4Q23 FY23 GROUP RESULTS

UniCredit Unlocked

Our transformation journey: record-breaking results, sights set on new heights

A. Orcel

Milan, 05 February 2024

Empowering Communities to Progress. | UniCredit

UniCredit Unlocked: our transformation journey

Record-breaking results

Sights set on new heights

	2023: UNICREDIT'S BEST YEAR EVER …	… CROWNING THREE YEARS OF SUCCESS	2024: NORMALISING OUR BEST YEAR EVER …	… AND CONTINUING OUR TRANSFORMATION JOURNEY
	12th consecutive quarter of **sustainable quality profitable growth** across all regions, with **top-tier returns**	**Exceeding expectations in 2021-23** despite macro challenges, due to relentless execution of our **transformation**	**Defending profitability**, further improving **quality of results**, combined with **outsized calendar year distributions**	**UniCredit Unlocked continues** rooted in the **same philosophy**, **defending and leveraging the leadership we have achieved**
	FY23	FY21-23[1]	FY24	… and beyond
PROFITABILITY				**Defending profitability, improving quality** with sEVA positive NII and **growing fees**, robust **lines of defence** and **ample buffers**
Net profit	**8.6bn**	**>2.6x**	**Broadly in line with FY23**	
Organic Capital Generation	**12bn**	**>27bn**	**>300bps**	
RoTE	**16.6%**	**c.2.5x**	**c.16.5%**	
ORDINARY DISTRIBUTIONS	**8.6bn Total** 100% of Net profit o/w 3.0bn dividend, 5.6bn SBB	**17.6bn Total** >100% of Market Cap[2] o/w >6bn dividend, >11.5bn SBB (–c.30% share count[3])	≥90% Payout of Net profit[4] Introducing **interim distribution**[5] leading to calendar year dividend yield c.10%[6] **c.10bn** calendar year distribution[5]	Ability to **sustain best-in-class distributions** while **strengthening our Bank**
GROWTH EPS	74% Y/Y	**3.1x**	Double Digit	Continue to deliver **substantial sustainable EPS, DPS growth**
DPS	80% Y/Y	**9.0x**	Double Digit	

Distribution subject to supervisory and shareholder approvals. The end notes are an integral part of this Presentation, please refer to this section for information related to the financial metrics and defined terms
1. All delta calculated as FY23 vs. avg FY17-19 (simple average of recast figures of Group excluding Turkey and Fineco for comparison purposes; OCG referring to period FY21-23) **2.** Market cap as of 01.01.2021 **3.** Assuming remaining FY23 SBB executed at an average price within a range between share price as of 31.01.2024 and +15% **4.** Net profit equal to stated net profit adjusted for the impacts from TLCF DTAs and potential one-offs related to strategic items **5.** Calculated as sum of 7.2bn (8.6bn minus the 1.4bn of FY23 SBB already executed in 2023) and c.3bn interim distribution FY24; interim applicable to both dividend and share buyback, assumed at c.40% of total full year distribution **6.** Refers to 2024 calendar year view, i.e. including interim on FY24; yield calculated on market cap as of 01.01.2024

Record-breaking results

2023: UNICREDIT'S BEST YEAR EVER ...

... CROWNING THREE YEARS OF SUCCESS

2023: UNICREDIT'S BEST YEAR EVER ...

Excellent 4Q crowning a year of quality profitable growth

12th consecutive quarter of sustainable quality profitable growth, effectively balancing our three levers underpinning current and future distributions

KEY METRICS

In million	4Q23	Y/Y	Q/Q	FY23	FY/FY
Net Revenue	**5,679**	**+9.5%**	**−3%**	**23,295**	**+26%**
o/w NII	3,610	+6%	+0.3%	14,005	+31%
o/w Fees	1,793	+4% −1%	+1%	7,463	+1% −2%
o/w Trading	360	−16%	−28%	1,845	+4%
o/w LLP	−300	−43%	n.m.	−548	−71%
Total Costs	**−2,489**	**+1%**	**+7%**	**−9,471**	**−1%**
GOP	**3,490**	**+7.5%**	**−4%**	**14,372**	**+33%**
Non-Operating Items[1]	**−823**	**+153%**	**+202%**	**−2,015**	**+43%**
Net Profit	**1,917**	**+19%**	**−17%**	**8,614**	**+54%**
Stated Net Profit	**2,810**	**+14%**	**+21%**	**9,507**	**+47%**
C/I Ratio	**41.6%**	**−1.6p.p.**	**+2.6p.p.**	**39.7%**	**−7.2p.p.**
RWA EoP (bn)	**284.5**	**−8%**	**−2%**	**284.5**	**−8%**
RoTE	**13.9%**	**+2.1p.p.**	**−4.4p.p.**	**16.6%**	**+5.8p.p.**
RoTE based on 13% CET1r	**17.1%**	**+3.0p.p.**	**−6.3p.p.**	**20.5%**	**+8.2p.p.**
CET1r[2]	**15.9%**	**+97bps**	**−130bps**	**15.9%**	**+97bps**

Adjusting for Current Account Fee Reduction in Italy and increased cost from accelerated securitisation

FY23 HIGHLIGHTS ACROSS OUR 3 LEVERS

UniCredit Sustainable Excellence

FY/FY

NET REVENUE — **QUALITY GROWTH**

+26%

Net Revenue

(Gross Revenue **+17%**)

COST — **OPERATIONAL EXCELLENCE**

39.7%

Cost / Income **−7.2p.p.**

(Absolute costs **−1%**)

CAPITAL — **CAPITAL EFFICIENCY**

389bps

Organic Capital Generation **12.0bn**

(Net Revenue / RWA **7.9%**)

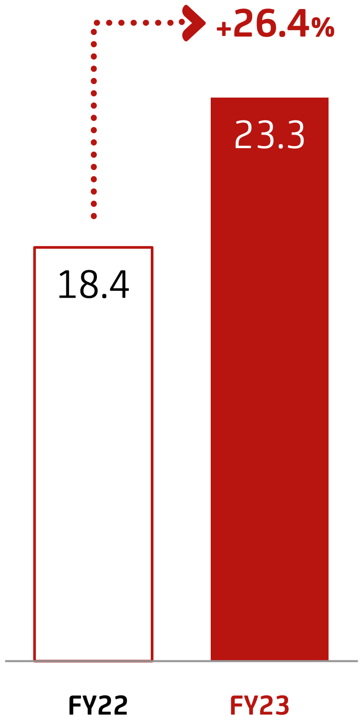
1. Including integration costs and systemic charges

2. 4Q23/FY23 CET1r is net of the accrual for the total FY23 distribution following the new EBA Q&A 2023_6887. For a coherent Y/Y and FY/FY comparison, the FY22 and 4Q22 CET1r is pro forma for all distributions

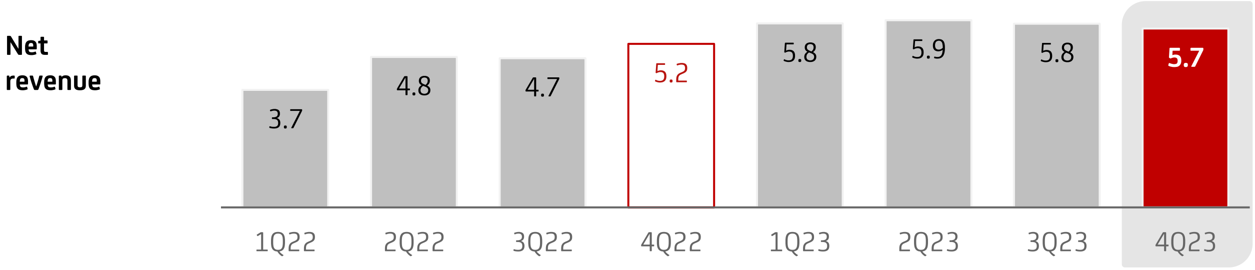
Record FY RoTE at 16.6% notwithstanding €1.1bn integration costs

Net Revenue up 26% FY/FY on robust NII, excellent CoR and resilient Fees

NET REVENUE,
bn



GROWING NET REVENUE BASE WITH RECORD 4Q
bn



NET REVENUE BY ITEM
bn

KEY HIGHLIGHTS

NET INTEREST INCOME
- Supportive rates
- Excellent pass-through management
- Continued quality focus and macro affecting loan volumes

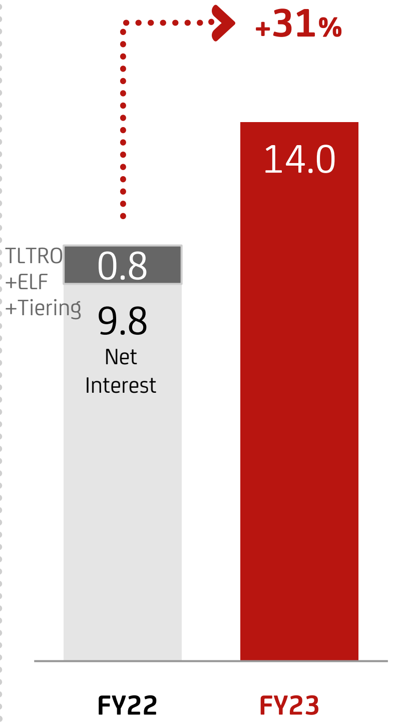
LLPs
- Structurally low
- Benefitting from sound portfolio and high level of provisioning

FEES
- Resilient trend despite macro, current account fee reduction in Italy and high securitisation costs
- Diversified Fee generation
- Top tier Fees to Revenue ratio

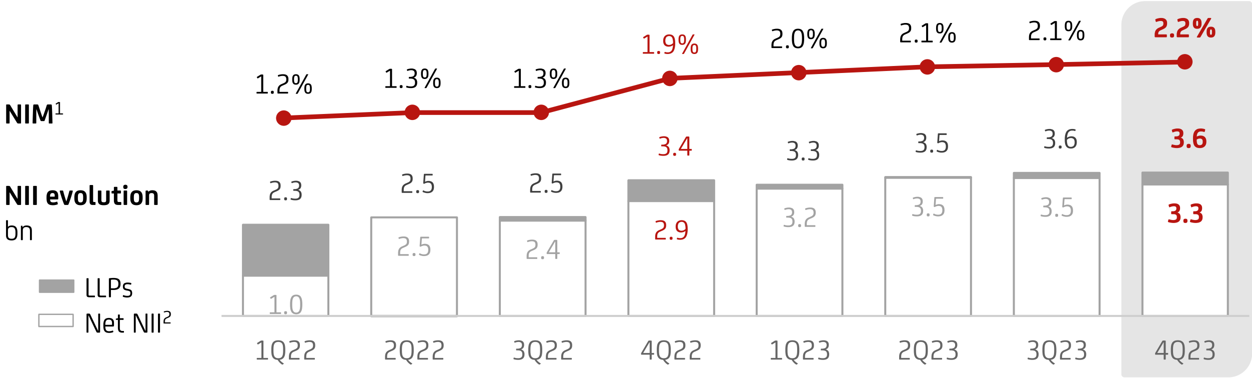
TRADING & OTHERS
- Resilient and stable as primarily driven by client business

Continued quality net interest income growth

NET INTEREST INCOME, bn

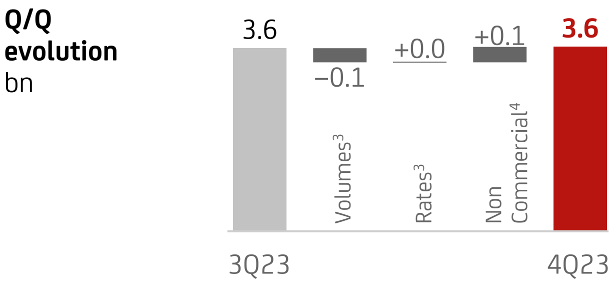


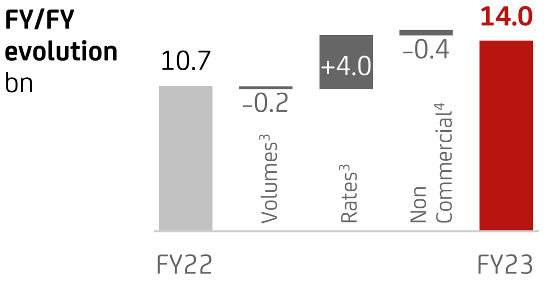
STRONG NII IN 4Q



COMMERCIAL COMPONENT BACKING GROWTH

With focus on quality and macro affecting volumes





KEY HIGHLIGHTS

STRONG YEARLY NII GROWTH +31% FY/FY WHILE **FLAT Q/Q** SUPPORTED BY

- Favourable rate environment with Euribor up 18bps in the quarter
- Strict pass-through management: 4Q23 avg. 28%; FY23 avg. 25%
- Relentless focus on quality origination (risk adjusted sEVA positive); profitable and capital efficient client business rather than volumes lending

NII SENSITIVITY

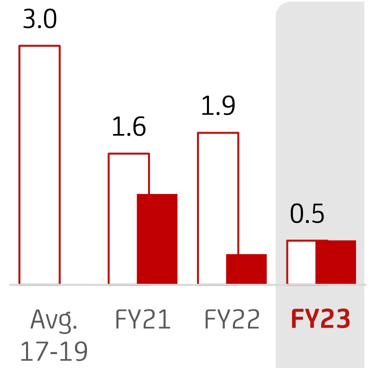
Pass-through
± 1 p.p. = c.130m (annualized)

Rates[5]
± 25bps = c.140m (annualized)

1. Calculated as Interest income on average interest earning assets minus interest expense on average interest bearing liabilities **2.** Net Interest Income less Loan Loss Provisions **3.** Impacts related to both deposits and loans
4. Including structural hedge of core deposits in 4Q23: amount c.190bn, average yield c.1.1%, duration slightly below 5 years with ~ 15% maturing annually **5.** Based on average Euribor 3M / ECB Deposit Facility Rate

Transformed and strong asset quality, bracketed CoR

LLPs,
bn



CoR,
bps

	Avg. 17-19	FY21	FY22	FY23
Stated		37	41	12
Underlying[1]		26	9	13

QUARTERLY EVOLUTION

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Underlying CoR[1] bps	6	22	-3	10	14	8	19	10
Underlying LLPs[1] m	65	243	-36	108	157	89	203	103
Default rate YTD	1.5%	1.3%	1.1%	1.1%	0.8%	0.8%	0.8%	1.0%

STRUCTURALLY LOW AND STABLE CoR GOING FORWARD

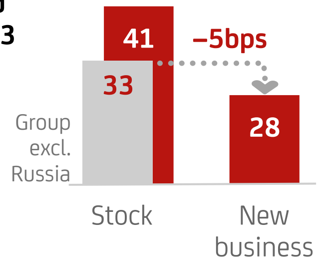
Gross NPE stock
bn

	4Q20	4Q23
Ratio	4.5%	2.7%

Higher coverage than peers[2] across stages 1,2 and 3

c.1.8bn
Overlay stock on performing portfolio

Expected loss 4Q23
bps



KEY HIGHLIGHTS

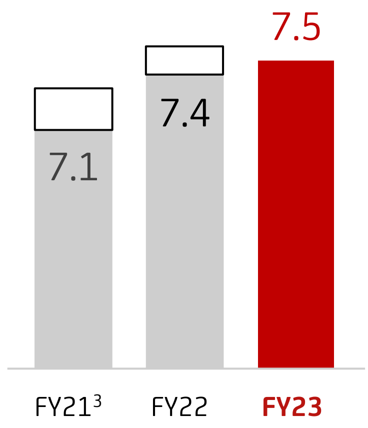
- 428bn **high quality robust credit portfolio**[3] resulting in a relatively low default rate
- Very **meaningful reduction of NPE** vs the past and improvement of their quality
- **Higher coverage** levels than peers across all stages
- **Overlays** to protect or propel future results
- **Vigilant origination** and focus on quality lending

STRUCTURALLY LOW AND LESS VOLATILE CoR

1. Underlying LLPs and CoR means LLPs for Group excluding Russia, net of overlays **2.** Latest Publicly available data as of 3Q23: calculated as the sum of delta between UniCredit and simple average of peers of the ratio for each stage 1,2 and 3 and multiplied with UniCredit loans of the respective stage; peer group: BBVA, BNP (2Q23), Deutsche Bank, ING, Intesa, Société Générale, Santander. **3.** Gross Performing Loans

Resilient fees despite macro headwinds

FEES, bn



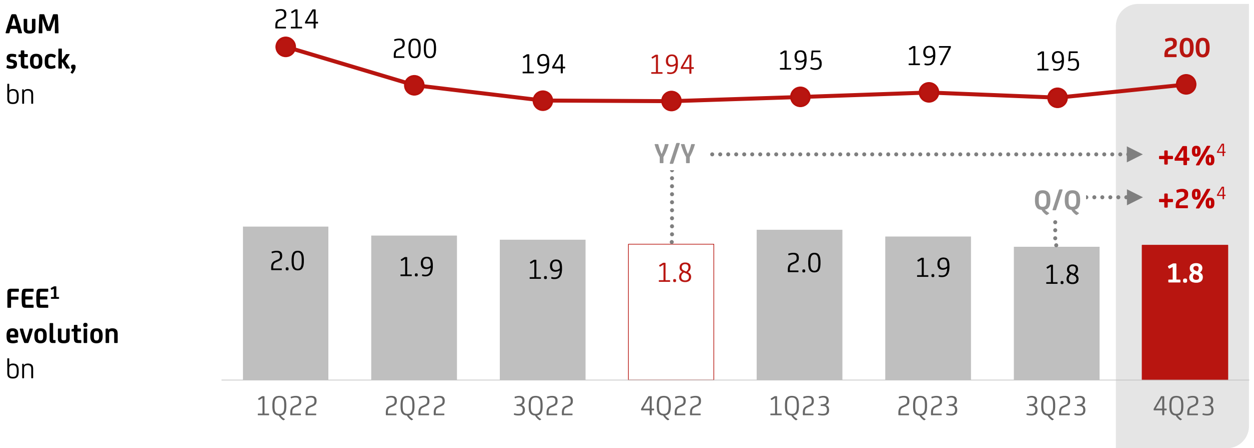
Delta CAFR in Italy and securitization costs vs FY23

TOTAL FEES

excl. −180m CAFR in Italy and −55m higher securitization costs

+1% FY/FY

RESILIENT FEE DYNAMIC IN 4Q



CHANGE BY FEE CATEGORIES[4]

Positive life insurance result: **+7% Q/Q**

	Q/Q	Y/Y		Q/Q	Y/Y
Investment	−3%	−2%	**Transactional**	+2%	+8%
Financing	+7%	+11%	**Client hedging**	+9%	−7%

KEY HIGHLIGHTS

INVESTING

In our factories, frontline, distribution channels and our digital infrastructure to increase fee base

DIVERSIFIED & BALANCED

Resilient Fees benefitting from diversified sources, with top tier 32.3% Fees[2] to Revenue ratio

SUPPORTING CLIENTS

−180m reduction in current account fees in Italy in FY23 vs. FY22

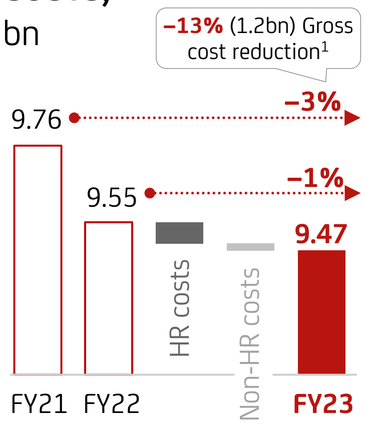
MORE POTENTIAL

To unlock in the next phase of our journey, achieving run rate and internalisation

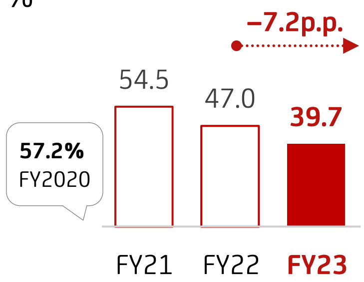
1. Including fees generated by the distribution agreements and JVs partnerships with partners like Amundi, Allianz **2.** Fees and income from Insurance (Dividend or Net Insurance result) as of 9M23 **3.** Fees recast to include client hedging fees within trading profit (608m) to ensure comparable base **4.** Exc. CAFR in Italy and securitization costs. Stated growth rates: Total fees +1% Q/Q, -1% Y/Y and -2% FY/FY, Financing fees +4% Q/Q and +9% Y/Y, Transactional fees +2% Q/Q and −3% Y/Y

Operational excellence while offsetting inflation and investing

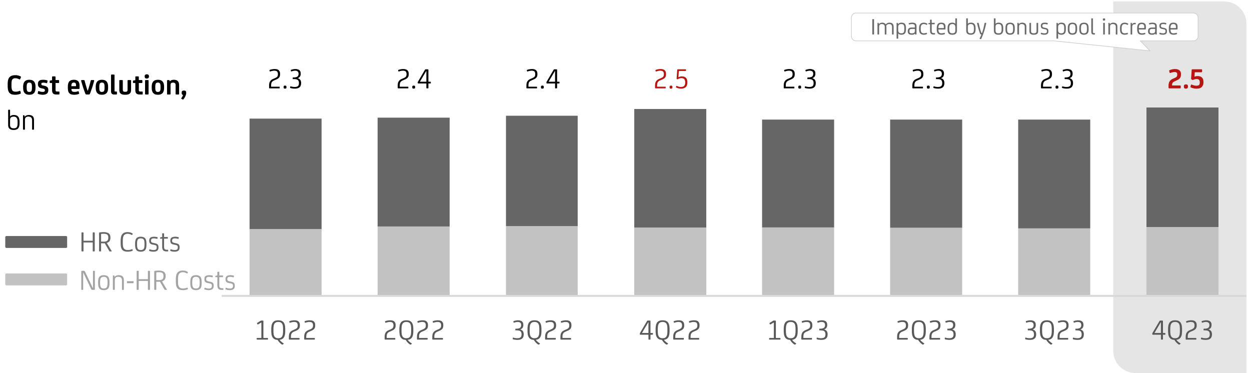
COSTS, bn



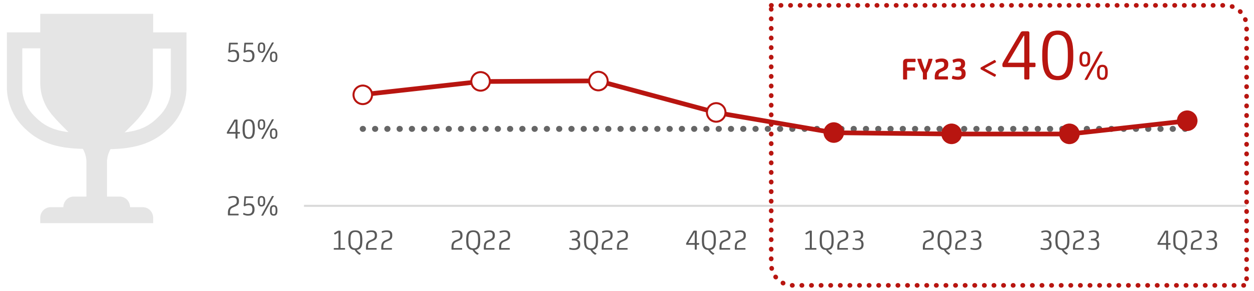
COST / INCOME, %



MAINTAINING OPERATIONAL EXCELLENCE EACH QUARTER



LEADING COST / INCOME RATIO IN THE INDUSTRY



KEY HIGHLIGHTS

TARGETED COST REDUCTION
Reducing non-business costs, streamlining organisation, re-designing processes, automating, and internalizing

INVESTING
Invest in our people, training, and remuneration, and using efficiencies to enhance our product factories and digital capabilities

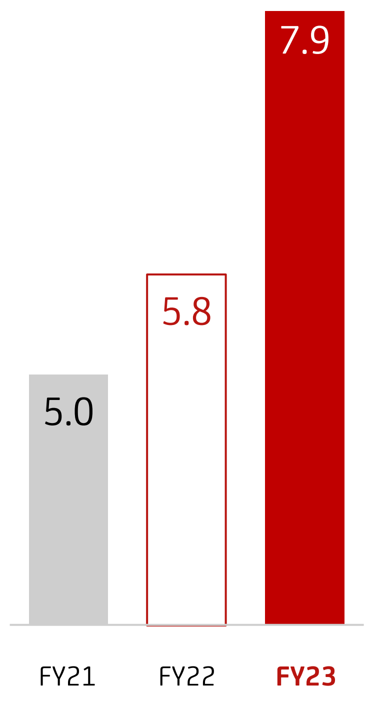
EFFICIENT WAY OF WORKING
Fostering culture of empowerment; less bureaucracy and better accountability, offsetting inflation FY23 of 6.7% in UniCredit footprint[2]

1. Gross of increased investments and inflation

2. Data for the Group including Russia as of 4Q23 (forecast only for Bosnia)

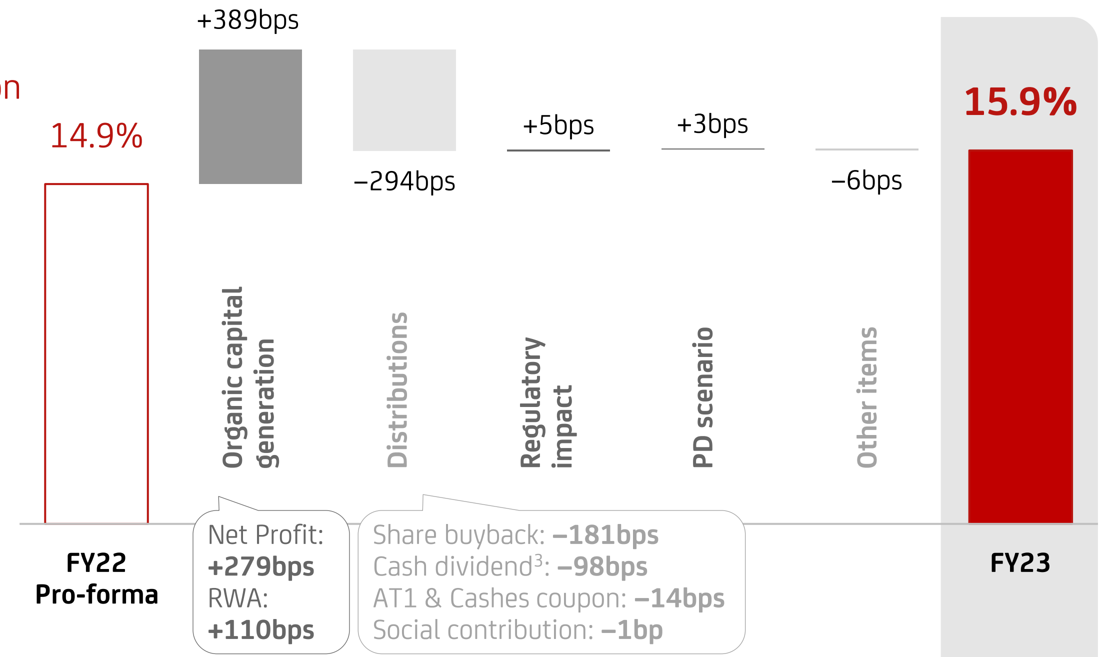
Excellent capital generation continues

NET REVENUE / RWA
(%)



CET1r walk FY/FY

FY23 +97bps vs FY22[1] even netting for 8.6bn distribution[2]



	FY22 Pro-forma	FY23
MDA BUFFER	580bps[4]	613bps[5]
RWA Fully loaded	308bn	285bn

KEY HIGHLIGHTS

QUALITY GROWTH
Our approach to risk adjusted quality revenue growth results in excellent capital generation

PORTFOLIO MANAGEMENT
Pro-active RWA management boosting returns and improving capital efficiency

DISTRIBUTION
Leading distributions with a balanced approach to cash dividends and share buy back

BUILDING CAPITAL
CET1r increased over past three years with more than 27bn organic capital generation underpinning 17.6bn of distribution

1. FY22 CET1r pro forma for all distributions, including the shares buy-back deducted from Own Funds in 1Q23, in order to have a coherent Y/Y comparison following the new EBA Q&A 2023_6887 released in Q4 related to the accrual of share buybacks included in distribution policies, already applied in 4Q23 **2.** Subject to supervisory and shareholder approvals **3.** Cash dividend accrual at 35% of Net Profit
4. Using the requirement as of 31 December 2022. Please note that P2R has changed since 1 January 2023 as communicated in the related press release of 15 December 2022
5. MDA buffer 4Q23 (including a gap of 17bps vs. the 1.88% AT1 bucket requirement) computed vs MDA requirement at 9.58% as of 4Q23.

Quality growth as priority with our best-in-class factories

–2% FY/FY
(excl. Russia **+1%**)

Enhancing our three product factories, and capitalising on scale and scope …

… to deliver best-in-class products to our clients

FY23		FY/FY	
CORPORATE SOLUTIONS	**4.9**	**–6%**	Flat excl. Russia
ADVISORY & FINANCING Ramping up advisory and loan fees and continued discipline on financing backing resilient performance despite negative macro	**2.0**	–3%	+5% excl. TLTRO
GROUP TRADE & CORRESPONDENT BANKING Strong performance underpinned by our unique pan-European footprint	**1.1**	+5%	
CLIENT RISK MANAGEMENT Resilient performance following normalization of hedging activities	**1.8**	–15%	–3% excl. Russia
GROUP PAYMENTS SOLUTIONS	**2.1**	**+12%**	
PAYMENTS Performance driven by positive NII development, strong growth potential from domestic and cross-border payments, successful new commercial initiatives and partnerships in our Pan European playfield	**2.1**	+12%	
INDIVIDUAL SOLUTIONS	**2.9**	**–4%**	
LIFE INSURANCE & PROTECTION Strong growth in Property & Casualty partially mitigating slowdown in life insurance	**0.9**	–7%	+11% Protection[1]
BROKERAGE & ASSETS UNDER CUSTODY Increased product offering enabling to capture deposit switch to yielding products	**0.4**	+3%	
FUNDS & PORTFOLIO MANAGEMENT Growth in internal managed funds (i.e. onemarkets) internalizing more of the value chain	**1.5**	–4%	

All figures related to Group incl. Russia unless otherwise specified
1. Includes all Non-Life Insurance (Credit Protection, Property and Causalities, JV dividends)

Engine of value added capital deployment and capital-light fee generation

Italy: tireless execution across our three levers, leading to excellence

VISION

The bank of choice in Italy delivering excellent client experience and connecting Italy to Europe

NET REVENUE

10.5 bn
Net Revenue **+19%**

- **Gross Revenue: +19%**
- **NII: +50%**
- **Fees:** –6.0%; **-0.9%** excluding current account fee change and securitization costs
- **CoR:** at **22bps**

COST

35.8 %
Cost / Income **–7.8p.p.**

- **Absolute cost base: –1.8%**

CAPITAL

25.7 %
RoAC[2] **+8.5p.p.**

- **Net Revenue / RWA: 9.3%** (+2.5p.p.)
- **RWA: –12bn** (–10%)

5.6 bn **+29%** PROFIT BEFORE TAX

168 bps **+5.2bn** ORGANIC CAPITAL GENERATION[1]

SELECTED INDUSTRIAL HIGHLIGHTS

600
Hires In 2023, of which 42% of young people aged 20-26

1.2m
Hours of training provided by UniCredit University

322
Branches refurbished in 2023, reaching 70% of network

onemarkets Fund
Launched in Italy, with 28 funds already available, additional 4 in February[4]

ESG
- Banking Academy reached c.150k beneficiaries of financial education in FY23
- UniCredit SpA issued €750m Green Senior preferred bond in Nov. 2023

-700
FTEs, shrinking non-business staff[3]

10bn
aimed at supporting individuals, households and businesses with UniCredit per l'Italia

Bank of the Year 2023
By the Banker

Data as of 31 December 2023, December YTD 2023 for P&L, all deltas FY/FY unless otherwise specified
1. Calculated on Group RWA (see end notes for details/definition) **2.** Annualized ratio between (i) Net profit after AT1/Cashes minus excess capital charge and (ii) allocated capital
3. 1,3k Total FTEs reduction vs FY22 **4.** Including new onemarkets Italy (Nova)

Germany: outstanding results set the tone for 2024

VISION

The bank for Germany's Corporates with a focused Retail franchise, connecting Germany to Europe

NET REVENUE

5.3 bn

Net Revenue **+13%**

- **Gross Revenue: +8%**
- **NII: +4%**
- **Fees: +1%**
- **CoR:** at **14bps**

COST

44.3 %

Cost / Income **–5.5p.p.**

- **Absolute cost base: –4%**
- **Hirings** of additional business FTE (~940 since 2021, ~320 in 2023)

CAPITAL

16.1 %

RoAC **+5.2p.p.**

- **Net Revenue / RWA: 7.0%** (+1.4p.p.)
- **RWA: –11.6bn** (–14%)
- **RoAC** significantly above cost of equity

2.1 bn PROFIT BEFORE TAX
+18%

98 bps ORGANIC CAPITAL GENERATION[1]
+3.0bn

SELECTED INDUSTRIAL HIGHLIGHTS

Corporates
- Cooperation with Banxware providing SME loans integrated into digital merchant platforms
- UC PayGate as new eBanking tailored to Corporate clients banking needs

ESG

830 trained Sustainable Finance experts since program start and dedicated ESG team for proximity to customers to meet their needs

Operating model
- >30%: significantly reduced product and process landscape
- Top ranked KYC: >40% faster process and improved client feedback

onemarkets Fund

Launched in Germany, with 24 funds already available

Trading Engine Simplification

Investment in transforming trading infrastructure and centralisation of trading activities in one location

Best Bank
- Top Employer Germany for 14th time in a row
- Euromoney Best Bank for CSR

Data as of 31 December 2023, December YTD 2023 for P&L, all deltas FY/FY unless otherwise specified

1. Calculated on Group RWA (see end notes for details/definition)

Central Europe: strong Revenue, disciplined Cost and Risk management

VISION

The profitability leader in the region, connecting CE to Europe

2.2 bn PROFIT BEFORE TAX
+62%

62 bps ORGANIC CAPITAL GENERATION[1]
+1.9bn

NET REVENUE

4.2bn

Net Revenue **+27%**

- **Gross Revenue: +24%**
- **NII: +25%**
- **Fees: -0.8%** (flat net of -6m higher acquisition costs in Czech)
- **CoR:** at **4bps**

COST

38.1%

Cost / Income **–8.8p.p.**

- **Absolute cost base: +0.7%**

CAPITAL

21.0%

RoAC **+6.7p.p.**

- **Net Revenue / RWA: 6.9%** (+1.4p.p.)
- **RWA: –0.3bn** (–0.2%)

SELECTED INDUSTRIAL HIGHLIGHTS

onemarkets Fund

In Austria with 23 funds, Czech Republic, Hungary and Slovenia with 16 funds

Roll-out of Schoellerbank invest funds

in Austria as part of group Asset Management strategy

Digital Document Exchange Sharing Solution

First in the Hungarian market, enabling corporates to operate digitally, easily and securely

Best Bank

In Austria; Best bank for ESG in Austria and Czech Republic (Euromoney)

New Micro service model

In Austria

Green Bond issuance

- UniCredit Bank Austria placed 2nd Green Covered Bond of €750m in Jan '24
- UniCredit Jelzálogbank Ltd issued 3rd series of green bonds in Hungary for HUF 20bn on Budapest Stock Exchange
- UniCredit Bank Czech Republic and Slovakia a.s. issued inaugural Green EUR Mortgage Covered Bond in Czech Republic

Data as of 31 December 2023, December YTD 2023 for P&L, all deltas FY/FY at constant FX unless otherwise specified

1. Calculated on Group RWA (see end notes for details/definition)

Eastern Europe: strengthening its position as Group's growth engine

VISION

UniCredit growth engine, connecting the region to Europe

1.7 bn PROFIT BEFORE TAX
+94%

39 bps ORGANIC CAPITAL GENERATION[1]
+1.2bn

NET REVENUE

2.7 bn
Net Revenue **+48%**

- Gross Revenue: **+30%**
- NII: **+47%**
- Fees: **+3.8%**
- CoR: at **-22bps**

COST

32.9 %
Cost / Income **–8.0p.p.**

- Absolute cost base: **+4.9%**

CAPITAL

36.9 %
RoAC **+17.7p.p.**

- Net Revenue / RWA: **9.6%** (+3.1p.p.)
- RWA: **+1.9bn** (+7%)

SELECTED INDUSTRIAL HIGHLIGHTS

onemarkets Fund
Launched in Bulgaria with 16 funds already available. Launch in Romania planned for March '24

Digital KYC
Launched in Bulgaria mobile banking, with 25% digital reviews

Only Bank in Serbia
Awarded by Euromoney in Trade Finance Survey for Best Service and Market Leader

E2E Digital Process
On overdraft and credit cards and voicebot introduced in Croatia

Retail revamped
in Romania (Market Share c.+80bps Y/Y)

Best Bank
in Bosnia and Herzegovina, Bulgaria and Croatia (Euromoney)

Best Mobile Bank App
in Bosnia-Mostar

Data as of 31 December 2023, December YTD 2023 for P&L, all deltas FY/FY at constant FX unless otherwise specified
1. Calculated on Group RWA (see end notes for details/definition)

Record-breaking results

2023: UNICREDIT'S BEST YEAR EVER …

… CROWNING THREE YEARS OF SUCCESS

A winning strategy … delivering for all our stakeholders

EMPOWERING AND UNIFYING
A common vision, a unifying culture, and a winning mentality: promoting ownership and learning from our mistakes

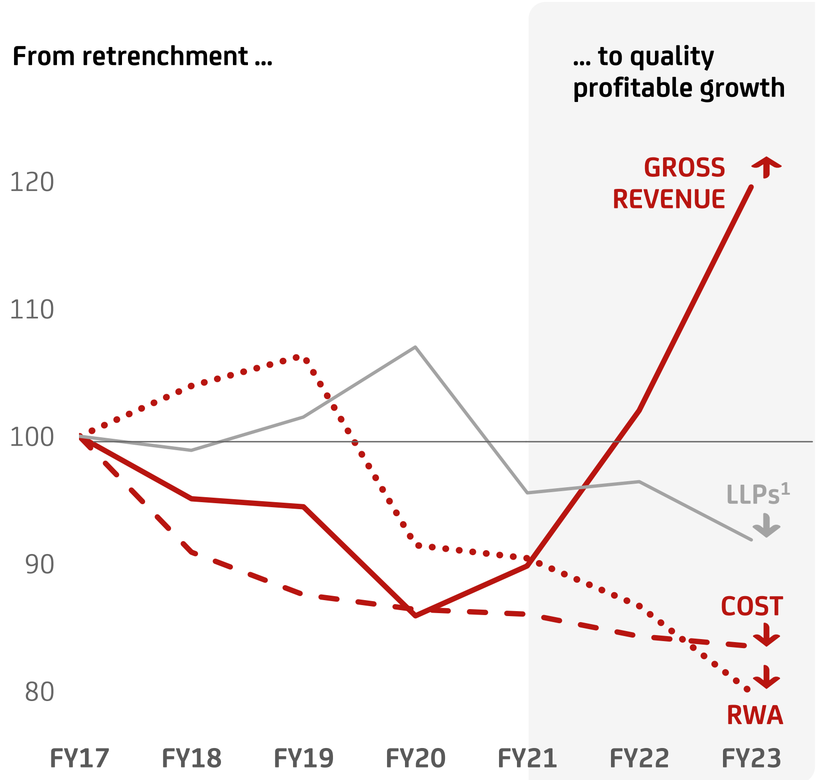
SIMPLIFYING AND DELAYERING
A new way of working in a lean, fast and efficient organisation cultivating empowerment within a clear framework

RATIONALISING AND STRENGTHENING
Partnerships and procurement leveraging Group scale and bargaining power, to rationalise supplier contracts and build long-lasting Group relationships

INVESTING AND GROWING
In our people on the frontline and our distribution channels, in our franchise and building our product factories, to deliver an unmatched and fully-fledged product offering

MODERNISING AND ENHANCING
Digital and data, taking back control of core competencies, streamlining and enhancing our digital organisation, and standardising and modernising our digital technology

From laggards to leaders



QUALITY GROWTH
#1 From 9th
Net Revenue growth

OPERATIONAL EXCELLENCE
#1 From 6th
Cost / Income

CAPITAL EXCELLENCE
#1 From 10th
Net Revenue / RWA growth

#1 ROTE @13% #1 OCG

Peer group: BBVA, BNP Paribas, Commerzbank, Credit Agricole S.A., Deutsche bank, ING, Intesa San Paolo, Santander, Société Générale; Current ranking as of 3Q23; starting ranking as of average FY17-20
1. LLPs scaled to RHS axis

Our journey is far from over: we are ready to enter phase two of our transformation

Delivering unmatched value for all our shareholders

Leading shareholders returns despite headwinds ...

DELIVERING EXCELLENT FINANCIALS

>3x
RoTE@13%
FY23 vs. Avg. FY17-19

>2.6x
Net Profit[1]
FY23 vs. Avg. FY17-19

>27bn
Organic Capital Generation
2021-23

PROPELLED PER SHARE VALUES

	EPS[1] (€)	DPS (€)	TBVPS (€, EoP)
FY23	4.7	1.78	33.3
FY22	2.7	0.99	28.4
FY21	1.8	0.54	24.1
Avg. FY17-19	1.5	0.20	22.8
	+3.1x	9.0x	+46%

OUTSTANDING VALUE GENERATION

FY23 vs. FY20

>100%
Market capitalisation distributed

12%
Cash dividend yield[2]

>3.5x
Share Price[3]

3.5x
TSR[3] vs. Avg. Peers

... with value yet to be unlocked

Our achievements represent a promise for future success

Positioned to maintain a **market-leading position**
- efficiency
- profitability
- per share growth
- **distributions**

Still **trading at significant discount[4]** despite untapped potential from seeded strategic investment and ongoing transformation

Distribution subject to supervisory and shareholder approvals. Peer group: BBVA, BNP Paribas, Commerzbank, Credit Agricole S.A., Deutsche bank, ING, Intesa San Paolo, Santander, Société Générale

1. Net Profit for FY22 and FY23 as defined in the general notes; underlying net profit for FY21; for comparison purposes the FY17-19 net profit is the simple average of Net profit recast figures for Group excluding Turkey and Fineco

2. Average Cash dividend of the period (Accrual FY21,FY22,FY23) / UC market capitalisation as of 31.12.2020

3. Growth from 31.12.2020 to 31.01.2024 (Source Bloomberg)

4. UC P/E NTM down 26% vs 01.01.2021, now at 6.0x vs SX7E at 6.2 and Top quartile peers at 7.1x as of 31.01.2024

Sights set on new heights

2024: NORMALISING OUR BEST YEAR EVER ...

... AND CONTINUING OUR TRANSFORMATION JOURNEY

Direction of travel

Undiminished earnings power …

NET REVENUE

NII	Face headwinds as deposit pass-through increases, lower contribution from Russia (c.-0.3bn) and to lesser extent lower volumes, partly offset by significant positive impact from replicating portfolio (c.+0.4bn)
LLPs	Stable to slightly up CoR <20bps backed by strong asset quality and potential to release or deploy overlays
FEES	Our investments in people, product factories and digital to deliver growth combined with gradual macro recovery
COST	Lower cost base leveraging integration costs and continuing streamlining, simplification and automation
NON OPERATING ITEMS	Significant decrease with integration costs trending to zero (-1.1bn) and lower systemic charges (> -0.2bn)

… we maintain a strong financial horizon for the future

UNDERLYING ASSUMPTIONS

Updated rates scenario and pass-through assumptions

Rates:
2023[1] **3.43%**
2024[1] **in line** with '23

Avg. pass-through
2023 **c.25%**
2024 **c.30%**

Stable GDP growth with yet no signs of credit deterioration and **decreasing inflation**

2024 Direction

c.10bn[2]
Best ever calendar year distributions

NET REVENUE
c.22.5bn

OCG
>300bps

ROTE
c.16.5%

NET PROFIT
Broadly in line with FY23

DOUBLE DIGIT GROWTH
EPS, DPS

1. Average 3M Euribor Rate. ECB Deposit Facility Rate "DFR" at 4% year end 2023, decreasing in 2024 (assumption)
2. o/w c.7.2bn FY23 (Total FY23 distributions less part of first tranche SBB executed within 2023 (1.4bn)), c.3bn Interim FY24. Distribution subject to supervisory and shareholder approvals.

Normalising and increasing earnings quality of best year ever, delivering outsized calendar year distributions

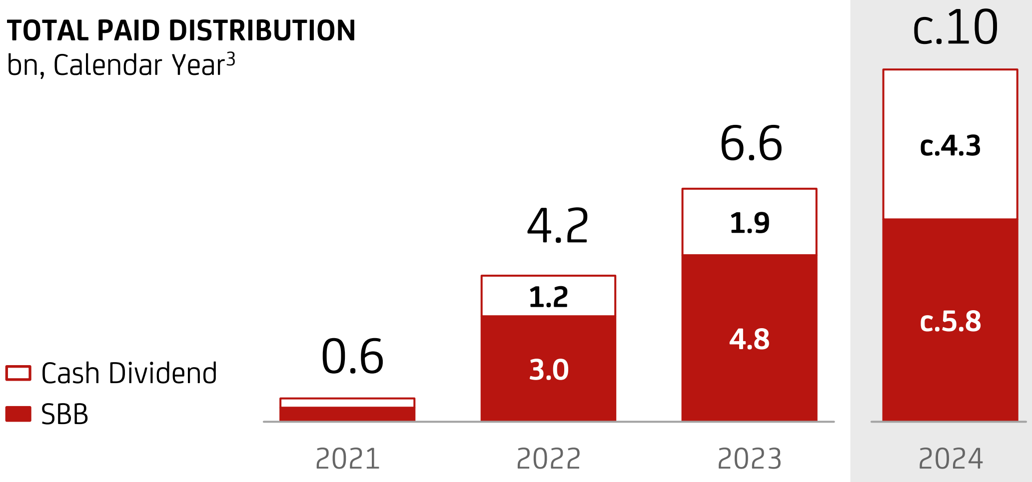
Leading shareholder value generation

Assumptions

- 2024 Net Profit broadly in line with FY23
- ≥90% Distribution of Net Profit pre AT1 and Cashes[1]
- 2024 OCG higher than Net Profit
- Introduction of interim distributions[2] (c.40% of 2024 distribution)

2024 will grant investors top level returns

TOTAL PAID DISTRIBUTION
bn, Calendar Year[3]



	2021	2022	2023	2024
DPS[4] Calendar Year	0.1	0.6	1.0	>2.6
YIELD[5] Total Distribution	4%	14%	26%	>20%

VALUE CREATION HIGHLIGHTS 2024

Boosted per share value

>2.5x
2024 vs 2023 DPS[4] growth

>10%
Share count reduction in 2024[6]

Best-in-class yield

c.10%
Cash dividend yield[5]

>20%
Total distribution yield[5] (no excess capital usage)

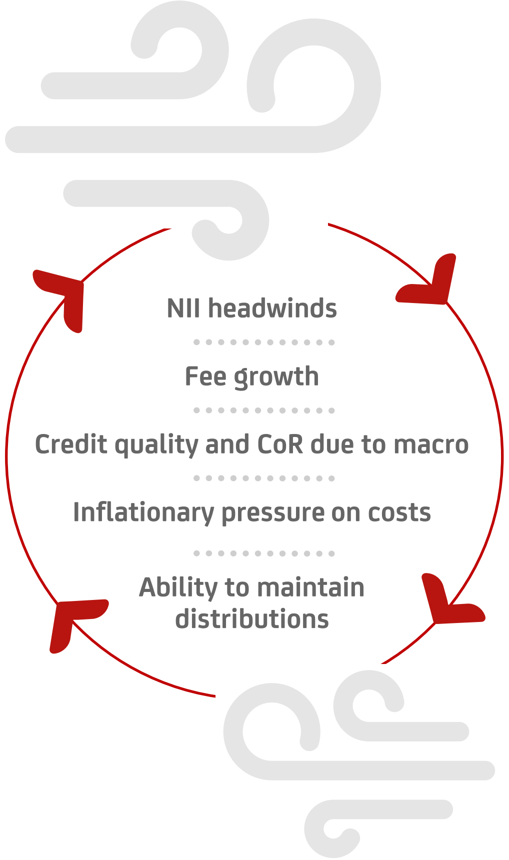
Distribution subject to supervisory and shareholder approvals
1. Net profit equal to stated net profit adjusted for the impacts from TLCF DTAs and potential one-offs related to strategic items **2.** Distributions include cash dividend and share buyback
3. Calendar Year means distributions done within the calendar year (including extraordinary SBB done in 2021 and 2022) **4.** Cash dividend (calendar year) on average outstanding shares
5. Distribution (Cash view) on market cap of beginning of each respective year **6.** Average share price could be + >25% current share price with a share buyback of c.5.8bn considering Market capitalization as of 31.01.2024

Sights set on new heights

2024: NORMALISING OUR BEST YEAR EVER …

… AND CONTINUING OUR TRANSFORMATION JOURNEY

Unique levers to sustain profitability and distributions



P&L buffers

c.1.8bn
OVERLAYS
On a **quality portfolio covered 1.5bn more** than peers[1] ensuring a stable and structurally lower CoR to **protect or propel** in the future

c.1.1bn
INTEGRATION COSTS
In FY23 with **c.20% IRR**[2] to sustain future performance and a further reduction in cost base

>0.2bn
SYSTEMIC CHARGES
Reduction in FY24 vs. FY23

Industrial transformation ongoing

IMPROVING REVENUE QUALITY
Building and investing in our in-house product Factories generating fees

ENHANCING CLIENT JOURNEY
Investing in the **frontline** and **distribution channels**

IMPROVING EFFICENCY
Simplification and automation to further reduce costs and increase speed

Best-in-class capital position

ORGANIC CAPITAL GENERATION
Underpinning top tier distributions while continuously accumulating capital

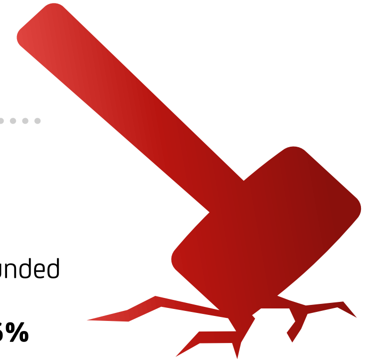
EXCESS CAPITAL
CET1r at 15.9% FY23 significantly above target range allowing for strategic flexibility

Bolted balance sheet

STRONG ASSET QUALITY
A robust portfolio and structurally **low and stable CoR** ensured by vigilant origination and prudent coverage

LEADING CET1R
Highest CET1r among peers even after considering distributions

HEALTHY LIQUIDITY RATIOS
Better liquidity ratios than peers and a self-funded balance sheet with **LCR >145% and LTDr at 86%**



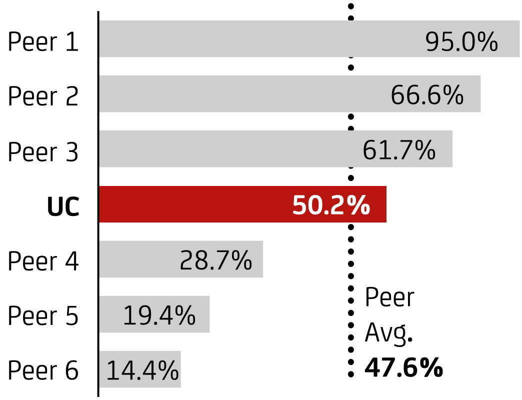
1. Latest Publicly available data as of 3Q23: calculated as the sum of delta between UniCredit and simple average of peers of the ratio for each stage 1,2 and 3 and multiplied with UniCredit loans of the respective stage; peer group: BBVA, BNP (2Q23), Deutsche Bank, ING, Intesa, Société Générale, Santander. **2.** IRR calculated with returns on a 10 years time horizon

Less dependent on interest rates than market perceives

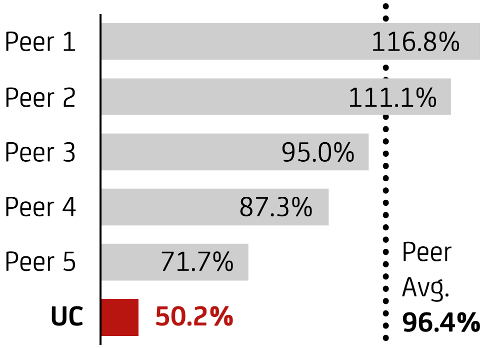
Net Interest Income

NII EVOLUTION 3Q23 / 4Q21

EU Peers:
Aligned in terms of interest rate growth



ITA Peers:
Less interest rate sensitive bank



UC Group had a **NII growth** 4Q21-3Q23 **aligned with European peers'** average and **below Italian peers**

REALITY

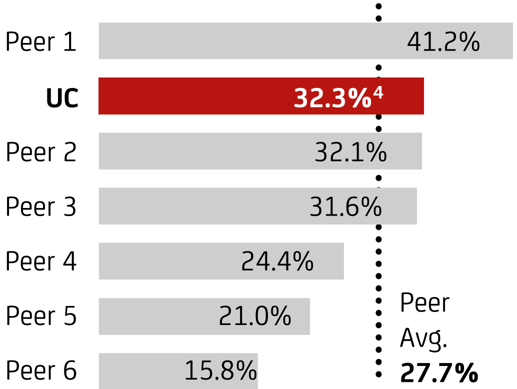
VS.

MISPERCEPTION[1]

UC Group expected **NII growth in 2023-25 at the bottom end** of both EU and ITA peers

Fees

EU Peers: Fostering capital light growth, reached **top tier fees[2] / revenue 9M23**



More potential to unlock from recent investments

c.1.4bn

Additional Fees[3] at Run Rate from our best-in-class product factories

UC Group has **strong Fees on Revenue** incidence, well above European Peers average

REALITY

VS.

MISPERCEPTION[1]

UC Group expected **Fee growth below EU peers' average** despite proven product factories' quality and clear growth potential

European Peer Group includes: BBVA, Commerzbank, Deutsche bank, ING, Intesa San Paolo, Santander; **Italian Peer Group** includes: BAMI, BPER, CREDEM, Intesa San Paolo, MPS

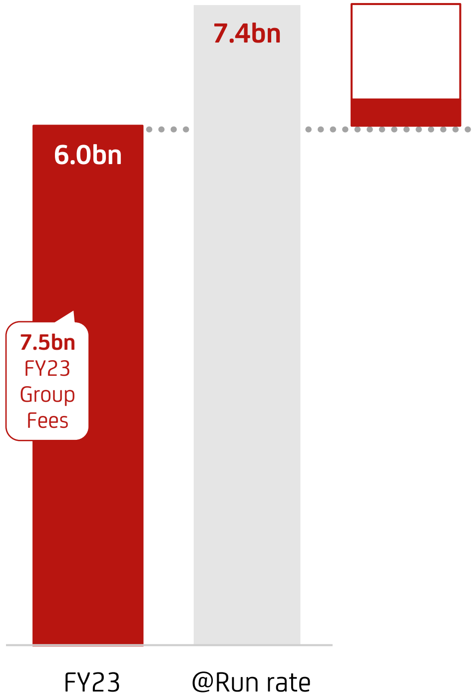
1. Expectations based on Factset Consensus as of 22.01.2024 **2.** Fees and income from Insurance (Dividend or Net Insurance result) as of 9M23

3. Not including potentially higher securitisation costs **4.** Affected in 2023 by CAFR in Italy and increased cost from accelerated securitization

Continue to elevate our Fees with best-in-class global factories

Channeling investments in our product factories to boost capital-light fees

CLIENT SOLUTION FEES[1]



↗ c.1.4bn — o/w **significant portion** of fee growth locked-in[2]

	FEES[1] FY23, bn	FEES GROWTH @ RUN RATE, bn
ASSET MANAGEMENT Growth supported by increased funds offering that retains higher share of value chain leveraging on products developed by in-house factories	1.6[3]	↗ c.0.4[3]
INSURANCE Internalise Life insurance and enhance Non-Life offering all supported by refocused and trained people and by technology	0.9[4]	↗ c.0.4[4]
PAYMENTS Develop E2E products and value-added services with global partners connecting all European clients through a unified cross-border platform	1.8	↗ c.0.3
CORPORATE SOLUTIONS Grow expertise and product reach – Advisory, Specialized Financing, Trade Finance and Correspondent Banking, CRM - through key hirings and enhanced technology	1.8[5]	↗ c.0.3

Locked-in growth[2]

All growth data is based on the second iteration of managerial projections for the period of 2023-2026

1. Client solution fees excluding AuC and including revenue contribution from the Life JV internalization from non fee lines **2.** Locked-in growth means not depending from market conditions but from internal execution as linked to: (I) internalization of value chain in asset management; (ii) internalization of life in insurance; (iii) renegotiation of main suppliers contracts in payments **3.** Referring to Individual and Corporate segments Funds and Portfolio Management **4.** Referring to Individual segment, including revenue contribution from the Life JV internalization from non fee lines **5.** Including Corporate segments Funds and Portfolio Management

4Q23 and FY23 results presentation

Key messages

Deltas are FY/FY and Y/Y

1.	Top Tier profitability	✔ **FY23 Net Profit of €8.6bn** up 54% (€9.4bn[1] up 61% pre integration costs), leading to a **16.6% RoTE (RoTE@13% 20.5%)** up **5.8p.p.** ✔ **4Q23 Net Profit €1.9bn** up 19% (€2.5bn[1] up 37% pre integration costs), with a 13.9% RoTE, up 2.1p.p.
2.	Best-in-class capital generation and distributions	✔ **FY23 Organic Capital Generation of €12bn** or 389bps supporting **distributions of €8.6bn** (100% of Net Profit) of which €3bn Cash Dividends (35% of Net Profit pre AT1 & Cashes), **increasing CET1r by c.100bps** to **15.9%** ✔ **2024 calendar year distribution** at **c.€10bn**[2,3] of which c.€4.3bn Cash Dividends; Including **interim distributions at c.40%** of the total full year 2024 distribution
3.	Unparalleled growth, leading across all metrics	✔ **EPS, DPS, and TBVPS** up **74%, 80%**, and **17%** ✔ Notable progress across our three financial levers: **Net Revenue up >26%, C/I ratio** at **39.7%,** and **Net Revenue to RWAs** at **7.9%.** ✔ **Substantial share buyback** reduced our share count by approximately **12% in year (-30%**[4] **since start of 2021**)
4.	UniCredit Unlocked releasing our full potential	✔ **Phase 1 completed one year in advance**, beating all KPIs, **self funded investments** in **factories**, **frontline** and **digital**, and people **empowered** within the right framework resulting in a **Transformed Bank** that moved from Retrenchment to quality profitable growth; from Laggard to Leader ✔ **Phase 2 rooted in the same philosophy**, focused on **defending leadership achieved** in **operational** and **capital efficiency** and **CoR**; further improving our **client focus** and **earnings quality**, further simplifying and streamlining our organization and leveraging our lines of defence
5.	Clear direction of travel for 2024…	✔ **Net Profit broadly in line with FY23** with improved P&L quality; **RoTE c.16.5%;** secured by ample P&L buffers, including integration costs, potential release of conservative provisioning and overlays, and reduction of systemic charges; further supported by ramp-up of past and future investment ✔ **Distribution ≥90%** of **Net Profit**, secured by best-in-class CET1r and **Organic Capital Generation >300bps p.a.** ✔ **EPS and DPS growing double digit**

Distribution subject to supervisory and shareholder approvals.

1. Net Profit figures pre integration costs net of taxes **2.** Assuming ≥90% Net Profit payout for 2024, Net profit equal to stated net profit adjusted for the impacts from TLCF DTAs and potential one-offs related to strategic items

3. Calculated as sum of c.7.2bn (Total FY23 distributions less part of first tranche SBB executed within 2023 of 1.4bn) and c.3.0bn Interim distribution FY24

4. Assuming remaining FY23 SBB executed at an average price within a range between share price as of 31.01.2024 and +15%

Annex

Exceeding our ESG and related commitments

Environment

LEAD BY EXAMPLE

First Italian bank in Finance for Biodiversity Pledge

Member of Ellen MacArthur Foundation

Achieved plastic free in all buildings in 2022

CLIENTS

Advancing to operationalise our Net Zero 2030 targets

Signed Sustainable Steel Principles and set Net Zero targets for Steel sector

ESG corporate advisory accelerated

c.€19bn green lending[1,4]

c.€25bn sustainable bonds[2,4]

48% ESG penetration on AuM Stock[3]

10 own green bonds issued since 2021 for total value of c. €5.6bn

Partnership with Open-es: supporting our corporates in a just and fair transition

Social

SOCIAL

c.€9bn social financing[1,4] via micro-credit, impact financing and lending to disadvantaged areas

Set targets for Financial Health & Inclusion as part of our PRB commitment

COMMUNITIES

UniCredit per l'Italia: sustaining the liquidity of Italian businesses with total commitment of €10bn

Emilia Romagna: assistance package for May 2023 flooding

275 Group-wide **volunteering** initiatives

EDUCATION

UniCredit Foundation total investments of €20m into youth and education support in 2023

Partnership with JA Europe to invest €6.5m in education initiative

c.442,000 beneficiaries of financial education activities

INNOVATION

c.700 startups screened in Start Lab 2023 edition

Culture roadshows for employees across all 13 Banks

Governance

ACCOUNTABILITY

ESG representation at Group Executive Committee

Sustainability KPIs in CEO and Top Management remuneration

Strong policy framework in controversial sectors

ESG product guidelines as part of greenwashing prevention framework

MSCI and **Sustainalytics** ratings improved respectively to **AA** and **14.2**

DIVERSITY & INCLUSION

Group Executive Committee: 46% female; 62% international

Bloomberg Gender-Equality Index 2023 Member and **Equileap** Top 100 Globally for gender equality in 2023

First pan-European bank to win a **Global EDGE Certification** for gender equity and inclusion

1. Including ESG-linked lending
2. LT credit, all regions including sustainability linked bonds
3. Based on Art. 8 and 9 SFDR regulation
4. Volumes as of FY22 + FY23 actual

Leading by example to support our clients in a just and fair transition

Significant progress in our transformation

1. EMPOWERING AND UNIFYING THROUGH OUR CULTURE	**9** Culture Road Shows with 7k colleagues involved, including Group CEO	**100m** Invested to close gender pay gap and promote diversity and inclusion	**AA** MSCI improved rating	**Leading by example** 19bn green lending since 2022; Net Zero Banking Alliance; actively supporting communities
2. SIMPLIFYING AND DELAYERING, A NEW WAY OF WORKING	**-30%** Reduction in **organizational structures**	**UCS** **Integration**, with no impact on quality of service	**-57%** Committees streamlining	**1** **Leaner Corporate Center** with unified Digital & Data
3. RATIONALISING AND STRENGTHENING PARTNERS AND PROCUREMENT	**-55%** Rationalization of **insurance partnership** (from 9 to 4)	**3.5m** **Clients accessed** through Alpha Bank partnership in Greece	**2** **Group partnership on AM** Blackrock and Azimut	**New partnerships** Allianz, Mastercard , Alpha Bank, Azimut
4. INVESTING IN OUR PEOPLE, FRANCHISE AND PRODUCT FACTORIES	**1** Revised and harmonised **coverage model**	**c.30h** **Training** per employee per annum since 2021	**Buddy** **R-Evolution** as an example on multichannel	**c.9k** **Hirings in business** o/w c.90% in the front-line since 2021
5. MODERNISING AND ENHANCING DIGITAL AND DATA	**c.15%** Digital **workforce reskilled** since 2022	**>1.3k** **Tech hirings** since 2022	**5** **Data Centers** consolidated	**>360** **Apps** decommissioned

Tracking the evolution of UniCredit Unlocked over the last two years

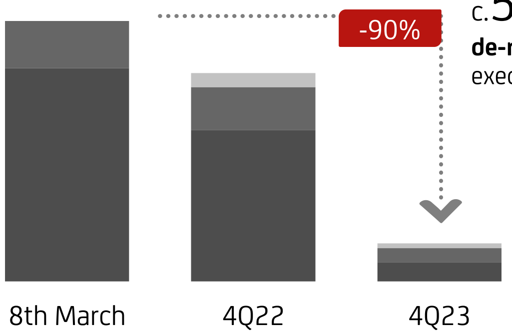
Russia: resized and de-risked with discipline, at minimum cost

DECISIVE ACTIONS TAKEN

- **Conservatively provisioned** our exposure with end-of-period cross-border coverage at **42%**
- **Compliance workforce increased** to manage operational risk
- **Re-designed operations** to preserve **business continuity**
- Keeping our support to international clients while continuously looking for opportunities to de-risk at fair value

REDUCTION OF GROUP EXPOSURE, DERISKING AT MINIMUM COST

NON-LOCAL EXPOSURE AT PRACTICALLY ZERO



c.5.5bn[5] **de-risking** actions executed at limited cost

ADD. INTRAGROUP DERIVATIVES[2]

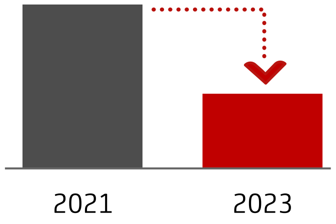
CROSS-BORDER (net of ECA[2] before provisions)

Cross –border exposure reduced by **>90%** at **minimal cost**, 11.3% average discount

Derivatives are intragroup only and **fully collateralised**

CONTINUOUS REDUCTION OF LOCAL BUSINESS

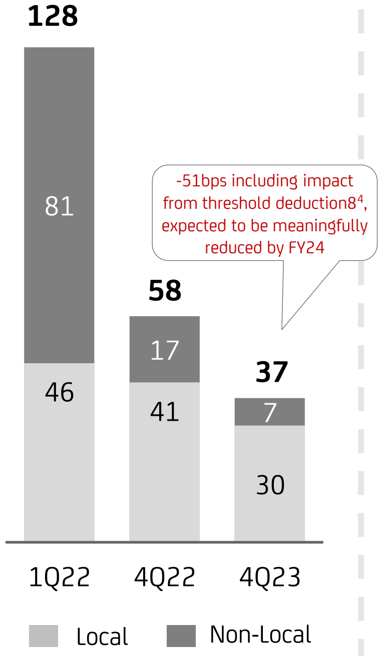
Local Exposure[1], bn



2023 VS 2021	
-20 % BRANCHES	-19 % TOTAL FTE
-77 % LC[6] REDUCTION	-65 % LG[7] REDUCTION

Local participation increased to 2.8bn, impacted by **FX dynamics**

Impact from extreme loss assessment (bps)[3]



All deltas calculated at constant FX.

1. Corporate and Retail loans **2.** Excluding the positive excess MtM of FX hedging of excess capital **3.** 128bps is gross extreme loss assessment as per p.3 1Q22 market presentation, while 58bps and 37bps for 4Q22 and 4Q23 respectively are residual, meaning not already reflected in actual respective CET1r **4.** The basket of Significant Investments in Financial Sector Entities + DTA from temporary differences which exceeds the Threshold equal to 17.65% of CET1 capital is deducted from Capital, while the one below threshold generates RWA at 250% **5.** Delta since 8 March 2022 excluding change in FX hedging (+0.7bn included in derivatives as of 8 Mar 22) and additional intragroup exposure **6.** Letters of credit **7.** Local guarantees

Russia exposure details

CET1r impact	GROSS MAX EXPOSURE bn	GROSS EXTREME LOSS ASSESSMENT[1] bn	GROSS EXTREME LOSS ASSESSMENT[1] bps	NET EXTREME LOSS ASSESSMENT[1] bn	RESIDUAL[2] IMPACT FROM EXTREME LOSS ASSESSMENT[1] bps
Participation	-2.8 [3]	-2.8 [3]	-30 [4]	-2.8 [3]	-30 [4]
NON LOCAL PARTICIPATION: Derivatives	-0.3	-0.1	-4	-0.1	-4
NON LOCAL PARTICIPATION: Cross-border exposure[5]	-0.4	-0.2	-5 [4]	-0.1	-0 [4]
NON LOCAL PARTICIPATION: Additional intragroup exposure[6]	-0.1	-0.1	-3	-0.1	-3
Total impact	-3.5	-3.2	-42	-3.1	-37

Down from -7.4bn as of 08/03/2022

Down from 128bps as of 08/03/2022

15.5%

- Due to **higher participation value** driven by FX reserve and release of higher risk weighted asset (FX Risk higher absorption)
- **Intragroup only** and **fully collateralised**
- **0.1bn reduction thanks to prepayments** End-of-period coverage of c.41%

-51bps including impact from threshold deduction[8]. Indirect threshold capital deduction impact expected to be meaningfully reduced by end of 2024

- **CET1r pro-forma** for hypothetical **-37bps** residual impact[2] from extreme loss assessment

c.-90% reduction equivalent to -5.5bn since March 2022[7]

on **non-local participation exposures**, executed at minimum cost **thanks to management proactive actions**

1. Includes certain financial and credit assumptions and cross border recoverability of c.52% 2. Hypothetical impact on CET1r if extreme loss scenario materialises (not UniCredit base case); Residual means not already reflected in actual 4Q23 CET1r 3. Incl. P&L and Capital 4. Incl. movement in RWA 5. Gross of LLPs and Net of Export Credit Agency guarantees of c.0.2bn 6. Gross of LLPs and Net of Export Credit Agency guarantees of c.0.0bn 7. Delta since 8 March 2022 excluding change in FX hedging (+0.7bn included in derivatives as of 8 Mar 22) and additional intragroup exposure 8. The basket of Significant Investments in Financial Sector Entities + DTA from temporary differences which exceeds the Threshold equal to 17.65% of CET1 capital is deducted from Capital, while the one below threshold generates RWA at 250%

Updated base case macro scenario

EUROZONE
Scenarios 2024-2025-2026

BASE CASE MACRO SCENARIO

	Inflation,%	GDP growth, %
2024	2.3	0.5
2025	1.8	1.2
2026	1.9	1.4

UNICREDIT FOOTPRINT
Scenarios 2024-2025-2026

	Group BASE CASE MACRO SCENARIO		Group excl. Russia BASE CASE MACRO SCENARIO	
	Inflation,%	GDP growth, %	Inflation,%	GDP growth, %
2024	3.4	0.9	2.9	0.8
2025	2.4	1.5	2.2	1.5
2026	2.3	1.7	2.1	1.7

Estimates based on UniCredit Research (mid Jan.24)
GDP growth and inflation of UniCredit footprint are calculated based on a GDP and inflation weighted average of the respective countries (weighted by nominal GDP)

ANNEX

Group P&L and selected metrics

All figures in bn *Unless otherwise stated*	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	FY22	FY23
Revenue	5.0	4.8	4.8	5.7	5.9	6.0	6.0	6.0	20.3	23.8
o/w Net interest income	*2.3*	*2.5*	*2.5*	*3.4*	*3.3*	*3.5*	*3.6*	*3.6*	*10.7*	*14.0*
o/w Fees	*2.0*	*1.9*	*1.9*	*1.8*	*2.0*	*1.9*	*1.8*	*1.8*	*7.6*	*7.5*
Costs	-2.3	-2.4	-2.4	-2.5	-2.3	-2.3	-2.3	-2.5	-9.5	-9.5
Gross Operating Profit	**2.7**	**2.4**	**2.4**	**3.2**	**3.6**	**3.6**	**3.6**	**3.5**	**10.8**	**14.4**
LLPs	-1.3	0.0	-0.1	-0.5	-0.1	-0.0	-0.1	-0.3	-1.9	-0.5
Net Operating Profit	**1.4**	**2.4**	**2.4**	**2.7**	**3.5**	**3.6**	**3.5**	**3.2**	**8.9**	**13.8**
Systemic Charges	-0.7	-0.1	-0.3	-0.0	-0.6	-0.0	-0.2	-0.0	-1.1	-1.0
Integration Costs	-0.0	0.0	-0.0	-0.3	-0.0	-0.2	-0.0	-0.8	-0.3	-1.1
Stated Net Profit	**0.3**	**2.0**	**1.7**	**2.5**	**2.1**	**2.3**	**2.3**	**2.8**	**6.5**	**9.5**
Net Profit (Used for guidance, cash dividend accrual/total distribution)	**0.3**	**2.0**	**1.7**	**1.6**	**2.1**	**2.3**	**2.3**	**1.9**	**5.6**	**8.6**
Net Profit after AT1/CASHES (Used for RoTE/ RoAC calculation)	**0.3**	**1.8**	**1.7**	**1.5**	**2.1**	**2.1**	**2.3**	**1.7**	**5.2**	**8.2**
Cost / Income ratio, %	47	49	49	43	39	39	39	42	47	40
Cost of Risk, bps	114	0	7	46	8	2	12	28	41	12
Tax rate, %	55%	19%	18%	n.m.	24%	28%	26%	n.m.	11%	17%
CET1r, %	14.00%	15.73%	15.41%	14.91%[1]	16.05%	16.64%	17.19%	15.89%	14.91%[1]	15.89%
RWA	329.9	316.7	320.0	308.5	298.8	294.8	290.1	284.5	308.5	284.5
RoTE, %	2.3%	15.1%	13.7%	11.8%	16.8%	17.2%	18.3%	13.9%	10.7%	16.6%
EPS, Eur	0.13	0.93	0.83	0.82	1.07	1.24	1.29	1.11	2.71	4.71
Tangible book value per share, Eur	24.2	25.9	27.2	28.4	28.5	30.2	31.4	33.3	28.4	33.3

Please refer to End Notes for Stated Net Profit, Net Profit and Net Profit after AT1/CASHES definitions

1. FY22 and 4Q22 CET1 ratio pro forma for all distributions, including the shares buy-back deducted from Own Funds in 1Q23, in order to have a coherent Y/Y comparison following the new EBA Q&A 2023_6887 released in Q4 related to the accrual of share buybacks included in distribution policies, already applied in 4Q23

ANNEX

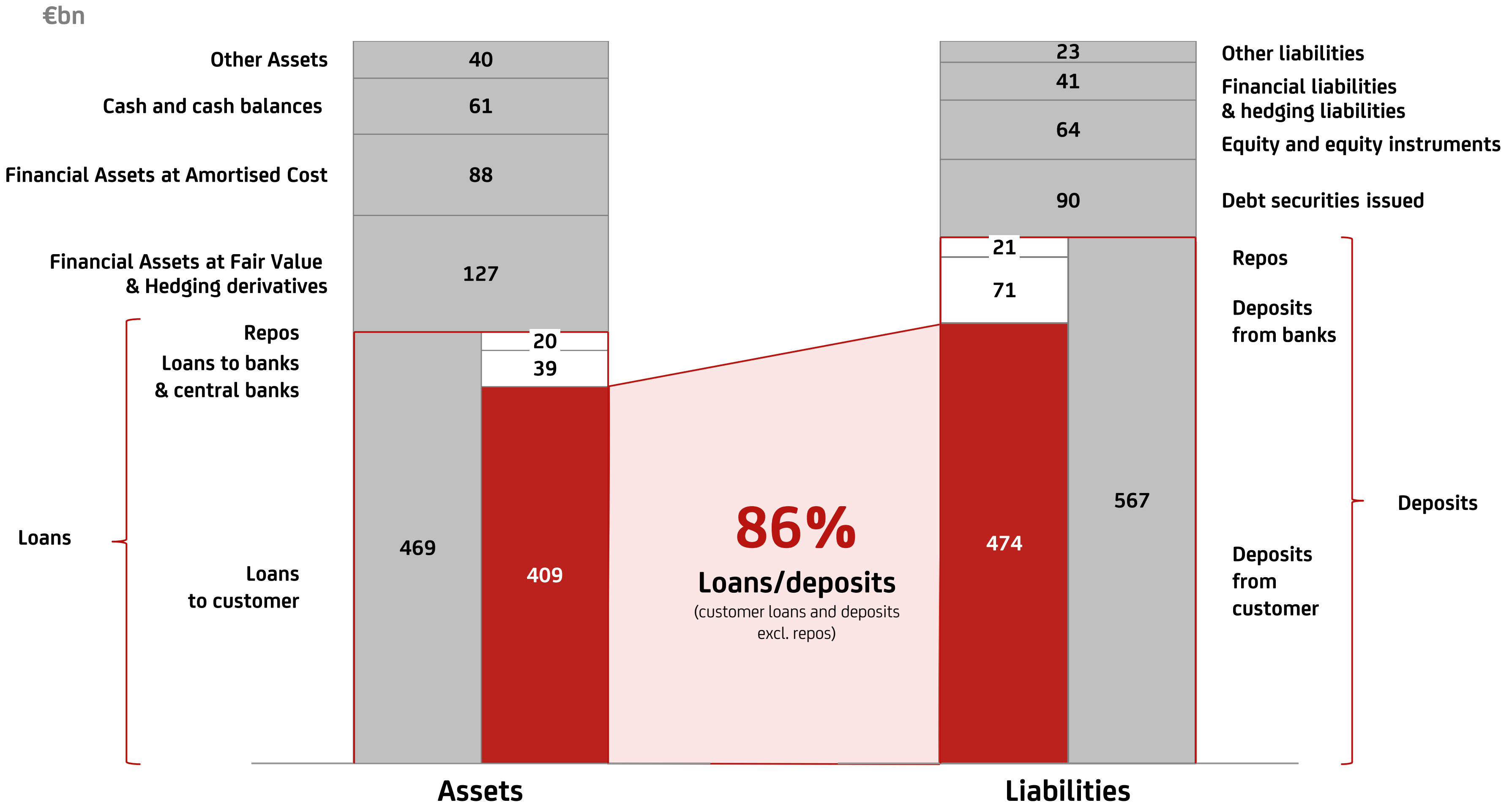
4Q23 other notable items

	4Q23	Q/Q	Y/Y	Comments
Net Operating Profit	**3.2bn**	**-9%**	**+17%**	
Integration costs	-0.8bn	n.m.	n.m.	Integration costs mainly booked in Italy, Germany and Central Europe
Income taxes	0.5bn	n.m.	+32%	Includes the positive impact of c.900m from DTA write-up in Italy and other effects. Excluding non recurring tax items, normalized tax rate at c.28%
Stated Net Profit	**2.8bn**	**+21%**	**+14%**	
Net Profit	**1.9bn**	**-17%**	**+19%**	Stated net profit adjusted for impacts from DTAs write-up as described above

Balance Sheet & liquidity profile

FY23 balance sheet: 785bn

Q/Q reduction mainly due to lower ECB account as outcome of balance sheet optimization



LIQUIDITY PROFILE

LCR >140%

NSFR[1] >130%

within managerial target range notwithstanding 94bn or 88% TLTRO repayment since Dec-22[2]

LIQUID ASSETS c.208bn

o/w c.159bn regulatory HQLA

CUSTOMER DEPOSIT MIX

RETAIL[3] 57%

CORPORATE[3] 43%

deposit mix >80% in retail, with SME clients[3] included

1. Managerial figures 2. Total TLTRO drawn 106.8bn, residual amount to be repaid equal to 12.6bn with expected maturity in Mar 2024 3. “Retail” includes Individuals (mass market, affluent, Private and Wealth Management) and micro-business clients. “Corporates” includes Small, Medium, Large (the latter including also most of FIG - Financial Institutions Group) clients and central functions (relationships with counterparties, classified Accounting wise as “Customers”, held by Treasury or by Corporate Centres for liquidity management purpose)

ANNEX

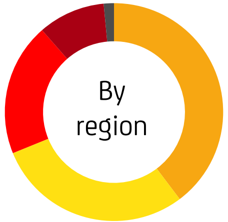
Deposit details

Deposits from customers

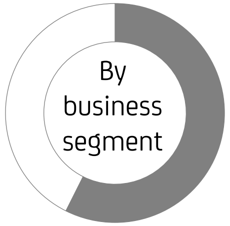
(Net of repos and IC - **EoP**)

474bn (+1% Q/Q)

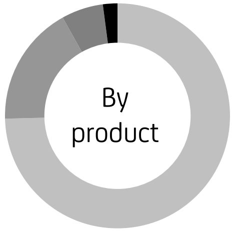
- Italy
- Germany
- Central Europe
- Eastern Europe
- Russia



Retail[1]	flat Q/Q
Corporates[1]	+2% Q/Q



Sight Deposits	+2% Q/Q
Term Deposits	+1% Q/Q
Saving Deposits	flat Q/Q
Other	



	4Q23 avg commercial deposits, bn	vs 3Q23	Customer deposits rates 4Q23 *(vs 3Q23)*
Italy	186	-1%	-0.54% *(-9bps)*
Germany	130	+0%	-1.63% *(-23bps)*
Central Europe	91	+1% *at constant FX*	-2.02% *(-18bps at constant FX)*
Eastern Europe	46	+2% *at constant FX*	-0.84% *(-12bps at constant FX)*
Russia	8	-7% *at constant FX*	-2.61% *(-107bps at constant FX)*
Group	**462**	**-0%**	**-1.21%** ***(-17bps)***

1. "Retail" includes Individuals (mass market, affluent, Private and Wealth Management) and micro-business clients. "Corporates" includes Small, Medium, Large (the latter including also most of FIG - Financial Institutions Group) clients and central functions (relationships with counterparties, classified Accounting wise as "Customers", held by Treasury or by Corporate Centres for liquidity management purpose)

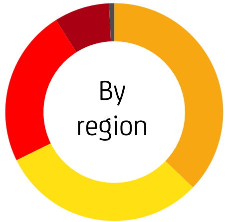
Loan details

Loans to customers

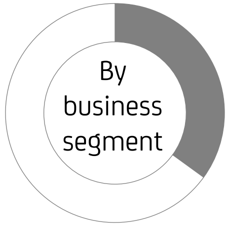
(Net of repos and IC - **EoP**)

409bn
(-2% Q/Q)

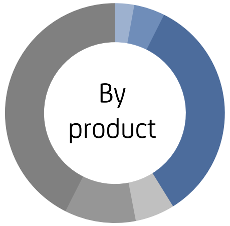
- Italy
- Germany
- Central Europe
- Eastern Europe
- Russia



Retail[1]	-1% Q/Q
Corporates[1]	-2% Q/Q



- Impaired Loans
- Consumer Finance
- RE Mortgages
- Overdraft Loans
- S/T Loans
- Other ML/T Loans



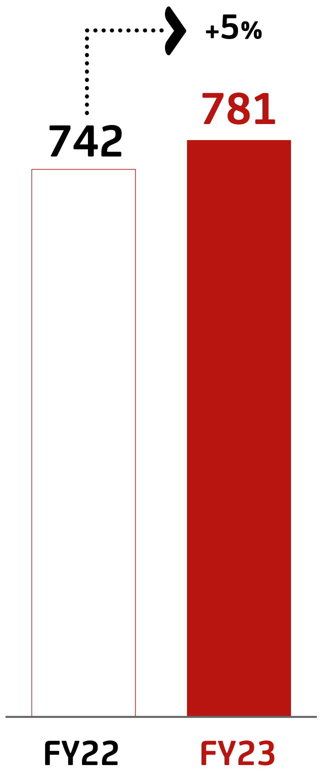
	4Q23 avg gross commercial performing loans, bn	vs 3Q23	Gross customer performing loan rates 4Q23 (vs 3Q23)
Italy	150	-3%	4.68% (+27bps)
Germany	110	-2%	3.90% (+19bps)
Central Europe	92	-1% at constant FX	4.55% (+19bps at constant FX)
Eastern Europe	34	+2% at constant FX	5.41% (+4bps at constant FX)
Russia	4	-13% at constant FX	8.80% (+73bps at constant FX)
Group	**390**	**-2%**	**4.54% (+21bps)**

1. "Retail" includes Individuals (mass market, affluent, Private and Wealth Management) and micro-business clients. "Corporates" includes Small, Medium, Large (the latter including also most of FIG - Financial Institutions Group) clients and central functions (relationships with counterparties, classified Accounting wise as "Customers", held by Treasury or by Corporate Centres for liquidity management purpose)

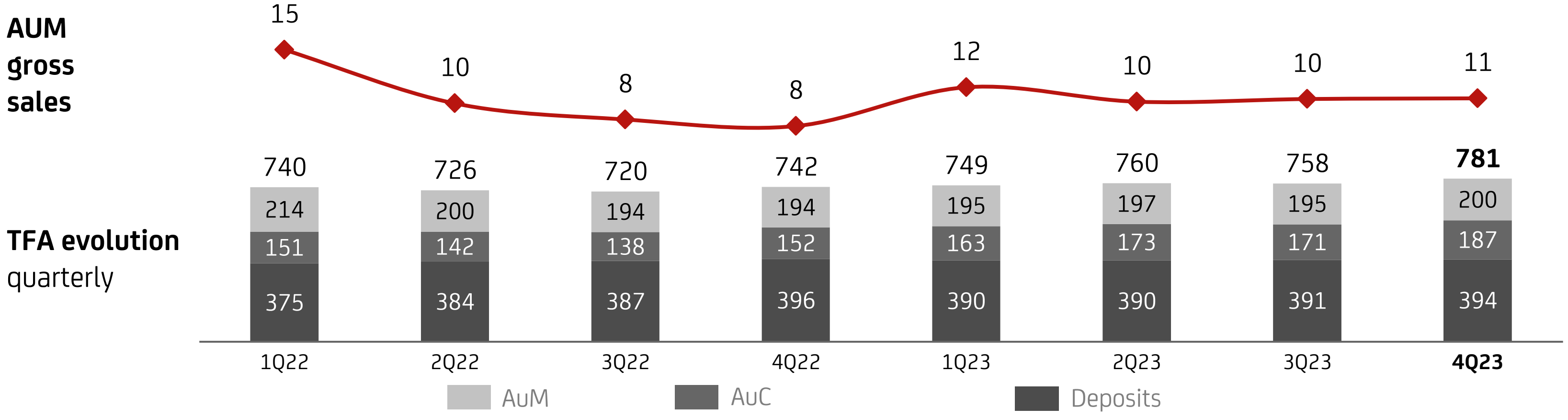
ANNEX

Total Financial Assets

TFAs[1], bn



STRONG TFAS DYNAMICS IN 4Q



CHANGE BY TFAs CATEGORIES

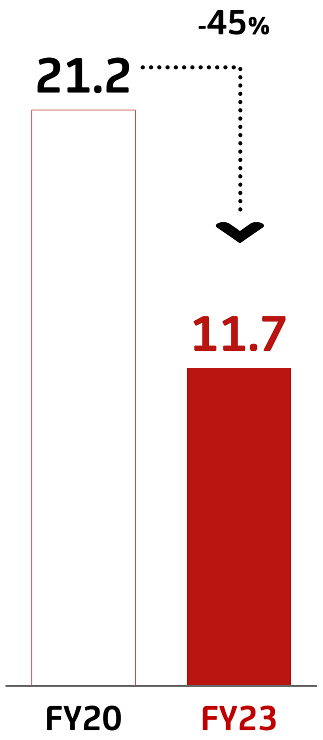
Quarterly pace

	Q/Q	Y/Y
AuM	+3%	+3%
AuC	+9%	+23%
DEPOSITS	+1%	-1%

1.. Excluding large corporate and central functions

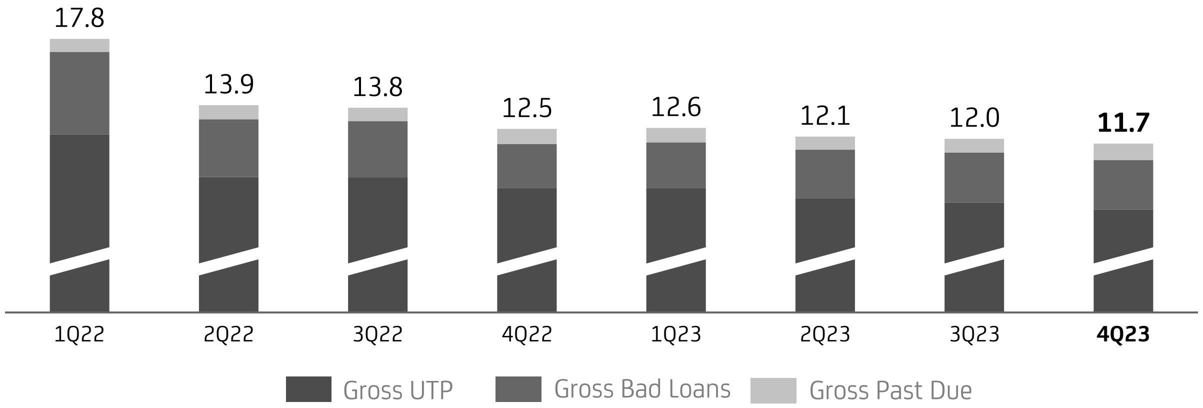
Asset quality details

TOTAL GROSS NPE



FURHTER REDUCTION OF TOTAL GROSS NPE

GROSS NPE evolution
by quarter, bn



MAIN KPIS

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Gross NPE ratio	3.8%	2.9%	2.9%	2.7%	2.7%	2.6%	2.7%	**2.7%**
Net NPE ratio	1.9%	1.5%	1.5%	1.4%	1.4%	1.4%	1.4%	**1.4%**
NPE Coverage ratio	52%	50%	50%	48%	48%	48%	48%	**47%**

KEY HIGHLIGHTS

NPE COVERAGE RATIO
Broadly stable at 47% on book, mostly UTP and Past Due

HIGH LEVEL OF PROVISIONS
NPE coverage does not factor in provisions on performing loans (1.1% coverage including c. 1.8bn overlays)

LOW BAD LOANS
75% of gross NPEs related to UTP plus Past Due;
4Q23 net bad loans at 0.8bn and net bad loan ratio at 0.2% (net bad loans/CET1 capital at 1.7%)

Gross NPE ratio for Group using more conservative EBA definition is 2.2% as of 4Q23 (+0.1p.p. Q/Q), compared to weighted average of EBA sample banks of 1.8% (as of 3Q23)

ANNEX

Spill-over analysis confirming soundness of Group risk profile

A ENTERPRISES | B INDIVIDUALS

419bn Group EaD[1]

Energy intensive sectors	Other Enterprises	Consumer	Mortgages
27%	47%	5%	22%

Energy intensive sectors: Corporates & SMEs belonging to energy intensive sectors, before bottom-up exposure considerations and potential government support measures (e.g. ability to pass through higher prices)

Other Enterprises: Corporates & SMEs not belonging to energy intensive sectors

Spill-over analysis

1. **Macro scenarios stress (including recession)** to measure tail risks and impacts on asset quality and LLPs
2. **Additionally, name-by-name analysis** focused on:

A Name-by-name analysis on Enterprises

- **Energy intensive** sectors (e.g. Machinery and Metals, Utilities, Automotive, Chemicals, Building materials and others)
- **Supply chain constraints** and direct links on trade flows versus Russia/Ukraine

High risk exposure at <1% of total Group EaD[1] which equals **<2% of Enterprises**

- **No evidence of significant deterioration** currently recorded on Focus Enterprises portfolio

Spotlight on small business

- **Small Business** at only **c.4%** of Group EaD[1]
- Exposure **highly secured** (>60%)

B Spotlight on individuals

- **Limited consumer** finance (**5% of EaD[1]**, o/w ITA 7%, GER 1%), **low mortgage LTV** (**c.55% on mortgage stock**)
- Early warning indicators **not showing significant signs of deterioration**
- Analysis of potential effects from stressed inflation and interest rates **confirms resilience of portfolio debt repayment capacity**

Managerial figures. All figures related to Group excluding Russia

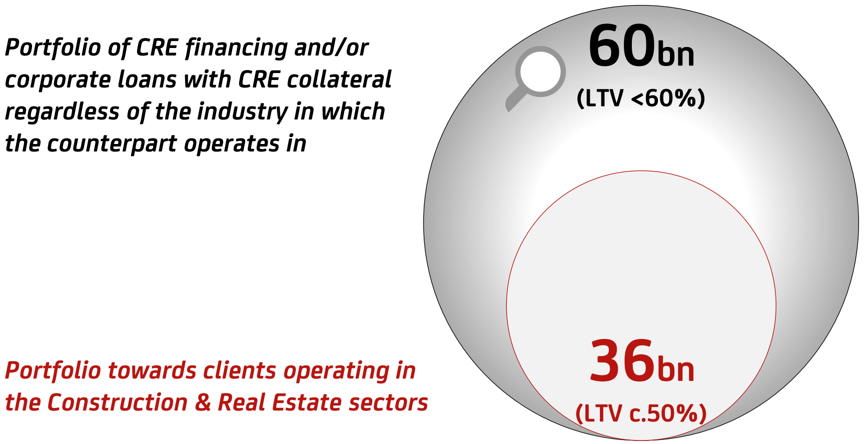
1. Total EaD reported including only Enterprises and Individuals segments, Enterprises split based on managerial industry clustering

ANNEX

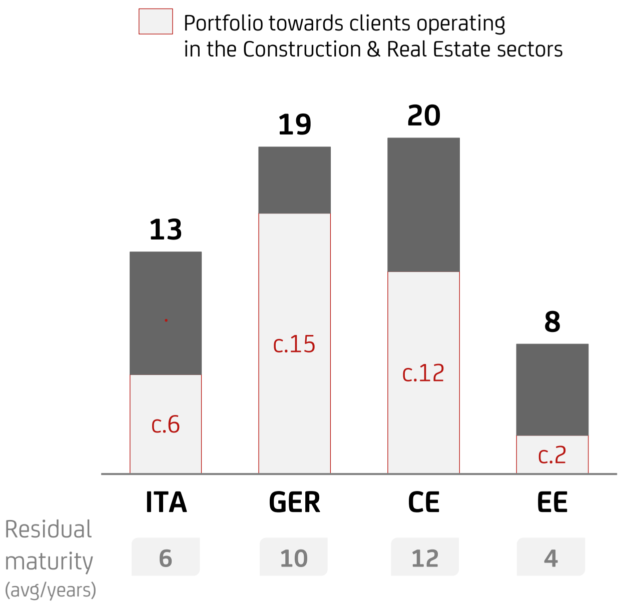
Focus on Commercial Real Estate (CRE) portfolio

CRE vs total loans in line or below market[1] in Italy, Germany and Austria; volume stable over recent years with declining gross NPE at c.4%

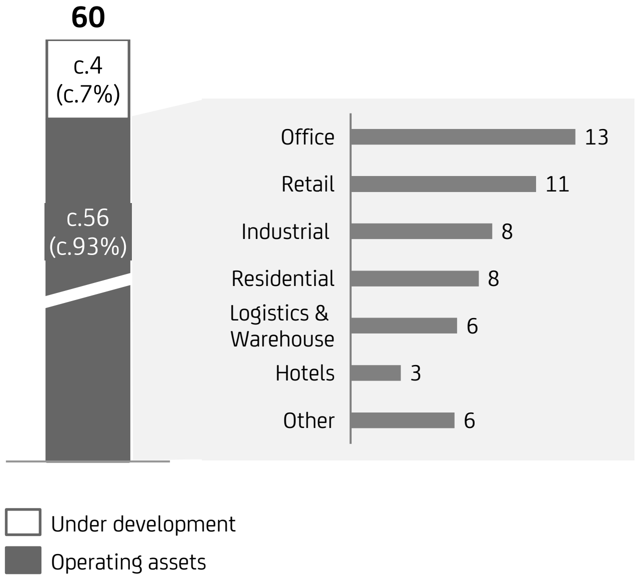
CRE portfolio as of 3Q23



Split by Region, bn



Split by asset class, bn



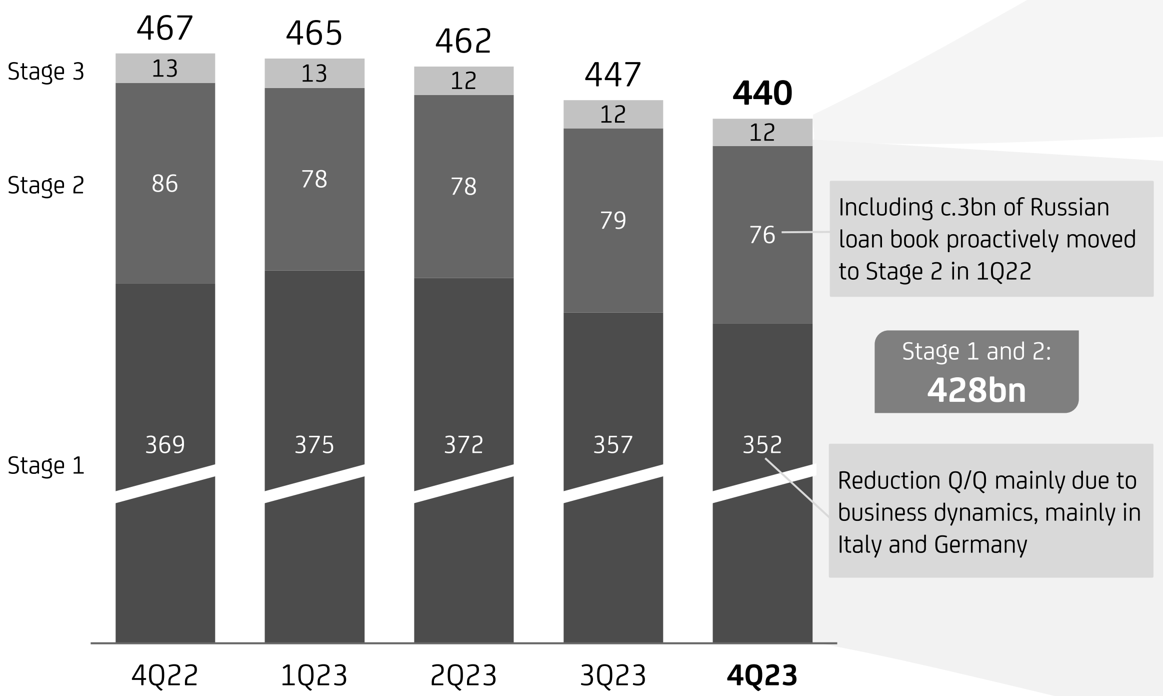
- High portion of fixed rate component and refinancing risk limited by residual maturity profile and amortizing repayment plans
- In some CE&EE countries greater tendency to get Real Estate collateral on short-term working capital lines and other products amounting to c.6bn, increasing CRE portfolio
- Limited exposure to projects under development mostly in Germany and with strict controls enforced

Note: all data refers to 3Q23
Gross carrying amount (GCA) presented referring to FINREP Commercial Real Estate Performing portfolio as of 3Q23 – Group view, additional figures based on managerial data and estimates; rounding differences might occur
1. Based on 3Q23 FINREP data as of Sep23 as per EBA reporting

ANNEX

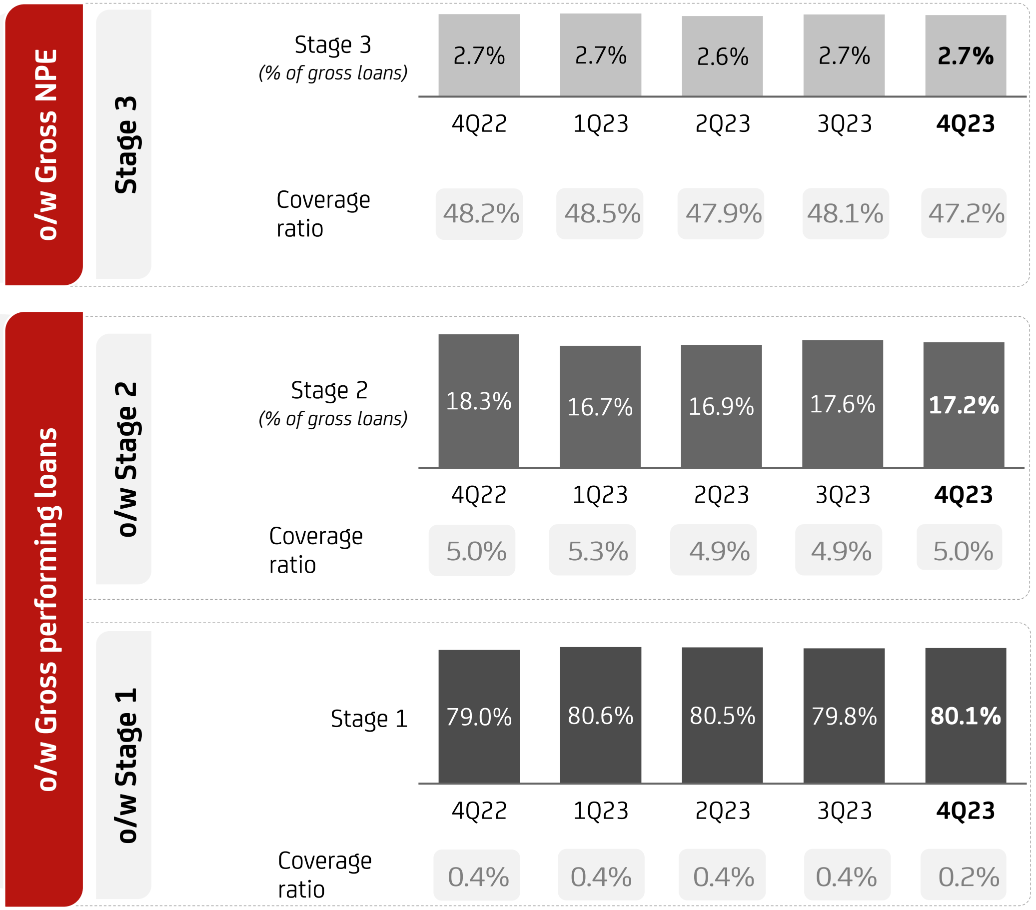
Group gross loans breakdown by stages

Group gross loans[1] and provisions EoP, bn



	4Q22	1Q23	2Q23	3Q23	**4Q23**
Provisions on Stage 3	6	6	6	6	**6**
Provisions on Stage 1 and 2	6	5	5	5	**5**

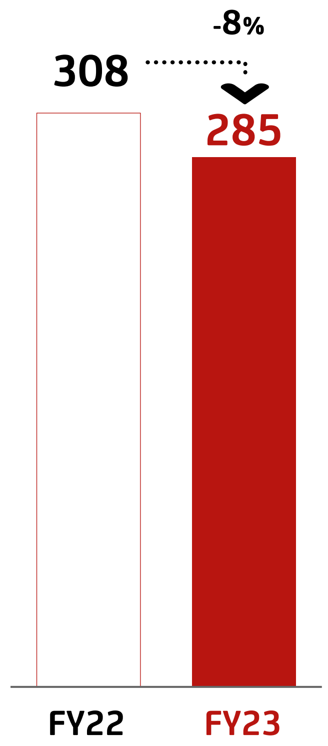
Including **c. 1.8bn of overlays**



1. Total loans to customers end-of-period, at face value (i.e. before deduction of provisions), including active repos and (in divisional figures) intercompany, both performing and non performing (comprising bad loans, unlikely to pay, and past due); debt securities and non current assets held for disposal are excluded

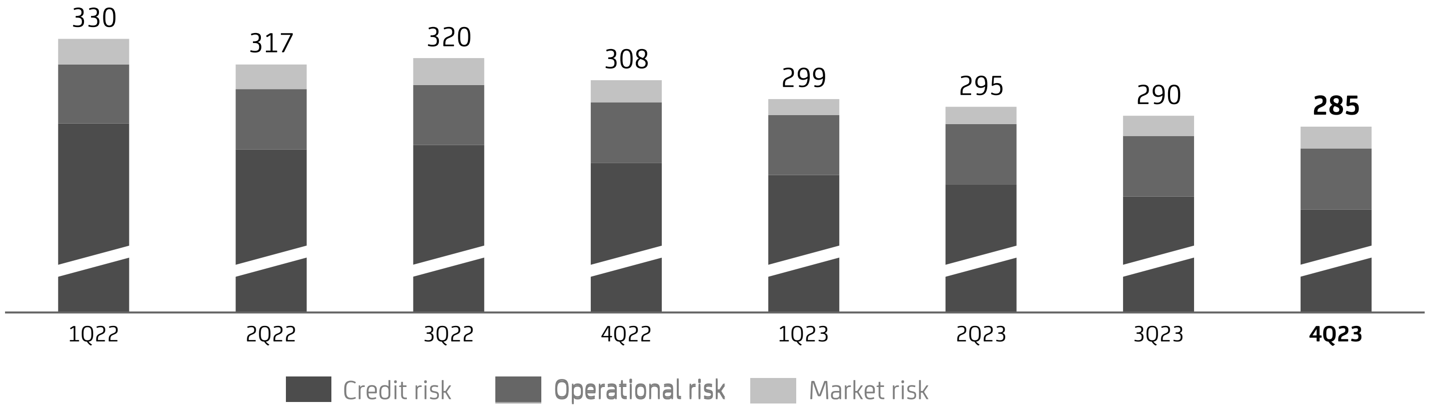
RWA details

RWA, bn

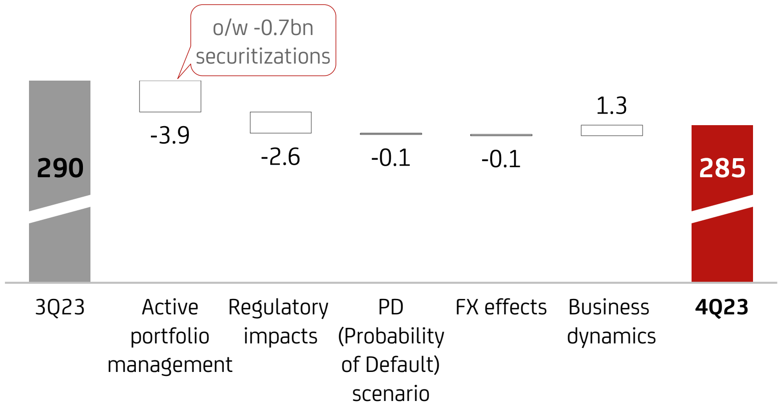


CONTINUED RWA OPTIMISATION

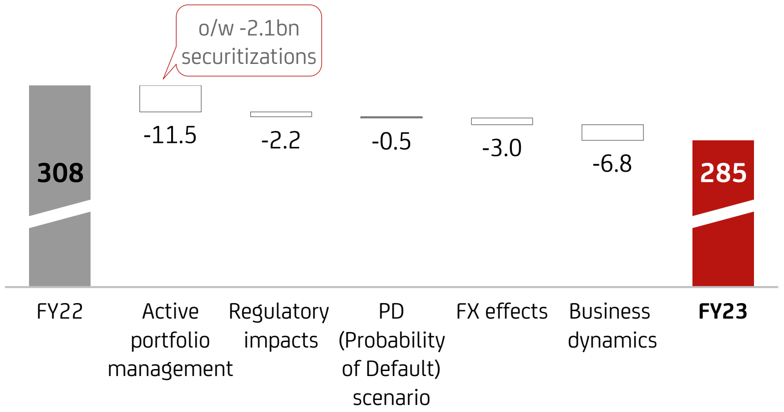
RWA evolution by quarter



Q/Q EVOLUTION DETAILS, bn



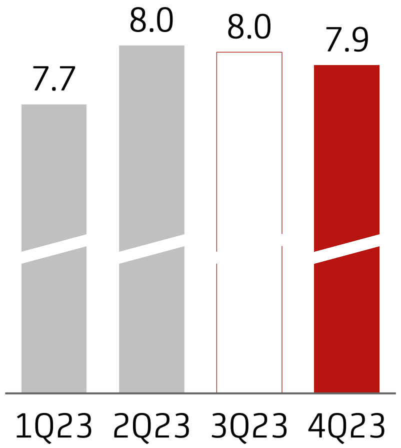
Y/Y EVOLUTION DETAILS, bn



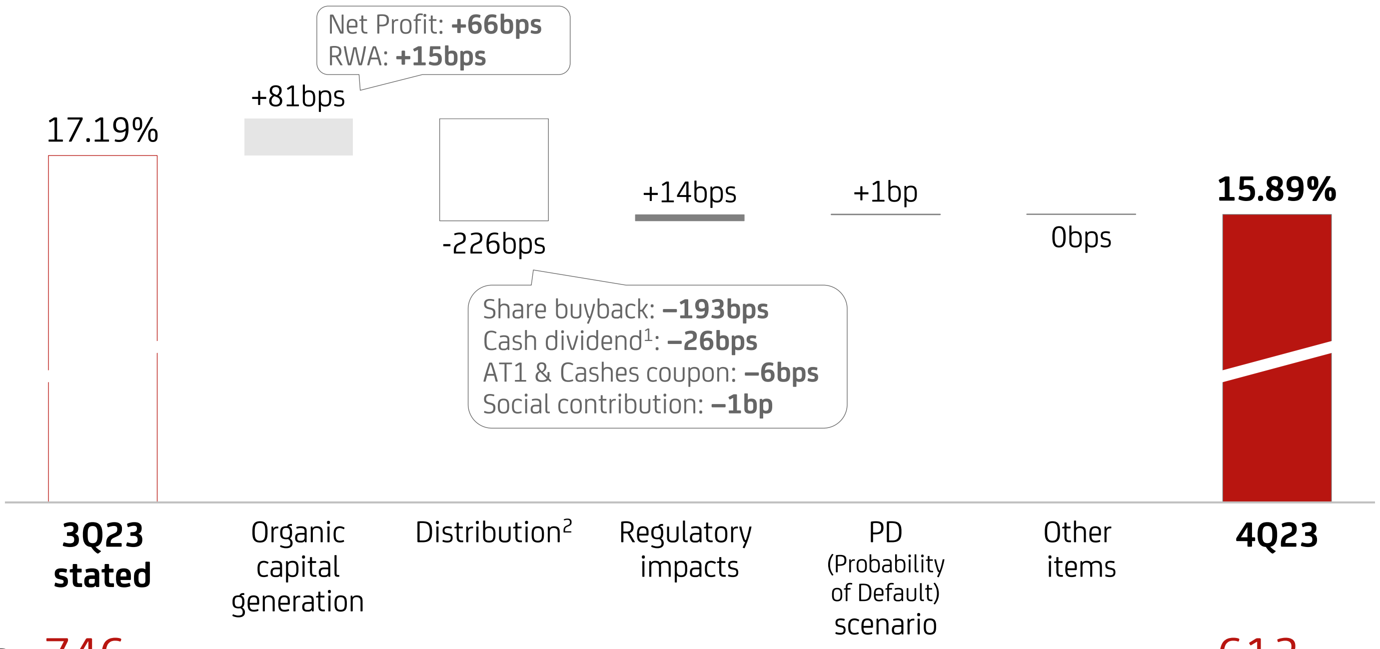
ANNEX

4Q23 CET1r

NET REVENUE / RWA (%)



CET1r WALK Q/Q



	3Q23 stated	4Q23
MDA BUFFER	746bps[3]	613bps[4]
RWA Fully loaded	290bn	285bn

1. Cash dividend accrual at 35% of Net Profit **2.** Subject to supervisory and shareholder approvals **3.** MDA buffer considering CET1r MDA requirement at 9.53% as of 3Q23 and AT1 shortfall of 0.21% **4.** MDA buffer 4Q23 considering CET1r MDA requirement at 9.58% (+5bps vs 9.53% in 3Q23, due to CcyB increase) and AT1 shortfall of 0.17% (vs. the 1.88% AT1 bucket requirement)

End notes

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This presentation may contain “forward-looking statements” which includes all statements that do not relate solely to historical or current facts and which are therefore inherently uncertain. All forward-looking statements rely on a number of assumptions, expectations, projections and provisional data concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the control of UniCredit S.p.A. (the “Company”). There are a variety of factors that may cause actual results and performance to be materially different from the explicit or implicit contents or expectations of any forward-looking statements and thus, such forward-looking statements are not a reliable indicator of future performance.

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Information related to this presentation (1/4)

General notes

End notes are an integral part of this presentation

All data throughout the documents are in **Euros**

Numbers throughout the presentation may not add up precisely to the totals provided in tables and text due to **rounding**

Russia includes the local bank and legal entities, plus the cross border exposure booked in UniCredit SpA

CET1 ratio fully loaded throughout the document, unless otherwise stated

Shareholder distribution subject to supervisory and shareholder approvals

Delta Q/Q means:	current quarter versus previous quarter (in this presentation **equal to 4Q23 versus 3Q23**)
Delta Y/Y means:	current quarter of the current year versus the same quarter of the previous year (in this presentation **equal to 4Q23 versus 4Q22**)
Delta FY/FY means:	12 months of the current year versus 12 months of the previous year (in this presentation **equal to FY23 versus FY22**)

Information related to this presentation (2/4)

Main definitions

"Allocated capital"	calculated as 13.0% of RWA plus deductions
"Clients"	means those clients that made at least one transaction in the last three months
"Cost of risk"	based on reclassified P&L and Balance sheet, calculated as (i) LLPs of the period (annualised in the interim periods) over (ii) average loans to customers (including active repos, excluding debt securities and IFRS5 reclassified assets)
"Coverage ratio (on NPE)"	Stock of LLPs on NPEs over Gross NPEs excluding IFRS5 reclassified assets
"Customer Loan"	Net performing and non-performing loans to customers excluding active repos, debt securities, IFRS5 reclassified assets and intercompany for divisions
"Default rate"	Percentage of gross loans migrating from performing to non performing over a given period (annualized) divided by the initial amount of gross performing loans
"Dividend per share (DPS)"	In this presentation, it is calculated as FY23 cash dividend amount approved by the Board of Directors for the proposal to the General Shareholders' meeting, divided by the number of outstanding shares eligible for cash dividend payments, as estimated on 2 February 2024 (i.e. excluding treasury shares bought back as of the same date, excluding the ordinary shares underlying the Usufruct contract (Cashes), including the new shares for incentive plans expected to be issued by the record date). The final FY23 DPS will be updated according to the number of shares eligible for cash dividend payments estimated at the record date
"Earning per share (EPS)"	calculated as Net Profit - as defined below - on avg. number of outstanding shares excluding avg. treasury and CASHES usufruct shares
"Expected Loss (EL)"	based on performing portfolio with details for both stock and new business done since January current year. Calculated as expected loss over exposure at default
"Gross Comm. Perf. Loan AVG"	Average stock for the period of performing Loans to commercial clients (e.g. excluding markets counterparts and operations); managerial figures, key driver of the NII generated by the network activity

Information related to this presentation (3/4)

Main definitions

"Gross NPEs"	Loan to customers non performing exposures before deduction of provisions, comprising bad loans, unlikely to pay, and past due (including active repos, excluding debt securities and IFRS5 reclassified assets)
"Gross NPE Ratio"	Gross non performing exposures over gross loans to customers (including active repos, excluding debt securities and IFRS5 reclassified assets)
"HQLA"	High-Quality Liquid Assets - 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
"LCR"	Liquidity Coverage Ratio - ratio between the high-quality liquid assets (HQLA) and the net cash outflows expected over the coming 30 days, under stress test conditions
"Net NPEs"	Loan to customers non performing exposures after deduction of provisions, comprising bad loans, unlikely to pay, and past due (including active repos, excluding debt securities and IFRS5 reclassified assets)
"Net NPE Ratio"	Net non performing exposures over net loans to customers (including active repos, excluding debt securities and IFRS5 reclassified assets)
"Net profit"	means Stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test. The result is used for cash dividend accrual / total distribution
"Net profit after AT1/Cashes"	means Net profit as defined above adjusted for impacts from AT1 and Cashes coupons. The result is used for RoTE and RoAC calculation
"Net revenue"	means (i) revenue, minus (ii) Loan Loss Provisions
"NSFR"	Net Stable Funding Ratio - ratio between the available amount of stable funding and the required amount of stable funding that are calculated applying defined weighting factors to on and off-balance sheet items. The relevant instructions for its calculation are included in the Regulation (EU) 876/2019 of the European Parliament
"Organic capital generation"	calculated as (Net Profit, as defined above, minus delta RWA excluding Regulatory impacts and PD scenario impacts x CET1r actual)/ RWA

Information related to this presentation (4/4)

Main definitions

"PD scenario"	Impacts deriving from probability of default scenario, including rating dynamics
"RoAC"	annualized ratio between (i) Net profit after AT1/Cashes minus excess capital charge (where applicable) and (ii) allocated capital, both as defined above
"RoTE"	means (i) Net profit after AT1/Cashes – as defined above, over (ii) average tangible equity – as defined below, minus CASHES and DTA from tax loss carry forward contribution
"RoTE@13%CET1r"	means RoTE as defined above, but with a tangible equity assuming to distribute the capital in excess of a 13% CET1r (FL), upper end of UniCredit CET1 management target, reducing immediately the TE by this amount of distribution
"Stated net profit"	means accounting net profit
"Regulatory impacts"	Regulatory impacts are mostly driven by regulatory changes and model maintenance, shortfall and calendar provisioning (impacting on capital)
"SBB"	Share buy back - repurchasing of shares by the company that issued them to reduce the number of shares available on the open market
"UTP"	means "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 realizing collaterals, that the obligor will pay in full (principal and/or interest) its credit obligations
"Tangible Book Value" or " Tangible Equity "	for Group calculated as Shareholders' equity (including Group stated profit of the period) less intangible assets (goodwill and other intangibles), less AT1 component
"TBVpS"	Tangible Book Value per Share - for Group calculated as End of Period tangible equity over End of Period number of shares excluding treasury shares