Banking that matters. UniCredit

MILAN, 30 JULY 2021

UNICREDIT: 2Q21 & 1H21 GROUP RESULTS

ROBUST COMMERCIAL PERFORMANCE AND SOLID PROFITABILITY

New organisational structure[1] including dedicated management team for Italy. Simplification, clients and digital as guiding principles to underpin strategy

2Q21 underlying net profit[2] of €1.1 billion, with 1H21 underlying RoTE[3] at 7.7 per cent. 2Q21 revenues at €4.4 billion, with strong fees and stable NII[4]. 2Q21 costs at €2.5 billion

Strong liquidity and capital position, with fully loaded CET1 ratio at 15.50 per cent[5] and fully loaded CET1 MDA buffer[6] at 647 basis points[7]

FY21 total revenues in line with previous guidance of circa €17.1 billion and costs confirmed at €9.9 billion

FY21 underlying Cost of Risk[8] guidance improved to below 40 basis points, equivalent to LLPs of less than €1.8 billion. FY21 underlying net profit now expected to be above €3 billion

On 29 July 2021, the Board of Directors of UniCredit S.p.A. ("UniCredit" or "the Group") approved the Consolidated First Half Financial Report as at 30 June 2021.

Simplification, client centricity and digitalisation are the guiding principles underpinning the new strategic plan, to be communicated at the Investor Day intended in the fourth quarter 2021. The Bank's objective will be to deliver sustainable returns above the cost of equity over the cycle, by optimising a combination of three levers: risk-adjusted revenue growth, operational efficiency and capital efficiency.

In 2Q21 underlying net profit[2] reached €1.1 billion, up 24.7 per cent quarter on quarter, and €2.0 billion in the first half, equivalent to an underlying 1H21 RoTE[3] of 7.7 per cent. The robust commercial performance, reflecting the strengths of UniCredit's franchise, led to €4.4 billion of revenues, with fees delivering another very strong result, as economies began to slowly open up through the quarter, and NII starting to stabilise at €2.2 billion.

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[1] The new organisation will become fully operational during the second half of the year.
[2] Underlying net profit is the basis for the ordinary distribution policy. Underlying net profit normalised for 2Q21 one-offs (-€68 m).
[3] Based on underlying net profit.
[4] Net contribution from hedging strategy of non-maturity deposits in 2Q21 at €368.2 m, +€4.8 m Q/Q and +€39.2 m Y/Y.
[5] Including pro-rata deduction for 1H21 accrued dividends. Not yet including extraordinary share buyback of 652m already approved by AGM and subject to ECB approval.
[6] 2Q21 CET1 MDA transitional buffer at 708 bps.
[7] MDA buffer is relevant for regulatory purposes only versus the CET1 ratio transitional, at 708 bps; CET1 MDA requirements at 9.03 per cent in 2Q21.
[8] Underlying CoR: defined as stated CoR excluding regulatory headwinds.

Year on year costs were almost flat at €2.5 billion in 2Q21 due to continued focus on cost efficiency and strong cost discipline with cost/income ratio at 56.0 per cent.

The strength of the balance sheet can be seen in UniCredit's extremely healthy capital position. Group gross NPE ratio improved to 4.7 per cent. The fully loaded CET1 ratio stands at 15.50 per cent[5], with fully loaded CET1 MDA buffer[6] at 647 basis points[7]. Tangible equity at €52.3 billion increasing 1.3 per cent quarter on quarter mainly thanks to net profit.

Stated cost of risk at 33 basis points in 2Q21, benefitting from better than expected asset quality, partially offset by regulatory headwinds.

FY21 total revenues in line with previous guidance of circa €17.1 billion and costs confirmed at €9.9 billion. The FY21 underlying cost of risk[8] guidance is now expected to be below 40 basis points, equivalent to underlying Loan Loss Provisions (LLPs) of less than €1.8 billion. FY21 underlying net profit is now expected at above €3 billion.

The key financial events of 2Q21 include the following:

- First Buy-Back Programme 2021 completed; purchasing in aggregate around 17 million shares for a total amount of €179 million, equivalent to 0.8 per cent of the share capital. These will be cancelled within the terms and according to the procedures established by the resolution passed at 15 April 2021 shareholders' meeting
- Combined ordinary distribution of capital of €447 million for FY20 that represented a total yield of around 2 per cent
- Issuance of Group's inaugural €1 billion Senior Preferred Green Bond for with very attractive book
- Standard & Poor's upgrade changing UniCredit SpA's outlook to 'stable' from 'negative'
- Issuance of €750 million of Additional Tier 1[9] and of $2 billion dual-tranche Senior Preferred, (with $8 billion of strong, international demand)

Andrea Orcel, Chief Executive Officer of UniCredit S.p.A. :

"UniCredit has strong fundamentals based on its unique geographic footprint, the distribution power of its network and the strength of its balance sheet. These provide an excellent foundation for improving returns and creating long-term value for all our stakeholders. We have made significant early progress in simplifying the business so that it can operate faster and with greater clarity. We have more to do, and our focus will be on continuing to reduce complexity, increasing the pace of digitalisation and ensuring that client outcomes are at the heart of every decision we make. There is huge value to be unlocked in UniCredit, and I am excited by the opportunities ahead."

[9] Settlement date as of 7 Jul 21.

2Q21 KEY FIGURES

- **Revenues:** €4.4 bn, down 6.1 per cent Q/Q and up 5.5 per cent Y/Y, driven by strong fees Y/Y and stable net interest income Q/Q. FY21 total revenues expected to be in line with previous guidance of c. €17.1 bn
- **Net interest income (NII)[4]**: €2.2 bn, up 1.0 per cent Q/Q supported by TLTRO additional take-up at end of 1Q21 (+€15 m Q/Q). Positive contribution from loan volumes showing first signs of recovery. Customer loan rates still impacted by lower yielding loans issued under government guarantee schemes and continued competition
- **Fees:** €1.7 bn, up 21.4 per cent Y/Y thanks to strong gross sales of asset management and insurance products
  - **Investment fees**: €718 m, up 47.4 per cent Y/Y, supported by strong commercial activity
  - **Financing fees**: €413 m, up 2.7 per cent Y/Y thanks to recovery in lending activity supported by credit protection insurance sales
  - **Transactional fees**: €543 m, up 10.9 per cent Y/Y; marginally up Q/Q thanks to a recovery in cards and payment services, reflecting increase in GDP sensitive fees as lockdowns eased
- **Trading income**: €425 m, up 19.1 per cent Y/Y, supported by XVA[10] dynamics with recurring client activity in line with quarterly run-rate
- **Dividends[11]**: €125 m, up 102.0 per cent Y/Y with positive contribution both from other equity and financial investments (+€48 m Y/Y) and Yapi (+€15 m Y/Y)
- **Operating costs:** €2.5 bn, up 2.0 per cent Q/Q and up 0.8 per cent Y/Y. 1H21 costs down 1.2 per cent Y/Y, with 1H21 cost/income ratio at 53.7 per cent. FY21 guidance confirmed with total costs at €9.9 bn
- **Underlying net profit[2]**: €1.1 bn, up 24.7 per cent Q/Q. FY21 underlying net profit expected above €3 bn
- **Underlying RoTE[3]**: 8.5 per cent, up 1.6 p.p. Q/Q due to lower systemic charges

2Q21 CAPITAL, RISK & LIQUIDITY POSITION

- **Capital and liquidity**: Fully loaded CET1 ratio at 15.50 per cent[5] absorbing 49 bps of regulatory headwinds.
- **CET1 MDA buffer fully loaded[6]**: 647 bps[7], down 42 bps Q/Q, mainly driven by higher RWAs partly compensated by positive underlying net profit
- **Cost of risk (CoR)**: 2Q21 stated CoR at 33 bps, up 18 bps Q/Q benefitting from better than expected asset quality, partially offset by regulatory headwinds. Stated cost of risk in FY21 now expected to be below 50 bps and underlying cost of risk[8] below 40 bps, equivalent to LLPs of less than €1.8 bn in FY21
- **Group gross NPE ratio:** 4.7 per cent, improving (-0.1 p.p. Q/Q and -0.0 p.p. Y/Y)

KEY HIGHLIGHTS

Net Interest Income[4] showing signs of stabilising up 1.0 per cent Q/Q supported by TLTRO additional take-up at end of 1Q21 (+€15 m Q/Q). Adjusted for the extra day in the quarter, net interest income was still up by 0.4 per cent over the quarter, a quarter characterised by massive excess liquidity in the system, as also seen in line with prior quarters. Positive contribution from loan volumes showing first signs of recovery. Customer loan rates still impacted by lower yielding loans issued under government guarantee schemes and continued competition.

Fees up 21.4 per cent Y/Y as result of continued strong commercial activity. Strength in Group fees driven by **investment fees** with AuM upfront fees up >150 per cent Y/Y thanks to AuM gross sales up >100 per cent Y/Y mainly in Italy. AuM management fees were +13.1 per cent Y/Y benefitting from higher average volumes.

[10] Valuation adjustments (XVA) include: Debt/Credit Value Adjustment (DVA/CVA), Funding Valuation Adjustments (FuVA) and Hedging desk.
[11] Include dividends and equity investments. Yapi is valued by the equity method (at 32 per cent stake for Jan 20 and at 20 per cent thereafter) and contributes to the dividend line of the Group P&L based on managerial view.

Financing fees up 2.7 per cent Y/Y thanks to strong rebound in credit protection insurance sales. **Transactional fees** up 10.9 per cent Y/Y and marginally up Q/Q thanks to recovery in cards and payment services, reflecting increase in GDP sensitive fees as lockdowns eased.

Trading income €425 m in 2Q21, up 19.1 per cent Y/Y, with trading ex-XVA[10] better than guidance. Client driven trading solid, testament to the quality of the Bank's recurring trading activity, contributing €352 m. Non-client driven trading income down 48.2 per cent Y/Y, mainly due to Treasury.

Revenues from dividends[11] up 102.0 per cent Y/Y in 2Q21 to €125 m, thanks to other equity and financial investments, as well as Yapi.

Operating costs amounted to €2.5 bn in 2Q21, 2.0 per cent higher than the previous quarter, resulting in a quarterly cost/income ratio of 56.0 per cent. 1H21 HR costs down 1.9 per cent Y/Y thanks to reduction in FTEs mainly in Commercial Banking Italy, Commercial Banking Germany and CEE. 1H21 Non HR costs[12] remained flat Y/Y with lower credit recovery expenses and real estate costs offsetting higher IT expenses and depreciation. FY21 costs confirmed at €9.9 bn.

Group stated cost of risk (CoR) for 2Q21 at 33 bps, benefitting from better than expected asset quality, partially offset by regulatory headwinds. Stated cost of risk in FY21 is now expected to be below 50 bps and underlying cost of risk[8] to be below 40 bps, equivalent to underlying LLPs of less than €1.8 bn in FY21.

UniCredit reported **underlying net profit[2]** of €1.1 bn in 2Q21, up 24.7 per cent Q/Q, mainly driven by lower systemic charges and a lower negative contribution from Yapi Kredi in profit on investment. FY21 underlying net profit now expected above €3 bn.

UniCredit has a very strong **fully loaded CET1 capital ratio** of 15.50 per cent[5]. **CET1 MDA buffer fully loaded[6]** decreased to 647 bps[7] in 2Q21, down 42 bps Q/Q, mainly driven by higher RWAs from regulatory headwinds partly compensated by positive underlying net profit. **CET1 MDA buffer** target confirmed at 200 to 250 bps. Tangible equity at €52.3 bn increasing 1.3 per cent Q/Q mainly thanks to net profit.

Group gross NPEs[13] were €21.5 bn in 2Q21 (-3.9 per cent Q/Q and -9.0 per cent Y/Y) leading to a gross NPE ratio of 4.7 per cent (-0.1 p.p. Q/Q, -0.0 p.p. Y/Y), while the net NPE ratio stood at 2.1 per cent (-0.0 p.p. Q/Q, +0.2 p.p. Y/Y). The coverage ratio was 57.6 per cent (-0.6 p.p. Q/Q and -5.1 p.p. Y/Y).

Group gross bad loans amounted to €7.1 bn in 2Q21 (-6.4 per cent Q/Q, -34.0 per cent Y/Y) with a coverage ratio of 77.6 per cent (-0.6 p.p. Q/Q, +2.4 p.p. Y/Y). **Group gross unlikely to pay** stood at €13.4 bn (-2.0 per cent Q/Q, +12.1 per cent Y/Y), with a coverage ratio of 48.8 per cent (-0.4 p.p. Q/Q, -4.8 p.p. Y/Y).

Non Core gross NPEs amounted to €3.3 bn down 8.5 per cent Q/Q and 52.8 per cent Y/Y. Coverage ratio stood at 78.2 per cent in 2Q21 (-0.9 p.p. Q/Q, +1.5 p.p. Y/Y). Non Core FY21 full runoff is confirmed.

[12] Non HR costs include "other administrative expenses", "recovery of expenses" and "amortisation, depreciation and impairment losses on intangible and tangible assets".
[13] Gross non performing exposure end-of-period including gross bad loans, gross unlikely to pay and gross past due. Gross past due at €1,021 m in 2Q21 (-10.9 per cent Q/Q and +7.7 per cent Y/Y).

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UNICREDIT 2Q21 & 1H21 GROUP RESULTS – DETAILS OF CONFERENCE CALL

MILAN, 30 JULY 2021 – 11.00 CET

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THE **CONFERENCE CALL** WILL ALSO BE **AVAILABLE** VIA **LIVE AUDIO WEBCAST** AT https://www.unicreditgroup.eu/en/investors/group-results.html, WHERE THE SLIDES WILL BE DOWNLOADABLE

UNICREDIT GROUP CONSOLIDATED RESULTS

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	4,168	4,686	4,398	*-6.1%*	*+5.5%*
o/w Net interest	2,393	2,180	2,203	*+1.0%*	*-8.0%*
o/w Fees	1,378	1,688	1,674	*-0.8%*	*+21.4%*
o/w Trading	357	639	425	*-33.5%*	*+19.1%*
Operating costs	-2,442	-2,413	-2,461	*+2.0%*	*+0.8%*
Gross operating profit	1,726	2,272	1,937	*-14.8%*	*+12.2%*
Net operating profit	788	2,105	1,577	*-25.1%*	*+100.0%*
Stated net profit/loss	420	887	1,034	*+16.5%*	*n.m.*
Underlying net profit/loss	528	883	1,101	*+24.7%*	*n.m.*
CET1 MDA buffer (bps)	481	689	647	*-42*	*+167*
Underlying RoTE	4.1%	6.9%	8.5%	*+1.6 p.p.*	*+4.3 p.p.*
Customers loans excl. repos and IC - bn	417	417	419	*+0.6%*	*-2.7%*
Gross NPE - bn	24	22	22	*-3.9%*	*-9.0%*
Deposits (excl. repos) - bn	454	454	457	*+0.8%*	*+5.5%*
Cost/income ratio	58.6%	51.5%	56.0%	*+4.5 p.p.*	*-2.6 p.p.*
Stated cost of risk (bps)	77	15	33	*18*	*-45*

Note: Group underlying net profit and RoTE exclude the regulatory headwinds impact on CoR (-€4 m in 2Q20 and -€85 m in 2Q21), revaluation of real estate (-€7 m in 2Q20, +€4 m in 1Q21 and +€18 m in 2Q21) and Non Core rundown (-€98 m in 2Q20).

Revenues were down 6.1 per cent Q/Q to €4.4 bn in 2Q21 (+5.5 per cent Y/Y), with strong fees (-0.8 per cent Q/Q, +21.4 per cent Y/Y) and stable NII (+1.0 per cent Q/Q, -8.0 per cent Y/Y). The largest revenue contributions came from Commercial Banking Italy, Corporate & Investment Banking and CEE. The revenue performance in 1H21, up 6.3 per cent Y/Y, is particularly noteworthy. It reflected very sound fees and a rebound in trading income which, together, more than offset some weakness in net interest income. FY21 revenues are expected to be in line with previous guidance of c. €17.1 bn.

In 2Q21, **NII**[4] was up 1.0 per cent Q/Q to €2.2 bn supported by TLTRO additional take-up at end of 1Q21 (+€15 m Q/Q). All divisions, except Corporate & Investment Banking, delivered growth in average loan volumes in the quarter. Customer loan rates were still impacted by lower yielding loans issued under government guarantee schemes, in particular in Commercial Banking Italy.

Fees and commission delivered another strong performance, up 21.4 per cent Y/Y, at €1.7 bn in 2Q21, reflecting the initial impact of the pandemic and lockdowns a year ago.

- **Investment fees** generated another stand-out performance, matching the level of the first quarter and 47.4 per cent higher than a year ago. AuM upfront fees continued to perform well, up 158.7 per cent Y/Y thanks to AuM gross sales of +103.8 per cent Y/Y mainly in Italy. AuM management fees were +13.1 per cent Y/Y benefitting from higher average volumes.
- **Financing fees** have continued their recovery from the lows seen in 3Q20 and are now 2.7 per cent above the level of a year ago. This was thanks to a strong rebound in credit protection insurance sales which benefitted from the recovery in new residential mortgage production in Italy;
- **Transactional fees** were up 10.9 per cent Y/Y and marginally up on the quarter thanks to a recovery in cards and payment services, as these GDP sensitive subcategories responded to a pick-up in economic activity.

Trading income in 1H21 was very strong, up 100.7 per cent Y/Y at €1.1 bn, double the level of 1H20, mainly thanks to the high quality of the recurring client activity and also to a positive contribution from XVA[10]. Client driven trading was excellent, contributing €733 m in 1H21, up 27.7 per cent Y/Y, excluding the volatile XVA[10] component. This strong performance came mainly from fixed income and currencies which did particularly well in the first quarter of the year. Non-client driven trading income was up 21.9 per cent Y/Y, mainly thanks to Treasury.

Dividends and other income[11] were up 102.0 per cent Y/Y to €125 m in 2Q21 with positive contribution both from other equity and financial investments (+€48 m Y/Y) and Yapi (+€15 m Y/Y).

The first half was characterised by lower **operating costs** down 1.2 per cent Y/Y to €4.9 bn resulting in a cost/income ratio of 53.7 per cent:

- **HR costs** were 1.9 per cent lower in 1H21 Y/Y thanks to a faster than expected FTE reductions, with FTEs down 3.4 per cent Y/Y, mainly in Commercial Banking Italy.
- **Non HR costs**[12] were flat in 1H21 Y/Y, with lower credit recovery expenses and real estate costs partially offsetting higher IT expenses and depreciation.

2Q21 total costs amounted to €2.5 bn, 2.0 per cent higher than the previous quarter. Covid-19 has had a limited impact on the cost base year-to-date. In the first half of the year, the Group had €25 m of Covid-19 related costs mainly for security and real estate expenses. This was €45 m less than in 1H20. For FY21, the guidance of flat costs relative to FY19 at €9.9 bn is confirmed.

LLPs totalled €360 m in 2Q21 (-61.6 per cent Y/Y), of which €246 m were overlays on LLPs[14], -€29 m were specific LLPs[15] and €143 m were regulatory headwinds.

The **stated cost of risk** reached 33 basis points in 2Q21, benefitting from better than expected asset quality, partially offset by regulatory headwinds. Specifically, the quarterly cost of risk was made up of 22 basis points of overlay cost of risk, 13 basis points of regulatory headwinds less 3 basis points of specific cost of risk. Therefore, Group underlying cost of risk[8] was 20 basis points in 2Q21 and 17 basis points in the 1H21. Benefitting from prudent underwriting and provisioning in prior quarters and from a better macro scenario than expected thanks to the successful vaccine rollout, has resulted in a better portfolio experience leading to an improved cost of risk guidance for FY21. The stated cost of risk in FY21 is now expected to be below 50 basis points and the underlying cost of risk[8] is expected to below 40 basis points, equivalent to underlying LLPs of less than €1.8 bn in FY21.

All the business divisions are profitable in 2Q21. Corporate & Investment Banking and Commercial Banking Italy delivered a strong performance and were supported by positive revenue dynamics in the quarter.

2Q21 **profit from investments** includes positive real estate revaluations and -€37 m of Yapi Kredi Fair Value evaluation.

Underlying net profit[2] stood at €1.1 bn in 2Q21, up 24.7 per cent Q/Q. **Underlying RoTE**[3] was up 1.6 p.p. Q/Q to 8.5 per cent in 2Q21. FY21 underlying net profit is now expected to be above €3 bn.

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[14] Includes among others: IFRS9 macro economic scenario update, sector based provisioning, IFRS9 methodological enhancements, proactive classification and coverage increases in Stage 2.

[15] Specific LLPs: analytical and statistical LLPs related to non performing portfolio (stage 3), excluding updates in NPE selling scenario.

BALANCE SHEET

Average gross commercial performing loans[16] were €391.3 bn[17] as of 30 Jun 21 (+0.7 per cent Q/Q, -4.4 per cent Y/Y). The main contributors were Commercial Banking Italy (€133.0 bn), Commercial Banking Germany (€85.9 bn) and Corporate & Investment Banking (€67.9 bn).

All the divisions, except Corporate & Investment Banking, reported loan growth in their end-of-period balances over the quarter.

Gross customer performing loan rates[18] were down 4 bps Q/Q at 1.99 per cent[22] in 2Q21 and down 24 bps Y/Y.

Group average commercial deposits[19] increased to €447.7 bn[22] as of 30 Jun 21 (+0.2 per cent Q/Q, +8.2 per cent Y/Y). The main contributors were Commercial Banking Italy (€171.0 bn), Commercial Banking Germany (€101.6 bn) and CEE (€74.4 bn).

All the divisions, except Commercial Banking Italy and CEE, reported a deposit reduction in their end-of-period balances over the quarter.

Total Financial Assets (TFAs)[20] increased by 10.5 per cent Y/Y, reaching €773 bn as of 30 Jun 21:

- **Assets under management (AuM)** reached €217 bn, up 13.3 per cent Y/Y driven by strong market performance in Commercial Banking Italy;
- **Assets under custody (AuC)** increased by 18.7 per cent Y/Y to €158 bn in 2Q21. This development was driven by strong market performance in Commercial Banking Germany and Commercial Banking Italy;
- **Deposits** were up 6.1 per cent Y/Y and amounted to €399 bn mainly driven by strong net sales in Commercial Banking Italy and Commercial Banking Germany.

ASSET QUALITY

Group gross NPEs[13] were €21.5 bn in 2Q21 (-3.9 per cent Q/Q and -9.0 per cent Y/Y) leading to a gross NPE ratio of 4.7 per cent (-0.1 p.p. Q/Q, -0.0 p.p. Y/Y), while the net NPE ratio stood at 2.1 per cent (-0.0 p.p. Q/Q, +0.2 p.p. Y/Y). The coverage ratio was at 57.6 per cent (-0.6 p.p. Q/Q and -5.1 p.p. Y/Y), mainly due to a mix effect arising from lower bad loans which naturally have a higher level of coverage.

Group gross bad loans amounted to €7.1 bn in 2Q21 (-6.4 per cent Q/Q, -34.0 per cent Y/Y) with a coverage ratio of 77.6 per cent (-0.6 p.p. Q/Q, +2.4 p.p. Y/Y). **Group gross unlikely to pay** stood at €13.4 bn (-2.0 per cent Q/Q, +12.1 per cent Y/Y), with a coverage ratio of 48.8 per cent (-0.4 p.p. Q/Q, -4.8 p.p. Y/Y).

Non Core gross NPEs amounted to €3.3 bn down 8.5 per cent Q/Q and 52.8 per cent Y/Y. Coverage ratio stood at 78.2 per cent in 2Q21 (-0.9 p.p. Q/Q, +1.5 p.p. Y/Y). Non Core FY21 full runoff is confirmed.

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[16] Average gross commercial performing loans excluding repos are managerial figures and are calculated as daily averages.
[17] Includes Group Corporate Centre and Non Core.
[18] Gross customer performing loan rates calculated assuming 365 days convention, adjusted for 360 days convention where analytically available, and based on average gross balances.
[19] Average commercial deposits excluding repos are managerial figures and are calculated as daily averages. Deposits net of Group Bonds are placed by the network.
[20] Refers to Group commercial Total Financial Assets. Non-commercial elements, i.e. CIB, Group Corporate Centre, Non Core and Leasing/Factoring are excluded. Numbers are managerial figures.

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CAPITAL & FUNDING

The Group 2Q21 fully loaded **CET1 ratio** was down 42 bps Q/Q to 15.50 per cent[5], mainly driven by -63 bps from RWA dynamics, -17 bps from AT1 coupon and dividend accrual[21], and -5 bps from other items[22]. This was partially offset by +35 bps from underlying net profit, and +8 bps from FVOCI[23], FX[24], DBO[25].

In 2Q21 the **fully loaded CET1 MDA buffer[6]** stood at 647 bps[7] (-42 bps Q/Q) mainly driven by higher RWAs partly compensated by positive underlying net profit. This was despite absorbing 49 bps of regulatory headwinds including procyclicality in RWAs dynamics, thanks to the Bank's organic capital generation. The FY21 fully loaded CET1 MDA buffer is expected to be above 400 bps with a CET1 MDA buffer target at 200-250 bps.
The capital distribution policy is confirmed with an ordinary distribution of 50 per cent of underlying net profit, comprising cash dividends and share buybacks. For 2021, as an exception, the ordinary capital distribution in order to comply with the ECB's payout recommendations[26], limits distributions to €447 m until 30 Sep 21. In addition to that an extraordinary capital distribution of €652 m, fully in the form of share buybacks, was approved by the AGM on 15 Apr 21. Execution should commence not before 01 Oct 21 (as ECB confirmed on the 23 Jul 21 that capital distribution restrictions will be lifted end of September), subject to ECB approval.

In 2Q21, the **transitional capital ratios** were: **CET1** 16.11 per cent, **Tier 1** 17.97 per cent and **total capital** 20.57 per cent. All ratios are all well above the minimum regulatory capital requirements.

Transitional RWAs totalled €327.7 bn in 2Q21, up €12.8 bn Q/Q. In particular, credit RWAs amounted to €286.6 bn and increased by €13.2 bn Q/Q, driven by regulatory headwinds[27] (+€10.0 bn Q/Q including procyclicality) and business evolution (+€1.8 bn Q/Q mainly due to loan dynamics partially offset by new state guarantees). Market RWAs were down €0.9 bn Q/Q to €9.7 bn. Operational RWAs were up €0.6 bn Q/Q to €31.4 bn.

In Jun 21, UniCredit SpA successfully issued its inaugural fix-to-floater Senior Preferred Green Bond for €1.0 bn with an 8-year maturity and a call after year 7, targeted at institutional investors, under the newly established group wide Sustainability Bond Framework (SBF). The 2021 Funding Plan is more skewed towards MREL instruments in preparation for the upcoming intermediate requirement in 2022, while bank capital needs are quite limited given the bank's very substantial capital buffers. UniCredit is **fully compliant with its TLAC requirement** of greater than 19.5 per cent[28] with a 2Q21 TLAC transitional ratio of 26.16 per cent and a TLAC MDA transitional buffer of 661 bps.

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[21] Payment of coupon on AT1 instruments at €194 m pre tax in 2Q21. Dividend accrual based on 30 per cent of 2Q21 underlying net profit. Payment of coupon on CASHES at €0 m pre and post tax in 2Q21.
[22] Including non-operating items.
[23] In 2Q21 CET1 ratio impact from FVOCI -2 bps, o/w -2 bps due to BTP. BTP sensitivity: +10 bps parallel shift of BTP asset swap spreads has a -2.5 bps pre and -1.8 bps post tax impact on the fully loaded CET1 ratio as at 30 Jun 21.
[24] TRY sensitivity: 10 per cent depreciation of the TRY has around -0.6 bps net impact on the fully loaded CET1 ratio. Managerial data as at 30 Jun 21.
[25] DBO sensitivity: 10 bps decrease in discount rate has a -4.6 bps pre and -3.3 bps post tax impact on the fully loaded CET1 ratio as at 30 Jun 21.
[26] Its validity will be repealed from 30 Sep 21 therefore, considering that FY21 distribution will occur after 30 Sep 21, the limits established by the recommendation were not considered for the accrual of 1H21 potential dividends.
[27] Business evolution: changes related to customer driven activities (mainly loans. Including guaranteed loans). Regulatory headwinds includes: regulatory changes (eg. CRR or CRD) determining variations of RWA; Procyclicality: change in macroeconomy or client's credit worthiness; Models: methodological changes to existing or new models. Business actions: initiatives to decrease RWA (e.g. securitisations, collateral related actions). FX effect: impact from exposures in foreign currencies. Other credit includes extraordinary/non-recurring disposals.
[28] 2Q21 TLAC transitional ratio 26.16 per cent (o/w 23.66 per cent TLAC subordination ratio and 2.5 per cent senior preferred exemption) and MDA buffer of 661 bps. Current requirement 19.55 per cent (assuming combined capital buffer as of 2Q21) with 2.50 per cent senior exemption. Fully loaded requirement 21.55 per cent (assuming combined capital buffer as of 2Q21) with 3.50 per cent senior exemption.

DIVISIONAL HIGHLIGHTS[29]

COMMERCIAL BANKING ITALY

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	1,542	1,707	1,636	-4.2%	+6.1%
o/w Net Interest	755	638	651	+2.0%	-13.7%
o/w Fees	772	971	966	-0.5%	+25.1%
Operating costs	-916	-908	-919	+1.2%	+0.2%
Gross operating profit	626	800	717	-10.3%	+14.6%
Net operating profit	180	600	475	-20.8%	n.m.
Stated Net profit/loss	112	390	357	-8.3%	n.m.
Underlying Net Profit	112	390	335	-14.0%	n.m.
Stated RoAC	4.0%	16.5%	15.3%	-1.2 p.p.	+11.3 p.p.
Underlying RoAC	4.0%	16.5%	14.4%	-2.1 p.p.	+10.4 p.p.
Cost/income ratio	59.4%	53.2%	56.2%	+3.0 p.p.	-3.3 p.p.
Cost of risk (bps)	134	60	71	+11	-62

Note: Net other expenses/income sustained by the SIA agreement renegotiation in 1Q21. UniCredit and SIA sign a revised agreement for card processing services (see press release on 12 Feb 21).

[29] Please consider that (i) all divisional figures in "Divisional Highlights" represent the contribution of each division to Group data; (ii) Return on Allocated Capital (RoAC) related to each division and shown in this section is calculated as: annualised net profit / allocated capital. Allocated capital based on RWA equivalent figures calculated with a CET1 ratio target of 11.75 per cent as for plan horizon, including deductions for shortfall and securitisations.

Commercial Banking Germany

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	586	603	593	-1.6%	+1.1%
o/w Net Interest	383	352	365	+3.7%	-4.8%
o/w Fees	169	205	195	-4.6%	+15.5%
Operating costs	-412	-429	-414	-3.4%	+0.5%
Gross operating profit	174	174	179	+2.8%	+2.5%
Net operating profit	102	184	115	-37.3%	+13.0%
Stated Net profit	87	66	53	-19.3%	-38.8%
Underlying Net Profit	93	66	91	+37.3%	-2.1%
Stated RoAC	7.7%	6.5%	5.1%	-1.4 p.p.	-2.5 p.p.
Underlying RoAC	8.2%	6.5%	8.7%	+2.2 p.p.	+0.6 p.p.
Cost/income ratio	70.3%	71.2%	69.9%	-1.3 p.p.	-0.4 p.p.
Cost of risk (bps)	32	-5	28	+33	-4

Commercial Banking Austria

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	307	369	343	-7.3%	+11.6%
o/w Net Interest	162	142	140	-1.3%	-13.3%
o/w Fees	125	150	144	-4.5%	+14.5%
Operating costs	-241	-236	-251	+6.3%	+4.2%
Gross operating profit	66	133	92	-31.2%	+38.4%
Net operating profit	67	171	45	-73.6%	-32.4%
Stated Net profit/loss	9	89	67	-24.9%	n.m.
Underlying Net Profit	4	89	117	+32.0%	n.m.
Stated RoAC	0.9%	14.7%	11.2%	-3.4 p.p.	+10.3 p.p.
Underlying RoAC	0.2%	14.6%	19.8%	+5.2 p.p.	+19.6 p.p.
Cost/income ratio	78.4%	63.9%	73.2%	+9.3 p.p.	-5.2 p.p.
Cost of risk (bps)	-1	-34	42	+76	+43

CEE

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	850	851	873	+2.0%	+3.2%
o/w Net Interest	559	551	564	+1.8%	+1.8%
o/w Fees	173	174	187	+7.2%	+7.9%
Operating costs	-373	-364	-373	+1.9%	+1.2%
Gross operating profit	477	487	500	+2.0%	+4.7%
Net operating profit	279	373	487	+31.6%	+77.2%
Stated Net profit	218	213	382	+80.3%	+79.0%
Underlying Net Profit	220	209	374	+78.9%	+70.2%
Stated RoAC	10.7%	11.5%	22.3%	+10.8 p.p.	+11.6 p.p.
Underlying RoAC	10.8%	11.3%	21.8%	+10.5 p.p.	+11.0 p.p.
Cost/income ratio	43.9%	42.8%	42.7%	-0.1 p.p.	-1.2 p.p.
Cost of risk (bps)	121	72	8	-64	-113

Note: Stated numbers at current FX. Variations Q/Q and Y/Y are at constant FX (underlying net profit, RoAC, C/I, gross NPE ratio, coverage ratio and CoR variations at current FX).

CIB

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	967	1,215	1,056	-13.1%	+9.1%
o/w Net Interest	611	585	580	-0.9%	-5.1%
o/w Fees	138	192	195	+1.6%	+41.2%
o/w Trading	205	437	276	-36.9%	+34.4%
o/w XVA	-147	86	-5	n.m.	n.m.
Operating costs	-364	-396	-386	-2.5%	+5.9%
Gross operating profit	603	820	670	-18.2%	+11.1%
Net operating profit	361	887	636	-28.3%	+76.2%
Stated Net profit/loss	204	409	407	-0.5%	+99.7%
Underlying Net Profit	204	409	428	+4.6%	n.m.
Stated RoAC	7.1%	16.6%	16.2%	-0.4 p.p.	+9.1 p.p.
Underlying RoAC	7.1%	16.6%	17.1%	+0.4 p.p.	+10.0 p.p.
Cost/income ratio	37.7%	32.6%	36.5%	+4.0 p.p.	-1.1 p.p.
Cost of risk (bps)	65	-23	13	+36	-52

Note: Trading profit results (-€161 m Q/Q, +€71 m Y/Y), with Q/Q mainly explained by XVA (-€91 m Q/Q).

Group Corporate Centre (GCC)

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	-66	-42	-93	*n.m.*	*+40.5%*
Operating costs	-105	-60	-98	*+64.0%*	*-6.0%*
Gross operating profit	-171	-102	-191	*+86.5%*	*+12.0%*
Stated net loss	-130	-259	-263	*+1.6%*	*n.m.*
Underlying net profit/loss	-122	-258	-274	*+6.3%*	*n.m.*
FTE	14,149	14,143	14,006	*-137*	*-143*
Costs GCC/total costs	4.3%	2.5%	4.0%	*+1.5 p.p.*	*-0.3 p.p.*

Non Core

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Total revenues	-19	-18	-9	*-49.7%*	*-52.9%*
Operating costs	-32	-21	-21	*-0.2%*	*-34.0%*
Gross operating profit	-51	-39	-30	*-22.8%*	*-41.0%*
LLP	12	27	42	*+52.4%*	*n.m.*
Stated net profit/loss	-80	-21	29	*n.m.*	*n.m.*
Undelying net profit/loss	17	-22	29	*n.m.*	*+68.4%*
Gross customer loans	6,973	3,593	3,289	*-8.5%*	*-52.8%*
NPE coverage ratio	*76.7%*	*79.1%*	*78.2%*	*-0.9 p.p.*	*+1.5 p.p.*
Net NPEs	1,626	750	717	*-4.4%*	-55.9%
RWA	9,187	6,139	5,237	*-14.7%*	*-43.0%*

SIGNIFICANT EVENTS DURING AND AFTER 2Q21

With reference to the main events that occurred during 2Q21 and after 30 Jun 21, refer to section "Subsequent events" in the Consolidated interim report on operations, which is an integral part of Consolidated first half financial report as at 30 Jun 21 as well as the press releases published on the UniCredit group website. Here below therefore, the main price-sensitive financial press releases published after 30 Jun 21:

– "UniCredit: unchanged Issuer and Tier 2 ratings following Moody's update to banks methodology" (press release published on 13 Jul 21);

– "Notice of early redemption UNICREDIT "€1,000,000,000 NON-CUMULATIVE TEMPORARY WRITE-DOWN DEEPLY SUBORDINATED FIXED RATE RESETTABLE NOTES" (THE "NOTES") ISIN XS1107890847" (press release published on 28 Jul 21);

– "UniCredit and the Ministry of Economy and Finance of the Republic of Italy have agreed prerequisite terms and will begin exclusive discussions around the potential transfer of a defined perimeter of MPS to UniCredit" (press release published on 29 Jul 21).

ECONOMIC OUTLOOK

Eurozone GDP is likely to expand by 4.5 per cent in 2021 and by 4.3 per cent in 2022. The reopening of the economy is expected to boost the services sector, while manufacturing activity is likely to remain well supported. Price pressures are rising, but the increase will probably prove transient and underlying inflation is seen remaining weak. The ECB would need to preserve sizeable monetary stimulus and a smooth transmission of monetary policy in all jurisdictions. Negative rates and sizeable asset purchases by the central bank are likely to continue for a prolonged period of time.

GROUP TABLES[30]

UNICREDIT GROUP: RECLASSIFIED INCOME STATEMENT

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
Net interest	2,393	2,180	2,203	*+1.0%*	*-8.0%*
Dividends and other income from equity investments	62	112	125	*+12.3%*	*n.m.*
Net fees and commissions	1,378	1,688	1,674	*-0.8%*	*+21.4%*
Net trading income	357	639	425	*-33.5%*	*+19.1%*
Net other expenses/income	(22)	68	(29)	*n.m.*	*+29.3%*
OPERATING INCOME	**4,168**	**4,686**	**4,398**	***-6.1%***	***+5.5%***
Payroll costs	(1,492)	(1,480)	(1,495)	*+1.0%*	*+0.2%*
Other administrative expenses	(795)	(792)	(811)	*+2.4%*	*+2.0%*
Recovery of expenses	128	129	135	*+4.4%*	*+5.6%*
Amort. deprec. and imp. losses on intang. & tang. assets	(284)	(270)	(290)	*+7.4%*	*+2.4%*
OPERATING COSTS	**(2,442)**	**(2,413)**	**(2,461)**	***+2.0%***	***+0.8%***
OPERATING PROFIT (LOSS)	**1,726**	**2,272**	**1,937**	***-14.8%***	***+12.2%***
Net write-downs on loans and provisions for guarantees and commitments	(937)	(167)	(360)	*n.m.*	*-61.6%*
NET OPERATING PROFIT (LOSS)	**788**	**2,105**	**1,577**	***-25.1%***	***+100.0%***
Other charges and provisions	(185)	(702)	(214)	*-69.5%*	*+15.6%*
- of which: systemic charges	*(166)*	*(620)*	*(125)*	*-79.8%*	*-24.6%*
Integration costs	(6)	(0)	(7)	*n.m.*	*+15.4%*
Net income from investments	(92)	(195)	15	*n.m.*	*n.m.*
PROFIT (LOSS) BEFORE TAX	**505**	**1,207**	**1,371**	***+13.6%***	***n.m.***
Income tax for the period	(73)	(314)	(331)	*+5.5%*	*n.m.*
NET PROFIT (LOSS)	**432**	**893**	**1,040**	***+16.4%***	***n.m.***
Profit (Loss) from non-current assets held for sale after tax	1	1	0	*-97.8%*	*-96.6%*
PROFIT (LOSS) FOR THE PERIOD	**433**	**894**	**1,040**	***+16.2%***	***n.m.***
Minorities	(6)	(7)	(5)	*-19.9%*	*-3.2%*
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**428**	**888**	**1,034**	***+16.5%***	***n.m.***
Purchase Price Allocation effect	(0)	(0)	(1)	*n.m.*	*n.m.*
Goodwill impairment	(8)	-	-	*n.m.*	*n.m.*
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**420**	**887**	**1,034**	***+16.5%***	***n.m.***

Note: Figures of Reclassified consolidated income statement have been restated, starting from June 2021 and with reference to 2020 quarters and first quarter 2021, for the external service costs related to credit cards in Austria from item "Other administrative expenses" to item "Net fees and commissions".

[30] Any discrepancies between data are solely due to the effect of rounding.

UNICREDIT GROUP: RECLASSIFIED BALANCE SHEET

(€ million)	2Q20	1Q21	2Q21	Q/Q	Y/Y
ASSETS					
Cash and cash balances	17,342	111,079	122,819	*+10.6%*	*n.m.*
Financial assets held for trading	67,236	73,925	78,991	*+6.9%*	*+17.5%*
Loans to banks	126,541	113,554	113,436	*-0.1%*	*-10.4%*
Loans to customers	479,253	446,691	438,401	*-1.9%*	*-8.5%*
Other financial assets	155,884	158,337	158,590	*+0.2%*	*+1.7%*
Hedging instruments	11,445	6,607	5,907	*-10.6%*	*-48.4%*
Property, plant and equipment	10,242	9,817	9,674	*-1.5%*	*-5.5%*
Goodwill	878	0	0	*+0.0%*	*-100.0%*
Other intangible assets	1,957	2,116	2,170	*+2.5%*	*+10.9%*
Tax assets	12,978	12,831	12,484	*-2.7%*	*-3.8%*
Non-current assets and disposal groups classified as held for sale	1,984	1,003	749	*-25.3%*	*-62.3%*
Other assets	6,994	6,206	6,824	*+10.0%*	*-2.4%*
Total assets	**892,735**	**942,165**	**950,046**	***+0.8%***	***+6.4%***
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits from banks	164,843	189,419	186,742	*-1.4%*	*+13.3%*
Deposits from customers	468,315	497,394	505,716	*+1.7%*	*+8.0%*
Debt securities issued	95,902	98,876	95,973	*-2.9%*	*+0.1%*
Financial liabilities held for trading	45,551	46,428	49,798	*+7.3%*	*+9.3%*
Other financial liabilities	12,656	12,326	12,013	*-2.5%*	*-5.1%*
Hedging instruments	15,029	9,056	8,041	*-11.2%*	*-46.5%*
Tax liabilities	1,454	1,113	1,151	*+3.4%*	*-20.8%*
Liabilities included in disposal groups classified as held for sale	615	651	565	*-13.2%*	*-8.1%*
Other liabilities	27,186	25,803	28,245	*+9.5%*	*+3.9%*
Minorities	437	440	447	*+1.6%*	*+2.3%*
Group Shareholders' Equity:	60,748	60,660	61,356	*+1.1%*	*+1.0%*
- Capital and reserves	63,034	59,772	59,435	*-0.6%*	*-5.7%*
- Net profit (loss)	(2,286)	887	1,921	*n.m.*	*n.m.*
Total liabilities and Shareholders' Equity	**892,735**	**942,165**	**950,046**	***+0.8%***	***+6.4%***

UNICREDIT GROUP: SOVEREIGN DEBT SECURITIES – BREAKDOWN BY COUNTRY/PORTFOLIO

With reference to the Group's sovereign exposures[31], the book value of sovereign debt securities as at 30 Jun 21 amounted to €118,431 m (of which €112,159 m classified in the banking book[32]), about the 85 per cent of it concentrated in eight countries; Italy, with €45,632 m, represents about 39 per cent of the total. For each of the eight countries, the following table shows the nominal value, the book value and the fair value of the exposures broken down by portfolio as at 30 Jun 21.

[31] Information on Sovereign exposures refers to the scope of the UniCredit Group consolidated results as at 30 Jun 21, determined under IAS/IFRS. Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies. To the purpose of this risk exposure ABSs are not included.

[32] 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.

(€ million)	Nominal Value	Book value	Fair Value
As at 30 June 2021			
- Italy	**43,915**	**45,632**	**46,393**
financial assets/liabilities held for trading (net exposures)(*)	1,384	875	875
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	50	63	63
financial assets at fair value through other comprehensive income	19,593	21,060	21,060
financial assets at amortised cost	22,888	23,634	24,395
- Spain	**16,213**	**17,173**	**17,242**
financial assets/liabilities held for trading (net exposures)(*)	1,114	1,196	1,196
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	5,129	5,460	5,460
financial assets at amortised cost	9,970	10,517	10,586
- Germany	**12,807**	**13,191**	**13,239**
financial assets/liabilities held for trading (net exposures)(*)	1,337	1,488	1,488
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	4,188	4,249	4,249
financial assets at fair value through other comprehensive income	3,100	3,205	3,205
financial assets at amortised cost	4,182	4,249	4,297
- Japan	**9,534**	**9,715**	**9,718**
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	5,818	5,866	5,866
financial assets at amortised cost	3,716	3,849	3,852
- Austria	**4,830**	**5,173**	**5,170**
financial assets/liabilities held for trading (net exposures)(*)	407	422	422
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	100	134	134
financial assets at fair value through other comprehensive income	4,229	4,514	4,514
financial assets at amortised cost	94	103	100
- France	**3,179**	**3,538**	**3,531**
financial assets/liabilities held for trading (net exposures)(*)	736	996	996
financial assets designated at fair value	196	220	220
financial assets mandatorily at fair value	191	221	221
financial assets at fair value through other comprehensive income	1,686	1,724	1,724
financial assets at amortised cost	370	377	370
- United States of America	**3,156**	**3,368**	**3,368**
financial assets/liabilities held for trading (net exposures)(*)	220	238	238
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	2,915	3,109	3,109
financial assets at amortised cost	21	21	21
- Romania	**2,384**	**2,539**	**2,564**
financial assets/liabilities held for trading (net exposures)(*)	198	208	208
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	675	737	737
financial assets at amortised cost	1,511	1,594	1,619
Total on-balance sheet exposures	**96,018**	**100,329**	**101,225**

Notes: (*) Including exposures in Credit Derivatives. In case of negative amount, it indicates the prevalence of liabilities positions.

UNICREDIT GROUP: WEIGHTED DURATION

The weighted duration of the sovereign bonds shown in the table above, divided by the banking and trading book, is the following:

Weighted duration (years)	Banking book	TRADING BOOK	
		Assets positions	Liabilities positions
- Italy	3.57	3.69	5.40
- Spain	3.70	16.04	13.46
- Germany	2.92	11.72	6.02
- Japan	3.14	-	-
- Austria	4.72	10.15	10.62
- France	6.40	22.41	22.16
- United States of America	3.37	19.44	-
- Romania	4.29	5.05	9.62

The remaining 15 per cent of the total of sovereign debt securities, amounting to €18,102 m with reference to the book values as at 30 Jun 21, is divided into 37 countries, including Hungary (€1,926 m), Bulgaria (€1,877 m), Portugal (€1,688 m), Croatia (€1,667 m), Czech Republic (€1,331 m), Russia (€1,287 m), Ireland (€1,092 m), Serbia (€1,008 m), Poland (€931 m) and Israel (€534 m). The sovereign exposure to Greece is immaterial.

With respect to these exposures, as at 30 Jun 21 there were no indications that default may have occurred.

It should also be noted that among the aforementioned remaining part of sovereign debt securities as at 30 Jun 21 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 €2,615 m.

UNICREDIT GROUP: RATINGS

	SHORT-TERM DEBT	MEDIUM AND LONG-TERM	OUTLOOK
Standard & Poor's	A-2	BBB	STABLE
Moody's	P-2	Baa1	STABLE
Fitch Ratings	F3	BBB-	STABLE

Declaration by the Manager charged with preparing the financial reports

The undersigned, Stefano Porro, in his capacity as the Manager charged with preparing UniCredit S.p.A.'s financial reports

DECLARES

that, pursuant to Article 154 bis, paragraph 2, of the "Consolidated Law on Finance", the information disclosed in this document corresponds to the accounting documents, books and records.

Milan, 29 July 2021

Manager charged with
preparing the financial reports

Stefano Porro