	2	-	-	-	1,416	294	23	1
B.2 Performing exsposures	3,066	1	33,742	7	6,630	-	105,123	109	4,257	1
Total (B)	**3,152**	**5**	**33,744**	**7**	**6,630**	**-**	**106,539**	**403**	**4,280**	**2**
Total (A+B) 31.12.2024	**67,994**	**45**	**74,978**	**282**	**6,909**	**-**	**169,589**	**2,629**	**61,529**	**1,159**
Total (A+B) 31.12.2023	**71,391**	**73**	**88,170**	**301**	**5,987**	**-**	**171,516**	**3,070**	**65,183**	**1,407**

B.2 Distribution of on-balance and off-balance sheet credit exposures with customers by geographic area

(€ million)

EXPOSURES/GEOGRAPHIC AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	371	757	1	2	2	3	-	2	-	-
A.2 Unlikely to pay	1,387	1,017	94	89	1	3	2	-	135	-
A.3 Non-performing past-due	298	131	1	-	-	-	-	-	-	-
A.4 Performing exposures	189,375	1,550	19,796	133	5,889	4	6,391	4	2,632	3
Total (A)	**191,431**	**3,455**	**19,892**	**224**	**5,892**	**10**	**6,393**	**6**	**2,767**	**3**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	1,425	299	16	-	5	-	-	-	80	-
B.2 Performing exposures	132,901	99	9,821	17	2,963	1	315	-	189	-
Total (B)	**134,326**	**398**	**9,837**	**17**	**2,968**	**1**	**315**	**-**	**269**	**-**
Total (A+B) 31.12.2024	**325,757**	**3,853**	**29,729**	**241**	**8,860**	**11**	**6,708**	**6**	**3,036**	**3**
Total (A+B) 31.12.2023	**352,013**	**4,215**	**24,879**	**609**	**8,753**	**11**	**8,837**	**10**	**1,778**	**5**

Part E - Information on risks and related hedging policies

B.2 Distribution of on-balance and off-balance sheet credit exposures with customers by geographic area - Italy

(€ million)

	NORTH-WEST ITALY		NORTH-EAST ITALY		CENTRAL ITALY		SOUTH ITALY AND ISLANDS	
EXPOSURES/GEOGRAPHIC AREAS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures								
A.1 Bad exposures	73	178	74	130	107	212	117	237
A.2 Unlikely to pay	389	345	340	224	371	235	287	213
A.3 Non-performing past-due	78	37	66	29	61	26	93	39
A.4 Performing exposures	60,231	608	29,327	358	78,718	316	21,099	268
Total (A)	**60,771**	**1,168**	**29,807**	**741**	**79,257**	**789**	**21,596**	**757**
B. Off-balance sheet credit exposures								
B.1 Non-performing exposures	516	89	563	100	259	94	86	16
B.2 Performing exposures	53,559	51	27,300	26	42,872	12	9,171	9
Total (B)	**54,075**	**140**	**27,863**	**126**	**43,131**	**106**	**9,257**	**25**
Total (A+B) 31.12.2024	**114,846**	**1,308**	**57,670**	**867**	**122,388**	**895**	**30,853**	**782**
Total (A+B) 31.12.2023	**123,629**	**1,362**	**61,804**	**884**	**135,093**	**1,061**	**31,487**	**907**

B.3 Distribution of on-balance and off-balance sheet credit exposures with banks by geographic area

(€ million)

	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
EXPOSURES/GEOGRAPHIC AREAS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	-	-	-	-	-	4	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
A.3 Non-performing past-due	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	18,715	14	31,767	11	2,048	-	2,533	-	845	-
Total (A)	**18,715**	**14**	**31,767**	**11**	**2,048**	**4**	**2,533**	**-**	**845**	**-**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	3,974	3	45,891	10	757	-	3,118	-	1,208	1
Total (B)	**3,974**	**3**	**45,891**	**10**	**757**	**-**	**3,118**	**-**	**1,208**	**1**
Total (A+B) 31.12.2024	**22,689**	**17**	**77,658**	**21**	**2,805**	**4**	**5,651**	**-**	**2,053**	**1**
Total (A+B) 31.12.2023	**22,307**	**13**	**49,266**	**35**	**2,260**	**4**	**6,352**	**4**	**1,767**	**-**

B.3 Distribution of on-balance and off-balance sheet credit exposures with banks by geographic area - Italy

(€ million)

	NORTH-WEST ITALY		NORTH-EAST ITALY		CENTRAL ITALY		SOUTH ITALY AND ISLANDS	
EXPOSURES/GEOGRAPHIC AREAS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures								
A.1 Bad exposures	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-
A.3 Non-performing past-due	-	-	-	-	-	-	-	-
A.4 Performing exposures	4,289	13	1,749	-	12,677	1	-	-
Total (A)	**4,289**	**13**	**1,749**	**-**	**12,677**	**1**	**-**	**-**
B. Off-balance sheet credit exposures								
B.1 Non-performing exposures	-	-	-	-	-	-	-	-
B.2 Performing exposures	3,628	3	229	-	115	-	3	-
Total (B)	**3,628**	**3**	**229**	**-**	**115**	**-**	**3**	**-**
Total (A+B) 31.12.2024	**7,917**	**16**	**1,978**	**-**	**12,792**	**1**	**3**	**-**
Total (A+B) 31.12.2023	**8,680**	**13**	**2,385**	**-**	**11,242**	**-**	**-**	**-**

Part E - Information on risks and related hedging policies

B.4 Large exposures

	31.12.2024
a) Amount book value (€ million)	240,870
b) Amount weighted value (€ million)	24,575
c) Number	8

According to Art.4.1 39 of Regulation (EU) No.575/2013 (CRR), in case of exposures towards a group of connected clients formed by a Central Government and other groups of connected clients, such exposure towards the Central Government is reported for each group of connected clients when remitting regulatory reporting; despite the abovementioned regulatory approach, both the amounts shown in letter a), b), and the number in letter c) in the table above disclose only once the exposure towards the Central Government. It should be noted that deferred tax assets towards Central Government were considered as fully exempted and, consequently, the weighted amount reported is null. Carrying and weighted amounts also include the indirect exposures towards the issuers of securities used as collateral under reverse repurchase agreement transactions included in master netting agreements, in compliance to EBA Q&A n.5496.

Part E - Information on risks and related hedging policies

C. Securitisation transactions

Qualitative information

In 2024 UniCredit S.p.A. carried out 7 new transactions, of which 6 synthetic and 1 traditional one:
- Leopard - traditional;
- A.R.T.S. Corporate 2024 - synthetic;
- A.R.T.S. Large Corporate 2024 - synthetic;
- A.R.T.S. ReMo 2024 - synthetic;
- TC Italia - synthetic;
- TC Italia 2 - synthetic;
- TC MiniBond 2023 - synthetic.

Details of the transactions, traditional and synthetic, are set out in the tables enclosed in the "Annexes" to the Consolidated financial statements, including also those carried out in previous financial years.

It should also be noted that "self-securitisations" and transactions in warehousing phase are not included in the quantitative tables of this paragraph (C. Securitisation transactions), as required by regulations.

Part of the portfolio are:
- own securitisation transactions, both traditional and synthetic, including also those traditional carried out by the Banks absorbed by UniCredit S.p.A. in previous years, for a book value of €14,246 million as at 31 December 2024;
- securities arising out of securitisation transactions carried out by other companies belonging to the UniCredit group, for a book value of €211 million as at 31 December 2024;
- other third-party securitisation exposures, for a book value of €72 million as at 31 December 2024.

Quantitative information

C.1 - Exposure from the main "in-house" securitisation transactions broken down by type of securitised asset and by type of exposure

(€ million)

	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**1,218**	**-**	**30**	**-**	**8**	**-**
A.1 - Residential mortgages	449	-	-	-	-	-
A.2 - Loans to corporates	270	-	9	-	-	-
A.3 - Loans to SME	499	-	21	-	8	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
B.1 - Loans to SME	-	-	-	-	-	-
C. Not-derecognised	**12,759**	**-**	**1**	**-**	**230**	**-**
C.1 - Residential mortgages	4,824	-	-	-	201	-
C.2 - Loans to corporates	7,037	-	-	-	-	-
C.3 - Loans to SME	849	-	1	-	7	-
C.4 - Consumer loans	49	-	-	-	22	-

Possible write-downs and write-backs, including depreciations and revaluations posted on the Income statement or to reserves, refer to financial year 2024 only.

Part E - Information on risks and related hedging policies

continued C.1 - Exposure from the main "in-house" securitisation transactions broken down by type of securitised asset and by type of exposure

TYPE OF SECURITISED ASSETS/EXPOSURE	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**-**	**-**	**-**	**-**	**-**	**-**
A.1 - Residential mortgages	-	-	-	-	-	-
A.2 - Loans to corporates	-	-	-	-	-	-
A.3 - Loans to SME	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
B.1 - Loans to SME	-	-	-	-	-	-
C. Not-derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C.1 - Residential mortgages	-	-	-	-	-	-
C.2 - Loans to corporates	-	-	-	-	-	-
C.3 - Loans to SME	-	-	-	-	-	-
C.4 - Consumer loans	-	-	-	-	-	-

continued C.1 - Exposure from the main "in-house" securitisation transactions broken down by type of securitised asset and by type of exposure

TYPE OF SECURITISED ASSETS/EXPOSURE	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**-**	**-**	**-**	**-**	**-**	**-**
A.1 - Residential mortgages	-	-	-	-	-	-
A.2 - Loans to corporates	-	-	-	-	-	-
A.3 - Loans to SME	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
B.1 - Loans to SME	-	-	-	-	-	-
C. Not-derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C.1 - Residential mortgages	-	-	-	-	-	-
C.2 - Loans to corporates	-	-	-	-	-	-
C.3 - Loans to SME	-	-	-	-	-	-
C.4 - Consumer loans	-	-	-	-	-	-

C.2 - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure

(€ million)

TYPE OF SECURITISED ASSETS/EXPOSURE	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
- Loans to corporates	57	-	-	-	-	-
- Loans to SME	3	-	-	-	10	-
- Leasing	211	-	-	-	-	-
- Other retail exposures	-	-	-	-	2	-

Possible write-downs and write-backs, including depreciations and revaluations posted on the Income statement or to reserves, refer to financial year 2024 only.

Part E - Information on risks and related hedging policies

continued C.2 - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure

	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
- Loans to corporates	-	-	-	-	-	-
- Loans to PMI	-	-	-	-	-	-
- Leasing	-	-	-	-	-	-
- Other retail exposures	-	-	-	-	-	-

continued C.2 - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure

	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS/EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
- Loans to corporates	-	-	-	-	-	-
- Loans to SME	-	-	-	-	-	-
- Leasing	-	-	-	-	-	-
- Other retail exposures	-	-	-	-	-	-

C.3 SPVs for securitisations

(€ million)

			ASSETS			LIABILITIES		
NAME OF SECURITISATION/NAME OF VEHICLE	COUNTRY OF INCORPORATION	CONSOLIDATION	LOANS AND RECEIVABLES	DEBT SECURITIES	OTHERS	SENIOR	MEZZANINE	JUNIOR
ARTS Consumer	VIALE DELL'AGRICOLTURA 7, 37135 VERONA	Y	347	-	65	216	179	17
ARTS Consumer 2023	VIALE DELL'AGRICOLTURA 7, 37135 VERONA	Y	601	-	91	500	181	10
Capital Mortgage S.r.l. - CAPITAL MORTGAGE 2007 - 1	Piazzetta Monte 1 - 37121 Verona	Y	248	-	62	132	74	55
F-E Mortgages S.r.l. - 2005	Piazzetta Monte 1 - 37121 Verona	Y	66	-	11	-	16	32
ALTEA SPV S.R.L.	VIA VALTELLINA,15/17, 20159 MILANO	N	357	-	64	249	86	22
ARCOBALENO FINANCE SRL	FORO BUONAPARTE,70 20121 MILANO	N	10	-	2	-	-	18
ARTS LARGE CORPORATE S.R.L.	VIA VITTORIO ALFIERI 1, 31015 CONEGLIANO (TV)	N	241	-	65	267	-	29
CREDIARC SPV SRL	FORO BUONAPARTE,70 20121 MILANO	N	6	-		-	-	22
FINO 1 SECURITISATION SRL	VIALE LUIGI MAJNO 45, 20122 MILANO	N	95	-	36	-	-	1
FINO 2 SECURITISATION SRL	VIALE LUIGI MAJNO 45, 20122 MILANO	N	72	-	383	180	201	40
ITACA SPV S.R.L.	VIA VITTORIO ALFIERI 1, 31015 CONEGLIANO (TV)	N	711	-	43	30	24	6
KREOS SPV S.R.L.	VIA VALTELLINA 15/17, 20159 MILANO	N	108	-	4	85	25	3
OLYMPIA SPV S.R.L.	VIA VITTORIO ALFIERI 1, 31015 Conegliano	N	92	-	100	109	26	3
ONIF FINANCE SRL	VIA ALESSANDRO PESTALOZZA 12/14, 20131 MILANO	N	119	-	9	-	-	84
Pillarstone Italy SPV S.r.l. - Premuda	Via Pietro Mascagni 14, 20122 MILANO	N	29	-	2	1	180	92
Pillarstone Italy SPV S.r.l. - Rainbow	Via Pietro Mascagni 14, 20122 MILANO	N	46	-	0	26	26	106
PRISMA SPV S.R.L.	VIA MARIO CARUCCI 131, Roma	N	218	-	425	475	80	30
Sestante Finance S.r.l.	Via Borromei, 5 - 20123 Milano	N	86	-	-	45	90	9
Tahiti SPV S.r.l.	PZA GEN.ARMANDO DIAZ 5, 20123 MILANO	N	23	-	2	19	5	1

C.4 Special Purpose Vehicles for securitisation not subject to consolidation

Refer to the corresponding paragraph “C.4 Regulatory consolidation - Special Purpose Vehicles for securitisation not subject to consolidation”, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Quantitative information, C. Securitisation transactions, Quantitative information.

C.5 Servicer activities - “In house” securitisations - Collections of securitised loans and redemptions of securities issued by the special purpose vehicle for securitisation

As at 31 December 2024, the Bank does not perform any servicer activity in its “in house” securitisations in which the assets sold were derecognised from the Balance sheet under IFRS9.

Part E - Information on risks and related hedging policies

D. Information on structured entities not consolidated for accounting purposes (other than vehicles for securitisation transactions)

Refer to the corresponding paragraph "B.2 Non-consolidated for accounting purposes structured entities" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 1 - Risks of the accounting consolidated perimeter, Quantitative information, B. Structured entities (other than entities for securitisation transaction).

E. Sales transaction

A. Financial assets sold and not fully derecognised

Quantitative information

Any exposures that, at the reference date, are booked under item "110. Non-current assets and disposal groups classified as held for sale", in the tables below are shown in correspondence of the original accounting portfolio.

E.1 Financial assets sold and fully recognised and associated financial liabilities: book value

(€ million)

	FINANCIAL ASSETS SOLD AND FULLY RECOGNISED				ASSOCIATED FINANCIAL LIABILITIES		
	BOOK VALUE	OF WHICH: SUBJECT TO SECURITISATION TRANSACTION	OF WHICH: SUBJECT TO SALE AGREEMENT WITH REPURCHASE OBLIGATION	OF WHICH NON-PERFORMING	BOOK VALUE	OF WHICH: SUBJECT TO SECURITISATION TRANSACTION	OF WHICH: SUBJECT TO SALE AGREEMENT WITH REPURCHASE OBLIGATION
A. Financial assets held for trading	**1,255**	**-**	**1,255**	**X**	**1,329**	**-**	**1,329**
1. Debt securities	1,255	-	1,255	X	1,329	-	1,329
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivative instruments	-	-	-	X	-	-	-
B. Other financial assets mandatorily at fair value	**52**	**-**	**52**	**-**	**55**	**-**	**55**
1. Debt securities	52	-	52	-	55	-	55
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**20**	**-**	**20**	**-**	**21**	**-**	**21**
1. Debt securities	20	-	20	-	21	-	21
2. Loans	-	-	-	-	-	-	-
D. Financial assets at fair value through other comprehensive income	**12,563**	**-**	**12,563**	**-**	**13,309**	**-**	**13,309**
1. Debt securities	12,563	-	12,563	-	13,309	-	13,309
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets at amortised cost	**15,069**	**1,261**	**13,808**	**50**	**15,672**	**1,044**	**14,628**
1. Debt securities	13,808	-	13,808	-	14,628	-	14,628
2. Loans	1,261	1,261	-	50	1,044	1,044	-
Total 31.12.2024	**28,959**	**1,261**	**27,698**	**50**	**30,386**	**1,044**	**29,342**
Total 31.12.2023	**28,885**	**4,811**	**24,074**	**49**	**24,587**	**1,461**	**23,126**

Part E - Information on risks and related hedging policies

E.2 Financial assets sold and partially recognised and associated financial liabilities: book value

(€ million)

	ORIGINAL GROSS VALUE OF ASSETS BEFORE SALE	BOOK VALUE OF ASSETS STILL PARTIALLY RECOGNISED	OF WHICH NON-PERFORMING	BOOK VALUE OF ASSOCIATED FINANCIAL LIABILITIES
A. Financial assets held for trading	**-**	**-**	**X**	**-**
1. Debt securities	-	-	X	-
2. Equity instruments	-	-	X	-
3. Loans	-	-	X	-
4. Derivative instruments	-	-	X	-
B. Other financial assets mandatory at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	X	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	X	-
3. Loans	-	-	-	-
E. Financial assets at amortised cost	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
Total 31.12.2024	**-**	**-**	**-**	**-**
Total 31.12.2023	**60**	**14**	**14**	**1**

E.3 Sale transactions relating to financial liabilities with repayment exclusively based on assets sold and not fully derecognised: fair value

(€ million)

	FULLY RECOGNISED	PARTIALLY RECOGNISED	TOTAL	
			31.12.2024	31.12.2023
A. Financial assets held for trading	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
4. Derivative instruments	-	-	-	-
B. Other financial assets mandatorily at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets at amortised cost (fair value)	**1,231**	**-**	**1,231**	4,811
1. Debt securities	-	-	-	**-**
2. Loans	1,231	-	1,231	4,811
Total associated financial assets	**1,231**	**-**	**1,231**	**4,811**
Total associated financial liabilities	**1,044**	**-**	**X**	**X**
Total net amount 31.12.2024	**187**	**-**	**187**	**X**
Total net amount 31.12.2023	**3,372**	**13**	**X**	**3,385**

Part E - Information on risks and related hedging policies

B. Financial assets sold and fully derecognised with recognition of continuing involvement

Qualitative and quantitative information
At the end of the year there were no disposals of financial assets that had been fully derecognised, which required the recognition of continuing involvement.

C. Financial assets sold and fully derecognised

Quantitative information
As at 31 December 2024, the Bank holds asset-backed securities and units in investment funds acquired following the sale of financial assets fully derecognised, carried out in 2024 and in previous years.
These transactions involved the sale of financial assets, mainly consisting of loans non-performing, by the Bank to securitisation vehicles or investment funds and their derecognition from the financial statements pursuant to IFRS9, following the assessment that the Bank originator itself has substantially transferred the risks and benefits of the assets sold and at the same time has not maintained any control over the same assets. Instead of these derecognised assets, the asset-backed securities or the units in investment funds received in the same transactions were recognised among the financial assets.
For further information on each transaction carried out in the 2024 and also in the previous years, with specific regard to UniCredit S.p.A. as Originator, refer to the two annexes “Annex 3 - Securitisations - qualitative tables” and “Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds - qualitative tables” of Consolidated financial statements of UniCredit group, which are herewith quoted entirely.

C. Financial assets sold and fully derecognised

(€ million)

	ORIGINAL BOOK VALUE OF ASSETS BEFORE SALE	OF WHICH NON-PERFORMING	BOOK VALUE OF THE BALANCE-SHEET EXPOSURE ACQUIRED
A. Financial assets held for trading	**-**	**X**	**-**
1. Debt securities	-	X	-
2. Equity instruments	-	X	-
3. Loans	-	X	-
4. Derivative instruments	-	X	-
B. Other financial assets mandatorily at fair value	**3**	**3**	**1**
1. Debt securities	-	-	-
2. Equity instruments	-	X	-
3. Loans	3	3	1
C. Financial assets designated at fair value	**-**	**-**	**-**
1. Debt securities	-	-	-
2. Loans	-	-	-
D. Financial assets at fair value through other comprehensive income	**-**	**-**	**-**
1. Debt securities	-	-	-
2. Equity instruments	-	X	-
3. Loans	-	-	-
E. Financial assets at amortised cost	**440**	**440**	**346**
1. Debt securities	-	-	-
2. Loans	440	440	346
Total 31.12.2024	**443**	**443**	**347**

The asset-backed securities acquired during the year by such transactions, amounting to €86 million, are classified in the Financial assets at amortised cost and in those mandatorily at fair value, while the units in investment Funds underwritten, amounting to €261 million, are classified in the Financial assets mandatorily at fair value portfolio.

D. Covered bond transaction
Reference is made to the paragraph “D. Covered bond transactions” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.1 Credit Risk, Quantitative information, D. Sales transactions, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

Information on Sovereign exposures

With reference to the UniCredit S.p.A. sovereign exposures[115], the book value of sovereign debt securities as at 31 December 2024 amounted to €60,032 million, of which 94% concentrated in eight countries; Italy, with €37,382 million, represents over 62% of the total. For each of the eight countries, the following table shows the book value and the fair value of the exposures broken down by portfolio as at 31 December 2024.

115 Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies. To the purpose of this risk exposure are not included:
- Sovereign exposures and Group's Legal entities classified as held for sale as at 31 December 2024;
- ABSs.

Part E - Information on risks and related hedging policies

Breakdown of sovereign debt securities by country and portfolio

(€ million)

COUNTRY/PORTFOLIO	AMOUNTS AS AT 31.12.2024 BOOK VALUE	FAIR VALUE
- Italy	**37,382**	**37,463**
financial assets/liabilities held for trading (net exposures*)	34	34
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	53	53
financial assets at fair value through other comprehensive income	18,648	18,648
financial assets at amortised cost	18,647	18,728
- Spain	**7,428**	**7,419**
financial assets/liabilities held for trading (net exposures*)	109	109
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	2,683	2,683
financial assets at amortised cost	4,636	4,627
- Japan	**4,381**	**4,381**
financial assets/liabilities held for trading (net exposures*)	-	-
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	4,381	4,381
financial assets at amortised cost	-	-
- U.S.A.	**3,844**	**3,877**
financial assets/liabilities held for trading (net exposures*)	-	-
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	1,707	1,707
financial assets at amortised cost	2,137	2,170
- France	**1,527**	**1,527**
financial assets/liabilities held for trading (net exposures*)	232	232
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	1,295	1,295
financial assets at amortised cost	-	-
- Portugal	**802**	**800**
financial assets/liabilities held for trading (net exposures*)	-	-
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	-	-
financial assets at amortised cost	802	800
- Slovakia	**627**	**620**
financial assets/liabilities held for trading (net exposures*)	1	1
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	169	169
financial assets at amortised cost	457	450
- Ireland	**524**	**524**
financial assets/liabilities held for trading (net exposures*)	-	-
financial assets designated at fair value	-	-
financial assets mandatorily at fair value	-	-
financial assets at fair value through other comprehensive income	-	-
financial assets at amortised cost	524	524
Total on-balance sheet exposures	**56,515**	**56,611**

With respect to these exposures, as at 31 December 2024 there were no indications that default have occurred.

Part E - Information on risks and related hedging policies

The table below shows the classification of bonds belonging to the banking book and their percentage proportion of the total of the portfolio under which they are classified:

Breakdown of sovereign debt securities by portfolio

	AMOUNTS AS AT 31.12.2024				
	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	FINANCIAL ASSETS MANDATORILY AT FAIR VALUE	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL ASSETS AT AMORTISED COST	TOTAL
Book value (€ million)	132	57	29,994	28,888	59,071
% Portfolio	100.00%	0.92%	75.34%	12.66%	21.53%

In addition to the exposures to Sovereign debt securities, loans given to central and local governments and governmental bodies must be taken into account.
The table below shows the total amount of the loans as at 31 December 2024:

Breakdown of sovereign loans by country

(€ million)

	AMOUNTS AS AT 31.12.2024
COUNTRY	BOOK VALUE
- Italy	**2,280**
- Qatar	745
- Egypt	230
- Kenya	135
- Angola	67
- Dominican Republic	27
- Senegal	1
Total on-balance sheet exposures	3,485

It should also be noted that, as at 31 December 2024, there are in addition also loans to Supranational Organisations amounting to €70 million booked in financial assets at amortised cost.

Other transaction

With reference to the indications of Banca d'Italia/Consob/IVASS document No.6 of 8 March 2013 - Booking of "long-term structured repos" - instructions, there are no transactions of this kind to report.

Part E - Information on risks and related hedging policies

Information on trading book derivative instruments with customers

The business model governing OTC derivatives trading with customers provides for the centralisation of market risk in Group Client Risk Management, while credit risk is assumed by the Group company which, under the divisional or geographical segmentation model, manages the relevant customer's account.

The Group's operational model provides for customer trading derivatives business to be carried on, as part of each subsidiary's operational independence:

- by the commercial banks and divisions that close transactions in OTC derivatives in order to provide non-institutional clients with products to manage currency, interest-rate and price risks. Under these transactions, the commercial banks transfer their market risks to the Group Client Risk management by means of equal and opposite contracts, retaining only the relevant counterparty risk. The commercial banks also place or collect orders on behalf of others for investment products with embedded derivatives (e.g. structured bonds);
- by CE and EE Banks, which transact business directly with their customers (and possibly manage market risk associated with specific products and/or risk factors).

UniCredit group trades OTC derivatives on a wide range of underlying, e.g. interest rates, currency rates, share prices and indexes, commodities (precious metals, base metals, petroleum and energy materials) and credit rights.

OTC derivatives offer considerable scope for personalisation: new payoff profiles can be constructed by combining several OTC derivatives (for example, a plain vanilla IRS with one or more plain vanilla or exotic options). The risk and the complexity of the structures obtained in this manner depend on the respective characteristics of the components (reference parameters and indexation mechanisms) and the way in which they are combined.

Credit and market risk arising from OTC derivatives business is controlled by the Chief Risk Officer competence line (CRO) in the Parent and/or in the Division or subsidiary involved. This control is carried out by means of guidelines and policies covering risk management, measurement and controls in terms of principles, rules and processes, as well as by setting VaR limits.

The business with non-institutional clients does not (usually) entail the use of margin calls, whereas with institutional counterparties recourse may be made to 'credit-risk mitigation' (CRM) techniques, by using netting and/or collateral agreements.

Write-downs and write-backs of derivatives to take account of counterparty risk are determined in line with the procedure used to assess other credit exposure, specifically:

- performing exposure to customers are mapped by deriving EAD (Exposure at Default) with simulation techniques that take into account the Wrong-Way Risk and measured with PD (Probability of Default) and LGD (Loss Given Default) implied by current market default rates obtained from credit & loan-credit default swaps, in order to obtain a value in terms of 'expected loss' (EL) to be used for items designated and measured at fair value maximising the usage of market's inputs;
- non-performing positions are valued in terms of estimated expected future cash flows according to specific indications of impairment (which are the basis for the calculation of the amount and timing of the cash flow).

Here follows the breakdown of balance-sheet asset item "20. Financial assets at fair value through profit or loss: a) financial assets held for trading" and of balance-sheet liability item "20. Financial liabilities held for trading".
For the purpose of the distinction between customers and banking counterparties, the definition contained in Circular 262 of 22 December 2005 of Banca d'Italia and subsequent amendments (which was used for the preparation of the accounts) was used as a reference.
Structured products were defined as derivative contracts that incorporate in the same instrument forms of contracts that generate exposure to several types of risk (with the exception of cross-currency swaps) and/or leverage effects.

The balance of item "20. Financial assets at fair value through profit or loss: a) financial assets held for trading" with regard to derivative contracts totaled €42,980 million (with a notional value of €3,587,771 million) including €2,559 million with customers. The notional value of derivatives with customers amounted to €1,545,027 million. The notional value of derivatives with banking counterparties totaled €2,042,744 million (fair value of €40,421 million).
The balance of item "20. Financial liabilities held for trading" with regard to derivative contracts totaled €35,834 million (with a notional value of €3,436,110 million) including €2,161 million with customers. The notional value of derivatives with customers amounted to €1,521,901 million. The notional value of derivatives with banking counterparties totaled €1,923,208 million (fair value of €33,673 million).

Part E - Information on risks and related hedging policies

F. Credit risk measurement models

At 31 December 2024 the expected loss on the credit risk perimeter was 0.57% of total Bank credit exposure. This trend is mitigated by the exposures which have migrated to default and therefore do not enter in the calculation of expected loss and improvement PD and LGD dynamics. Besides, since risk measurement systems tend to be anti-cyclical, this may result in a smaller elasticity to the swift changes of the macroeconomic scenario.

The ratio between credit economic capital (including a component to cover migration risk) and its relative credit exposure amount is 3.01% with reference date end of December 2024.

As far as quantitative information of the Group, reference is made to the paragraph “E. Prudential perimeter - Credit risk measurement models” del Consolidated financial statements, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Quantitative information.

Section 2 - Market risks

Reference is made to the paragraph “2.2 Market risk” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, which is herewith quoted entirely.

Below, end of year VaR, SVaR and IRC results of UniCredit S.p.A.

Daily VaR on Regulatory Trading book

(€ million)

		2024			2023
	12.27.2024	AVERAGE	MAX	MIN	AVERAGE
UniCredit S.p.A.	4.2	5.6	20.8	2.8	4.0

SVaR on Regulatory Trading book

(€ million)

		2024			2023
	12.27.2024	AVERAGE	MAX	MIN	AVERAGE
UniCredit S.p.A.	11.2	10.1	37.1	2.1	7.2

IRC on Regulatory Trading book

(€ million)

		2024			2023
	12.27.2024	AVERAGE	MAX	MIN	AVERAGE
UniCredit S.p.A.	10.5	23.6	78.4	0.8	56.1

Part E - Information on risks and related hedging policies

2.1 Interest rate risk and price risk - Regulatory trading book

Qualitative information

Interest rate risk

A. General aspects
Reference is made to the paragraph “A. General aspects” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.1 Interest rate risk and price risk - Regulatory trading book, Qualitative information, Interest rate risk, which is herewith quoted entirely.

B. Operational processes and methods for measuring interest rate risk and price risk
Reference is made to the paragraph “B. Risk management process and measurement methods” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.1 Interest rate risk and price risk - Regulatory trading book, Qualitative information, Interest rate risk, which is herewith quoted entirely.

Price risk

A. General aspects
Reference is made to the paragraph “A. General aspects” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.1 Interest rate risk and price risk - Regulatory trading book, Qualitative information, Price risk, which is herewith quoted entirely.

B. Operational processes and methods for measuring interest rate risk and price risk
Reference is made to the paragraph “B. Risk management process and measurement methods” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.1 Interest rate risk and price risk - Regulatory trading book, Qualitative information, Price risk, which is herewith quoted entirely.

Quantitative information

1. Regulatory trading portfolio: distribution by residual duration (re-pricing date) of financial assets and liabilities for cash and financial derivatives
The table is not reported since a table showing interest rate sensitivity is described below, in accordance with internal model.

2. Regulatory trading portfolio: distribution of equity exposures and equity indices for the main listing countries
The table is not reported since a table showing price risk sensitivity is described below, in accordance with internal model.

3. Regulatory trading portfolio: internal models and other methods for sensitivity analysis
For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyse exposure, also refer to the introduction on internal models of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.2 Market risk, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

Interest rate risk
Reference is made to the paragraph “Interest rate risk” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.1 Interest rate risk and price risk - Regulatory trading book, Quantitative information, which is herewith quoted entirely.

The tables below show trading book sensitivities.

(€ million)

INTEREST RATES	+1BP LESS THAN 1 MONTH	+1BP 1 MONTH TO 6 MONTHS	+1BP 6 MONTHS TO 1 YEAR	+1BP 1 YEAR TO 5 YEARS	+1BP 5 YEARS TO 10 YEARS	+1BP 10 YEARS TO 20 YEARS	+1BP OVER 20 YEARS	+1 BP TOTAL	-10 BP	+10 BP	-100 PB	+100 BP	CW	CCW
Total	**-0.1**	**0.9**	**-0.1**	**-0.2**	**0.2**	**-0.3**	**0.1**	**0.6**	**-6.5**	**6.5**	**-45.2**	**53.9**	**23.5**	**-20.8**
of which: EUR	-0.1	0.9	0.0	-0.1	0.2	-0.3	0.1	**0.7**	-7.2	7.3	-53.4	60.9	22.3	-19.8
USD	0.0	0.0	-0.1	-0.0	0.0	0.0	0.0	**-0.0**	0.4	-0.3	3.6	-2.8	0.4	-0.3
GBP	0.0	-0.0	-0.0	-0.0	0.0	0.0	-0.0	**-0.1**	0.6	-0.6	5.8	-5.8	-0.7	0.7
CHF	-0.0	0.0	-0.0	-0.0	-0.0	-0.0	0.0	**-0.0**	0.0	-0.0	0.2	-0.2	0.2	-0.2
JPY	-0.0	0.0	0.0	-0.0	0.0	-0.0	-0.0	**0.0**	-0.2	0.2	-2.5	2.5	0.3	-0.3

Price risk
Reference is made to the paragraph “Price risk” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.1 Interest rate risk and price risk - Regulatory trading book, Quantitative information, which is herewith quoted entirely.

2.2 Interest rate and price risk - Banking book

Qualitative information

Interest rate risk and price risk

A. General aspects, operational processes and methods for measuring interest rate risk and price risk
Reference is made to the paragraph “A. General aspects, operational processes and methods for measuring interest rate risk” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.2 Interest rate risk and price risk - Banking book, Qualitative information, Interest rate risk, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

Quantitative information

1. Banking book: breakdown by maturity (repricing date) of financial assets and liabilities

(€ million)

	AMOUNTS AS AT 31.12.2024							
TYPE/RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	INDEFINITE MATURITY
1. On-balance sheet assets	**35,308**	**96,566**	**27,402**	**15,372**	**55,034**	**39,920**	**16,201**	**-**
1.1 Debt securities	709	15,928	9,148	7,264	27,518	24,389	4,635	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	709	15,928	9,148	7,264	27,518	24,389	4,635	-
1.2 Loans to banks	18,076	8,737	1,671	1,513	3,108	30	3	-
1.3 Loans to customers	16,523	71,901	16,583	6,595	24,408	15,501	11,563	-
- Current accounts	5,639	1	1	32	180	19	2	-
- Other loans	10,884	71,900	16,582	6,563	24,228	15,482	11,561	-
- With prepayment option	2,569	50,719	14,704	4,479	16,915	10,146	10,723	-
- Other	8,315	21,181	1,878	2,084	7,313	5,336	838	-
2. On-balance sheet liabilities	**194,658**	**43,117**	**9,088**	**7,217**	**24,496**	**13,510**	**3,701**	**-**
2.1 Deposits from customers	183,027	13,805	1,598	419	703	368	1,643	-
- Current accounts	171,707	3,169	731	312	1	1	-	-
- Other	11,320	10,636	867	107	702	367	1,643	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	11,320	10,636	867	107	702	367	1,643	-
2.2 Deposits from banks	10,912	22,725	1,677	775	796	5	-	-
- Current accounts	990	-	-	-	-	-	-	-
- Other	9,922	22,725	1,677	775	796	5	-	-
2.3 Debt secuties in issue	718	6,587	5,813	6,023	22,997	13,137	2,058	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	718	6,587	5,813	6,023	22,997	13,137	2,058	-
2.4 Other liabilities	1	-	-	-	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	1	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Option								
+ Long positions	276	-	-	1,324	-	-	128	-
+ Short positions	1,324	-	-	277	100	27	-	-
- Other derivates								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Option								
+ Long positions	-	1,800	483	755	1,901	-	4	-
+ Short positions	-	2,173	484	662	1,623	-	4	-
- Other derivatives								
+ Long positions	2,922	134,656	54,443	29,338	110,174	58,847	8,276	-
+ Short positions	2,821	155,424	54,786	24,493	104,222	44,862	11,614	-
4. Other off-balance sheet transactions								
+ Long positions	207	27,202	615	409	1,763	540	955	-
+ Short positions	11,903	17,263	961	550	1,016	-	-	-

Part E - Information on risks and related hedging policies

1. Banking book: breakdown by maturity (repricing date) of financial assets and liabilities - Currency: euro

(€ million)

TYPE/RESIDUAL MATURITY	AMOUNTS AS AT 31.12.2024							
	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	INDEFINITE MATURITY
1. On-balance sheet assets	**31,460**	**93,552**	**26,835**	**14,387**	**50,255**	**34,761**	**13,643**	**-**
1.1 Debt securities	628	14,453	9,045	6,485	23,829	19,528	2,091	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	628	14,453	9,045	6,485	23,829	19,528	2,091	-
1.2 Loans to banks	15,875	8,730	1,671	1,510	2,986	1	-	-
1.3 Loans to customers	14,957	70,369	16,119	6,392	23,440	15,232	11,552	-
- Current accounts	5,463	1	1	32	180	19	2	-
- Other loans	9,494	70,368	16,118	6,360	23,260	15,213	11,550	-
- With prepayment option	2,532	50,131	14,278	4,356	16,537	9,880	10,712	-
- Other	6,962	20,237	1,840	2,004	6,723	5,333	838	-
2. On-balance sheet liabilities	**188,196**	**39,279**	**8,986**	**7,105**	**21,838**	**10,431**	**2,264**	**-**
2.1 Deposits from customers	179,931	13,569	1,556	384	703	368	1,643	-
- Current accounts	169,067	2,950	699	289	1	1	-	-
- Other	10,864	10,619	857	95	702	367	1,643	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	10,864	10,619	857	95	702	367	1,643	-
2.2 Deposits from banks	7,590	19,151	1,665	775	796	5	-	-
- Current accounts	745	-	-	-	-	-	-	-
- Other	6,845	19,151	1,665	775	796	5	-	-
2.3 Debt secuties in issue	674	6,559	5,765	5,946	20,339	10,058	621	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	674	6,559	5,765	5,946	20,339	10,058	621	-
2.4 Other liabilities	1	-	-	-	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	1	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Option								
+ Long positions	276	-	-	1,324	-	-	128	-
+ Short positions	1,324	-	-	277	100	27	-	-
- Other derivates								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Option								
+ Long positions	-	1,800	483	755	1,901	-	4	-
+ Short positions	-	742	371	662	1,623	-	4	-
- Other derivatives								
+ Long positions	2,922	133,401	44,025	28,013	90,884	53,661	7,972	-
+ Short positions	2,815	152,181	41,532	23,994	91,222	34,536	6,851	-
4. Other off-balance sheet transactions								
+ Long positions	207	27,192	615	409	1,763	489	912	-
+ Short positions	11,809	17,253	961	550	1,016	-	-	-

Part E - Information on risks and related hedging policies

1. Banking book: breakdown by maturity (repricing date) of financial assets and liabilities - Currency: other currencies

(€ million)

TYPE/RESIDUAL MATURITY	AMOUNTS AS AT 31.12.2024							
	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	INDEFINITE MATURITY
1. On-balance sheet assets	**3,848**	**3,014**	**567**	**985**	**4,779**	**5,159**	**2,558**	**-**
1.1 Debt securities	81	1,475	103	779	3,689	4,861	2,544	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	81	1,475	103	779	3,689	4,861	2,544	-
1.2 Loans to banks	2,201	7	-	3	122	29	3	-
1.3 Loans to customers	1,566	1,532	464	203	968	269	11	-
- Current accounts	176	-	-	-	-	-	-	-
- Other loans	1,390	1,532	464	203	968	269	11	-
- With prepayment option	37	588	426	123	378	266	11	-
- Other	1,353	944	38	80	590	3	-	-
2. On-balance sheet liabilities	**6,462**	**3,838**	**102**	**112**	**2,658**	**3,079**	**1,437**	**-**
2.1 Deposits from customers	3,096	236	42	35	-	-	-	-
- Current accounts	2,640	219	32	23	-	-	-	-
- Other	456	17	10	12	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	456	17	10	12	-	-	-	-
2.2 Deposits from banks	3,322	3,574	12	-	-	-	-	-
- Current accounts	245	-	-	-	-	-	-	-
- Other	3,077	3,574	12	-	-	-	-	-
2.3 Debt secuties in issue	44	28	48	77	2,658	3,079	1,437	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	44	28	48	77	2,658	3,079	1,437	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Option								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivates								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Option								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	1,431	113	-	-	-	-	-
- Other derivatives								
+ Long positions	-	1,255	10,418	1,325	19,290	5,186	304	-
+ Short positions	6	3,243	13,254	499	13,000	10,326	4,763	-
4. Other off-balance sheet transactions								
+ Long positions	-	10	-	-	-	51	43	-
+ Short positions	94	10	-	-	-	-	-	-

Part E - Information on risks and related hedging policies

2. Banking book: internal models and other methods for sensitivity analysis

Interest Rate Risk
The economic value and net interest income sensitivity to a change in interest rate is computed as described in EBA guidelines (EBA/GL/2022/14) and in regulation update (2024/856) that adopt the Regulatory Technical Standard on SOTs.
The EU IRRBB1 template reported below, contains the interest rate risk exposure metrics as of 31 December 2024 and 31 December 2023. For the descriptions of the scenarios refer to Qualitative information - Interest rate risk section.
Regarding the sensitivity of the economic value of shareholders' equity the worst of the six SOT scenarios is the Parallel down and for that scenario an immediate and parallel change in interest rates, differentiated by currencies, is applied (e.g. -200 bps for EUR and USD, -300 bps for HUF etc).
The sensitivity of the economic value of shareholders' equity of the worst of the six SOT scenarios as at 31 December 2024 was equal to -2,146 euro million. The economic value of shareholders' equity sensitivity change in 2024 is mainly driven by the evolution of replicating strategy in UniCredit S.p.A.
The net interest income sensitivity (with annual time-horizon and constant balance-sheet) as of 31 December 2024 for the worst of two SOT scenarios (Parallel down) was equal to -806 euro million. The Parallel down scenario applies an immediate and parallel change in interest rates differentiated by currencies (e.g. -200 bps for EUR and USD, -300 bps for HUF etc.). The net interest income sensitivity in 2024 remained almost stable.

Template EU IRRBB1 - Interest rate risks on positions not held in the trading book

(€ million)

		a	b	c	d
		CHANGES OF THE ECONOMIC VALUE OF EQUITY		CHANGES OF THE NET INTEREST INCOME	
SUPERVISORY SHOCK SCENARIOS		31.12.2024	31.12.2023	31.12.2024	31.12.2023
1	Parallel up	291	309	262	283
2	Parallel down	(2,146)	(2,024)	(806)	(763)
3	Steepener	816	638		
4	Flattener	(1,234)	(1,154)		
5	Short rates up	(758)	(673)		
6	Short rates down	160	143		

2.3 Exchange rate risk

Qualitative information

A. General aspects, risk management processes and measurement methods
Reference is made to the paragraph "A. General aspects, risk management processes and measurement methods" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.3 Exchange rate risk, Qualitative information, which is herewith quoted entirely.

B. Hedging exchange rate risk
Reference is made to the paragraph "B. Hedging exchange rate risk" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.3 Exchange rate risk, Qualitative information, which is herewith quoted entirely.

Part E - Information on risks and related hedging policies

Quantitative information

1. Distribution by currency of assets and liabilities and derivatives

(€ million)

	AMOUNTS AS AT 31.12.2024					
	CURRENCIES					
ITEMS	CZECH KORUNA	BULGARIAN LEV	U.S. DOLLAR	NEW ROMANIAN LEU	JAPAN YEN	OTHER CURRENCIES
A. Financial assets	**545**	**2**	**13,600**	**621**	**4,458**	**1,601**
A.1 Debt securities	19	-	8,160	17	4,381	369
A.2 Equity securities	-	-	476	-	-	18
A.3 Loans to banks	123	2	1,753	29	69	392
A.4 Loans to customers	402	-	3,211	575	8	823
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**40**	**0**	**385**	**17**	**2**	**29**
C. Financial liabilities	**504**	**2**	**16,050**	**50**	**215**	**877**
C.1 Deposits from banks	433	1	6,160	1	25	301
C.2 Deposits from customers	10	1	2,673	28	160	537
C.3 Debt securities in issue	61	-	7,217	21	31	40
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**4**	**-**	**224**	**13**	**4**	**24**
E. Financial derivatives						
- Options						
+ Long positions	5	-	116	0	10	68
+ Short positions	988	-	116	343	10	300
- Other derivatives						
+ Long positions	5,560	0	117,342	434	8,020	53,115
+ Short positions	5,675	950	114,547	1,086	12,570	53,804
Total assets	**6,149**	**2**	**131,443**	**1,072**	**12,490**	**54,814**
Total liabilities	**7,171**	**952**	**130,936**	**1,492**	**12,799**	**55,006**
Difference (+/-)	**(1,022)**	**(950)**	**507**	**(420)**	**(309)**	**(192)**

2. Internal models and other methodologies for sensitivity analysis

Reference is made to the paragraph "2.Internal models and other methodologies for sensitivity analysis" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.3 Exchange rate risk, Quantitative information, which is herewith quoted entirely.

Credit spread risk and Stress test

Reference is made to the paragraphs "Credit spread risk" and "Stress test" of the Company financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.2 Market risk, 2.2.3 Exchange rate risk, which is herewith quoted entirely.

Below, end of year Stress test results.

Stress Test on Trading book

27 December 2024

Scenario

(€ million)

	2024	
	RECESSION SCENARIO	GEOPOLITICAL & TRADE SHOCKS SCENARIO
UniCredit S.p.A.	-38	-21

Part E - Information on risks and related hedging policies

Section 3 - Derivative instruments and hedging policies

3.1 Trading financial derivatives

A. Financial derivatives

A.1 Trading financial derivatives: end-of-period notional amounts

(€ million)

UNDERLYING ACTIVITIES/TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	OVER THE COUNTER				OVER THE COUNTER			
		WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES		
	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS
1. Debt securities and interest rate indexes	**5,225,982**	**1,300,235**	**20,573**	**119,433**	**44,632**	**188,910**	**23,361**	**3,046**
a) Options	-	306,786	7,288	47,025	-	16,981	6,212	-
b) Swap	5,225,982	993,449	13,280	-	44,632	171,929	14,349	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	5	72,408	-	-	2,800	3,046
e) Other	-	-	-	-	-	-	-	-
2. Equity instruments and stock indexes	**-**	**59,662**	**2,786**	**-**	**-**	**12,119**	**22**	**-**
a) Options	-	59,662	2,786	-	-	12,119	22	-
b) Swap	-	-	-	-	-	-	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Gold and currencies	**-**	**283,972**	**3,790**	**-**	**-**	**43,287**	**2,774**	**-**
a) Options	-	3,243	1,189	-	-	5,668	612	-
b) Swap	-	201,176	463	-	-	10,467	69	-
c) Forward	-	79,553	2,138	-	-	27,152	2,093	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**7,011**	**437**	**-**	**-**	**5,991**	**559**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**5,225,982**	**1,650,880**	**27,586**	**119,433**	**44,632**	**250,307**	**26,716**	**3,046**

Part E - Information on risks and related hedging policies

A.2 Trading financial derivatives: positive and negative gross fair value - breakdown by product

(€ million)

TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	OVER THE COUNTER				OVER THE COUNTER			
		WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES		
	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS
1. Positive fair value								
a) Options	-	4,886	201	-	-	838	29	-
b) Interest rate swap	122,008	28,236	111	-	1,382	4,883	60	-
c) Cross currency swap	-	7,412	5	-	-	992	-	-
d) Equity swap	-	-	-	-	-	-	-	-
e) Forward	-	1,681	47	-	-	310	29	-
f) Futures	-	-	-	-	-	-	4	4
g) Other	-	336	57	-	-	678	139	-
Total	**122,008**	**42,551**	**421**	**-**	**1,382**	**7,701**	**261**	**4**
2. Negative fair value								
a) Options	-	3,983	56	-	-	246	129	-
b) Interest rate swap	125,508	24,177	325	-	1,979	4,735	557	-
c) Cross currency swap	-	5,472	2	-	-	987	9	-
d) Equity swap	-	-	-	-	-	-	-	-
e) Forward	-	1,406	23	-	-	252	19	-
f) Futures	-	-	-	-	-	-	3	12
g) Other	-	361	31	-	-	802	16	-
Total	**125,508**	**35,399**	**437**	**-**	**1,979**	**7,022**	**733**	**12**

Part E - Information on risks and related hedging policies

A.3 OTC trading financial derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

UNDERLYING ACTIVITIES	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	80	206	20,287
- Positive fair value	X	-	1	152
- Negative fair value	X	1	2	359
2) Equity instruments and stock indexes				
- Notional amount	X	1,896	109	781
- Positive fair value	X	6	135	-
- Negative fair value	X	-	-	13
3) Gold and currencies				
- Notional amount	X	330	427	3,033
- Positive fair value	X	-	8	62
- Negative fair value	X	-	-	31
4) Commodities				
- Notional amount	X	-	-	437
- Positive fair value	X	-	-	57
- Negative fair value	X	-	-	31
5) Other				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	5,225,982	1,237,984	37,034	25,217
- Positive fair value	122,008	30,487	276	269
- Negative fair value	125,508	26,173	367	249
2) Equity instruments and stock indexes				
- Notional amount	-	50,901	8,761	-
- Positive fair value	-	1,455	600	-
- Negative fair value	-	741	592	-
3) Gold and currencies				
- Notional amount	-	265,086	9,064	9,822
- Positive fair value	-	8,301	296	529
- Negative fair value	-	6,535	232	147
4) Commodities				
- Notional amount	-	3,723	717	2,571
- Positive fair value	-	170	7	161
- Negative fair value	-	225	49	89
5) Other				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-

Part E - Information on risks and related hedging policies

A.4 OTC financial derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY	UP TO 1 YEAR	OVER 1 YEAR UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivative contracts on debt securities and interest rates	2,124,752	2,365,591	2,056,447	6,546,790
A.2 Financial derivative contracts on equity securities and stock indexes	8,010	51,884	2,554	62,448
A.3 Financial derivative contracts on exchange rates and hold	92,240	130,541	64,981	287,762
A.4 Financial derivative contracts on other values	6,416	1,032	-	7,448
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2024	**2,231,418**	**2,549,048**	**2,123,982**	**6,904,448**
Total 31.12.2023	**113,026**	**142,152**	**66,477**	**321,655**

B. Credit derivatives
No data to be disclosed.

3.2 Hedging policies

Qualitative information
Hedging transactions are used to manage the exposure to market risks and volatility of financial outcomes that arise as part of our normal business operations and are executed in accordance with internal policies.

Derivatives are mainly used to manage the banking book interest rate risk with the following goals:
- to reduce banking book interest rate risk profile according to *Risk Appetite Framework* approved by the Board of Directors and limits defined by relevant Committees or risk functions. Within *Risk Appetite Framework*, the banking book exposure to interest rate risk is defined either in terms of *Net Interest Income Sensitivity* or *Economic Value Sensitivity*;
- to optimise the natural hedge between the risk profile of assets and liabilities using derivatives to manage the mismatch, even temporary, between the volume and the rates of assets and liabilities with different repricing schedules;
- to minimise the net exposure of derivatives used as economic hedges of the most stable portion of either assets or liabilities subject to hedge accounting, thereby reducing the associated transaction cost.

A. Fair value hedging activities
The objective of fair value hedge on assets/liabilities is to hedge the exposure to changes in fair value coming from the embedded risk factor subject to a hedging transaction.
The fair value hedge is applied both for identified financial instruments (securities, debt issues, loans, borrowings) and for portfolios of financial instruments (in particular, fixed rate loans/mortgages and non-maturity deposits or other fixed rate liabilities).

The hedging relationship is qualified at the inception of the hedge by identifying the portion and type of risk to be hedged (partial term hedge), the hedging strategy, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

The hedging strategy on identified financial instruments classified as *Held-to-Collect* (HTC) and *Held-to-Collect & Sell* (HTCS) considers the contractual features of each instrument and relevant risk management & business intent.
The hedging strategy on portfolios of financial instruments refers to the amounts of money contained in the portfolio of interest rate exposures that are not already subject to "micro/specific" hedging and mirrors to the nominal amount and financial conditions of hedging derivatives.

The objective of fair value hedge on assets/liabilities denominated in foreign currency could refer to hedge the exposure to changes in fair value by converting to Euro denominated assets/liabilities.

The hedging instruments used mainly consist of interest-rate swaps, basis swaps, caps, floors, and cross-currencies swaps.

Part E - Information on risks and related hedging policies

B. Cash flow hedging activities
The objective of cash flow hedge on assets/liabilities is to hedge the exposure to changes in cash flows from borrowings/lending that bear a floating interest rate or provide for a variable FX countervalue amount.

The hedging relationship is qualified at the inception of the hedge by identifying the portion and type of risk to be hedged (partial term hedge), the hedging strategy, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

Cash flow hedges are particularly used to hedge interest rate risk on floating-rate assets and liabilities, including rollovers, and foreign exchange risks on highly probable forecast of foreign currency cost/revenue streams.

The hedging instruments used mainly consist of interest-rate swaps, caps, floors, cross-currency swaps with a maturity up to 20 years for some commercial hedged assets.

C. Foreign net investments hedge activities
The objective of net investment hedging on entities that have different functional currency from the Bank is to reduce the impact of fluctuations in exchange rates on the Group's capital adequacy ratios.
The management of this risk embeds the annual definition of hedging strategies in compliance with the EBA guidelines on the treatment of Structural Foreign Exchange risk (EBA/GL/2020/09), and its continuous monitoring to remain within the relevant Risk Appetite Framework thresholds.

The hedging instruments used mainly consist of foreign exchange options. At consolidated level these derivatives qualify as Net Investment Hedge, in relationship with the investment. The effective component (*intrinsic value*) of the hedging instruments is deferred into Other Comprehensive Income - booked to sub-item "Foreign Investments Hedge" of Valuation Reserves-, offsetting the "FX differences" of the related hedged item. However, at Bank level, a FVH relationship of the controlling stake is recognised.

Furthermore, the Bank put in place some economic hedges on forecasted foreign currency revenues stemming from those entities. The objective of the economic hedge is to reduce the volatility on the Income statement coming from the foreign exchange risks. FX risk on forecasted foreign currency revenues is continuously monitored and hedging strategies are periodically assessed.

The derivatives used mainly consist of currency options. These derivatives may not or should not qualify for hedge accounting even though achieve substantially the same economic results. The impact of economic hedges is accounted in Item "80 - Net gains (losses) on trading".

In general term, both the hedging strategies and the percentage to be hedged is defined considering, inter-alia, the diversification effect and taking into account the volatility and correlation in the FX rates.

D. Hedging instruments and E. Hedging elements
Prospective hedge effectiveness is established by the fact that all derivatives must, at inception, have the effect of reducing interest rate (or other identified) risk in term of *Economic Value Sensitivity* (Fair Value Hedge) or *Net Interest Income Sensitivity* (Cash Flow Hedge) in the specific/portfolio of hedged underlyings.

Retrospectively the hedge effectiveness is quarterly measured by referring to the most stable portion of assets/liabilities using a portfolio hedge approach or by referring to the portion of risk being hedged using a micro/specific approach.

Sources of ineffectiveness comes from (i) the Euribor vs Eonia/€STER basis for hedging derivatives transactions subject to a collateral agreement, (ii) Credit/Debit Value and Funding Value adjustment impacting derivative transactions fair values, (iii) shortfall arising in the underlying's specifically associated with that hedge in term of nominal or reverse sensitivity due to prepayment or default on commercial assets or withdrawals on liabilities included such as commercial non-maturity deposits and are presented in item "90. Net gains (losses) on hedge accounting".

Part E - Information on risks and related hedging policies

Quantitative information

A. Cash flow hedging derivatives

A.1 Hedging financial derivatives: end-of-period notional amounts

(€ million)

UNDERLYING ACTIVITIES/TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2024				AMOUNTS AS AT 31.12.2023			
	OVER THE COUNTER				OVER THE COUNTER			
		WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES		
	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS
1. Debt securities and interest rate indexes	**289,034**	**2,283**	**-**	**70,069**	**2,121**	**403,547**	**88,993**	**-**
a) Options	-	690	-	4,000	-	21,882	4,000	-
b) Swap	289,034	1,593	-	-	2,121	381,665	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	66,069	-	-	84,993	-
e) Other	-	-	-	-	-	-	-	-
2. Equity instruments and stock indexes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swap	-	-	-	-	-	-	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Gold and currencies	**-**	**16,966**	**-**	**-**	**-**	**24,222**	**-**	**-**
a) Options	-	3,112	-	-	-	3,064	-	-
b) Swap	-	13,854	-	-	-	21,158	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**289,034**	**19,249**	**-**	**70,069**	**2,121**	**427,769**	**88,993**	**-**

A.2 Hedging financial derivatives: positive and negative gross fair value - breakdown by product

(€ million)

TYPE OF DERIVATIVES	AMOUNT AS AT 31.12.2024				AMOUNT AS AT 31.12.2023				AMOUNT AS AT 31.12.2024	AMOUNT AS AT 31.12.2023
	POSITIVE AND NEGATIVE FAIR VALUE				POSITIVE AND NEGATIVE FAIR VALUE				CHANGES IN VALUE USED TO CALCULATE HEDGE INEFFECTIVENESS	
	OVER THE COUNTER				OVER THE COUNTER					
		WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES				
	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS	CENTRAL COUNTERPARTIES	WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	ORGANISED MARKETS		
1. Positive fair value										
a) Options	-	17	-	-	-	62	1	-	-	-
b) Interest rate swap	5,910	77	-	-	42	9,059	-	-	-	-
c) Cross currency swap	-	457	-	-	-	1,598	-	-	-	-
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forward	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	80	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**5,910**	**551**	**-**	**-**	**42**	**10,719**	**81**	**-**	**-**	**-**
2. Negative fair value										
a) Options	-	7	-	-	-	117	1	-	-	-
b) Interest rate swap	7,134	146	-	-	7	11,296	-	-	-	-
c) Cross currency swap	-	163	-	-	-	406	-	-	-	-
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forward	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	123	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**7,134**	**316**	**-**	**-**	**7**	**11,819**	**124**	**-**	**-**	**-**

Part E - Information on risks and related hedging policies

A.3 OTC hedging financial derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

	AMOUNTS AS AT 31.12.2024			
UNDERLYING ACTIVITIES	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
2) Equity instruments and stock indexes				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
3) Gold and currencies				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
4) Commodities				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
5) Other				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	289,034	1,632	651	-
- Positive fair value	5,910	58	27	-
- Negative fair value	7,134	75	71	-
2) Equity instruments and stock indexes				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
3) Gold and currencies				
- Notional amount	-	15,674	1,292	-
- Positive fair value	-	419	47	-
- Negative fair value	-	168	2	-
4) Commodities				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
5) Other				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-

Part E - Information on risks and related hedging policies

A.4 OTC hedging financial derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY	UP TO 1 YEAR	OVER 1 YEAR UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivative contracts on debt securities and interest rates	86,587	94,787	109,943	291,317
A.2 Financial derivative contracts on equity securities and stock indexes	-	-	-	-
A.3 Financial derivative contracts on exchange rates and gold	4,428	7,509	5,029	16,966
A.4 Financial derivative contracts on other values	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2024	**91,015**	**102,296**	**114,972**	**308,283**
Total 31.12.2023	**187,730**	**210,091**	**121,063**	**518,884**

B. Hedging credit derivatives
No data to be disclosed.

C. Non hedging instruments
Note that, as provided by the Circular 262 of 22 December 2005 of Banca d'Italia (and subsequent amendments) the present table is not disclosed as the Group has exercised the option to continue applying the existing IAS39 hedge accounting requirements for all its hedging relationships until the IASB completes the project on accounting for macro-hedging.

Part E - Information on risks and related hedging policies

D. Hedging instruments

Note that the Group has exercised the option to continue applying the existing IAS39 hedge accounting requirements for all its hedging relationships until the IASB completes the project on accounting for macro-hedging.
In this context the following table provides the required information about hedged instruments.

Micro hedging and macro hedging: breakdown by hedged item and risk type

(€ million)

	AMOUNT AS AT 31.12.2024	
	MICRO HEDGE: CARRYING AMOUNT	MACRO HEDGE: CARRYING AMOUNT
A) Fair value hedge		
1. Assets		
1.1 Financial assets measured at fair value through other comprehensive income	**32,040**	**-**
1.1.1 Interest rate	32,040	X
1.1.2 Equity	-	X
1.1.3 Foreign exchange and gold	-	X
1.1.4 Credit	-	X
1.1.5 Other	-	X
1.2 Financial assets measured at amortised cost	**31,432**	**(47)**
1.2.1 Interest rate	31,432	X
1.2.2 Equity	-	X
1.2.3 Foreign exchange and gold	-	X
1.2.4 Credit	-	X
1.2.5 Other	-	X
2. Liabilites		
2.1 Financial liabilities measured at amortised costs	**-**	**(684)**
2.1.1 Interest rate	-	X
2.1.2 Equity	-	X
2.1.3 Foreign exchange and gold	-	X
2.1.4 Credit	-	X
2.1.5 Other	-	X
B) Cash flow hedge		
1. Assets	**-**	**X**
1.1 Interest rate	-	X
1.2 Equity	-	X
1.3 Foreign exchange and gold	-	X
1.4 Credit	-	X
1.5 Other	-	X
2. Liabilites	**-**	**X**
2.1 Interest rate	-	X
2.2 Equity	-	X
2.3 Foreign exchange and gold	-	X
2.4 Credit	-	X
2.5 Other	-	X
C) Hedge of net investments in foreign operations	**-**	**X**
D) Porftolio - Assets	**X**	**(855)**
E) Porftolio - Liabilities	**X**	**(3,974)**

Note:
It should be noted that the column "Macro hedge: carrying amount" reports the revaluation recognised with reference to the hedged item.

Additionally, it should be noted that there are fair value hedge relationships of controlling investments for €1,556 million.

E. Effects of hedging policy at equity

This table has to be filled in only by entities that apply IFRS9 hedge accounting rules.

Part E - Information on risks and related hedging policies

3.3 Other information on derivatives instruments (trading and hedging)

A. Financial and credit derivatives

A.1 OTC financial and credit derivatives: net fair value by counterparty

(€ million)

	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
A. Financial derivatives				
1) Debt securities and interest rates				
- Notional amount	5,515,016	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	4,724	-	-	-
2) Equity instruments and stock indexes				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
3) Gold and currencies				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
4) Commodities				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
5) Other				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
B. Credit derivatives				
1) Protection buyer's contracts				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-
2) Protection seller's contracts				
- Notional amount	-	-	-	-
- Positive net fair value	-	-	-	-
- Negative net fair value	-	-	-	-

UniCredit S.p.A. applied for the first time in 2024 accounting offsetting according to IAS32.

Part E - Information on risks and related hedging policies

Section 4 - Liquidity risk

Qualitative information

As at 31 December 2024, the amount of material outflows due to deterioration of own credit quality, included in the components of the Liquidity Coverage Ratio, is equal to €1,864 million.

For further information, reference is made to the paragraph “A. General aspects, operational processes and methods for measuring liquidity risk” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.4 Liquidity risk, Qualitative information, which is herewith quoted entirely.

Quantitative information

1. Time breakdown by contractual residual maturity of financial assets and liabilities

(€ million)

	AMOUNT AS AT 31.12.2024									
ITEMS/MATURITY	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	**34,721**	**7,516**	**2,900**	**7,727**	**16,789**	**14,003**	**23,503**	**111,628**	**79,922**	**2,012**
A.1 Government securities	11	40	16	71	1,003	715	4,314	29,625	26,310	-
A.2 Other debt securities	69	1	23	63	884	793	593	16,719	13,916	50
A.3 Units in investment funds	3,106	-	-	-	-	-	-	-	-	-
A.4 Loans	31,535	7,475	2,861	7,593	14,902	12,495	18,596	65,284	39,696	1,962
- Banks	17,850	2,554	168	1,179	1,820	1,823	1,701	4,189	39	1,946
- Customers	13,685	4,921	2,693	6,414	13,082	10,672	16,895	61,095	39,657	16
B. On-balance sheet liabilities	**196,602**	**18,240**	**7,610**	**5,016**	**8,303**	**5,429**	**4,680**	**34,619**	**19,158**	**-**
B.1. Deposits and current accounts	175,703	1,155	1,865	1,687	1,436	824	351	1	1	-
- Banks	2,170	728	1,250	746	198	67	17	-	-	-
- Customers	173,533	427	615	941	1,238	757	334	1	1	-
B.2 Debt securities	11	368	552	342	1,533	3,527	3,118	32,155	16,774	-
B.3 Other liabilities	20,888	16,717	5,193	2,987	5,334	1,078	1,211	2,463	2,383	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	2,378	6,207	8,128	10,012	22,717	26,325	34,568	137,578	68,897	-
- Short positions	7,920	6,207	8,145	9,900	20,403	20,017	32,441	136,089	75,532	-
C.2 Financial derivatives without capital swap										
- Long positions	153,650	134	185	487	1,335	1,898	3,007	-	-	-
- Short positions	151,937	134	-	487	1,335	1,898	3,007	-	-	-
C.3 Deposits and loans to be received										
- Long positions	-	18,044	-	718	305	398	200	-	-	-
- Short positions	28	15,011	406	1,322	522	961	400	1,016	-	-
C.4 Commitments to disburse funds										
- Long positions	219	6,627	530	-	491	211	416	1,905	1,636	-
- Short positions	11,884	2	-	-	-	-	150	-	-	-
C.5 Financial guarantees given	-	-	-	40	2	2	21	27	1	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-

Part E - Information on risks and related hedging policies

1. Time breakdown by contractual residual maturity of financial assets and liabilities - Currency: euro

(€ million)

	AMOUNT AS AT 31.12.2024									
ITEMS/MATURITY	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	**30,847**	**7,147**	**2,571**	**7,296**	**15,637**	**13,667**	**22,239**	**105,786**	**71,204**	**2,005**
A.1 Government securities	8	40	15	69	684	658	3,408	26,939	19,305	-
A.2 Other debt securities	69	1	9	59	464	673	543	14,918	12,640	43
A.3 Units in investment funds	2,980	-	-	-	-	-	-	-	-	-
A.4 Loans	27,790	7,106	2,547	7,168	14,489	12,336	18,288	63,929	39,259	1,962
- Banks	15,647	2,554	163	1,178	1,817	1,823	1,697	4,064	7	1,946
- Customers	12,143	4,552	2,384	5,990	12,672	10,513	16,591	59,865	39,252	16
B. On-balance sheet liabilities	**190,175**	**17,444**	**6,204**	**3,657**	**8,049**	**5,219**	**4,478**	**31,818**	**14,606**	**-**
B.1. Deposits and current accounts	171,954	684	902	891	1,195	770	314	1	1	-
- Banks	1,059	293	327	6	63	55	17	-	-	-
- Customers	170,895	391	575	885	1,132	715	297	1	1	-
B.2 Debt securities	11	368	552	342	1,520	3,371	2,953	29,354	12,222	-
B.3 Other liabilities	18,210	16,392	4,750	2,424	5,334	1,078	1,211	2,463	2,383	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	2,325	3,229	3,660	3,988	13,170	14,580	13,752	49,167	28,219	-
- Short positions	7,819	2,427	2,828	4,003	5,727	8,505	12,945	48,719	33,410	-
C.2 Financial derivatives without capital swap										
- Long positions	143,351	112	172	446	1,207	1,699	2,675	-	-	-
- Short positions	138,935	112	-	446	1,207	1,699	2,675	-	-	-
C.3 Deposits and loans to be received										
- Long positions	-	18,044	-	715	300	398	200	-	-	-
- Short positions	28	15,011	406	1,319	517	961	400	1,016	-	-
C.4 Commitments to disburse funds										
- Long positions	219	6,627	530	-	491	209	416	1,905	1,542	-
- Short positions	11,790	-	-	-	-	-	150	-	-	-
C.5 Financial guarantees given	-	-	-	39	2	2	21	27	1	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-

Part E - Information on risks and related hedging policies

1. Time breakdown by contractual residual maturity of financial assets and liabilities - Currency: other currencies

(€ million)

ITEMS/MATURITY	AMOUNT AS AT 31.12.2024									
	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	**3,874**	**369**	**329**	**431**	**1,152**	**336**	**1,264**	**5,842**	**8,718**	**7**
A.1 Government securities	3	-	1	2	319	57	906	2,686	7,005	-
A.2 Other debt securities	-	-	14	4	420	120	50	1,801	1,276	7
A.3 Units in investment funds	126	-	-	-	-	-	-	-	-	-
A.4 Loans	3,745	369	314	425	413	159	308	1,355	437	-
- Banks	2,203	-	5	1	3	-	4	125	32	-
- Customers	1,542	369	309	424	410	159	304	1,230	405	-
B. On-balance sheet liabilities	**6,427**	**796**	**1,406**	**1,359**	**254**	**210**	**202**	**2,801**	**4,552**	**-**
B.1. Deposits and current accounts	3,749	471	963	796	241	54	37	-	-	-
- Banks	1,111	435	923	740	135	12	-	-	-	-
- Customers	2,638	36	40	56	106	42	37	-	-	-
B.2 Debt securities	-	-	-	-	13	156	165	2,801	4,552	-
B.3 Other liabilities	2,678	325	443	563	-	-	-	-	-	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	53	2,978	4,468	6,024	9,547	11,745	20,816	88,411	40,678	-
- Short positions	101	3,780	5,317	5,897	14,676	11,512	19,496	87,370	42,122	-
C.2 Financial derivatives without capital swap										
- Long positions	10,299	22	13	41	128	199	332	-	-	-
- Short positions	13,002	22	-	41	128	199	332	-	-	-
C.3 Deposits and loans to be received										
- Long positions	-	-	-	3	5	-	-	-	-	-
- Short positions	-	-	-	3	5	-	-	-	-	-
C.4 Commitments to disburse funds										
- Long positions	-	-	-	-	-	2	-	-	94	-
- Short positions	94	2	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	1	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-

Part E - Information on risks and related hedging policies

Section 5 - Operational risk

Qualitative information

A. General aspects, operational processes and methods for measuring operational risk
Reference is made to the paragraph “A. General aspects, operational processes and methods for measuring operational risk” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.5 Operational risks, Qualitative information, which is herewith quoted entirely.

B. Risks arising from legal disputes
Reference is made to the paragraph “B. Legal risks” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.5 Operational risks, Qualitative information, which is herewith quoted entirely.

C. Risks arising from employment law cases
Reference is made to the paragraph “C. Risks arising from employment law cases” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.5 Operational risks, Qualitative information, which is herewith quoted entirely.

D. Risks arising from tax disputes
Reference is made to the paragraph “D. Risks arising from tax disputes” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.5 Operational risks, Qualitative information, which is herewith quoted entirely.

E. Other claims by customers
Supporting the business structures, the Compliance function oversees the regulatory environment evolution relating to banking services and products in areas like transparency, financial and investment services and anti-usury. Compliance, as control function, develops rules, checks processes and procedures and monitors complaints trends. The Compliance function, along with the Legal one, also supports analysis and evaluation stages of adequacy of potential "customer care" actions or other initiatives designed to compose particular situations in which UniCredit S.p.A. might be involved in order to define them.
Considering the regulatory complexity and interpretations not always homogeneous, UniCredit S.p.A. time-to-time assesses the accounting of provisions for risk and charges, aimed at facing costs, deemed probable, in a contest that has increased the litigiousness at baking system level.

Concerning the financing of consumer credit, the EU Directive 2008/48 establishes that “the consumer shall be entitled at any time to discharge fully or partially his obligations under a credit agreement. In such cases, he shall be entitled to a reduction in the total cost of credit, such reduction consisting of the interest and the costs for the remaining duration of the contract”.
Following the decision of the European Court of Justice in September 2019 (judgment C-383/18 referring to the “Lexitor” case) and the communication of the Banca d’Italia issued in December 2020, UniCredit S.p.A. proceeded to adapt to the most recent interpretation of this legislation. Therefore, in the event of a request for early repayment of the loan, the consumer is entitled to pay off his debt net of costs not yet accrued on the repayment date.
In consideration of the above, as well as the interpretations prior to the aforementioned communication of Banca d’Italia, the Bank noted the guidelines issued by the Authority and by decision of Constitutional Court of 22 December 2022 adapting to the framework outlined, and has carried out the appropriate assessments, also to preserve the quality of the customers relationship.

Part E - Information on risks and related hedging policies

Diamond offer

Over the years, within the diversification of investments to which the available assets are addressed and also considering in this context those investments with the characteristics of the so-called "safe haven" with a long-term horizon, several UniCredit S.p.A. customers have historically invested in diamonds through a specialised intermediary company, with which the Bank has stipulated, since 1998, a collaboration agreement as "Introducer", in order to regulate the "reporting" methods of the offer of diamonds by the same company to UniCredit S.p.A. customers.

Since the end of 2016, the liquidity available on the market to meet the requests of customers who intended to divest their diamond assets has contracted to a certain extent until it became nil, with the suspension of the service by the brokerage company.

In 2017 UniCredit S.p.A. started a "customer care" initiative which envisaged the availability of the Bank to intervene for the acknowledgement towards the customer of the original cost incurred for the purchase of precious items and the consequent withdrawal of the stones, upon certain conditions. The initiative has been adopted by the Bank assessing the absence of responsibility for its role as "Introducer"; nevertheless, the AGCM ascertained the responsibility of UniCredit S.p.A. for unfair commercial practice (confirmed in appeal by the Administrative Regional Court in the second half of 2018), imposing, in 2017, a fine of €4 million paid in the same year. The Bank has filed an appeal to the Council of State. With a sentence of 11 March 2021, the Council of State accepted the appeal brought by UniCredit S.p.A. against the fine imposed by reducing the amount of the fine to €2.8 million and sentenced AGCM to return 1.2 million, amount reimbursed in June 2021.

For the sake of completeness, it should be noted that on 8 March 2018, a specific communication was issued from Banca d'Italia concerning the "Related activities exercisable by bank"", in which large attention was given to the reporting at the bank branches of operations, purchase and sale of diamonds by specialised third-party companies.

As at 31 December 2024, UniCredit S.p.A. received reimbursement requests for a total amount of about €417 million (cost originally incurred by the Clients) from No.12,494 Customers; according to a preliminary analysis, such requests fulfill the requirements envisaged by the "customer care" initiative; the finalization of the reimbursement requests is currently carried out, aimed at assessing their effective compliance with the "customer care" initiative, and then proceed with the settlement where conditions recur; with reference to the scope outlined above (€417 million), reimbursed No.12,147 customers for about €410 million (equivalent value of original purchases), equal to about 98% of the reimbursement requests said above.

In order to cope with the probable risks of loss related to the repurchases of diamonds, a dedicated Provision for risks and charges was set up; its quantification was also based on the outcome of an independent study (commissioned to a primary third company) aiming at evaluating the diamonds' value.
Finally, in line with a strategy that envisages its disposal in the short term, the gems purchased are recognised for about €39 million in item "120. Other assets" of the Balance sheet.

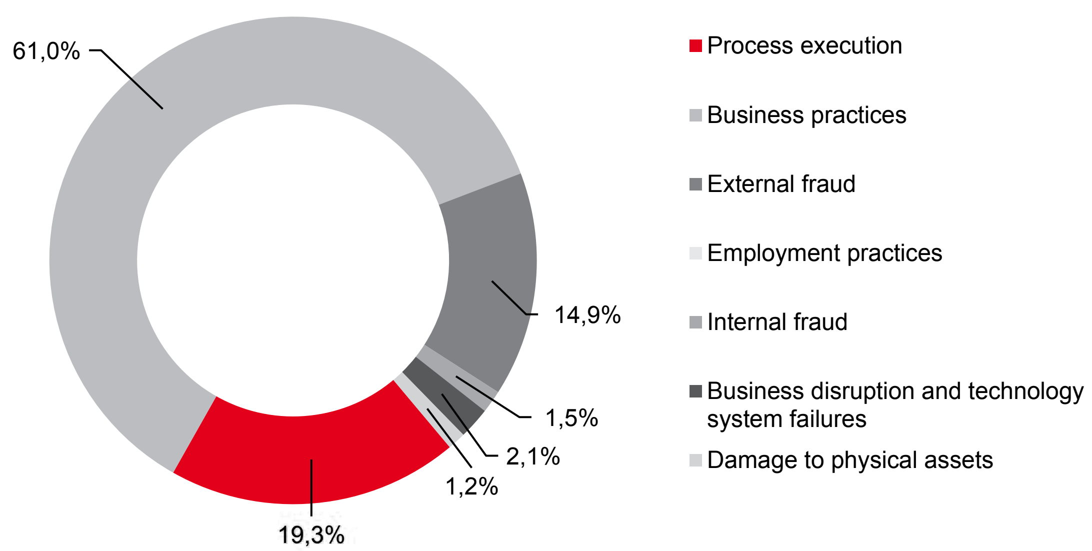
On 19 February 2019, the Court of Milan issued an interim seizure order against UniCredit S.p.A., freezing €33 million for aggravated fraud and €72 thousand for self-laundering. Investigations were ongoing under article 25-octies of Legislative Decree 231/2001 for the Bank's administrative liability in self-laundering.
On 2 October 2019, UniCredit and certain employees received notice of the conclusion of investigations confirming allegations of fraud and self-laundering, with the latter forming a basis for the Bank's potential liability. In September 2020, new allegations were made against individuals, but only for fraud, leaving the overall investigative framework unchanged.
In June 2021, the public prosecutor requested indictments against some employees. The case, transferred to Trieste following jurisdictional challenges, returned to the investigation stage, and the interim seizures were lifted.
In February 2023, the Trieste Prosecution Office dismissed the case against the Bank for self-laundering, with approval from the General Prosecutor at the Court of Appeal. The Judge for the Preliminary Investigations formally closed the case against the Bank.
The fraud case against individuals was sent back to Milan. In May 2024, the Public Prosecutor filed a motion to dismiss the case in line with defendants' requests. The court now awaits potential objections, which would trigger a hearing before the Judge for the Preliminary Investigations. If no objections arise, the final dismissal by the Judge will be awaited.

Part E - Information on risks and related hedging policies

Quantitative information

Reference is made to the paragraph "Quantitative information" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.5 Operational risks, which is herewith quoted entirely.

Operational losses Full Year 2024 divided by risk category



"Employment practices" is not shown in the chart since it has a positive impact in the reference period due to the effects of recoveries and releases of funds.

In 2024, the main source of operational risk is the category "clients, products and business practices", which includes losses arising from the non-fulfilment of professional obligations towards clients or from the nature or characteristics of the products or services provided.

The second largest contribution is "errors in process management execution and delivery", due to operational or process management shortfalls.

There were also, in decreasing order, losses stemming from "external fraud" (for this purpose, the positive effect, due to a relevant release of provisions on an external fraud case, has not been considered), "business disruption and technology system failures", "internal fraud" and "damage to physical assets".

Part E - Information on risks and related hedging policies

Section 6 - Other risks

Other risks included in Economic capital

Reference is made to the paragraph "Other risks included in Economic Capital" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.6 Other risks, which is herewith quoted entirely.

Reputational risk

Reference is made to the paragraph "Reputational risk" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.6 Other risks, which is herewith quoted entirely.

Top and emerging risks

Reference is made to the paragraph "Top and emerging risks" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.6 Other risks, which is herewith quoted entirely.

The climate-related and environmental risks

Reference is made to the paragraph "The climate-related and environmental risks" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.6 Other risks, which is herewith quoted entirely.

Part F - Shareholders' equity

Section 1 - Shareholders' equity

A. Qualitative information

Reference is made to the paragraph "A. Qualitative information" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part F - Consolidated shareholders' equity, Section 1 - Consolidated Shareholders' Equity, which is herewith quoted entirely.

B. Quantitative information

B.1 Company shareholders' equity: breakdown

(€ million)

ITEMS/VALUES	AMOUNT AS AT 31.12.2024	AMOUNT AS AT 31.12.2023
1. Share capital	**21,368**	**21,278**
2. Share premium reserve	**23**	**23**
3. Reserves	**23,899**	**23,944**
- from profits	20,305	17,191
a) legal	1,618	1,618
b) statutory	16,053	13,917
c) treasury shares	-	-
d) other	2,634	1,656
other(*)	3,594	6,753
4. Equity instruments	**4,958**	**4,863**
5. Treasury shares	**-**	**(1,727)**
6. Revaluation reserves	**815**	**658**
Equity instruments designated at fair value through other comprehensive income	48	(192)
Hedge accounting of equity instruments designated at fair value through other comprehensive income	-	-
Financial assets (different from equity instruments) at fair value through other comprehensive income	26	148
Property, plant and equipment	711	729
Intangible assets	-	-
Hedges of foreign investments	-	-
Cash flow hedges	33	(16)
Foreign investments hedging	-	-
Exchange differences	-	-
Non-current assets and disposal groups classified as held for sale	5	3
Financial liabilities designated at fair value through profit or loss (own creditworthiness changes)	(70)	(80)
Actuarial gains (losses) on defined benefit plans	(215)	(211)
Changes in valuation reserve pertaining to equity method investments	-	-
Special revaluation laws	277	277
7. Advanced dividends	**(1,440)**	**-**
8. Net profit (loss)	**8,106**	**11,264**
Total	**57,729**	**60,303**

Note:
The sub-item "Reserves - other" includes a part of the "Legal reserve" (€2,738 million) also constituted, as resolved by the approval of the Ordinary Shareholders' Meeting of 11 May 2013, 13 May 2014, 14 April 2016 and 15 April 2021, with the withdrawal from the "Share premium reserve".

Shareholders' equity as at 31 December 2024, additionally to the changes in capital explained in detail in the Notes to the accounts, Part B - Balance sheet - Liabilities, Section 12 - Shareholders' equity, reflects, among the others, the changes resulting from the Shareholders' Meeting resolutions of 12 April 2024 and the Board of Director of 5 November 2024 which involved:
- the payment of a cash dividend to shareholders for a total amount of €3,015 million from allocation of the 2023 net profit;
- the payment of the interim dividend for a total amount of €1,440 million based on the results of the 2024 financial year;
- he distribution of €30 million in favor of UniCredit Foundation for social, charity and cultural initiatives from allocation of the 2023 net profit;
- the establishing of a specific Reserve for windfall tax (1,125 million);
- the allocation to the Reserve for social, charity and cultural initiatives (€5 million), to the reserve connected to the medium-term incentive plan for Group personnel (€100 million), and to the Statutory reserve (6,989 million) from allocation of the 2023 net profit;

Part F - Shareholders' equity

- the elimination of negative reserves for €445 million, partly by use of the IFRS3 Business Combination Reserve (270 million) to cover the reserve relating to the payment of AT1 coupons (263 million) and the reserve relating to payments of the Equity Settled Share Based Payments plans settled in cash (7 million), partly by use of the Statutory Reserve to cover the reserve deriving from payments connected to the usufruct contract related to the "Cashes" financial instruments (175 million);
- the establishment of a specific reserve restricted of 3,085 million for the execution of the 2023 Buy-Back Program and of 1,700 million for the execution of the first part of the 2024 Buy-Back Program, with withdrawal from the statutory reserve;
- the cancellation of the shares purchased in execution of the buyback programs (completion of Buyback 2022 and Buyback 2023, Buyback 2024 first tranche) carried out on 16 January 2024, 26 March 2024, 26 June 2024 and 18 December 2024 using the reserve earmarked for the buyback to eliminate the item Treasury shares for a total of 7,598 million.

B.2 Revaluation reserves of financial assets at fair value through other comprehensive income: breakdown

(€ million)

	AMOUNTS AS AT 31.12.2024		AMOUNTS AS AT 31.12.2023	
ASSETS/VALUES	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE
1. Debt securities	167	(141)	213	(65)
2. Equity securities	268	(220)	82	(274)
3. Loans	-	-	-	-
Total	**435**	**(361)**	**295**	**(339)**

B.3 Revaluation reserves of financial assets at fair value through other comprehensive income: annual change

(€ million)

	CHANGES IN 2024		
ASSETS/VALUES	DEBT SECURITIES	EQUITY SECURITIES	LOANS
1. Opening balance	**148**	**(192)**	**-**
2. Positive changes	**562**	**306**	**-**
2.1 Fair value increases	311	208	-
2.2 Net losses on impairment	12	X	-
2.3 Reclassification through profit or loss of negative reserves: following disposal	231	X	-
2.4 Transfers to other comprehensive shareholders' equity (equity instruments)	-	75	-
2.5 Other changes	8	23	-
3. Negative changes	**(684)**	**(66)**	**-**
3.1 Fair value reductions	(406)	(60)	-
3.2 Recoveries on impairment	(2)	-	-
3.3 Reclassification throught profit or loss of positive reserves: following disposal	(264)	X	-
3.4 Transfers to other comprehensive shareholders' equity (equity instruments)	-	(6)	-
3.5 Other changes	(12)	-	-
4. Closing balance	**26**	**48**	**-**

B.4 Revaluation reserves to defined benefit plan: annual changes

(€ million)

	CHANGES IN	
ITEMS/VALUES	2024	2023
1. Net opening balance	**(211)**	**(212)**
2. Positive changes	**3**	**29**
2.1 Fair value increase	3	29
2.2 Other changes	-	-
3. Negative changes	**(7)**	**(28)**
3.1 Fair value reductions	(7)	(28)
3.2 Other changes	-	-
4. Closing balance	**(215)**	**(211)**

Part F - Shareholders' equity

Section 2 - Own funds and regulatory ratios

Transitional Own Funds and capital ratios

DESCRIPTION	AS AT 31.12.2024	AS AT 31.12.2023
Common Equity Tier 1 Capital (€ million)	40,971	42,721
Tier 1 Capital (€ million)	45,899	47,553
Total Own Funds (€ million)	52,356	55,330
Total RWEA (€ million)	166,114	164,162
Common Equity Tier 1 Capital ratio	**24.66%**	**26.02%**
Tier 1 Capital ratio	**27.63%**	**28.97%**
Total Capital ratio	**31.52%**	**33.70%**

Notes:
Transitional own funds and capital ratios including all transitional adjustments according to the yearly applicable percentages.
It should be noted that UniCredit S.p.A. decided to not apply the IFRS9 transitional approach as reported in article 473a of the Regulation 575/2013/EU (CRR).

The individual net profit as at 31 December 2024 is equal to €8,106 million.
As at 31 December 2024, the amount of the individual net profit to be included in the Own Funds is equal to €2,211 million; the reduction for €5,895 million is related to the approval by the UniCredit S.p.A. Board of Directors of the following items:
(i) cash dividend for €2,286 million that, summed up with €1,440 million interim dividend previously approved by the Board of Directors and paid in November 2024, stands at 40% of Net Profit[116], as per 2024 Dividend Policy;
(ii) ordinary share buy-back for €3,574 million (additional to the €1,700 million Share Buy-back already executed), classified as foreseeable charge as of 31 December 2024, in line with the EBA Q&A #6887;
(iii) allocation for €35 million to support social, cultural and charity initiatives.

For information on the regulatory ratios of UniCredit S.p.A. at the reference date and for the comparison with the previous periods, refer to the own funds disclosure reported into the publication of UniCredit group disclosure (Pillar III) as at 31 December 2024.

116 Defined as accounting net profit rectified for tax-losses carried forward sustainability test results, potentially adjusted for one-offs related to strategic items.

Part G - Business combinations

Section 1 - Business combinations completed in the year

1.1 Business combinations

Business combinations with counterparties outside the Group are performed using the “purchase method” as required by IFRS3 “Business Combinations”, cited in the disclosure of accounting policies, part A.2 - Main items of the accounts.
In 2024 the Bank did not carry out any business combinations outside or within the Group.

With reference to business combination transactions within the Group, during the 2024 financial year, the following business unit transfer transactions were carried out as part of the broader Group reorganization process, aimed at simplifying the structure and governance and better enhancing operational, administrative and corporate synergies:

- on 15 July 2024, the transfer of the securities and financial derivatives portfolio on interest rates was completed through the sale by UniCredit Bank GMBH to UniCredit S.p.A. This transfer is part of a broader project to transfer the entire business unit relating to the Trading business, aimed at centralizing its management in UniCredit S.p.A., with the consequent centralization of the related risk mainly in UniCredit S.p.A. and review of the Client Risk Management business model. The transfer of the brokerage business followed on 18 November 2024. The project includes the transfer of additional portfolios to be completed during 2025 and 2026;
- on 1 November 2024, the transfer by UniCredit Services GmbH to UniCredit S.p.A. of the business unit represented by the management and supply of information and infrastructure systems to UniCredit Bank Austria and the legal entities of the Group in the Central External Europe perimeter became effective with the aim of homogenising the Digital operating model, rationalising technological solutions, simplifying the organization and optimizing operating expenses to support broader investments in the business.

Section 2 - Business Combinations completed after year-end

No business combinations have been completed after year end.

Section 3 - Retrospective adjustments

No retrospective adjustments have been applied in 2024 on business combinations completed in previous years.

Part H - Related-party transactions

Introduction

Refer to the paragraph “Introduction” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, which is herewith quoted entirely.

1. Details of Key management personnels’ compensation

Details of key management personnel’s 2024 remuneration are given below pursuant to IAS24 and to the Circular 262 dated 22 December 2005 of Banca d’Italia (and subsequent amendments) requiring that also the Statutory Auditors’ compensation be included.
Key management personnel are persons having authority and responsibility for planning, directing, and controlling UniCredit’s activities, directly or indirectly. This category includes the Chief Executive Officer and the other members of the Board of Directors, the Statutory Auditors, the Chief Audit Executive and the Group Executive Committee (GEC) members, body that reports directly to the Chief Executive Officer, excluding the Heads of Group Strategy & ESG, Group Stakeholder Engagement and, starting from April 2024, Group Legal.

Remuneration paid to key management personnel (including directors)

(€ million)

	YEAR 2024	YEAR 2023
a) short-term employee benefits	20	21
b) post-retirement benefits	1	1
of which: under defined benefit plans	-	-
of which: under defined contribution plans	*1*	*1*
c) other long-term benefits	-	-
d) termination benefits	3	-
e) share-based payments	11	10
Total	**35**	**32**

The information reported above include the compensation paid to Directors (€9 million), Statutory Auditors (€0.3 million) and other Managers with strategic responsibilities (€10 million), as shown in the document "Information Tables Pursuant Art.84-quarter “Annual Report - Section II” of the Regulation 11971 Issued by Consob" attached to the “2024 Group Remuneration Policy”, and about €15 million relating to other costs (the company share of social security contributions, accruals to severance pay funds and share-based payments using UniCredit and its subsidiaries’ equity instruments).

The compensation paid shows an increase compared to fiscal year 2023, mainly in relation to the payment of benefits related to the termination of employment relations during the year.

Part H - Related-party transactions

2. Related-party transactions

The following table sets out the assets, liabilities, guarantees and commitments, for each group of related parties, pursuant to IAS24.

Related-party transactions: balance sheet items

(€ million)

	AMOUNTS AS AT 31.12.2024								
	CONTROLLED	JOINT VENTURES	ASSOCIATED COMPANIES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON ACCOUNTS ITEM	SHAREHOLDERS	% ON ACCOUNTS ITEM
Cash and cash balances	466	-	-	-	-	466	3.52%	-	-
Financial assets at fair value through profit or loss	42,109	-	47	-	9	42,165	80.13%	-	-
a) Financial assets held for trading	38,910	-	4	-	-	38,914	84.11%	-	-
b) Financial assets designated at fair value	-	-	-	-	-	-	-	-	-
c) Other financial assets mandatorily at fair value	3,199	-	43	-	9	3,251	52.22%	-	-
Financial assets at amortised cost	34,793	-	336	-	-	35,129	15.39%	-	-
a) Loans and advances to banks	16,024	-	-	-	-	16,024	42.75%	-	-
b) Loans and advances to customers	18,769	-	336	-	-	19,105	10.02%	-	-
Hedging derivatives (assets)	356	-	-	-	-	356	64.61%	-	-
Non-current assets and disposal groups classified as held for sale	-	-	6	-	-	6	15.38%	-	-
Other assets	226	-	44	-	-	270	3.47%	-	-
Total assets	**77,950**	**-**	**433**	**-**	**9**	**78,392**	**22.91%**	**-**	**-**
Financial liabilities at amortised cost	15,200	-	210	13	11	15,434	5.40%	-	-
a) Deposits from banks	14,916	-	-	-	-	14,916	40.41%	-	-
b) Deposits from customers	219	-	210	13	11	453	0.22%	-	-
c) Debt securities in issue	65	-	-	-	-	65	0.14%	-	-
Financial liabilities held for trading and designated at fair value	32,238	-	-	-	-	32,238	66.71%	-	-
Hedging derivatives (liabilities)	179	-	-	-	-	179	56.65%	-	-
Other liabilities	98	-	14	-	-	112	1.42%	1	0.01%
Total liabilities	**47,715**	**-**	**224**	**13**	**11**	**47,963**	**14.01%**	**1**	**-**
Guarantees given and commitments	15,070	-	1,660	-	86	16,816	10.54%	-	

Note:
Shareholders and related companies holding more than 2% of voting shares in UniCredit.

Other assets mandatory at fair value include UniCredit Bank GmbH's Additional Tier 1 issuances, subscribed by UniCredit S.p.A. in October 2020, for a nominal amount of €1,700 million and evaluated at year end €1,738 million, with a revaluation of €121 million into Profit & Loss and UniCredit Bank Austria AG's Additional Tier 1 issuances, subscribed by UniCredit S.p.A. in December 2021, for a nominal amount of €600 million and evaluated at year end €590 million, with a revaluation of €75 million.

The value of the percentage on accounts Item, referred to "Commitments and guarantees given", has been calculated on the total of the tables "1. Commitments and financial guarantees given (different from those designated at fair value)" and "2. Others commitments and others guarantees given" in Notes to the accounts, Part B - Balance sheet, Liabilities, Other information.

Part H - Related-party transactions

The following table sets out the impact of transactions, for each group of related parties, on Income statements, pursuant to IAS24.

Related-party transactions: profit and loss items

(€ million)

	AMOUNTS AS AT 31.12.2024								
	CONTROLLED	JOINT VENTURES	ASSOCIATED COMPANIES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON ACCOUNTS ITEM	SHAREHOLDERS	% ON ACCOUNTS ITEM
10. Interest income and similar revenues	3,537	-	11	-	-	3,548	23.59%	1	0.01%
20. Interest expenses and similar charges	(2,966)	-	(5)	-	-	(2,971)	33.49%	-	-
30. Net interest margin	**571**	**-**	**6**	**-**	**-**	**577**	**9.35%**	**1**	**0.02%**
40. Fees and commissions income	135	-	787	-	-	922	18.43%	15	0.30%
50. Fees and commissions expenses	(53)	-	-	-	-	(53)	6.66%	-	-
60. Net fees and commissions	**82**	**-**	**787**	**-**	**-**	**869**	**20.66%**	**15**	**0.36%**
70. Dividend income and similar revenues	-	-	-	-	-	-	-	-	-
190. Administrative expenses	(71)	-	(311)	(1)	(4)	(387)	6.60%	(4)	0.07%
a) Staff costs	(4)	-	1	(1)	-	(4)	0.11%	-	-
b) Other administrative expenses	(67)	-	(312)	-	(4)	(383)	17.08%	(4)	0.18%
230. Other operating expenses/income	843	-	(37)	-	-	806	63.02%	-	-

Note:
Shareholders and related companies holding more than 2% of voting shares in UniCredit.

The "Other related-parties IAS" category includes:
- close family members of key management personnel (i.e., those family members who, as is expected, may influence, or be influenced by, the person in question);
- companies controlled (or jointly controlled) by key management personnel or their close family members;
- Group employee post-employment benefit plans.

With reference to the description of main transactions with related parties related to UniCredit S.p.A., reference is made to the corresponding paragraph "Part H - Related-party transactions" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, which is herewith quoted entirely.

Part I - Share-based payments

A. Qualitative information

1. Description of payment agreements based on own equity instruments
For the part that concern the delivery of UniCredit shares reference is made to the paragraph "1. Description of payment agreements based on own equity instruments" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part I - Share-based payments, Qualitative information, which is herewith quoted.

B. Quantitative information

1. Annual changes
Reference is made to the paragraph "1. Annual changes" of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts, Part I - Share-based payments, Quantitative information, which is herewith quoted.

2. Other information
All Share-Based Payment granted after 7 November 2002 whose vesting period ends after 1 January 2005 are included within the scope of the IFRS2.

Financial statement presentation related to share based payments

(€ million)

	2024		2023	
	TOTAL	VESTED PLANS	TOTAL	VESTED PLANS
(Costs)/Revenues	**(45)**		**(44)**	
- connected to equity-settled plans	*(45)*		*(44)*	
- connected to cash-settled plans	-		-	
Debts for cash-settled plans	**-**	**-**	**-**	**-**

Note:
The sub-item "connected to equity-settled plans" include costs for €4.5 million related to golden parachute.

Part L - Segment reporting

Segment reporting of UniCredit S.p.A., parent company of the UniCredit banking group, in the light of faculty granted by IFRS8 Principles, is provided to the paragraph “Part L - Segment reporting” of the Consolidated financial statements of UniCredit group, Notes to the consolidated accounts.

Part M - Information on leases

Section 1 - Lessee

Qualitative information

The Bank in conducting its business, signs lease contracts for which accounts for rights of use that mainly relate to the following type of tangible assets:

- buildings;
- others (e.g., cars).

These contracts are accounted for in accordance with rules set in accounting standard IFRS16 further detailed in Part A - Accounting policies, A.2 - Main items of the accounts, 15. Other Information.
The rights of use deriving from these lease contracts are mainly used to provide for services or for administrative purposes and accounted for according to the cost method. If these rights of use are sub-leased to third parties, a financial or operating lease contract is booked based on their characteristics.

It is worth to specify that, as allowed by the accounting standard, the Bank has decided not to account for rights of use or lease liabilities in case of:

- short-term leases, lower than 12 months; and
- lease of low value assets. In this regard, an asset is considered as low value if its fair value when new is equal to or lower than €5 thousand. This category mainly includes office machines (PCs, monitors, tablets, etc.) as well as fixed and mobile telephony devices.

As a result, the lease payments deriving from this type of activity are booked in item “160. Administrative expenses” on an accrual basis.

Quantitative information

The book value of the rights of use arising from lease contracts are exposed in the Section 8 - Property, plant and equipment of the Notes to the accounts, Part B - Balance sheet, Assets.

During the year, these rights of use resulted in the recognition of depreciations for €162.6 million of which:

- €156.4 million relating to buildings;
- €6.2 million relating to the other category (eg. cars).

In addition, impairment for €7.5 million has been booked.

With reference to leasing liabilities, the related book value is shown in the paragraph Section 1 - Financial liabilities at amortised cost of the Notes to the accounts, Part B - Balance sheet, Liabilities refer to this section.
During the year, these lease liabilities led to the recognition of interest expenses shown in the Section 1 - Interests - Item 10 e 20 of the Notes to the accounts, Part C - Income statement.

With reference to short-term leases and leases of low value assets, it should be noted that during the year, rentals were accounted for €50.2 million. It should be noted that such amount also includes VAT on rentals which is not included in the lease liability calculation.

For the purposes of determining the lease term, the Bank considers the non-cancellable period established by the contract, during which the lessee has the right to use the underlying asset as well as any renewal options where the lessee has reasonable expectation to proceed with the renewal.
In particular, with reference to contracts that provide the lessee with the option to automatically renew the lease at the end of a first period, the lease term is determined considering elements such as the duration of the first period, the existence of any plan leading to the disposal of the asset leased as well as any other circumstance indicating the reasonable certainty of renewal.
Therefore, the amount of cash flows, not reflected in the calculation of the lease liability, to which the Bank is potentially exposed, is essentially due to the possible renewal of lease contracts and the subsequent extension of the lease term not included in the original calculation of the lease liabilities taking into account the information available and expectations existing as at 1 January 2019 (date of initial application of IFRS16) or on the starting date of the lease.

Part M - Information on leases

Section 2 - Lessor

Qualitative information

The Bank carries out financial leasing activities associated with the sublease of properties both to other Group's companies and to third parties. These contracts are exposed through the recognition of a credit for financial leases recognised in item "40. Financial assets at amortised cost", the booking of the related income on an accrual basis in item "10. Interest income and similar revenues" and of the impairment for the expected credit loss in item "130.Net losses/recoveries on credit impairment".

Operating leases activities, on the other hand, are essentially attributable to the leasing of owned properties.

These contracts are represented through the recognition, on an accrual basis, of the rentals received in item "200. Other operating expenses/income".

Quantitative information

1. Balance sheet and Income statement information

With reference to financial lease contracts, the book value of credit for financial leases is shown in Section 4 - Financial assets at amortised cost of the Notes to the accounts, Part B - Balance sheet, Assets.
Such loans determined, during the year, interest income shown in Section 1 - Interests - Items 10 and 20 of Notes to the accounts, Part C - Income statement.
With reference to operating lease contracts, it should be noted that the book value of the owned assets granted under operating lease is composed as follows:

- Land: €68.6 million;
- Buildings: €147.2 million.

Rentals recognised on an accrual basis during the year for leasing of these activities are shown in Section 14 - Other operating expenses/income of these Notes to the accounts, Part C - Income statement.

2. Financial leases

2.1 Classification for time bucket of Payments to be received and Reconciliation with Lease Loans booked in the Assets

(€ million)

TIME BUCKET	31.12.2024 PAYMENTS TO BE RECEIVED FOR LEASE	31.12.2023 PAYMENTS TO BE RECEIVED FOR LEASE
Up to 1 year	16	15
1 year to 2 years	17	17
2 year to 3 years	16	16
3 year to 4 years	14	15
4 year to 5 years	11	13
Over 5 years	12	19
Total Payments to be received for lease	**86**	**95**
RECONCILIATION WITH LOANS		
Unpaid Financial Profits (-)	5	9
Not guaranteed Residual Amount (-)	-	-
Lease Loans	**81**	**86**

The value shown in the table represents the gross exposure. This value is decreased by impairment, equal to €1 million, leading to the amount of €80 million shown among in Section 4 - Financial assets at amortised cost of Notes to the accounts, Balance sheet, Assets

Part M - Information on leases

2.2 Other information

With regard to financial leases, the credit risk associated with the contract is managed according to what is stated in Section 1 - Credit risk of the Notes to the accounts, Part E - Information on risks and related hedging policies.

The classification of the contract as a finance lease is determined by the fact that the risks and rewards of the leased right of use are transferred to the lessee mainly through contract durations substantially aligned with the useful life of the related right.

3. Operating leases

3.1 Classification for time bucket of Payments to be received

(€ million)

TIME BUCKET	31.12.2024 PAYMENTS TO BE RECEIVED FOR LEASE	31.12.2023 PAYMENTS TO BE RECEIVED FOR LEASE
Up to 1 year	6	6
1 year to 2 years	6	5
2 year to 3 years	5	5
3 year to 4 years	5	5
4 year to 5 years	5	5
Over 5 years	17	19
Total	**44**	**45**

3.2 Other information

There is no further significant information to report compared to the above.

Annual Financial Statements certification pursuant to Art.81-ter of Consob regulation No.11971/99, as amended

1. The undersigned Andrea Orcel (as Chief Executive Officer) and Bonifacio Di Francescantonio (as the Manager charged with preparing the financial reports) of UniCredit S.p.A., also in compliance with Art.154-bis, (paragraphs 3 and 4) of Italian Legislative Decree No.58 of 24 February 1998, hereby certify:
   - the adequacy in relation to the Legal Entity's features, and
   - the actual application of the administrative and accounting procedures employed to draw up the 2024 Annual Financial Statements.

2. The adequacy of the administrative and accounting procedures employed to draw up the 2024 Annual Financial Statements has been evaluated by applying a model developed by UniCredit S.p.A., in accordance with the "Internal Control - Integrated Framework (CoSO)" and the "Control Objective for IT and Related Technologies (Cobit)", which represent generally accepted international standards for internal control system and for financial reporting in particular.

3. The undersigned also certify that:
   3.1 the 2024 Annual Financial Statements:
      a) were prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation No.1606/2002, of 19 July 2002;
      b) correspond to the results of the accounting books and records;
      c) are suitable to provide a fair and correct representation of the economic and financial situation of the issuer;
   3.2 the Report on Operations includes a reliable analysis of the operating trend and results as well as of the situation of the issuer, together with a description of the main risks and uncertainties they are exposed to.

Milan, 20 February 2025

Andrea ORCEL

Bonifacio DI FRANCESCANTONIO

Report of the Audit Committee

(English translation of the Italian original document)

AUDIT COMMITTEE'S REPORT
TO THE SHAREHOLDERS MEETING OF 27 MARCH 2025
(PURSUANT TO ART.153, PAR. 1 OF ITALIAN LEGISLATIVE DECREE 58/1998)

Dear Shareholders,

the Audit Committee (hereinafter, also "Committee", "AC", "Audit Committee") is called to report to the Shareholders' Meeting of UniCredit S.p.A. (hereinafter, also "Bank", "Parent Company", "UniCredit") on the oversight activity performed during the year and on any detected omissions and censurable facts, pursuant to Art.153, paragraph 1 of Italian Legislative Decree 58/1998 (Consolidated law on finance TUF). This report provides the information required by CONSOB Communication 1025564/2001 as amended and/or supplemented.

During the financial year 2024, the Committee performed its institutional duties in compliance with the Italian Civil Code, Italian Legislative Decree 385/1993 (Consolidated law on banking TUB), 58/1998 (TUF) and 39/2010 and subsequent amendments and/or additions, the provisions of the Articles of Association and those issued by the Authorities that exercise supervisory and control activities.

1. Appointment and activities of the Audit Committee
The Extraordinary Shareholders' Meeting, held on 27 October 2023, approved the adoption of the one-tier corporate governance system, which provides for the appointment within the Board of Directors of an Audit Committee performing control functions, effective upon the first renewal of the corporate bodies, which was resolved by the 12 April 2024 Shareholders' Meeting.

On 12 April 2024, therefore, the Shareholders' Meeting of UniCredit S.p.A. provided to appoint the Audit Committee, by appointing its members in the persons of Mr. Marco Rigotti (Chair), Ms. Paola Camagni, Ms. Julie Galbo, Mr. Gabriele Villa, who remain in the position for the term of office of the Board of Directors in which they were elected (expiry with the approval of the financial statements for the financial year 2026)**.**

The Audit Committee also performs the Supervisory Body's duties in accordance with the Legislative Decree 231 of 8 June 2001, as per the resolution adopted by the Board of Directors on 12 April 2024 (such as further tasks pursuant to Art.2409 - octiesdecies of the Italian Civil Code and Art.26 paragraph 1 of the Articles of Association).

In May 2024, in order to implement the new governance model, the Board of Directors approved the Board and Board Committees Regulation, setting forth the rules pursuant to which UniCredit Board of Directors, Audit Committee and other Board Committees are established and operate, in order to establish sound internal governance arrangements and practices consistent with the applicable provisions of laws and regulations of the UniCredit's Articles of Association as well as with the principles and recommendations of the Italian Corporate Governance Code. The provisions concerning the Audit Committee were approved by the Committee itself, as also specifically requested by the Supervisor (ECB - European Central Bank, JST- Joint Supervisory Team).

Since its assignment, the Committee has continued to refine the methods of performing its role, in order to allow the Bank to fully seize the opportunities offered by the one-tier administration and control model, taking into account the legislative, regulatory, statutory context and the best practices, as well as the main reasons underlying the adoption of the one-tier system. In particular, great significance is given to the role of the Committee in supporting the Board of Directors' activity and not only to its role as a Control Body, similar to the one of the Board of Statutory Auditors, within the traditional governing model.

In this regard, particular attention was paid to the dialogues among the Audit Committee and the other Board Committees. With reference to the Risk Committee, whose role assumes a strategic relevance in the banking industry, a working group, consisting of the Chairs and the Secretariat Offices of the two Committees, by enhancing the different perspective of these Committees even where common areas of attention are present, has developed some principles and criteria in order to adequately coordinate its activity, particularly:
a) **subject specialisation**, intended, for example, as regards the Audit Committee, with reference to areas relating to controls, processes, organisational structure, financial and non-financial reporting, and the external audit process;
b) **topics relevance** to define the single work agendas by competence or specialisation or legislative-regulatory provision (e.g. relevance of controls versus risk topics in the preliminary examination of policies within the competence of the Board of Directors).

Furthermore, significant importance was given to the **cooperation and functioning forms**, facilitated by the appointment, within the Risk Committee, of the Chair of the Audit Committee, as well as through:
- interactions between the Chairs of the Audit Committee and of the Risk Committee and between their respective Secretariat Offices (i.e. through information exchanges);
- prior sharing with the other Committee's members of the agendas for each Committee's meetings;

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- information of the Audit Committee's Chair on the activities performed by each Committee, conveyed during the meetings of the other Committee, with mutual exchange of information flows;
- reliance on what performed/examined by other Board Committee (also in the form of what reported in the Board of Directors by the Chairs of the Committees).
- joint meeting between Audit Committee and Risk Committee in order to facilitate and make efficient the interactive analysis on topics of common interest (with different analysis focuses); dealing together with matters through joint sessions increases, in the interaction between the two Committees, the knowledge of common matters without undermining the clarity of the roles and the responsibility of each Committee, which remains unaffected.

On the other hand, the Audit Committee, as Control Body, performs its functions independently of the other members of the Board of Directors and has full autonomy in the organisation of its functioning and in the performance of its activities.
Thus, the aforementioned "Board and Board Committees Regulation" provides and modulates appropriate safeguards with specific reference to the Audit Committee, such as, for example, relationships with Management on matters relating to the Bank's activities and on the participation of the Management itself in the Committee's meetings**.**

Furthermore, in terms of collaboration among Committees, the Audit Committee receives the letter of call of the other Board Committees' meetings also in order to allow each Audit Committee's member to request to be able to participate in specific meetings of these Committees also with reference only to single items on the agenda, after having coordinated with the Chair of the Audit Committee and informed the Chair of the other Committee.

Lastly, the Audit Committee reports to the Board of Directors at each meeting on its activities and opinions, also with reference to topics not included in the agenda of the Board itself.

The Committee members, as Directors, participated to the permanent induction program for the members of the Board of Directors, based on three-year cycles linked to the Board's mandate. The induction program and recurrent training respectively include sessions aimed at facilitating the inclusion of new Directors and training sessions in order to preserve over time the skills necessary to perform their role with awareness.
In 2024, the training initiatives dedicated to the entire Board concerned topics related to corporate governance, strategy, business, data protection and artificial intelligence, digital technology, cyber security, risk management including ESG matters and legislative and regulatory insights, as well as the overall internal controls system, with the aim of ensuring knowledge and awareness of the risk profile undertaken by the Group.

In 2024, on its own initiative, in addition to the ordinary meetings, the Audit Committee held specific focus sessions, with the competent Management, on topics considered of specific interest to the Committee members, such as IFRS9 and Overlays, Russia - Accounting topics, DTA and subsidiaries' impairment.

2. Oversight of compliance with the law and the Articles of Association and compliance with the principles of proper management
During 2024, starting from its appointment, the Committee held No.20 meetings with an average duration of approximately 3 hours and 20 minutes in ordinary session and No.7 meetings held in session acting as 231 Supervisory Body with an average duration of approximately 1 hour. During 2025 and until the date of this Report, the Committee met No.9 times (of which No.7 in ordinary session and No.2 acting as 231 Supervisory Body). Overall, from its assignment until the date of issue of this Report, the Committee has met No.27 times in ordinary session and No.9 times in sessions with the function of 231 Supervisory Body.

Through direct participation in the decision-making processes of the Board of Directors, typical of the one-tier model, the supervisory role of the members of the Audit Committee has been fully enhanced.
As part of its functions, the Committee acknowledges that it has supervised on the compliance with the law and the Articles of Association.

During 2024, the Directors who are members of the Committee, attended all meetings of the Board of Directors.

The directors who are members of the Committee, as stated in paragraph 1, also attended some meetings of the Board Committees.
In short, in 2024:
- the AC's Chair Mr. Rigotti attended, as member, all meetings of the Risk Committee;
- the AC's Chair Mr. Rigotti attended No.2 meetings of the Governance and Sustainability Committee, No.1 meeting of the Nomination Committee and No.1 meeting of the Related Parties Committee;
- the director Camagni attended No.3 meetings of the Risk Committee in joint session with the Audit Committee, No.1 meeting of the Governance and Sustainability Committee and No.2 meetings of the Related Parties Committeee;
- the director Galbo attended No.3 meetings of the Risk Committee in joint session with the Audit Committee and No.4 meetings of the Risk Committee;
- the director Villa attended No.3 meetings of the Risk Committee in joint session with the Audit Committee and No.1 meeting of the Risk Committee.

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During 2024, No.3 joint session meetings were held with the Risk Committee (one in July and two in December), concerning: DORA (Digital Operational Resilience Act) Program and DORS (Digital Operational Resilience Strategy); LoDs - Line of Defense Combined Dashboard as at 30 June 2024 (control topics, processes and related issues with the second and third level Control Functions: Compliance - Risk Management - Internal Audit) and topics related to the trends in transnational payment flows of the Russian subsidiary and the related controls. On this latter topic, in 2025 and until the date of this Report, a further joint session update was held.

In relation to the Group activities development operations and other corporate transactions described in the Consolidated Report on Operations among which the initiatives of securitization of non-performing portfolios, to which reference is made, the Committee considered adequate the information provided by the Directors in the Report on Operations.

Based on the analyses carried out, the attendance at the Board of Directors' meetings and the examination of the related documentation and based on the information available, the Committee can reasonably consider the transactions themselves compliant with the law and the Bank's Articles of Association and not manifestly imprudent, reckless, contrary to the resolutions of the Shareholders' Meeting, or such as to compromise the integrity of the corporate assets.

The financial statements report, the information received during the Board of Directors' meetings and the information provided by the Chair, the Chief Executive Officer, the Management, the Head of Internal Audit, the direct subsidiaries' boards of statutory auditors, and the External Auditor revealed no atypical or unusual transactions, performed with third parties, related parties or intragroup.

In 2024, the Group recorded a stated net profit of €9,719 million, compared to €9,507 million in 2023.
The Group's net profit (Group net accounting result net of DTA write-up or cancellations on losses carried forward deriving from the update of sustainability tests) on the other hand, stands at €9,314 million, increasing by €700 million compared to the previous financial year (8.1% at current exchange rates, 9.1% at constant exchange rates).

Based on the Board of Directors' approval of the financial results as at 31 December 2024, disclosed to the market on 11 February 2025, the Board of Directors of UniCredit S.p.A., in its meeting held on 20 February 2025, approved the Draft Company's Financial Statements and the Consolidated Financial Statements as at 31 December 2024, recording a net profit equal to €8,106 million for UniCredit S.p.A. and a net profit equal to €9,719 million at Consolidated level.

3. Oversight of the adequacy of the organizational structure
The Audit Committee examined the **Annual Report** prepared by the competent Group Organisational, People Analytics and Group Functions P&C Strategic Partner structure, which deemed the UniCredit S.p.A.'s organisational structure to be adequate, due to the robustness of the overall regulatory framework that ensures clear responsibility, accountability, and delegation of powers items, with regard to managerial committees and company structures.

Organisational structure
UniCredit adopts an organisational and business model that, while guaranteeing the autonomy of countries/local banks on specific activities in order to ensure greater proximity to customers and efficient decision-making processes, maintains: (i) A central governance of business/products as well as (ii) Global control over Digital & Information and Operation functions, and (iii) Functions in charge of steering, coordinating and controlling, for their area of competence, the management of activities and related risks of the Group, as a whole, and of the single Legal Entities, including communication coordination, stakeholders' and Group's strategic initiatives and activities management.

During 2024, the Audit Committee observed with the competent Function, the Group's organisational structure, with a focus on local/central reporting, also dwelling over topics related to tone from the top, as part of the overall culture of the Group itself, over the distribution of responsibilities and accountability between the Parent Company and single Legal Entities, over the "mirroring" of homogeneous organisational structures to be implemented at local level.

The Audit Committee then examined the organisational structure's development, whose overall review had begun with the appointment of the new Top Management in April 2021, noting that the adjustments made, in continuity with previous years, focused on simplifying the operating and business model while strengthening it, at the same time; in this perspective, organisational updates were therefore brought in several areas:
- Italy Division, with the "buddy R-Evolution" project aimed at strengthening and widening the commercial offer;
- Group Client Solutions with the simplification of the trading activity framework with the centralisation from UC Bank GmbH to UniCredit S.p.A. and the creation of the Group Insurance structure for the steering and coordination of insurance products offer;
- Group Digital & Information Division with further organisational refinements, in particular in terms of first reporting line;
- Group Chief Operating Office - Group COO by creating a new Service Line - Group Products COO - to steer a robust "End to End" product process and operating model, including the Group process framework, based on the renewed Guidelines for the Group Process Management activities;
- Group Legal and Group Finance, with organisational reviews and simplifications.

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The Audit Committee has specifically deepened the organisational review design of the Group Finance which is based, inter alia, on the following pillars: centres of excellence and transversal functions with maximisation of economies of scope and scale; optimisation of processes/activities, with simplification of current processes and reduction of overlap; data & tools development in order to encourage automation in the medium/long term, considering it appropriate to monitor its developments during 2025, moreover in view of the expected evolutions also related to the planned investments in IT transformation.

The Audit Committee deemed the overall UniCredit S.p.A.'s organisational structure adequate in its design and implementation to date, as well as consistent with the Company's size and complexity, the nature and manner of pursuing the corporate purpose as well as other Company's characteristics and the context in which it works and will keep on monitoring the progressive maturation of the entire organisational structure itself and its suitability and operational effectiveness.

With particular reference to the Control Functions, from the organisational profile:

• Internal Audit
The Audit Committee, in compliance with regulatory requirements, discussed for UniCredit S.p.A. the 2025 Annual Audit Plan, which is part of the Long-Term Audit Plan, the latter defined, on an ongoing basis, following a detailed risk assessment process, definition of risk drivers and identification of Group Audit Guidelines, to ensure in a 5-year period (2025-2029), a proper coverage of the Bank's processes mapped in the audit universe. The two plans were subsequently approved by the Board of Directors in January 2025.

The Audit Committee examined the budget and the resource plan of the Internal Audit Function and verified that, in both respects, the 2025 planning is broadly in line with the one for the previous year.
The Audit Committee obtained updates on the planned initiatives to strengthen the IT equipment of the Function and on the continuation of the recruiting activity of specialised resources to cover the residual, limited deficiencies present in specific areas. The Audit Committee therefore agreed with the adequacy assessment declared by Internal Audit, with regard to both the budget and the 2025 resource plan defined in order to complete the planned audit activities.
Based on the information acquired and considering the continuation of the recruitment activity, the Audit Committee considered the size and capacity of the Function to be adequate to fulfil its tasks.

• Group Risk Management
The Audit Committee examined, in compliance with regulatory requirements, the GRM and Internal Validation Plan for 2025, approved by the Board of Directors in January 2025, which is split in the GRM's framework pillars: Credit Risk, Financial Risk, Non-Financial Risks further to other relevant cross-cutting activities. In addition to the initiatives related to the strengthening of the risk culture and the risk policies framework, the Plan examined the main trend expected for 2025 for each risk pillar, regulatory evolution, supervisory expectations and issues that emerged during 2024 and listed the related planned actions in terms of control activities and project initiatives, in accordance with the RAF and functional to effective steering and monitoring of the overall risk profile, organically assessed within the ICAAP/ILAAP framework.
With regard to the Group Internal Validation (GIV) activities planned for 2025, the Audit Committee noted that all the main planned validation activities were covered.
Based on the information acquired, the Audit Committee deemed appropriate the size and capacity of the GRM function to fulfill its tasks.

• Compliance Function
The Audit Committee examined, in compliance with regulatory requirements, the 2025 Group Compliance Plan (approved by the Board of Directors in January 2025).
The Plan is based on the identification of the main non-compliance risks emerging from internal and external drivers, including:
- anti-financial crime, in view of the intensified and complex context of Financial Sanctions and the expected regulatory developments in the AML scope;
- conduct & market integrity, given the growing requirement and expectations of Regulators in this area;
- data protection, in view of the attention required by the fast development of artificial intelligence and new technologies;
- risks arising from the strengthening of certain business areas or from the entry into new ones.

The Audit Committee acknowledged that the initiatives included in the Group Compliance Plan contribute to covering current activities ("run the Bank"), the most significant ongoing projects within the Group and compliance culture initiatives, including training, education, Tone from the Top and Tone from the Middle. The Audit Committee noted that as provided for in the Compliance Plan is coherent with the 2025 budget and that the same has been shared, according to the harmonised approach envisaged, with the Group's Legal Entities.

Based on the information acquired, the Audit Committee deemed adequate the Function's capacity to fulfill its tasks.

The Audit Committee keep on monitoring the evolution of the organisational structure, the capacity of the Control Functions, as well as their independence.

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4. Oversight of the adequacy of the internal control

The internal control system in the UniCredit Group, in its ordinary governance structure, is based on:
- control bodies and functions, particularly involving, each for their respective remits, the Board of Directors, the Risk Committee, the Chief Executive Officer, the Audit Committee as Control Body, as well as the managerial functions and committees with specific duties in this regard;
- information flows and methods of coordination among the parties involved in the internal control and risk management system;
- Group governance mechanism.

As stated in the "Report on Corporate Governance and Ownership Structures", the types of control at UniCredit, in compliance with current law and drawing inspiration from international best practices, are structured on three levels:
- line controls (so-called first-level controls), in charge of the corporate functions responsible for business/operating activities, devoted to ensuring the proper operations' functioning;
- risk and compliance controls (so-called second-level controls), in charge of the Group Compliance and Group Risk Management Functions, each regarding the matters in their sphere of competence;
- internal audit (so-called third-level controls), in charge of the Internal Audit Function.

The Group Compliance, Group Risk Management and Internal Audit Functions are separated and hierarchically independent from the corporate functions that carry out the activities subject to their control. The Board of Directors resolves, with exclusive competence, in relation to the appointment and removal of the Heads of said functions, by coordinating, where appropriate, with the Board Committees involved.

As per Banca d'Italia Circular 285/2013, corporate control functions also include the anti-money laundering and internal validation functions set up via Group Compliance and Group Risk Management, respectively.
In addition to the corporate control functions, in line with the regulatory provisions, also the functions having control duties as per regulations or self-regulations are part of the Control functions (e.g. the Manager in charge of preparing the company's financial reports).

The Audit Committee stated having performed a regular and constant exchange of relevant information with the above-mentioned control functions during the reference period. It also stated that the above-mentioned control functions have fulfilled their information obligations towards the Audit Committee itself.

In order to ensure the continuous and prompt information flow with Internal Audit, the person in charge of the Internal Audit Function (Chief Audit Executive, or CAE) is permanently invited to the Audit Committee's meetings; the CAE reports, directly or through the Audit Committee, to the Board of Directors at least once a year and, in case of important topics, to the first available meeting, about the adequacy, effectiveness and actual functioning of the internal control system.

The Committee promptly started a dialogue with the Internal Audit Function, in order to define the most effective and efficient ways to convey the flows relating to the planning, methodology, guidelines and results of the Function's activities, including the related periodic reporting and the results of individual audit engagements. The Audit Committee approved the approach proposed by Internal Audit which, from an overall simplification perspective, foresees the discussion, for the flows most significant or with particular criticalities, at the Committee's meeting and, for the remaining ones, the distribution to the Chair only, who has the power to decide, on a case-by-case basis, whether to submit them to the Committee.

In addition to the above-mentioned planning of the Function activities (refer to the above paragraph 3. Oversight of the adequacy of the organisational structure), during the period of reference of this Report, the Audit Committee examined and discussed with the CAE the following:
- an introductory overview of the Function, which includes as follows: mission, scope, strategy, organisation, governance, resources, budget, areas of intervention, quality assurance, progress of internal transformation and evolution projects, training, innovation;
- an in-depth analysis of Internal Audit activities performed within the ICAAP - Internal Capital Adequacy Assessment Process/RAF, in terms of regulatory background, capital risk governance, coverage of the Function's controls and summary of the results of the assessments performed for the last financial years;
- the mid-term review of the 2024 Audit Plan;
- the 2025 top risk drivers identified by Internal Audit and the guidelines for the planning of the audit activities.

The Audit Committee also deepened the impacts of the new Global Internal Audit Standards (GIAS), in force since January 2025, on the Internal Audit Function framework. The Audit Committee found the outcome of the specific self-assessment performed by the Function, which highlighted the limited impacts deriving from the introduction of the new standards on current processes and procedures, without significant changes in the engagement methodologies. In this regard, the AC verified that the Internal Audit Function is already compliant with the essential conditions required by the GIAS in relation to the independence of its positioning and the authorisations and oversight required by the Board of Directors. The Audit Committee then examined the Global Policy "Internal Audit Group Framework", which was reviewed to implement some updates requested by the new GIAS standards and in line to the one-tier corporate governance model.

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The Audit Committee examined the methodological updates introduced by Internal Audit, also following a recommendation made in the context of an ECB inspection, regarding the evaluation criteria of audit reports and related ratings as well as the criteria for classifying the single findings included in the audit reports and the related ratings. Such changes, through a more objective and quantitative approach to the classification of audit findings and reports, will make it possible to ensure: (i) the enhancement of transparency for stakeholders; (ii) the standardisation and harmonisation of audit outcomes across the Competence Line; (iii) a clearer representation of the risk impacts deriving from audit results.

Based on the activities performed and the information acquired during 2024, in its annual report (**Integrated Audit Report 2024**), the Internal Audit Function evaluated the internal control system as "mostly adequate", with reference to both UniCredit S.p.A. and the Group.
In the observed period, the Committee examined, time to time, the outcomes of the checks performed by Internal Audit (selected according to the above-described criteria), and the related remediation plans, by deepening specifically, those that are most significant in terms of the severity of the single findings and/or the overall rating. In this context, the following topics are mentioned, inter alia, for which the Committee has discussed and deepened the root causes of the identified deficiencies with the Function and has obtained information on the content and timing of completion of the defined remedial actions:

- in the ICT/ICT Security area (whose overall evaluation was Partially Adequate): software obsolescence, strong authentication solutions; ICT cartography; applications in the P&C area;
- export advances and import finance management process;
- overall supervision of the staff travel protection;
- governance and execution of first-level controls in the AML and MiFID area.

The Audit Committee has ascertained, in all cases, the efficacy of the mitigation actions put in place and agreed with the reasonableness of the remediation plan and related deadlines, sometimes asking for updates on the implementation of specific remedial actions, with the involvement of the Functions receiving the findings.

With regard to first-level controls, whose crucial importance had been stressed on several occasions by the previous Control Body, the Committee focused on the ongoing activities, about the maintenance of the related control system and its evolution in order to keep it constantly adherent with the needs of the activities really carried out, as well as the necessary homogenisation within the Group. In relation with this specific context of greater simplification and harmonisation, the Committee welcomed the establishment of the Group Products COO service line, referred to in paragraph 3 above, although the need remains for a systematic review of the first-level controls area at Group level, including the controls catalogue and relationships with second level functions.

Framework ICT e ICT Security
In compliance with the regulatory requirements, during the period covered by this Report, the Committee held a number of meetings with the Group Digital & Information (GD&I) Function in order to monitor, for the competence profiles, the evolution of the Group's ICT and ICT Security framework.

In the context of these meetings, with an approach focused primarily on processes and controls, the Committee, considering in any case the results of the evaluations performed by Internal Audit, noted the following:

- in continuity with previous years, the strengthening of the Group's level of maturity in relation to ICT Security continued at almost all Legal Entities, because of the initiatives included in the Security Roadmap;
- the ongoing strengthening of the Security Strategy, in line with the Business evolution and digital priorities;
- the continuation of the downward trend of the Major ICT security incidents;
- the "security awareness" initiatives aimed at both inside and outside the Group.

The Committee examined with GD&I Function the principles and milestones of the EU Artificial Intelligence Act (AI Act), which came into force from August 2024, and took note of the cross-functional program dedicated to creating a responsible AI governance framework and ensuring compliance with the regulatory deadlines set out in the AI Act, with a gradual, progressive, and risk-based approach.

Preparatory to the entry into force, as of 17 January 2025, of the European Regulation DORA (Digital Operational Resilience Act), an EU regulation aimed at strengthening the ICT resilience of financial institutions and their core ICT providers, the AC met on two occasions with the GD&I Function and the other competent Functions, in a joint session with the Risk Committee. In this context, the Committee:

- discussed and deepened the objectives and pillars of the regulation, as well as the main focus areas (cybersecurity, IT operational resilience and supervision of IT vendors);
- received information on the DORA Program, a specific cross-functional initiative led by GD&I, launched by UniCredit in 2023 and led by an Executive Steering Committee, whose objective is to ensure compliance with DORA's requirements;
- obtained updates on the progress of the initiatives included in the DORA Program and noted that they were in line with the deadlines;
- acknowledged that, in agreement with ECB, some activities will continue beyond the DORA go-live date, in particular certain activities requiring negotiation with third parties;
- examined the UniCredit Digital Operational Strategy (DORS), which was subsequently approved by the Board of Directors on 12 December 2024: the Committee acknowledged that the DORS specifies how the Bank will be able to ensure, refine and monitor its IT operational integrity after go-live;

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- noted that the DORA Program, as a whole, should lead to a structural strengthening of governance, steering and monitoring of the area;
- took note of the mostly adequate results of the project assurance performed by Internal Audit in relation to the DORA Program;
- agreed with the Risk Committee to continue the joint monitoring of the DORA Program even after its entry into force and asked to be promptly updated in the event of emerging issues.

The Committee examined the update of the Global Policy - Group Security and the latest available version of the Summary Report on ICT adequacy and costs of UniCredit S.p.A. and noted the UniCredit favorable positioning compared to Italian and European peers, in terms of both IT efficiency and IT intensity.

Lastly, the Committee received updates from the External Audit Firm experts on the audit activities relating to the controls on the Bank and Group information systems (ISAE 3402 KPMG's Report), their design and operational effectiveness.

With regard to topics related to outsourcing, the Committee examined:
- the update of the Group Policy "Third-party risk management for Outsourcing and Non-Outsourcing arrangements";
- the results of the Annual Internal Audit Report on "Outsourcing of activities - 2024" provided for by Circular 285 of Banca d'Italia. This Report summarises the critical issues that emerged, with specific reference to the difficulties of accessing certain external providers in order to perform the audit activities provided for by specific contractual clauses. The Committee has taken note of the initiatives already launched by the Management in this regard and has requested follow-up due to the identified gaps.

Compliance
In relation to the compliance with regulatory areas, the Audit Committee, within the scope of its functions, has regularly met the person in charge of Group Compliance with whom discussed, among other things, the ICR (Integrated Compliance Report) on a quarterly basis as well as **the UniCredit Group Annual Compliance Report 2024** which, based on the activities performed by Group Compliance and the other information collected, includes the assessments of this Function with regard to the residual compliance risks for each area and for each of the Group's main Legal Entities. In particular, as part of these reports, the Group Compliance Function illustrated the activities performed, as well as the weaknesses identified at Group level and the measures to be taken to overcome them, as well as regarding the completeness, adequacy, effectiveness, and reliability of the internal control system, within the scope of the Function's responsibilities.
Taking into account the outcomes of the non-compliance risk assessment and the second-level controls carried out, the activities completed in accordance with the provisions of the 2024 Compliance Plan, including the internal quality assessment review, the Committee found the overall "mostly adequate" opinion given by the Group Compliance Function regarding the non-compliance risk management, both for UniCredit S.p.A. and the Group's Companies.

During the year, the Audit Committee focused on the following **FS/AML** (Financial Sanctions, Anti-Money Laundering) topics, requiring specific in-depth analysis:
- Financial sanctions with specific reference to the financial sanctions introduced due to the Russia-Ukraine conflict and the related controls relating to the transnational payments of the subsidiary AO Bank;
- AML (Anti-Money Laundering) area showing an inherent "medium-high" risk, with an increase compared to 2023, due to the increased risk of circumvention of the above-mentioned Financial Sanctions; for risk reduction purposes, further compliance investigations were performed by the competent function and the internal control system was strengthened;
- EU Delegated Regulation 758/2019 ("Reg 758"), implementing which, additional measures were introduced in relation to subsidiaries having their registered office in Russia; in particular, also following the Banca d'Italia impulse in the context of horizontal sector supervision, the AC supported the Board of Directors in the suitability assessment regarding the implementation of additional controls and other mitigation measures. In this regard, the Committee considers that stringent monitoring of the controls' results, in the coming months, is necessary before being able to draw definitive conclusions in terms of adequacy and, in 2025, the Internal Audit Function will perform an inspection to verify the coherence of the actions taken, in compliance with the request of Banca d'Italia;
- AML first-level controls catalogue (1LC): the Committee examined the "partially adequate" results of an audit engagement performed by the Internal Audit Function carried out in the second half of 2024 with regard to the effective implementation of the cooperation model between the first and second line of defence, finding some shortcomings at governance level (e.g. need to strengthen the overall system of first-level controls) as well as gaps in the design, execution and reporting of first-level controls in some companies of the UniCredit Group; no critical issues noted with reference to the Italian perimeter, the corrective actions are performed by UniCredit's central structures also in order to ensure homogeneity and effectiveness of action throughout the Group;
- Banca d'Italia inspection on outsourced activities and related processes: some shortcomings in the KYC (Know Your Customer) area were highlighted in relation to the remote customer on-boarding process. The relevant remediation plan was submitted to the Board of Directors, supported by the Audit Committee. The AC also examined the engagement performed by the Internal Audit Function, which was rated "adequate", aimed at verifying the adequacy of the corrective measures implemented in execution of the above-mentioned remedial plan.

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The Committee also examined:
- the progress of the **Compliance Next** Program, the development plan to reorganise the Group's Compliance Function's target operating model, approved by the Board of Directors in September 2021, which showed No.83 initiatives closed out of No.89; with regard to the remaining No.6 initiatives, mostly related to the planned replacement, in No.11 Group companies, of a transaction monitoring tool due to the expected decommissioning by the external provider, gradual closure is expected by the first quarter of 2027;
- the contents of the Report on the overall state of complaints received by UniCredit S.p.A. in 2024, which showed a number of written complaints received in 2024 amounting to No.39,507 (in line with 2023, amounting to No.39,574).The main reasons for the complaints received related to the following issues: Monetics, Cards and POS, Salary-Backed Loans ("CQS"), General Complaints and Mortgages and Other Loans and accounted for 55% of the total written complaints. The complaints accepted with refunds in 2024 gave rise to reimbursements for a total of €8.1 million (decreasing compared to 2023) with the main disbursement item relating to Monetics - Cards increasing due to refunds on unauthorised transactions. The operational issues that arise from the complaints' analysis are the subject of periodic discussion and in-depth analysis both within the Complaints Discussion Group organized by the Compliance Function, and within the Permanent Work Group (PWG) for the mitigation of operational risks, with the monitoring of the related complaints and corrective actions shared and implemented by the competent Bank's Functions;
- in the **GDPR** (Global Data Protection Regulation) context, the contents of the **Data Protection Officer (DPO)** Report of UniCredit S.p.A., for 2024, which summarised the actions put in place to protect personal data and to manage the data breaches risks as well as to guarantee proper staff training. As part of its Report, the DPO assessed the residual risk as "medium-low", according to the current internal methodology. In this regard, the Committee welcomed that the risk evaluation were managerially increased to "medium-high" during the last quarter of 2024, to mirror (i) the results of the thematic review that the DPO has carried out on the process of employee access to customer banking data to assess the effectiveness of the implementation of the "Garante 192/2011 provision" requirements (regarding the circulation of information referring to customers within the banking groups and traceability), (ii) the more stringent scrutiny by the Supervisory Authority on employees' access to customer banking data, also in the light of an incident of suspected breach of the need-to-know principle at another Italian bank. In this regard, based on the spirit of enhancing the lesson learnt also in relation to episodes concerning other banks, a Working Group has been created with the aim of assessing possible areas of improvement within UniCredit S.p.A., with regard to measures of implementation of the above-mentioned Garante 192 provision requirements. Regarding personal data breach (the so-called GDPR relevant data breaches) the Audit Committee noted that the DPO detected No.142 cases in 2024, No.8 of them requiring the notification to the competent Italian Data Protection Authority and No.7 of them were also notified to the interested parties. The Committee was informed by the competent Function that on 10 December 2024, the Bank was subject to inspection by the Italian Data Protection Authority regarding the circulation of customer banking data and the tracking of such information via log and alert. The inspection activities lasted two days and, on 10 January 2025, UniCredit provided the Italian Data Protection Authority with a clarification note requested during the inspection. As of the date of this report, no further requests have been made by the Authority nor has any reply been received with reference to the above-mentioned note sent;
- the so-called "**whistleblowing**" ("wb") reports, regularly received in its function as 231 Supervisory Body of UniCredit S.p.A. which are taken over by the Audit Committee, supported by the competent Compliance and People & Culture structures, whenever the reports may involve issues of misconduct/unlawful conduct, regardless of their significance pursuant to Legislative Decree 231/2001; in this regard, the Committee requested and obtained several in-depth analysis on the matter. The Committee then noted the detailed information on the misconduct reporting included in the "Report on the whistleblowing process in 2024 UniCredit S.p.A." In detail, in 2024 UniCredit S.p.A. received No.99 reports (No.115 ones in 2023), of which No.82 were considered Real WB - reports containing sufficient elements to start the relevant investigation (No.100 ones in 2023). The Report also includes additional information on harassment, sexual misconduct, bullying and retaliation matters, regulated by a specific internal regulation issued by the Group People & Culture Function, according to which employees can report directly to the Group People & Culture misconducts strictly related to those issues, on which, moreover, the Committee's attention is particularly high. Lastly, the Committee examined the various initiatives, including training, and campaigns implemented in 2024 and scheduled for 2025, aimed at strengthening the awareness of all employees and stakeholders about the process itself as part of the promotion of a wider speak-up culture.

In addition to what has already been reported on the 2025 activities' planning of the Group Risk Management and Group Internal Validation Functions (see paragraph 3 above), the Committee met the person in charge of **Group Risk Management** to discuss the matters falling under its competence, with a predominant focus on the area of controls performed by the Function acting as a second line of defence.
In this context, the Committee examined and discussed with the Function the periodic reporting related to the second-level controls performed on the Credit Risk, Financial Risk and Non-Financial Risk areas, the Group Internal Validation activities, and the update on the status of the activities included in the 2024 plan.
With particular reference to the second-level controls framework relating to Credit Risk (2LC - second-level control framework), the Committee favourably noted both the positive results of the assessment performed in this regard, respectively, by ECB and Internal Audit, the latter with a multi-location audit involving both UniCredit S.p.A and the other Group's banks, as well as some further corrective actions, which are already in the execution process with completion expected by the end of 2025.
The Committee took note of the controls results performed by the Group Risk Management Function regarding the credit processes (underwriting and monitoring), and the corrective actions in place at some Group's companies, constantly monitored and, lastly, noted the completion of (i) the activities for compliance with the ECB guidelines on Climate & Environmental management and (ii) the roadmap for "behavioural" models.

Report of the Audit Committee

The Audit Committee examined regularly during the year **the reporting LoDs (Line of Defence) Combined Dashboard**, drawn up jointly by the three Control functions and the Manager in charge of preparing the company's financial reports, and aimed at emphasising the major points of attention at cross level and the relevant mitigating/remedial actions.

The Audit Committee also examined, for 2024, the "Annual investment services Report" prepared by Group Internal Audit ("Mostly Adequate" rated), which reports a general compliance with MiFID requirements, including the adequate definition of the related controls and the correct execution of internal validation activities on algorithmic trading systems and the detailed "Report on the methodology of carrying out investment services and activities, ancillary services and the distribution of financial products issued by insurance companies or banks" prepared by Group Compliance, pursuant to CONSOB Resolution 17297 of 28 April 2010.

Lastly, the Committee, also through periodic meetings with the Group Regulatory Affairs Function, has examined, as regards the topics falling within its competence, the results of the inspections performed by the Supervisory Authorities once the relevant action plans have been agreed with the same and jointly with them, recommending constant attention to the implementation of the identified remedial actions, requesting to be periodically informed of potential significant changes in the content or timing.
In particular, the Committee paid specific attention to the results of the supervisory activities managed by ECB in the ICT/ICT Security area, specifically with regard to the Business Continuity, Digitization and Cyber Resilience matters.
In this context, the Committee noted, time to time, the UniCredit's progress in the implementation of the ECB recommendations, the close monitoring of the related action plans progress and the high managerial attention on the execution of the new IT/Digital Strategy with related KPIs. The Committee will continue to pay particular attention to this area, also in line with the ECB's inclusion, among the supervisory priorities for the three-year period 2025-2027, of the challenges coming from digital transformation and new technologies.

To conclude, the Audit Committee did not identify any critical situations or facts which would lead to the conclusion that the overall internal control system is deemed not adequate, even if situations have risen, which required the planning and targeting of specific remedial actions, promptly addressed, and activated by the Management, in some cases still ongoing.

With specific reference to the assignment to **the Audit Committee** of the functions of **the Supervisory Body pursuant to Italian Legislative Decree 231/2001** ("OdV 231"), the AC has adopted, over time and on an ongoing basis, specific operational practices in order to make its ordinary role synergic with its role as 231 Supervisory Body, also with the aim to rationalise and systematise appropriate information flows from the structures.
The Audit Committee, charged with functions of 231 Supervisory Body, reported to the Board of Directors every six months on the activities carried out on the implementation of the Organisational and Management Model adopted by UniCredit S.p.A. pursuant to the above-mentioned Legislative Decree ("the Model") at the meetings held on 19 September 2024 and 20 February 2025, respectively.
The Supervisory Body regularly oversaw the functioning and compliance with the 231 Model. The verification and control activity carried out for this purpose, based on the information collected, was functional in pursuing the objectives of the effective implementation of 231 Model. The OdV 231 pursued these objectives using the collaboration of Internal Audit and Group Compliance without substituting, replacing, or duplicating the control tasks institutionally attributed to these Functions.

5. Oversight of the external audit activity and on the independence of the External Auditors
The Company financial statements of UniCredit S.p.A and the Consolidated financial statements of UniCredit Group as at 31 December 2024 are audited by the External Auditors KPMG S.p.A. (hereinafter, also "KPMG") pursuant to Legislative Decree 39 of 27 January 2010, as amended, in execution of the resolution passed by the Shareholders' Meeting held on 9 April 2020, being appointed as the External Auditor for the 2022-2030 financial years.

The financial statements of the other Group's Companies are audited by the External Auditor KPMG S.p.A. itself or other companies of the KPMG network, with the exception of Russia, where the KPMG network is no longer present, and the Group companies are audited by another auditing firm with which KPMG maintains appropriate information exchanges, deemed adequate by the same.

Pursuant to Art.19 of Italian Legislative Decree 309/2010, the Audit Committee, in its capacity as Control and Auditing Committee, from the time of its appointment and until the date of this Report to the Shareholders' Meeting, has an in-depth monitoring process of the activity carried out by the External Audit Firm. The start of monitoring activities was preceded by a preliminary operational meeting, also useful for mutual knowledge, held in April 2024.

Specifically, the Audit Committee held a series of specific meetings during the various audit phases, during which it examined, inter alia:
- the Transparency Report for the financial year ending 30 September 2024.
- the 2024 Audit Plan, including:
  - the resources and hours budgeted for the 2024 external audit;
  - the audit activities related to Corporate and Sustainability Reporting;
  - the scope of work, materiality, and significant risk 2024;
  - the 2024 Group Audit timeline.

Strategic Review
Financial Review
ESG Review
Consolidated Report
Company Report
Other

Report of the Audit Committee

The Audit Committee also analysed the methodology adopted by the External Auditor and acquired the necessary information during the task, with constant interaction on the audit approach used for the different significant areas of the financial statements, sharing the issues related to corporate risks, as well as receiving updates on the audit progress and on the key matters examined by the External Auditor**.**

In July 2024, the Audit Committee examined the "Management Letter - UC Group Overview", finding the main suggestions and recommendations made by the External Auditor to the Group's Management for the year ending 31 December 2023, aimed at improving the Group's control system and accounting and administrative policies, shared with the Management and the relevant structures, and already addressed for prompt resolution.

In November and December 2024, the Audit Committee met in two separate sessions with the **Partners of the KPMG Network**, in charge of the audits of the Italian subsidiaries UniCredit Factoring S.p.A and UniCredit Leasing, as well as of the subsidiaries UniCredit Bank GmbH (Germany), UniCredit Bank Austria AG, and the banks based in Croatia, Czech Republic, Slovakia, Bulgaria, Romania, Serbia, Bosnia and Herzegovina Republic, Hungary, Slovenia. The main subject of the meetings was an update on the scenario development in the various countries and on the main results of the auditing activities.

The Audit Committee examined the following reports of the External Auditor KPMG S.p.A., whose activity supplements the general framework of the control functions required by the regulations regarding financial information process:
- the auditing reports issued on 24 February 2025, pursuant to Art.14 of Legislative Decree 39/2010 and Art.10 of EU Regulation 537/2014;
- the additional report issued on 24 February 2025, pursuant to Art.11 of the above-mentioned Regulation, to the Audit Committee in its capacity as Internal Control and Auditing Committee;
- the annual confirmation of independence, issued on 24 February 2025, pursuant to Art.6, par.2), subpar. a) of the above-mentioned Regulation and pursuant to paragraph 17 of ISA Italia 260.

The aforementioned reports on the audit of the Company financial statements of UniCredit S.p.A. and the Consolidated financial statements of the UniCredit Group highlight that they both provide a truthful and correct representation of the equity and financial situation of UniCredit S.p.A. and of the UniCredit group at 31 December 2024, as well as of the economic performance and cash flow for the financial year ended on that date, in accordance with the International Financial Reporting Standards (IFRS) issued by the *International Accounting Standards Board* and endorsed by the European Union, as well the Italian regulations implementing Art.9 of Legislative Decree 38/2005 and of Art.43 of Legislative Decree 136/2015. Furthermore, in the opinion of the External Auditor, the Consolidated report on operations and some specific information contained in the Report on Corporate Governance and Ownership Structures indicated in Art.123-bis, paragraph 4, of Italian Legislative Decree 58/1998 (TUF) are consistent with the financial statements of UniCredit S.p.A. and with the consolidated financial statements of the UniCredit group at 31 December 2024, and are prepared pursuant to the law. With reference to the possible identification of significant errors in the Management Report (Art.14, paragraph 2, subparagraph e-ter of Italian Legislative Decree 39/2010), the External Auditor declared that he had nothing to report.

The reports on the auditing of the financial statements of UniCredit S.p.A. and the consolidated financial statements show the key matters that, according to the professional opinion of the External Auditor, were more significant in the accounting audit of the Company and consolidated financial statements for the year under review [ISA Italy 701]:
- measurement of loans and receivables with customers recognised under financial assets at amortised cost;
- measurement of financial assets and liabilities at fair value levels 2 and 3;
- trading Centralisation project.

As regards the above-mentioned key matters, where the External Auditor's reports illustrate the related audit procedures adopted, the External Auditor does not express a separate opinion, as the same have been dealt within the audit, and in the assessment of the financial statements as a whole. The above-mentioned key matters were subject to in-depth analysis updating during the periodic meetings that the Audit Committee held with the External Audit Firm.
The above-mentioned reports also contain the External Auditor's assessment of the compliance with the provisions of the Delegated Regulation 2019/815 (EU) regarding the preparation of the financial statements and consolidated financial statements.

The External Auditor, regularly met by the Audit Committee, as required by Art.150, paragraph 3, of Italian Legislative Decree 58/1998 (TUF) for a mutual exchange of information, did not highlight censurable actions or facts nor irregularities which would have required specific reporting under Art.155, paragraph 2, of Italian Legislative Decree 58/1998 (TUF).
Considering the foregoing, the Audit Committee deems the process of interaction with the External Audit Firm to be adequate and transparent.

With regard to the oversight on the **independence of the External Audit Firm,** during the 2024 financial year, the Audit Committee performed its verification and monitoring activities, pursuant to Art.19 of Italian Legislative Decree 39/2010 and pursuant to Articles 10, 10-bis, 10-ter, 10-quater and 17 of the aforementioned decree and Art.6 of the Regulation (EU) 537/2014 dated 16 April 2014 (the "Regulation"), specifically with regard to the provision of services other than auditing (so-called "non-audit services") to the audited entity. Furthermore, as previously stated, the Audit Committee received by KPMG S.p.A. the declaration confirming its independence.

Report of the Audit Committee

In order to ensure the correct application of the Regulation, the Bank has already adopted in 2018 an internal Global Operational Regulation (GOR), entitled "Principles and rules for the management of contractual relationships with the External Audit Firm" including operating instructions addressed to all the Companies of UniCredit Group so that they may submit each single non-audit assignment in advance for the assessment and approval of the Internal Control Body of each Group company (audit committee, board of statutory auditors or equivalent body) and, subsequently, to the Audit Committee of UniCredit S.p.A. for the issuance, by the latter, of the final binding prior opinion (binding opinion).

In 2024, the Audit Committee issued 18 binding opinions on proposals for non-audit assignments relating in favor of the S.p.A. (No.4) or of the Group's Companies (No.14).
Furthermore, the Audit Committee noted the information concerning non-audit services prepared through a preventive and half-yearly flow by the competent Function: pursuant to this process, all the UniCredit Group's companies contributed to the transmission of the data requested and required by internal regulations, to enable the accurate monitoring of the costs of the services provided by the External Auditor and by all entities belonging to the KPMG S.p.A. Network.

Based on the 2024 final data, the value of the services provided to the UniCredit Group's companies by the Group's External Auditor and the companies belonging to its Network amounts to approximately €28.4 million, of which €18.2 million for audit services, €9.9 million to verification/attestation services and €0.3 million referred to other non-audit services. At Group level, the costs of other non-audit services assigned to the Group's External Auditors and the Companies belonging to its network increased by €4.4 million compared to 2023 (increase mainly due to new assignment for Limited Assurance on 2024 Sustainability Reporting according to CSRD).

With reference to the information concerning the Parent Company only, provided in the statement relating to the "Publication of the remuneration - UniCredit S.p.A. - 2024 financial year - KPMG network", the Audit Committee noted that the costs of the services assigned to the External Auditor, compared to the costs of services assigned in the financial year 2023 increased by €1.6 million with a total cost of €7.3 million, of which €3.8 million for audit services, €3.4 million for verification/attestation services and €0.1 million for other non-audit services.

The ratio between the cost of non-audit services provided by the Parent Company's Auditor KPMG, and the audit services' costs referred to the first three years of its appointment, amounted to 12% for 2024, below the 70% limit set by the internal regulations adopted by the Bank and the applicable external regulations ("fee cap").

With regard to the planning of non-audit services for 2025, KPMG S.p.A. is expected to be assigned services (relevant for the cap calculation) with a total equivalent value of approximately €1.6 million, with a forecast ratio of 38%. It should be noted that, according to the regulations, non-audit services required by national or European Union rules, or those representing a charge for the benefit of a certain discipline, are not significant for determining the ratio.

6. Oversight of the suitability of the administrative-accounting system
The UniCredit Group's Consolidated financial statements and UniCredit S.p.A. financial statements as at 31 December 2024 were drafted in accordance with the IAS/IFRS international accounting standards, in compliance with the instructions of Banca d'Italia with the Circular 262 of 22 December 2005 (and subsequent amendments) and include the certification of the Chief Executive Officer and the Manager in charge of preparing the company's financial reports pursuant to Art.81-ter of CONSOB Regulation 11971/99 as amended. The Audit Committee noted the Statement of compliance with IFRS issued by the International Accounting Standards Board (IASB) to prepare UniCredit's financial statement and the Consolidated financial statement.
As stated in the financial statements, Directive 2004/109/EC (the "Transparency Directive") and Delegated Regulation (EU) 2019/815 introduced the obligation for issuers of securities listed on regulated markets in the European Union to draw up the annual financial report in the XHTML language, based on the European Single Electronic Format (ESEF) approved by ESMA.

The administrative and accounting procedures for drafting the half-yearly report and the separate and consolidated financial statements and all other financial information were set up under the responsibility of the Manager in charge of preparing the company's financial reports who, together with the Chief Executive Officer, certifies their adequacy and effective application.

For the purposes of overseeing the financial reporting processes, the Audit Committee, in addition to the above-mentioned in-depth analysis performed with the External Audit Firm which did not reveal significant critical issues of the internal control system concerning the financial reporting process, carried out the planned and periodic meetings with the CFO (Chief Financial Officer), with the Manager in charge of preparing the company's financial reports and the competent Accounting and Group Finance structures.

The in-depth meetings (with examination, inter alia, of the Key Accounting Topics) were held in preparation of the quarterly, half-yearly periodic reports and end-of-year financial statements and prior to their approval by the Board of Directors, to which the Committee, in the exercise of its functions, timely reported on the matter.

Report of the Audit Committee

During the above-mentioned periodic meetings, the Manager in charge of preparing the company's financial reports did not report any significant shortcomings in the operating and control processes that could undermine the judgment on the actual implementation of the procedures and on the adequacy, overall, of the **administrative - accounting procedures**, necessary to correctly represent the economic, capital, and financial aspects of the accounting events in compliance with international accounting standards.

The Audit Committee has also previously examined:

- the annual updates to the **"Manual on Group Accounting Rules and Principles"**, approved by the Board of Directors at its meeting held on 28 January 2025, mainly aimed at providing clarification in the application of accounting standards in specific areas;
- the **"Report on the status of the Internal Control System on Financial Reporting - Management Report"** regarding the certification campaign pursuant to the Law 262/05 of the consolidated and individual financial statements as at 31 December 2024, submitted to the Board of Directors at its meeting held on 20 February 2025. Compared to a total of No.312 companies fully consolidated, based on the criteria defined in the internal regulations, the companies subject to the 262-certification campaign amounted to No.36 covering 98.4% of the Group Total Aggregated Assets (GTAA). To point out that Alpha Bank Romania of which UniCredit S.p.A. has acquired control since the month of November 2024, will be included in the "262" certification scope during 2025, being part of the additional program 262 as at 31 December 2024.
  The certification campaign pursuant to Law 262/05 as at 31 December 2024, which for UniCredit S.p.A. involved No.488 processes that undergo No.1,644 key controls, and No.1,848 processes relating to the other Group's companies on which there were total of No.3,710 key controls, ended with the issuance of all the so-called "internal certifications" to the Manager charged with preparing the financial reports of UniCredit S.p.A. by the other Group's companies subject to the campaign.
  The Committee has noted in particular: (i) the continuation of the so-called "additional program" (introduced by the 2023 certification campaign), which provides for the involvement of the Group's legal entities outside the 262/05 perimeter, selected according to specific qualitative/quantitative criteria (including the presence of at least one significant item in the balance sheet or income statement in light of the criteria established by the relevant internal policy); (ii) the reduction of the number of key processes and controls included in the perimeter, mainly as a result of the rationalisation/review of processes for simplification or reallocation of activities; (iii) the inclusion, among the significant topics evaluated during 2024 by the Structure of the Manager in charge of preparing the company's financial reports, of aspects related to the TEC Project (Trading Engine Centralisation) started in 2023 and currently ongoing, which involves the centralisation of trading activities previously carried out by UniCredit Bank GmbH in Unicredit S.p.A ; (iv) With reference to the certification process of administrative-accounting procedures and IT General Controls, the lack of issues relevant to the financial results YE2024;
- the **Accounting Report** referred to the fourth quarter 2024, detailing the main accounting items and their treatment in the financial statements as at 31 December 2024. The Audit Committee considered this document to be particularly appropriate and suitable for presenting the accounting facts fully and correctly.

The Audit Committee also intended to carry out an examination, with the competent Company Functions, of the processes and systems underlying the production of the *Financial Reporting* with an "as is" comparison with its evolution in the coming 3/5 years. The AC was informed that in this time frame, in UniCredit, the evolution of IT tools and processes dedicated to the processing of accounting data, also driven by external driver including IFRS18 (Presentation and disclosure in the financial statements) and IReF (Integrated Reporting Framework), will have, as its guidelines, the further harmonisation within the Group and the strengthening of transparency and comparability of financial reporting, for the benefit of stakeholders.

In view of the information received, and the analyses performed, as mentioned below, the Audit Committee deemed the current administrative-accounting system, overall, adequate to the provisions of the current reference regulations and suitable for correctly representing the management events.

7. Oversight of Sustainability Reporting

The Italian Legislative Decree 6 September 2024 transposed into the Italian law the provisions of EU directive 2022/2464 (CSRD, *Corporate Sustainability Reporting Directive*) which reforms the discipline on corporate sustainability reporting.

In compliance with this directive, starting from 31 December 2024, the Sustainability Report, prepared on a consolidated basis with the same perimeter as the financial statements, is part of the Consolidated Report of the financial statements, together with the certification of the Sustainability Report required by Art.154-bis of Legislative Decree 58/1998, paragraph 5-ter.

Within the scope of UniCredit S.p.A. governance model, on the topic of sustainability, an articulated intervention and connection among the various corporate bodies is envisaged:

- the Board of Directors: (i) defines the overall strategy of the Bank and the Group, of which the Group's ESG Environmental, Social, Governance Strategy and its associated KPIs (Key Performances) are an important pillar, and oversees its implementation over time, (ii) cares for the formalization of the policies to govern the risks to which the Group may be exposed, the risks targets and the tolerance thresholds, as well as their periodical review in order to ensure their effectiveness over time, and the monitoring of the actual functioning of the management and control of the risks process, in compliance with applicable legal and regulatory provisions, (iii) approves the Group Risk Appetite Framework (RAF), which establishes the desired risk profile vis-à-vis short-and long-term strategic objectives and the plan, for monitoring purposes, dedicated Climate Risk KPIs are included in the Risk Appetite Framework, enabling the Bank to oversee the evolution of transition and physical risks it is exposed to;

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- the Risk Committee supports the Board of Directors in risk management related matters, performing all the activities instrumental and necessary for the Board to make a correct and effective determination of the Risk Appetite Framework and of the risk management policies;
- the Governance and Sustainability Committee provides advice and support to the Board of Directors on matters related to corporate governance and in fulfilling its responsibilities, while pursuing sustainable success as an integral component of the Group's business strategy and long-term performance. In particular, the Committee supports the Board on sustainability, on ESG-related matters (with the exception of all risk-related ESG components, which fall, as stated above, under the remit of the Risk Committee). To this purpose, the Committee, upon the evaluation of its Chair and the Chief Executive Officer, carries out preliminary evaluations, analyses and submits proposals regarding the sustainability and ESG framework, policies, and guidelines;
- lastly, the Audit Committee assesses the suitability of periodic financial and non-financial information to correctly represent the Company's strategy and its sustainability, also with reference to the ESG factors, also examining in detail the issued related to the corresponding internal control system.

The Bank, in continuity with the "*One Report*" project, has promptly launched the "CSRD *Compliance*" project, aimed at achieving compliance with the new regulatory framework.
The Audit Committee, in the wake of what had already been started by the previous Control Body, carefully examined the various phases of implementation of the project in question, also given the complexity and number of related matters.

Therefore, the Committee specifically examined the progress of the project in question, focusing in particular on the design and implementation of the internal control system on *Sustainability Reporting* (ICSSR), finding that it is substantially consistent with the "262" model already adopted and effectively tested (in terms of adequate administrative and accounting procedures for the preparation of the financial statements and consolidated financial statements.as well as any other financial communication) and requiring, however, in light of the first implementation, to check the set-up itself during 2025.
In detail, the internal control system on sustainability foresees the application of a common methodological *framework* , based on: (i) the use of a consistent and centrally-developed internal control system model inspired by internationally-acknowledged *standard* issued by Committee of Sponsoring Organization of Treadway Commission" (CoSO) and updated in March 2023 by introducing the so-called "Internal Control over sustainability reporting" that recalls the "Internal Control-Integrated Framework" referred to the financial reporting; (ii) the update and cascading within the Group on the basis of parameters established at central level.

Consequently, the Audit Committee receives, for the purposes of its activities on the effectiveness of the internal quality control and risk management systems relating to sustainability reporting, a periodic reporting relating to the update and to the report on the internal control system under the sustainability statement, including a description of the results and the progress of possible remedial actions identified.
Up to the date of this Report, the Audit Committee has held specific meetings with the External Auditor (KPMG) as part of their respective duties arising from the relevant legislation as well as with the Sustainability Reporting Manager in charge of issuing the attestation with reference to the 2024 financial year, appointed by the Bank by resolution of the Board of Directors on 10 February 2025 based upon the positive opinion issued by the Audit Committee itself.

Therefore, the Audit Committee:
- having examined the documentation made available, also taking into account Assonime Circular 21 of 7 November 2024 ("The new regulation on corporate reporting and disclosure obligations on sustainability");
- having taken note of the attestation of the Manager appointed for this purpose, specifically competent in sustainability reporting, that the sustainability reporting included in the management report has been drawn up in compliance with the reporting standards applied pursuant to Directive 2013/24/EU of the European Parliament and of the Council of 26 June 2013, and the Legislative Decree adopted in accordance with Art.13 of the Law 15 of 21 February 2024 and with the specifications adopted pursuant to Art.8 paragraph 4 of Regulation (EU) 2020/852 (EU Taxonomy Regulation);
- having taken note of the contents of the Report by the External Audit Firm on the Sustainability Statements of UniCredit Group for the year ended 31 December 2024 which, on the basis of the established limited audit engagement, states that no evidence has come to its attention that would suggest that:
  - the Sustainability Report of the UniCredit Group had not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/UE (the European Sustainability Reporting Standards, "ESRS");
  - the information presented in the disclosure, pursuant to Art.8 of Regulation 2020/852 of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with the above-mentioned Art.8,

certifies that, during its examination of Sustainability Reporting, non-compliance elements and/or breach of the relevant regulatory provisions have not come to its attention.

8. Oversight on the concrete implementation of the corporate governance rules
In the performance of its duties, the Audit Committee exercised oversight on the concrete implementation of the corporate governance rules contained in the codes of conduct that UniCredit S.p.A. declares to abide by.

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In particular, the Bank complies with the Corporate Governance Code (hereinafter referred to as "the Code") approved by the Corporate Governance Committee promoted by ABI, ANIA, Assogestioni, Assonime, Confindustria and Borsa Italiana, and has prepared, pursuant to Art.123-bis of Italian Legislative Decree 58/1998 (TUF), the annual "Report on Corporate Governance and Ownership Structures".

The Corporate Governance Committee has the task of periodically monitoring the application status by listed companies that declare to adhere to it and proceeds on an annual basis to send specific recommendations to all listed companies aimed at strengthening the credibility of adherence to the Code as a quality signal of corporate governance practices actually implemented.

The improvement areas most recently identified in the letter of recommendations of the Chair of the Corporate Governance Committee in its meeting held on 17 December 2024, and examined by the Audit Committee at its meeting held on 24 January 2025, concerned the following aspects, which the Bank responded to in the Report on Corporate Governance and Ownership Structures, approved by the Board of Directors at its meeting held on 20 February 2025:
- completeness and timeliness of the pre-meeting information;
- transparency and effectiveness of the remuneration policy;
- executive role of the Chair.

The Audit Committee paid particular attention to the promptness and to the pre-meeting information matter, with related in-depth analysis on several occasions, at the end of which it presented its opinions to the Board of Directors held on 28 January 2025.
The Committee recognised the importance of ensuring the information confidentiality, the various actions put in place by the Bank to avoid the risk of leakage and the importance of Directors adhering to best practices in the data security area.
On the other hand, the Committee noted that pre-meeting information, even where the applicable legal principles are met, is crucial to foster a richer and more productive discussion, strengthening the role of the Board and the relationship with the Management, and that the internal process can be susceptible to further improvements.

9. Oversight on the relationships with the subsidiaries
The Audit Committee exercised oversight on the adequacy of the instructions given to subsidiaries pursuant to Art.114, paragraph 2 of Italian Legislative Decree 58/1998 (TUF).
The Audit Committee exchanged half-yearly information and, upon request, with the Boards of Statutory Auditors of the directly controlled companies, as required by Art.151ter, paragraphs 1 and 4 of Legislative Decree 58/1998 (TUF) and by the Supervisory Instructions of Banca d'Italia, in order to receive reports on any critical issues relating to the administration and control systems and the general performance of the company's activities. Furthermore, the Audit Committee has scheduled a meeting with the Chairs of the Boards of Statutory Auditors of the Group's main Italian companies for March 2025, to further develop mutual knowledge and dissemination of information useful for carrying out their respective activities.
With regard to the foreign subsidiaries, according with the Committee and in agreement with the Chair of the Board of Directors and the Chief Executive Officer of UniCredit S.p.A., in the second half of 2024, the Chair of the Audit Committee initiated specific meetings with the Chairs of the Audit Committees of the main Group companies, in this first phase as first knowledge, in order to then lay the foundations for a systematic information flow on topics of common interest, of mutual benefit also in support of orderly and active Group steering and governance actions.

10. Oversight on related parties transactions
UniCredit S.p.A. has adopted the Global Policy "Transactions with related parties, associated persons and Corporate Officers ex Art.136 TUB", containing provisions to be observed in the management of: (i) Transactions with related parties pursuant to the CONSOB Regulation; (ii) Transactions with associated persons pursuant to the Banca d'Italia Regulation; (iii) The obligations of bank representatives pursuant to Art.136 of Legislative Decree 385/1993.

The above-mentioned Policy, subject to annual evaluation, was reviewed and approved in December 2024 by UniCredit's Board of Directors with the preliminary positive opinion of the Related-Parties Committee and the Audit Committee in order to bring-in limited reviews aimed at taking in full account certain specific updating needs arisen during the current financial year, while waiting for the execution of a wider review, once the CONSOB Interpretation Communication is published.

The reviews concerned: (i) The need to adapt the text of the Global Policy to reflect the change in the governance model with the adoption, by UniCredit, of the one-tier administration and control system; (ii) In the light of the application experience, it was found appropriate to introduce some clarifications concerning the discipline of the so-called cumulation of transactions and two cases of exemption, namely the one for small transactions and the one relating to the remuneration of delegated bodies and key managers.
The Global Policy regulates the information flows to the Audit Committee, in accordance with applicable regulations.

With reference to paragraph 8 of Art.5 "Public information on transactions with related parties" of CONSOB Regulation containing provisions relating to transactions with related parties (adopted by CONSOB with Resolution 17221 of 12 March 2010, as subsequently amended by Resolution 21624 of 10 December 2020), it should be noted that:
a) according to the Global Policy "Transactions with related parties, associated persons and Corporate Officers ex art.136 TUB" updated by the Board of Directors of UniCredit S.p.A. on 12 December 2024, and published on the website www.unicreditgroup.eu, during 2024 the Bank's Presidio Unico received no reports of transactions of greater relevance ended in the period;

Report of the Audit Committee

b) during 2024, no transactions with related parties as defined by Art.2427, paragraph 22-bis of the Italian Civil Code were conducted, under different conditions from normal market conditions and materially affecting the Group's financial and economic situation;
c) during 2024, there were no changes or developments in the individual transactions with related parties already described in the latest annual report that had a material effect on the Group's financial position or results during the reference period.

The Audit Committee certifies that it oversaw that the transactions undertaken with persons with administrative, managerial or control functions were always conducted incompliance with Art.136 TUB and Supervisory Instructions.

11. Detected censurable facts. Undertaken actions.
Complaints
In the period between the date of the appointment of the Audit Committee (12 April 2024) and the date of this Report, a communication was received, qualified by the Shareholder as complaint pursuant to Art.2408 paragraph 1 of the Italian Civil Code:
- Mr. Marco Bava: e-mail dated 13 April 2024, addressed also to CONSOB. The Shareholder, with reference to the Shareholders' Meeting of 12 April 2024, reported his complaint in relation to: (i) the failure to admit, among the items under discussion and voting, its own individual proposal for resolution; (ii) the lack of answer to some questions raised pursuant to Art.127-ter of Italian Legislative Decree 58/1998 (TUF).

With regard to the communication of Mr. Bava, the Committee promptly performed appropriate in-depth analysis, obtaining the information necessary to examine and assess the case submitted with the support of the Bank's competent structures. The Committee, having verified the possible grounds for the facts reported, agreed with the reasonable conclusions proposed by these structures. Therefore, because of the checks performed, no irregularities were identified to be reported to the Shareholders' Meeting.

For completeness, it is worth mentioning that, in relation to a complaint pursuant to Art.2408 paragraph 1 of the Italian Civil Code received from Mr. Francesco Santoro on 16 March 2024, the previous Control Body (Board of Statutory Auditors) reported to the Shareholders' Meeting on 12 April 2024, as stated in the related minutes published on the Bank's website, confirming the legitimacy of the Company's actions with regard to the procedures for carrying out the aforementioned Shareholders' Meeting.

Lastly, it should be noted that, in the same period, the Committee received three communications which could be qualified as complaints to the Supervisory Authorities. These communications were analysed in depth by the Committee, which obtained from the competent structures the information needed to examine and assess the cases submitted. The analyses performed did not highlight any cases worthy of mention and, to date, no follow-up has been received from the Authorities concerned.

12. Issued opinions
During the financial year, the Audit Committee, in addition to what has already been specifically stated in other parts of this Report, issued its opinions, and expressed the observations that the current regulations and supervisory provisions for banks assign to its responsibility.
In particular, it is recalled the positive opinion issued in May 2024 pursuant to Art.2389, paragraph 3, of the Italian Civil Code, on the proposal of the remuneration for Directors holding particular offices in accordance with the Articles of Association and the following positive opinions issued to the Board of Directors held on 20 February 2025 in relation to:
- Remuneration Evolution: To point out that the Audit Committee's opinion came at the end of a process started in December 2024, during which the Committee requested that numerous in-depth studies be carried out, also through the involvement of external advisors and other additional in-depth work by the other relevant Board Committees (Remuneration Committee and Related Parties Committee);
- 2024 performance assessment, bonus payout and execution of previous years' plans for the Chief Executive Officer, the Heads of di Control Functions, and the Manager in charge of preparing the company's financial reports.
- 2025 Group Incentive System, Goal Setting and Compensation review for the Chief Executive Officer, the Heads of di Control Functions, and the Manager in charge of preparing the company's financial reports.

13. Self-assessment
Upon the appointment of its members, during the meeting held on 6 May 2024, the Audit Committee ascertained the compliance with the independence requirements for the Directors, who are members of the Committee itself, based on the declaration made by themselves and on information available to the Company, as well as the correspondence between the qualitative-quantitative composition deemed to be optimal "2024 Qualitative and quantitative composition of the UniCredit S.p.A. Board of Directors - 2024 Theoretical profile of the Board" made available to the Shareholders before the Shareholders' Meeting called to resolve about the renewal of the Board of Directors itself, and the effective one that results from the appointment process.

During the financial year, the Audit Committee deepened, in various meetings, the topics relating to its functioning, focusing inter alia on: (i) participation in the Board Committees, (ii) modality of information flows to the Board of Directors, (iii) extension of the invitation to attend the Committee meetings to other Directors, if interested, based on the items on the agenda.

Report of the Audit Committee

The Audit Committee performed a self-assessment of its composition and functioning, also taking note of the analysis carried out and the suggestions made by the external advisor in charge of supporting the self-assessment process of the Board of Directors and its Committees. Representatives of the external advisor also attended an Audit Committee's meeting, in order to draw evaluation elements with independent judgment. Therefore, at its meeting held on 19 February 2025, the AC considered its composition as adequate and suitable collectively, also in light of the diversity of skills, competences, and gender.

Conclusions

The Audit Committee highlights that UniCredit's Directors observed that during 2024 the geopolitical tensions between Russian Federation and Ukraine and in the Middle East persisted.
Such events determined a relevant uncertainty in the macroeconomic outlook, in terms of GDP, inflation rates and interest rates.
The Directors assessed such circumstances, and concluded, with reasonable certainty, that the Bank will be able to operate profitably in the foreseeable future and as a result, in accordance with the provisions of IAS1, the Company reports of UniCredit S.p.A. and the Consolidated reports of UniCredit Group as at 31 December 2024, were prepared on a going concern basis.
The measurement criteria adopted are therefore consistent with this assumption and with the principles of accrual-based accounting, the relevance and materiality of accounting information, and the prevalence of economic substance over legal form.
These criteria have not changed with respect to the previous financial year.

The oversight activity of the Audit Committee revealed no censurable actions, omissions or irregularities requiring to be noted in this Report.

During the meetings of the Board of Directors, during which the most significant economic, financial and equity transactions of UniCredit S.p.A. and its subsidiaries were examined, the Audit Committee received the information pursuant to Art.150, paragraph 1, of Italian Legislative Decree 58/1998 (TUF) and to Art.23, paragraph 4 of UniCredit's Articles of Association.

In compliance with the regulations and customary practices, the Audit Committee's members met with ECB, acting as Supervisor Authority of the Parent Company, also on specific issues explained in this Report.

Based on the information acquired through its oversight activity, the Audit Committee did not become aware of any transaction performed during the financial year to which this report refers to, not in compliance with the principles of proper management, resolved and carried out not in compliance with the law and the Articles of Association, not in the UniCredit S.p.A.'s interest, not in accordance with Shareholders' resolutions, manifestly imprudent or risky, lacking the necessary information where Directors' interests were involved, or prejudicial to the Company's assets.

Having regard to the foregoing, the Audit Committee, having examined the content of the reports drawn up by the External Auditors, having noted the joint certifications issued by the Chief Executive Officer and the Manager in charge of preparing the company's financial reports, does not find in the areas under its remit any impediment to the approval of the proposal for financial statements as at 31 December 2024 and of the Shareholders' remuneration proposal submitted by the Board of Directors.

Milan, 24 February.2025

For the Audit Committee

The Chair
Marco Rigotti

KPMG

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
UniCredit S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of UniCredit S.p.A. (the "bank"), which comprise the balance sheet as at 31 December 2024, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of UniCredit S.p.A. as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the bank in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Ancona Bari Bergamo
Bologna Bolzano Brescia
Catania Como Firenze Genova
Lecce Milano Napoli Novara

Società per azioni
Capitale sociale
Euro 10.415.500,00 i.v.
Registro Imprese Milano Monza Brianza Lodi
e Codice Fiscale N. 00709600159
R.E.A. Milano N. 512867
Partita IVA 00709600159

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of loans and receivables with customers recognised under financial assets at amortised cost

Notes to the accounts "Part A - Accounting policies": paragraph A.2.3 "Financial assets at amortised cost"

Notes to the accounts "Part B - Balance sheet - Assets": section 4 "Financial assets at amortised cost"

Notes to the accounts "Part C - Income statement": section 8 "Net losses/recoveries on credit impairment"

Notes to the accounts "Part E - Information on risks and related hedging policies": section 1 "Credit risk"

Key audit matter	Audit procedures addressing the key audit matter
Lending to customers is one of the bank's core activities. Loans and receivables with customers recognised under financial assets at amortised cost totalled €190,726 million at 31 December 2024, accounting for 48% of total assets. Net impairment losses on loans and receivables with customers recognised in profit or loss during the year totalled €410 million. For classification purposes, the directors make analyses that are sometimes complex in order to identify those positions that show evidence of both a significant increase in credit risk and impairment after disbursement. To this end, they consider both internal information about the performance of exposures and external information about the reference sector or the borrowers' overall exposure to banks. Measuring loans and receivables with customers is a complex activity, with a high degree of uncertainty and subjectivity, with respect to which the directors apply internal valuation models that consider many quantitative and qualitative factors, including historical collection flows, expected cash flows and related estimated collection dates, the existence of any indicators of impairment, an assessment of any guarantees, the impact of macroeconomic variables, future scenarios and risks of the sectors in which the bank's customers operate. The complexity of the directors' estimation process is affected by the heightened geopolitical uncertainties,	Our audit procedures included: • gaining an understanding of the bank's processes and IT environment in relation to the disbursement, monitoring, classification and measurement of loans and receivables with customers; • assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls, especially in relation to the identification of exposures with indicators of impairment and the calculation of impairment losses; • analysing the classification criteria used for allocating loans and receivables with customers to the IFRS 9 categories (staging); • analysing the individual and collective impairment assessment policies and models used and checking the reasonableness of the main assumptions and variables included therein, as well as the adjustments made as a result of the financial effects of the geopolitical situation. We carried out these procedures with the assistance of experts of the KPMG network; • selecting a sample of exposures tested collectively, checking the application of the measurement models applied and checking that the impairment rates applied complied with those provided for in such models;

Key audit matter	Audit procedures addressing the key audit matter
which have worsened current economic conditions and the outlook for future macroeconomic scenarios and have had a strong impact on the energy market, supply chains, inflationary pressure and its effect on monetary policies, leading central banks to raise interest rates in the main economies, and the property market's trends and indicators. This required the directors to revisit the valuation processes and methods. For the above reasons, we believe that the measurement of loans and receivables with customers recognised under financial assets at amortised cost is a key audit matter.	• selecting a sample of exposures tested individually and checking the reasonableness of the indicators of impairment identified and of the assumptions about their recoverability, including considering the guarantees received; • analysing the significant changes in the loan and receivable categories and in the related impairment rates compared to the previous years' figures and discussing the results with the relevant internal departments; • assessing the appropriateness of the disclosures about loans and receivables with customers recognised under financial assets measured at amortised cost.

Measurement of financial assets and liabilities at fair value levels 2 and 3

Notes to the accounts "Part A – Accounting policies": paragraphs A.2.1 "Financial assets at fair value through profit or loss", A.2.2 "Financial assets at fair value through other comprehensive income", A.2.4 "Hedge accounting", A.2.12 "Financial liabilities held for trading", A.2.13 "Financial liabilities designated at fair value" and A.4 "Information on fair value"

Notes to the accounts "Part B - Balance sheet - Assets": sections 2 "Financial assets at fair value through profit or loss", 3 "Financial assets at fair value through other comprehensive income" and 5 "Hedging derivatives"

Notes to the accounts "Part B - Balance sheet - Liabilities": sections 2 "Financial liabilities held for trading", 3 "Financial liabilities designated at fair value" and 4 "Hedging derivatives"

Notes to the accounts "Part C - Income statement": sections 4 "Gains (losses) on financial assets and liabilities held for trading", 5 "Fair value adjustments in hedge accounting" and 7 "Net gains (losses) on financial assets/liabilities at fair value through profit or loss"

Notes to the accounts "Part E - Information on risks and related hedging policies": sections 2 "Market risks" and 3 "Derivative instruments and hedging policies"

Key audit matter	Audit procedures addressing the key audit matter
Trading and holding financial instruments are two of the bank's core activities. The separate financial statements at 31 December 2024 include financial assets and financial liabilities at fair value totalling €92,986 million and €48,640 million, respectively. These financial assets and liabilities comprise assets and liabilities measured at fair value of €52,454 million and €46,422 million, respectively, for which there is no quoted price on an active market and which the bank's directors have classified at levels 2 and 3 of the fair value hierarchy.	Our audit procedures included: • gaining an understanding of the bank's processes and IT environment in relation to the trading, classification and measurement of financial instruments; • assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls, especially in relation to the measurement of financial instruments with fair value levels 2 and 3,

Key audit matter	Audit procedures addressing the key audit matter
Measuring fair value levels 2 and 3 financial instruments requires a high level of judgement given the complexity of the models and parameters used. Such complexity is affected by the heightened geopolitical uncertainties and their impact on the main economic and financial variables. For the above reasons, we believe that the measurement of financial assets and liabilities at fair value levels 2 and 3 is a key audit matter.	also in the light of the financial effects of the geopolitical situation; • for a sample of financial instruments with fair value levels 2 and 3, assessing the reasonableness of the parameters used by the directors for their measurement, also in the light of the financial effects of the geopolitical situation; we carried out these procedures with the assistance of experts of the KPMG network; • analysing the changes in the composition of the financial instrument portfolios compared to the previous year end and discussing the results with the relevant internal departments; • assessing the appropriateness of the disclosures about financial instruments and related fair value levels.

Trading centralisation project

Notes to the accounts "Part B - Balance sheet - Assets": section 2 "Financial assets at fair value through profit or loss"

Notes to the accounts "Part B - Balance sheet - Liabilities": section 2 "Financial liabilities held for trading"

Notes to the accounts "Part C - Income statement": sections 4 "Gains (Losses) on financial assets and liabilities held for trading" and 5 "Fair value adjustments in hedge accounting"

Notes to the accounts "Part G - Business combinations": section 1 "Business combinations completed in the year"

Key audit matter	Audit procedures addressing the key audit matter
During the accounting period ended as at 31 December 2024, the group launched the TEC (trading engine centralisation) project. The project aims to transfer the entire business unit related to the trading of financial instruments from UniCredit Bank GmbH to UniCredit S.p.A., thereby centralising the management of trading business and the related risks with UniCredit S.p.A. and revising the Client Risk Management department's business model. The project envisages the transfer of both financial assets and liabilities and business units from UniCredit Bank GmbH to UniCredit S.p.A. in waves from 2024 to 2026. Accordingly, the securities and interest rate derivatives portfolio and the brokerage business were transferred on 15 July 2024 and 1 November 2024, respectively.	Our audit procedures included: • gaining an understanding of the transaction and assessing compliance with applicable regulations and the correct application of the relevant standards; • analysing the contract documents relating to the transaction; • assessing the effects of the transaction on the bank's processes and internal controls; we carried out these procedures with the assistance of experts of the KPMG network; • assessing the design and implementation of controls and testing the operating effectiveness of material controls, especially checking whether the

Key audit matter	Audit procedures addressing the key audit matter
The project involves the transfer of additional portfolios in 2025 and 2026. During our audit, we paid particular attention to the legal and accounting aspects of the transaction, as well as the 2024 asset and liability transfer process. This was necessary given the operating complexity of the process and the possible impact on the consolidated financial statements of the potential risk of incomplete and inaccurate migration of the assets and liabilities transferred in 2024.	transferred financial instruments had been correctly and accurately recognised in the accounting and management records; • checking the completeness and accuracy of the accounting records prepared by the bank at the date of the transfer, including the reconciliation with the closing balances prepared by UniCredit Bank GmbH and UniCredit Bank GmbH - Milan branch and with management records; • assessing the appropriateness of the disclosures about the transaction.

Responsibilities of the bank's directors and audit committee for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the bank's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the bank or ceasing operations exist, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing, within the terms established by the Italian law, the bank's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the bank to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 9 April 2020, the bank's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2022 to 31 December 2030.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the bank in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the audit committee prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The bank's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2024 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The bank's directors are responsible for the preparation of the reports on operations and on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the bank's separate financial statements at 31 December 2024.

Moreover, in our opinion the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, 24 February 2025

KPMG S.p.A.

Bruno Verona
Director of Audit

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

A reconciliation of the reclassified Balance sheet and profit and loss account to the mandatory reporting schedules, is provided below.
An explanation for the restatement of comparative figures is provided in the previous sections.

Balance sheet

(€ million)

	AMOUNTS AS AT	
ASSETS	**31.12.2024**	**31.12.2023**
Cash and cash balances	13,223	12,301
Item 10. Cash and cash balances	*13,223*	*12,301*
Financial assets held for trading	46,265	15,384
Item 20. Financial assets at fair value through profit or loss: a) Financial assets held for trading	*46,265*	*15,384*
Loans to banks	19,843	17,908
Item 40. Financial assets at amortised cost: a) Loans and advances to banks	*37,486*	*34,249*
less: Debt securities	*(17,632)*	*(16,324)*
less: Leasing assets IFRS16	*(11)*	*(17)*
Loans to customers	159,558	172,661
Item 40. Financial assets at amortised cost: b) Loans and advances to customers	*190,726*	*207,576*
less: Debt securities	*(31,296)*	*(35,051)*
less: Leasing assets IFRS16	*(69)*	*(68)*
+ Loans (from Item 20 c)	*196*	*204*
Other financial assets	137,322	131,294
Item 20. Financial assets at fair value through profit or loss: b) Financial assets designated at fair value	*132*	*132*
Item 20. Financial assets at fair value through profit or loss: c) Other financial assets mandatorily at fair value	*6,225*	*5,752*
less: Loans	*(196)*	*(204)*
Item 30. Financial assets at fair value through other comprehensive income	*39,813*	*31,636*
Item 70. Equity investments	*42,341*	*42,517*
+ Debt securities (from Item 40 a)	*17,632*	*16,324*
+ Debt securities (from Item 40 b)	*31,296*	35,051
+ Leasing assets IFRS16 (from Item 40 a)	*11*	*17*
+ Leasing assets IFRS16 (from Item 40 b)	*69*	*68*
Hedging instruments	(351)	8,887
Item 50. Hedging derivatives	*551*	*10,843*
Item 60. Changes in fair value of portfolio hedged items (+/-)	*(902)*	*(1,956)*
Property, plant and equipment	3,632	3,730
Item 80. Property, plant and equipment	*3,632*	*3,730*
Goodwill	-	-
Item 90. Intangible assets of which: goodwill	-	-
Other intangible assets	1,707	1,580
Item 90. Intangible assets net of goodwill	*1,707*	*1,580*
Tax assets	8,502	9,714
Item 100. Tax assets	*8,501*	*9,714*
Non-current assets and disposal groups classified as held for sale	39	299
Item 110. Non-current assets and disposal groups classified as held for sale	*39*	*299*
Other assets	7,771	8,352
Item 120. Other assets	*7,771*	*8,353*
Total assets	**397,510**	**382,110**

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

continued: Balance sheet

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023
Deposits from banks	36,909	32,584
Item 10. Financial liabilities at amortised cost: a) Deposits from banks	*36,913*	*32,608*
less: Leasing liabilities IFRS16	*(4)*	*(24)*
Deposits from customers	201,008	206,660
Item 10. Financial liabilities at amortised cost: b) Deposits from customers	*201,766*	*207,558*
less: Leasing liabilities IFRS16	*(758)*	*(898)*
Debt securities issued	47,061	46,557
Item 10. Financial liabilities at amortised cost: c) Debt securities in issue	*47,061*	*46,557*
Financial liabilities held for trading	38,052	14,311
Item 20. Financial liabilities held for trading	*38,052*	*14,311*
Other financial liabilities	11,034	8,182
Item 30. Financial liabilities designated at fair value	*10,271*	*7,260*
+ Leasing liabilities IFRS16 (from Item 10 a)	*4*	*24*
+ Reclassification of leasing liabilities IFRS16 from Deposits from customers - Item 10 b)	*758*	*898*
Hedging instruments	(4,341)	4,547
Item 40. Hedging derivatives	*316*	*11,950*
Item 50. Value adjustment of hedged financial liabilities (+/-)	*(4,658)*	*(7,403)*
Tax liabilities	9	2
Item 60. Tax liabilities	*9*	*2*
Liabilities included in disposal groups classified as held for sale	-	-
Item 70. Liabilities associated with assets classified as held for sale	-	-
Other liabilities	10,050	8,964
Item 80. Other liabilities	*7,882*	*6,950*
Item 90. Provision for employee severance pay	*289*	*330*
Item 100. Provisions for risks and charges	*1,878*	*1,682*
Shareholders' equity:	57,729	60,303
- Capital and reserves	49,622	49,039
Item 110. Valuation reserves	*815*	*658*
Item 120. Redeemable shares	-	-
Item 130. Equity instruments	*4,958*	*4,863*
Item 140. Reserves	*23,899*	*23,945*
Item 145. Advanced dividends (-)	*(1,440)*	-
Item 150. Share premium	*23*	*23*
Item 160. Share capital	*21,368*	*21,278*
Item 170. Treasury shares (-)	-	*(1,727)*
- Stated net profit (loss)	8,106	11,264
Item 180. Profit (Loss) for the period (+/-)	8,106	11,264
Total liabilities and shareholders' equity	**397,510**	**382,110**

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

Income statement

(€ million)

	YEAR	
	2024	2023
Net interest	6,052	5,822
Item 30. Net interest margin	*6,169*	*5,922*
less: Net interest from trading book instruments	*(64)*	*(87)*
+ Interest on DBO/TFR/Jubilee (from Item 160 a)	*(12)*	*(15)*
+ Derivatives instruments - Economic Hedges - Others - Interest component (from Item 80)	*(41)*	*3*
Dividends and other income from equity investments	5,054	3,069
Item 70. Dividend income and similar revenue	*5,090*	*3,086*
less: Dividends on equity investments, shares and equity instruments mandatorily at fair value	*(35)*	*(17)*
less: Dividends on equity investments - Other	*(1)*	*-*
Net fees and commissions	4,371	4,045
Item 60. Net fees and commissions	*4,206*	*3,934*
less: Amounts related to credit card distribution agreements	*4*	*-*
less: discount associated with services on agreements for credit card distribution and payment services	*(11)*	*-*
+ Structuring and mandate fees on issued or placed certificates by the Group and connected derivatives (from Item 80)	*(3)*	*(2)*
+ Structuring and mandate fees on issued or placed certificates by the Group (from Item 110)	*111*	*52*
+ Mark-up fees on client hedging activities (from Item 80)	*64*	*61*
Trading income	502	648
Item 80. Net gains (losses) on trading	*837*	*502*
less: Derivatives instruments - Economic Hedges - Others - Interest component	*41*	*(3)*
less: Structuring and mandate fees on issued or placed certificates by the Group and connected derivatives	*3*	*2*
less: Mark-up fees on client hedging activities	*(64)*	*(61)*
Item 90. Net gains (losses) on hedge accounting	*(402)*	*5*
Item 100. Gains (Losses) on disposal and repurchase of: b) financial assets at fair value through other comprehensive income	*70*	*147*
Item 100. Gains (Losses) on disposal and repurchase of: c) financial liabilities	*2*	*65*
Item 110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss	*(50)*	*(112)*
less: Structuring and mandate fees on issued or placed certificates by the Group	*(111)*	*(52)*
less: Net Result on Financial Assets mandatorily at fair value - Debt securities related to non-performing loans, included securitizations	*50*	*-*
+ Gains (Losses) on disposal and repurchase of financial assets at amortised cost - debt securities (from Item 100 a)	*27*	*50*
+ Dividends on equity investments, shares and equity instruments mandatorily at fair value (from Item 70)	*35*	*17*
+ Net interest from trading book instruments (from Item 30)	*64*	*87*
Other expenses/income	789	893
Item 200. Other operating expenses/income	*1,278*	*1,229*
less: Integration costs	*4*	*3*
less: Recovery of expenses excluded amounts related to credit card distribution agreements	*(542)*	*(485)*
less: Net value adjustments/write-backs on leasehold improvements on non-separable assets	*27*	*27*
less: Gain (Losses) on commodities held with a trading intent and on precious stones	*10*	*6*
less: Other operating income other - reversal of invoices to be received related to tangible assets	*-*	*(7)*
+ Gains (Losses) on disposal and repurchase of financial assets at amortised cost - performing loans (from Item 100 a)	*3*	*138*
+ Amounts related to credit card distribution agreements (from item 60)	*(4)*	*-*
+ Amounts related to credit card distribution agreements (from item 160)	*(6)*	*-*
+ Net provision for risks and charges - Penalties (from Item 170 b)	*20*	*(17)*
Ricavi	**16,769**	**14,477**
HR costs	(3,136)	(3,052)
Item 160. Administrative expenses: a) staff costs	*(3,619)*	*(3,519)*
less: Integration costs	*471*	*452*
less: Interest on DBO/TFR/Jubilee	*12*	*15*
Non HR costs	(1,500)	(1,539)
Item 160. Administrative expenses: b) Other administrative expenses	*(2,243)*	*(2,385)*
less: Contributions to Resolution Funds (SRF), Deposit Guarantee Schemes (DGS), Bank Levy, Life Insurance Guarantee Fund and Guarantee fees for DTA	*255*	*457*
less: Integration costs	*23*	*10*
less: Amounts related to credit card distribution agreements	*6*	*-*
less: Variable portion of the outsourced NPE recovery costs not recovered from the clients	*31*	*4*
+ Net value adjustments/write-backs on leasehold improvements on non-separable assets (from Item 200)	*(27)*	*(27)*
+ Tax recovery (from Item 200)	*446*	*402*
+ Discount associated with services on agreements for credit card distribution and payment services (from item 60)	*11*	*-*
Recovery of expenses	97	84
+ Recovery of expenses excluded amounts related to credit card distribution agreements and Tax recovery (from Item 200)	*97*	*83*
Amortisation and depreciation	(691)	(685)
Item 180. Net value adjustments/write-backs on property, plant and equipment	*(316)*	*(369)*
less: Impairment/write backs of right of use of land and buildings used in the business	*8*	*36*
less: Integration costs	*1*	*2*
Item 190. Net value adjustments/write-backs on intangible assets	*(420)*	*(436)*
less: Integration costs	*36*	*75*
+ Other operating income other - reversal of invoices to be received related to tangible asset (from Item 200)	*-*	*7*
Operating costs	**(5,229)**	**(5,192)**
GROSS OPERATING PROFIT (LOSS)	**11,539**	**9,285**

Annex 1 - Reconciliation between reclassified balance sheet and income statement accounts and mandatory reporting schedules

	YEAR 2024	YEAR 2023
GROSS OPERATING PROFIT (LOSS)	**11,539**	**9,285**
Loan Loss Provisions	(486)	(181)
Item 100. Gains (Losses) on disposal and repurchase of: a) financial assets at amortised cost	*(60)*	*202*
less: Gains (Losses) on disposal and repurchase of financial assets at amortised cost - performing loans	*(3)*	*(138)*
less: Gains (Losses) on disposal and repurchase of financial assets at amortised cost - debt securities	*(27)*	*(50)*
Item 130. Net losses/recoveries on credit impairment relating to: a) financial assets at amortised cost	*(414)*	*(199)*
less: Net losses/recoveries on impairment relating to: a) financial assets at amortised cost - debt securities	*3*	*2*
Item 130. Net losses/recoveries on credit impairment relating to: b) financial assets at fair value through other comprehensive income	*(15)*	*(11)*
less: Net losses/recoveries on credit impairment relating to: b) financial assets at fair value through other comprehensive income - debt securities	*15*	*11*
Item 140. Gains/Losses from contractual changes with no cancellations	*10*	*7*
Item 170. Net provisions for risks and charges: a) commitments and financial guarantees given	*35*	*1*
+ Variable portion of the outsourced NPE recovery costs not recovered from the clients (from item 160)	*(31)*	*(4)*
NET OPERATING PROFIT (LOSS)	**11,054**	**9,104**
Other charges and provisions	(243)	(478)
Item 170. Net provisions for risks and charges: b) other net provisions	*31*	*(38)*
less: Net provision for risks and charges - Penalties	*(20)*	*17*
+ Contributions to Resolution Funds (SRF), Deposit Guarantee Schemes (DGS), Bank Levy, Life Insurance Guarantee Fund and Guarantee fees for DTA (from Item 160 b)	*(255)*	*(457)*
Integration costs	(534)	(541)
+ Administrative expenses - staff costs - integration costs (from Item 160 a)	*(471)*	*(452)*
+ Administrative expenses - other administrative expenses - integration costs (from Item 160 b)	*(23)*	*(10)*
+ Other operating income/expenses - integration costs (from Item 200)	*(4)*	*(3)*
+ Net value adjustments/write-backs on property, plant and equipment on tangible assets - integration costs (from Item 180)	*(1)*	*(2)*
+ Net value adjustments/write-backs on intangible assets - Integration costs (from Item 190)	*(36)*	*(75)*
Net income from investments	(669)	3,815
Item 220. Profit (Loss) of equity investments	*(557)*	*3,889*
Item 230. Net gains (losses) on tangible and intangible assets measured at fair value	*(25)*	*(20)*
Item 250. Gains (Losses) on disposal of investments	*(1)*	*-*
+ Net losses/recoveries on impairment relating to financial assets at amortised cost - debt securities (from Item 130 a)	*(3)*	*(2)*
+ Net losses/recoveries on impairment relating to financial assets at fair value through other comprehensive income - debt securities (from Item 130 b)	*(15)*	*(11)*
+ Impairment/write backs of right of use of land and buildings used in the business (from Item 180)	*(8)*	*(36)*
+ Gain (Losses) on commodities held with a trading intent and on precious stones (from Item 200)	*(10)*	*(6)*
+ Net Result on Financial Assets mandatorily at fair value - Debt securities related to non-performing loans, included securitizations (from item 110)	*(50)*	*-*
PROFIT (LOSS) BEFORE TAX	**9,607**	**11,900**
Income tax	(1,500)	(636)
Item 270. Tax expenses (income) from continuing operations	*(1,500)*	*(636)*
Profit (Loss) from non-current assets held for sale after tax	-	-
Item 290. Profit (Loss) after tax from discontinued operations	*-*	*-*
NET PROFIT (LOSS) FOR THE PERIOD	**8,106**	**11,264**
Goodwill impairment	-	-
Item 240. Goodwill impairment	*-*	*-*
STATED NET PROFIT (LOSS)	**8,106**	**11,264**
Item 300. Net profit (loss) for the period	*8,106*	*11,264*

Annex 2 - Audit fees and other non-audit services

(pursuant to article 149-duodecies, CONSOB Regulation No.11971/99, as supplemented)

(€ million)

DISCLOSURE OF EXTERNAL AUDITORS' FEES - UNICREDIT S.p.A. - FINANCIAL YEAR 2024 - KPMG NETWORK					
As prescribed by art.149-duodecies of the Consob Issuers Regulation, the following table gives fees paid in 2024 for audit services rendered by the Auditor and firms in its network.					
	SERVICE PROVIDER	**SUBSIDIARY ASSIGNING THE SERVICE**			
EXTERNAL AUDITING	**NAME OF AUDITING FIRM**	**COMPANY NAME**	**DESCRIPTION OF SERVICE**		**FEES(*)**
Auditing Firm	KPMG S.p.A.	UniCredit S.p.A.	Audit of Company and Consolidated accounts and First Half Report, accounting checks and foreign branches		3.8
Auditing Firm Total					**3.8**
External Auditing Total					**3.8**
	SERVICE PROVIDER	**SUBSIDIARY ASSIGNING THE SERVICE**			
CHECKING FOR THE PURPOSES OF OTHER OPINIONS	**NAME OF AUDITING FIRM**	**COMPANY NAME**	**DESCRIPTION OF SERVICE**		**FEES(*)**
Auditing Firm	KPMG S.p.A.	UniCredit S.p.A.	Limited Assurance on sustainability statement 2024 according to CSRD, Limited review on Q1 2024 and Q3 2024 Company and Consolidated Reports, Comfort Letter for the inclusion of year-end net profit in Common Equity Tier 1 Capital, Assurance Engagement ISAE 3402, Issuing Comfort Letters concerning bond issues, Supervisory Fees ECB ISA 805, ISAE 3000R Reasonable Assurance on Mifid II, Opinion Interim dividend		3.3
Auditing Firm Total					**3.3**
Network Auditing Firm(s)	KPMG Huazhen LLP, KPMG Autitores SL, KPMG Audit SRL, KPMG Česká republika Audit, s.r.o, KPMG Audyt Sp. z o.o.	UniCredit S.p.A.	Statutory audit of foreign branches Shanghai (liquidated), Madrid, Bucharest, Prague and Szczecin financial statements according to local regulations		0.1
Network Auditing Firm(s) Total					**0.1**
Data Checking Total					**3.4**
	SERVICE PROVIDER	**SUBSIDIARY ASSIGNING THE SERVICE**			
OTHER NON-AUDITING SERVICES	**NAME OF THE AUDITING FIRM**	**COMPANY NAME**	**DESCRIPTION OF SERVICE**	**TYPE**	**FEES(*)**
Auditing Firm	KPMG S.p.A.	UniCredit S.p.A.	AUP on quarterly calculation foreign exchange risk of CIUs, AUP on contributions to the Single Resolution Fund, AUP on Servicing Report Capital Mortgages and OBG I	Other services	0.1
Auditing Firm Total					**0.1**
Network Auditing Firm(s)				Other services	0.0
Network Auditing Firm(s)					**0.0**
Other Non-Auditing Services Total					**0.1**
Grand Total					**7.3**

Notes:
(*) Excluding VAT and expenses.

Annex 3 - Internal pension funds: statement of changes in the year and final accounts

Internal Pension Funds

As at 31 December 2024 with regard to internal pension funds UniCredit S.p.A. does not maintain commitments to the funds set up for the employees.

Annex 4 - Securitisation - qualitative tables

With specific regard to UniCredit S.p.A. as Originator, reference is made to the Annexes, Annex 3 - Securitisations, qualitative tables of Consolidated financial statements of UniCredit group, which is herewith quoted entirely.

Annex 5 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds - qualitative tables

With specific regard to UniCredit S.p.A. as Originator, reference is made to the Annexes, Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same Funds, qualitative tables of Consolidated financial statements of UniCredit group, which is herewith quoted entirely.

Setting the benchmark for excellence

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Incorporations of qualitative information by reference

The following is the list of the incorporations of qualitative information by reference made by the Consolidated financial statements to the Company financial statements:

PART OF THE CONSOLIDATED FINANCIAL STATEMENTS WHERE A REFERENCE IS PRESENT	DESCRIPTION OF THE PART OF THE COMPANY FINANCIAL STATEMENTS WHERE IS DETECTABLE THE QUALITATIVE INFORMATION INCORPORATED BY REFERENCE
Notes to the consolidated accounts, Part B - Information on consolidated balance sheet - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20	The paragraphs “Information about the units of Atlante Fund and Italian Recovery Fund” and “Schema Volontario” (Voluntary Scheme) are incorporated by reference to Part B - Balance sheet - Assets, Section 2 - Financial assets at fair value through profit or loss - Item 20 of the Notes to the accounts.
Notes to the consolidated accounts, Part B - Information on consolidated balance sheet - Assets, Section 3 - Financial assets at fair value through other comprehensive income - Item 30	The paragraph “Information about the shareholding in Banca d'Italia” is incorporated by reference to Part B - Balance sheet - Assets, Section 3 - Financial assets at fair value through other comprehensive income - Item 30 of the Notes to the accounts.
Notes to the consolidated accounts, Part B - Information on consolidated balance sheet - Assets, Section 11 - Tax assets and tax liabilities - Item 110 (Assets) and Item 60 (Liabilities)	The qualitative disclosure of deferred tax assets and liabilities of the Parent Company is incorporated by reference to Part B - Information on Balance sheet - Assets, Section 10 - Tax assets and tax liabilities - Item 100 (Assets) and Item 60 (Liabilities) of the Notes to the accounts.
Notes to the consolidated accounts, Part B - Information on consolidated balance sheet - Liabilities, Section 13 - Group shareholders’ equity - Items 120, 130, 140, 150, 160, 170 and 180	The paragraphs “12.1 Share capital and treasury shares": breakdown”, “12.2 Share capital - Number of shares: annual changes”, “12.3 Capital: other information” and “12.5 Equity instruments; composition and annual changes” are incorporated by reference to Part B - Information on Balance sheet - Liabilities, Section 12 - Shareholders’ equity - Item 110, 130, 140, 150, 160, 170 and 180 of the Notes to the accounts.
Notes to the consolidated accounts, Part C - Information on consolidated income statement, Section 21 - Tax expenses (income) for the period from continuing operations - Item 300	The qualitative disclosure of tax expenses (income) for the period of the Parent Company is incorporated by reference to Part C - Income statement, Section 19 -Tax expenses (income) for the period from continuing operations - Item 270 of the Notes to the accounts.
Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information	The qualitative disclosure with reference to the perimeter of UniCredit S.p.A., reporting specific credit risks committees, is incorporated by reference to Part E - Information on risks and related hedging policies, Section 1 - Credit Risk, Qualitative information, 2. Credit risk management policies, 2.1 Organisational aspects of the Notes to the accounts.
Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Quantitative information, E. Prudential perimeter - Credit risk measurement models	The quantitative information of UniCredit S.p.A. on Credit risk measurement model is incorporated by reference to the paragraph in Part E - Information on risks and related hedging policies, Section 1 - Credit Risk, Quantitative information, F. Credit risk measurement models of the Notes to the accounts.
Notes to the consolidated accounts, Part E - Information on risks and related hedging policies, Section 2 - Risks of prudential consolidated perimeter, Section 2.5 - Operational risks	The paragraph “E. Other claims by customers” and the sub-paragraph “Diamond offer” are incorporated by reference to Part E - Information on risks and related hedging policies, Section 5 - Operational risks of the Notes to the accounts.
Notes to the consolidated accounts, Part G - Business combinations, Section 1 - Business combinations completed in the year	The paragraph “1.1 Business combinations” is incorporated by reference to Part G - Business combinations, Section 1 - Business combinations completed in the year of the Notes to the accounts.

Incorporations of qualitative information by reference

The following is the list of the incorporations of qualitative information made by reference by the Company financial statements to the Consolidated financial statements:

PART OF THE COMPANY FINANCIAL STATEMENTS WHERE A REFERENCE IS PRESENT	DESCRIPTION OF THE PART OF THE CONSOLIDATED FINANCIAL STATEMENTS WHERE IS DETECTABLE THE QUALITATIVE INFORMATION INCORPORATED BY REFERRENCE
Report on operations, Results of the year	The paragraph “Macroeconomic situation, banking and financial markets” is incorporated by reference to the Results of the group of the Consolidated report on operations,
Report on operations, Results of the year, Capital and value management	The qualitative disclosure of “Principles of value creation and disciplined capital allocation” and “Capital strengthening” is incorporated by reference to Capital and value management, Group results of the Consolidated report on operations.
Report on operations, Other information	The paragraph “Share information” is incorporated by reference to the corresponding paragraph in the Group and UniCredit share historical data series of the Consolidated report on operations. The paragraphs “Research and development projects”, “Group activities development operations and other corporate transactions”, “Organisational model” and “Certifications and other communications”, are incorporated by reference to the Other information of the Consolidated report on operations.
Report on operations, Subsequent events and Outlook	The paragraph “Subsequent events” and “Outlook” are incorporated by reference to Subsequent event and outlook of the Consolidated report on operations.
Notes to the accounts, Part A - Accounting policies, A.2 Main items of the accounts	The paragraphs relating to main items of the accounts, where applicable, are incorporated by reference to Part A - Accounting policies, A.2 - Main items of the accounts of the Notes to consolidated accounts.
Notes to the accounts, Part A - Accounting policies, A.4 Information on fair value	The paragraphs relating to information on fair value, where not otherwise specified, are incorporated by reference to Part A - Accounting policies, A.4 - Information on fair value of the Notes to the consolidated accounts.
Notes to the accounts, Part B - Balance sheet - Assets, Section 8 - Property, plant and equipment - Item 80	The description of the “effects produced by update of appraisals” conducted for fair value evaluation is incorporated by reference to the paragraph in Part B - Consolidated balance sheet - Assets, Section 9 - Property, plant and equipment - Item 90 of the Notes to the consolidated accounts.
Notes to the accounts, Part C - Income statement, Section 10 - Other administrative expenses - Item 160	The paragraphs “Contributions to Resolution and Guarantee Funds” and “Guarantee fees for DTA conversion” are incorporated by reference to Part C - Consolidated income statement, Section 12 Administrative expenses - Item 190 of the Notes to consolidated accounts.
Notes to the accounts, Part E - Information on risks and related hedging policies, Introduction	The paragraph “Introduction” is incorporated by reference to the Part E - Information on risks and related hedging policies of the Notes to consolidated accounts.
Notes to the accounts, Part E - Information on risks and related hedging policies, Section 1 - Credit risk, Qualitative information	Qualitative information relating to “1. General aspects”, “2. Credit risk management policies”, “3. Non-performing credit exposure”, “4. Commercial renegotiation of financial assets and forborne exposures” is partially incorporated by reference to the same paragraphs of Part E - Information on risks and related hedging policies, Section 2 - Risks of prudential perimeter, 2.1 Credit risk, Qualitative information of the Notes to consolidated accounts.
Notes to the accounts, Part E - Information on risks and related hedging policies - Section 1 - Credit risk, Quantitative information	Regarding the classification of credit exposure, of loan commitments and financial guarantees given based on internal and external ratings in force for the UniCredit group reference is made to the paragraph “A.2 Classification of credit exposure, of loan commitments and financial guarantees given based on internal and external ratings”, Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter of the Notes to consolidated accounts. The paragraph “D. Covered bond transaction” is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risks of the prudential consolidated perimeter, 2.1 Credit risk, Qualitative information, D. Sales transactions of the Notes to consolidated accounts.

Incorporations of qualitative information by reference

PART OF THE COMPANY FINANCIAL STATEMENTS WHERE A REFERENCE IS PRESENT	DESCRIPTION OF THE PART OF THE CONSOLIDATED FINANCIAL STATEMENTS WHERE IS DETECTABLE THE QUALITATIVE INFORMATION INCORPORATED BY REFERRENCE
Notes to the accounts, Part E - Information on risks and related hedging policies, Section 2 - Market risk	Qualitative information as introduction ("Risk management strategies and processes", "Structure and organisation", "Risk measurement and reporting systems", "Hedging policies and risk mitigation", "Internal model for price, interest rate and exchange rate risk of the Regulatory trading book") is incorporated by reference to qualitative information of Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.2 Market risk of the Notes to consolidated accounts. Qualitative information of "2.1 Interest rate risk and price risk - Regulatory trading book", "2.2 Interest rate and price risk - Banking book" and "2.3 Exchange rate risk" is incorporated by reference to qualitative information of paragraphs of Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.2 Market risk of the Notes to consolidated accounts. Quantitative information of paragraph "3. Regulatory trading portfolio: internal models and other methods for sensitivity analysis" of Interest rate risk and price risk - Regulatory trading book and of "2. Internal models and other methodologies for sensitivity analysis" of Exchange rate risk is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.2 Market Risk of the Notes to consolidated accounts. Information on "Credit spread risk" and "Stress test" is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.2 Market risk of the Notes to consolidated accounts.
Notes to the accounts, Part E - Information on risks and related hedging policies, Section 4 - Liquidity risks	Qualitative information is incorporated by reference to various paragraphs of Part E Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.4 Liquidity risk of the Notes to consolidated accounts.
Notes to the accounts, Part E - Information on risks and related hedging policies, Section 5 - Operational risk, Qualitative information	The paragraph "A. General aspects, operational processes and methods for measuring operational risk" is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.5 Operational risks of the Notes to consolidated accounts. The paragraph "B. Risks arising from legal disputes" is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.5 Operational risks of the Notes to consolidated accounts. The paragraph "C. Risks arising from employment law cases" is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.5 Operational risks of the Notes to consolidated accounts. The paragraph "D. Risks arising from tax disputes is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.5 Operational risks of the Notes to consolidated accounts.
Notes to the accounts, Part E - Information on risks and related hedging policies, Section 5 - Operational risk, Quantitative information	Quantitative information is incorporated by reference to the relevant paragraph in Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.5 Operational risks of the Notes to consolidated accounts.
Notes to the accounts, Part E - Information on risks and related hedging policies, Section 6 - Other risks	Qualitative information of paragraphs "Other risks included in Economic capital", "Reputational risk", "Top and emerging risks" and "The climate-related and environmental risks" is incorporated by reference to Part E - Information on risks and related hedging policies, Section 2 - Risk of the prudential consolidated perimeter, 2.6 Other risks of the Notes to consolidated accounts.
Notes to the accounts, Part F - Shareholders' equity	The paragraph "A. Qualitative information" is incorporated by reference to Part F - Consolidated shareholders' equity of the Notes to consolidated accounts.

Incorporations of qualitative information by reference

PART OF THE COMPANY FINANCIAL STATEMENTS WHERE A REFERENCE IS PRESENT	DESCRIPTION OF THE PART OF THE CONSOLIDATED FINANCIAL STATEMENTS WHERE IS DETECTABLE THE QUALITATIVE INFORMATION INCORPORATED BY REFERRENCE
Notes to the accounts, Part H - Related-party transactions	The paragraph “Introduction” and the qualitative information of paragraph “2. Related-party transactions” are incorporated by reference to Part H - Related-party transactions of the Notes to consolidated accounts.
Notes to the accounts, Part I - Share-based payments	The paragraph “1. Description of payment agreements based on own equity instruments” is incorporated by reference to Part I - Shared base payments, A. Qualitative information of the Notes to consolidated accounts. The paragraph “1. Annual changes” is incorporated by reference to Part I - Shared base payments, B. Quantitative information of the Notes to consolidated accounts.
Annex 4 - Securitisations - qualitative tables	Information is incorporated by reference to information in Annex 3 - Securitisations - qualitative tables of the Consolidated financial statements.
Annex 5 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds - qualitative tables	Information is incorporated by reference to information in Annex 4 - Sales of financial assets to investment funds, receiving as consideration units issued by the same funds - qualitative tables of the Consolidated financial statements.

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Glossary

ITEM	DESCRIPTION
ABCP Conduits - Asset Backed Commercial Paper Conduits	Asset Backed Commercial Paper Conduits are a type of "SPV - Special Purpose Vehicle" (refer to item) set up to securitise various types of assets and financed by Commercial Paper. Commercial Paper generally matures in 270 days, with payment of principal and interest depending on the cash flow generated by the underlying assets. ABCP Conduits may be single-sellers or multi-sellers according to the number of issues they make. Conduits generally require several SPVs. The first-level vehicles issue the Commercial Paper and finance one or more second-level vehicles or Purchase Companies (see item) which purchase the assets to be securitised. An ABCP Conduit will have the following: • issues of short-term paper creating a maturity mismatch between the assets held and the paper issued; • liquidity lines covering the maturity mismatch; and • security covering default risk in respect of both specific assets and the entire programme.
ABS - Asset Backed Securities	Debt securities, generally issued by an "SPV - Special Purpose Vehicle" (refer to item) guaranteed by assets of various types such as mortgage loans, consumer credits, credit card receivables, etc. Principal and interest payments are subject to the performance of the securitised assets and the existence of any further security guaranteeing the bond. ABSs are divided into tranches (senior, mezzanine and junior) according to the priority with which principal and interest will be paid.
AC	Financial asset amortised at cost.
Acquisition finance	Finance for business acquisition operations. The most common form of Acquisition finance is the leveraged buy-out (refer to item "Leveraged finance").
Allocated capital	It represents the amount of capital absorbed by the Group and the Divisions to perform their business activities and to cover all the types of related risks. It is measured by Regulatory Capital obtained by multiplying (i) risk-weighted assets by (ii) target Common Equity tier 1 ratio, plus certain regulatory deductions (e.g. shortfall and securitisations).
ALM - Asset & Liability Management	Integrated management of assets and liabilities, designed to allocate resources in such a manner as to optimise the risk/return ratio.
AMA - Advanced Measurement Approach	Applying this methodology the operational risk requirement is obtained with calculation models based on operational loss data and other evaluation elements collected and processed by the bank. Admittance threshold and specific suitability requirements have been provided for the use of the standardised and advanced approaches. For the AMA approach the requirements concern, beside the management system, also the measurement system.
Asset management	Activities of management of the financial investments of third parties.
Audit	Process of controlling a company's activities and accounting, carried out either by an internal body (internal audit) or by an external firm of auditors (external audit).
Back-testing	Statistical technique which entails the comparison of model estimates of risk parameters with the ex-post empirical evidences.
Bad Loans	Exposures to borrowers in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation, regardless of any loss forecasts made by the bank (e.g. irrespective of the presence of any protection covering the exposures).
Bank Levy	Charges applied at national level specifically to financial institutions, mainly based on balance sheet figures, or parts of it.
Banking Book	Portfolio that identifies the technical forms of lending and funding typical of the core business of the bank, including consumer and residential loans, investments in securities, deposits, etc.
Basel 2	New international capital agreement redefining the guidelines for determining the minimum capital requirements for banks. Such prudential regulation, which came into force in Italy in 2008, is based on three pillars. Pillar 1 While the objective of a level of capitalization equivalent to 8% of the risk-weighted exposures remains unchanged, a new set of rules has been defined for measuring the typical risks associated with banking and financial activities (credit risk, counterparty risk, market risk and operational risk) which provides for alternative calculation methods characterised by different levels of complexity, with the ability to use internally developed models subject to prior authorization by the Regulatory Authority; Pillar 2 This requires the banks to have processes and tools for determining the adequate level of total internal capital (Internal Capital Adequacy Assessment Process - ICAAP) for covering all types of risk, including risks other than those covered by the overall capital requirement (Pillar 1), within the framework of an evaluation of current and future exposure that takes account of strategies and of changes in the reference context. It is the Regulatory Authority's task to examine the ICAAP process, formulate an overall judgment and, where necessary, apply the appropriate corrective measures; Pillar 3 It refers to the obligations to publish information concerning capital adequacy, exposure to risks, and the general characteristics of the systems used for identifying, measuring and managing those risks.
Basel 3	As a consequence of the crisis that, since 2008 has hit the financial markets, the Basel Committee on Banking Supervision has approved the substantial enhancement of the minimum capital requirements and the changes to the rules on the liquidity of banks (Basel 3) by providing for the gradual introduction of the new prudential requirements as at 1 January 2014. These rules have been implemented at the European level through the CRD IV "Package".
Best practice	Behaviour commensurated with the most significant experience and/or the best level of knowledge achieved in relation to a given technical or professional field.
BRRD -Bank Recovery and Resolution Directive	European Directive that introduced harmonised rules on the recovery and resolution of credit institutions and investment firms.

Glossary

ITEM	DESCRIPTION
CDS - Credit Default Swap	A derivative in which a seller of protection engages, for a fee, to pay the buyer of protection a fixed amount should a certain event indicating a deterioration of the creditworthiness of a reference entity occur.
CGU - Cash Generating Unit	A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are clearly independent of the cash inflows from other assets or groups of assets.
CIU - Collective Investment Undertakings	Collective Investment Undertaking means an "UCITS - Undertakings for Collective Investment in Transferable Securities" (refer to item) that may be constituted in accordance with contract law as common funds (managed by management companies), trust law (as unit trusts), or statute as investment companies, AIF (Alternative Investments Fund) or non-EU AIF.
Commodity risk	The risk that the value of the instrument decreases due to commodity prices (e.g. gold, crude oil) changes.
Common Equity Tier 1 Capital	Refer to the content reported in the UniCredit Group Disclosure (Pillar III) in the Own Funds chapter.
Common Equity Tier 1 Capital Ratio	Refer to the content reported in the UniCredit Group Disclosure (Pillar III) in the Own Funds chapter.
Corporate	Customer segment consisting of medium to large businesses.
Cost of risk	Based on reclassified P&L and Balance Sheet, it is calculated as the annualised ratio between loan loss provisions and average net volumes of loans and receivables with customers (including active repos, excluding debt securities and IFRS5 reclassified assets). It is one of the indicators of the bank assets' level of risk: the lower the ratio, the less risky the bank assets.
Cost/Income Ratio	The ratio between operating expenses and operating income. It is one of the main key performance indicators of the bank's efficiency: the lower the ratio, the more efficient the bank.
Counterparty Credit Risk	The risk that the counterparty to a transaction involving financial instruments might default prior to completing all agreed cash-flows exchanges.
Covered bond	A bond which, as well as being guaranteed by the issuing bank, is also covered by a portfolio of mortgages or other high-quality loans transferred, to this end, to a suitable SPV (refer to item).
CRD - Capital Requirement Directive	Directives (EU) 2006/48 and 2006/49, incorporated into Banca d'Italia Circular No.263/2006 of 27 December 2006 as amended. The CRD IV "Package" has replaced the two aforementioned Directives and consists of the Directive (EU) 2013/36 on the taking up of the business of credit institutions and prudential supervision and the Regulation (EU) 575/2013 on prudential requirements, incorporated into Banca d'Italia Circular No.285 of 17 December 2013 as amended.
CRD V	Directive (EU) 2019/878 of 20 May 2019 amending Directive 2013/36/EU (CRD IV).
Credit Quality Step (or creditworthiness)	Classification of counterparties used to assign risk weights under external rating based approaches for credit risk.
Credit risk	The risk that a change in the creditworthiness of a counterparty, the value of the guarantees provided by it or the margins used by it in the event of insolvency might produce an unexpected change in the value of the bank's credit position.
Creditworthiness (or Credit quality step)	Refer to item "Credit quality step".
CRM	Credit Risk Mitigation is a set of techniques, contracts accessories to the loan or other instruments (e.g. securities, guarantees), which allows a reduction of the credit risk capital requirements.
CRR - Capital Requirements Regulation	Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013, and subsequently amendment in Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (CRR2), on prudential requirements for credit institutions and investment firms and that amending Regulation (EU) 648/2012.
CRR2	Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (CRR2) amending Regulation (EU) 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) 648/2012 (refer also to CRR definition).
Currency risk	The risk that the value of the instrument decreases due to foreign exchange rates changes.
CVA - Credit Valuation Adjustment	Adjustment to the valuation of a portfolio of transactions reflecting the market value of the counterparties' credit risk.
Cyber security risk	Cyber security risk is the probability of exposure or loss resulting from a cyber-attack or data breach on the organization.
Daily VaR	It reflects the Value at Risk risk measures calibrated to a 1-day holding period to compare with the 99% confidence level with its trading outcomes.
Default	A party's declared inability to honor its debts and/or the payment of the associated interest.
Duration	This is generally calculated as the weighted average of the maturities for payment of the interest and capital associated with a bond, and represents an indicator of the interest rate risk to which a security or a bond portfolio is subject.
EAD - Exposure At Default	With reference to the on-balance and off-balance sheet positions, EAD is defined as the estimation of the future value of an exposure at the time of the debtor's default. Only banks that meet the requirements for adopting the "IRB - Internal Rating Based" (refer to item) advanced approach are allowed to estimate EAD. Other banks are required to refer to regulatory estimations.
Earnings at risk	The change in interest rates affects earnings by changing the net interest income and, depending on the accounting treatment of the individual balance sheet items, it can be reflected directly in equity, following the change in their market value.
EBA - European Banking Authority	The European Banking Authority is an independent EU Authority which works to ensure effective and consistent prudential regulation and supervision across the European banking sector. Its overall objectives are to maintain financial stability in the EU and to safeguard the integrity, efficiency and orderly functioning of the banking sector.

Glossary

ITEM	DESCRIPTION
ECB - European Central Bank	Central bank for Europe's single currency, the euro. The ECB's main task is to preserve the purchasing power of the single currency thus ensuring the maintenance of price stability in the Euro area.
Economic capital	Measure of risk representing the estimate of the capital necessary to cover the unexpected losses (i.e., losses in excess of the expected ones) that could occur with a certain confidence level and time horizon.
Economic value (interest rate risk)	In the interest rate risk the economic value can be viewed as the present value of expected cash flows stemming from interests bearing assets and liabilities. Changes in the interest rates can impact their present value and, in turn, can cause changes of the economic value.
EL - Expected Losses	Amount of credit risk exposures expected to be lost for a default event of the obligor in a time horizon of one year.
Eligible Collateral	Refers to collateral which allows a reduction of the credit risk capital requirements.
ELOR - Expected Losses on Revenues	ELOR is a ratio estimated, for the Group and for the main legal entities, with a statistical model, based on the historical losses time series, forward looking factors and the budget revenues.
EPS - Earnings Per Share	An indicator of a company's profitability calculated as: Net Profit divided by Average total outstanding shares (excluding treasury shares and shares held under a contract of usufruct).
Equity risk	The risk that the value of the instrument decreases due to stock or index prices changes.
ESG - Environmental, Social and Governance	Refers to criteria used to measure the environmental, social and governance impact of the company and highlight the sustainability of its initiatives.
EU Paris-aligned Benchmarks (PAB)	Paris-aligned benchmarks are indices whose constituent companies are aligned with the Paris Agreement, which sees to limit the rise in global temperatures to well below 2°C above pre-industrial levels, and to pursue efforts to keep the rise to 1.5°C. An EU Paris-aligned benchmark is made of underlying assets that are selected in such a manner that the resulting benchmark portfolio's greenhouse gases emissions are aligned with the long-term global warming target of the Paris Climate Agreement and is also constructed in accordance with the minimum standards laid down in the delegated acts.
EU Taxonomy	The EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. The Taxonomy Regulation was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July 2020.
EVA - Economic Value Added	EVA indicates the value created by a company. It expresses the ability to create value in monetary terms and it is equal to the difference between the Net Profit after AT1/Cashes (refer to item) and the cost of the Allocated Capital. A corrective factor is applied to divisional Net Profit after AT1/Cashes where capitalization is higher than Group's target.
Expected Shortfall	Risk measure representing the expected loss of a portfolio or a counterparty calculated in the scenarios of loss exceeding the VaR.
Factoring	Contract for the sale without recourse (with credit risk borne by the buyer) or with recourse (with credit risk borne by the seller) of commercial credits to banks or specialist companies, for the purposes of management and collection. It may be associated with financing in favor of the seller.
Fair value	The sum for which, in a freely competitive market, an item can be exchanged or a liability extinguished between aware and independent parties.
FINREP	Reporting framework with statistical and financial data defined from the European Banking Authority, an independent EU Authority which works to ensure a consistent level of prudential regulation and supervision across the European banking sector.The aim of FINREP is to gather data used from Supervisory Authorities and the European Central Banks for their supervisory activities.
FL - Forward looking	IFRS9 adjustment that allows to reflect in the credit parameters the expectations about the future evolution of the economic cycle.
Forbearance/Forborne exposures	According to EBA Implementing Technical Standards, forborne exposures consist of exposures to which forbearance measures have been extended, i.e. concessions towards a debtor who is facing or about to face difficulties in meeting its financial commitments ("financial difficulties").
Forwards	Forward contracts on interest rates, exchange rates or share indices, generally traded on "OTC - Over-the-Counter" (refer to item) markets, in which the conditions are fixed when the contract is agreed but execution will take place at a predetermined future date, by means of the collection or payment of differentials calculated with reference to various market parameters according to the subject of the contract.
FTE - Full Time Equivalent	The number of a company's full-time employees. Employees not full-time (e.g. Part-time, maternity leave, etc.) are considered on a pro-rata temporis basis.
Full Revaluation Approach	A methodology behind the historical simulation approach for VaR calculation, when the value of a portfolio is estimated by the complete revaluation of its value according to the simulation results.
Funding	Provision, in various forms, of the funds necessary to finance business activities or particular financial transactions.
Futures	Standardised contracts whereby the parties undertake to exchange money, transferable securities or goods at a present price at a future date. These contracts are traded on regulated markets, where their execution is guaranteed.
FVtOCI	Financial asset at Fair Value through Other Comprehensive Income.
FVtPL	Financial Assets at Fair Value through Profit and Loss.
GAR - Green Asset Ratio	Green asset ratio (GAR), which shows the proportion of exposures related to Taxonomy-aligned activities (Reg. (EU) 2020/852 supplemented by Reg. (EU) 2021/2178) compared to the total assets of those credit institutions.
GDP - Gross Domestic Product	Total market value of the products and services produced by Country residents in a given time frame.
GERMAS - Group Ermas	Group platform used to compute Interest Rate Risk (IRR) positions.

Glossary

ITEM	DESCRIPTION
GHOS - Governors and Heads of Supervision	This is the oversight body of the Basel Committee on Banking Supervision.
Goodwill	The additional sum paid for the acquisition of an equity interest, equal to the difference between the cost and the corresponding share of net assets, for the portion not attributable to the identifiable assets of the acquired company.
GW BANKS	IRB calculation model - Group Wide model Financial Institution & Banks.
GW MNC	IRB calculation model - Group Wide Multinational Corporate.
Hedge Fund	Speculative mutual investment fund adopting hedging techniques which generally are not used by ordinary mutual funds, in order to deliver a constant performance, which is only hardly linked to reference markets. Hedge Funds are distinguished by a limited number of partners and require a high minimum level of investment.
HQLA - High Quality Liquid Assets	Assets that must: (i) be a property, right, entitlement or interest, held by a credit institution, that may provide cash within 30 days; (ii) not be issued by the credit institution itself or by other bodies such as investment firms, insurance undertakings or financial holding companies; (iii) be able to have their value determined on the basis of easily available market prices; (iv) be listed on a recognised exchange, or tradable by a direct sale or simple repurchase agreement.
IAS/IFRS	International accounting standards issued by the International Accounting Standard Board (IASB), a private international body established in April 2001, involving representatives of the accounting professions of the principal countries and, as observers, the European Union, IOSCO (International Organisation of Securities Commissions) and the Basel Committee. This body is the successor of the International Accounting Standards Committee (IASC), set up in 1973 to promote harmonisation of the rules for the preparation of company accounts. When the IASC became the IASB, it was decided, among other things, to name the new accounting principles "International Financial Reporting Standards" (IFRS). At international level, work is currently underway to harmonise the IAS/IFRS with the US GAAP - United States Generally Accepted Accounting Principles (Accounting principles issued by the Financial Accounting Statement Board-"FASB", generally accepted in the USA).
ICAAP - Internal Capital Adequacy Assessment Process	The discipline of the so-called "Pillar 2" requires banks to implement processes and systems to determine the level of internal capital adequate to face any type of risk, also different from those provided by the capital requirements (Pillar 1) rules; in the scope of an assessment of the exposure, actual and future, that has to consider also the strategies and the evolution of the reference environment.
ILAAP - Internal Liquidity Adequacy Assessment Process	It requires the banks to have processes and tools for determining the adequate level of total internal liquidity (Internal Liquidity Adequacy Assessment Process - ILAAP) for covering liquidity risk, within the framework of an evaluation of current and future exposure that takes account of strategies and of changes in the reference context. It is the Regulatory Authority's task to examine the ILAAP process, formulate an overall judgment and, where necessary, apply the appropriate corrective measures.
ILC - Italian Large Corporate	IRB calculation model - Italian Large Corporate.
Impaired loans	Loans are subjected to periodic examination in order to identify those which, following events occurring after their entry in the accounts (at the market value, normally equal to the disbursed amount including the transaction costs and revenues directly attributable to the disbursement of the loan), show objective signs of a possible loss of value. This category includes loans that have been classed as bad, doubtful, restructured or overdue, in accordance with Banca d'Italia rules consistent with IAS/IFRS (refer to item).
Impairment	Within the framework of the IAS/IFRS (refer to item), this refers to the loss of value of a balance sheet asset, recorded when the book value is greater than the recoverable value, i.e. the sum that can be obtained by selling or using the asset.
Interest rate risk - (IRR)	Interest rate risk expresses the exposure to unfavorable changes in interest rates on the economic value of the equity and on the net interest income.
Investor	Any entity other than the "Sponsor" (refer to item) or Originator (refer to item) with exposure to a securitisation.
IRB - Internal Rating Based	Method for determining the capital needed to cover credit risk within the framework of Pillar 1 of "Basel 2" (refer to item). The rules are applied to the exposures of the banking portfolio. Furthermore, in the IRB methods the risk weightings of the assets are determined on the basis of the bank's own internal evaluations of the debtors (or, in some cases, of the transactions). Using systems based on internal ratings, the banks determine the weighted risk exposure. The IRB methods consist of a basic method and an advanced method, which differ in terms of the risk parameters that the bank must estimate: in the basic method, the banks use their own estimates for "PD - Probability of Default" and the regulatory values for the other risk parameters; in the advanced method, the banks use their own estimates for "PD - Probability of Default", "LGD - Loss Given Default", "CCF - Credit Conversion Factor" and, where provided for, "M - Maturity" (refer to item). The use of IRB methods for the calculation of capital requirements is subject to authorisation from Banca d'Italia.
IRC - Incremental Risk Charge	Incremental Risk Charge is a measure of potential losses arising from default and migration risks of unsecuritised credit products over a 1-year capital horizon at a 99.9% confidence level, taking into account the liquidity horizons of individual positions.
IRS - Interest Rate Swap	Refer to item "Swap".
Joint venture	Agreement between two or more companies for the conduct of a given economic activity, usually through the constitution of a joint stock company.
Junior, Mezzanine and Senior exposures	In a securitisation transaction, the exposures may be classified as follows: • junior exposures are the last to be repaid, and consequently absorb the first loss produced by the securitisation transaction; • mezzanine exposures are those with medium repayment priority, between senior and junior; • senior exposures are the first to be repaid.

Glossary

ITEM	DESCRIPTION
Ke	The cost of equity is the minimum return on investment required by the shareholder. It is the sum of a risk-free rate and an additional spread remunerating the shareholder for the market risk and the volatility of the share price. The cost of capital is based on medium/long term averages of market parameters.
KPI - Key Performance Indicators	Set of indicators used to evaluate the performance of a business activity or process.
LCR - Liquidity Coverage Ratio	Ratio of a credit institution's liquidity buffer to its net liquidity outflows over a 30 calendar day stress period.
Leasing	Contract whereby one party (the lessor) grants to another party (the lessee) for a given period of time the enjoyment of an asset purchased or built by the lessor at the choice and on the instructions of the lessee, with the latter having the option of acquiring ownership of the asset under predetermined conditions at the end of the leasing contract.
Leverage ratio	Is a measure which allows for the assessment of institutions' exposure to the risk of excessive leverage.
Leveraged finance/Leveraged buy-out	Loans provided mainly to Private Equity funds in order to finance the acquisition of a company through a financial transaction based on the cash flow generation capacity of such target company. This can result in a higher level of debt and therefore a higher level of risk. Leveraged finance may be syndicated.
LGD - Loss Given Default	Expected value (which may be conditional upon adverse scenarios) of the ratio, expressed as a percentage, between the loss giving rise to the default and the amount of exposure at the time of the default "EAD - Exposure At Default", (refer to item).
Liquidity risk	The risk of the company being unable to meet its payment commitments due to the inability to mobilise assets or obtain adequate funding from the market (funding liquidity risk) or due to the difficulty/impossibility of easily liquidating positions in financial assets without significantly and unfavourably affecting the price because of insufficient depth or temporary malfunction of the financial market (market liquidity risk).
M - Maturity	The average, for a given exposure, of the residual contractual maturities, each weighted for the relevant amount.
Market risk	The effect that changes in market variables might have on the economic value of the Group's portfolio, where this includes both the assets held in the Trading Book and those entered in the Banking Book, or the operations connected with the characteristic management of the commercial bank and its strategic investment choices.
MDA - Maximum Distributable Amount	Maximum Distributable Amount, i.e. a limit to the distributable profits in order to preserve the Combined Buffer Requirement.
MREL - Minimum requirement for eligible liabilities	Minimum requirements for own funds and eligible liabilities, is designed to ensure that there are sufficient resources to write down or convert into equity relevant financial instruments if a bank or other financial institution is in crisis. This allows the competent Authorities to intervene quickly in order to maintain the critical operations of that institution, without using tax money.
Net Profit	Stated Net Profit adjusted for the impacts of the sustainability test on Deferred Tax Assets from tax loss carry forward.
Net Profit after AT1/Cashes	"Net Profit" (refer to item) adjusted for Additional Tier 1 (AT1) and Cashes charges. The result is used for cash dividend accrual/total distribution, as well as for RoTE and RoAC calculation (refer to items).
NPE - Non-performing exposures	According to EBA Implementing Technical Standards, non-performing exposures are debt instruments and off-balance sheet exposures which satisfy either or both of the following criteria: (i) material exposures which are more than 90 days past-due; (ii) the debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past-due amount or of the number of days past due.
Operational risk	The risk of losses due to errors, infringements, interruptions, damages caused by internal processes or personnel, systems, or caused by external events. This definition includes legal and compliance risks but excludes strategic and reputational risk. For example, losses arising from the following can be defined as operational: internal or external fraud, employment practices and workplace safety, client claims, products distribution, fines and penalties due to regulation breaches, damages to the company's physical assets, business disruption and system failures, process management.
Option	The right, but not the commitment, acquired by the payment of a premium, to buy (call option) or sell (put option) a financial instrument at a given price (strike price) by or at a determined future date (American option/European option).
Originator	The entity that originated or acquired from third parties the assets to be securitised.
OTC - Over The Counter	Over the counter (OTC) trading consists of the exchange of financial instruments such as shares, bonds, derivatives or goods directly between two counterparties. The OTC markets do not have standardised contracts or buying/selling procedures and are not associated with a set of rules (admissions, controls, obligations of information, etc.) like those that govern the official markets.
Past Due	Problematic exposures that, at the reporting date, are more than 90 days past due on any material obligation, as required by the relevant prudential regulation. Past due can be determined either at individual debtor or at single transaction level according to the relevant local prudential regulation.
Payout ratio	It indicates the percentage of "Net Profit" (refer to iem) distributed or to be distributed to shareholders and is determined on the basis of the company's self-financing needs and of the return expected by shareholders. Within the "UniCredit Unlocked" Strategic Plan, the Shareholders remuneration is defined as a combination of dividends and Share Buy-Backs and the pay-out is computed also as share of the Organic Capital generation
PD - Probability of Default	Probability of a counterparty entering into a situation of "default" (refer to item) within a time horizon of one year.
PEPP - Pandemic Emergency Purchase Programme	Massive stimulus package from the ECB to support the eurozone economy as a response to the Covid-19 (coronavirus) crisis.
PIT - Point in time	Calibration type of the credit parameters on a horizon that considers the current economic situation.

ITEM	DESCRIPTION
POCI - Purchased Originated Credit Impaired	Credit exposures that are already impaired on initial recognition.
Preference shares	Capital instruments that associate forms of remuneration tied to market rates with particularly pronounced subordination conditions, such as non-recovery in subsequent years of the interest not paid by the bank and bearing a share of its losses in the event that these produce a significant reduction in the capital requirements. The regulatory authorities set the conditions under which preference shares may be counted among the core capital of banks and banking groups.
Private equity	Investments in the risk capital of companies, generally unlisted but with high growth potential and the ability to generate constant cash flows. Investments in private equity include a wide range of operations that vary according to both the development phase of the company concerned and the investment techniques used. These techniques include closed-end private equity funds.
Purchase companies	"SPV - Special Purpose Vehicle" (refer to item) used by “ABCP Conduits - Asset Backed Commercial Paper Conduits” (refer to item) to purchase the assets to be securitised and which are in turn financed by the Conduit vehicle issuing the commercial papers.
RAF - Risk Appetite Framework	Within the ICAAP processes, RAF represents a managerial tool for ensuring the business evolution towards a sustainable healthy growth and steering the long- and short-term strategy.
Rating	Evaluation of the quality of a company or its issues of debt securities on the basis of the company's financial soundness and prospects. This evaluation is made either by specialist agencies or by the bank on the basis of internal models.
Reputational risk	Reputational risk is defined as the current or prospective risk to earnings and capital arising from the adverse perception of the image of the financial institution on the part of customers, counterparties (including also debt-holders, market analysts, other relevant parties), shareholders/investors, regulators or employees (stakeholders). Reputational risk is a secondary risk generated as a "knock-on effect" from risk categories, such as credit, market, operational and liquidity risks and all others risks types (e.g., business risk, strategy risk, ESG risk which considers the environmental, social and governance aspects of responsible investments). Reputational risk could also be generated from material events.
Retail	Customer segment consisting principally of private individuals, self-employed professionals, traders and artisans.
RIC	IRB calculation model - Integrated Corporate Rating.
RIP	IRB calculation model - Integrated Private Rating.
RISB	IRB calculation model - Rating Integrated Small Business (Small Business Integrate Rating).
RMBS	RMBS (Residential Mortgage-Backed Securities): Financial instruments created by bundling together residential mortgage loans and selling interests in the pool to investors. RMBS provide investors with exposure to the cash flows generated by mortgage payments made by homeowners.
RNIME - Risk Not in the Model Engines	Framework that provides an estimate on the completeness of the risk factors included in VaR, SVaR and IRC.
ROA - Return On Assets	Return on assets calculated as ratio between Stated net profit and Total assets. In the interim situations, Stated net profit is annualised, while period/year-end Total assets are used.
ROAC - Return On Allocated Capital	Annualised ratio between the "Net Profit after AT1/Cashes" (refer to item) and the "average allocated capital" (refer to item). It shows, in percentage terms, the earning capacity per allocated capital unit. A corrective factor is applied to divisional net profit where capitalisation is higher than Group’s target.
RoTE - Return on Tangible Equity	Annualised ratio between the "Net Profit after AT1/Cashes" (refer to item) and the average "Tangible Equity" (refer to item) net of Cashes components and deferred tax assets from tax loss carry forward
RWEA - Risk Weighted Exposure Amounts	Risk Weighted Exposure Amounts of on-balance sheet assets and off-balance sheet items (credit derivatives and guarantees) is calculated applying to all exposures, unless deducted from own funds, the risk weights in accordance with the CRR and based on the exposure class to which the exposure is assigned and its credit quality in order to define the capital requirements.
Scope 1 - Greenhouse Gases (GHG) emissions	Emissions are direct emissions from owned or controlled sources.
Scope 2 - Greenhouse Gases (GHG) emissions	Emissions are indirect emissions from the generation of purchased energy.
Scope 3 - Greenhouse Gases (GHG) emissions	Emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company.
Securitisation	Transfer of a portfolio of assets to an “SPV - Special Purpose Vehicle” (refer to item) and the issue of securities with various levels of seniority to meet any default by the underlying assets. Securitisations can be: • traditional: method of securitisation whereby transfer of the assets is by means of sale of the portfolio to the “SPV - Special Purpose Vehicle” (refer to item); • synthetic: method of securitisation whereby the transfer of assets is by means of credit derivatives or similar security enabling the risk of the portfolio to be transferred.
Sensitivity	The greater or lesser degree of sensitivity with which certain assets or liabilities react to changes in rates or other reference parameters.
Sponsor	An entity other than the "Originator" (refer to item) and the "Investor" (refet to item) which sets up and manages an "ABCP Conduits - Asset Backed Commercial Paper Conduits" (refer to item) programme or other securitisation scheme where assets to be securitised are acquired from third parties.

Glossary

ITEM	DESCRIPTION
SPV - Special Purpose Vehicle	An entity, partnership, limited company or trust, set up to carry out a set object, such as isolating financial risk or obtaining special regulatory or tax treatment for specific portfolios of financial assets. SPV's operations are accordingly limited by a set of rules designed for this purpose. In general SPVs' sponsors do not hold equity in them. The equity is held by other entities in order to ensure that there is no shareholder relationship with the "Sponsor" (refer to item). SPVs are usually bankruptcy-remote, in that their assets cannot be claimed by the creditors of the sponsor, even if the latter becomes insolvent.
Stated Net Profit	Net Profit as per Accounting statement
Stress Test	Assessment of bank' vulnerabilities either in terms of capital or liquidity position in case of possible adverse events, both of an idiosyncratic nature and related to macroeconomic scenarios.
Subprime (Residential Mortgages)	Although Subprime has no univocal definition, this category includes mortgages granted to borrowers who have had repayment difficulties in the past, e.g. delayed installments, insolvency or bankruptcy, or who are more likely to default than the average due to high loan-to-value and installment-to-income ratios.
SVaR - Stressed VaR	Stressed VaR is a quantification of exposures to particular extreme losses that can be inflicted to a Bank during market tensions, by modeling the portfolio response conditional on historical data from a (continuous 12-month) period of significant financial stress.
Swap	A transaction that generally consists of the exchange of financial streams between operators according to different contractual arrangements. In the case of an interest rate swap (IRS), the counterparties exchange payment streams that may or may not be linked to interest rates, calculated on a notional principal amount (for example, one counterparty pays a stream on the basis of a fixed rate, while the other does so on the basis of a variable rate). In the case of a currency swap, the counterparties exchange specific amounts in two different currencies, with these amounts being exchanged back in due course according to predefined arrangements that may concern both the capital (notional) and the streams of interest payments.
Tangible Equity	Shareholders' equity (including consolidated profit of the period) less intangible assets (goodwill and other intangibles, including the ones in Discontinued operations), less AT1.
Tier 1 Capital	Refer to the content reported in the UniCredit Group Disclosure (Pillar III) in the Own Funds chapter.
Tier 1 Capital Ratio	Refer to the content reported in the UniCredit Group Disclosure (Pillar III) in the Own Funds chapter.
TLAC -Total Loss Absorbing Capacity	TLAC represents the indicator of the Total Loss Absorbing Capacity, a new Pillar I requirement established by the Regulation (EU) 2019/876 (CRR2), entered into force on 27 June 2019, for Global Systemically Important Banks (G-SIBs). The TLAC standard requires G-SIBs, to hold a sufficient amount of highly loss absorbing liabilities.
TLTRO - Target Long Term Refinancing operations	Target Long Term Refinancing operations. Non-regular open market operations conducted by the ECB. Operations that provide financing to credit institutions for periods of up to four years. They offer long-term funding at attractive conditions to credit institutions in order to further ease private sector credit conditions and stimulate bank lending to the real economy.
Total Capital Ratio	Refer to the content reported in the UniCredit Group Disclosure (Pillar III) in the Own Funds chapter.
Total own funds	Refer to the content reported in the UniCredit Group Disclosure (Pillar III) in the Own Funds chapter.
TSR - Total Shareholder Return	It is the full reward, in terms of capital gain and dividends, that a shareholder gets from holding one share.
TTC - Through the cycle	Calibration type of the credit parameters on a horizon that considers the entire economic cycle.
UCITS - Undertakings for Collective Investment in Transferable Securities	This term covers open-end real estate investment funds, both Italian and foreign, and investment companies with variable capital. The latter are joint stock companies that have the sole purpose of collective investment of the assets gathered through a public offer of their own shares.
UGRM - UniCredit global Risk Monitor	The pool of software applications, IT structure and database used by the Group for the financial risk analysis.
Unlikely to Pay	The classification in this category is the result of the judgment of the bank about the unlikeliness, without recourse to actions such as realising collaterals, that the obligor will pay in full (principal and/or interest) its credit obligations. This assessment should be carried out independently of the presence of any amount (or rate) past due and unpaid.
VaR - Value at Risk	A measure of the risk of potential loss, under a given level of confidence and time horizon, which could occur on a position or a portfolio.
Warehousing	A preparatory phase of a securitisation transaction during which a "SPV - Special Purpose Vehicle" (refer to item) acquires assets within a certain period of time until it reaches a sufficient amount to be able to issue an "ABS - Asset Backed Securities" (refer to item).

Setting the benchmark for excellence

See our microsite for more information on how we have progressed against our UniCredit Unlocked plan across our key focus areas

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