


One Bank
One Team
One  UniCredit



4Q20 and FY20 Results

Glossary

10 February 2021

Banking that matters. |  **UniCredit**

Glossary (1/8)

AGM	Annual General Meeting
AT1	Additional Tier 1 Capital
AuC	Assets under Custody
AuM	Assets under Management
bps	Basis points
BTP	This refers to the whole Italian sovereign bond portfolio (BTPs, BOT, et al)
C/I	Cost/Income ratio
Capital distribution	Cash dividend and / or share buyback. Share buyback subject to supervisory approval
CASHES	Convertible and Subordinated Hybrid Equity-linked Securities
CB	Commercial Banking
CCyB	Countercyclical buffer



Glossary (2/8)

CEE	Central Eastern Europe includes: Bulgaria, Bosnia and Herzegovina, Croatia, Czech Republic, Hungary, Romania, Russia, Serbia, Slovenia and Slovakia
CET1 ratio	Common Equity Tier 1 ratio fully loaded throughout the document unless otherwise stated
CDP	Carbon Disclosure Project
CMD	Capital Markets Day
Coverage ratio	Stock of LLPs on NPEs divided by Gross NPEs
CRD5	Capital Requirements Directive 5
Days effect	Effect related to quarters having different number of days
DBO	Defined Benefit Obligation
Default rate	Percentage of gross loans migrating from performing to gross NPEs over a given period (annualised) divided by the initial amount of gross performing loans (including repos)
DGS	Deposit Guarantee Scheme
DoD	Definition of Default
EBA	European Banking Authority



Glossary (3/8)

ECB	Single Supervisory Mechanism (SSM) within the European Central Bank (ECB)
EL	Expected Loss
EoP	End of Period
ESG	Environmental, Social and (Corporate) Governance
FICC	Fixed Income, Currency & Commodity
FTE	Full Time Equivalent: an FTE of 1.0 is equivalent to a full-time worker
FVOCI	Fair Value through Other Comprehensive Income
FX	Foreign exchange
FY	Financial Year
FY/FY	Current full year vs previous full year
GEI	Gender-equality index
Group Corporate Centre (GCC)	Group Corporate Centre includes COO services, corporate centre global functions, inter-segment adjustments and consolidation adjustments not attributable to specific segments



Glossary (4/8)

Gross Commercial Performing Loans 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
Group excl. Non Core	Equivalent to Group excluding Non Core. It is not a separate division
Gross Loans EoP	Total loans to customers 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 are excluded
Gross NPEs	Non performing exposures (before deduction of provisions) comprising bad loans, unlikely to pay, and past due; including only loans to customers and excluding debt securities
Gross NPE Ratio	Gross non performing exposures divided by gross loans (incl. repos)
Gross performing loans EoP	Total performing loans to customers at face value (i.e. before deduction of provisions), including active repos and (in divisional figures) intercompany; debt securities are excluded
IFRS9	International Financial Reporting Standard 9
LCR	Liquidity Coverage Ratio
LLPs	Loan Loss Provisions



Glossary (5/8)

MDA	Maximum Distributable Amount fully loaded throughout the document unless otherwise stated
MREL	Minimum Requirement for own funds and Eligible Liabilities
MSCI	Morgan Stanley Capital International
MtM	Mark to Market
NC	Non Callable
Net Loans EoP	Total loans to customers at book value (i.e. after deduction of provisions), both performing and non performing (comprising bad loans, unlikely to pay, and past due), including active repos and (in divisional figures) intercompany; debt securities are excluded
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
Non HR costs	Other administrative expenses net of expense recoveries, plus depreciation and amortisation
NII	Net Interest Income
NPEs	Non Performing Exposures comprising bad loans, unlikely to pay, and past due; including only loans to customers and excluding debt securities



Glossary (6/8)

NPE Ratio	(Gross or net) non performing exposures as a percentage of total loans, including only loans to customers and excluding debt securities
OECD	Organisation for Economic Co-operation and Development
P&L	Profit and Loss statement
P2R	Pillar 2 Requirement
Q/Q	Current quarter vs previous quarter
RoAC	Return on Allocated Capital (annualised net profit divided by the allocated capital). Allocated capital computed as 12.25% of RWA plus deductions for shortfall and securitisations
RoTE	Return on Tangible Equity (annualised net profit divided by average tangible equity)
RWA	Risk Weighted Assets
Senior preferred exemption	Part of TLAC/MREL requirement that can be filled with senior preferred (2.5% from 2019/3.5% from 2022)
SNP	Senior Non Preferred
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)



Glossary (7/8)

Stage 2	Includes credit exposures that, although performing, have seen their credit risk significantly deteriorating since initial recognition
Stage 3	Includes impaired credit exposures
Stated CoR	Stated cost of risk based on reclassified P&L and Balance sheet, calculated as LLPs of the period (annualised in the interim periods) divided by average net customer loans (including repos and intercompany at divisional level)
Stated net profit	Stated net profit based on reclassified P&L which is shown for Group, Group excl. Non Core and divisions
Tangible equity	Shareholders' equity (including consolidated profit of the period) less intangible assets (goodwill and other intangibles), less AT1 component; dividend payout is accounted for on a cash basis
TFA	Total Financial Assets. Non-commercial elements, i.e. CIB, Group Corporate Centre, Non Core and Leasing/Factoring are excluded
Time value	Difference between the sum of expected recoverable cash flows of NPEs and the net present value
TLAC	Total Loss-Absorbing Capacity
TLTRO	Targeted Longer Term Refinancing Operations
TRY	New Turkish lira



Glossary (8/8)

Underlying CoR	Stated CoR excluding regulatory headwinds
Underlying net profit	Stated net profit adjusted for non-operating items. Underlying net profit is the basis for the ordinary capital distribution policy. For 2021, as an exception, the ordinary capital distribution will comply with the ECB's payout recommendations published on 15 Dec 20
Underlying RoTE	Underlying return on tangible equity (underlying net profit – annualised – divided by average tangible equity for the period)
UTP	Unlikely to Pay
W.E.	Western Europe includes Italy, Germany and Austria
XVA	Valuation adjustments include: Debt/Credit Value Adjustment (DVA/CVA), Funding Valuation Adjustments (FuVA) and Hedging desk
Y/Y	Current quarter vs same quarter in the previous year
Yapi	Yapi Kredi



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