

One Bank, One UniCredit *Transform 2019*

Glossary

London, 12 December 2017

Glossary (1/9)

AfS	Available for Sale
AT1	Additional Tier 1 Capital
ATMs	Automated Teller Machines
AuC	Assets under Custody
AuM	Assets under Management
Bad loans	Exposures to debtors that are insolvent or in substantially similar circumstances
Bps	Basis points
BTP	"Buoni poliennali del Tesoro" Multiannual Treasury Bond issued by the Republic of Italy
CAGR	Compound Annual Growth Rate
CC	Corporate Centre



CCyB	Countercyclical Capital Buffer
CEE	Central Eastern Europe includes: Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Russia, Romania, Bulgaria, Turkey (at equity), Baltics (Latvia, Lithuania, Estonia) only for Leasing
CET1 Ratio	Common Equity Tier 1 ratio
CIB	Corporate & Investment Banking
Collateral coverage ratio	Calculated as per EBA methodology, with collateral value capped at net (gross) loan level
C/I	Cost/Income ratio calculated as operating expenses divided by total revenues
CMD	Capital Markets Day – CMD perimeter as announced at CMD on 13 December 2016: variations related to disposals of Immo Holding, Ukraine, 30% Fineco, Pekao and Pioneer
CoR	Cost of Risk calculated as LLPs of the period annualised divided by Gross Average loans volume
Coverage ratio	Stock Loan loss reserves on NPEs divided by Gross NPEs
CPI	Consumer Price Index



Cure rate	Back to performing (annualised) divided by stock of NPEs at the beginning of the period
Cust.	Customer
Customer spread	Rate on customer loans minus Rate on customer deposits
DBO	Defined Benefit Obligation
DGS	Deposit Guarantee Scheme
Default rate	Percentage of gross loans migrating from performing to NPEs over a given period (annualised) divided by the initial amount of gross loans
De-risking	De-risking refers to the phenomenon of financial institutions terminating or restricting business relationships with clients or categories of clients to avoid, rather than manage, risk
DTA	Deferred Tax Asset
DVA	Debt Value Adjustment
E2E	End-to-End



Glossary (4/9)

EaD	Exposure at Default
EBA	European Banking Authority
ECB	European Central Bank
EL	Expected Loss
EMEA	Europe, Middle East and Africa
EoP	End of Period
EPS	Earnings per share
Euribor 3M	Daily reference rate, published by the European Money Market Institute
EVA	Economic Value Added
F&A	Financing & Advisory



FICC	Fixed Income, Currencies and Commodities
Forborne loan	Exposure to which forbearance measures have been applied, i.e. concessions towards a debtor who is facing or about to face financial difficulties
FTE	Full Time Equivalent
FL	Fully Loaded
FRTB	Fundamental Review of the Trading Book
FX	Foreign Exchange
GACS	"Garanzia sulla Cartolarizzazione delle Sofferenze" (Guarantee on Securitisation of Bank Non-Performing Loans)
Group Core	Overall UniCredit Group excluding Non Core, reflecting Business Lines with relative higher Strategic Importance
Group Corporate Center (Group CC)	Corresponding to the divisional database section: "Global Corporate Centre" including Corporate Centre, COO Services and Elisions
GTB	Global Transaction Banking



HNWI	High Net Worth Individual
LCR	Liquidity Coverage Ratio
Leverage ratio	The leverage ratio is defined as Tier 1 capital divided by a non-risk-based measure (exposure) of on- and off-balance sheet items
LGD	Loss Given Default
LLPs	Loan Loss Provisions
MDA	Maximum Distributable Amount
Migration rate	Representing the percentage of UTP that turn into bad loans
MREL	Minimum Requirement for own funds and Eligible Liabilities
Net Inflows	Inflows (from gross performing loans to gross impaired loans) minus outflows (collections and flows from gross impaired loans back to gross performing loans)
Net Outflows	Outflows (collections and flows from gross impaired loans back to gross performing loans) minus inflows (from gross performing loans to gross impaired loans)



NII	Net Interest Income
NPEs	Non-Performing Exposures shall be classified in the following risk classes: Bad Loans (“Sofferenze”), Unlikely to Pay (“Inadempienze Probabili”) and Past Due (“Esposizioni scadute e/o sconfinanti deteriorate”)
Non Core	In 2013 UniCredit ring-fenced the so-called "Non-Core" portfolio in Italy with a target to reduce clients exposure considered as not strategic; selected assets in Italy to be managed with a risk mitigation approach
NPE Ratio	(Gross or Net) Non-performing exposure as a percentage of total loans
NHR costs	Other administrative expenses (including indirect costs) net of expenses recovery, plus depreciation and amortization
NSFR	Net Stable Funding Ratio
p.p.	Percentage Points
P2R	Pillar 2 Requirements
Past Due	Problematic exposures that, at the reporting date, are more than 90 days past due on any material obligation



PD	Probability of Default
Pro-forma	Pro-forma data excluding the temporary effect of Pioneer & Pekao classified under IFRS5
RACE	Risk Adjusted Capital Efficiency
Recovery rate	NPE exposure reduction (gross Book Value) due to recovery activity on stock of NPEs at the beginning of the period
Repos	Repurchase agreements
RoAC	Return on Allocated Capital (Annualised net profit divided by Allocated Capital), Allocated Capital based on RWA equivalent figures calculated with a CET1 ratio target of 12.5% as for plan horizon, including deductions for shortfall and securitizations
RoTE	Return on Tangible Equity (Annualised Net Income divided by Average Tangible Equity)
RWA	Risk Weighted Assets
SREP	Supervisory Review and Evaluation Process



Tangible equity	Tangible equity excluding AT1
TFAs	Total Financial Assets, commercial figures summary of AuM, AuC and Deposits
UTP	Unlikely To Pay: the classification in this category is the result of the judgment of the bank about the unlikelihood, without recourse to actions such as realizing collaterals, that the obligor will pay in full (principal and/or interest) its credit obligations
Y/Y	Year on year
YTD	Year to date



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