

2023
1H23 GROUP
RESULTS

UniCredit Unlocked

Another record-breaking set of results: best 2Q and 1H ever

Milan, 26 July 2023

Empowering
Communities to Progress. |  UniCredit

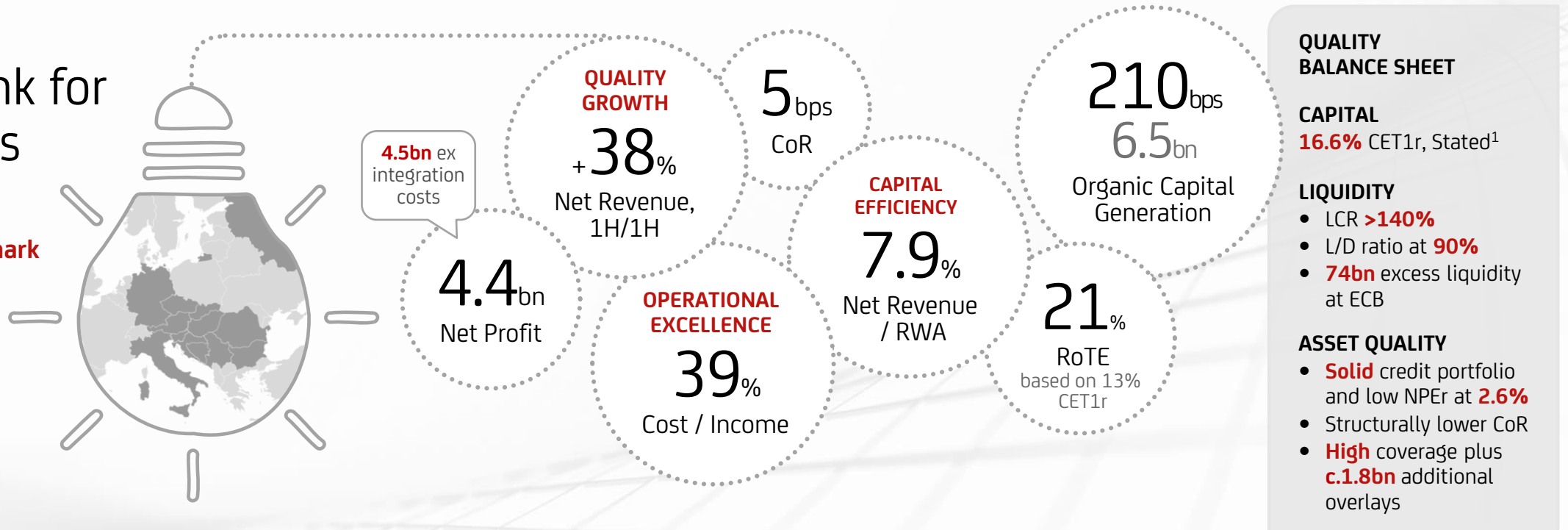
Another record-breaking set of results: best 2Q and 1H ever

Ten consecutive quarters of profitable growth

OUR VISION

The Bank for Europe's future

A new benchmark for banking



UNLOCKING OUR FRANCHISE: ALL BUSINESSES AND REGIONS PERFORMING

All figures for 1H23 and related to Group incl. Russia unless otherwise specified

1. Considering full FY22 distribution and 1H23 cash dividend accrual
2. "Net profit" means Stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test, pre AT1 and Cashes coupons which for FY23 are expected to be around 0.4bn after tax and post integration costs which for FY23 are expected to be around c.0.5bn before tax
3. Distribution subject to supervisory and shareholder approvals

2023 guidance upgraded: Net Profit² ≥7.25bn and Distribution³ ≥6.5bn. 2024 broadly in line



The Bank for Europe's future

A new benchmark for banking

A unique pan-European franchise, with 13 leading banks connecting 15m clients across Europe

CONTINUALLY STRIVING FOR EXCELLENCE

- Further improved Net Profit and Distribution guidance
- Significant potential to be unlocked
- Forward-looking management priorities

DELIVERING QUALITY PROFITABLE GROWTH

Effectively balancing three levers:

- Quality net revenue growth
- Operational excellence
- Capital excellence

Improved sustainable profitability, capital generation and distributions setting new benchmark for the banking industry



A WINNING STRATEGY

- Clients and communities at the centre
- Pan-European with leading local franchise
- Group product factories and an ecosystem of strategic partners
- Group digital, data and operations
- One unifying culture

POWERED BY ONGOING TRANSFORMATION

- Structural and cultural transformation from within
- Simplifying and streamlining to release efficiencies improve speed, agility and self-fund investments
- Investing in creating an omni-channel, full-service, employee-led, tech-powered, differentiated offering



From retrenchment to profitable growth



UniCredit Unlocked

Leveraging Group scale and Local reach



Our focus:
**OUR CLIENTS AND
COMMUNITIES**

Empowering our
15m clients and
the communities
in which they
operate



Served by:
**PAN-EUROPEAN
LOCAL FRANCHISE**

13 leading banks
with diverse
talent, firmly
rooted in our
communities



Delivering:
**BEST-IN-CLASS
GROUP PRODUCTS**

Rationalised
in-house factories;
ecosystem with
best-in-class
partners



Supported by:
**DIGITAL, DATA
AND OPERATIONS**

Harmonised
technology and
operations also
linking factories to
network



Underpinned by:
**PRINCIPLES
& VALUES**

Guided by a
common set of
principles, with
our values rooted
in all that we do.



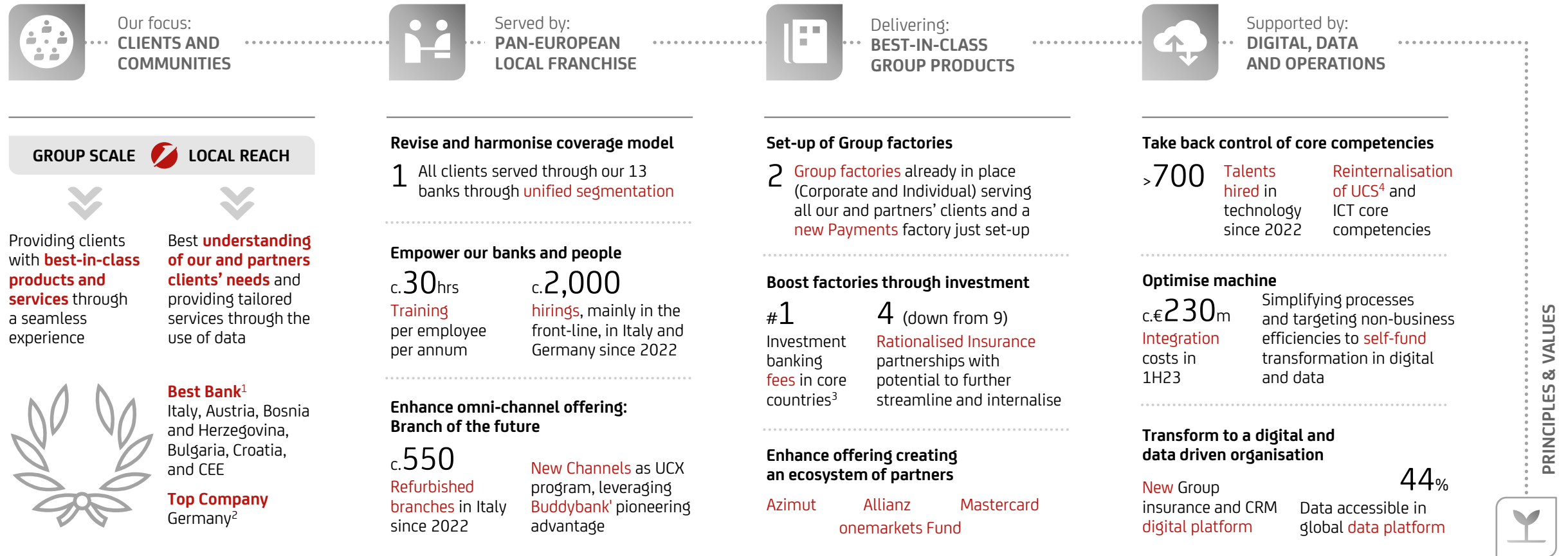
**POWERED BY ONGOING
TRANSFORMATION**

From a patchwork
of 13 isolated Banks,
to a unified franchise
connecting Europe
as one Group

A unique strategy to unlock our full potential and transform our Bank



Structural and cultural transformation from within



1. Source: 2023 Euromoney excellence award

2. Kununu Top Company award

3. Ranking based on fees in core markets; Source: Dealogic as of July 3rd 2023

4. UniCredit Services S.C.p.A.

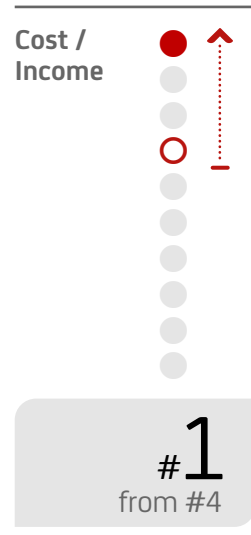


A transformed Bank with sustainable competitive advantages

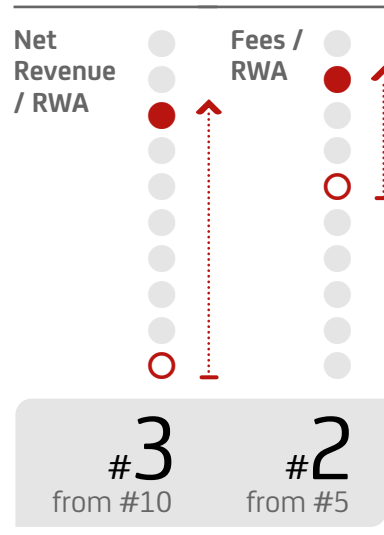


Our industrial transformation moved us from laggards to leaders and more is yet to come

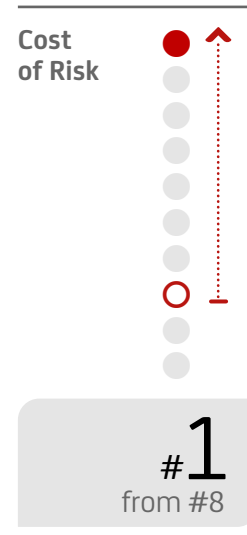
» COST LEADERSHIP



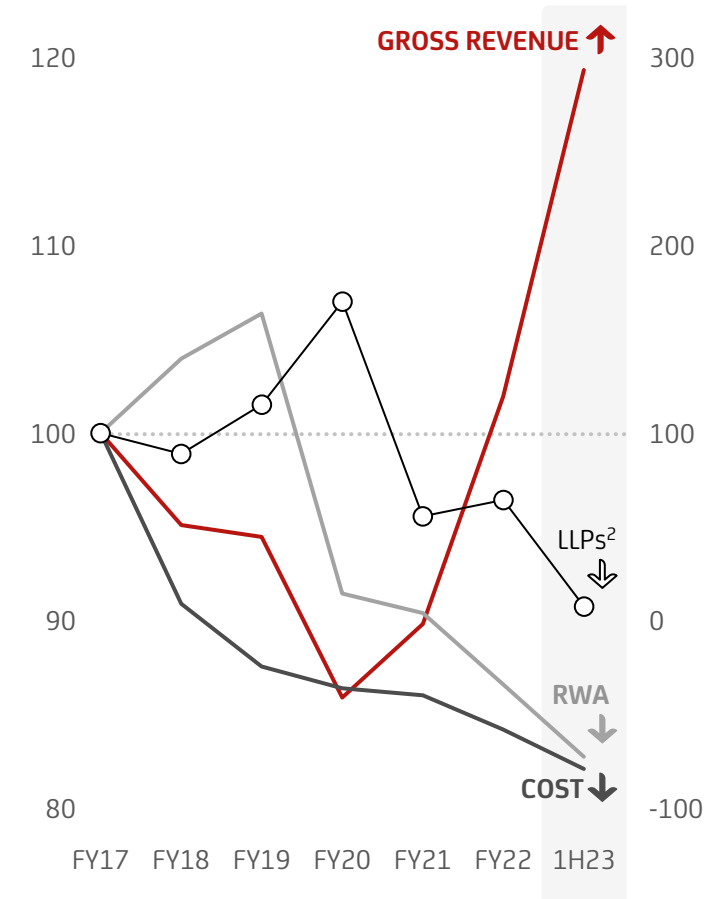
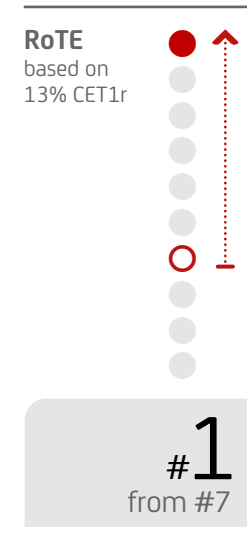
» QUALITY REVENUE GROWTH



» STRUCTURALLY LOWER COR



» CAPITAL EXCELLENCE



1. Ranking from average 17-20 to 1Q23 (RoTE based on 13% CET1r from FY21 due to limited data availability) based on publicly available data collected of our peer group: BBVA, BNP Paribas, Commerzbank, Credit Agricole S.A, Deutsche bank, ING, Intesa Sanpaolo, Santander, Société Générale 2. Stated LLPs scaled at RHS axis



A transformed Bank with sustainable competitive advantages

» COST LEADERSHIP

Absolute cost reduction

Proactively addressing rather than reacting to inflationary pressures we stand out in the industry

Leading operational excellence

Best-in-class cost/income by reducing non-business costs, streamlining processes and removing bureaucracy without affecting but actually propelling revenues

Funding Investments

Continue boosting current and future profitability

» QUALITY REVENUE GROWTH

Quality NII

Prioritising quality growth rather than just volumes, thus creating more sustainable base for the future

Sustainable approach

Quality focus and investments in factories and alternative revenue sources protect top line in any macro

Capital light focus

Fees on revenues now aligned with best-in-class peers with still outstanding growth potential

» STRUCTURALLY LOWER CoR

Proven structurally lower CoR

Underlying CoR below 20bps¹ since 1Q21, better than peers' and sustainable in the future thanks to:

- **Quality credit portfolio** with sound coverage and proactive staging
- **Low Gross NPE** at 2.6% with improved mix Y/Y; **net NPE 1.4%**
- Focus on **high-quality origination**: EL of 27bps on New Business and stable 33bps on Stock²

» CAPITAL EXCELLENCE

Deployed capital **above CoE**

(77% of RWAs associated to sEVA positive clients³)

Continue progressive and gradual **securitisation program**

Focus on **capital-light** products

Increasing efficiency of **loan back book** as it rolls, currently limiting revenue growth but serves as a **solid base to increase volumes in the future**

1. Average CoR (annualized) 1Q21 – 2Q23 for Group excluding Russia net of overlays

2. Figures refer to 2Q23 ex. Russia, EL on stock at 40bps when including Russia

3. Related to corporate clients

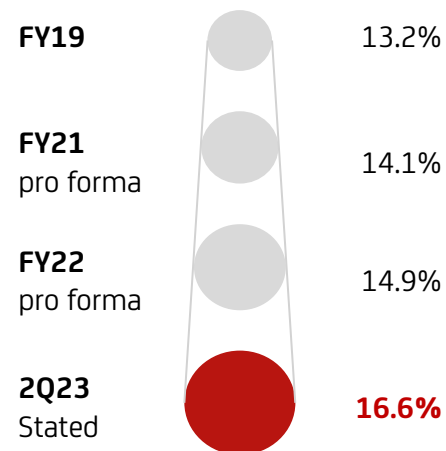
Delivering quality profitable growth: a trusted organisation



A trusted and reliable organisation, with a robust balance sheet

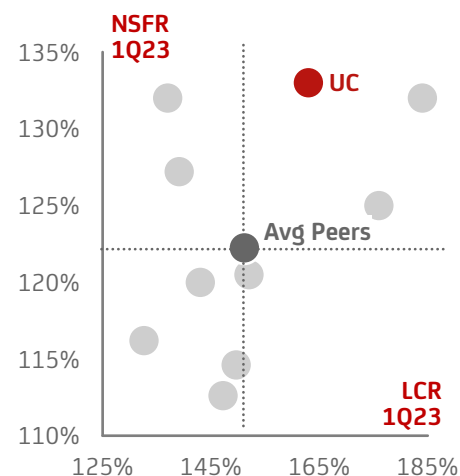
BEST-IN-CLASS CAPITAL POSITION

Continuously growing CET1r while distributing thanks to outsized organic capital generation



STRONG LIQUIDITY RATIOS

Better liquidity ratios than peers¹ and a self-funded balance sheet with **LTD at 90%**



HIGH QUALITY CREDIT PORTFOLIO

Strong credit portfolio with proactive staging

- » **Covered** more than peers² even excluding **overlays** stock of **c.1.8bn**
- » **c.80%** Investment grade exposure³ and only **c.1%** exposure to high-risk sectors³
- » **0.8%** default rate, lowest in recent years even before Covid

451_{bn}⁵

TARGETED INVESTMENTS

Investing wisely preserving long-term profitability

- ✓ **In our people, communities, and client experience:** maintaining a people-led, client-centric approach
- ✓ **In our products:** a fully-fledged offering for all our stakeholders: our clients, people and investors
- ✓ **In efficiency and our technology:** structural and cultural transformation from within

1. Publicly available data (Pillar 3) as of 1Q23; Calculated as simple average of the ratio for the following peers: BBVA, BNP Paribas, Commerzbank, Credit Agricole S.A, Deutsche bank, ING, Intesa Sanpaolo, Santander, Société Générale; UniCredit Group as of 1Q23 for comparison purposes 2. Higher coverage ratio than average peers (same group as previous note) in Stage 1, 2 and 3 as of 1Q23 (latest available) 3. Investment grade incidence based on EaD using differentiated local masterscales, computed on Group excluding Russia perimeter net of Retail and Private, Wealth Management 4. Performed assessment on selected Enterprises portfolio. See Annex for additional details. Total EaD reported including only Enterprises and Individuals segments 5. Total Net Customer Loans (incl. Repos)



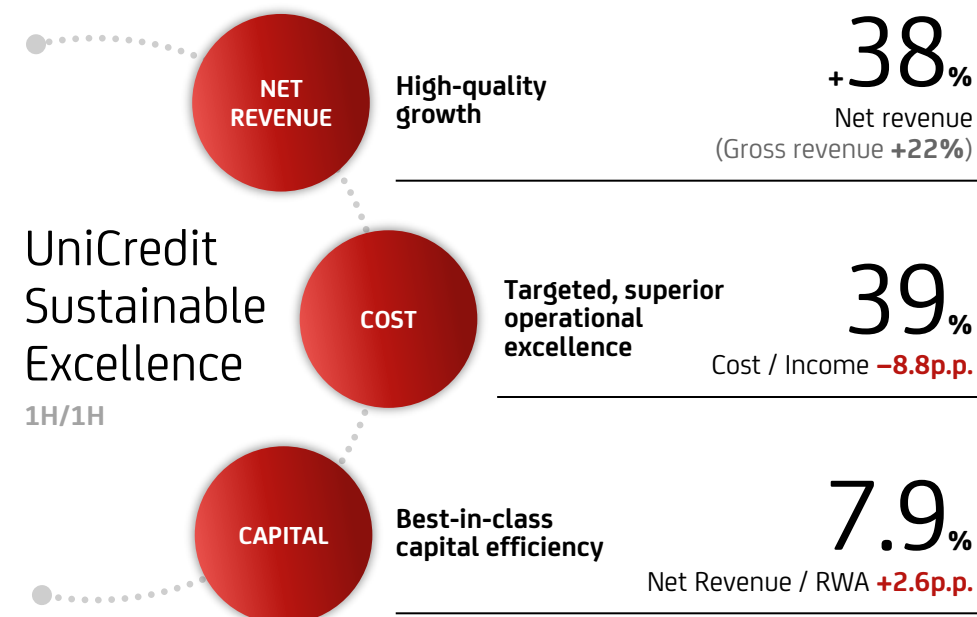
1H23 – 10th consecutive quarter of outstanding results

10th consecutive quarter of effectively balancing our three levers to deliver sustainable profitable quality growth, underpinning future distributions

KEY METRICS

In million	2Q23	Y/Y	Q/Q	1H23	1H/1H
Net Revenue	5,946	+24%	+2%	11,783	+38%
o/w NII	3,497	+41%	+6%	6,795	+42%
o/w Fees	1,905	-1% <small>+2% ex CAFR²</small>	-5% <small>-2% ex CAFR²</small>	3,901	-1% <small>Stable ex CAFR²</small>
o/w LLP	-21	n.m.	-78%	-114	-91%
Total Costs	-2,328	-1%	+0%	-4,655	-1%
GOP	3,639	+50%	+1%	7,242	+42%
Net Profit <small>2.5bn ex integration costs</small>	2,310	+15%	+12%	4,374	+92%
C/I Ratio	39%	-10.3p.p.	-0.2p.p.	39%	-8.8p.p.
RWA EoP (bn)	295	-7%	-1%	295	-7%
RoTE based on 13% CET1r	21.3%	+4.4p.p.	+0.9p.p.	20.8%	+11.2p.p.
CET1r Stated¹	16.6%			16.6%	

1H23 HIGHLIGHTS ACROSS OUR 3 LEVERS



All figures related to Group incl. Russia unless otherwise specified

1. Considering full FY22 distribution and 1H23 Cash dividend accrual

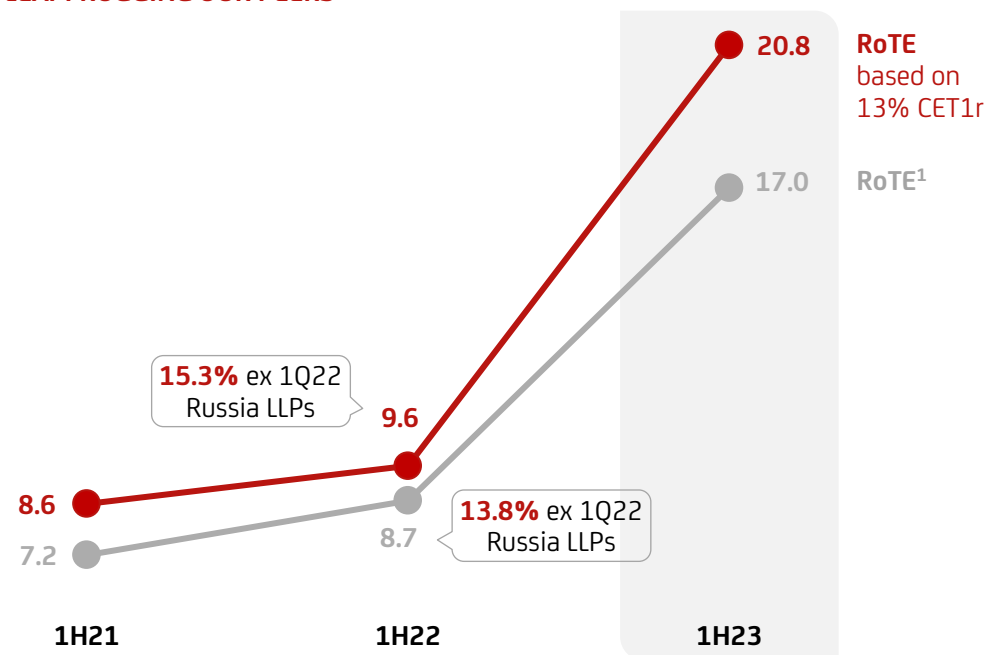
2. CAFR = Current Account Fee Reduction in Italy

Outstanding value generation for shareholders



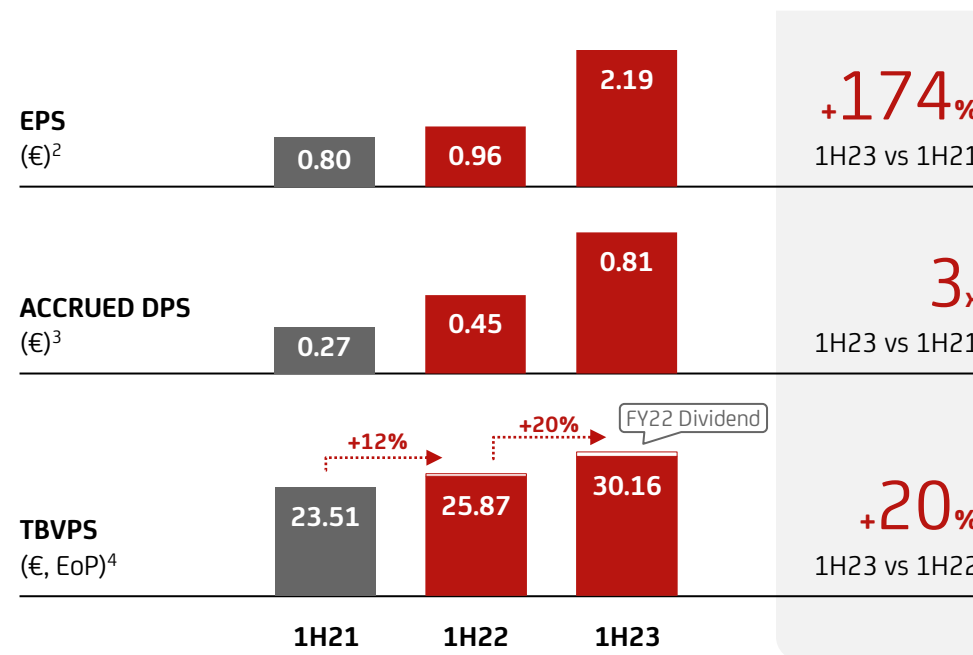
Continuing to improve our profitability

CONFIRMING STRONG ROTE TRAJECTORY AND
LEAPFROGGING OUR PEERS



Delivering on our commitment

PROGRESSIVE CASH DIVIDENDS AND SHARE BUYBACKS
TO INCREASE PER SHARE VALUES IN THE FUTURE



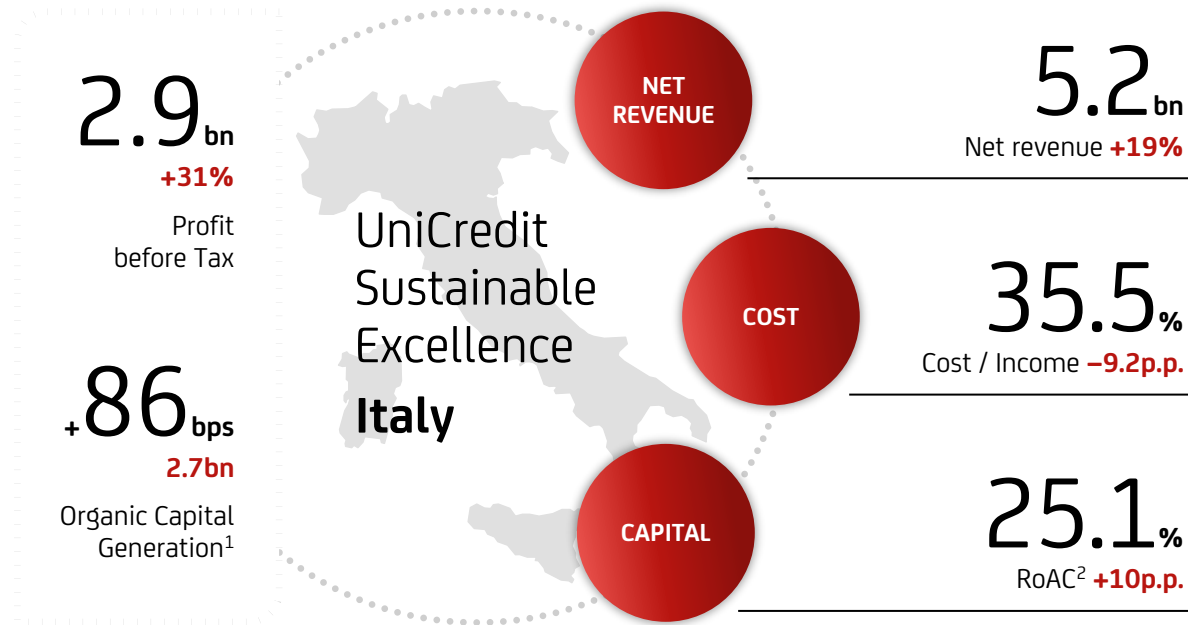
All figures related to Group incl. Russia unless otherwise specified

1. RoTE calculated with UniCredit Unlocked methodology (see end notes for details/definition) 2. Diluted EPS (see end notes for details/definition)

3. Accrued DPS calculated on the basis of the cash dividend accrual policy of the reference period (1H21: 30% of Group Underlying Net profit; 1H22: 35% of Group excl. Russia Net profit after AT1&Cashes coupons; 1H23: 35% of Net profit after AT1&Cashes coupons; please see end notes for further details) 4. Growth rate include DPS paid in the period



Italy: another excellent quarter of sustained quality profitable growth



- ✓ **Gross revenue: +23%**
- ✓ **NII: +66%** exceeding rates improvements through strict pass-through management
- ✓ **Fees: -5.2%** due to current account fee change (-2.6% excluding), management fees and securitization costs, partly offset by excellent results in AUC products and protection
- ✓ **CoR: 25bps** continuing high quality origination on already solid portfolio, NPE ratio at 2.4% and prudent coverage coupled with overlays at c.1.1bn protecting the future
- ✓ **Absolute cost base: -2.0%**
- ✓ Continuing investments in front-line and additional **c.370 new hires** in the network, renewed **c.110 branches**, financed by efficiencies for digitisation and streamlining of processes
- ✓ **Net revenue / RWA: 9.1% (+249bps)**
- ✓ **RWA efficiency: -15bn (-12%)** progressive RWA efficiency boosted by client profitability, capital efficiency and sustained active portfolio management with granular approach (reduction in sEVA negative exposure)



EMPOWERING COMMUNITIES TO PROGRESS

Communities Engagement

Launch educational pathways for SME and professionals, Young, Women & Senior through Banking Academy

Grow ESG Internal Competencies

230 additional colleagues certified in Sustainable Finance with Polimi and Open Es training



WIN, THE RIGHT WAY, TOGETHER

Best Bank

Euromoney Awards for Excellence in 2023:
- Best Bank in Italy
- Best Investment Bank in Italy

Online Banking

Buddybank awarded
"Italy's Best Customer Service 2023" among online banks³

ESG⁴

ESG Elite Award for Best ESG Standard Ethics Rating

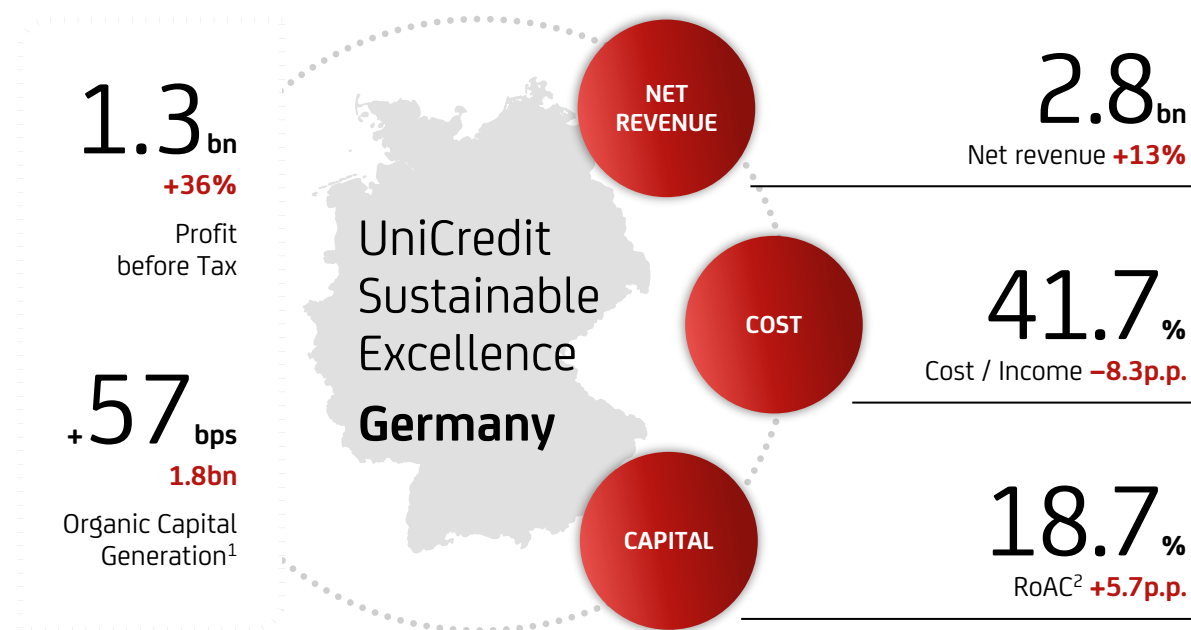
Data as of 30 June 2023, 1H for P&L, all deltas 1H/1H

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. Survey conducted by L'Economia, Corriere della Sera in collaboration with Statista (international company specialized in market research) on more than 15k consumers 4. Source: Standard Ethics agency



Germany: ongoing structural transformation delivers record first half



- ✓ **Gross revenue: +14%**
- ✓ **NII: +9%** commercial NII +51% backed by limited pass-through, partly compensated by higher funding costs on markets positions, resulting in higher trading
- ✓ **Fees: +5%** successful delivery on capital light corporate financial advisory business and investment fees
- ✓ **CoR: 8bps** structurally low COR thanks to solid NPE ratio at 2.1%, prudent coverage at 34.2% coupled by stock overlays at c.0.2bn protecting the future
- ✓ **Absolute cost base: -5.3%**
- ✓ Operational excellence resulting again in **top tier Cost / Income** driven by ongoing industrial transformation while **continuing investing in our clients and in front-line**, introducing a cashless advisory model local, high quality customer advice
- ✓ **Net revenue / RWA: 7.3% (+113bps)**
- ✓ Capital excellence with progressive **RWA efficiency: (-5%)** boosting capital adjusted returns with **RoAC >2x Germany internal Cost of Equity**



EMPOWERING COMMUNITIES TO PROGRESS

Green Lending
Strong increase in Energy Efficiency lending

ESG Training
111 new certified Sustainable Finance experts for a total of 660

Social Impact Banking
Extended Lending for residential building for vulnerable groups, e.g. women in need of protection



WIN, THE RIGHT WAY, TOGETHER

Best Bank: Top Employer Germany for 13th time in a row, received the EDGE Move certification for DE&I in 2022

Retail network: Introduction of cashless advisory branch model for local, high-quality customer advice

Digital: Integration of COO into CDIO to simplify the future digitisation of processes for a full E2E and customer-focused approach

Corporate Portal
Go-live of Power of Attorney self-service and integration of qualified digital signature

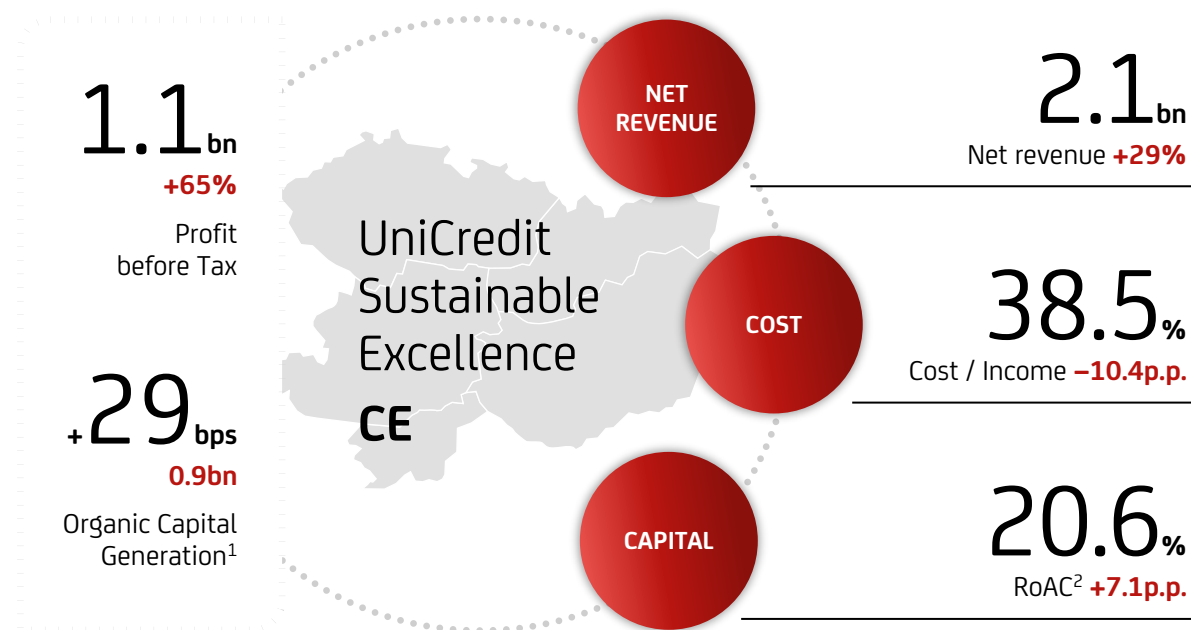
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2. Annualized ratio between (i) Net profit after AT1/Cashes minus excess capital charge and (ii) allocated capital



CE: confirming high profitability with sound costs and risk profile



- ✓ **Gross revenue: +27%**
- ✓ **NII: +39%** favorable rates dynamic and active management of the interest rates
- ✓ **Fees: -2%** transactional and financing up while investment still follow general market pressure
- ✓ **CoR: -13bps** LLPs releases driven by NPE repayments and low defaults, supported by solid gross NPEr at 2.7%, NPE coverage 46.6% and >0.2bn overlays to protect the future
- ✓ **Absolute cost base: -0.5%**
- ✓ Controlled costs Y/Y despite inflation
- ✓ All countries with Cost / Income <43%. Austria -c.18p.p. Y/Y
- ✓ **Net revenue / RWA: 6.9% (+156bps)**
- ✓ Improving **RWA efficiency** despite Regulatory Headwinds, almost stable risk density
- ✓ Austria: Confirmed double digit RoAC c.10p.p. Y/Y



EMPOWERING COMMUNITIES TO PROGRESS

Green Mortgage Covered Bond
Successfully issue of first Green Mortgage Covered Bond in Czech Republic under UniCredit's Sustainability Bond Framework

Financial education: "Girls Go Finance" event, to strengthen girls understanding of finances and empower them to become strong and independent adults (Austria)

ESG Focus: Corporate event, signed sponsorship of initiative ESG Champion with Finance newspaper, process of obtaining Green Star certificate ongoing (Slovenia)



WIN, THE RIGHT WAY, TOGETHER

Enhancement of Retail digitalisation: 67k new clients in 1H23 o/w 40% remotely (Czech Rep. & Slovakia)

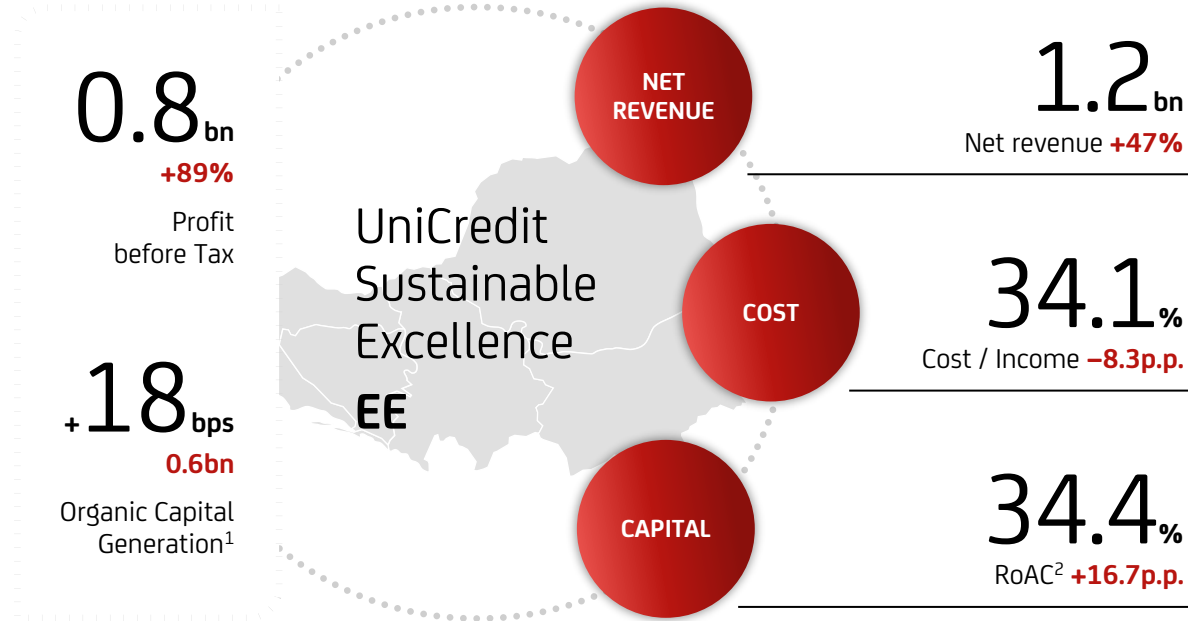
Awards:
Best Bank in Austria³
Best sub-custodian bank in Hungary and Slovenia⁴

Data as of 30 June 2023, 1H for P&L, all deltas 1H/1H unless otherwise specified at constant FX

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. Source: Euromoney 4. Source: Global Finance



EE: profitable growth driven by business intensity and efficiency gains



- ✓ **Gross revenue: +31%**
- ✓ **NII: +44%** positive rate dynamics and strong commercial high-quality growth in both Retail and Corporate
- ✓ **Fees: +4%** driven by Transactional and Financing fees with franchise less exposed to investment fees volatility
- ✓ **CoR: -19bps** LLPs released leveraging solid NPE ratio at 4.7% with further improved coverage
- ✓ **Absolute cost base: +5.4%**
- ✓ Reduction of Cost / Income despite inflation of 13.4% in 2022, due to continuous efficiency improvement and investments in further digitalisation and automation
- ✓ **Net revenue / RWA: 9.2% (+295bps)**
- ✓ Continuous focus on RWA efficiency boosted by improved portfolio risk density and prudent new origination, resulting in record quarterly RoAC



EMPOWERING COMMUNITIES TO PROGRESS

Dedicated social programs for vulnerable groups
Development programs for children and youth in Romania; Assisting employers of vulnerable social groups in Serbia

Supporting Green Investments
€170mn of new lending business in Renewable Energy Sources capacities in Bulgaria



WIN, THE RIGHT WAY, TOGETHER

Business Model Transformation
Introduction of Cashless branches in Bulgaria
Joint Lead Arranger for €1.5bn Eurobond issuance in Croatia

Awards

Euromoney Best Service and Market Leader in Bosnia and Herzegovina, Bulgaria and Serbia
Euromoney Best Bank in Bosnia and Herzegovina, Bulgaria and Croatia
Global Finance Best Bank in Bulgaria

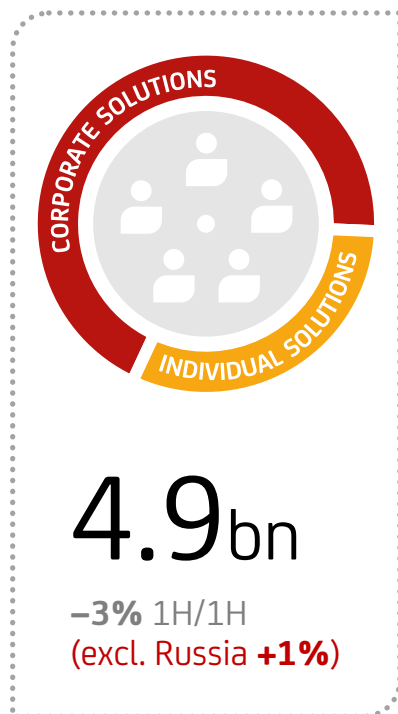
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Client Solutions: resilient results while scaling up model

Enhancing our product factories and capitalising on scale and scope, providing best-in-class products



**ADVISORY
& CAPITAL
MARKETS**

0.3bn
+7% 1H/1H

Higher margins due to more senior roles on our clients' transactions (#1 by fees in Home Markets)

**TRANSACTIONS
& PAYMENTS**

1.3bn
+12% 1H/1H

Capturing more flows through digitalisation and enhanced payment solutions

**CLIENT
RISK
MANAGEMENT**

1.0bn
-13% 1H/1H
(0% excl. Russia)

Expansion of client base leveraging digitalisation, advisory services and product catalogue expansion (e.g. Margin Loans)

**SPECIALISED
LENDING**

0.7bn
-9% 1H/1H

Consolidating leadership position, while exploiting capital efficiency measures

**LIFE
INSURANCE**

0.4bn
-13% 1H/1H

Preserving the leadership position and the quality of the business mix

PROTECTION

0.1bn
+11% 1H/1H

New Group omni-channel platform and Allianz partnership to accelerate product innovation and increase penetration

**FUNDS &
PORTFOLIO
MANAGEMENT**

0.8bn
-8% 1H/1H

Higher retention of fees, by launching additional onemarkets funds coupled with upcoming Nova IM offer

**BROKERAGE &
ASSETS UNDER
CUSTODY**

0.2bn
+19% 1H/1H

Leadership in structured products matching the growing demand for capital protected and inflation-linked solutions

3.3bn
-2% 1H/1H
(+3% excl. Russia)

1.5bn
-4% 1H/1H

All figures related to Group incl. Russia unless otherwise specified



Building a better future for all our stakeholders



Delivering on our purpose ...

We play a pivotal role in our society, extending our impact beyond financial services.

Fostering a more sustainable, inclusive and equitable future.

... Empowering Communities to Progress



COMMUNITIES:

Proactively supporting our clients and communities

- **UniCredit per l'Italia:** sustaining the liquidity of Italian businesses with total commitment of **€10bn**
- Set targets for **Financial Health & Inclusion** as part of our PRB commitment
- **Emilia Romagna:** assistance package for May '23 flooding
- **275 Group-wide volunteering initiatives**

ENVIRONMENTAL:

Leading by example

- Member of **Net Zero Banking Alliance**, with Net Zero targets already defined for own and financed emissions on 3 priority sectors
- Member of **Ellen MacArthur Foundation** to foster circular economy
- **1st** Italian bank in **Finance for Biodiversity Pledge**
- **Partnership with EIF:** channeling **€1bn** to small businesses across 7 CEE countries

EQUALITY:

Pioneer in the fight against discriminations

- Official **Pride parade sponsor: 1st** among peers in Italy, Austria and Germany
- Official **sponsor of ALL4ONE** for Paralympic sports
- Deployed **dedicated courses** for our people on DE&I principles and unconscious bias
- **€100m** to close gender gap on an equal pay for equal job basis during 2022-24

CULTURE:

Supporting and cultivating the arts

- Heritage of **tens of thousands works of art** in Italy, Germany and Austria
- San Carlo Theatre Naples, Filarmonica della Scala, Arena di Verona, Bavarian State Opera

PEOPLE:

Energised and driving change from within

- **Culture Day 2023:** gathering 30,000 people for the first time, including within the Metaverse
- **UniCredit University:** upskill and reskill Group-wide

EDUCATION:

Investing in our future leaders

- **UniCredit Foundation** total investments of **€20m** into youth and education support in 2023
- **Partnership with JA Europe** to invest **€6.5m** in education initiatives across 10 countries
- **315,000 beneficiaries** of financial education activities since '22, incl. Banking Academy programs

INNOVATION:

Driving transformative change

- **Partnership with Open-es:** supporting our corporates in a just and fair transition
- **>700** start-ups screened in **StartLab '23** edition with ESG impact
- **80 Female Founders** start-ups supported in '20-'23 through special programs



DELIVERING QUALITY PROFITABLE GROWTH

Financial highlights 2Q23

S. PORRO (CFO)



Strong revenue driven by net interest income and growth across all lines

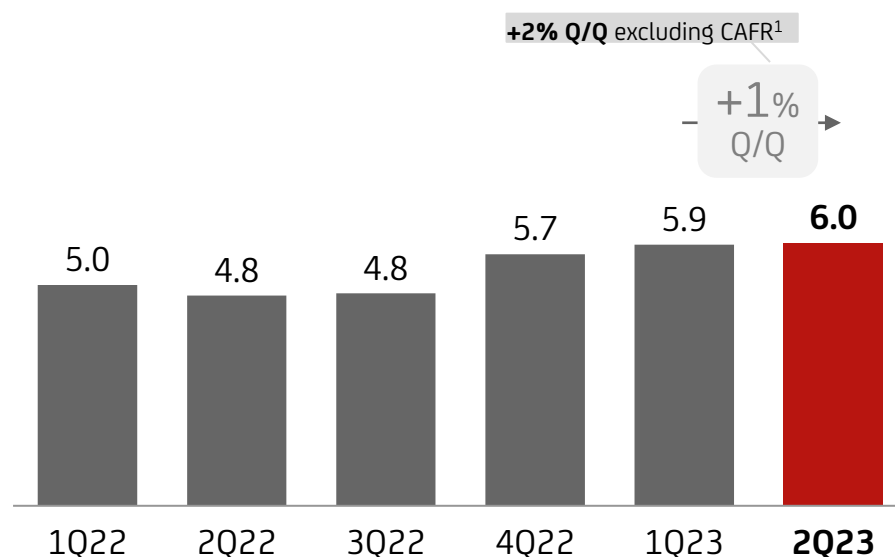
Excellent net interest income with robust client driven fees and trading activity

Revenue, bn



+22%
1H/1H

+28% 1H/1H excluding
TLTRO+Tiering+ELF and CAFR¹



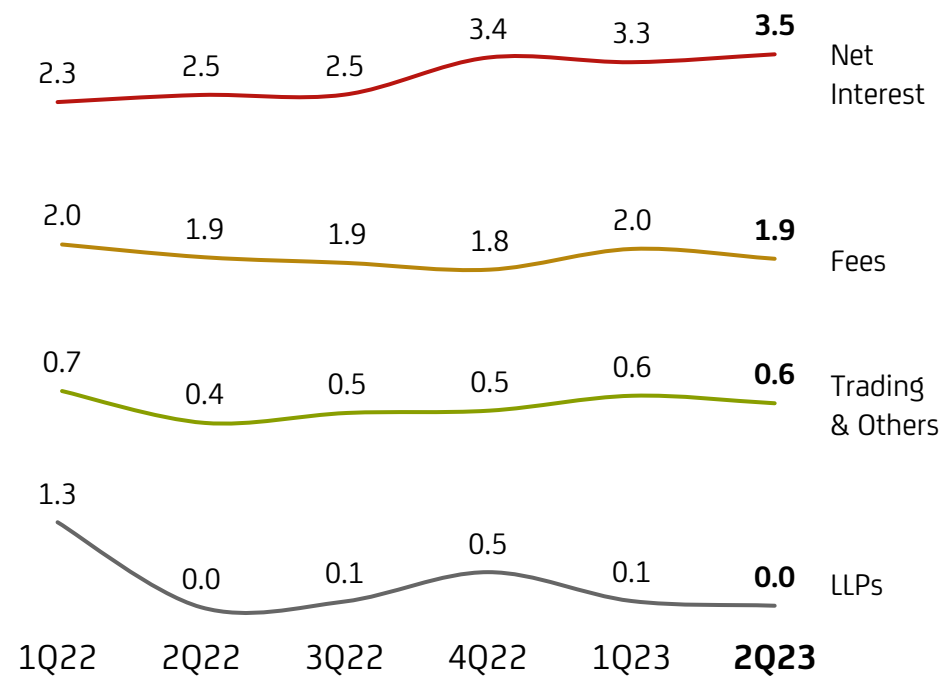
+2% Q/Q excluding CAFR¹

+1%
Q/Q

+25%
Y/Y

+32% Y/Y excluding
TLTRO+Tiering+ELF and CAFR¹

Revenue and LLPs quarterly evolution by item, bn



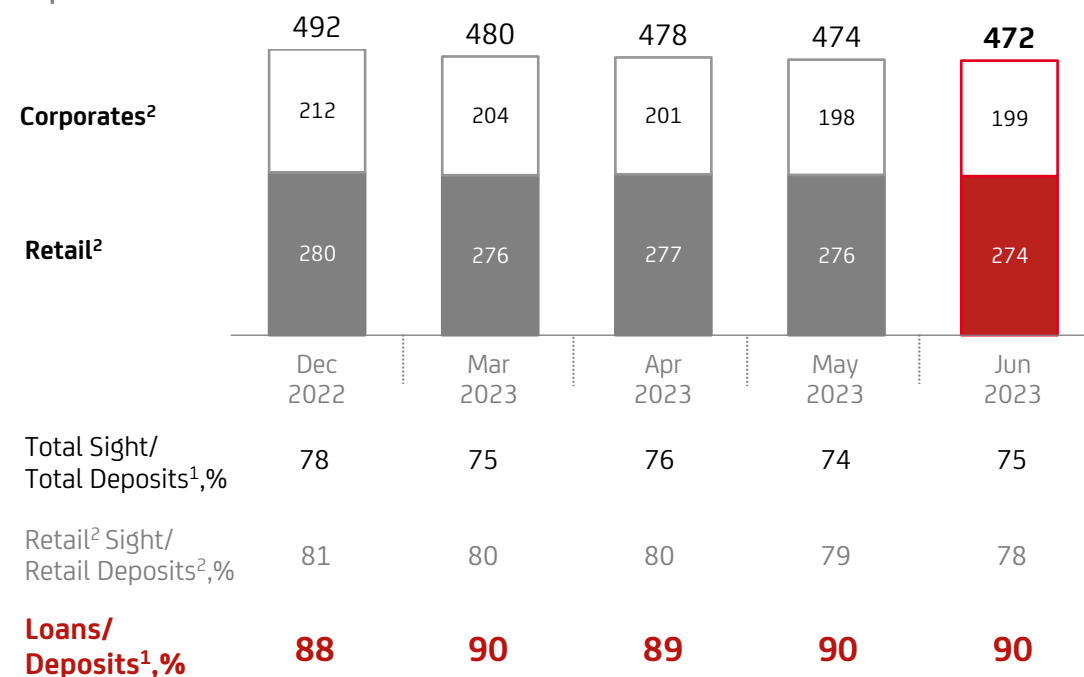
2Q23 Net revenue at **5.9bn**
+32% Y/Y excluding
TLTRO+Tiering+ELF and CAFR¹ **+24% Y/Y**



Ample liquidity, TLTRO substantially repaid

LOANS / DEPOSITS¹ WELL BELOW 100%

Deposits¹ - EOP



DEPOSIT MIX: >80% IN RETAIL AND SME CLIENTS

- **Granular**, behaviourally sticky, **transactional** accounts
- >55% guaranteed³ at Group level; average **retail balance⁴ <20k/€** (c.70% guaranteed³)
- Retail deposits mostly **sight**: almost entirely in Italy as per market; term in Germany at c. 30%

DEPOSIT TRENDS: RETAIL DEPOSITS BROADLY STABLE, CORPORATES DOWN REFLECTING MARKET TRENDS. **MARKET SHARES** GENERALLY **STABLE⁵**

- Retail 1H/1H evolution more than compensated by c.**+10bn net AUC sales in 1H23**
- Large corporates 1H/1H evolution reflects deployment of excess liquidity and our focus on pricing

LCR >140% as of 2Q23

NSFR >130% as of 2Q23⁶

within managerial target range, notwithstanding 94bn or 88% TLTRO repayment since Dec-22⁷



Excellent net interest income and FY23 guidance increase

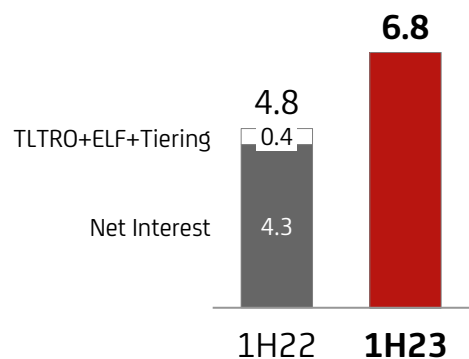
Supportive rate development combined with well managed deposit pass through

Net interest, bn

1H23 avg deposits
pass through: c. 23%

Avg Euribor 3M: +73bps Q/Q, +372bps Y/Y
2Q23: 3.36%; 1Q23: 2.64%; 2Q22: -0.36%

2Q23 avg deposits
pass through: c. 24%



+56% 1H/1H excluding
TLTRO+Tiering+ELF

+42%
1H/1H

Gross commercial
performing loan
volumes average

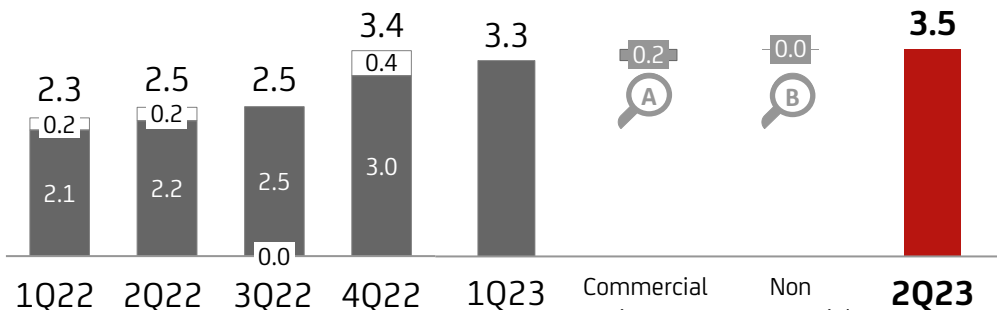
410

406

Net interest
margin (NIM)²

1.3%

2.1%



408

412

416

412

408

404

1.2%

1.3%

1.3%

1.9%

2.0%

2.1%

≥13.2bn
FY23 guidance
update

MAIN DRIVERS

NII impact
vs
prior guidance

ASSUMPTIONS

DEPOSIT BETA:

FY23 avg
slightly below 30%
(exit run rate below 40%)



INTEREST RATES:

DFR (EoP) at 3.75%
(by the end of 3Q23, flat after)

VOLUMES AND CREDIT SPREAD

Marginal improvement on spread partially
offset by lower assumed volumes

SENSITIVITY

± 1 p.p. = c. 130m
(annualized)

+ 50bps = c.+300m
(annualized)



Loans: Volumes -36m; Rates +439m;
Deposits: Volumes +13m; Rates -228m



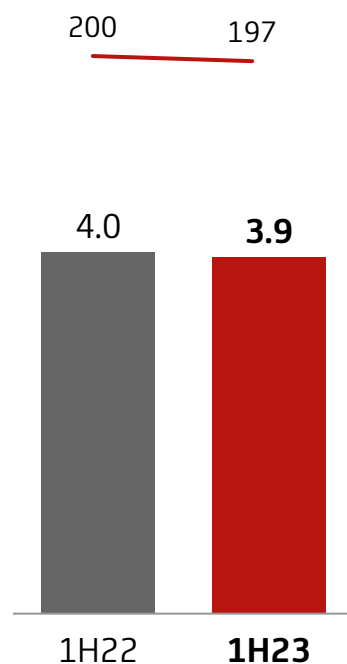
Inv. Ptf / Term funding +29m;
Days effect +20m;
Treasury / Other items -38m



Fees up net of impact of current account fee reduction in Italy

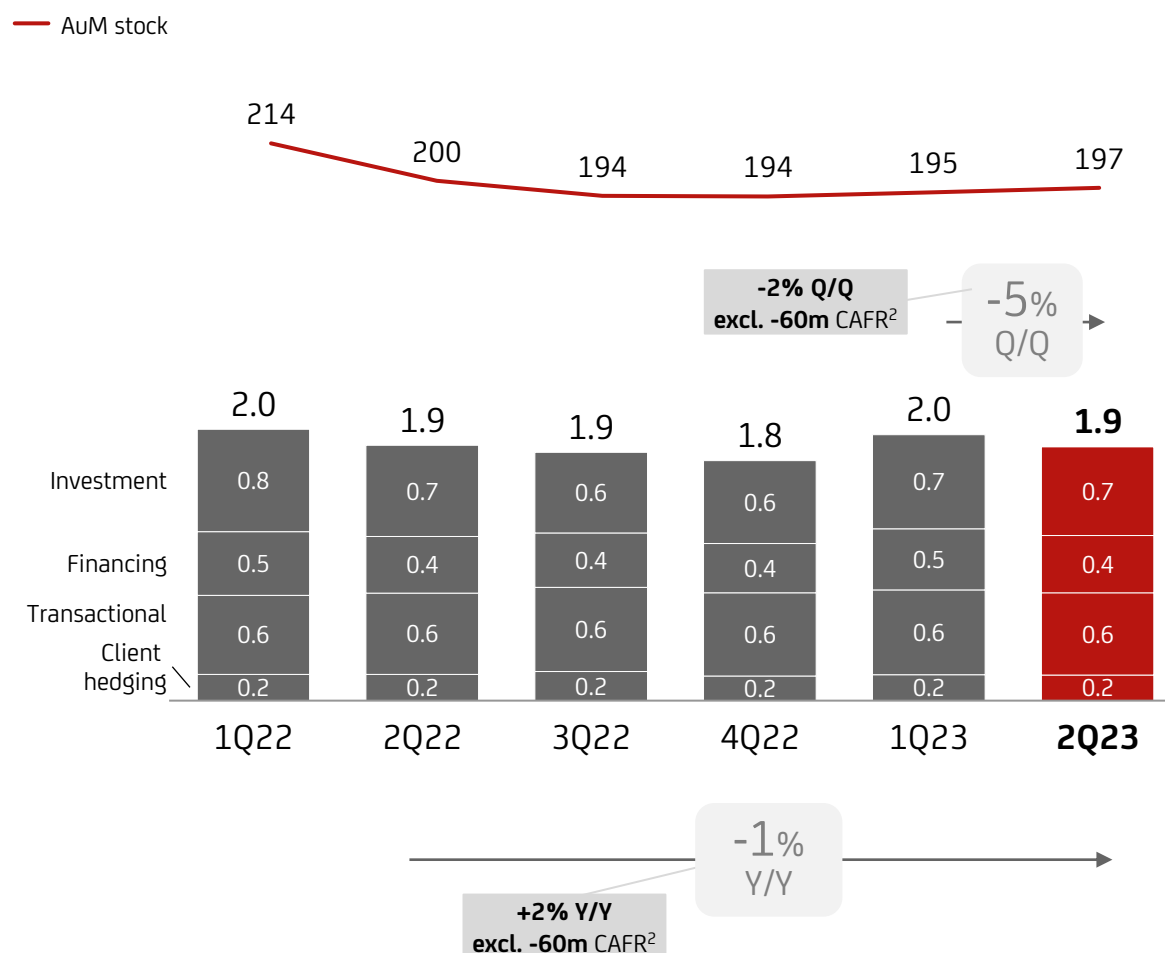
Good Financing and Transactional performance; Investment impacted by market trends and client appetite

Fee¹, bn



Stable 1H/1H
excl. -60m CAFR²

-1%
1H/1H



Change by fee categories

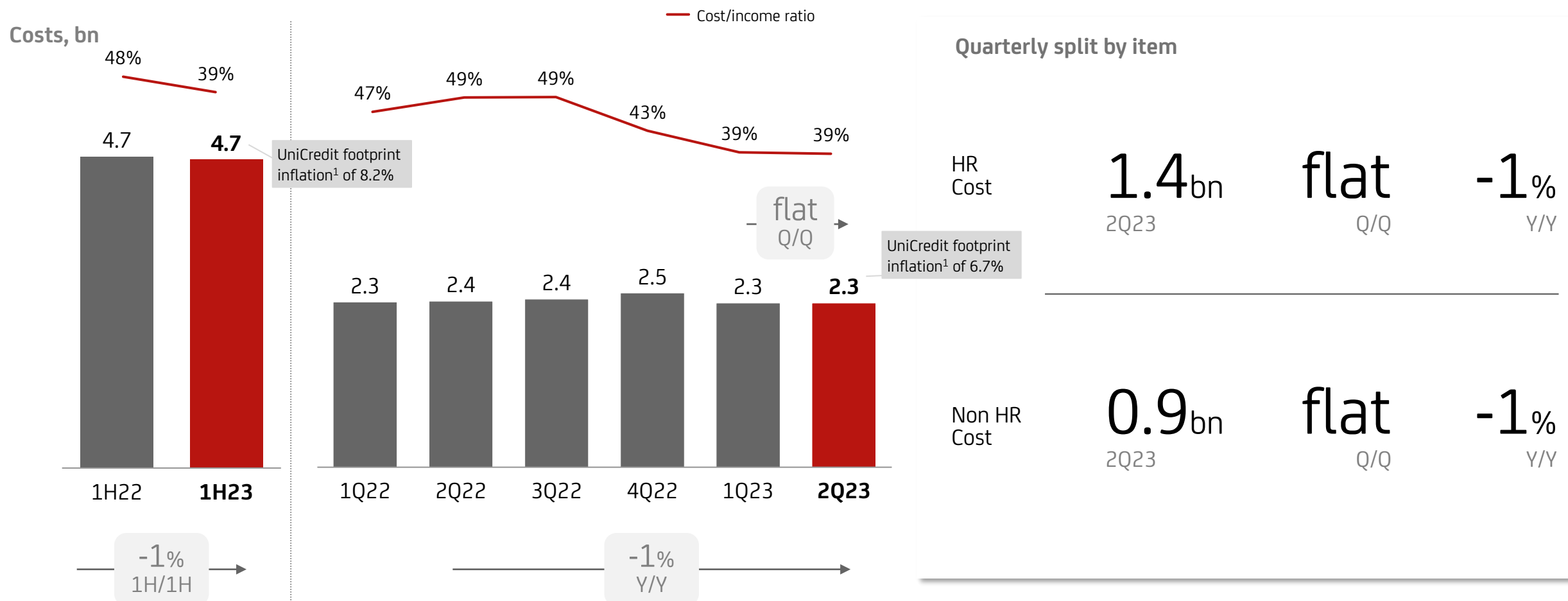
Investment	-6% Q/Q	-3% Y/Y
Financing	-6% Q/Q	+2% Y/Y
Transactional	-3% Q/Q	+1% Y/Y
Client hedging	-1% Q/Q	-2% Y/Y

+11% Y/Y
excl. -60m CAFR²

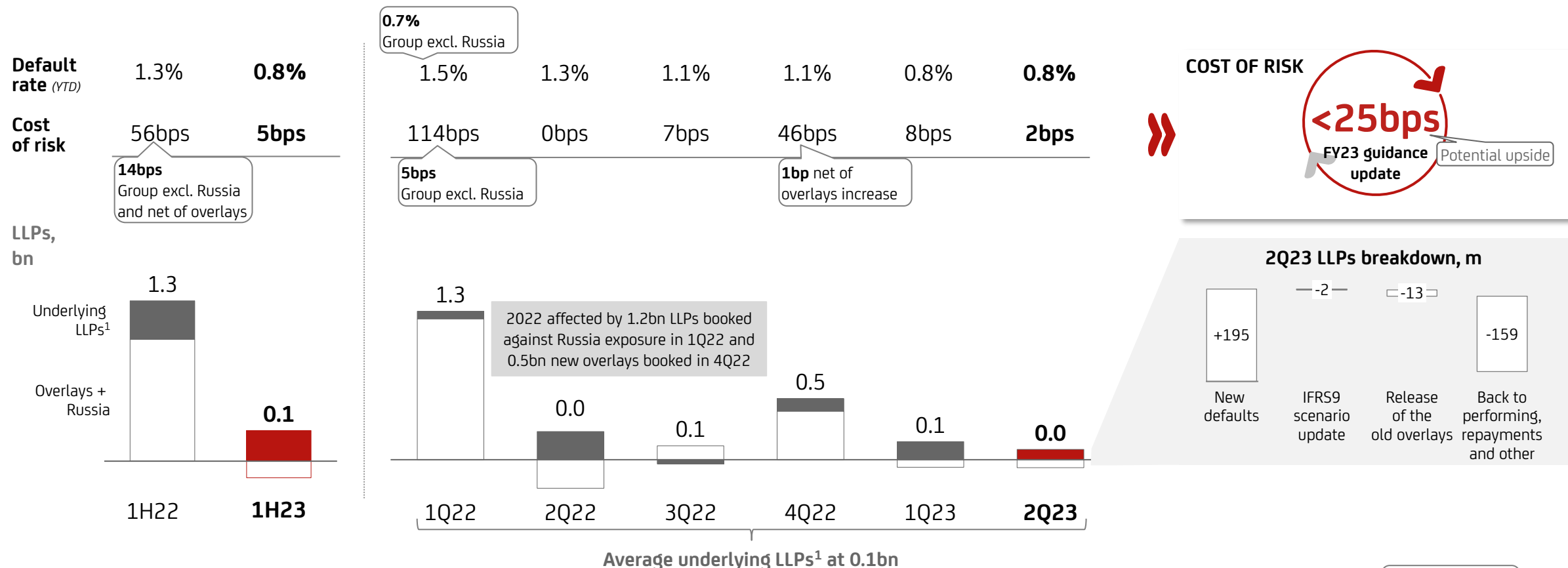


Costs continue downward trajectory despite inflation

Reaping benefits of prior actions and protecting future cost base through efficiency initiatives



Negligible cost of risk, low default rate leads to FY23 guidance update



Overlays stable at c.1.8bn in 2Q23 equivalent to c. 40bps of cost of risk

Default rate at 0.8%, confirming the good quality of the portfolio

Expected Loss on stock stable at 40bps. Expected loss on new business at 27bps



Further reduction in NPEs, stable coverage

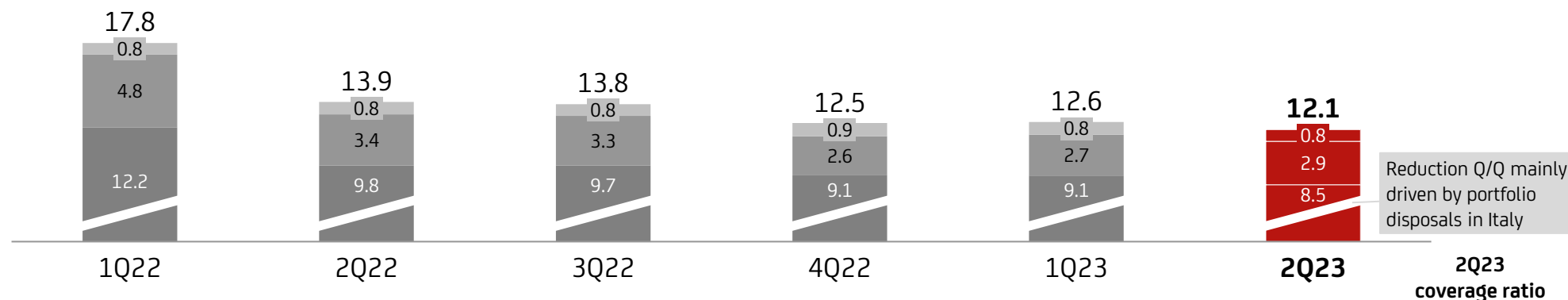
Gross NPE ratio	3.8%	2.9%	2.9%	2.7%	2.7%	2.6%
Net NPE ratio	1.9%	1.5%	1.5%	1.4%	1.4%	1.4%

Total gross NPE

Gross past due

Gross bad loans

Gross UTP



NPE coverage ratio broadly stable at 48% on book, mostly UTP and Past Due



2Q23 net bad loans **at 0.7bn** and net bad loan **ratio at 0.2%** (net bad loans/CET1 capital at 1.5%)



NPE coverage does not factor in provisions on performing loans (1.2% coverage including c.1.8bn overlays)

Gross UTP + Past Due / Gross NPE

79% → 76%

40%

Gross bad loans / Gross NPE

21% → 24%

75%

NPE coverage ratio

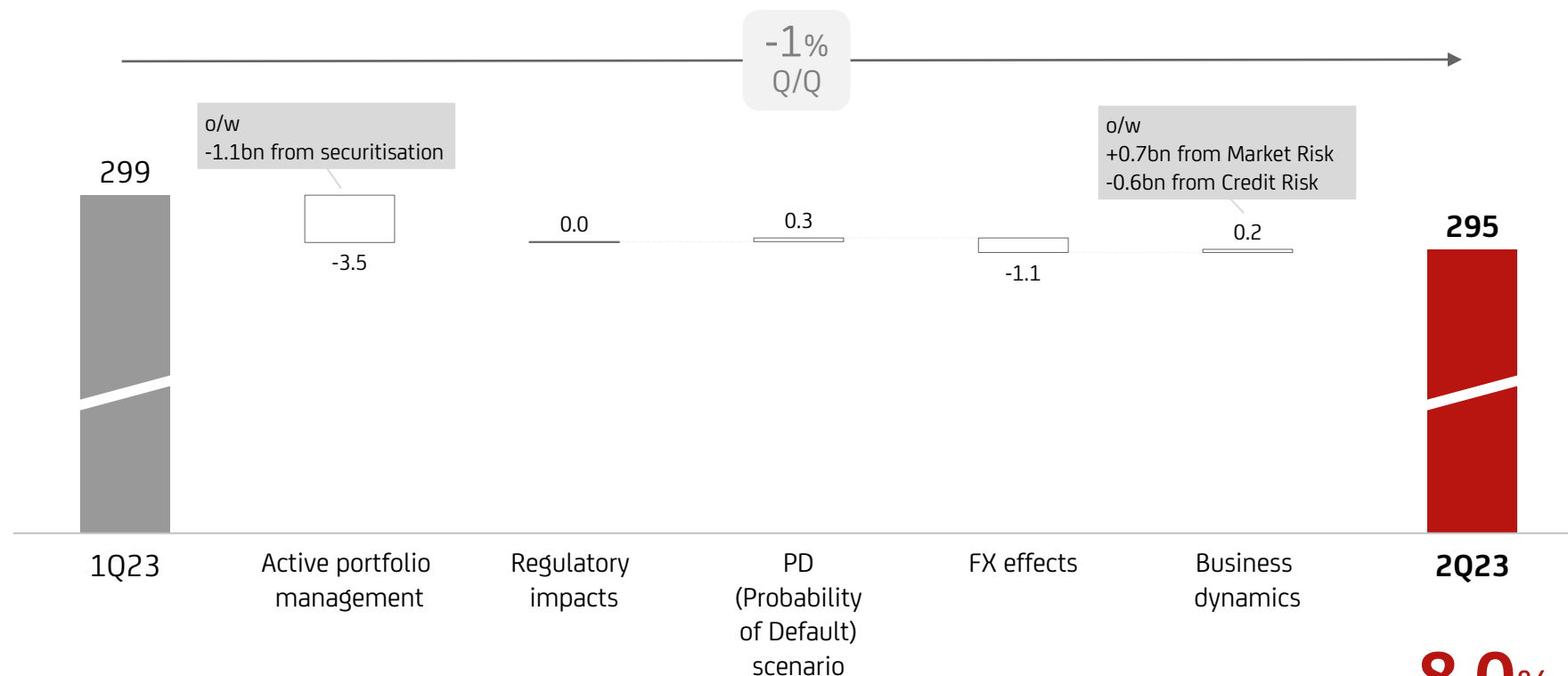
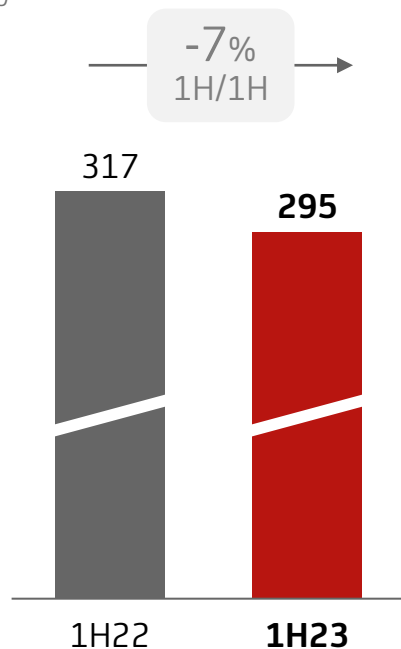
48%

48%

RWA well managed with continued efficiencies and lower credit risk

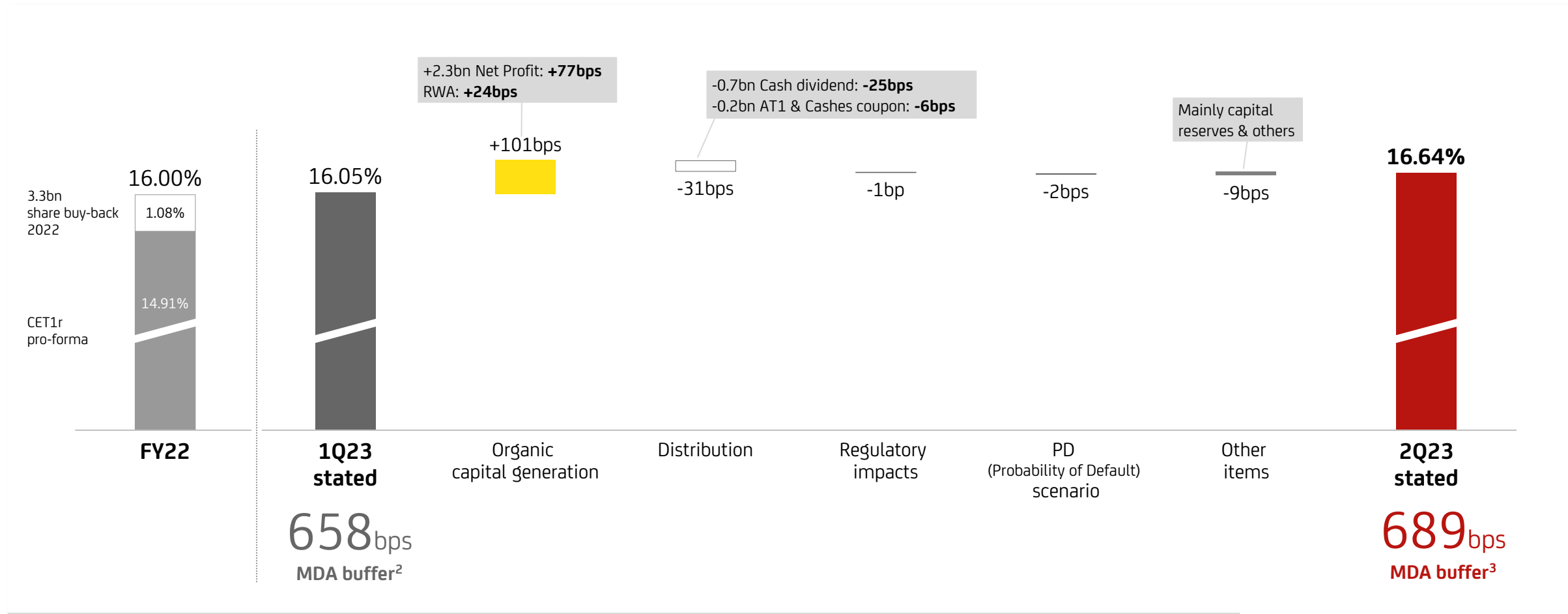
RWA walk, bn

Group



Net Revenue / Avg RWA
8.0%
 +2.1p.p. Y/Y

Very strong CET1r thanks to superior organic capital generation



As of 30 June 2023: +10bps parallel shift of BTP asset swap spreads has -2.3bps (-69m) pre and -1.7bps (-50m) post tax impact on the fully loaded CET1 ratio



FUTURE GUIDANCE AND CLOSING REMARKS

The Bank for Europe's future

A. ORCEL (CEO)



Continuous focus driving results



IMPROVED ...

➤ **Further Improved** rate scenario and pass-through assumptions

Rates:

2023¹ c.3.35%

2024¹ c.3.30%

Avg. pass-through

2023 slightly <30%

2024 slightly <40%

➤ **Stable GDP growth** with yet no signs of credit deterioration

➤ **Clients are adjusting rapidly** and showing resilience

FY23 guidance

VS. PREVIOUS GUIDANCE

Net Revenue	>21.5bn	↑
o/w Net Interest	≥13.2bn	↑
o/w Cost of Risk	<25bps	↓
Total Costs	<9.6bn	→
Net Profit²	≥7.25bn	↑
RWA (End of Period)	<300bn	↓
RoTE based on 13% CET1r³	c.17%	↑
Organic Capital Generation	c.300bps	↑
Distribution⁴	≥6.5bn	↑

1. Average 3M Euribor Rate. End-of-Period ECB Deposit Facility Rate “DFR” (assumptions) at 3.75% by end of 3Q23, stable in 4Q23, decreasing in 2024

2. “Net profit” means Stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test, pre AT1 and cashes coupons which for FY23 are expected to be around 0.4bn after tax and post integration costs which for FY23 are expected to be around 0.5bn before tax

3. RoTE based on stated net profit adjusted for AT1 and CASHES coupons and impacts from DTA on Tax Loss Carried Forward resulting from sustainability test

4. Distribution subject to supervisory and shareholder approvals

Forward-looking management priorities

Working to anticipate future trends

2023

2024

Limit

NII REDUCTION

Tightly managing pass-through across each of our 13 banks

Focus on selected volume growth and pricing optimisation

Reaping the benefits from our ALM strategy

Boost

FEE GENERATION

Investments in Advisory & Capital Markets

Growing our Wealth and Private Banking business

Payment Group business unit under development

Boosting protection business, now at scale

Target

COST REDUCTION

Continue rationalising HQ and central functions, today's integration costs fuel future savings

Re-negotiating local supplier contracts at Group level

Simplifying tasks through process optimisation

Non operating costs: expected reduction in systemic charges and integration costs

Maintain

LOW COR

Sound portfolio, high coverage and proactive staging

Potential to release c.1.8bn of overlays over time

Continued focus on high quality origination

Continue

RWA EFFICIENCY

Continue progressive and gradual securitisation program

Focus on capital-light products

Increasing efficiency of loan back book as it rolls

Preparing for a 2024 with profitability and distributions broadly in line with 2023

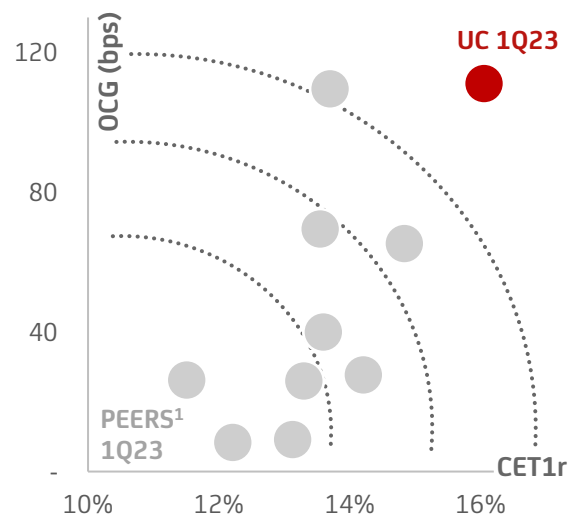


Our distributions: top-tier, sustainable and balanced

Top-tier and Sustainable

ATTRACTIVE SHAREHOLDER DISTRIBUTION

Best-in-class organic capital generation and CET1 supporting top-tier distributions while accumulating capital to underpin the future



DISTRIBUTION YIELD² **16%**

Distribution / Organic Capital Generation (%)

FY21



FY22



FY23e³

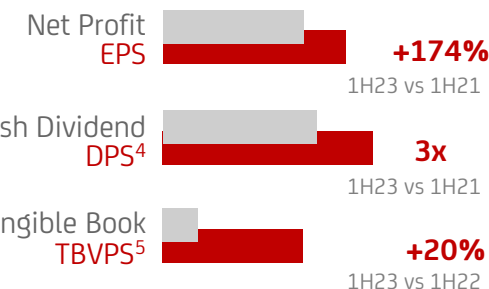
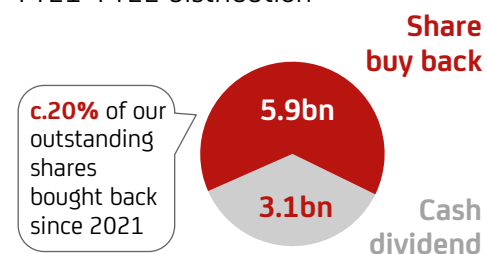


Balanced approach

TO ENHANCE SHAREHOLDER VALUE

Currently skewed towards share buy back due to compelling accretion at the current valuation

FY21–FY22 distribution



Solid

OUTLOOK FOR THE FUTURE

Continuing to deliver top tier distribution for the foreseeable future, with sustainable profitability and the possibility to release excess capital.

Increased cash component as re-rating occurs will be further propelled on a per share basis from the share buy backs performed at discount.

1. Publicly available data as of 1Q23 for the following peers: BBVA, BNP Paribas, Commerzbank, Credit Agricole S.A., Deutsche bank, ING, Intesa Sanpaolo, Santander, Société Générale;

2. 2023 Distribution Guidance divided by market capitalization (40bn) as of 21.07.2023 3. Distribution subject to supervisory and shareholder approvals

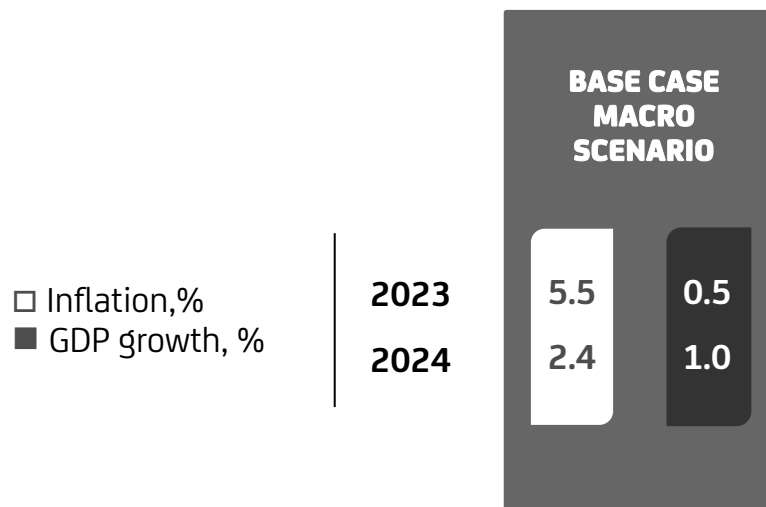
4. Accrued DPS calculated on the basis of the cash dividend accrual policy of the reference period (1H21: 30% of Group Underlying Net profit; 1H22: 35% of Group excl. Russia Net profit after AT1&Cashes coupons; 1H23: 35% of Net profit after AT1&Cashes coupons; please see end notes for further details 5. Growth rate include DPS paid in the period

Annex

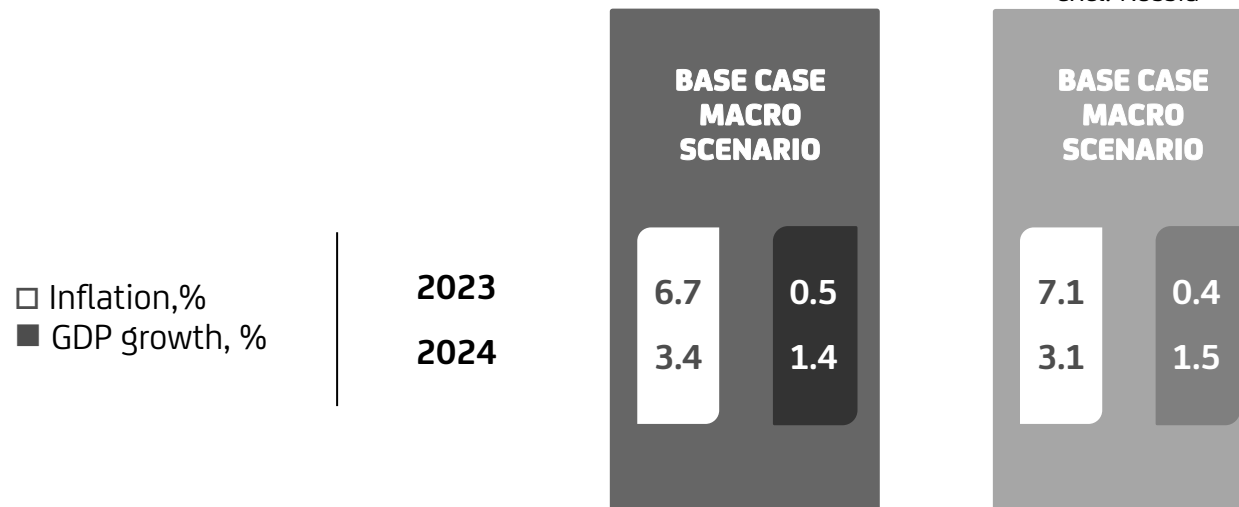


Updated base case macro scenario

EUROZONE Scenarios 2023-2024



UNICREDIT FOOTPRINT Scenarios 2023-2024



Group P&L and selected metrics

All figures in bn <i>Unless otherwise stated</i>	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	1H22	1H23
Revenue	5.0	4.8	4.8	5.7	5.9	6.0	9.8	11.9
Costs	-2.3	-2.4	-2.4	-2.5	-2.3	-2.3	-4.7	-4.7
Gross Operating Profit	2.7	2.4	2.4	3.2	3.6	3.6	5.1	7.2
LLPs	-1.3	0.0	-0.1	-0.5	-0.1	-0.0	-1.3	-0.1
Net Operating Profit	1.4	2.4	2.4	2.7	3.5	3.6	3.8	7.1
Systemic Charges	-0.7	-0.1	-0.3	-0.0	-0.6	-0.0	-0.8	-0.7
Integration Costs	-0.0	0.0	-0.0	-0.3	-0.0	-0.2	0.0	-0.2
Stated Net Profit	0.3	2.0	1.7	2.5	2.1	2.3	2.3	4.4
Used for guidance Net Profit	0.3	2.0	1.7	1.6	2.1	2.3	2.3	4.4
Used for cash dividend accrual/total distribution and RoTE/ RoAC calculation Net Profit after AT1/CASHES	0.3	1.8	1.7	1.5	2.1	2.1	2.1	4.2
Cost / Income ratio, %	47	49	49	43	39	39	48	39
Cost of Risk, bps	114	0	7	46	8	2	56	5
Tax rate, %	55%	19%	18%	n.m.	24%	28%	26%	26%
CET1r (stated), %	14.00%	15.73%	15.41%	16.00%	16.05%	16.64%	15.73%	16.64%
RWA	329.9	316.7	320.0	308.5	298.8	294.8	316.7	294.8
RoTE, %	2.3%	15.1%	13.7%	11.8%	16.8%	17.2%	8.7%	17.0%
Diluted EPS, Eur	0.13	0.84	0.81	0.73	1.06	1.12	0.96	2.19
Tangible book value per share, Eur	24.2	25.9	27.2	28.4	28.5	30.2	25.9	30.2



Russia exposure details

As of Jun-23

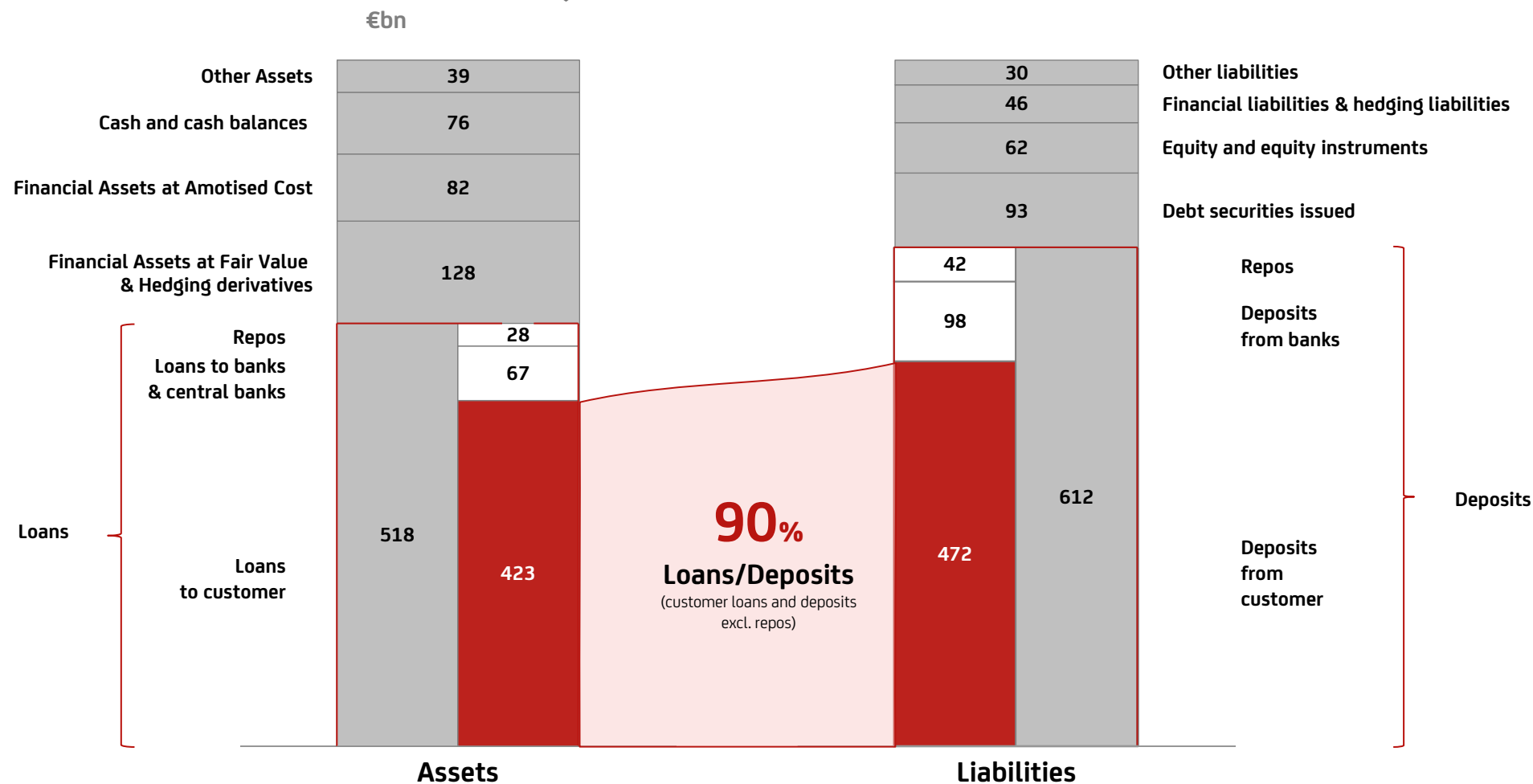
	GROSS MAX EXPOSURE	GROSS EXTREME LOSS ASSESSMENT ¹		NET EXTREME LOSS ASSESSMENT ¹	RESIDUAL ² IMPACT FROM EXTREME LOSS ASSESSMENT ¹	
	bn	bn	bps	bn	bps	
CET1r impact						
Participation	-2.7 ³	-2.7 ³	-31 ⁴	-2.7 ³	-31 ⁴	➤ Participation value and associated RWA lower Q/Q due to Ruble depreciation
Derivatives	-0.4	-0.1	-5	-0.1	-5	➤ Intragroup only and fully collateralised
Cross-border exposure ⁵	-1.5	-0.8	-18 ⁴	-0.2	-1 ⁴	➤ Exposure reduced due to maturities and prepayments at a better than provisioned value. End-of-period coverage of c.38%
Additional intragroup exposure ⁶	-0.1	-0.1	-4	-0.1	-4	
Total impact	-4.7	-3.8	-58	-3.2	-41	
	Down from -7.4bn as of 1Q22 market presentation		Down from -128bps as of 1Q22 market presentation		16.2%	➤ CET1r pro-forma For hypothetical -41bps residual impact ² from extreme loss assessment

c.-69% reduction equivalent to -4.3bn since March 2022⁷
on non-local participation exposures, executed at minimum cost thanks to management proactive actions



Balance Sheet

2Q23 balance sheet: **844_{bn}**

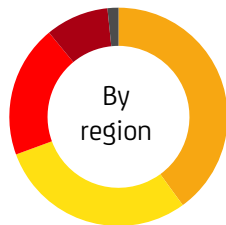


Deposit details

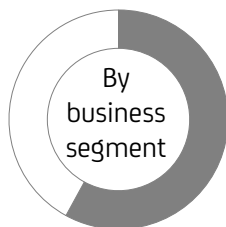
Deposits from customers (Net of repos and IC - EoP)

472bn
(-2% Q/Q)

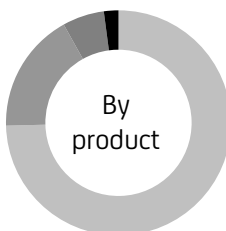
Italy
Germany
Central Europe
Eastern Europe
Russia



Retail¹ -1% Q/Q
Corporates¹ -2% Q/Q



Sight Deposits -3% Q/Q
Term Deposits +4% Q/Q
Saving Deposits -4% Q/Q
Other



2Q23 avg commercial deposits, bn

vs 1Q23

Customer deposits rates 2Q23
(vs 1Q23)

Italy



-1%

-0.36%
(-12bps)

Germany



-4%

-1.10%
(-28bps)

Central Europe



-2%
at constant FX

-1.65%
(-35bps at constant FX)

Eastern Europe



+1%
at constant FX

-0.73%
(-7bps at constant FX)

Russia



-3%
at constant FX

-0.95%
(+13bps at constant FX)

Group



-2%

-0.87%
(-20bps)



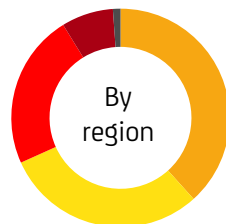
Loan details

Loans to customers

(Net of repos and IC - EoP)

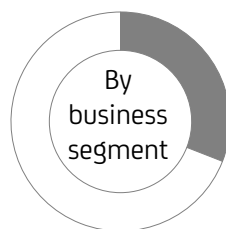
423bn
(-2% Q/Q)

Italy
Germany
Central Europe
Eastern Europe
Russia

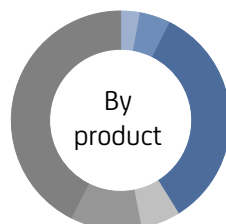


Retail¹
Corporates¹

flat Q/Q
-2% Q/Q



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

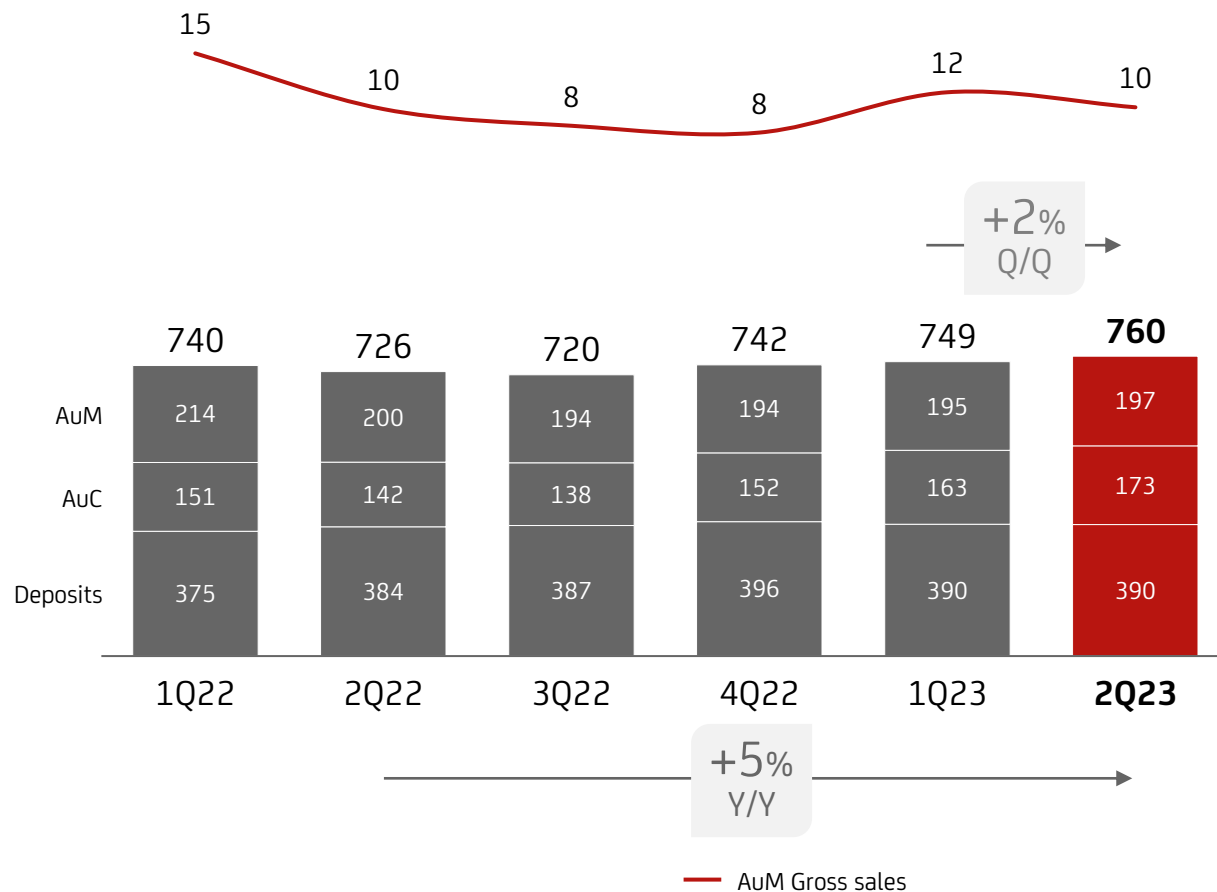


	2Q23 avg gross commercial performing loans, bn	vs 1Q23	Gross customer performing loan rates 2Q23 (vs 1Q23)
Italy	160	-2%	4.03% (+55bps)
Germany	112	-1%	3.44% (+36bps)
Central Europe	93	+0% at constant FX	4.00% (+41bps at constant FX)
Eastern Europe	33	+2% at constant FX	5.09% (+29bps at constant FX)
Russia	6	-10% at constant FX	7.88% (+19bps at constant FX)
Group	404	-1%	4.00% (+43bps)



Total Financial Assets

Quarterly evolution, bn



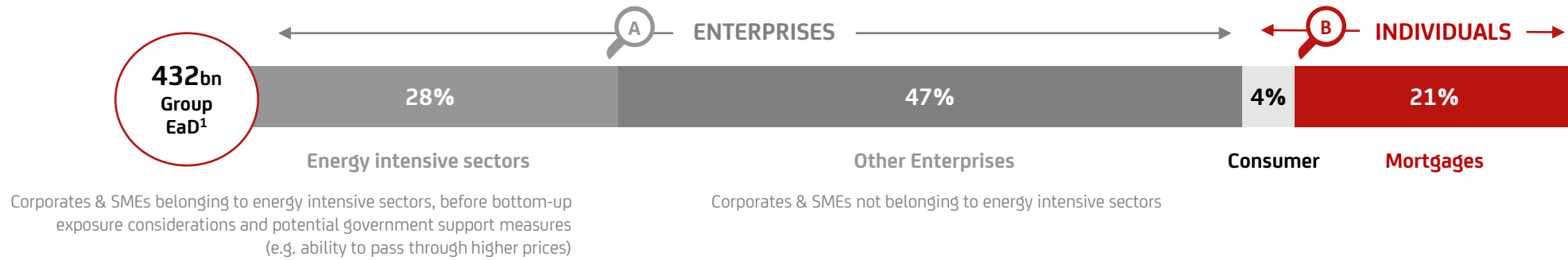
TFAs¹ quarterly split by item, bn

AuM	197 _{bn} 2Q23	+1% Q/Q	-1% Y/Y
AuC	173 _{bn} 2Q23	+6% Q/Q	+22% Y/Y
Deposits	390 _{bn} 2Q23	flat% Q/Q	+1% Y/Y



ANNEX

Spill-over analysis confirming soundness of Group risk profile



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:



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 c.1% of total Group EaD¹ which equals **<2% of Enterprises**

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

Spotlight on small business

- **Small Business** at only **c.4%** of Group EaD¹
- Exposure **highly secured** (>60%)



Spotlight on individuals

- **Limited consumer** finance (**4% of EaD¹**, 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**



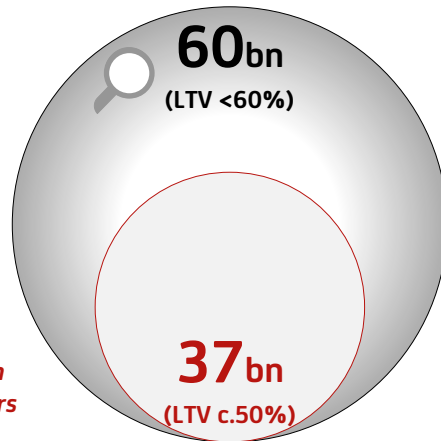
Focus on Commercial Real Estate (CRE) portfolio

CRE vs total loans in line or below market¹ in Italy, Germany and Austria; volume stable over recent years with declining gross NPE at c.4%

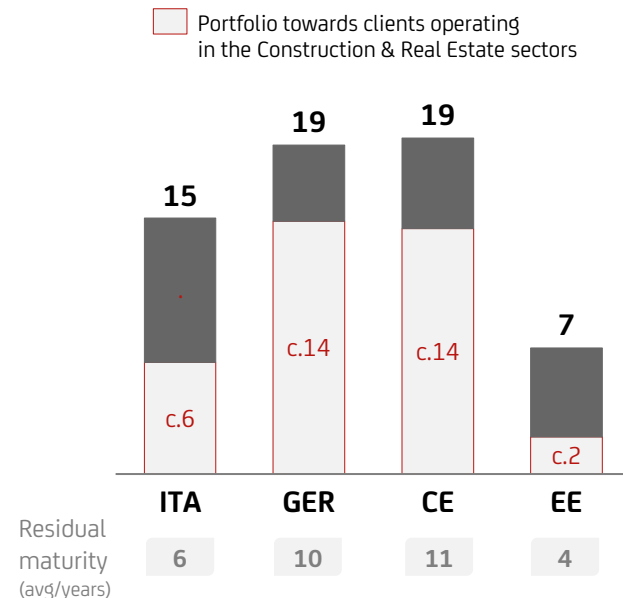
CRE portfolio as of 1Q23

Portfolio of CRE financing and/or corporate loans with CRE collateral regardless of the industry in which the counterpart operates in

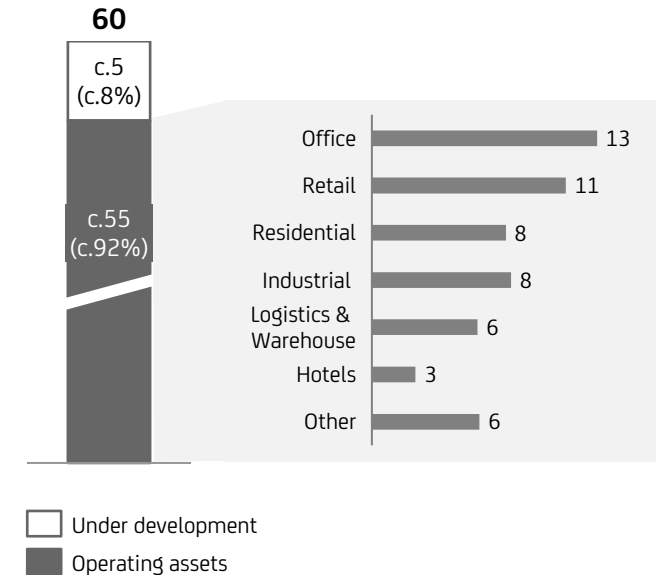
Portfolio towards clients operating in the Construction & Real Estate sectors



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

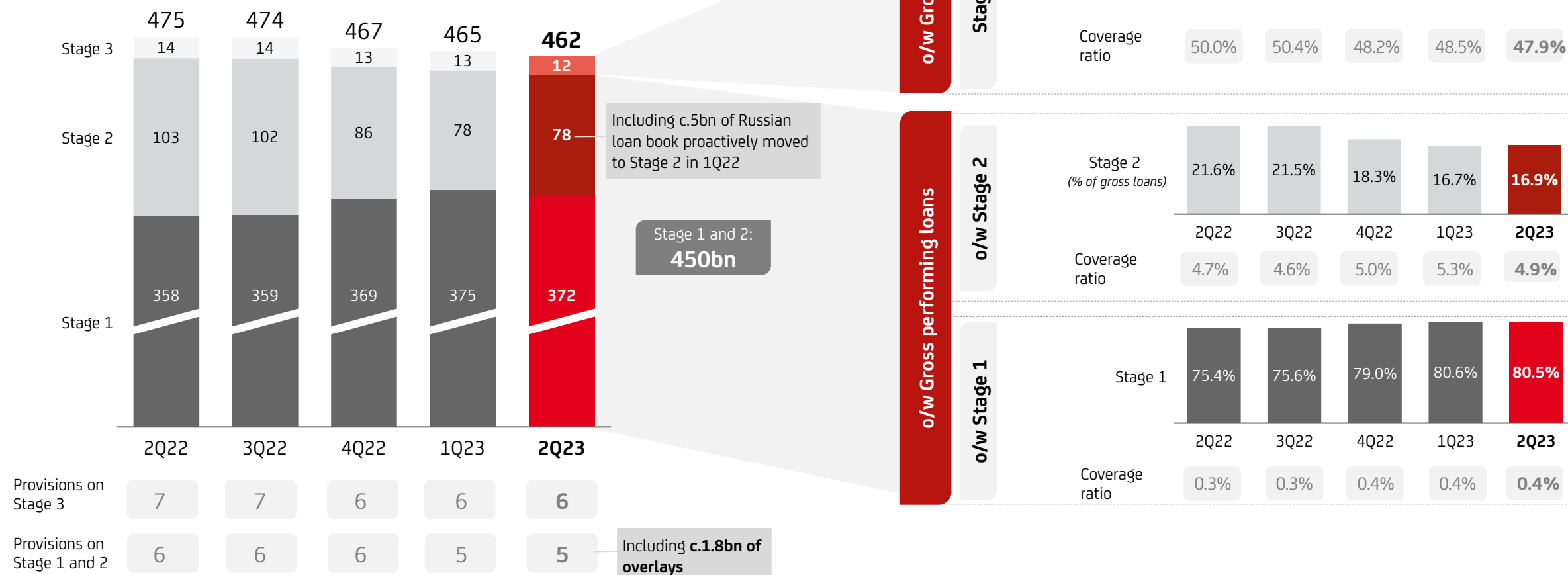
In some CE&EE countries greater tendency to get Real Estate collateral on short-term working capital lines and other products amounting to c.7bn, increasing CRE portfolio

Limited exposure to projects under development mostly in Germany and with strict controls enforced



Group gross loans breakdown by stages

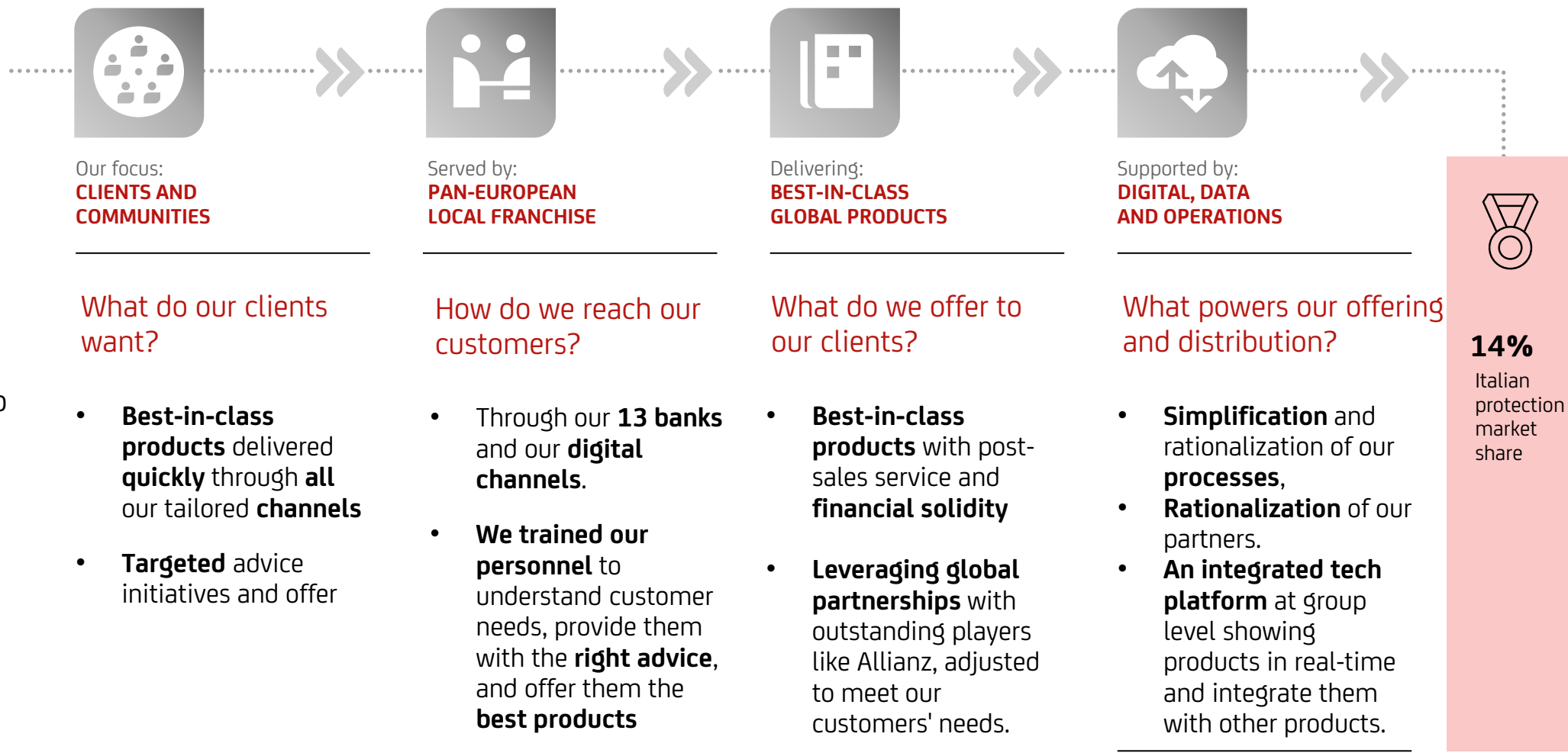
Group gross loans¹ and provisions EoP, bn



Insurance: an example of our transformation in action

A new set-up for insurance

From 9 fragmented partnerships, unable to meet customer needs, and hindering distribution channels



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 2Q23 versus 1Q23**)

Delta Y/Y means: current quarter of the current year versus the same quarter of the previous year (in this presentation **equal to 2Q23 versus 2Q22**)

Delta 1H/1H means: half year of the current year versus half year of the previous year (in this presentation **equal to 1H23 versus 1H22**)



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, 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
“Diluted EPS”	calculated as Net Profit after AT1/CASHES - as defined below - on avg. number of diluted 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
“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)



Information related to this presentation (3/4)

Main definitions

“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
“Net profit after AT1/Cashes”	means Net profit as defined above adjusted for impacts from AT1 and Cashes coupons. The result is used for cash dividend accrual / total distribution, as well as 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
“PD scenario”	Impacts deriving from probability of default scenario, including rating dynamics



Information related to this presentation (4/4)

Main definitions

“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

